

142nd
ANNUAL REPORT
2017



ERIE AND NIAGARA INSURANCE
ASSOCIATION EST. 1875



PRESIDENT'S MESSAGE

On behalf of our Board of Directors, officers and staff, we are pleased to report that our 2017 results continue our tradition of financial success and increased financial security for our policyholders. The Association's Combined Ratio of 82.7 continued the streak of 21 consecutive years below 100. As a mutual insurance company, we work for our policyholders to ensure our insurance products provide the protection needed at competitive and stable pricing.

We enter our 143rd year of operation with a long term prospective that focuses on policyholder security, customer service and prompt claim settlement. We offer a variety of products insuring homes and businesses marketed by over 250 agents in Upstate New York. As a lead writer of agri-business and farm properties, our rural niche has served us well.

Our results have positioned us to take advantage of future business opportunities utilizing a blend of technology and highly trained employees dedicated to delivering our policyholders "peace of mind for their piece of New York". We continue to be on the *Best Places to Work in Western New York* list, and our employees continue to be the cornerstone of our success.

The strength of our past is the foundation of our future.



Norman J. Orlowski, Jr., President/CEO

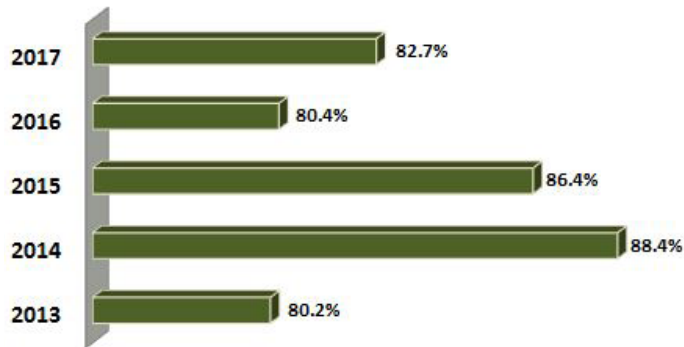


FINANCIAL INFORMATION

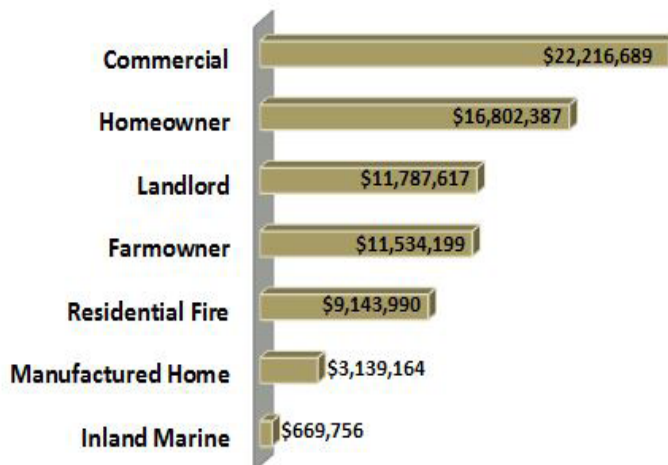
STATUTORY INCOME STATEMENTS

UNDERWRITING	2017	2016
Premiums Earned	\$68,365,116	\$64,859,446
Losses and LAE Incurred	(\$29,682,417)	(\$26,420,701)
Underwriting Expense	(\$27,849,887)	(\$26,373,016)
NET UNDERWRITING INCOME	\$10,832,812	\$12,065,729
Net Investment Gain	\$6,143,041	\$5,786,247
Other Income, Net	\$724,617	\$765,108
INCOME BEFORE TAXES	\$17,700,470	\$18,617,084
Income Tax Expense	(\$4,747,000)	(\$5,079,000)
NET INCOME	\$12,953,470	\$13,538,084

COMBINED RATIO



DIRECT WRITTEN PREMIUM

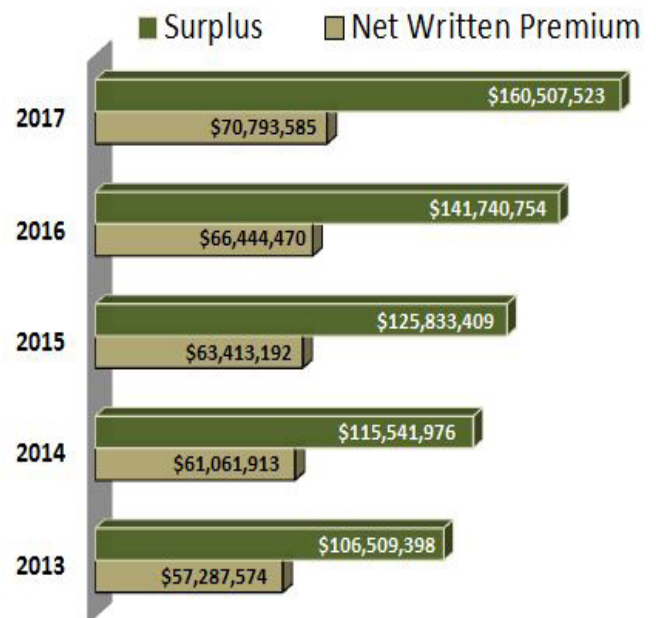


STATUTORY BALANCE SHEETS

ASSETS	2017	2016
Investments	\$220,607,849	\$196,480,029
Premium Receivables	\$10,966,735	\$10,213,750
Other Assets	\$2,753,220	\$3,873,465
TOTAL ADMITTED ASSETS	\$234,327,804	\$210,567,244

LIABILITIES & SURPLUS	2017	2016
Unpaid Loss & Loss Expense	\$21,147,150	\$18,594,602
Unearned Premiums	\$39,232,835	\$36,804,366
Other Liabilities	\$13,440,296	\$13,427,522
TOTAL LIABILITIES	\$73,820,281	\$68,826,490
SURPLUS	\$160,507,523	\$141,740,754
TOTAL LIABILITIES & SURPLUS	\$234,327,804	\$210,567,244

NET WRITTEN PREMIUM TO SURPLUS



OFFICERS AND DIRECTORS

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