

UNITED FIRE & CASUALTY CO  
Form 10-Q  
April 25, 2008

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 10-Q**

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

for the quarterly period ended March 31, 2008

Commission File Number 2-39621

**UNITED FIRE & CASUALTY COMPANY**

(Exact name of registrant as specified in its charter)

Iowa  
(State of Incorporation)

42-0644327  
(IRS Employer Identification No.)

118 Second Avenue, S.E., Cedar Rapids, Iowa 52407

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (319) 399-5700

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days.

YES ☒ NO ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

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Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).

YES ☐ NO ☒

As of April 21, 2008, 27,115,695 shares of common stock were outstanding.

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Certification Pursuant to Section 906 - Chief Financial Officer

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**FORWARD-LOOKING INFORMATION**

It is important to note that our actual results could differ materially from those projected in our forward-looking statements. Information concerning factors that could cause actual results to differ materially from those in the forward-looking statements is contained in Part I Item 2 “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and Part II, Item 1A “Risk Factors.”

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**PART I: FINANCIAL INFORMATION****ITEM 1. FINANCIAL STATEMENTS****Consolidated Balance Sheets****United Fire & Casualty Company and Subsidiaries**

(Dollars in Thousands Except Per Share Data)

	<b>March 31, 2008</b> (unaudited)	December 31, 2007
<b>ASSETS</b>		
<b>Investments</b>		
Fixed maturities		
Held-to-maturity, at amortized cost (fair value \$19,915 in 2008 and \$27,981 in 2007)	\$ 19,360	\$ 27,343
Available-for-sale, at fair value (amortized cost \$1,786,713 in 2008 and \$1,786,915 in 2007)	1,814,472	1,812,810
Equity securities, at fair value (cost \$62,895 in 2008 and \$64,127 in 2007)	163,165	177,720
Trading securities, at fair value (amortized cost \$13,777 in 2008 and \$9,923 in 2007)	14,153	10,793
Mortgage loans	13,257	19,161
Policy loans	7,560	7,622
Other long-term investments	14,301	12,793
Short-term investments	95,302	78,334
	\$ 2,141,570	\$ 2,146,576
<b>Cash and Cash Equivalents</b>	\$ 268,476	\$ 252,565
<b>Accrued Investment Income</b>	28,618	28,431
<b>Premiums Receivable</b>	138,772	121,059
<b>Deferred Policy Acquisition Costs</b>	128,363	128,998
<b>Property and Equipment</b> (primarily land and buildings, at cost, less accumulated depreciation of \$31,077 in 2008 and \$30,198 in 2007)	10,259	10,794
<b>Reinsurance Receivables and Recoverables</b>	43,386	45,475
<b>Prepaid Reinsurance Premiums</b>	2,576	2,645
<b>Income Taxes Receivable</b>	-	7,439
<b>Other Assets</b>	17,202	16,572
<b>TOTAL ASSETS</b>	\$ 2,779,222	\$ 2,760,554
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Liabilities</b>		
Future policy benefits and losses, claims and loss settlement expenses		
Property and casualty insurance	\$ 489,195	\$ 496,083
Life insurance	1,189,494	1,184,977
Unearned premiums	234,386	224,530
Accrued expenses and other liabilities	72,442	63,937
Income taxes payable	978	-
Deferred income taxes	33,398	