

**December 31, 2020 - Annual Statement**

*Iowa Company Number:* 0093

**Lee County Mutual Insurance Association**

Abbigail Johnson  
322 4th St., Box 207  
West Point IA 52656

**DECEMBER 31, 2020**

1.	Ledger Assets, December 31 of previous year, Total, column 1, page 4.....					\$4,348,869
<b>INCOME - INCREASES IN LEDGER ASSETS</b>						
<b>PREMIUMS</b>						
	(1)	(2)	(3)	(4)		
	Direct Premiums	Reinsurance Premiums Assumed	Specific Reinsurance Premiums Ceded	Net Premiums (1+2-3=4)		
2.	Fire	\$487,470	\$0	\$169	\$487,301	
3.	Windstorm	451,858	0	169	451,689	
4.	Crop Hail	0				
5.	Homeowners assumed	xxxxxxx	0		0	
6.	Totals	\$939,328	\$0	\$338	\$938,990	
7.	Aggregate excess loss reinsurance paid				187,946	
8.	Total net assessment, premiums and fees (line 6, col. 4 - line 7 = line 8)					\$751,044
9.	Net interest received on bonds				55,333	
10.	Increase in adjustment of bonds	\$ 274	, less			
		\$ 1,596	decrease in adjustment of bonds		(1,322)	
11.	Dividends received				103,097	
12.	Interest received on bank deposits (schedule C-2, column 7)				717	
13.	Interest received on mortgage loans (schedule D, column 6)				0	
14.	Other interest				0	
15.	Profit on sale of investment				286	
16.	Rents received*				3,600	
17.	Total income from investments (items 9 through 16)					\$161,711
18.	Borrowed money				0	
19.	Premiums collected for other companies (less refunds)				23,619	
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				0	
25.	Crop Hail Contingency Commission					
26.						
27.	Total (items 18 through 26)					\$23,619
28.	Total income (items 8, 17, and 27)					\$936,374
29.	Total assets and income (item 1 plus item 28)					\$5,285,243

\*Includes \$3,600 for association's occupancy of its own buildings

**DECEMBER 31, 2020**

1.	Amount brought forward from line 29, page 2									\$5,285,243
<b>DISBURSEMENTS - DECREASES IN LEDGER ASSETS</b>										
		(1) Direct Losses	(2) Reinsurance Assumed	(3) Specific Reinsurance Recovered	(4) Net Losses Paid (1+2-3=4)					
2.	Fire	\$419,217	\$0	\$0	\$419,217					
3.	Windstorm	478,235	0	0	478,235					
4.	Crop Hail	0	0	0	0					
5.	Homeowners Assumed	xxxxxxx	0		0					
6.	Totals	\$897,452	\$0	\$0	\$897,452					
7.	Received from aggregate excess loss reinsurance				\$158,305					
8.	Total of all net losses (line 6, col. 4 - line 7 = line 8)									\$739,147
<b>OPERATING EXPENSE</b>										
9.	Loss Adjustment Expenses				\$25,463					
10.	Commissions				142,646					
11.	Advertising				12,730					
12.	Boards, bureaus and associations				6,581					
13.	Inspection and loss prevention				6,061					
14.	Salaries of officers				73,000					
15.	Expenses of officers				0					
16.	Salaries of office employees				0					
17.	Employee welfare				1,854					
18.	Insurance				12,781					
19.	Directors' compensation				10,800					
20.	Directors' expenses				0					
21.	Rent and rent items				3,600					
22.	Equipment				8,776					
23.	Printing, stationery and supplies				9,813					
24.	Postage and telephone				6,818					
25.	Legal and auditing				17,213					
26.	State insurance taxes		0							
	March 1									
	June 1	4,502								
	August 15			4,502						
	Total				9,004					
27.	Insurance Division licenses and fees				811					
28.	Payroll taxes				0					
29.	All other taxes (excluding Federal income)				0					
30.	Real estate expenses				0					
31.	Real estate taxes				475					
32.	Interest on borrowed money				0					
33.	Miscellaneous				8,378					
	a. Annual meeting & conventions				0					
	b. Donations & contributions				2,838					
	c. Data processing expense				16,754					
	d. Investment Expense				1,555					
34.										
35.	Total operating expense (items 9 through 34)									\$377,951
<b>NON-OPERATING EXPENSE</b>										
36.	Borrowed money repaid				\$0					
37.	Depreciation on real estate				1,879					
38.	Loss on sale of investments				5,386					
39.	Federal income tax		0	Current year	0					
40.	Premium collections transmitted to other companies				19,650					
41.	Commissions paid agents for other companies				0					
42.	Decrease in ledger liabilities				9,503					
43.										
44.	Total non-operating expense (items 36 through 43)									\$36,418
45.	Total disbursements (items 8, 35 and 44)									\$1,153,516
46.	Balance - ledger assets, December 31st must agree with Line 22, Column 1, Page 4									\$4,131,727

**ASSETS - DECEMBER 31, 2020**

	(1) Ledger Assets	(2) Non-ledger including excess or market (or amortized) over book value	(3) Assets not admitted including excess or 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)	\$1,768,926	\$0	\$0	\$1,768,926	\$1,749,680
2. Stocks (schedule A - part 2)	2,070,173	1,260,317	1,355	3,329,135	3,224,649
3. Bank Balances					
3.1 Subject to check (C-1)	126,098	0	0	126,098	24,193
3.2 On interest (C-2)	38,775	0	0	38,775	160,465
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)	40,642	0	0	40,642	42,522
7. Cash in office	0			0	0
8. Unpaid Premiums					
8.1 Due before November 1	4,525	0	4,525	xxxxxxx	
8.2 Due after November 1	80,526	0	74,929	5,597	19,970
9. Bills receivable				xxxxxxx	
10. Agents' balances				0	0
11. Reinsurance receivable on paid losses	0	11,539	0	11,539	0
12. Accrued interest	xxxxxxx	13,460	0	13,460	13,332
13. Accrued rent due	xxxxxxx			0	0
14. Equipment and furniture	0	0	0	xxxxxxx	xxxxxxx
15. Supplies				xxxxxxx	xxxxxxx
16. Automobiles	0	0	0	xxxxxxx	xxxxxxx
17. Cash surrender value of life ins	0	0	0	0	0
18. Federal income tax recoverable	0	638	638	0	0
19. Electronic data processing equipment	2,062	0	0	2,062	3,333
20. Grinnell Contingency	0	3,875	0	3,875	5,701
21. Prepaid reinsurance	0	0	0	0	0
22. Totals	\$4,131,727	\$1,289,829	\$81,447	\$5,340,109	\$5,243,845

## LIABILITIES - DECEMBER 31, 2020

		Current Year	Prior Year
1. Unpaid claims (reported)	\$83,128		
2. Unpaid claims (incurred but not reported)	0		
3. Total unpaid losses	83,128		
4. Less: reinsurance recoverable on unpaid losses	23,679		
5. Net unpaid claims		\$59,449	\$82,153
6. Unpaid adjusting expenses		1,188	2,225
7. Ceded reinsurance balances payable		16,150	15,847
8. Unpaid salaries and commissions		795	10,841
9. Borrowed money		0	0
10. Interest due on borrowed money		0	0
11. Amounts withheld for the account of others		3,013	3,051
12. Taxes payable: Real estate		950	480
Federal income		0	4,000
Premium		388	656
Other		0	0
13. Other unpaid expenses		2,116	5,310
14. Premiums collected for other companies - not remitted		3,237	1,972
15. Premiums received in advance		7,612	982
*16. Unearned premium reserve		359,288	345,244
17. Service Fees and Employee Benefits Payable			0
18. Miscellaneous Liabilities			0
19. Total liabilities		\$454,186	\$472,761
20. Surplus		\$4,885,923	\$4,771,084
21. Total liabilities and surplus		\$5,340,109	\$5,243,845

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

\* Method of calculation: 40% Method

## HISTORICAL INFORMATION

	2020	2019	2018	2017	2016
<b>Gross Premium</b>					
Fire	487,470	466,232	432,162	441,763	415,021
Windstorm	451,858	434,315	402,724	413,035	388,289
Crop Hail	0	0	0	0	0
<b>Total</b>	<b>939,328</b>	<b>900,547</b>	<b>834,886</b>	<b>854,798</b>	<b>803,310</b>
<b>Net Premiums Written</b>					
Fire	487,301	466,070	432,058	441,659	414,943
Windstorm	451,689	434,153	402,620	412,931	388,211
Crop Hail	0	0	0	0	0
<b>Total</b>	<b>938,990</b>	<b>900,223</b>	<b>834,678</b>	<b>854,590</b>	<b>803,154</b>
<b>Total Net of Agg</b>	<b>751,044</b>	<b>716,776</b>	<b>663,552</b>	<b>697,250</b>	<b>661,313</b>
<b>Gross Losses Paid</b>					
Fire	419,217	307,268	238,145	99,533	328,443
Windstorm	478,235	94,308	194,013	328,136	12,097
Crop Hail	0	0	0	0	0
<b>Total</b>	<b>897,452</b>	<b>401,576</b>	<b>432,158</b>	<b>427,669</b>	<b>340,540</b>
<b>Net Losses Paid</b>					
Fire	419,217	307,268	238,145	99,533	328,443
Windstorm	478,235	94,308	194,013	328,136	12,097
Crop Hail	0	0	0	0	0
<b>Total</b>	<b>897,452</b>	<b>401,576</b>	<b>432,158</b>	<b>427,669</b>	<b>340,540</b>
<b>Total Net of Agg</b>	<b>739,147</b>	<b>400,566</b>	<b>415,735</b>	<b>427,669</b>	<b>310,338</b>
<b>Loss Percentage (Direct)</b>					
Fire Losses/Fire Prem	86%	66%	55%	23%	79%
Windstorm Losses/Windstorm Prem	106%	22%	48%	79%	3%
Crop Hail Losses/Crop Hail Prem	0%	0%	0%	0%	0%
<b>Total Losses/Total Prem</b>	<b>96%</b>	<b>45%</b>	<b>52%</b>	<b>50%</b>	<b>42%</b>
<b>Loss Percentage (Net)</b>					
Fire Losses/Fire Prem	86%	66%	55%	23%	79%
Windstorm Losses/Windstorm Prem	106%	22%	48%	79%	3%
Crop Hail Losses/Crop Hail Prem	0%	0%	0%	0%	0%
<b>Total Losses/Total Prem</b>	<b>96%</b>	<b>45%</b>	<b>52%</b>	<b>50%</b>	<b>42%</b>
<b>Total Net Agg Losses/Total Net Agg Prem</b>	<b>98%</b>	<b>56%</b>	<b>63%</b>	<b>61%</b>	<b>47%</b>
<b>Balance Sheet Items</b>					
Total Admitted Assets	5,340,109	5,243,845	4,619,080	4,782,614	4,384,622
Liabilities	454,186	472,761	427,866	352,277	380,021
Surplus	4,885,923	4,771,084	4,191,214	4,430,337	4,004,601
Bonds	1,768,926	1,749,680	1,652,739	1,607,396	1,532,455
Stocks	3,329,135	3,224,649	2,643,448	2,819,551	2,445,988
Real Estate	40,642	42,522	44,901	47,781	50,660
Unpaid Premium (line 8.1)	0	0	0	0	0
Unpaid Premium (line 8.2)	5,597	19,970	37,438	13,772	37,689
Agents' Balances	0	0	0	0	0
Unearned Premium	359,288	345,244	347,253	317,479	329,617
<b>Balance Sheet Percentages</b>					
Bonds/Admitted Assets	33%	33%	36%	34%	35%
Stocks/Admitted Assets	62%	61%	57%	59%	56%
Real Estate/Admitted Asset	1%	1%	1%	1%	1%
Unpaid Prem (line 8.2)/Admitted Assets	0%	0%	1%	0%	1%
Agents' Balances/Admitted Assets	0%	0%	0%	0%	0%
<b>Income/Disbursement Items</b>					
Total Income	936,374	941,029	1,053,835	931,962	831,720
Total Disbursements	1,153,516	792,866	800,246	825,148	687,591
Operating Expense	377,951	335,932	341,185	281,434	283,155
Commissions	142,646	128,165	125,734	128,573	120,951
Investment Income	161,711	205,297	277,355	219,777	154,455
Salaries (lines 14-17)	74,854	76,319	74,404	49,500	48,500
<b>Other</b>					
Gross Risk in Force	270,420,101	251,289,031	240,600,996	229,031,798	218,980,647
Number of Policies	762	734	722	717	708
Operating Expense/Net Premium	50%	47%	51%	40%	43%