

**December 31, 2020 - Annual Statement**

*Iowa Company Number:* 0013

**Boone Farmers Mutual Insurance Association**

Brad D. Larson  
1500 South Story Street  
Boone IA 50036

**DECEMBER 31, 2020**

1.	Ledger Assets, December 31 of previous year, Total, column 1, page 4.....		\$ 3,031,080
<b>INCOME - INCREASES IN LEDGER ASSETS</b>			
<b>PREMIUMS</b>			
	(1)	(2)	(3)
	Direct	Reinsurance	Specific
	Premiums	Premiums	Reinsurance
		Assumed	Premiums Ceded
			(4)
			Net
			Premiums
			(1+2-3=4)
2.	Fire	\$ 1,010,927	\$ 0
3.	Windstorm	793,244	0
4.	Crop Hail	0	0
5.	Homeowners assumed	xxxxxxx	0
6.	Totals	\$ 1,804,171	\$ 0
7.	Aggregate excess loss reinsurance paid		500,324
8.	Total net assessment, premiums and fees (line 6, col. 4 - line 7 = line 8)		\$ 1,303,847
9.	Net interest received on bonds		56,369
10.	Increase in adjustment of bonds	\$ 773	, less
	\$ 1,175 decrease in adjustment of bonds		(402)
11.	Dividends received		38,683
12.	Interest received on bank deposits (schedule C-2, column 7)		0
13.	Interest received on mortgage loans (schedule D, column 6)		0
14.	Other interest		0
15.	Profit on sale of investment		274,813
16.	Rents received*		5,520
17.	Total income from investments (items 9 through 16)		\$ 374,983
18.	Borrowed money		64,985
19.	Premiums collected for other companies (less refunds)		170,778
20.	Checks charged off		0
21.	Increase in ledger liabilities		8,777
22.	Underwriting expense reimbursement		0
23.	Federal income tax refund		0
24.	Miscellaneous income		27
25.	Wind service fee income		0
26.			
27.	Total (items 18 through 26)		\$ 244,567
28.	Total income (items 8, 17, and 27)		\$ 1,923,397
29.	Total assets and income (item 1 plus item 28)		\$ 4,954,477

\*Includes \$2,400 For association's occupancy of its own buildings

**DECEMBER 31, 2020**

1.	Amount brought forward from line 29, page 2		\$	4,954,477
<b>DISBURSEMENTS - DECREASES IN LEDGER ASSETS</b>				
	(1)	(2)	(3)	(4)
	Direct Losses	Reinsurance Assumed	Specific Reinsurance Recovered	Net Losses Paid (1+2-3=4)
2.	Fire	\$ 438,902	\$ 0	\$ 438,902
3.	Windstorm	5,384,719	0	5,384,719
4.	Crop Hail	0	0	0
5.	Homeowners Assumed	xxxxxxx	0	0
6.	Totals	\$ 5,823,621	\$ 0	\$ 5,823,621
7.	Received from aggregate excess loss reinsurance			4,567,300
8.	Total of all net losses (line 6, col. 4 - line 7 = line 8)			\$ 1,256,321
<b>OPERATING EXPENSE</b>				
9.	Loss Adjustment Expenses			11,994
10.	Commissions			229,690
11.	Advertising			17,555
12.	Boards, bureaus and associations			11,190
13.	Inspection and loss prevention			0
14.	Salaries of officers			55,200
15.	Expenses of officers			0
16.	Salaries of office employees			135,664
17.	Employee welfare			94,604
18.	Insurance			9,941
19.	Directors' compensation			0
20.	Directors' expenses			1,280
21.	Rent and rent items			3,381
22.	Equipment			33,429
23.	Printing, stationery and supplies			27,672
24.	Postage and telephone			16,388
25.	Legal and auditing			23,900
26.	State insurance taxes	March 1	August 15	
		June 1	August 15	
		8,525	8,525	18,085
27.	Insurance Division licenses and fees			115
28.	Payroll taxes			15,357
29.	All other taxes (excluding Federal income)			0
30.	Real estate expenses			11,105
31.	Real estate taxes			4,951
32.	Interest on borrowed money			0
33.	Miscellaneous			24,911
	a. Service fees			54,163
	b. Travel expenses			0
	c. Investment expenses			0
	d. Management fees			0
34.				
35.	Total operating expense (items 9 through 34)			\$ 800,575
<b>NON-OPERATING EXPENSE</b>				
36.	Borrowed money repaid			0
37.	Depreciation on real estate			5,653
38.	Loss on sale of investments			17,250
39.	Federal income tax	Prior year	Current year	
		0	0	0
40.	Premium collections transmitted to other companies			142,315
41.	Commissions paid agents for other companies			20,859
42.	Decrease in ledger liabilities			0
43.				
44.	Total non-operating expense (items 36 through 43)			\$ 186,077
45.	Total disbursements (items 8, 35 and 44)			\$ 2,242,973
46.	Balance - ledger assets, December 31st must agree with Line 22, Column 1, Page 4			\$ 2,711,504

**ASSETS - DECEMBER 31, 2020**

	(1) Ledger Assets	(2) Non-ledger including excess of market (or amortized) over book value	(3) Assets not admitted including excess of book over market or amortized values	(4) December 31, 2020 Net Admitted Assets (1+2-3=4)	(5) Prior Year Net Admitted Assets
1. Bonds (schedule A - part 1)	\$ 1,472,518	\$ 0	\$ 0	\$ 1,472,518	\$ 1,675,227
2. Stocks (schedule A - part 2)	824,723	538,744	0	1,363,467	1,674,043
3. Bank balances					
3.1 Subject to check (C-1)	177,554			177,554	59,874
3.2 On interest (C-2)	0			0	0
4. Mortgage loans (schedule D)					
4.1 First liens				0	0
4.2 Other than first				0	0
5. Collateral loans (schedule E)				0	0
6. Real estate (schedule F)	97,017			97,017	102,671
7. Cash in office	100			100	100
8. Unpaid Premiums					
8.1 Due before November 1	934		934	xxxxxxx	
8.2 Due after November 1	138,658	0	111,285	27,373	22,038
9. Bills receivable				xxxxxxx	
10. Agents' balances				0	0
11. Reinsurance receivable on paid losses	0	131,482		131,482	0
12. Accrued interest	xxxxxxx	12,547		12,547	15,350
13. Accrued rent due	xxxxxxx			0	0
14. Equipment and furniture	0		0	xxxxxxx	xxxxxxx
15. Supplies				xxxxxxx	xxxxxxx
16. Automobiles	0		0	xxxxxxx	xxxxxxx
17. Cash surrender value of life ins	0			0	0
18. Federal income tax recoverable	0	4,000	4,000	0	0
19. Electronic data processing equipment	0	0	0	0	0
20. Contingency Receivable	0	0	0	0	15,472
21. Investment Receivable	0	0	0	0	0
22. Totals	\$ 2,711,504	\$ 686,773	\$ 116,219	\$ 3,282,058	\$ 3,564,775

## LIABILITIES - DECEMBER 31, 2020

		December 31, 2020	Prior Year
1. Unpaid claims (reported)	\$ 2,096,359		
2. Unpaid claims (incurred but not reported)	25,000		
3. Total unpaid losses	2,121,359		
4. Less: reinsurance recoverable on unpaid losses	2,104,878		
5. Net unpaid claims		\$ 16,481	\$ 204,992
6. Unpaid adjusting expenses		292	292
7. Ceded reinsurance balances payable		42,998	42,969
8. Unpaid salaries and commissions		37,932	32,854
9. Borrowed money		64,985	0
10. Interest due on borrowed money		413	0
11. Amounts withheld for the account of others		168	227
12. Taxes payable:			
Real Estate		4,973	4,929
Federal Income		0	0
Premium		992	1,035
Other		0	0
13. Other unpaid expenses		4,159	4,349
14. Premiums collected for other companies - not remitted		15,919	14,691
15. Premiums received in advance		18,484	40,293
*16. Unearned premium reserve		830,352	765,853
17. Service Fees and Employee Benefits Payable		0	0
18. Miscellaneous Liabilities			
19. Total liabilities		\$ 1,038,148	\$ 1,112,484
20. Surplus		\$ 2,243,910	\$ 2,452,291
21. Total liabilities and surplus		\$ 3,282,058	\$ 3,564,775

(line 21 must agree with line 22, column 4, page 4)

\*Method of calculation: Actual; Daily Pro-Rata

## HISTORICAL INFORMATION

	2020	2019	2018	2017	2016
<b>Gross Premium</b>					
Fire	\$ 1,010,927	\$ 951,144	\$ 888,548	\$ 874,849	\$ 841,196
Windstorm	793,244	753,774	712,897	699,633	666,554
Crop Hail	0	0	0	0	0
Total	1,804,171	1,704,918	1,601,445	1,574,482	1,507,750
<b>Net Premiums Written</b>					
Fire	1,010,927	951,144	888,548	874,849	841,185
Windstorm	793,244	753,774	712,897	699,633	666,543
Crop Hail	0	0	0	0	0
Total	1,804,171	1,704,918	1,601,445	1,574,482	1,507,728
Total Net of Agg	1,303,848	1,203,959	1,089,025	1,073,094	1,009,353
<b>Gross Losses Paid</b>					
Fire	438,902	506,951	692,724	283,672	210,461
Windstorm	5,384,719	237,925	366,532	202,162	75,351
Crop Hail	0	0	0	0	0
Total	5,823,621	744,876	1,059,256	485,834	285,812
<b>Net Losses Paid</b>					
Fire	438,902	506,951	692,724	283,672	210,461
Windstorm	5,384,719	237,925	366,532	202,162	75,351
Crop Hail	0	0	0	0	0
Total	5,823,621	744,876	1,059,256	485,834	285,812
Total Net of Agg	1,256,322	680,087	712,691	485,834	485,833
<b>Loss Percentage (Direct)</b>					
Fire Losses/Fire Prem	43.4%	53.3%	78.0%	32.4%	25.0%
Windstorm Losses/Windstorm Prem	678.8%	31.6%	51.4%	28.9%	11.3%
Crop Hail Losses/Crop Hail Prem	N/A	N/A	N/A	N/A	N/A
Total Losses/Total Prem	322.8%	43.7%	66.1%	30.9%	19.0%
<b>Loss Percentage (Net)</b>					
Fire Losses/Fire Prem	43.4%	53.3%	78.0%	32.4%	25.0%
Windstorm Losses/Windstorm Prem	678.8%	31.6%	51.4%	28.9%	11.3%
Crop Hail Losses/Crop Hail Prem	N/A	N/A	N/A	N/A	N/A
Total Losses/Total Prem	322.8%	43.7%	66.1%	30.9%	19.0%
Total Net Agg Losses/Total Net Agg Prem	96.4%	56.5%	65.4%	45.3%	48.1%
<b>Balance Sheet Items</b>					
Total Admitted Assets	3,282,058	3,564,775	3,419,542	3,719,101	3,527,180
Liabilities	1,038,148	1,112,484	1,012,206	1,041,564	929,290
Surplus	2,243,910	2,452,291	2,407,336	2,677,537	2,597,890
Bonds	1,472,518	1,675,227	1,600,614	1,825,435	1,828,003
Stocks	1,363,467	1,674,043	1,640,620	1,718,506	1,457,449
Real Estate	97,017	102,671	108,872	108,381	112,713
Unpaid Premium (line 8.1)	0	0	0	0	0
Unpaid Premium (line 8.2)	27,373	22,038	14,418	11,876	22,087
Agents' Balances	0	0	0	0	0
Unearned Premium	830,352	765,853	733,303	713,216	678,635
<b>Balance Sheet Percentages</b>					
Bonds/Admitted Assets	44.9%	47.0%	46.8%	49.1%	51.8%
Stocks/Admitted Assets	41.5%	47.0%	48.0%	46.2%	41.3%
Real Estate/Admitted Assets	3.0%	2.9%	3.2%	2.9%	3.2%
Unpaid Prem (line 8.2)/Admitted Assets	0.8%	0.6%	0.4%	0.3%	0.6%
Agents' Balances/Admitted Assets	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Income/Disbursement Items</b>					
Total Income	1,923,397	1,514,087	1,464,960	1,365,977	1,344,703
Total Disbursements	2,242,973	1,667,077	1,579,464	1,363,021	1,165,309
Operating Expense	800,575	811,634	722,387	698,613	672,704
Commissions	229,690	216,288	202,397	202,820	193,540
Investment Income	374,983	163,673	179,150	150,123	149,081
Salaries (lines 14-17)	285,468	300,839	221,510	208,321	199,445
<b>Other</b>					
Gross Risk in Force	416,804,404	385,325,539	372,380,885	364,795,429	350,195,372
Number of Policies	1,598	1,596	1,592	1,607	1,571
Operating Expense/Net Premium	61.4%	67.4%	66.3%	65.1%	66.6%