

The Mutual Benefit Association 2021 financial report



**James W.
"Jim" Yates**

Each year, the Mutual Benefit Association (MBA) publishes figures that reflect its financial health. This is in accordance with MBA's General Law 9, Section 3, which requires that after the annual valuation by the association's actuaries, financial information must be published in the letter carriers' magazine, *The Postal Record*.

The report below demonstrates that MBA continues to be a strong financial institution. This strength allows us to provide quality products at affordable rates. Comparisons were made of

MBA's financial condition between its prior two years of performance, ending Dec. 31, 2021, and Dec. 31, 2020.

United States Letter Carriers Mutual Benefit Association (MBA)

The Life Insurance Association of
and for the National Association
of Letter Carriers
100 Indiana Ave. NW, Suite 510
Washington, DC 20001-2144

Board of Trustees

Lawrence D. Brown Jr., chairman
Sandy Laemmel
Mack I. Julion

202-638-4318, 8 a.m.-3:30 p.m. (Eastern)
800-424-5184, 8 a.m.-3:30 p.m. (Eastern), Tuesday and Thursday

BALANCE SHEET*

	Dec. 31, 2021	Dec. 31, 2020
Assets		
Cash	3,903,877	1,703,806
Short Term	0	0
Investments		
Stocks	26,598,244	26,243,068
Bonds - amortized value	240,853,913	231,353,409
Policy loans	2,308,138	2,612,157
Accrued investment income	2,579,366	2,558,604
Security Lending	0	(89,517)
Misc. including unearned premium and EDP equipment	62,873	124,737
Total assets	276,306,411	264,506,264
Liabilities and Reserves		
Liabilities		
Unpaid claims	646,637	543,481
Deposit - type contracts	2,658,996	2,923,102
General expenses due and accrued	298,224	367,695
Taxes due and accrued	0	0
Unearned income	178,758	167,557
Escrow and suspense	127,756	103,099
Experience refund provision	429,844	439,091
Securities Lending Collateral	0	0
Other - FAS 106 medical plan	4,123,314	4,000,582
Reserves		
For the benefit and protection of policyholders	219,985,611	211,601,122
For dividends to policyholders	383,174	704,421
Required securities valuation	8,558,187	9,243,737
Total Liabilities and Reserves	237,390,501	230,093,887
Fund Balance (Surplus)		
Allocated for contingencies	350,000	350,000
Unassigned	38,565,910	34,062,378
Total Fund Balance (Surplus)	38,915,910	34,412,378
Total Liabilities, Reserves and Fund Balance	276,306,411	254,550,393
Surplus Ratio	16.39%	14.96%
Ratio with AVR and IMR	20.75%	19.77%
Allocated for contingencies	350,000	350,000

*Per NAIC statutory accounting rules

INCOME STATEMENT*

	Dec. 31, 2021	Dec. 31, 2020
Operations		
Premiums earned	13,179,824	11,591,494
+Investment income	10,239,976	9,833,375
+SCILC considerations	287,649	2,776,562
-Increase in reserves	8,384,489	6,861,970
+Miscellaneous Income	7,377	11,451
-Experience refund provision + Misc. Inc.	429,412	439,091
=Provision for benefits and expense	14,900,925	16,911,821
Incurred benefits		
Deaths	1,871,821	1,694,307
Maturities	0	0
Waiver of premium, life/annuities	17,806	27,411
Hospital indemnity	98,404	65,698
Disability income	561,187	598,008
NSBA	0	0
Cash surrenders, life	7,558,217	9,555,985
Annuity benefits	995,430	2,963,627
Scilc contract Payments	1,831,974	2,020,752
Interest on deposit contracts	112,397	121,184
-Total incurred benefits	13,047,236	17,046,972
-Dividends to policyholders	354,796	682,902
-General expenses	3,379,678	3,635,183
-Taxes	121,700	118,128
=Net income from operations	\$(2,002,485)	\$(4,571,364)
+Realized capital gains/losses	3,627,056	2,726,990
=Net income	\$1,624,571	\$(1,844,374)
Other Surplus Gains (Losses)		
+Unrealized capital gains/losses	1,872,819	986,458
+AVR change	998,468	(357,904)
Change in valuations basis	0	0
+NAA change	40,889	52,394
Miscellaneous (FAS 106 & EDP)	(33,217)	(325,338)
=Change in fund balance (surplus)	\$4,503,530	(1,488,764)

*Per NAIC statutory accounting rules