

December 31, 2020 - Annual Statement

Iowa Company Number: 0132

Shelby County Farmers Mutual Insurance Association

Richard D. Rasmussen

1117 - 7th St.

Harlan IA 51537

DECEMBER 31, 2020

1. Ledger Assets, December 31 of previous year, Total, column 1, page 4 \$ 9,646,757

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	\$ 970,252	\$	\$ 3,356	\$ 966,896
3. Windstorm	625,791		2,164	623,627
4. Crop hail				
5. Homeowners assumed	xxxxxxx			
6. Totals	\$ 1,596,043	\$	\$ 5,520	\$ 1,590,523
7. Aggregate excess loss reinsurance paid				401,676
8. Total net assessment, premiums and fees (line 6, col. 4 - line 7 = line 8)				\$ 1,188,847
9. Net interest received on bonds				197,157
10. Increase in adjustment of bonds \$		2,208	, less	
\$	20,708	decrease in adjustment of bonds		(18,500)
11. Dividends received				122,430
12. Interest received on bank deposits (schedule C-2, column 7)				2,808
13. Interest received on mortgage loans (schedule D, column 6)				
14. Other Interest				
15. Profit on sale of investment				74
16. Rents received*				29,400
17. Total income from investments (items 9 through 16)				\$ 333,369
18. Borrowed money				
19. Premiums collected for other companies (less refunds)				
20. Checks charged off				
21. Increase in ledger liabilities				
22. Underwriting expense reimbursement				10,359
23. Federal income tax refund				13,038
24. Miscellaneous income				
25. Crop Hail Contingency Commission				
26.				
27. Total (items 18 through 26)				\$ 23,397
28. Total income (items 8, 17 and 27)				\$ 1,545,613
29. Total assets and income (item 1 plus item 28)				\$ 11,192,370

*Includes \$ 5,400 For association's occupancy of its own buildings

DECEMBER 31, 2020

1. Amount brought forward from line 29 page 2 \$ 11,192,370

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.	\$	600,291		\$		\$		\$ 600,291
3. Windstorm		52,121						52,121
4. Crop Hail								
5. Homeowners Assumed		xxxxxxx						
6. Totals	\$	652,412		\$		\$		\$ 652,412

7. Received from aggregate excess loss reinsurance

8. Total of all net losses (line 6, col.4 - line 7 = line 8) \$ 652,412

OPERATING EXPENSE

9. Loss Adjustment Expenses								84,458
10. Commissions								135,484
11. Advertising								20,731
12. Boards, bureaus and associations								7,592
13. Inspection and loss prevention								2,823
14. Salaries of officers.								97,570
15. Expenses of officers								
16. Salaries of office employees								45,250
17. Employee welfare								38,021
18. Insurance								30,861
19. Directors' compensation								8,232
20. Directors' expenses								
21. Rent and rent items								5,400
22. Equipment								14,252
23. Printing, stationery and supplies								9,548
24. Postage and telephone								9,298
25. Legal and auditing								12,448
26. State insurance taxes		March		622				
	June 1	7,691		August 15		7,691		16,004
27. Insurance Division licenses and fees								435
28. Payroll taxes								15,131
29. All other taxes (excluding Federal income)								212
30. Real estate expenses								10,209
31. Real estate taxes								1,236
32. Interest on borrowed money								
33. Miscellaneous								7,159
a Data Processing Expense								17,008
b Investment Expenses								17,623
c Meals & Entertainment Expenses								1,695
d Travel & Meeting Expense								3,862
34. .								
35. Total operating expense (items 9 through 34)								\$ 612,542

NON-OPERATING EXPENSE

36. Borrowed money repaid								
37. Depreciation on real estate								1,996
38. Loss on sale of investments								28,028
39. Federal income tax Prior year				Current year		14,916		14,916
40. Premium collections transmitted to other companies								
41. Commissions paid agents for other companies								
42. Decrease in ledger liabilities								11,499
43. .								
44. Total non-operating expense (items 36 through 43)								\$ 56,439
45. Total disbursements (items 8, 35 and 44)								\$ 1,321,393
46. Balance - ledger assets, December 31st must agree with Line 22, Column 1, Page 4								\$ 9,870,977

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)	\$ 6,065,960			6,065,960	\$ 6,128,165
2. Stocks (schedule A-part 2).	2,960,553	1,478,047		4,438,600	\$ 3,616,005
3. Bank Balances					
3.1 Subject to check (C-1)	233,156			233,156	\$ 339,365
3.2 On interest (C-2)	262,341			262,341	\$ 169,534
4. Mortgage loans (schedule D)					
4.1 First liens					
4.2 Other than first					
5. Collateral loans (schedule E)					
6. Real estate (schedule F)	65,904			65,904	\$ 67,900
7. Cash in office	50			50	\$ 50
8. Unpaid Premiums					
8.1 Due before November 1	371		371	xxxxxxx	
8.2 Due after November 1	155,764		149,188	6,576	\$ 11,800
9. Bills receivable				xxxxxxx	
10. Agents' balances					
11. Reinsurance receivable on paid losses					
12. Accrued interest	xxxxxxx	46,558		46,558	\$ 46,717
13. Accrued rent due	xxxxxxx				
14. Equipment and furniture	23,458		23,458	xxxxxxx	xxxxxxx
15. Supplies				xxxxxxx	xxxxxxx
16. Automobiles				xxxxxxx	xxxxxxx
17. Cash surrender value of life ins.					
18. Federal income tax recoverable		15,000	15,000		
19. Prepaid Reinsurance	103,420			103,420	\$ 102,715
20. Salvage & Overwrite Receivable		6,016		6,016	\$ 912
21. Reinsurance Prem Refundable		16,748		16,748	\$ 9,184
22. Totals	\$ 9,870,977	\$ 1,562,369	\$ 188,017	\$ 11,245,329	\$ 10,492,347

LIABILITIES - DECEMBER 31, 2020

	Current Year	Prior Year
1. Unpaid claims (reported)	\$ 197,017	
2. Unpaid claims (incurred but not reported)	5,000	
3. Total unpaid losses	202,017	
4. Less: reinsurance recoverable on unpaid losses		
5. Net unpaid claims	\$ 202,017	\$ 186,100
6. Unpaid adjusting expenses	1,265	700
7. Ceded reinsurance balances payable		
8. Unpaid salaries and commissions	12,145	12,136
9. Borrowed money		
10. Interest due on borrowed money		
11. Amounts withheld for the account of others		
12. Taxes payable: Real Estate	620	633
Federal Income		
Premium	557	622
Other		
13. Other unpaid expenses	9,100	9,325
14. Premiums collected for other companies - not remitted	(1,956)	8,770
15. Premiums received in advance	23,005	26,065
*16. Unearned premium reserve	700,888	679,013
17. Service Fees and Employee Benefits Payable		
18. Miscellaneous Liabilities		
19. Total liabilities	\$ 947,641	\$ 923,364
20. Surplus	\$ 10,297,688	\$ 9,568,983
21. Total liabilities and surplus	\$ 11,245,329	\$ 10,492,347

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

*Method of calculation:

HISTORICAL INFORMATION

	2020	2019	2018	2017	2016
<u>Gross Premium</u>					
Fire	970,252	935,905	895,021	865,530	874,307
Windstorm	625,791	604,507	580,955	560,393	565,609
Crop Hail	-	-	-	-	-
Total	1,596,043	1,540,412	1,475,976	1,425,923	1,439,916
<u>Net Premiums Written</u>					
Fire	966,896	932,430	895,021	865,530	872,030
Windstorm	623,627	602,262	580,955	560,393	564,136
Crop Hail	-	-	-	-	-
Total	1,590,523	1,534,692	1,475,976	1,425,923	1,436,166
Total Net of Agg	1,188,847	1,159,104	1,128,009	1,065,333	1,073,885
<u>Gross Losses Paid</u>					
Fire	600,291	565,087	430,199	379,524	314,848
Windstorm	52,121	61,133	676,783	666,451	201,452
Crop Hail	-	-	-	-	-
Total	652,412	626,220	1,106,982	1,045,975	516,300
<u>Net Losses Paid</u>					
Fire	600,291	565,087	430,199	379,524	314,848
Windstorm	52,121	61,133	676,783	666,451	201,452
Crop Hail	-	-	-	-	-
Total	652,412	626,220	1,106,982	1,045,975	516,300
Total Net of Agg	652,412	459,300	1,000,696	1,045,975	516,244
<u>Loss Percentage (Direct)</u>					
Fire Losses/Fire Prem	61.9%	60.4%	48.1%	43.8%	36.0%
Windstorm Losses/Windstorm Prem	8.3%	10.1%	116.5%	118.9%	35.6%
Crop Hail Losses/Crop Hail Prem	0.0%	0.0%	0.0%	0.0%	0.0%
Total Losses/Total Prem	40.9%	40.7%	75.0%	73.4%	35.9%
<u>Loss Percentage (Net)</u>					
Fire Losses/Fire Prem	62.1%	60.6%	48.1%	43.8%	36.1%
Windstorm Losses/Windstorm Prem	8.4%	10.2%	116.5%	118.9%	35.7%
Crop Hail Losses/Crop Hail Prem	0.0%	0.0%	0.0%	0.0%	0.0%
Total Losses/Total Prem	41.0%	40.8%	75.0%	73.4%	35.9%
Tot Net Agg Losses/Tot Net Agg Prem	54.9%	39.6%	88.7%	98.2%	48.1%
<u>Balance Sheet Items</u>					
Total Admitted Assets	11,245,329	10,492,347	9,487,153	9,848,098	9,646,072
Liabilities	947,641	923,364	791,571	820,824	774,455
Surplus	10,297,688	9,568,983	8,695,582	9,027,274	8,871,617
Bonds	6,065,960	6,128,165	5,862,525	5,967,810	5,918,195
Stocks	4,438,600	3,616,005	3,019,594	3,143,087	2,506,618
Real Estate	65,904	67,900	58,421	55,786	57,434
Unpaid Premium (line 8.1)	371	512	70	70	-
Unpaid Premium (line 8.2)	6,576	11,800	4,327	4,041	1,921
Agents' Balances	-	-	-	-	-
Unearned Premium	700,888	679,013	649,524	614,463	616,716
<u>Balance Sheet Percentages</u>					
Bonds/Admitted Assets	54%	58%	62%	61%	61%
Stocks/Admitted Assets	39%	34%	32%	32%	26%
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%
<u>Income/Disbursement Items</u>					
Total Income	1,545,613	1,587,073	1,795,929	1,603,910	1,648,508
Total Disbursements	1,321,393	1,047,069	1,636,005	1,636,025	1,235,600
Operating Expense	612,542	583,433	630,922	579,364	562,830
Commissions	135,484	124,879	114,767	101,701	100,430
Investment Income	333,369	407,487	625,983	529,735	564,966
Salaries (lines 14-17)	180,841	176,194	178,927	171,161	163,597
<u>Other</u>					
Gross Risk in Force	404,438,766	386,012,973	363,118,979	337,824,262	329,898,457
Number of Policies	1,149	1,126	1,110	1,110	1,117
Operating Expense/Net Premium	52%	50%	56%	54%	52%