

2019 Annual Report



Robert L. Lyon
President and
Chief Executive Officer

To our policyholders:

For over 150 years, we've been here protecting the things that matter. Rockingham Insurance has provided reliable coverage for your home and auto, business, or farm. We're here to help.

To honor our 150th Anniversary in 2019, we supported several community projects. These included an employee philanthropic program, funding Empower HR (a community-coordinated network software platform), exciting customer giveaways, and matching donations to the Make-A-Wish Foundation.

Our Specialty division made history when it formed a new subsidiary that was licensed as the first domestic surplus lines insurance company in Virginia, as Rockingham Specialty, Inc. After its first year of operations, the Commercial division that launched in 2018 exceeded desirable financial targets.

Our strong financial results ensure the stability that you rely on. Rockingham Insurance holds an "A" Excellent rating with A.M. Best Company, a highly regarded assessor of the financial and management stability of insurance companies.

The Board of Directors, management, staff, and agents appreciate the opportunity of serving your insurance needs.

EXECUTIVE OFFICERS

Robert Lyon, President and CEO
William Bayer, Customer Experience & Marketing
Shawn Clavon, Commercial Lines

Chad Covelli, Personal Lines & Analytics
Marcy Engle, Human Resources
Steven Kemp, Farm

Lou Pugh, Claims
John Schwertfuehrer, Finance
Deborah Van Horn, Specialty

BOARD OF DIRECTORS

Gene Berry — Insurance
Michelle Cox — Publishing
Douglas Driver — Construction
Roger Higgins, III — Insurance

Anne Keeler — Education
Robert Lyon — Insurance
Timothy O'Shea — Insurance

Todd Putney — Healthcare
Christopher Runion — Advertising
Pamela Turner — Financial Services

BY THE NUMBERS

103.7

Combined Ratio

Combined ratio is a standard measurement of an insurance company's underwriting profitability. A combined ratio of less than 100 generally indicates an underwriting profit.

71,805+

Policies serviced

15,187+

New policies added

105+

Charitable organizations supported

BALANCE SHEET

CONSOLIDATED BALANCE SHEET (IN 000'S) | AS OF DECEMBER 31, 2019 AND 2018

ASSETS	2019	2018	LIABILITIES & SURPLUS	2019	2018
Bonds	\$ 92,087	\$ 88,411	Losses & Loss Adjustment Expenses	\$ 30,714	\$ 23,790
Common Stocks	26,255	26,825	Unearned Premiums	46,456	34,249
Cash & Short Term Investments	23,635	7,305	Other Liabilities	10,714	8,495
Real Estate	1,087	976	Total Liabilities	87,884	66,534
Uncollected Premiums	17,631	12,784	Surplus	75,158	73,300
Other Assets	2,347	3,533	TOTAL LIABILITIES & SURPLUS	\$ 163,042	\$ 139,834
TOTAL ASSETS	\$ 163,042	\$ 139,834			

Buffamante Whipple Buttafaro, P.C. conducts an annual independent audit of the companies' results. Rockingham Mutual Group, Inc. is the parent company of the Rockingham Group which includes Rockingham Group, Inc., Rockingham Insurance Company, Rockingham Casualty Company, Rockingham Mutual Service Agency, Inc. and Rockingham Specialty, Inc.

2019 A MILESTONE YEAR

RECAP OF A SESQUICENTENNIAL ANNIVERSARY:

Community comes first. We never forget that we have a responsibility to our community and helping those around us just makes it that much stronger.



Employee Charitable Giving

In addition to annual charitable giving, we donated \$150 to 95 employee and agent designated non-profit charities totaling \$14,250 in contributions.

EmpowerHR

Collaborative software tool

Partnership with United Way of Harrisonburg & Rockingham County supporting local non-profit organizations.

Making Wishes Come True

Giving back to Make-A-Wish

Twelve monthly winners won \$150 and entered in the grand prize. Wanda from Waynesboro won a trip from here to anywhere. We held a send-off party for Lane, a Make-A-Wish child, whose wish was to travel to Hawaii.



We are members of the following insurance-related organizations:

