

December 31, 2020 - Annual Statement

Iowa Company Number: 0022

German Mutual Insurance Association

Bill Axman
Highway 4 & 7, Box 160
Pomeroy IA 50575

DECEMBER 31, 2020

1. Ledger Assets, December 31 of previous year, Total, column 1, page 4.....					5,548,358
INCOME - INCREASES IN LEDGER ASSETS					
PREMIUMS					
	(1)	(2)	(3)	(4)	
	Direct Premium	Reinsurance Premiums Assumed	Specific Reinsurance Premiums Ceded	Net Premiums (1+2-3=4)	
2. Fire	2,007,777	0	41,885	\$1,965,892	
3. Windstorm	1,742,597	0	125	1,742,472	
4. Crop Hail				0	
5. Homeowners assumed	xxxxxxx	0		0	
6. Totals	\$3,750,374	\$0	\$42,010	\$3,708,364	
7. Aggregate excess loss reinsurance paid				1,300,681	
8. Total net assessments, premiums and fees (line 6, col. 4 - line 7 = line 8)					\$2,407,683
9. Net interest received on bonds				98,334	
10. Increase in adjustment of bonds		\$ 391	, less		
\$ 17,137 decrease in adjustment of bonds				(16,746)	
11. Dividends received				71,612	
12. Interest received on bank deposits (schedule C-2, column 7)				5,012	
13. Interest received on mortgage loans (schedule D, column 6)				0	
14. Other interest				0	
15. Profit on sale of investment				58,769	
16. Rents received*				6,000	
17. Total income from investments (items 9 through 16)					\$222,981
18. Borrowed money				79,312	
19. Premiums collected for other companies (less refunds)				182,901	
20. Checks charged off				0	
21. Increase in ledger liabilities				0	
22. Underwriting expense reimbursement				0	
23. Federal income tax refund				0	
24. Miscellaneous income				37	
25. Crop Hail Contingency Commission					
26.					
27. Total (items 18 through 26)					\$262,250
28. Total income (items 8, 17, and 27)					\$2,892,914
29. Total assets and income (item 1 plus item 28)					\$8,441,272

*Includes \$4,800 For association's occupancy of its own buildings.

DECEMBER 31, 2020

1.	Amount brought forward from line 29, page 2								\$8,441,272
DISBURSEMENTS - DECREASES IN LEDGER ASSETS									
		(1) Direct Losses	(2) Reinsurance Assumed	(3) Specific Reinsurance Recovered	(4) Net Losses Paid (1+2-3=4)				
2.	Fire	1,007,886		48,537	\$959,349				
3.	Windstorm	579,810		0	579,810				
4.	Crop Hail			0					
5.	Homeowners Assumed	xxxxxxx	0		0				
6.	Totals	\$1,587,696	\$0	\$48,537	\$1,539,159				
7.	Received from aggregate excess loss reinsurance				316,284				
8.	Total of all net losses (line 6, col. 4 - line 7 = line 8)								\$1,222,875
OPERATING EXPENSE									
9.	Loss Adjustment Expense				108,097				
10.	Commissions				463,574				
11.	Advertising				5,719				
12.	Boards, bureaus and associations				11,198				
13.	Inspection and loss prevention				57,435				
14.	Salaries of officers				87,243				
15.	Expenses of officers				1,307				
16.	Salaries of office employees				163,868				
17.	Employee welfare				83,943				
18.	Insurance				14,412				
19.	Directors' compensation				1,600				
20.	Directors' expenses				253				
21.	Rent and rent items				6,000				
22.	Equipment				22,494				
23.	Printing, stationery and supplies				8,332				
24.	Postage and telephone				17,904				
25.	Legal and auditing				13,600				
26.	State insurance taxes			0					
		March 1		August 15					
		June 1	17,645		18,406			36,051	
27.	Insurance Division licenses and fees				590				
28.	Payroll taxes				23,496				
29.	All other taxes (excluding Federal income)				127				
30.	Real estate expenses				18,333				
31.	Real estate taxes				4,010				
32.	Interest on borrowed money				0				
33.	Miscellaneous				3,130				
	a. Investment Expense				16,161				
	b. Donations/Contributions				2,500				
	c. Automobile Expense				9,768				
	d.				0				
34.	.								
35.	Total operating expense (items 9 through 34)								\$1,181,145
NON-OPERATING EXPENSE									
36.	Borrowed money repaid				0				
37.	Depreciation on real estate				4,682				
38.	Loss on sale of investments				30,947				
39.	Federal income tax				0				
		Prior year	0	Current year	0				
40.	Premium collections transmitted to other companies				146,305				
41.	Commission paid agents for other companies				33,355				
42.	Decrease in ledger liabilities				72,990				
43.	Loss on sale of fixed assets				0				
44.	Total non-operating expense (items 36 through 43)								\$288,279
45.	Total disbursements (items 8, 35 and 44)								\$2,692,299
46.	Balance - ledger assets, December 31st must agree with Line 22, Column 1, Page 4								\$5,748,973

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) Current Year Net Admitted Assets (1+2-3=4)	(5) Prior Year Net Admitted Assets
1. Bonds (schedule A - part 1)	\$2,922,796		0	\$2,922,796	\$3,078,377
2. Stocks (schedule A - part 2)	1,785,909	791,119	4,890	2,572,138	2,037,361
3. Bank Balances					
3.1 Subject to check (C-1)	543,368			543,368	432,205
3.2 On interest (C-2)	353,795			353,795	353,795
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)	96,154			96,154	100,835
7. Cash in office	200			200	200
8. Unpaid Premiums					
8.1 Due before November 1	0	0	0	xxxxxxx	
8.2 Due after November 1	26,309		0	26,309	19,577
9. Bills receivable				xxxxxxx	
10. Agents' balances				0	0
11. Reinsurance receivable on paid losses		0		0	30,779
12. Accrued interest	xxxxxxx	24,899		24,899	27,436
13. Accrued rent due	xxxxxxx			0	0
14. Equipment and furniture	0		0	xxxxxxx	xxxxxxx
15. Supplies		0	0	xxxxxxx	xxxxxxx
16. Automobiles	18,352		18,352	xxxxxxx	xxxxxxx
17. Annuity - Deferred Compensation				0	0
18. Federal income tax recoverable		0	0	0	0
19. Electronic data processing equipment	2,090			2,090	3,881
20. Service fees & misc receivables	0	0	0	0	0
21. Contingent Commissions	0	40,669	0	40,669	13,678
22. Totals	\$5,748,973	\$856,687	\$23,242	\$6,582,418	\$6,098,124

LIABILITIES - DECEMBER 31, 2020

		Current Year	Prior Year
1.	Unpaid claims (reported)	\$379,601	
2.	Unpaid claims (incurred but not reported)	0	
3.	Total unpaid losses	\$379,601	
4.	Less: reinsurance recoverable on unpaid losses	77,149	
5.	Net unpaid claims	\$302,452	\$69,730
6.	Unpaid adjusting expenses	9,000	8,958
7.	Ceded reinsurance balances payable	112,989	113,710
8.	Unpaid salaries and commissions	54,191	45,548
9.	Borrowed money	79,312	0
10.	Interest due on borrowed money	506	0
11.	Amounts withheld for the account of others	7	0
12.	Taxes payable: Real estate	2,005	1,960
	Federal income	0	0
	Premium	690	(761)
	Other	0	0
13.	Other unpaid expense	2,999	2,200
14.	Premiums collected for other companies - not remitted	15,038	14,042
15.	Premiums received in advance	99,527	38,645
*16.	Unearned premium reserve	1,459,803	1,465,564
17.	Service Fees and Employee Benefits Payable	0	0
18.	Miscellaneous Liabilities	0	82,636
19.	Total liabilities	\$2,138,519	\$1,842,232
20.	Surplus	\$4,443,899	\$4,255,892
21.	Total liabilities and surplus	\$6,582,418	\$6,098,124

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

* Method of calculation: 40% method

HISTORICAL INFORMATION

	2020	2019	2018	2017	2016
Gross Premium					
Fire	2,007,777	1,972,236	2,017,845	1,999,008	2,023,884
Windstorm	1,742,597	1,708,995	1,739,438	1,718,478	1,732,461
Crop Hail	0	0	0	0	0
Total	3,750,374	3,681,231	3,757,283	3,717,486	3,756,345
Net Premiums Written					
Fire	1,965,892	1,928,033	1,970,909	1,951,010	1,974,987
Windstorm	1,742,472	1,708,870	1,739,313	1,718,478	1,732,461
Crop Hail	0	0	0	0	0
Total	3,708,364	3,636,903	3,710,222	3,669,488	3,707,448
Total Net of Agg	2,407,683	2,338,641	2,360,081	2,345,075	2,428,815
Gross Losses Paid					
Fire	1,007,886	1,190,576	1,160,851	506,110	738,449
Windstorm	579,810	535,053	1,137,482	1,196,196	775,473
Crop Hail	0	0	0	0	0
Total	1,587,696	1,725,629	2,298,333	1,702,306	1,513,922
Net Losses Paid					
Fire	959,349	1,140,557	1,144,956	491,550	695,690
Windstorm	579,810	535,053	1,137,482	1,196,196	775,473
Crop Hail	0	0	0	0	0
Total	1,539,159	1,675,610	2,282,438	1,687,746	1,471,163
Total Net of Agg	1,222,875	1,245,584	2,111,638	1,673,234	1,319,669
Loss Percentage (Direct)					
Fire Losses/Fire Prem	50.20%	60.37%	57.53%	25.32%	36.49%
Windstorm Losses/Windstorm Prem	33.27%	31.31%	65.39%	69.61%	44.76%
Crop Hail Losses/Crop Hail Prem	N/A	N/A	N/A	N/A	N/A
Total Losses/Total Prem	42.33%	46.88%	61.17%	45.79%	40.30%
Loss Percentage (Net)					
Fire Losses/Fire Prem	48.80%	59.16%	58.09%	25.19%	35.23%
Windstorm Losses/Windstorm Prem	33.28%	31.31%	65.40%	69.61%	44.76%
Crop Hail Losses/Crop Hail Prem	N/A	N/A	N/A	N/A	N/A
Total Losses/Total Prem	41.51%	46.07%	61.52%	45.99%	39.68%
Total Net Agg Losses/Total Net Agg Prem	50.79%	53.26%	89.47%	71.35%	54.33%
Balance Sheet Items					
Total Admitted Assets	6,582,418	6,098,124	5,448,869	6,399,312	6,352,399
Liabilities	2,138,519	1,842,232	1,897,253	1,997,160	2,057,679
Surplus	4,443,899	4,255,892	3,551,616	4,402,152	4,294,720
Bonds	2,922,796	3,078,377	2,749,086	3,047,078	3,385,900
Stocks	2,572,138	2,037,361	1,980,903	2,592,516	2,310,969
Real Estate	96,154	100,835	105,541	110,402	115,290
Unpaid Premium (line 8.1)	0	0	86	(2,557)	(134)
Unpaid Premium (line 8.2)	26,309	19,577	24,974	16,280	26,963
Agents' Balances	0	0	0	0	0
Unearned Premium	1,459,803	1,465,564	1,485,878	1,449,843	1,482,053
Balance Sheet Percentages					
Bonds/Admitted Assets	44.40%	50.48%	50.45%	47.62%	53.30%
Stocks/Admitted Assets	39.08%	33.41%	36.35%	40.51%	36.38%
Real Estate/Admitted Assets	1.46%	1.65%	1.94%	1.73%	1.81%
Unpaid Prem (line 8.2)/Admitted Assets	0.40%	0.32%	0.46%	0.25%	0.42%
Agents' Balances/Admitted Assets	0.00%	0.00%	0.00%	0.00%	0.00%
Income/Disbursement Items					
Total Income	2,892,914	2,974,674	2,815,259	2,846,058	2,822,976
Total Disbursements	2,692,299	2,634,190	3,436,306	3,004,208	2,724,599
Operating Expense	1,181,145	1,206,623	1,181,682	1,202,788	1,233,938
Commissions	463,574	457,062	464,765	460,724	461,073
Investment Income	222,981	381,295	311,260	366,402	255,056
Salaries (lines 14-17)	336,361	330,609	320,561	315,508	312,910
Other					
Gross Risk in Force	751,144,469	748,182,654	760,266,838	763,539,384	800,182,785
Number of Policies	2154	2214	2348	2471	2561
Operating Expense/Net Premium	49.06%	51.60%	50.07%	51.29%	50.80%