

# BUILD. GROW. INNOVATE.



2019  
ANNUAL REPORT



## MISSION STATEMENT

Shelter Insurance® will be a dynamic group of companies focused on providing financially secure insurance protection and services to individuals and businesses, a quality working environment, emphasis on easy-to-use services, a commitment to continuous improvement, and a passion for pleasing our customers.





# REFLECTIONS

## A MESSAGE FROM SHELTER'S BOARD CHAIR



**RICK MEANS**  
Board Chair

After 42 years and 3 months with Shelter Insurance, I retired as President and CEO in September 2019. I currently serve as Chair of the Board and on behalf of that group I wish to share my admiration and appreciation for Shelter's employees and agents. Our team continues to provide exceptional service during this coronavirus crisis. Shelter's leadership team continues to do an incredible job of communicating and leading our teams and we are all extremely proud and appreciative of their efforts. The Board members and I remain confident that Shelter will handle this crisis very well and maintain our extremely strong fiscal position.

The reason for this confidence lies within the results we experienced through the years. When looking at the past eight years, Shelter has reported a total of \$1.05 billion combined income before tax, an average of \$131 million per year. Trends from the 2019 fiscal year include: an increased average premium per policy, slightly increased retention, slightly lower non weather claim frequency (but higher weather claim severity) and continued growth in policy units.

Overall, Shelter Mutual's surplus strength grew to \$2.1 billion for the year, which represents an increase of \$115 million or 5.8%. Excluding the impact of the pre-event reserve balances, surplus would be \$2.33 billion.

We expected to achieve this important milestone of reaching \$2 billion in surplus in 2019 and it is very gratifying to know that the hard work in achieving this has paid off.

More than four decades ago I started my career with Shelter in the Claims department. I saw first-hand the importance of exceptional customer service through the years, and have encouraged an ongoing commitment to providing the best service possible. The weather continues to challenge us, even during this current crisis, but I know Shelter's team will exceed our customer's expectations. We will come through this stronger and ready for continued growth in the years to come.

I created the concept of the four-legged stool to describe what I saw as the four key areas for Shelter's continued success. I wanted to communicate these critical concepts to all employees and agents and I'm so pleased to hear people continue to reference the four legs on a regular basis. The first leg is that we sell insurance, and we are proud to do so. We have great products and exceptional agents and we believe we are second to none in this area. Secondly – we provide excellent service. Three of the last four years saw Shelter receiving a JD Power award for service so we know we are delivering that promise. The third leg is supporting the communities where we live and work. Our employees and agents volunteer countless hours supporting local charities and activities. The Shelter scholarship program continues to grow as more agents join in supporting that effort. The list of activities is too long to mention and is something in which we can all take pride. Lastly – the fourth leg of the stool is doing the right thing. Integrity is at the core of the Shelter brand and it's important to stay focused on what that means to all of us.

It was an honor to lead this great group of companies. I look forward to continuing to serve on the Board and provide assistance for Shelter's future. I believe it is a bright and strong future and our efforts will carry Shelter through the challenging times ahead and beyond.

*Rick Means*



**CURRENT BOARD OF DIRECTORS**

## A MESSAGE FROM SHELTER'S PRESIDENT & CEO



**MATT MOORE**  
President & CEO

As I reflect on Shelter's success in 2019, the world is experiencing a crisis unlike anything we have faced in modern times. We are all intensely focused on the challenges right now and each day we see more clearly that our Shelter employees and agents are exceptional professionals. I'm incredibly proud to lead this team during this difficult time and I feel confident in saying Shelter will weather the COVID crisis and remain a strong and steady super-regional insurer for many years to come.

The 2019 financial results were again strong, and the practices which led to those results are what gives me confidence in our ability to thrive during difficult times. Today, we offer insurance products and services in twenty-one states, provide a direct to consumer channel through the Say Insurance® brand and our newest company, AmShield Insurance®, which uses independent agencies serving customers in the west is growing. Our surplus has surpassed \$2 billion and our premiums are now \$1.9 billion, an increase over 10 years of 68% and 64%, respectively. Shelter Reinsurance also continues to expand across the world, with premiums increasing from \$42 million in 1998 to \$122 million today. Shelter Life continues to grow, with insurance in force growing from \$8.5 billion twenty years ago to \$28.4 billion today. When adding Life premium to the property and casualty group, premiums are \$2.02 billion for the year.

J.D. Power has again awarded Shelter Insurance® "highest customer satisfaction among auto insurers in the central region, three out of four years." Shelter moved into third nationally after tying for fourth in 2018. The central region includes our largest states, Missouri, Arkansas, Oklahoma and Kansas as well as Nebraska and Iowa. Since J.D. Power began recognizing Shelter in 2009, we have been significantly above the national average every year, and we continued to see positive responses regarding the value of our agents and the service our employees provide. Providing the best customer service is one of our four core principles to our future success.

For the third year in a row, Shelter was awarded Best Places to Work by Business Insurance. This award demonstrates Shelter's commitment to professional development and promoting leadership opportunities. We are committed to retaining our employees as demonstrated by our benefit plans, including both a profit sharing plan and a defined retirement plan, which is now 100% funded on a projected benefit obligation basis. The growth in our workforce has led to the need for the new building in our north campus. Construction continues and I look forward to celebrating the day when the doors are open and we tour these new workspaces.

I encourage you to review the articles within our annual report, especially what we have accomplished in the area of innovation. The new focus on this important aspect of our business has already delivered positive results and I look forward to seeing what is next as we learn more about innovative ways to do business.

Our efforts to help the communities in which we work and live expanded in 2019. Shelter received recognition for being one of the charter Partners in Education in Columbia, Missouri. For more than 35 years we have helped this program grow and assisted thousands of children through our efforts in the schools. Many of those children are Shelter employees or retirees and we continue to help their children and grandchildren. The Shelter scholarship programs reached new milestones in terms of the number and amounts shared in our communities. We also had one of the most successful corporate United Way campaigns and I am extremely proud of the creativity and generosity of our employees. You will also see articles about our Employee Resource Groups and the ways they continue to strengthen Shelter's overall culture.

When I became President and CEO for Shelter on September 1st, 2019, I followed in the footsteps of Rick Means. Rick's leadership and vision led Shelter through a time of significant growth and expansion into new ways of doing business through our subsidiaries. Rick remains Chair of the Board so we will continue to benefit from his experience and ideas and we all thank him for a lifetime of service to Shelter. He has positioned us well to continue to grow, and we thank him for his tireless efforts through the years.

I would like to express sincere thanks on behalf of Shelter's board of directors and officers to the employees, agents, vendors and customers who made these results possible. The people of Shelter are strong and ready to take on the challenges we face during this crisis. We have weathered many storms through our nearly 75 year history, whether literal or figurative. This will be no exception. We are Shelter Strong and we will remain so today, tomorrow and for many years to come.

# COMMITMENT TO MANAGEMENT EXCELLENCE

Shelter Insurance Companies are governed by a nine-member Board of Directors empowered to provide policy decisions and general oversight of the Companies' operations. Key responsibilities include reviewing corporate strategy and business plans and appointing officers. Three directors are elected annually by policyholders at the annual policyholders' meeting. Each director is elected for a three-year term. In addition, the Board appoints four committees to directly assist the Board in fulfilling its responsibilities: the Investment Committee, the Executive and Compensation Committee, the Corporate Governance Committee, and the Audit Committee.

While all four committees are important, the Audit Committee in particular is charged with performing three functions: serving as an objective party to monitor Shelter's financial reporting process and internal control system; appointing, reviewing, and assessing the independent audit firm; and providing an avenue of open communication among the independent auditors, internal auditors, senior management, and the Board.

Other senior management committees are established according to critical management issues. These committees are overseen by executive management. The goal of the Board and other committees is to ensure a management structure that provides effective oversight and is responsive to key issues on behalf of the employees, agents, and customers of the Shelter Insurance Companies.



# BOARD OF DIRECTORS



**RICK L. MEANS**  
Chair and Director



**MADISON "MATT" MOORE**  
President, CEO and Director



**ANDRÉS JIMÉNEZ**  
Director



**J. DAVID MOORE**  
Director



**DAVID R. MONDAY**  
Director



**STEPHEN E. ERDEL**  
Director



**H. BAKER KURRUS**  
Director



**RANDA RAWLINS**  
Executive VP and Director



**PATRICIA COFFEY**  
Director

**SHELTER  
GENERAL  
INSURANCE  
COMPANY**

**SHELTER  
LIFE  
INSURANCE  
COMPANY**

**SHELTER  
MUTUAL  
INSURANCE  
COMPANY**

**AMSHIELD  
INSURANCE  
COMPANY**

**SHELTER  
ENTERPRISES,  
LLC**

**SHELTER  
INVESTMENTS,  
LLC**

**SHELTER  
INSURANCE®  
GROUP OF  
OPERATING  
COMPANIES**

**SHELTER  
REINSURANCE  
COMPANY**

**In Blue - All rated "A" Excellent  
as determined by AM Best  
At December 31, 2019**

**DANIEL  
BOONE  
AGENCY,  
LLC**

**HAULERS  
INSURANCE  
COMPANY  
INC.**

**SHELTER  
FINANCIAL  
SERVICES,  
INC.**

**SHELTER  
BENEFITS  
MANAGEMENT  
INC.**



# SHELTER INSURANCE® FINANCIAL STATEMENT

For more than 70 years, Shelter has provided a variety of insurance products and services to our customers. Shelter has grown to be one of the nation's most successful and financially sound regional insurance groups.



**2,183,925**

P&C UNIT COUNT

*Up 244,254 over the past 5 years*



**\$1.9 Billion**

P&C POLICY EARNED PREMIUM

*5 year Annual growth of 5.1%*



**\$6 Billion**

ASSETS UNDER MANAGEMENT

*Up \$669 Million in last 5 years*



**\$2.1 Billion**

SHELTER MUTUAL SURPLUS

*5 year Annual growth of 4.57%*



**4,200+**

EMPLOYEES & AGENTS

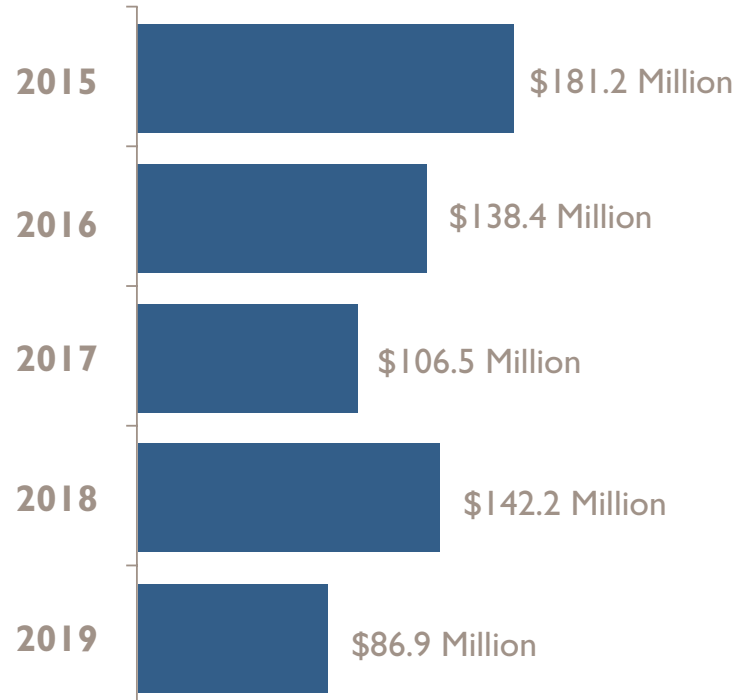


**21**

OPERATING STATES

*Added 3 in past 5 years*

## COMBINED INCOME BEFORE TAX



# MUTUAL AND GENERAL OPERATIONS

Net direct written premiums before reinsurance assumed increased 3.9% compared to 2018 and were \$1.76 billion. Premiums have continued to rise over the past few years due to stable retention and indicated rate increases. For the past five years, these two companies have issued almost 1.899 million new units.

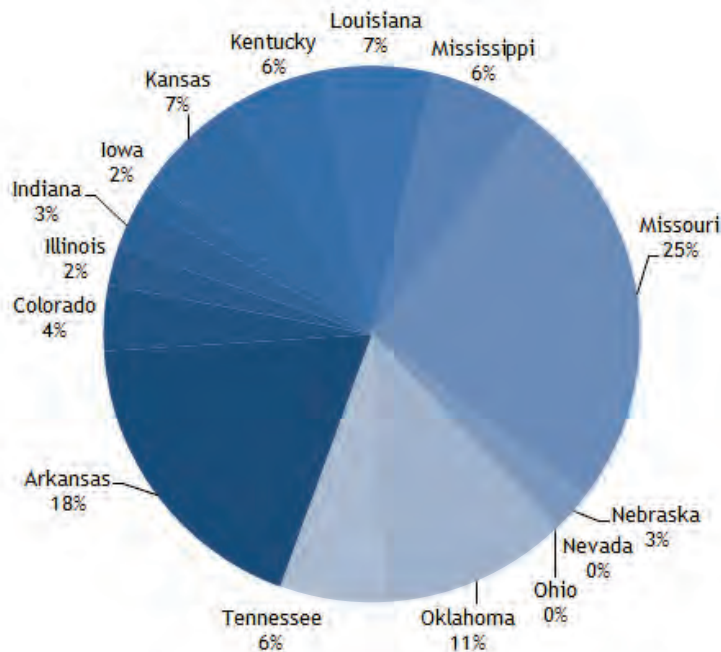
Incurred weather losses were up significantly from 2018. During 2019, such losses and adjustment expenses were \$318 million, representing 18.4% of earned premiums, up 3.1% from last year. Although weather frequency was pretty consistent with 2018, weather severity was up over 7% from the prior year. Non-weather losses were around \$812 million, up \$27 million from 2018 mainly due to a higher severity on these type of claims. In the past five years, Mutual and General incurred \$5.1 billion of losses representing 966,388 claims reported and an average \$5,324 per claim, testament to servicing our customers in their time of need.

These entities have a permitted practice to build voluntary catastrophe reserves for both a major weather event and a

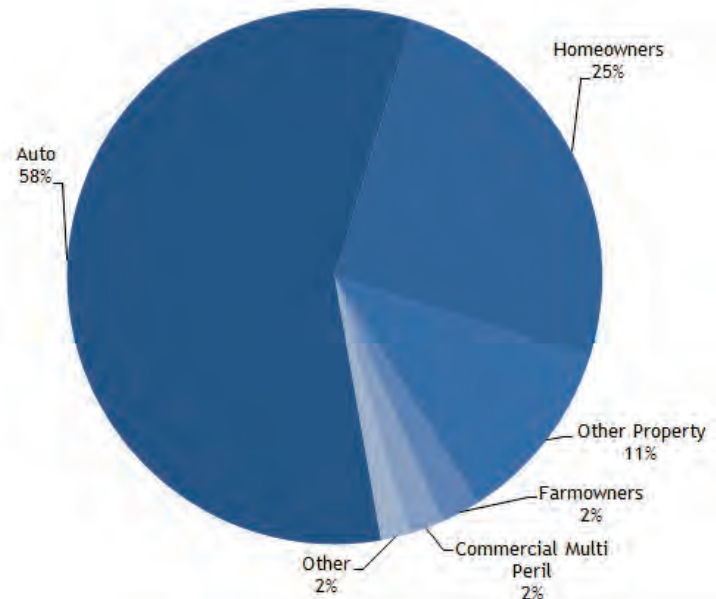
significant earthquake. During 2019, more than \$23.8 million was added to the voluntary pre-event weather reserves, which added 1.3% to the combined ratio. There was nothing added to the voluntary pre-event earthquake reserve due to the balance of the liability exceeding the catastrophe reinsurance retention. In total, there was \$120 million in the earthquake reserve and \$157 million in the weather reserve available for future use. Eight years of consecutive additions to the weather reserve has allowed it to build up quite substantially.

The total underwriting loss was \$54.4 million, representing a 102.4% combined ratio, which was up significantly from the underwriting loss of \$14.5 million experienced for 2018. On the other hand, investment gains of \$118 million were very consistent with 2018. Net Income before tax ended at \$64.4 million. Going forward, Shelter will continue growing its presence in the state of Ohio with auto and homeowners. The Say Insurance brand will continue to focus on developing a strong customer base to offer auto insurance with the direct to consumer model and is considering entering a new state in the upcoming year.

## MUTUAL & GENERAL WRITTEN PREMIUM BY STATE



## MUTUAL & GENERAL WRITTEN PREMIUM BY LINE OF BUSINESS



## SHELTER MUTUAL AND SHELTER GENERAL PROPERTY AND CASUALTY PRODUCTS

Shelter's exclusive agents offer the following property and casualty products:

AUTO	PROPERTY	LIABILITY	BUSINESS
Private Passenger Auto Commercial Auto Motorcycle Recreational Vehicle	Homeowners Mobile Homeowners Farmowners Dwelling Fire Farm Fire Apartment Owners Personal Inland Marine Boatowners	Personal Umbrella General Liability Comprehensive Farm Liability	Business Owners Commercial Fire Commercial Inland Marine Cargo



**\$278 Million**

PRE-EVENT RESERVES

Funds set aside for future event,  
added layer of conservatism



**\$86.9 Million**

NET INCOME BEFORE TAX



**383,572**

UNITS ISSUED

## 5 YEAR CLAIMS BY THE NUMBERS

**\$5.1 Billion**

5 YEAR LOSSES INCURRED

Funds reinvested in our communities  
to serve our customers

**966,388**

5 YEAR CLAIMS REPORTED

Number of claims reported  
during the past 5 years

**\$5,324**

AVERAGE \$ PAID PER CLAIM

Average paid amount over  
the past 5 years

## SHELTER MUTUAL INSURANCE COMPANY

Statements of Admitted Assets, Liabilities, and Surplus  
(Statutory Basis)

YEAR ENDED DECEMBER 31

(IN THOUSANDS)	2019	2018
ADMITTED ASSETS		
BONDS	\$ 1,926,416	\$ 1,895,330
INVESTMENTS IN AFFILIATES	737,674	743,017
COMMON STOCKS, UNAFFILIATED	347,885	296,847
OTHER INVESTED ASSETS	411,787	371,261
COMMERCIAL MORTGAGE LOANS	32,711	6,500
REAL ESTATE	49,874	40,323
CASH AND SHORT-TERM INVESTMENTS	(32,056)	(40,117)
<b>TOTAL CASH AND INVESTED ASSETS</b>	<b>3,474,291</b>	<b>3,313,161</b>
PREMIUMS RECEIVABLE	171,122	160,572
DEFERRED INCOME TAX ASSET	35,577	32,242
OTHER ASSETS	28,471	27,816
ACCRUED INVESTMENT INCOME	11,543	11,864
INCOME TAX RECOVERABLE	8,686	10,348
<b>TOTAL ADMITTED ASSETS</b>	<b>\$ 3,729,690</b>	<b>\$ 3,556,004</b>
LIABILITIES AND SURPLUS		
UNEARNED AND ADVANCE PREMIUMS	\$ 627,467	\$ 601,226
UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES	593,607	545,231
CATASTROPHE RESERVES	274,960	251,509
ACCRUED EXPENSES	75,510	75,214
OTHER LIABILITIES	52,412	55,931
BORROWED FUNDS	2,860	39,369
<b>TOTAL LIABILITIES</b>	<b>1,626,816</b>	<b>1,568,480</b>
<b>TOTAL POLICYHOLDERS' SURPLUS</b>	<b>2,102,874</b>	<b>1,987,524</b>
<b>TOTAL LIABILITIES AND SURPLUS</b>	<b>\$ 3,729,690</b>	<b>\$ 3,556,004</b>

## SHELTER GENERAL INSURANCE COMPANY\*

Statements of Admitted Assets, Liabilities, and Net Worth  
(Statutory Basis)

YEAR ENDED DECEMBER 31

(IN THOUSANDS)	2019	2018
ADMITTED ASSETS		
BONDS	\$ 108,645	\$ 116,659
INVESTMENTS IN AFFILIATES	8,487	9,733
OTHER INVESTED ASSETS	4,592	3,980
CASH AND SHORT-TERM INVESTMENTS	13,226	(1,087)
<b>TOTAL CASH AND INVESTED ASSETS</b>	<b>134,950</b>	<b>129,285</b>
PREMIUMS RECEIVABLE	8,329	8,026
OTHER ASSETS	1,055	1,800
INCOME TAX RECOVERABLE	2,007	2,072
<b>TOTAL ADMITTED ASSETS</b>	<b>\$ 146,341</b>	<b>\$ 141,183</b>
LIABILITIES AND NET WORTH		
UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES	\$ 52,989	\$ 47,898
UNEARNED AND ADVANCED PREMIUMS	18,972	17,967
OTHER LIABILITIES	2,989	4,792
CATASTROPHE RESERVES	2,933	2,566
ACCRUED EXPENSES	1,558	1,605
<b>TOTAL LIABILITIES</b>	<b>79,441</b>	<b>74,828</b>
<b>NET WORTH</b>	<b>66,900</b>	<b>66,355</b>
<b>TOTAL LIABILITIES AND NET WORTH</b>	<b>\$ 146,341</b>	<b>\$ 141,183</b>

\* INCLUDING SAY INSURANCE®

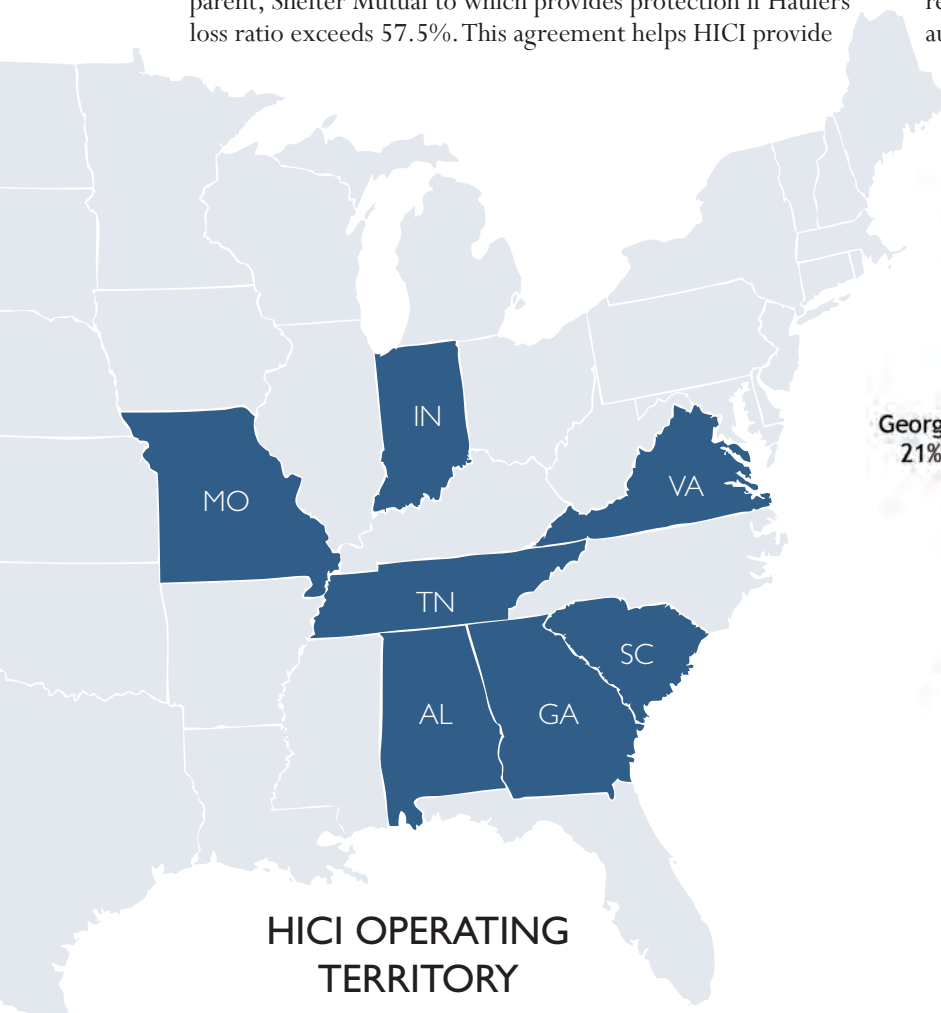
# HAULERS INSURANCE COMPANY, INC. (HICI)

Written premiums were over \$42 million, an increase of 2.5% driven mainly by additional unit count in Alabama and Missouri. The Company primarily writes commercial and personal auto but has expanded in the past few years to write motorcycle and renters insurance in South Carolina, Georgia, and Alabama.

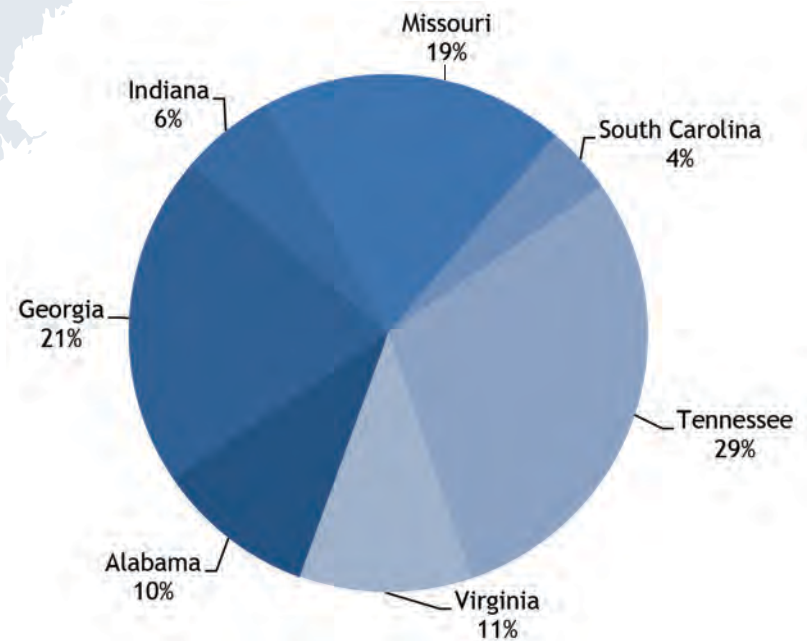
Incurred losses of \$30 million were up almost 29% from the previous year due to an increase in severity. Haulers is covered by an aggregate stop-loss reinsurance agreement with its parent, Shelter Mutual to which provides protection if Haulers' loss ratio exceeds 57.5%. This agreement helps HICI provide

more consistent underwriting results year over year. The agreement benefited Haulers during 2019 in the amount of \$5 million and led to an overall underwriting loss for the year of \$145 thousand and net income before tax of \$4.2 million. Over the past five years, HICI has consistently grown its written premium and asset levels. During 2019, Haulers paid a \$4.3 million dividend to Mutual.

HICI received a financial strength rating of A (Excellent) by AM Best. The Company's premium to surplus ratio was a respectable 100.5%, a strong position for a predominately auto insurance writer.



HICI OPERATING TERRITORY



HICI WRITTEN PREMIUM BY STATE

## HAULERS INSURANCE COMPANY, INC.

Statements of Admitted Assets, Liabilities, and Net Worth  
(Statutory Basis)

YEAR ENDED DECEMBER 31

(IN THOUSANDS)	2019	2018
ADMITTED ASSETS		
BONDS	\$ 64,110	\$ 64,150
CASH AND SHORT-TERM INVESTMENTS	1,947	2,467
REAL ESTATE	807	830
OTHER INVESTED ASSETS	635	452
<b>TOTAL CASH AND INVESTED ASSETS</b>	<b>67,499</b>	<b>67,899</b>
PREMIUMS RECEIVABLE	8,778	8,509
ACCRUED INVESTMENT INCOME	297	351
OTHER ASSETS	2,860	1,281
<b>TOTAL ADMITTED ASSETS</b>	<b>\$ 79,434</b>	<b>\$ 78,040</b>
LIABILITIES AND NET WORTH		
UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES	\$ 21,062	\$ 19,536
UNEARNED AND ADVANCED PREMIUMS	13,792	13,325
OTHER LIABILITIES	2,293	2,055
<b>TOTAL LIABILITIES</b>	<b>37,147</b>	<b>34,916</b>
<b>NET WORTH</b>	<b>42,287</b>	<b>43,124</b>
<b>TOTAL LIABILITIES AND NET WORTH</b>	<b>\$ 79,434</b>	<b>\$ 78,040</b>



**2.22%**  
TOTAL ASSETS



**2.88%**  
EARNED PREMIUM



**2.47%**  
SURPLUS

**5 YEAR ANNUAL GROWTH**

# SHELTER LIFE INSURANCE COMPANY

Premium and annuity considerations for Shelter Life increased 2.6% over the previous year to over \$140 million. The Company has added \$4.65 billion to life insurance in force in the past five years, with ending in force of \$28.4 billion.

Even though asset balances have grown \$191 million during the past five years due to good cash flows, the continued low interest rate environment has negatively affected overall yields to the investment portfolio. To combat this, Shelter Life has started diversifying their investment portfolio in the past few years including investing in commercial mortgage loans and increasing other invested assets which have proven to have higher returns. The continued low interest rate environment also drove the previous need for the Company to maintain asset adequacy reserves for a total of \$34.5 million, with \$7 million being added during 2019, which further reduced net income.

Shelter Life has recorded more than \$96 million of net income before tax over the past five years.

Shelter Life continues to hold a financial strength rating of A (Excellent) by A.M. Best. This rating provides further evidence of the strength and stability of Shelter Life Insurance Company.

## LIFE PRODUCTS OFFERED

20-Pay Whole Life  
EZ Term®  
Junior Special  
Level Term to Age 100 (10, 20, 30 years)  
Platinum Shield® IV Universal Life

Secure Whole Life  
Shelter Express Term®  
Whole Life  
Yearly Renewable Term



**\$1.309 Billion**

TOTAL ASSETS

*Increase of \$191 Million during the past 5 years*



**\$28.4 Billion**

INSURANCE IN FORCE

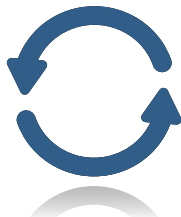
*Total value of active insurance policies  
Increase of \$4.7 Billion over the past 5 years*



**\$237 Million**

NET WORTH

*Increase of \$59 Million over the past 5 years*



**95.90%**

LIFE RETENTION

*Percentage of policies renewing in current year*



**\$14.3 Million**

NET INCOME BEFORE TAX

*Recorded more than \$96 Million  
over the past 5 years*



**\$140 Million**

PREMIUM CONSIDERATIONS

*\$654.5 Million during the past 5 years*

## SHELTER LIFE INSURANCE COMPANY

Statements of Admitted Assets, Liabilities, and Net Worth  
(Statutory Basis)

YEAR ENDED DECEMBER 31

(IN THOUSANDS)	2019	2018
ADMITTED ASSETS		
BONDS	\$ 1,076,512	\$ 1,069,925
OTHER INVESTED ASSETS	79,255	60,719
POLICY LOANS	21,967	23,056
INVESTMENTS IN AFFILIATES	11,868	12,603
MORTGAGE LOANS ON REAL ESTATE, AFFILIATED	5,787	6,843
COMMERCIAL MORTGAGE LOANS	35,352	24,857
RECEIVABLES FOR SECURITIES	5,984	
CASH AND SHORT-TERM INVESTMENTS	6,083	9,936
<b>TOTAL CASH AND INVESTED ASSETS</b>	<b>1,242,808</b>	<b>1,207,939</b>
DEFERRED AND UNCOLLECTED PREMIUMS	44,615	42,316
DEFERRED TAX ASSETS	7,008	9,546
ACCRUED INVESTMENT INCOME	8,001	7,967
OTHER ASSETS	6,359	6,154
<b>TOTAL ADMITTED ASSETS</b>	<b>\$ 1,308,791</b>	<b>\$ 1,273,923</b>
LIABILITIES AND NET WORTH		
AGGREGATE RESERVES	\$ 982,401	\$ 953,210
LIABILITY FOR DEPOSIT TYPE CONTRACTS	56,039	56,442
ASSET VALUATION RESERVE	9,705	7,114
POLICY AND CONTRACT CLAIMS	7,390	6,962
DUE TO AFFILIATED COMPANIES	3,276	2,527
OTHER LIABILITIES	12,922	16,700
<b>TOTAL LIABILITIES</b>	<b>1,071,733</b>	<b>1,042,955</b>
<b>NET WORTH</b>	<b>237,058</b>	<b>230,968</b>
<b>TOTAL LIABILITIES AND NET WORTH</b>	<b>\$ 1,308,791</b>	<b>\$ 1,273,923</b>

# SHELTER REINSURANCE COMPANY

Shelter Reinsurance continues to provide in the areas of growth and diversification for the Shelter Insurance Group. Net written premiums were \$122 million, up slightly from 2018. During 2019, Reinsurance experienced an estimated \$53 million in net incurred losses because of several hurricanes and typhoons which occurred in the second half of the year. Overall, the Company experienced a \$23 million underwriting loss and a \$6.7 million net loss before tax. Prior to 2017, Reinsurance had recorded five straight years of favorable underwriting results, but has recorded underwriting losses in the last three years due to large catastrophes. Although the last three years have generated underwriting losses, the 7-year average underwriting gain was \$8 million.

Reinsurance has a continued reputation for prompt claims payment, exceptional customer service, professional staff and solid financial strength enables it to continue to diversify and support Shelter Insurance.



**\$122 Million**

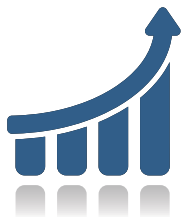
WRITTEN PREMIUM

*Up slightly from 2018*



**(\$6.8 Million)**

NET LOSS BEFORE TAXES



**\$55 Million**

7 YEAR UNDERWRITING GAIN

*Average of \$8 Million per year*



**\$508 Million**

TOTAL ASSETS

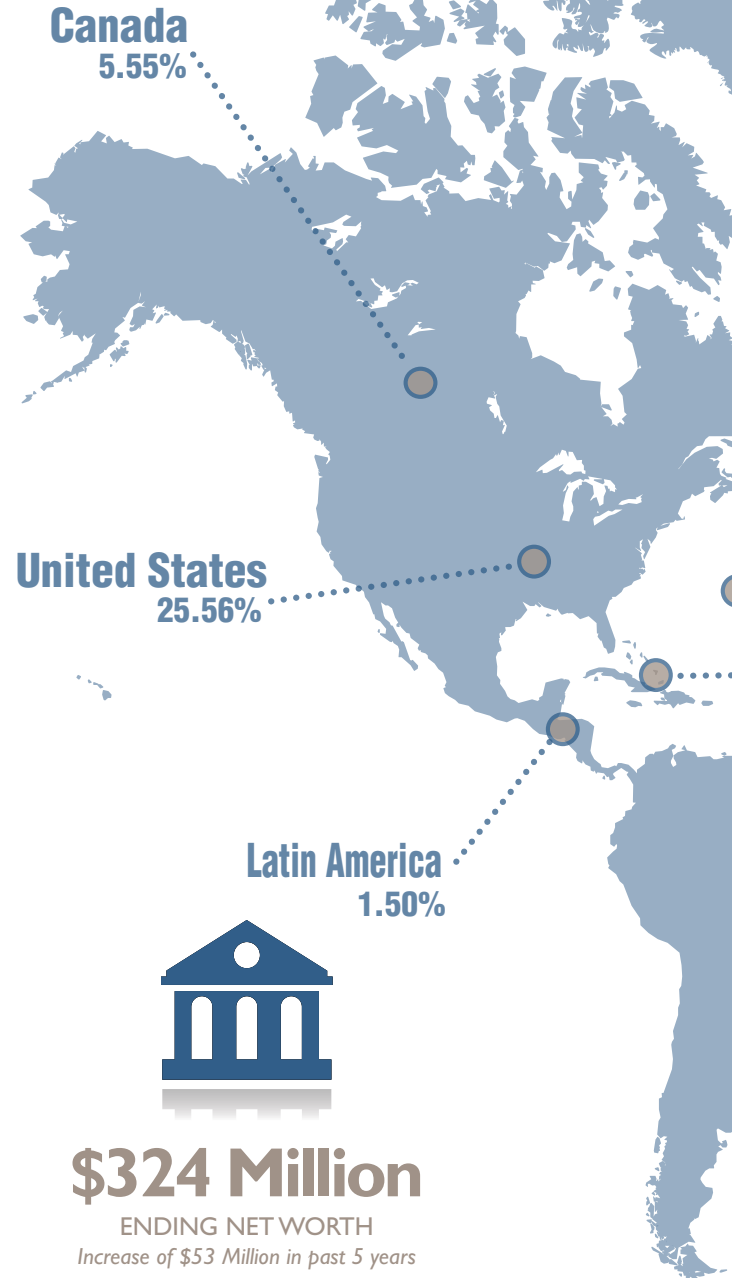
*Increase of \$102 Million in past 5 years*



**\$324 Million**

ENDING NET WORTH

*Increase of \$53 Million in past 5 years*





## SHELTER REINSURANCE COMPANY

Statements of Admitted Assets, Liabilities, and Net Worth  
(Statutory Basis)

YEAR ENDED DECEMBER 31

(INTHOUSANDS)	2019	2018
ADMITTED ASSETS		
BONDS	\$ 427,037	\$ 418,262
COMMON STOCKS	19,421	31,354
CASH AND SHORT-TERM INVESTMENTS	24,441	8,457
OTHER EQUITY INVESTMENTS, AFFILIATED	826	811
<b>TOTAL CASH AND INVESTED ASSETS</b>	<b>\$ 471,725</b>	<b>\$ 458,884</b>
FUNDS HELD ON REINSURANCE	13,884	17,985
ACCRUED INVESTMENT INCOME	2,292	2,467
DEFERRED TAX ASSET	1,673	1,437
PREMIUMS RECEIVABLE	12,264	11,922
OTHER ASSETS	6,119	1,338
<b>TOTAL ADMITTED ASSETS</b>	<b>\$ 507,957</b>	<b>\$ 494,033</b>
LIABILITIES AND NET WORTH		
UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES	\$ 152,489	\$ 126,718
UNEARNED PREMIUM	24,165	22,847
OTHER LIABILITIES	7,798	18,076
<b>TOTAL LIABILITIES</b>	<b>184,451</b>	<b>167,641</b>
<b>NET WORTH</b>	<b>323,505</b>	<b>326,392</b>
<b>TOTAL LIABILITIES AND NET WORTH</b>	<b>\$ 507,957</b>	<b>\$ 494,033</b>

# OFFICERS



**MADISON "MATT" MOORE**  
President &  
Chief Executive Officer



**S. DANIEL CLAPP**  
Executive Vice President



**TERESA K. MAGRUDER**  
Executive Vice President  
& Treasurer



**RANDA RAWLINS**  
Executive Vice President



**ROCKNE P. CORBIN**  
Executive Vice President



**TINA M. WORKMAN**  
Vice President  
Accounting  
& Assistant Treasurer



**JOHN T. ROONEY**  
Vice President  
Information Services



**SHAWN KNAUTS**  
Vice President  
Claims



**DAVID N. ABBOTT**  
Vice President  
Investments



**FRANK THOMPSON IV**  
Vice President  
Marketing



**PAUL J. LAROSE**  
Vice President  
Shelter Benefits Management Inc.



**TODD J. WEYLER**  
Vice President  
Underwriting



**H. LLOYD MONTGOMERY, JR.**  
Vice President  
Alternate Channels



**MARSHA L. CARTER**  
Vice President & General Manager  
Shelter Life Insurance Company



**BRIAN D. WALLER**  
Vice President of  
Government Relations



**DAVID VANDYKE**  
Secretary &  
General Counsel



## Shelter Implements Leadership Changes in 2019

Shelter Chief Executive Officer Rick Means announced his retirement effective August 31, 2019. Effective September 1, 2019, the Board of Directors elected Matt Moore as his successor and promoted Rockne Corbin to Executive Vice President.

Matt Moore graduated from the University of Arkansas-Little Rock with a bachelor's degree in Education, and from Northeast Louisiana University with a master's degree in Education. He joined Shelter Insurance® as a Claims Adjuster in Little Rock, Arkansas in 1983. He advanced to Claims Supervisor, then to Branch Manager in West Plains, Missouri. He was Branch Manager in Little Rock before transferring to Shelter's corporate headquarters as Regional Claims Director in 2000. He advanced to Director of Market Expansion in Marketing in 2005, and to Vice President of Claims in 2007. He was named Executive Vice President in July 2012, assuming responsibility for Claims, Marketing, Underwriting, Public Affairs and the General Services Departments. In 2018, he was elected to the Board of Directors and was appointed President and Chief Operating Officer.

Rockne Corbin graduated from the University of Central Missouri-Warrensburg with a degree in Business Administration. He is a veteran of the U.S. Army. He began his career with Shelter Insurance® in 1991 as a Resident

Claims Adjuster in Grand Island, Nebraska before being promoted in 1993 to Claims Supervisor in Tulsa, Oklahoma. He advanced to Claims Manager in Jackson, Mississippi in 1998, and Claims Manager in Little Rock, Arkansas in 2000. He was named Regional Claims Director in 2002. In June 2007, he joined Shelter Reinsurance Company with responsibility for international business development. In 2010, he was appointed the Managing Director of Shelter Reinsurance, then became the Vice President in 2011. He was appointed Senior Vice President in 2016.

"Please join me and the Board in congratulating both Matt and Rockne on their promotions," Rick Means wrote in a message to all co-workers. "I feel very confident that the future of our Company is in great hands with the entire leadership team."



# Shelter Leads More Industry Changes in 2019

## Shelter's Legislative and Government Relations Impact

During Missouri's 2019 legislative session, Shelter worked diligently to gain passage of a bill to combat venue shopping. The bill was originally drafted by Shelter. Previously, an insurance company could be sued wherever an insurance agent's office could be found, regardless of where the underlying claim occurred. The new law treats insurance companies like other corporations for venue purposes and stops the venue shopping games that unfairly increased the costs for all insurance consumers.

Shelter also wrote and helped gain passage of a law making the "Restatement of the Law, Liability Insurance" against the public policy of Arkansas where it conflicts with Arkansas law. Later in the year, the National Conference of Insurance Legislators (NCOIL) made this Shelter-drafted law their national model on the subject of the Restatement to reflect the law rather than opinions of the law.

Shelter has written and seen passage of a law in each of the last three legislative sessions in Arkansas and Missouri. The generous dedication and commitment of Shelter's agents and employees to political action committees (PACs) and strong grassroots organization — the many phone calls made and emails sent legislators — have been vital to legislative success.

Shelter's leadership continues to develop and grow ever stronger relationships with the elected officials who pass laws, guide states, and regulate the insurance industry. Several visits to state insurance departments were made in late 2019 to introduce Matt Moore as Shelter's President and CEO.



Shelter Insurance® Vice President of Government Relations Brian Waller; Executive Vice President Randa Rawlins; Kansas Insurance Commissioner Vicki Schmidt; and Shelter Insurance® President and CEO Matt Moore



Vice President of Government Relations Brian Waller presents the National Association of Mutual Insurance Companies' Benjamin Franklin Public Policy Award to Missouri Congressman Lacy Clay. Representative Clay is the Chair of the House Subcommittee on insurance. The Ben Franklin Award is presented to Federal Legislators who demonstrated unwavering support and leadership on behalf of insurance consumers and the Property/Casualty Insurance Industry.

# Shelter Insurance® Ranked #1 for the Third Time in Four Years by J. D. Power

In 2019, J. D. Power once again ranked Shelter Insurance® “Highest in Customer Satisfaction among Auto Insurers in the Central Region” in their U.S. Auto Insurance Study for the third time in the last four years. The study asked consumers to provide feedback about their overall satisfaction with their auto insurance company in the following study factors: Interaction, Policy Offerings, Price, Billing Process, Policy Information, and Claims. The study took place from February 2019 through April 2019 and results are available at [JDPower.com](http://JDPower.com).

“Our customers have made this award possible.” said Rick Means, CEO and Chair of the Board of Directors. “We continue to set high expectations for ourselves, so receiving this award three out of the last four years is very exciting. This would not be possible without the hard work of our agents and employees, and we thank them for their efforts. We are also grateful to our customers for their continued trust.”



## Shelter Life Celebrates 60 Years



Shelter Life Insurance Company celebrated its 60th anniversary in 2019. The Company commenced business during 1959 with a “Charter policy,” and by the end of the year had \$12 million of life insurance in force. Fast forward to today — Shelter Life offers ten different life insurance products and has developed to over \$28 billion of life insurance in force.

During the celebration of the 60th Anniversary year, employees and agents were invited to participate in the creation of a “Leaves of Love” commemorative wall. The eight-foot display is a silhouette image of a tree, and the leaves are submissions of three words, a short quote, or names of individuals which represent why they bought life insurance or what it means to them. The tree has more than 250 leaves so far and continues to grow — just like the Shelter Life Insurance Company.

## Say Insurance® Continues to Succeed

Say Insurance® launched its direct-to-consumer channel for auto insurance in 2016. Although the business is written in subsidiary Shelter General, the “Say Insurance®” brand was chosen for the best appeal to those consumers who want to purchase car insurance online or over the phone, directly from a carrier.

Say currently serves Colorado, Illinois, Kansas, Missouri and Tennessee. During 2019, Say focused on digital marketing optimization and enhancing the customer experience in an effort to increase policy sales. Business operations also paid special attention to establishing a robust data-driven environment.

The core element of Say’s brand mission is providing an insurance experience that is transparent, clear and simple. One way this is accomplished is by providing consumers with their insurance score, including easy-to-understand explanations of how the score influences the premium rate. The Say team has focused on simplifying purchasing and servicing auto insurance in a digital environment.



# Shelter Insurance® Named in *Business Insurance* and Best Companies Group's Annual Best Places to Work in Insurance

In 2019, Shelter Insurance® was once again named in the annual Best Places to Work in Insurance program, which recognizes employers for their outstanding performance in establishing workplaces where employees can thrive, enjoy their work and help their companies grow. Shelter was also named in the publication's 2017 and 2018 Best Places to Work in Insurance feature.

"It was an honor to be recognized for this award the last two years, but it is extremely satisfying to be recognized again this year. It's a testament to the hard work and dedication of our employees as we work to make Shelter an employer of choice," said Vice President of Shelter Benefits Management Inc. Paul LaRose. "We will continue to challenge ourselves to strive to be the best company that we can for our employees and our customers."

Companies named to the list completed a two-part assessment — an Employer Benefits & Policies questionnaire and a separate, anonymous Employee Engagement & Satisfaction Survey. The data from the surveys is analyzed to determine which companies will make the list. The 2019 report featured 75 companies of various sizes, from 25 employees to more than 4,000.



## AmShield Insurance® Expands Operations

AmShield Insurance®, Shelter's newest subsidiary, began selling insurance in late 2017 after a three-year development period. AmShield further diversifies risk for Shelter by selling property and casualty insurance through independent agents in western states including Arizona and Oregon. Plans are underway to move Haulers Insurance® into AmShield during the next few years.

Product offerings include auto, homeowners, renters and condominium, with additional products coming in future years. The Company is rated "A" for Excellent by AM Best.



BELOW: AMSHIELD 5TH ANNIVERSARY CELEBRATION



# MARKETING CONFERENCE AWARDS



TO THE RIGHT:  
COMPANY AGENT OF THE YEAR, RYAN WEBB

Each year, Shelter's outstanding agents are recognized with awards for their performance during the prior year. The awards were presented during the Conference of Champions in Banff, Alberta, Canada. Shelter Agent Ryan Webb of Conway, Arkansas received the Company Agent of the Year award for 2019.

Other agents were also recognized during the banquet and received awards. These include State Agents of the Year, District Sales Manager of the Year, Rookie of the Year, the President's Plaque and Life Stars. The District Sales Manager of the Year Award went to Travis Duryea of Lincoln, Nebraska. The Rookie of the Year Award went to Andrew Eckman of West Plains, Missouri. The Rookie of the Year Runner-Up was Randall Baker of Sallisaw, Oklahoma.

The President's Plaque goes to a Conference-qualifying agent who issued at least 40 Life policies and the most net first-year Traditional and Universal Life premiums as counted toward Conference qualification. Life Star Awards use the same criteria and are presented to the top 10 qualifying agents. In 2019, Richard Cargile of Searcy, Arkansas received the President's Plaque.

AGENT OF THE YEAR, RYAN WEBB



DISTRICT SALES MANAGER  
OF THE YEAR, TRAVIS DURYEA



## State Agent of the Year Award

- Ryan Webb - Arkansas
- Kerry Phillips - Colorado
- Gabe Ritchart - Illinois
- Doug Hazen - Indiana
- Joe Yamen - Iowa  
(Amanda Olaby, Affiliate)
- Steve Bromert - Kansas
- Sandra Bruington - Kentucky
- Rhonda Landry - Louisiana
- Kyle Nichols - Mississippi
- Derek Rollins - East Missouri
- Craig Jamison - West Missouri  
(Paige Viehmann, Affiliate)
- Jeb Brant - Nebraska  
(Joe Kindig, Affiliate)
- Aaron Ruiz - Oklahoma
- Blake Finney - Tennessee

## Life Star Award

- Richard Cargile - Arkansas
- Joe Yamen - Iowa
- Robert Murry - Arkansas
- Craig Jamison - West Missouri
- Derek Thomason - East Missouri
- Ryan Webb - Arkansas
- Jeb Brant - Nebraska
- Chad Turner - Arkansas
- Michael Lambright - Louisiana
- Tim Brewer - Arkansas

# CLAIMS BRANCH OF EXCELLENCE AWARDS FOR 2019

Each year, the Claims Department recognizes one branch in each of its three regions for outstanding operations. The 2019 Branch of Excellence Awards were presented to Topeka, Kansas in the Western Region; Springfield, Missouri in the Central Region; and Springdale, Arkansas in the Southern Region. These branches showed excellent statistical success as well as exemplifying outstanding customer service and teamwork.

The Branch Managers were awarded a plaque commemorating this significant accomplishment and each employee received a small token of appreciation during the branch celebration.



TOPEKA, KS BRANCH OF EXCELLENCE



SPRINGFIELD, MO BRANCH OF EXCELLENCE



SPRINGDALE, AR BRANCH OF EXCELLENCE

# Innovation Creates Opportunity at Shelter

In 2018, a team of Shelter employees was assembled to develop a plan to help Shelter meet the needs of the ever-evolving insurance industry. The team, named Shelter X, was asked to consider the issues key to success in the next five to ten years, particularly how technology might affect the core business functions. The team provided a report to management with its recommendations. One of those recommendations was to create a position that brought focus to innovation. Based on this feedback, Shelter created a new position in 2019 — the Director of Innovation — to provide this avenue and build the infrastructure to prepare for the future. One of Shelter's IT Directors, Kevin Tidball, was selected for this position.

The main goals of the Innovation Team are to take advantage of new opportunities and address challenges facing Shelter and the insurance industry. Goals also include creating an environment which encourages change and challenges Shelter to embrace innovation and encourage growth for the next twenty years and beyond. Innovative projects Shelter began in 2019 include:

**Innovation Venture Investments** — This group formed the Shelter Innovation Investments Committee, which is tasked with investing and partnering with startup companies to deliver financial returns, strategic operation improvements, and new product offerings. The group invested in Shelter's first venture capital fund called SixThirty, which participated in the evaluation and mentoring of eight startup companies.

**Shelter Targets** — This new lead generation platform for Shelter agents was developed in 2019 through a partnership with Cole X-Dates and its sister company, V-12. This platform provides greater prospecting options and transparency of available marketing data than Shelter's previous tools.

**Claims Fraud Analytics** — The Claims department worked with a vendor to develop and pilot new analytics tools. This solution will provide an artificial intelligence (AI) solution with machine learning to incorporate data into claim fraud predictions.

**Inter-Department Communication, Collaboration, and Project Management** — Claims Implemented Mango, a repository of department-wide knowledge and training materials that is easy to use, provides an inventory of projects with progress status updates and enhances department communications. This solution has made the department more efficient and allows faster resolution to organization and customer issues.

**Customer Service Improvements** — AI-powered chatbot solutions were researched and designed into a prototype that is planned for implementation in 2020, empowering customers and call center representatives in new ways.

**Idea and Innovation Management Software** — The Innovation Team implemented Bright Idea software, which houses innovative ideas submitted by employees, agents, and customers.

**InsureTech** — Shelter continues to explore new and exciting investments in the InsureTech world. This new frontier of start-up companies whose goal is to provide solutions to the many issues facing our industry offers many innovative opportunities.

## Other Accomplishments

- Innovation Mission & Vision Statement drafted
- Improving remote work policy and technology
- Identifying Shelter as destination employer
- Workspace redesign
- Enhanced focus on internal employee communication efforts

## Columbia Public Schools Recognizes Shelter for 35 Years of Partnership

Shelter Insurance® received recognition this year from Columbia Public Schools (CPS) for 35 years of participation in the school district's Partners in Education (PIE) program. Representatives from Shelter and from West Middle School and the Multicultural Achievement Committee (MAC) Scholars Program — Shelter's two Partners in Education (PIE) — accepted anniversary-award honors at CPS's 35th Annual Partners in Education Celebration Breakfast.

The Shelter Insurance®/West Middle School partnership, one of nine charter partnerships in the program, received a 35-year anniversary award. The Shelter Insurance®/MAC Scholars partnership received a 5-year anniversary award.

Shelter began a partnership with the MAC Scholars Program in 2014. MAC Scholars strives to address achievement disparities between groups of students in Columbia Public Schools. For MAC Scholars, the partnership provides needed human resources and support, and exposes MAC students to career opportunities at Shelter and in the insurance industry. The partnership includes a Shelter Insurance® Foundation Scholarship.

In 1984, Shelter and West Junior High School joined resources to become one of Columbia's first business/school partnerships. The school is now known as West Middle School and Shelter employees play an energetic role in the PIE program. The two groups work together to strengthen school programs, improve student achievement and better prepare students for the world of work.



ABOVE: JAY MACLELLAN, LEFT, OF TRAINING AND MEMBER OF THE PARTNERS IN EDUCATION COMMITTEE, AND DR. MELITA WALKER, PRINCIPAL OF WEST MIDDLE SCHOOL, ACCEPTED THE 35-YEAR ANNIVERSARY AWARD



ABOVE: STACYE SMITH, LEFT, OF SBMI AND MEMBER OF THE PARTNERS IN EDUCATION COMMITTEE, AND ANNELLE WHITT, DISTRICT COORDINATOR OF MAC SCHOLARS, ACCEPTED THE 5-YEAR ANNIVERSARY AWARD



## Alexandra Mejia Selected Intern of the Year

Shelter Insurance® implemented the Allen/Nevins Outstanding Intern of the Year Award in 2018. The award was named after Charles Allen and Clifford Nevins, both now retired, who started the internship program 31 years ago. The award includes a \$500 scholarship for the recipient.

On August 29, Matt Moore, Stacye Smith, and Macie Peterman presented the 2019 award to Alexandra Mejia, who was an intern in the Claims department at the Springdale, Arkansas Claims branch. The criteria for this award include performance during training sessions, pitch contest, completing reports in a timely manner and supervisor feedback. Alex received high marks in all of these categories.

# Employee Resource Groups Increase and Change in 2019

Employee Resource Groups (ERGs) are voluntary, employee-led groups that serve as a resource for members to foster a diverse and inclusive workplace aligned with organizational mission, values, goals, business practices and objectives.

## EMERGING Professionals Network at Shelter Insurance®

Emerging Professionals Network (EPN) gives emerging professionals at Shelter Insurance® opportunities to connect and grow personally and professionally through networking, education and community involvement.

During 2019, those activities included the EPN Mentoring Program, Lunch & Learn programs and other volunteer activities. One highlight was winning several awards at the 14th Annual Rootin' Tootin' Chili Cookoff to benefit the Boys & Girls Clubs of Columbia. Another highlight was when several members attended the Venture Out program at the University of Missouri, where they participated in teamwork and communication activities. The team learned how to apply these skills both professionally and personally.



Field EPN participants volunteered at Camp Solaris in Lincoln, Nebraska and visited the Springdale, Arkansas branch to support the release of the new Claims software called STREAM. They also visited the Topeka, Kansas and Kansas City, Missouri branches for an interactive presentation on communication.



## RALLY FOR ACCESSIBILITY

Ra11y is Shelter's newest ERG. It was created to increase ability awareness and aid Shelter employees when they need assistance with an accessibility issue. They are focused on empowering employees of all abilities through awareness, inclusion, development and education (A.I.D.E.). The group was formed in August 2019 and has started serving as a resource for other ERGs and departments, including SBMI, Training, Facilities, and Claims. They use

employee-based feedback to participate in discussions around signage on Shelter's campus, parking, sending accessible emails, leading meetings that are inclusive for all abilities, IS Workspace 2020, and more.

The addition of Ra11y brings the total number of ERGs at Shelter to five.



## Multi-Cultural Group (MCG)

The mission of the Multicultural Group (MCG) is to educate Shelter employees about different cultures and traditions. Highlights from the year included a speaker for Black History Month, a speaker from City of Refuge for a Lunch & Learn with EPN and Tai Chi sessions during Diversity Week. They also sponsored a table at Tigers on the Prowl, an art benefit for several charities, including the group's charity of choice, City of Refuge.



## Shelter Women's Advocacy Group (SWAG)

SWAG is dedicated to the professional growth of women and service to the community. SWAG continued its support of True North (a shelter for women who are victims of domestic violence) in 2019. Some of SWAG's other 2019 highlights included teaming with EPN on Barktoberfest, a fundraiser to benefit Unchained Melodies dog rescue. They also hosted the first "Fuel Your Fire" volunteer fair, which allowed Shelter employees to showcase the charities they support and encourage others to learn about and participate in those causes.



The Happy Work Team (HWT) was created to build programs, awareness, and activities for employees to feel welcome and valued. In 2019, HWT implemented several programs to support that goal. In addition to Lunch & Learns and Welcome Packs for new employees, one of the HWT's important initiatives in 2019 was holding "What's Your Word?" sessions. During these sessions, employees participated in exercises to help determine what is important to them or what specifically they wanted to improve about themselves. Participants chose a word to sum that up, which was put on a bracelet for them to wear as a reminder and a discussion piece with other employees. The HWT also sent out periodic "Did You Know?" emails about various services offered at Shelter and a "Get to Know You" interview of people in the company.



2019 - \$1,475,000

2018 - \$1,131,500

# SCHOLARSHIPS AWARDED

## SHELTER FOUNDATION SCHOLARSHIPS BREAK NEW RECORD IN 2019

The Shelter Insurance Foundation awards a variety of scholarships each year to students. The largest of these is the Scholarship Program for Agents, which is funded by agents and the Shelter Foundation. A \$2,000 scholarship is offered to graduating high school seniors in the agent's community. In 2019, Shelter and the participating agents awarded 661 students scholarships, for a total of \$1,322,000. This is the first time this program's totals reached — and exceeded — \$1 million. This is a 33.8% increase over the 2018 total of \$988,000 and represents the largest number of scholarships in the program's history, largely because more agents are participating.

### Scholarship Program for Children of Shelter Employees and Agents

The Shelter Foundation also sponsors a scholarship program for children of Shelter employees and agents. This year, 45 scholarships were awarded through this program valued at \$3,000 each, for a total of \$135,000.

THE TOTAL OF ALL SCHOLARSHIPS  
AWARDED IN 2019 WAS \$1,475,000,  
WHICH IS AN INCREASE OF 30.4%  
OVER 2018. SHELTER IS PROUD TO  
HELP FURTHER THE EDUCATION  
OF THESE HARD-WORKING,  
DESERVING STUDENTS EACH YEAR.

### Other Foundation Scholarships in 2019 included:

#### **B. M. Seaman Scholarships**

Two graduates of La Plata, MO High School were each awarded a \$2,000 scholarship.

#### **West Middle School**

Two 8th grade students at West Middle School each received \$2,000 scholarships. West Middle School is Shelter's Partner in Education.

#### **Multicultural Achievement Committee (MAC) Scholars**

A \$2,000 scholarship was awarded to one Columbia Public Schools high school graduate who was an active member of the MAC Scholars program.

#### **Lang Award**

A \$500 scholarship was awarded to an outstanding vocational education graduate of Missouri School for the Deaf in Fulton, Missouri.

#### **Success Grants**

Up to three renewable scholarships are awarded to selected high school seniors, payable at \$1,000 per year for four years as long as the students maintain academic requirements. In 2019, one scholarship was awarded and three were renewed.

# Shelter Employees “Invested in Their Community” for United Way

The theme of the 2019 United Way campaign was “Invest in Our Community.” Shelter employees raised more money than in years past, far surpassing the \$200,000 goal. The final total was a record-breaking \$308,152.

The co-chairs of the 2019 campaign were Xavien Crump of Customer Services; Eren Poe of Underwriting; and Lance Kaufmann of Alternate Channels. Andrea Lindenbusch, Shelter Reinsurance, was the loaned executive to the Heart of Missouri United Way and Meagan Parcell, Accounting, served as treasurer for the campaign.

Each year, co-chairs share creative ways to raise money for the United Way campaign, and this year they created a Gitup Challenge Video using a popular dance. The goal was exceeded, so the executive team met the challenge and included representatives from the local United Way, the Boys & Girls Club, and Job Point in their response dance video.

In addition, employees and retirees ordered personalized bricks for the pathways outside Shelter Gardens. Traditions of an ice cream social, casual day tickets, parking spot raffle, online auction, Halloween costume contest, donut days, chocolate bar sales, change buckets, and personal time off passes helped contribute to the final total.



## TOTAL CAMPAIGN: \$308,152

THE 2019 CAMPAIGN RESULTED IN A 6% INCREASE OVER THE PREVIOUS YEAR.



Xavien Crump



Eren Poe



Lance Kaufmann



Andrea Lindenbusch



Meagan Parcell



# Construction Continues on North Campus Facility

The final steel beam was placed on the new North Campus Facility on the north side of Shelter's campus in Columbia on July 24th. A topping out ceremony was held, as is common to mark this major milestone in a construction project. The tree in the middle of the beam is there to signify there has been no loss of life or injury during construction to this point. It also signifies good luck for future inhabitants of the building and new or continued growth. The building project's general contractor, Coil Construction, Shelter's executive team, and members of Shelter management were on hand to recognize the event.

Before the beam was installed, Shelter employees who will work in the new building signed it. So did members of the executive team, the management team and contractors.



# SBMI Changes Announced

Shelter's human resources department, Shelter Benefits Management Inc. (SBMI) is responsible for diversity and inclusion efforts which expanded further in 2019 with the development of an employee engagement group.

The new group will focus on three areas:

1. Diversity and Inclusion Initiatives and Strategic Planning
2. Employee Engagement and Community Impact
3. Corporate Employee Communications

The position of Director of Inclusion and Engagement was created to lead these efforts and current SBMI Director Stacy Smith was selected for the position. Shelter's current Manager of Inclusion and Engagement and the Manager of Employee Communications complete the team.

## Changes to Time Off

In 2019, Breakfast with Management sessions resumed. Employees who attended were encouraged to ask questions and make suggestions about anything related to Shelter's business or working at Shelter. As a result of suggestions made, ideas sent through the Concerns Corner, and other informal surveys, SBMI made changes to Shelter's holiday, sick, and vacation time policies effective January 2020.

## Additional Flexibility

In an effort to provide employees more flexibility, SBMI created a Remote Work policy in 2019. There are several options for working remotely, coordinated by each department. These changes were made to help Shelter become even more attractive to potential employees, as well as contributing to a better work/life balance for current employees.

# Springfield, MO Branch Breaks Ground on New Building

In addition to the progress made on the North Campus, land was purchased and a groundbreaking ceremony was held so construction can begin in 2020 on a new building for the Springfield Branch. Located on a prominent route within Greene County, Shelter's new State Office building is planned to be completed by the end of 2020.

Holding shovels (below) from left to right are Springfield Mayor, Ken McClure; Rick McVeigh (Director of General Services); Dan Clapp (Executive Vice President); Matt Moore (President and CEO); Randa Rawlins (Executive Vice President); Shawn Knauts (Vice President, Claims); Lyn Scrivner (Claims Director, Central Region); Matt Morrow (President, Springfield Area Chamber of Commerce). Holding the banner are Travis King (Manager of Real Estate and Property Management) and Todd Gardner (Branch Claims Manager). Springfield Branch employees gather behind.



# Shelter Cares for Our Communities

Shelter Insurance® employees are committed to making lives better for those in the communities served by Shelter, whether through volunteer efforts coordinated by Shelter Cares, Employee Resource Groups or the causes they support personally. Shelter employees donated approximately 150 volunteer hours each month in 2019 through activities coordinated by Shelter, resulting in giving approximately 3.75 work weeks each month to local communities.



## Sarah and John Dale Receive the 2019 Fred V. Heinkel Award for Excellence



Each year, the Shelter Foundation presents the Fred V. Heinkel Award for Excellence to individuals or organizations that have demonstrated excellence in any area of science, medical research, health services, education, history, agriculture, athletics or any other field designated by the Shelter Insurance Foundation board of directors. The award includes a cash prize of \$2,500.

The 2019 recipients of the award were Sarah and John Dale of Fayetteville, Georgia, in recognition of their work with the organization REBOOT Recovery. REBOOT administers a network of dedicated people who help veterans, first responders and their families heal from the moral and spiritual wounds associated with service-related trauma. The couple received their award during a presentation at the Home Office in November.

“We are incredibly humbled and appreciative of your support,” Sarah wrote in a message of acceptance. “We’ve never won an award before, so we’re still a bit shocked! Thank you for helping us further our efforts to help military and first-responder families heal from trauma.”

Sarah and John are the sister and brother-in-law of Janette Cunningham of Shelter’s Internal Auditing department. Janette shared details of the Dale’s work in nominating them for the Heinkel Award. They are both Missouri natives who attended the University of Central Missouri.

John, a combat veteran, was injured serving in Iraq and came home a different person. His relationship with Sarah became strained, and while she tried to be the caregiver and spouse he needed, it still was not enough. When they reached a breaking point, they decided to begin serving together at REBOOT Recovery. They knew if they were struggling, others in their city must be hurting as well. With some training, they launched a REBOOT Recovery 12-week trauma-healing course in their Alexandria, Virginia neighborhood.

During the next six years, John and Sarah went on to lead multiple trauma healing courses, train hundreds of leaders around the country and record videos sharing their journey with the world. Recognizing a gap in helpful content for caregivers and spouses, Sarah launched a YouTube television show called “The New Rosie Show,” which received rave reviews. Today, John spends most of his time mentoring veterans, organizing trauma-healing courses and training future course leaders. Sarah launched a TV production company called Brave Love Productions specializing in making content that motivates and inspires people to do extraordinary things despite painful experiences. More than 200 trauma-healing course locations around the country have been launched due to their efforts and they have raised more than \$120,000 in support for military families.

The Heinkel Award is named for the Shelter Insurance Companies’ first president and board chair, Fred V. Heinkel.



# SHELTER TRADITIONS CONTINUE





Each year, Shelter holds events that are open to the community, as well as some just for employees and their families. Events include the Annual Fountain Celebration in the spring, Shelter Gardens Concert Series and Show-Me Games Torch Run during the summer, Goblins in the Garden and the Gobble Wobble 5K Run/Walk in the fall, Shelter Christmas Tree lighting in early December, and the Symphony of Toys Holiday Concert at the end of the year.



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