

December 31, 2020 - Annual Statement

Iowa Company Number: 0026

Home Mutual Insurance Association of Carroll County Iowa

Bradley Vollstedt
P. O. Box 367
Manning IA 51455

DECEMBER 31, 2020

1. Ledger Assets, December 31 of previous year, Total, column 1, page 4 \$ 11,691,567

INCOME - INCREASES IN LEDGER ASSETS

PREMIUMS

	(1) Direct Premiums	(2) Reinsurance Premiums Assumed	(3) Specific Reinsurance Premiums Ceded	(4) Net Premiums (1 + 2 - 3 = 4)
2. Fire	\$ 2,638,730	\$	\$ 1,617	\$ 2,637,113
3. Windstorm	2,607,255		1,598	2,605,657
4. Crop hail				
5. Homeowners assumed	xxxxxxx			
6. Totals	\$ 5,245,985	\$	\$ 3,215	\$ 5,242,770
7. Aggregate excess loss reinsurance paid				1,413,609
8. Total net assessment, premiums and fees (line 6, col. 4 - line 7 = line 8)				\$ 3,829,161
9. Net interest received on bonds				225,162
10. Increase in adjustment of bonds \$		3,225	, less	
\$ 28,310 decrease in adjustment of bonds				(25,085)
11. Dividends received				113,557
12. Interest received on bank deposits (schedule C-2, column 7)				295
13. Interest received on mortgage loans (schedule D, column 6)				
14. Other Interest				
15. Profit on sale of investment				4,526
16. Rents received*				1,200
17. Total income from investments (items 9 through 16)				\$ 319,655
18. Borrowed money				
19. Premiums collected for other companies (less refunds)				
20. Checks charged off				
21. Increase in ledger liabilities				754,297
22. Underwriting expense reimbursement				25,618
23. Federal income tax refund				
24. Miscellaneous income				
25.				
26.				
27. Total (items 18 through 26)				\$ 779,915
28. Total income (items 8, 17 and 27)				\$ 4,928,731
29. Total assets and income (item 1 plus item 28)				\$ 16,620,298

*Includes \$ 1,200 For association's occupancy of its own buildings

DECEMBER 31, 2020

1. Amount brought forward from line 29 page 2 \$ 16,620,298

DISBURSEMENTS - DECREASES IN LEDGER ASSETS

		(1)		(2)		(3)		(4)
		Direct		Reinsurance		Specific Reinsuran		Net Losses Paid
		Losses		Assumed		Recovered		(1 + 2 - 3 = 4)
2. Fire.	\$	1,434,253		\$		\$		\$ 1,434,253
3. Windstorm		1,101,022						1,101,022
4. Crop Hail								
5. Homeowners Assumed		xxxxxxx						
6. Totals	\$	2,535,275		\$		\$		\$ 2,535,275

7. Received from aggregate excess loss reinsurance

8. Total of all net losses (line 6, col.4 - line 7 = line 8) \$ 2,535,275

OPERATING EXPENSE

9. Loss Adjustment Expenses	89,899
10. Commissions	785,148
11. Advertising	11,223
12. Boards, bureaus and associations	10,770
13. Inspection and loss prevention	6,500
14. Salaries of officers.	107,629
15. Expenses of officers	5,361
16. Salaries of office employees	215,796
17. Employee welfare	52,145
18. Insurance	25,821
19. Directors' compensation	8,113
20. Directors' expenses	
21. Rent and rent items	1,200
22. Equipment	15,160
23. Printing, stationery and supplies	76,188
24. Postage and telephone	13,866
25. Legal and auditing	21,000
26. State insurance taxes	
March	2,027
June 1	25,105
August 15	25,105
	52,237
27. Insurance Division licenses and fees	466
28. Payroll taxes	25,073
29. All other taxes (excluding Federal income)	
30. Real estate expenses	6,435
31. Real estate taxes	4,219
32. Interest on borrowed money	
33. Miscellaneous	105
a Association Meeting Expense	488
b Retirement - SAR SEP Mutual Share	12,454
c Annual Meeting & Agents' Meeting Expense	4,800
d Investment Expenses	30,875

34.
 35. Total operating expense (items 9 through 34) \$ 1,582,971

NON-OPERATING EXPENSE

36. Borrowed money repaid	
37. Depreciation on real estate	2,920
38. Loss on sale of investments	
39. Federal income tax	
Prior year	113
Current year	20,800
	20,913
40. Premium collections transmitted to other companies	
41. Commissions paid agents for other companies	
42. Decrease in ledger liabilities	
43. .	
44. Total non-operating expense (items 36 through 43) 45. Total disbursements (items 8, 35 and 44)	\$ 23,833 \$ 4,142,079
46. Balance - ledger assets, December 31st must agree with Line 22, Column 1, Page 4	\$ 12,478,219

ASSETS - DECEMBER 31, 2020

	(1)	(2)	(3)	(4)	(5)
	Ledger Assets	Non-ledger including excess of market (or amortized) over book value	Assets not admitted including excess of book over market or amortized values	Current Year Net Admitted Assets (1+2-3=4)	Prior Year Net Admitted Assets
1. Bonds (schedule A-part 1)	\$ 7,083,793			7,083,793	\$ 6,960,035
2. Stocks (schedule A-part 2).	3,164,113	1,718,989		4,883,102	\$ 4,007,045
3. Bank Balances					
3.1 Subject to check (C-1)	146,894			146,894	\$ 3,401
3.2 On interest (C-2)	52,304			52,304	\$ 152,009
4. Mortgage loans (schedule D)					
4.1 First liens					
4.2 Other than first					
5. Collateral loans (schedule E)					
6. Real estate (schedule F)	795,127		203,553	591,574	\$ 44,153
7. Cash in office	100			100	\$ 100
8. Unpaid Premiums					
8.1 Due before November 1	769		769	xxxxxxx	
8.2 Due after November 1	582,717		558,306	24,411	\$ 14,641
9. Bills receivable				xxxxxxx	
10. Agents' balances					
11. Reinsurance receivable on paid losses					
12. Accrued interest	xxxxxxx	66,084		66,084	\$ 63,644
13. Accrued rent due	xxxxxxx				
14. Equipment and furniture	52,369		52,369	xxxxxxx	xxxxxxx
15. Supplies				xxxxxxx	xxxxxxx
16. Automobiles				xxxxxxx	xxxxxxx
17. Cash surrender value of life ins.					
18. Federal income tax recoverable		20,800	20,800		
19. Electronic Data Process Equip Overwrite Rec & Reins Prem	33			33	\$ 134
20. Refundable		1,948		1,948	\$ 4,351
21. Prepaid Reinsurance	600,000			600,000	\$ 691,650
22. Totals	\$ 12,478,219	\$ 1,807,821	\$ 835,797	\$ 13,450,243	\$ 11,941,163

LIABILITIES - DECEMBER 31, 2020

	Current Year	Prior Year
1. Unpaid claims (reported)	\$ 386,550	
2. Unpaid claims (incurred but not reported)	75,000	
3. Total unpaid losses	461,550	
4. Less: reinsurance recoverable on unpaid losses		
5. Net unpaid claims	\$ 461,550	\$ 537,600
6. Unpaid adjusting expenses	2,500	2,500
7. Ceded reinsurance balances payable	10,043	
8. Unpaid salaries and commissions	87,516	88,568
9. Borrowed money	750,000	
10. Interest due on borrowed money		
11. Amounts withheld for the account of others	(448)	(443)
12. Taxes payable: Real Estate	3,450	5,000
Federal Income		
Premium	2,234	2,027
Other	4,747	167
13. Other unpaid expenses	5,917	6,228
14. Premiums collected for other companies - not remitted	(8,437)	(9,212)
15. Premiums received in advance	136,732	103,694
*16. Unearned premium reserve	1,999,237	1,909,289
17.		
18.		
19. Total liabilities	\$ 3,455,041	\$ 2,645,418
20. Surplus	\$ 9,995,202	\$ 9,295,745
21. Total liabilities and surplus	\$ 13,450,243	\$ 11,941,163

(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
<u>Gross Premium</u>					
Fire	2,638,730	2,526,318	2,424,303	2,288,955	2,169,900
Windstorm	2,607,255	2,496,182	2,395,385	2,261,651	2,133,210
Crop Hail	-	-	-	-	-
Total	5,245,985	5,022,500	4,819,688	4,550,606	4,303,110
<u>Net Premiums Written</u>					
Fire	2,637,113	2,524,658	2,422,774	2,287,563	2,169,032
Windstorm	2,605,657	2,494,542	2,393,874	2,260,275	2,132,353
Crop Hail	-	-	-	-	-
Total	5,242,770	5,019,200	4,816,648	4,547,838	4,301,385
Total Net of Agg	3,829,161	3,669,436	3,531,026	3,273,649	3,137,610
<u>Gross Losses Paid</u>					
Fire	1,434,253	831,255	879,090	893,113	996,956
Windstorm	1,101,022	365,530	1,025,340	427,582	323,293
Crop Hail	-	-	-	-	-
Total	2,535,275	1,196,785	1,904,430	1,320,695	1,320,249
<u>Net Losses Paid</u>					
Fire	1,434,253	831,255	879,090	893,113	996,956
Windstorm	1,101,022	365,530	1,025,340	427,582	323,293
Crop Hail	-	-	-	-	-
Total	2,535,275	1,196,785	1,904,430	1,320,695	1,320,249
Total Net of Agg	2,535,275	1,196,785	1,904,430	1,320,695	1,311,703
<u>Loss Percentage (Direct)</u>					
Fire Losses/Fire Prem	54.4%	32.9%	36.3%	39.0%	45.9%
Windstorm Losses/Windstorm Prem	42.2%	14.6%	42.8%	18.9%	15.2%
Crop Hail Losses/Crop Hail Prem	0.0%	0.0%	0.0%	0.0%	0.0%
Total Losses/Total Prem	48.3%	23.8%	39.5%	29.0%	30.7%
<u>Loss Percentage (Net)</u>					
Fire Losses/Fire Prem	54.4%	32.9%	36.3%	39.0%	46.0%
Windstorm Losses/Windstorm Prem	42.3%	14.7%	42.8%	18.9%	15.2%
Crop Hail Losses/Crop Hail Prem	0.0%	0.0%	0.0%	0.0%	0.0%
Total Losses/Total Prem	48.4%	23.8%	39.5%	29.0%	30.7%
Tot Net Agg Losses/Tot Net Agg Prem	66.2%	32.6%	53.9%	40.3%	41.8%
<u>Balance Sheet Items</u>					
Total Admitted Assets	13,450,243	11,941,163	10,097,254	10,189,366	8,835,842
Liabilities	3,455,041	2,645,418	2,236,996	2,193,919	1,997,749
Surplus	9,995,202	9,295,745	7,860,258	7,995,447	6,838,093
Bonds	7,083,793	6,960,035	6,004,078	5,856,960	5,585,004
Stocks	4,883,102	4,007,045	3,428,704	3,690,308	2,886,386
Real Estate	591,574	44,153	47,073	49,994	53,798
Unpaid Premium (line 8.1)	769	58	-	-	1
Unpaid Premium (line 8.2)	24,411	14,641	22,554	16,226	10,742
Agents' Balances	-	-	-	-	-
Unearned Premium	1,999,237	1,909,289	1,779,543	1,761,161	1,607,130
<u>Balance Sheet Percentages</u>					
Bonds/Admitted Assets	53%	58%	59%	57%	63%
Stocks/Admitted Assets	36%	34%	34%	36%	33%
Real Estate/Admitted Assets	4%	0%	0%	0%	1%
Unpaid Prem (line 8.2)/Admitted Assets	0%	0%	0%	0%	0%
Agents' Balances/Admitted Assets	0%	0%	0%	0%	0%
<u>Income/Disbursement Items</u>					
Total Income	4,928,731	4,152,442	3,996,585	3,874,650	3,458,766
Total Disbursements	4,142,079	2,805,009	3,427,266	2,792,808	3,127,438
Operating Expense	1,582,971	1,538,727	1,519,915	1,419,259	1,400,954
Commissions	785,148	751,545	721,529	680,339	727,366
Investment Income	319,655	453,344	434,654	579,658	301,018
Salaries (lines 14-17)	380,931	428,420	424,797	373,958	374,115
<u>Other</u>					
Gross Risk in Force	1,574,475,641	1,504,256,592	1,399,280,737	1,325,758,659	1,281,598,966
Number of Policies	3,804	3,760	3,625	3,544	3,498
Operating Expense/Net Premium	41%	42%	43%	43%	45%