



MUTUAL  
ASSURANCE

2023 Annual Report



# The Perpetual Policy

Your policy never expires. As long as membership conditions are satisfied, the policy remains in effect, subject only to the eligibility requirements of the Society and the policy's cancellation provisions.

## Our Mission

At Mutual Assurance, our mission is to provide quality insurance protection at a reasonable cost, through sound investments, excellent risk selection, and an understanding of members' needs and expectations.

To provide members with the highest level of personal service in a caring and efficient manner; and

To build on our reputation as a leader of Virginia's insurance industry while adhering to the basic principles of benevolence that have guided the Society since 1794.







# 2023 At a Glance

**\$18,352,260**

Direct Earned Premium

**5.7%**

Increase in Direct Earned Premium over 2022

**\$10,916,334**

Direct Incurred losses

**20.5%**

Total return on investment portfolio

**26.9%**

Return on equities compared to 26.3% for  
the S&P 500

**6.8%**

Return on fixed income compared to 5.3%  
for the Bloomberg Intermediate  
Government/Corporate Index

**34%**

Increase in reinsurance cost over 2022

**13%**

Increase in Policyholder's Surplus from 2022

**A+**

Our rating with KBRA (Kroll Bond Rating Agency),  
raised from A in 2022

The 2023 Financial Summary is available to members  
only. The document is available to view and/or  
download at

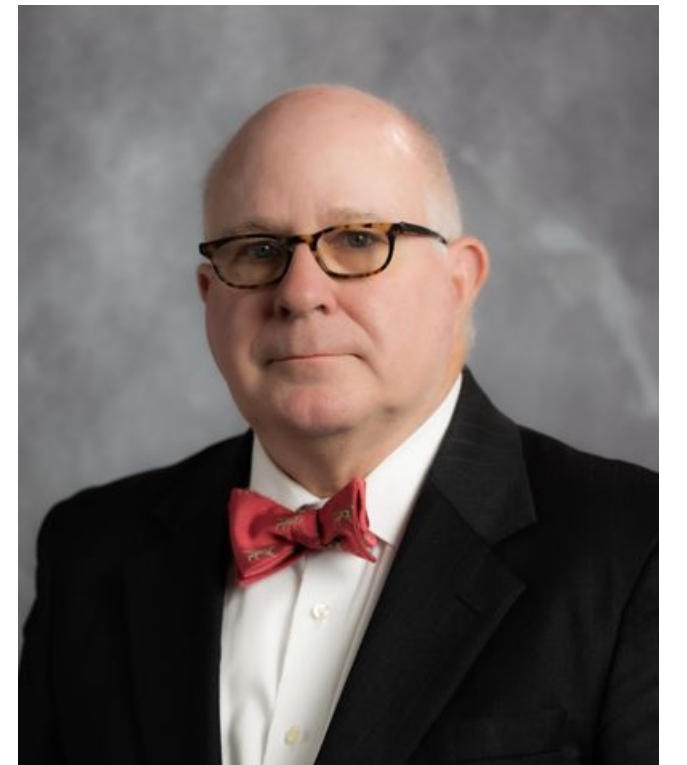
[www.mutual-assurance.com/amr](http://www.mutual-assurance.com/amr), or you can request  
a paper copy be mailed to you by contacting our  
Underwriting Services Department at 800-648-1794



# President's Annual Message to the Members

If I could choose one word to describe 2023, it would be “instability.”

Inflation continued to be a challenge, and macroeconomic trends were difficult to interpret. In the insurance industry, the frequency and severity of claims continued to climb, and extreme weather patterns brought increased storm activity to Virginia, leading to significant increases in the cost of reinsurance.



At Mutual Assurance, we faced this instability directly and adjusted our focus to continue to provide stable protection for our members and their homes at a reasonable cost. I am happy to report that we were able to hold the annual assessment rate steady while continuing to provide the highest level of service for our members.

I want to highlight a few things our staff accomplished in 2023 that allowed us to thrive despite the unstable environment.

First, we rolled out a new policy that provides more comprehensive and relevant coverage for our members. The new policy simplifies the coverage choices and costs so our members can be confident they have the best coverage available.

We also introduced new online payment options to make it easier than ever to pay your premium and assessments. The new payment options increase our staff's efficiency, reduce costs, and minimize your exposure to fraud and theft that can occur when payments are paid by check.

Finally, our investment portfolio, which is the cornerstone of our assessment model, produced superior returns in 2023. Our equity and fixed-income portfolios outperformed the S&P 500 and the Bloomberg Intermediate Government/Corporate Index, respectively.

I'm excited about the future of the Society. As we enter 2024, we will continue to take measured steps to address the challenges before us. The following pages feature two strategic initiatives we are undertaking to position the Society to meet the needs of our members in the future. Balancing our member base in the western part of the state and opening an in-house agency to provide additional product lines without a risk component will provide additional stability for our members.

As always, your stewardship of our business model through your ongoing efforts to maintain your property as a responsible homeowner is what keeps Mutual Assurance strong in our 230th year in business. We thank you for your support of the Society, and we are proud to call you a member.

Sincerely,

A handwritten signature in blue ink that reads "Jeffrey S. Wrobel, Sr.".

Jeffrey S. Wrobel, Sr., CPCU, A.U., AIT  
President



# Achieving Geographic Balance

Since its founding in 1794, Mutual Assurance has relied primarily on word of mouth to attract new members. While referrals from friends and family members have served us well, it has also led to a concentration in the central and eastern parts of Virginia for the homes we insure.

We are constantly monitoring our exposure to hurricanes, and the rising cost of reinsurance has led us to evaluate how to mitigate the financial impact that our concentration of risk in the eastern half of the state could have.

As a result, we have made the strategic commitment to achieve a greater geographic balance over the next 10 years by expanding our member base in the western part of the state.

Mutual Assurance has a strong presence in Charlottesville, Lynchburg, Danville, Lexington, and Staunton, where our agency partners have been working with us for many years. Our goal is to grow in Roanoke, Blacksburg, Harrisonburg, Winchester, Culpeper, Warrenton, and similar areas. We have started some limited direct marketing and plan to open Mutual Assurance agency locations in these towns.

As always, your referral of friends and family who live in these areas helps keep Mutual Assurance strong.





# Mutual Assurance Agency

Mutual Assurance is excited to announce that we are launching an in-house insurance agency!

Members often ask if we can provide coverage for their autos as well as their homes, and our agency will partner with other insurance companies to provide auto, boat, motorcycle, property, and small commercial coverage. The goal is to meet all our members' personal insurance needs along with the level of service you've come to expect from Mutual Assurance.

The agency will create additional revenue streams from the commissions earned on these other products, with no increase in the risk borne by Mutual Assurance. These additional revenue streams will help us keep future assessments low.

We also expect the agency to help us with our goal of expanding into new geographic areas of Virginia where we do not currently have a strong presence. Future plans call for opening satellite offices in several towns in the western part of the state.

Our first agency office will be opening on Main Street in Lexington in May.





# Leadership

## Board of Directors



Farhad Aghdami  
Partner  
Williams Mullen



Alexandra A. Bayler  
Portfolio Manager  
Brown Advisory



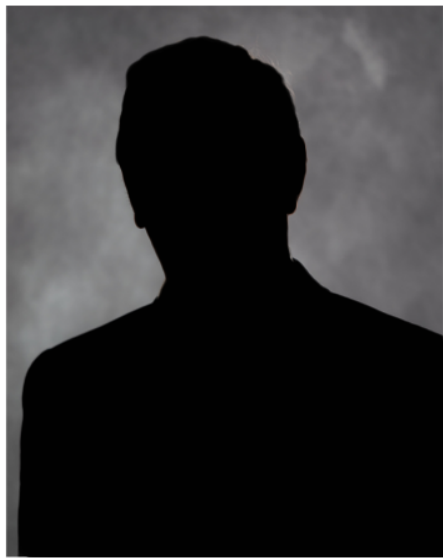
William T. Clarke, Jr.  
Managing Director,  
Municipal Bonds  
Stifel Nicolaus



Mary C. Doswell  
Former Vice President  
Dominion Energy  
Solutions



George Freeman  
Chairman, President  
& CEO  
Universal Corporation



William A. Krusen III  
CEO  
Falcon Affiliates



William E. Hardy  
Founding Partner  
Harris, Hardy &  
Johnstone, P.C.



Edward W. Valentine  
Executive Managing  
Director  
Harris Williams &  
Company



Jeffrey S. Wrobel, Sr.  
President & CEO  
Mutual Assurance

## Management



Jeffrey S. Wrobel, Sr.  
President & CEO  
Mutual Assurance



Theresa Lewis  
Secretary-Treasurer



Mark C. Crutcher  
VP Marketing &  
Innovation



Paul Davis  
VP Claims



Lisa Eckart  
VP Underwriting

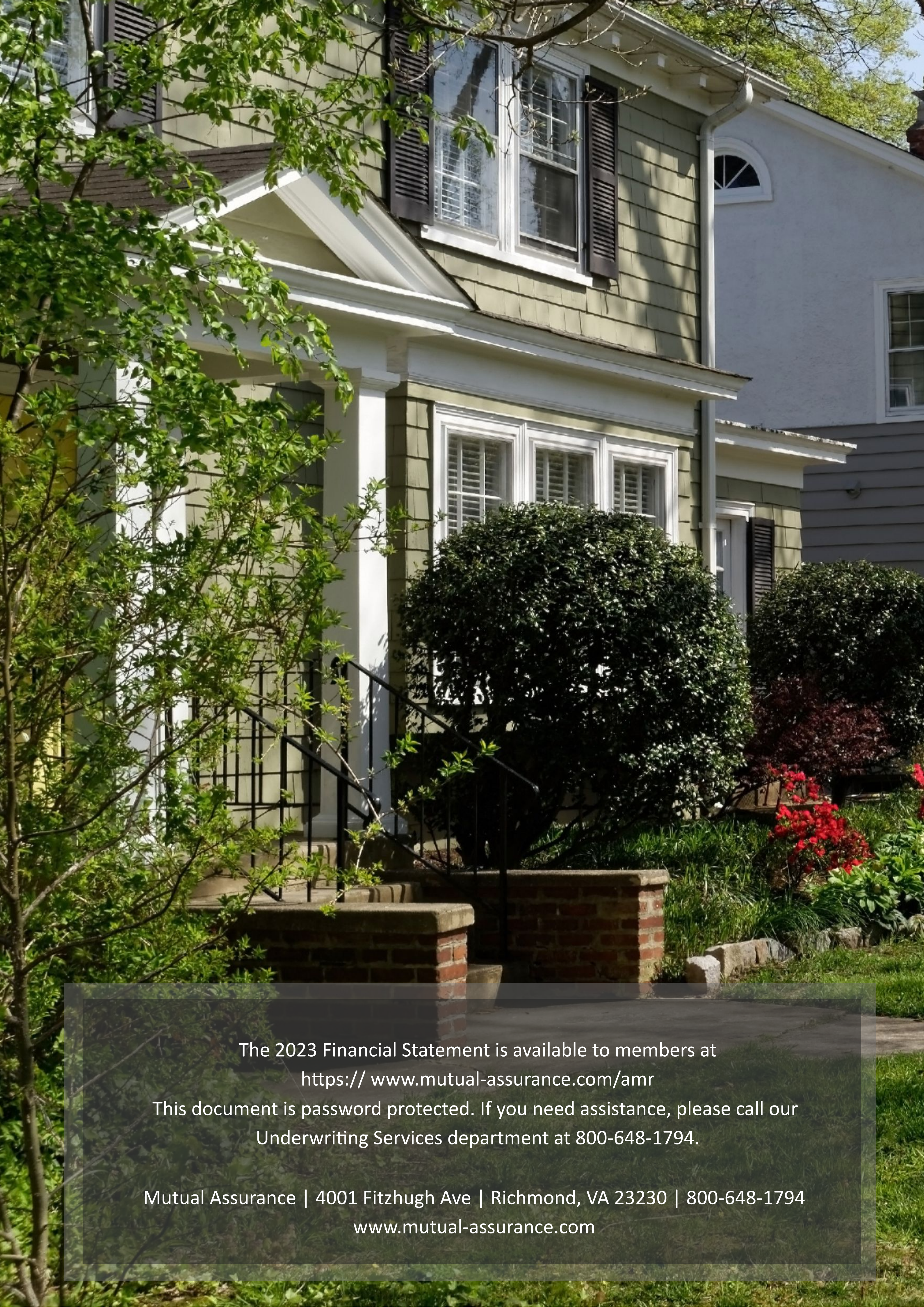


C. Lewis Marsh  
VP Investments



Jonathan D. Sisk  
VP Information Systems





The 2023 Financial Statement is available to members at  
[https:// www.mutual-assurance.com/amr](https://www.mutual-assurance.com/amr)

This document is password protected. If you need assistance, please call our  
Underwriting Services department at 800-648-1794.

Mutual Assurance | 4001 Fitzhugh Ave | Richmond, VA 23230 | 800-648-1794  
[www.mutual-assurance.com](http://www.mutual-assurance.com)