

December 31, 2020 - Annual Statement

Iowa Company Number: 0127

Walcott Mutual Insurance Association

Sandy Liebe

102 West Otis St.

Walcott IA 52773

DECEMBER 31, 2020

1. Ledger Assets, December 31 of previous year, Total column 1, page 4..... \$ 4,877,446

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.....	\$ 604,467	\$	\$ 604,467
3. Windstorm.....	604,468		604,468
4. Crop Hail.....			
Homeowner 5. Assumed.....	XXXXXXX		
6. Totals.....	\$ 1,208,935	\$	\$ 1,208,935

7. Aggregate excess loss reinsurance paid..... 365,772

8. Total net assessment, premiums and fees (line 6, col. 4 - line 7 = line 8)..... \$ 843,163

9. Net interest received on bonds..... 140,469

10. Increase in adjustment of bonds 1,211 , less
23,238 decrease in adjustment of bonds..... (22,027)

11. Dividends received..... 36,361

12. Interest received on bank deposits (schedule C-2, column 7)..... 8,225

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

14. Other interest.....

15. Profit on sale of investment..... 98

16. Rents received*..... 8,760

17. Total income from investments (items 9 through 16)..... \$ 171,886

18. Borrowed money.....

19. Premiums collected for other companies (less refunds)..... 132,812

20. Checks charged off.....

21. Increase in ledger liabilities.....

22. Underwriting expense reimbursement.....

23. Federal income tax refund.....

24. Miscellaneous income.....

25. Crop Hail Contingency Commission.....

26.

27. Total (items 18 through 26)..... \$ 132,812

28. Total income (items 8, 17, and 27)..... \$ 1,147,861

29. Total assets and income (item 1 plus item 28)..... \$ 6,025,307

*Includes \$6,000 for association's occupancy of its own buildings.

DECEMBER 31, 2020

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

\$ 6,025,307

DISBURSEMENTS - DECREASES IN LEDGER ASSETS

LOSSES			
(1) Direct Losses	(2) Reinsurance Assumed	(3) Specific Reinsurance Recovered	(4) Net Losses Paid (1+2-3=4)
2. Fire.....	\$ 121,454	\$	\$ 121,454
3. Windstorm.....	2,278,001		2,278,001
4. Crop Hail			
5. Homeowners Assumed.....	XXXXXXXXXX		
6. Totals.....	\$ 2,399,455	\$	\$ 2,399,455

7. Received from aggregate excess loss reinsurance..... 1,635,253

8. Total of all net losses (line 6, column 4 - line 7 = line 8).....

\$ 764,202

OPERATING EXPENSE

9. Loss Adjustment Expenses.....	<u>32,210</u>
10. Commissions.....	<u>164,868</u>
11. Advertising.....	<u>2,262</u>
12. Boards, bureaus and associations.....	<u>7,529</u>
13. Inspection and loss prevention.....	<u>10,211</u>
14. Salaries of officers.....	<u>88,250</u>
15. Expenses of officers.....	
16. Salaries of office employees.....	<u>41,192</u>
17. Employee welfare.....	<u>4,489</u>
18. Insurance.....	<u>17,587</u>
19. Directors' compensation.....	<u>2,600</u>
20. Directors' expenses.....	<u>230</u>
21. Rent and rent items.....	<u>6,000</u>
22. Equipment.....	<u>15,158</u>
23. Printing, stationery and supplies.....	<u>4,442</u>
24. Postage and telephone	<u>6,043</u>
25. Legal and auditing.....	<u>11,954</u>
26. State insurance taxes (March 1, 239) (June 1, 6,081) (August 15, 6,081)	<u>12,401</u>
27. Insurance Division licenses and fees.....	<u>210</u>
28. Payroll taxes.....	<u>10,480</u>
29. All other taxes (excluding Federal income).....	
30. Real estate expenses.....	<u>4,033</u>
31. Real estate taxes.....	<u>1,556</u>
32. Interest on borrowed money.....	
33. Miscellaneous.....	<u>117</u>
a. Annual Meeting.....	
b. Donations/Contributions.....	<u>125</u>
c. Travel and Travel Items.....	
d. Over and Short.....	<u>5</u>

34.

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

\$ 443,952

NON-OPERATING EXPENSE

36. Borrowed money repaid.....	
37. Depreciation on real estate.....	<u>4,430</u>
38. Loss on sale of investments.....	
39. Federal income tax Prior year, 3,946 Current year, 30,396	<u>34,342</u>
40. Premium collections transmitted to other companies.....	<u>103,371</u>
41. Commission paid agents for other companies.....	<u>19,563</u>
42. Decrease in ledger liabilities.....	<u>50</u>
43. Federal income tax penalty/interest.....	

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

161,756

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

\$ 1,369,910

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

\$ 4,655,397

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).....	\$ 2,994,853	\$	\$ 2,994,853	\$ 3,066,880
2. Stocks (schedule A-part 2).....	978,724	534,992	1,513,716	1,445,312
3. Bank Balances				
3.1 Subject to check(C-I).....	731		731	310
3.2 On interest (C-2).....	651,662		651,662	824,200
4. Mortgage loans (schedule D)				
4.1 First liens.....				
4.2 Other than first.....				
5. Collateral loans (schedule E).....				
6. Real estate (schedule F).....	28,788		28,788	33,218
7. Cash in office.....	25		25	25
8. Unpaid Premiums				
8.1 Due before Nov 1.....		10	X X X X X X	X X X X X X
8.2 Due after Nov 1.....		1,339	1,339	278
9. Bills receivable.....			X X X X X X	X X X X X X
10. Agent's balances.....				
11. Reinsurance receivable on paid losses.....				
12. Accrued interest.....	X X X X X X	37,829	37,829	39,470
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 equipment.....	611		611	1,018
20. Service fees & misc receivables..				
21. Prepaid Reins. & other assets....				
22. Totals.....	\$ 4,655,394	\$ 574,170	\$ 5,229,554	\$ 5,410,711

*Bonds are amortized through 12/31/2020.

LIABILITIES - DECEMBER 31, 2020

		Current Year	Prior Year
1. Unpaid claims (reported).....	\$ 775,407		
2. Unpaid claims (incurred but not reported).....			
3. Total unpaid losses.....	775,407		
4. Less: reinsurance recoverable on unpaid losses.....	762,407		
5. Net unpaid claims.....		\$ 13,000	\$ 36,038
6. Unpaid adjusting expenses.....		18,200	3,400
7. Ceded reinsurance balances payable.....		30,353	31,923
8. Unpaid salaries and commissions.....		169	35
9. Borrowed money.....			
10. Interest due on borrowed money.....			
11. Amounts withheld for the account of others.....			
12. Taxes payable: Real estate.....		1,556	1,563
Federal Income.....			5,000
Premium.....		-	239
Other.....		-	-
13. Other unpaid expenses.....		1,366	797
14. Premiums collected for other companies - not remitted.....		7,792	6,774
15. Premiums received in advance.....		31,170	24,760
16.* Unearned premium reserve.....		453,000	455,000
17. Service Fees and Employee Benefits Payable.....		4,422	12,442
18. Miscellaneous Liabilities.....			
19. Total liabilities.....		\$ 561,028	\$ 577,971
20. Surplus.....		\$ 4,668,526	\$ 4,832,740
21. Total liabilities and surplus.....		\$ 5,229,554	\$ 5,410,711

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

*Method of calculation: 40% method.

HISTORICAL INFORMATION

	2020	2019	2018	2017	2016
Gross Premium					
Fire.....	604,467	608,028	596,092	577,093	550,784
Windstorm.....	604,468	608,029	596,093	577,093	550,783
Crop Hail.....	0	0	0	0	0
Total.....	1,208,935	1,216,057	1,192,185	1,154,186	1,101,567
Net Premium Written					
Fire.....	604,467	608,028	596,092	577,093	550,784
Windstorm.....	604,468	608,029	596,093	577,093	550,783
Crop Hail.....	0	0	0	0	0
Total.....	1,208,935	1,216,057	1,192,185	1,154,186	1,101,567
Total Net of Agg.....	843,163	834,261	829,123	823,600	781,414
Gross Losses Paid					
Fire.....	121,454	582,301	196,108	208,132	641,048
Windstorm.....	2,278,001	121,579	145,348	618,581	394,182
Crop Hail.....	0	0	0	0	0
Total.....	2,399,455	703,880	341,456	826,713	1,035,230
Net Losses Paid					
Fire.....	121,454	582,301	196,108	208,132	641,048
Windstorm.....	2,278,001	121,579	145,348	618,581	394,182
Crop Hail.....	0	0	0	0	0
Total.....	2,399,455	703,880	341,456	826,713	1,035,230
Total Net of Agg.....	764,202	243,783	124,243	655,601	379,312
Loss Percentage (Direct)					
Fire Losses/Fire Prem.....	20 %	96 %	33 %	36 %	116 %
Windstorm Losses/Windstorm Prem.....	377 %	20 %	24 %	107 %	72 %
Crop Hail Losses/Crop Hail Prem.....	0 %	0 %	0 %	0 %	0 %
Total Losses/Total Prem.....	198 %	58 %	29 %	72 %	94 %
Loss Percentage (Net)					
Fire Losses/Fire Prem.....	20 %	96 %	33 %	36 %	116 %
Windstorm Losses/Windstorm Prem.....	377 %	20 %	24 %	107 %	72 %
Crop Hail Losses/Crop Hail Prem.....	0 %	0 %	0 %	0 %	0 %
Total Losses/Total Prem.....	198 %	58 %	29 %	72 %	94 %
Total Net Agg Losses/Total Net Ag Prem	91 %	29 %	15 %	80 %	49 %
Balance Sheet Items					
Total Admitted Assets.....	5,229,554	5,410,711	4,884,763	4,514,647	4,490,576
Liabilities.....	561,029	577,971	566,374	498,868	512,374
Surplus.....	4,668,525	4,832,740	4,318,389	4,015,779	3,978,202
Bonds.....	2,994,853	3,066,880	3,001,579	2,780,096	2,851,154
Stocks.....	1,513,716	1,445,312	987,088	1,068,664	913,527
Real Estate.....	28,788	33,218	29,639	33,627	37,615
Unpaid Premium(line 8.1).....	10	0	0	226	5
Unpaid Premium(line 8.2).....	1,339	278	3,465	650	675
Agent's Balances.....	0	0	0	0	0
Unearned Premium.....	453,000	455,000	450,000	428,000	416,000
Balance Sheet Percentages					
Bonds/Admitted Assets.....	57 %	57 %	61 %	62 %	63 %
Stocks/Admitted Assets.....	29 %	27 %	20 %	24 %	20 %
Real Estate/Admitted Assets.....	1 %	1 %	1 %	1 %	1 %
Unpaid Prem (line 8.2)/Admitted Assets.....	0 %	0 %	0 %	0 %	0 %
Agents' Balances/Admitted Assets.....	0 %	0 %	0 %	0 %	0 %
Income/Disbursement Items					
Total Income.....	1,147,862	1,135,031	1,101,834	1,094,819	1,055,522
Total Disbursements.....	1,369,913	820,664	690,501	1,195,817	936,768
Operating Expense.....	443,955	444,694	415,638	414,603	386,756
Commissions.....	164,868	169,408	154,047	157,477	140,573
Investment Income.....	171,887	183,517	157,260	158,198	161,204
Salaries (lines 14-17).....	133,931	128,107	118,041	116,518	109,663
Other					
Gross Risk in Force.....	414,435,797	405,613,058	402,530,999	391,363,342	377,651,266
Number of Policies.....	967	980	999	1,005	1,013
Operating Expense/Net Premium.....	53 %	53 %	50 %	50 %	49 %