



PROPERTY AND CASUALTY COMPANIES - ASSOCIATION EDITION

ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2020
OF THE CONDITION AND AFFAIRS OF THE

United Heritage Property & Casualty Company

NAIC Group Code	<u>2878</u> (Current)	<u>2878</u> (Prior)	NAIC Company Code	<u>18939</u>	Employer's ID Number	<u>82-0105660</u>
Organized under the Laws of	<u>Idaho</u>		State of Domicile or Port of Entry	<u>ID</u>		
Country of Domicile	<u>United States of America</u>					
Incorporated/Organized	<u>04/01/1908</u>		Commenced Business	<u>04/01/1908</u>		
Statutory Home Office	<u>707 East United Heritage Court</u> (Street and Number)		<u>Meridian, ID, US 83642-7785</u> (City or Town, State, Country and Zip Code)			
Main Administrative Office	<u>707 East United Heritage Court</u> (Street and Number)		<u>Meridian, ID, US 83642-7785</u> (City or Town, State, Country and Zip Code)			
	<u>800-657-6351</u> (Area Code) (Telephone Number)					
Mail Address	<u>PO Box 5555</u> (Street and Number or P.O. Box)		<u>Meridian, ID, US 83680-5555</u> (City or Town, State, Country and Zip Code)			
Primary Location of Books and Records	<u>707 East United Heritage Court</u> (Street and Number)		<u>Meridian, ID, US 83642-7785</u> (City or Town, State, Country and Zip Code)			
	<u>800-657-6351</u> (Area Code) (Telephone Number)					
Internet Website Address	<u>http://www.unitedheritage.com/</u>					
Statutory Statement Contact	<u>Leah Danielle Greenwood FLMI</u> (Name)		<u>208-475-0918</u> (Area Code) (Telephone Number)			
	<u>lgreenwood@unitedheritage.com</u> (E-mail Address)		<u>208-475-1036</u> (FAX Number)			

OFFICERS

President & CEO	<u>Marjorie Ann Hopkins PHR, FLMI</u>	VP & CFO	<u>Marcus Scott McDonald CPA</u>
VP, Investments & Treasurer	<u>Dean David Sandros CPA</u>	VP, Claims	<u>Steven Austin Browning</u>

OTHER

<u>Daniel Allen Navarro #, VP, Underwriting</u>	<u>Jeffrey Daymon Neumeier, VP, General Counsel</u>	<u>Stefanie Ann Thiel, VP, Human Resources</u>
<u>Tracy Ranay Oneale #, VP, Deputy General Counsel, & Secretary</u>		

DIRECTORS OR TRUSTEES

<u>Linda Payne Smith</u>	<u>Joseph P. Shirts</u>	<u>Richard L. Stuppy</u>
<u>Marjorie Ann Hopkins PHR, FLMI</u>	<u>Robert Joseph McCarvel</u>	

State of Idaho SS:
County of Ada

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

<u>Marjorie Ann Hopkins</u> President & CEO	<u>Marcus Scott McDonald</u> VP & CFO	<u>Tracy Ranay Oneale</u> VP, Deputy General Counsel, & Secretary
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Subscribed and sworn to before me this
day of February 2021

- a. Is this an original filing? Yes [X] No []
b. If no,
1. State the amendment number.....
2. Date filed.....
3. Number of pages attached.....

Notary

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D)	32,362,000		32,362,000	34,097,762
2. Stocks (Schedule D):				
2.1 Preferred stocks	2,638,711		2,638,711	2,158,867
2.2 Common stocks	1,125,696		1,125,696	643,816
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$			0	0
encumbrances)				
4.2 Properties held for the production of income (less			0	0
\$ encumbrances)				
4.3 Properties held for sale (less \$			0	0
encumbrances)				
5. Cash (\$485,430 , Schedule E - Part 1), cash equivalents				
(\$0 , Schedule E - Part 2) and short-term				
investments (\$, Schedule DA)	485,430		485,430	574,251
6. Contract loans (including \$ premium notes)			0	0
7. Derivatives (Schedule DB)			0	0
8. Other invested assets (Schedule BA)			0	0
9. Receivable for securities			0	0
10. Securities lending reinvested collateral assets (Schedule DL)			0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	36,611,837	0	36,611,837	37,474,696
13. Title plants less \$ charged off (for Title insurers			0	0
only)				
14. Investment income due and accrued	293,451		293,451	321,920
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	2,072,240		2,072,240	1,697,004
15.2 Deferred premiums and agents' balances and installments booked but				
deferred and not yet due (including \$				
earned but unbilled premiums)	2,116,774		2,116,774	2,727,696
15.3 Accrued retrospective premiums (\$) and				
contracts subject to redetermination (\$)			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	2,058,419		2,058,419	1,022,563
16.2 Funds held by or deposited with reinsured companies			0	0
16.3 Other amounts receivable under reinsurance contracts			0	0
17. Amounts receivable relating to uninsured plans			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon			0	0
18.2 Net deferred tax asset	1,194,593		1,194,593	1,324,248
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software	50,196		50,196	47,057
21. Furniture and equipment, including health care delivery assets				
(\$)	17,558		17,558	12,815
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates			0	0
24. Health care (\$) and other amounts receivable			0	0
25. Aggregate write-ins for other than invested assets	2,831	0	2,831	0
26. Total assets excluding Separate Accounts, Segregated Accounts and				
Protected Cell Accounts (Lines 12 to 25)	44,417,898	0	44,417,898	44,627,999
27. From Separate Accounts, Segregated Accounts and Protected Cell			0	0
Accounts				
28. Total (Lines 26 and 27)	44,417,898	0	44,417,898	44,627,999
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0	0	0
2501. Other Receivables	2,831		2,831	
2502.				
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	2,831	0	2,831	0

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8)	7,988,262	8,921,623
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)	0	0
3. Loss adjustment expenses (Part 2A, Line 35, Column 9)	914,205	975,860
4. Commissions payable, contingent commissions and other similar charges	221,488	260,294
5. Other expenses (excluding taxes, licenses and fees)	357,440	280,448
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	75,684	53,575
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))		
7.2 Net deferred tax liability		
8. Borrowed money \$ 539,649 and interest thereon \$ 3,852	543,501	
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$ 0 and including warranty reserves of \$ and accrued accident and health experience rating refunds including \$ for medical loss ratio rebate per the Public Health Service Act)	15,928,889	16,196,648
10. Advance premium	745,400	797,179
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders		
12. Ceded reinsurance premiums payable (net of ceding commissions)	1,269,903	1,589,676
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 20)	0	0
14. Amounts withheld or retained by company for account of others	26,237	6,086
15. Remittances and items not allocated	164,022	153,684
16. Provision for reinsurance (including \$ 0 certified) (Schedule F, Part 3, Column 78)	0	0
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding		
19. Payable to parent, subsidiaries and affiliates	206,681	182,546
20. Derivatives	0	0
21. Payable for securities		
22. Payable for securities lending		
23. Liability for amounts held under uninsured plans		
24. Capital notes \$ and interest thereon \$		
25. Aggregate write-ins for liabilities	48,739	26,736
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	28,490,450	29,444,355
27. Protected cell liabilities		
28. Total liabilities (Lines 26 and 27)	28,490,450	29,444,355
29. Aggregate write-ins for special surplus funds	0	0
30. Common capital stock	3,963,775	3,963,775
31. Preferred capital stock		
32. Aggregate write-ins for other than special surplus funds	0	0
33. Surplus notes	0	
34. Gross paid in and contributed surplus	4,544,481	4,544,481
35. Unassigned funds (surplus)	7,419,192	6,675,388
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 30 \$)		
36.2 shares preferred (value included in Line 31 \$)		
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39)	15,927,449	15,183,644
38. TOTALS (Page 2, Line 28, Col. 3)	44,417,899	44,627,999
DETAILS OF WRITE-INS		
2501. ESCHETABLE PAYABLE	117,559	109,056
2502. UNCLAIMED PROPERTY	6,888	6,356
2503. DEFERRED REVENUE	(75,708)	(88,675)
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	48,739	26,736
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998)(Line 29 above)	0	0
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page	0	0
3299. Totals (Lines 3201 thru 3203 plus 3298)(Line 32 above)	0	0

STATEMENT OF INCOME

	1 Current Year	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4)	27,055,905	25,643,572
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7)	15,592,029	18,800,874
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	2,576,334	2,385,781
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)	9,334,963	8,309,861
5. Aggregate write-ins for underwriting deductions	5,819	6,663
6. Total underwriting deductions (Lines 2 through 5)	27,509,145	29,503,180
7. Net income of protected cells		
8. Net underwriting gain or (loss) (Line 1 minus Line 6 plus Line 7)	(453,240)	(3,859,607)
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	1,662,193	1,667,757
10. Net realized capital gains or (losses) less capital gains tax of \$ (Exhibit of Capital Gains (Losses))	38,087	783,052
11. Net investment gain (loss) (Lines 9 + 10)	1,700,280	2,450,809
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$)	0	0
13. Finance and service charges not included in premiums	78,961	93,159
14. Aggregate write-ins for miscellaneous income	531	28,532
15. Total other income (Lines 12 through 14)	79,492	121,691
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	1,326,532	(1,287,108)
17. Dividends to policyholders		
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	1,326,532	(1,287,108)
19. Federal and foreign income taxes incurred		
20. Net income (Line 18 minus Line 19)(to Line 22)	1,326,532	(1,287,108)
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	15,183,643	16,313,636
22. Net income (from Line 20)	1,326,532	(1,287,108)
23. Net transfers (to) from Protected Cell accounts		
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$	86,928	291,976
25. Change in net unrealized foreign exchange capital gain (loss)		
26. Change in net deferred income tax	(129,655)	405,139
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3)		0
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)	0	0
29. Change in surplus notes		
30. Surplus (contributed to) withdrawn from protected cells		
31. Cumulative effect of changes in accounting principles		
32. Capital changes:		
32.1 Paid in		
32.2 Transferred from surplus (Stock Dividend)		
32.3 Transferred to surplus		
33. Surplus adjustments:		
33.1 Paid in	0	0
33.2 Transferred to capital (Stock Dividend)		
33.3 Transferred from capital		
34. Net remittances from or (to) Home Office		
35. Dividends to stockholders	(540,000)	(540,000)
36. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1)	0	0
37. Aggregate write-ins for gains and losses in surplus	0	0
38. Change in surplus as regards policyholders for the year (Lines 22 through 37)	743,805	(1,129,993)
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)	15,927,448	15,183,643
DETAILS OF WRITE-INS		
0501. Depreciation on Equipment and Vehicle	5,819	6,663
0502.		
0503.		
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598)(Line 5 above)	5,819	6,663
1401. Gain (Loss) Sale of Assets		(14,587)
1402. Miscellaneous Income	531	43,118
1403.		
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498)(Line 14 above)	531	28,532
3701.		
3702.		
3703.		
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0
3799. Totals (Lines 3701 thru 3703 plus 3798)(Line 37 above)	0	0

CASH FLOW

	1	2
	Current Year	Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	26,652,280	25,779,194
2. Net investment income	1,438,070	1,366,039
3. Miscellaneous income	79,492	121,691
4. Total (Lines 1 through 3)	28,169,841	27,266,924
5. Benefit and loss related payments	17,561,246	17,448,006
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	11,918,475	10,655,972
8. Dividends paid to policyholders	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)	0	(193,838)
10. Total (Lines 5 through 9)	29,479,721	27,910,140
11. Net cash from operations (Line 4 minus Line 10)	(1,309,879)	(643,216)
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	3,226,745	5,449,107
12.2 Stocks	165,373	152,958
12.3 Mortgage loans	0	0
12.4 Real estate	0	0
12.5 Other invested assets	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	0	0
12.7 Miscellaneous proceeds	0	7,608
12.8 Total investment proceeds (Lines 12.1 to 12.7)	3,392,118	5,609,673
13. Cost of investments acquired (long-term only):		
13.1 Bonds	1,242,965	3,432,672
13.2 Stocks	997,507	1,041,801
13.3 Mortgage loans	0	0
13.4 Real estate	0	0
13.5 Other invested assets	0	0
13.6 Miscellaneous applications	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	2,240,472	4,474,473
14. Net increase (decrease) in contract loans and premium notes	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	1,151,646	1,135,200
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	0	0
16.2 Capital and paid in surplus, less treasury stock	0	0
16.3 Borrowed funds	543,501	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0
16.5 Dividends to stockholders	540,000	540,000
16.6 Other cash provided (applied)	65,912	60,288
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	69,413	(479,712)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(88,820)	12,273
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	574,251	561,978
19.2 End of period (Line 18 plus Line 19.1)	485,431	574,251

Note: Supplemental disclosures of cash flow information for non-cash transactions:

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