

**December 31, 2020 - Annual Statement**

*Iowa Company Number:* 0055

**Dickinson County Mutual Insurance Association**

Beth A. Sander  
613 Lake St., Box OC  
Spirit Lake IA 51360

**DECEMBER 31, 2020**

1. Ledger Assets, December 31 of previous year, Total column 1, page 4.....

\$ 3,529,671

**INCOME - INCREASES IN LEDGER ASSETS**

| PREMIUMS                  |   |  |                                     |
|---------------------------|---|--|-------------------------------------|
| (1)<br>Direct<br>Premiums | (2)<br>Reinsurance<br>Premiums<br>Assumed | (3)<br>Specific<br>Reinsurance<br>Premiums Ceded | (4)<br>Net<br>Premiums<br>(1+2-3=4) |
| 2. Fire.....              | \$ 1,024,527                              | \$   | \$ 1,024,527                        |
| 3. Windstorm.....         | 883,512                                   |  | 883,512                             |
| 4. Crop Hail.....         |   |  |                                     |
| Homeowner                 |   |  |                                     |
| 5. Assumed.....           | XXXXXXX                                   |  |                                     |
| 6. Totals.....            | \$ 1,908,039                              | \$   | \$ 1,908,039                        |

7. Aggregate excess loss reinsurance paid..... 606,011

8. Total net assessment, premiums and fees (line 6, col. 4 - line 7 = line 8) ..... \$ 1,302,028

9. Net interest received on bonds..... 117,869

10. Increase in adjustment of bonds 5,167, less 7,243  
decrease in adjustment of bonds..... (2,076)

11. Dividends received..... 30,328

12. Interest received on bank deposits (schedule C-2, column 7)..... 12

13. Interest received on mortgage loans (schedule D, column 6).....

14. Other interest..... 29

15. Profit on sale of investment..... 2,525

16. Rents received\*..... 11,100

17. Total income from investments (items 9 through 16)..... \$ 159,787

18. Borrowed money.....

19. Premiums collected for other companies (less refunds)..... 144,375

20. Checks charged off.....

21. Increase in ledger liabilities.....

22. Underwriting expense reimbursement.....

23. Federal income tax refund..... 8,958

24. Miscellaneous income.....

25. Crop Hail Contingency Commission.....

26. ....

27. Total (items 18 through 26)..... \$ 153,333

28. Total income (items 8, 17, and 27)..... \$ 1,615,148

29. Total assets and income (item 1 plus item 28)..... \$ 5,144,819

\*Includes \$11,100 for association's occupancy of its own buildings.

**DECEMBER 31, 2020**

\$ 5,144,819

1. Amount brought forward from line 29 page 2.....

**DISBURSEMENTS - DECREASES IN LEDGER ASSETS**

| LOSSES                     |                               |  |                                     |
|----------------------------|-------------------------------|--|-------------------------------------|
| (1)<br>Direct<br>Losses    | (2)<br>Reinsurance<br>Assumed | (3)<br>Specific Reinsurance<br>Recovered | (4)<br>Net Losses Paid<br>(1+2-3=4) |
| 2. Fire.....               | \$ 489,491                    | \$ 31,082                                | \$ 458,409                          |
| 3. Windstorm.....          | 410,741                       |  | 410,741                             |
| 4. Crop Hail .....         |                               |  |                                     |
| 5. Homeowners Assumed..... | XXXXXXXXXX                    |  |                                     |
| 6. Totals.....             | \$ 900,232                    | \$ 31,082                                | \$ 869,150                          |

\$ 830,515

7. Received from aggregate excess loss reinsurance..... 38,635  
 8. Total of all net losses (line 6, column 4 - line 7 = line 8).....

**OPERATING EXPENSE**

- 9. Loss Adjustment Expenses.....
- 10. Commissions.....
- 11. Advertising.....
- 12. Boards, bureaus and associations.....
- 13. Inspection and loss prevention.....
- 14. Salaries of officers.....
- 15. Expenses of officers.....
- 16. Salaries of office employees.....
- 17. Employee welfare.....
- 18. Insurance.....
- 19. Directors' compensation.....
- 20. Directors' expenses.....
- 21. Rent and rent items.....
- 22. Equipment.....
- 23. Printing, stationery and supplies.....
- 24. Postage and telephone .....
- 25. Legal and auditing.....
- 26. State insurance taxes (March 1, 347 ) (June 1, 9,419 ) (August 15, 9,419 )
- 27. Insurance Division licenses and fees.....
- 28. Payroll taxes.....
- 29. All other taxes (excluding Federal income).....
- 30. Real estate expenses.....
- 31. Real estate taxes.....
- 32. Interest on borrowed money.....
- 33. Miscellaneous.....
  - a. Annual Meeting.....
  - b. Donations/Contributions.....
  - c. Travel and Travel Items.....
  - d. Over and Short.....

|         |
|---------|
| 74,833  |
| 251,670 |
| 2,247   |
| 8,300   |
| 11,553  |
| 81,758  |
| 1,649   |
| 45,531  |
| 23,937  |
| 11,482  |
| 10,201  |
| 583     |
| 11,100  |
| 19,224  |
| 4,889   |
| 16,795  |
| 12,000  |
| 19,185  |
| 280     |
| 12,912  |
|         |
| 12,306  |
| 4,042   |
|         |
|         |
|         |
| 3,909   |
| 1       |

\$ 640,387

34. ....  
 35. Total operating expense (items 9 through 34).....

**NON-OPERATING EXPENSE**

- 36. Borrowed money repaid.....
- 37. Depreciation on real estate.....
- 38. Loss on sale of investments.....
- 39. Federal income tax Prior year, 0 Current year, 0 .....
- 40. Premium collections transmitted to other companies.....
- 41. Commission paid agents for other companies.....
- 42. Decrease in ledger liabilities.....
- 43. Federal income tax penalty/interest.....

|         |
|---------|
| 7,639   |
| 15,825  |
|         |
| 115,480 |
| 17,325  |
| 9,573   |
|         |

165,842

44. Total non-operating expense (items 36 through 43).....

\$ 1,636,744

45. Total disbursements (items 8, 35, and 44).....

\$ 3,508,075

46. Balance - ledger assets, December 31st must agree with Line 22, Column 1, Page 4.....

**ASSETS - DECEMBER 31, 2020**

|   | (1)<br>Ledger Assets | (2)<br>Non-ledger including<br>excess of market<br>(or amortized) over<br>book value | (3)<br>Assets not admitted<br>including excess of<br>book over market<br>or amortized values | (4)<br>Current Year<br>Net<br>Admitted Assets<br>(1+2-3=4) | (5)<br>Prior Year<br>Net<br>Admitted Assets |
|---|----------------------|--|--|--|---|
| 1. *Bonds (schedule A-part 1).....                | \$ 2,670,986         | \$   | \$ 76,724  | \$ 2,594,262   | \$ 2,488,691                                |
| 2. Stocks (schedule A-part 2).....                | 497,173              | 220,233  |  | 717,406  | 727,203                                     |
| 3. Bank Balances                                  |                      |  |  |  |   |
| 3.1 Subject to check(C-1).....                    | 72,251               |  |  | 72,251   | 410,052                                     |
| 3.2 On interest (C-2).....                        | 133,516              |  |  | 133,516  | 13,504                                      |
| 4. Mortgage loans (schedule D)                    |                      |  |  |  |   |
| 4.1 First liens.....                              |                      |  |  |  |   |
| 4.2 Other than first.....                         |                      |  |  |  |   |
| 5. Collateral loans (schedule E).....             |                      |  |  |  |   |
| 6. Real estate (schedule F).....                  | 134,149              |  |  | 134,149  | 94,304                                      |
| 7. Cash in office.....                            |                      |  |  |  |   |
| 8. Unpaid Premiums                                |                      |  |  |  |   |
| 8.1 Due before Nov 1.....                         |                      | 2,815  | 2,815  | X X X X X X  | X X X X X X                                 |
| 8.2 Due after Nov 1.....                          |                      | 5,549  |  | 5,549  | 14,201                                      |
| 9. Bills receivable.....                          |                      |  |  | X X X X X X  | X X X X X X                                 |
| 10. Agent's balances.....                         |                      |  |  |  |   |
| 11. Reinsurance receivable on paid<br>losses..... |                      | 15,579   |  | 15,579   |   |
| 12. Accrued interest.....                         | X X X X X X          | 29,074   |  | 29,074   | 26,064                                      |
| 13. Accrued rent due.....                         | X X X X X X          |  |  |  |   |
| 14. Equipment and furniture.....                  |                      |  |  | X X X X X X  | X X X X X X                                 |
| 15. Supplies.....                                 |                      |  |  | X X X X X X  | X X X X X X                                 |
| 16. Automobiles.....                              |                      |  |  | X X X X X X  | X X X X X X                                 |
| 17. Cash surrender value of life ins.             |                      |  |  |  |   |
| 18. Federal Inc. tax recoverable.....             |                      |  |  |  |   |
| 19. Electronic data processing<br>equipment.....  |                      |  |  |  |   |
| 20. Service fees & misc receivables..             |                      | 18,606   |  | 18,606   | 22,909                                      |
| 21. Prepaid Reins. & other assets....             |                      |  |  |  |   |
| 22. Totals.....                                   | \$ 3,508,075         | \$ 291,856   | \$ 79,539  | \$ 3,720,392   | \$ 3,796,928                                |

\*Bonds are amortized through 12/31/20.

**LIABILITIES - DECEMBER 31, 2020**

|  |            | Current Year | Prior Year   |
|--|------------|--------------|--------------|
| 1. Unpaid claims (reported).....                               | \$ 334,150 |              |              |
| 2. Unpaid claims (incurred but not reported).....              |            |              |              |
| 3. Total unpaid losses.....                                    | 334,150    |              |              |
| 4. Less: reinsurance recoverable on unpaid losses.....         | 133,544    |              |              |
| 5. Net unpaid claims.....                                      |            | \$ 200,606   | \$ 66,050    |
| 6. Unpaid adjusting expenses.....                              |            | 12,900       | 7,700        |
| 7. Ceded reinsurance balances payable.....                     |            | 51,683       | 51,683       |
| 8. Unpaid salaries and commissions.....                        |            | 47,407       | 60,269       |
| 9. Borrowed money.....   |            |              |              |
| 10. Interest due on borrowed money.....                        |            |              |              |
| 11. Amounts withheld for the account of others.....            |            | 1,600        | 2,463        |
| 12. Taxes payable: Real estate.....                            |            | 4,200        | 3,884        |
| Federal Income.....  |            | 1,000        |              |
| Premium.....   |            | 242          | 347          |
| Other.....   |            | 193          | 3,126        |
| 13. Other unpaid expenses.....                                 |            | 5,129        | 4,558        |
| 14. Premiums collected for other companies - not remitted..... |            | 10,370       | 11,443       |
| 15. Premiums received in advance.....                          |            | 1,298        |              |
| 16. *Unearned premium reserve.....                             |            | 737,000      | 732,000      |
| 17. Service Fees and Employee Benefits Payable.....            |            |              |              |
| 18. Miscellaneous Liabilities.....                             |            |              |              |
| 19. Total liabilities.....                                     |            | \$ 1,073,628 | \$ 943,523   |
| 20. Surplus.....   |            | \$ 2,646,764 | \$ 2,853,405 |
| 21. Total liabilities and surplus.....                         |            | \$ 3,720,392 | \$ 3,796,928 |

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

\*Method of calculation: 40% method.

## HISTORICAL INFORMATION

|   | 2020        | 2019        | 2018        | 2017        | 2016        |
|---|-------------|-------------|-------------|-------------|-------------|
| <b>Gross Premium</b>                        |             |             |             |             |             |
| Fire.....                                   | 1,024,527   | 1,014,216   | 994,584     | 938,201     | 938,551     |
| Windstorm.....                              | 883,512     | 869,526     | 854,351     | 805,755     | 813,327     |
| Crop Hail.....                              | 0           | 0           | 0           | 0           | 0           |
| Total.....                                  | 1,908,039   | 1,883,742   | 1,848,935   | 1,743,956   | 1,751,878   |
| <b>Net Premium Written</b>                  |             |             |             |             |             |
| Fire.....                                   | 1,024,527   | 1,014,216   | 994,584     | 938,201     | 938,551     |
| Windstorm.....                              | 883,512     | 869,526     | 854,351     | 805,755     | 813,327     |
| Crop Hail.....                              | 0           | 0           | 0           | 0           | 0           |
| Total.....                                  | 1,908,039   | 1,883,742   | 1,848,935   | 1,743,956   | 1,751,878   |
| Total Net of Agg.....                       | 1,302,028   | 1,278,270   | 1,231,342   | 1,102,528   | 1,167,449   |
| <b>Gross Losses Paid</b>                    |             |             |             |             |             |
| Fire.....                                   | 489,491     | 233,407     | 683,861     | 477,626     | 233,804     |
| Windstorm.....                              | 410,741     | 334,067     | 563,707     | 441,768     | 304,054     |
| Crop Hail.....                              | 0           | 0           | 0           | 0           | 0           |
| Total.....                                  | 900,232     | 567,474     | 1,247,568   | 919,394     | 537,858     |
| <b>Net Losses Paid</b>                      |             |             |             |             |             |
| Fire.....                                   | 458,409     | 178,519     | 623,712     | 437,376     | 220,023     |
| Windstorm.....                              | 410,741     | 334,067     | 563,707     | 441,768     | 304,054     |
| Crop Hail.....                              | 0           | 0           | 0           | 0           | 0           |
| Total.....                                  | 869,150     | 512,586     | 1,187,419   | 879,144     | 524,077     |
| Total Net of Agg.....                       | 830,515     | 209,258     | 1,185,999   | 878,766     | 509,109     |
| <b>Loss Percentage (Direct)</b>             |             |             |             |             |             |
| Fire Losses/Fire Prem.....                  | 48 %        | 23 %        | 69 %        | 51 %        | 25 %        |
| Windstorm Losses/Windstorm Prem.....        | 46 %        | 38 %        | 66 %        | 55 %        | 37 %        |
| Crop Hail Losses/Crop Hail Prem.....        | 0 %         | 0 %         | 0 %         | 0 %         | 0 %         |
| Total Losses/Total Prem.....                | 47 %        | 30 %        | 67 %        | 53 %        | 31 %        |
| <b>Loss Percentage (Net)</b>                |             |             |             |             |             |
| Fire Losses/Fire Prem.....                  | 45 %        | 18 %        | 63 %        | 47 %        | 23 %        |
| Windstorm Losses/Windstorm Prem.....        | 46 %        | 38 %        | 66 %        | 55 %        | 37 %        |
| Crop Hail Losses/Crop Hail Prem.....        | 0 %         | 0 %         | 0 %         | 0 %         | 0 %         |
| Total Losses/Total Prem.....                | 46 %        | 27 %        | 64 %        | 50 %        | 30 %        |
| Total Net Agg Losses/Total Net Ag Prem      | 64 %        | 16 %        | 96 %        | 80 %        | 44 %        |
| <b>Balance Sheet Items</b>                  |             |             |             |             |             |
| Total Admitted Assets.....                  | 3,720,391   | 3,796,928   | 3,631,922   | 3,741,202   | 3,800,599   |
| Liabilities.....                            | 1,073,628   | 943,524     | 1,203,393   | 922,044     | 1,076,322   |
| Surplus.....                                | 2,646,763   | 2,853,404   | 2,428,529   | 2,819,158   | 2,724,277   |
| Bonds.....                                  | 2,594,262   | 2,488,691   | 2,512,631   | 2,549,923   | 2,677,322   |
| Stocks.....                                 | 717,406     | 727,203     | 597,464     | 891,547     | 743,370     |
| Real Estate.....                            | 134,149     | 94,304      | 86,137      | 92,460      | 98,783      |
| Unpaid Premium(line 8.1).....               | 2,815       | 1,799       | 3,837       | 1,803       | 0           |
| Unpaid Premium(line 8.2).....               | 5,549       | 14,201      | 16,066      | 23,099      | 7,943       |
| Agent's Balances.....                       | 0           | 0           | 0           | 0           | 0           |
| Unearned Premium.....                       | 737,000     | 732,000     | 715,000     | 689,000     | 671,000     |
| <b>Balance Sheet Percentages</b>            |             |             |             |             |             |
| Bonds/Admitted Assets.....                  | 70 %        | 66 %        | 69 %        | 68 %        | 70 %        |
| Stocks/Admitted Assets.....                 | 19 %        | 19 %        | 16 %        | 24 %        | 20 %        |
| Real Estate/Admitted Assets.....            | 4 %         | 2 %         | 2 %         | 2 %         | 3 %         |
| Unpaid Prem (line 8.2)/Admitted Assets..... | 0 %         | 0 %         | 0 %         | 1 %         | 0 %         |
| Agents' Balances/Admitted Assets.....       | 0 %         | 0 %         | 0 %         | 0 %         | 0 %         |
| <b>Income/Disbursement Items</b>            |             |             |             |             |             |
| Total Income.....                           | 1,615,148   | 1,573,678   | 1,951,423   | 1,578,801   | 1,492,140   |
| Total Disbursements.....                    | 1,636,744   | 1,354,502   | 2,020,275   | 1,706,562   | 1,273,758   |
| Operating Expense.....                      | 640,388     | 652,530     | 632,418     | 620,702     | 629,683     |
| Commissions.....                            | 251,670     | 230,451     | 234,788     | 233,388     | 235,663     |
| Investment Income.....                      | 159,787     | 156,983     | 247,643     | 168,559     | 157,044     |
| Salaries (lines 14-17).....                 | 152,876     | 157,947     | 152,861     | 157,206     | 155,908     |
| <b>Other</b>                                |             |             |             |             |             |
| Gross Risk in Force.....                    | 535,127,550 | 523,905,443 | 506,013,662 | 489,992,244 | 476,828,770 |
| Number of Policies.....                     | 1,919       | 1,951       | 1,957       | 1,929       | 1,938       |
| Operating Expense/Net Premium.....          | 49 %        | 51 %        | 51 %        | 56 %        | 54 %        |