

**December 31, 2020 - Annual Statement**

*Iowa Company Number:* 0135

**German Farmers Mutual Insurance Association**

Bruce Koerselman  
116 N. Main Ave.  
Sioux Center IA 51250

**DECEMBER 31, 2020**

1. Ledger Assets, December 31 of previous year, Total, column 1, page 4.....					\$3,638,668
<b>INCOME - INCREASES IN LEDGER ASSETS</b>					
	<b>PREMIUMS</b>				
	(1)	(2)	(3)	(4)	
	Direct Premium	Reinsurance Premiums Assumed	Specific Reinsurance Premiums Ceded	Net Premiums (1+2-3=4)	
2. Fire	\$1,271,466	\$0	\$875	\$1,270,591	
3. Windstorm	1,003,272	0	875	1,002,397	
4. Crop Hail	0	0	0	0	
5. Homeowners assumed	xxxxxxx	0	0	0	
6. Totals	\$2,274,738	\$0	\$1,750	\$2,272,988	
7. Aggregate excess loss reinsurance paid				705,142	
8. Total net assessments, premiums and fees (line 6, col. 4 - line 7 = line 8)					\$1,567,846
9. Net interest received on bonds				74,031	
10. Increase in adjustment of bonds	\$	808	, less		
	\$	10,836	decrease in adjustment of bonds	(10,028)	
11. Dividends received				37,170	
12. Interest received on bank deposits (schedule C-2, column 7)				2	
13. Interest received on mortgage loans (schedule D, column 6)				0	
14. Other interest				0	
15. Profit on sale of investment				346	
16. Rents received*				4,200	
17. Total income from investments (items 9 through 16)					\$105,721
18. Borrowed money				0	
19. Premiums collected for other companies (less refunds)				0	
20. Checks charged off				0	
21. Increase in ledger liabilities				1,696	
22. Underwriting expense reimbursement				10,924	
23. Federal income tax refund				0	
24. Miscellaneous income				0	
25. Crop Hail Contingency Commission					
26.					
27. Total (items 18 through 26)					\$12,620
28. Total income (items 8, 17, and 27)					\$1,686,187
29. Total assets and income (item 1 plus item 28)					\$5,324,855

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

**DECEMBER 31, 2020**

1.	Amount brought forward from line 29, page 2				\$5,324,855
<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	\$763,780	\$0	\$0	\$763,780
3.	Windstorm	106,369	0	0	106,369
4.	Crop Hail	0	0	0	0
5.	Homeowners Assumed	xxxxxxx	0		0
6.	Totals	\$870,149	\$0	\$0	\$870,149
7.	Received from aggregate excess loss reinsurance				88,604
8.	Total of all net losses (line 6, col. 4 - line 7 = line 8)				\$781,545
<b>OPERATING EXPENSE</b>					
9.	Loss Adjustment Expenses				49,385
10.	Commissions				340,383
11.	Advertising				10,992
12.	Boards, bureaus and associations				13,531
13.	Inspection and loss prevention				11,741
14.	Salaries of officers				62,500
15.	Expenses of officers				299
16.	Salaries of office employees				22,753
17.	Employee welfare				59,378
18.	Insurance				10,400
19.	Directors' compensation				5,700
20.	Directors' expenses				0
21.	Rent and rent items				1,300
22.	Equipment				3,064
23.	Printing, stationery and supplies				6,572
24.	Postage and telephone				10,468
25.	Legal and auditing				22,000
26.	State insurance taxes March 1		0		
	June 1	9,860	August 15	11,476	21,336
27.	Insurance Division licenses and fees				535
28.	Payroll taxes				14,046
29.	All other taxes (excluding Federal income)				0
30.	Real estate expenses				13,733
31.	Real estate taxes				8,231
32.	Interest on borrowed money				0
33.	Miscellaneous				3,640
	a. Travel				1,483
	b. Data processing				19,503
	c. Meals and entertainment				1,167
	d. Management fee				11,348
	e. Donations				12,017
	f. Automobile Expense				8,651
34.					
35.	Total operating expense (items 9 through 34)				\$746,156
<b>NON-OPERATING EXPENSE</b>					
36.	Borrowed money repaid				0
37.	Depreciation on real estate				15,550
38.	Loss on sale of investments				0
39.	Federal income tax Prior year	0	Current year	0	0
40.	Premium collections transmitted to other companies				0
41.	Commission paid agents for other companies				0
42.	Decrease in ledger liabilities				0
43.					
44.	Total non-operating expense (items 36 through 43)				\$15,550
45.	Total disbursements (items 8, 35 and 44)				\$1,543,251
46.	Balance - ledger assets, December 31st must agree with Line 22, Column 1, Page 4				\$3,781,604

## 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)	\$ 2,119,934	\$ 0	\$ 0	\$2,119,934	\$2,025,893
2. Stocks (schedule A - part 2)	1,146,313	349,372	0	1,495,685	1,329,038
3. Bank Balances					
3.1 Subject to check (C-1)	332,639			332,639	274,564
3.2 On interest (C-2)	0			0	0
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)	166,261		49,318	116,943	115,600
7. Cash in office	0			0	0
8. Unpaid Premiums					
8.1 Due before November 1	0	2,096	2,096	xxxxxxx	
8.2 Due after November 1	0	2,965	0	2,965	2,198
9. Bills receivable				xxxxxxx	
10. Agents' balances				0	0
11. Reinsurance receivable on paid losses	0	2,636		2,636	0
12. Accrued interest	xxxxxxx	18,791		18,791	18,357
13. Accrued rent due	xxxxxxx			0	0
14. Equipment and furniture	7,660		7,660	xxxxxxx	xxxxxxx
15. Supplies				xxxxxxx	xxxxxxx
16. Automobiles	8,797		8,797	xxxxxxx	xxxxxxx
17. Cash surrender value of life ins	0			0	0
18. Federal income tax recoverable		20,718	20,718		
19. Electronic data processing equipment	0		0	0	0
20. Overwrite fee receivable	0	751	0	751	783
21. Reinsurance Premium Refund	0	19,925	0	19,925	0
22. Totals	\$3,781,604	\$ 417,254	\$ 88,589	\$4,110,269	\$3,766,433

**LIABILITIES - DECEMBER 31, 2020**

		Current Year	Prior Year
1.	Unpaid claims (reported)	\$ 160,000	
2.	Unpaid claims (incurred but not reported)	25,000	
3.	Total unpaid losses	185,000	
4.	Less: reinsurance recoverable on unpaid losses	9,000	
5.	Net unpaid claims	\$176,000	\$63,300
6.	Unpaid adjusting expenses	2,000	3,000
7.	Ceded reinsurance balances payable	0	402
8.	Unpaid salaries and commissions	30,599	31,117
9.	Borrowed money	200	0
10.	Interest due on borrowed money	0	0
11.	Amounts withheld for the account of others	5,686	4,390
12.	Taxes payable: Real estate	8,300	8,162
	Federal income	0	0
	Premium	(213)	(1,616)
	Other	0	0
13.	Other unpaid expenses	1,386	892
14.	Premiums collected for other companies - not remitted	10,337	9,504
15.	Premiums received in advance	78,109	56,770
*16.	Unearned premium reserve	766,762	772,589
17.	Service Fees and Employee Benefits Payable		
18.	Miscellaneous Liabilities		
19.	Total liabilities	\$ 1,079,166	\$ 948,510
20.	Surplus	\$ 3,031,103	\$ 2,817,923
21.	Total liabilities and surplus	\$ 4,110,269	\$ 3,766,433

(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
<b>Gross Premium</b>					
Fire	1,271,466	1,281,853	1,379,818	1,497,695	1,486,732
Windstorm	1,003,272	1,013,926	1,077,494	1,106,372	1,086,482
Crop Hail	0	0	0	0	0
Total	2,274,738	2,295,779	2,457,312	2,604,067	2,573,214
<b>Net Premiums Written</b>					
Fire	1,270,591	1,281,228	1,379,193	1,494,770	1,482,832
Windstorm	1,002,397	1,013,301	1,076,869	1,103,447	1,082,582
Crop Hail	0	0	0	0	0
Total	2,272,988	2,294,529	2,456,062	2,598,217	2,565,414
Total Net of Agg	1,567,846	1,624,200	1,697,569	1,722,651	1,830,537
<b>Gross Losses Paid</b>					
Fire	763,780	960,704	593,225	536,687	676,468
Windstorm	106,369	73,872	618,181	850,975	1,363,724
Crop Hail	0	0	0	0	0
Total	870,149	1,034,576	1,211,406	1,387,662	2,040,192
<b>Net Losses Paid</b>					
Fire	763,780	960,704	593,225	536,687	676,468
Windstorm	106,369	73,872	618,181	850,975	1,363,724
Crop Hail	0	0	0	0	0
Total	870,149	1,034,576	1,211,406	1,387,662	2,040,192
Total Net of Agg	781,545	745,456	1,080,105	1,067,337	1,370,709
<b>Loss Percentage (Direct)</b>					
Fire Losses/Fire Prem	60.1%	74.9%	43.0%	35.8%	45.5%
Windstorm Losses/Windstorm Prem	10.6%	7.3%	57.4%	76.9%	125.5%
Crop Hail Losses/Crop Hail Prem	0.0%	0.0%	0.0%	0.0%	0.0%
Total Losses/Total Prem	38.3%	45.1%	49.3%	53.3%	79.3%
<b>Loss Percentage (Net)</b>					
Fire Losses/Fire Prem	60.1%	75.0%	43.0%	35.9%	45.6%
Windstorm Losses/Windstorm Prem	10.6%	7.3%	57.4%	77.1%	126.0%
Crop Hail Losses/Crop Hail Prem	0.0%	0.0%	0.0%	0.0%	0.0%
Total Losses/Total Prem	38.3%	45.1%	49.3%	53.4%	79.5%
Total Net Agg Losses/Total Net Agg Prem	49.8%	45.9%	63.6%	62.0%	74.9%
<b>Balance Sheet Items</b>					
Total Admitted Assets	4,110,269	3,766,433	3,260,638	3,729,259	3,528,614
Liabilities	1,079,166	948,510	1,016,458	1,612,944	1,251,695
Surplus	3,031,103	2,817,923	2,244,180	2,116,315	2,276,919
Bonds	2,119,934	2,025,893	1,881,200	1,924,624	2,025,619
Stocks	1,495,685	1,329,038	1,057,954	1,514,631	1,209,659
Real Estate	116,943	115,600	130,291	144,982	212,290
Unpaid Premium (line 8.1)	0	0	0	0	0
Unpaid Premium (line 8.2)	2,965	2,198	10,258	18,121	15,402
Agents' Balances	0	0	0	0	0
Unearned Premium	766,762	772,589	820,446	872,805	859,863
<b>Balance Sheet Percentages</b>					
Bonds/Admitted Assets	51.6%	53.8%	57.7%	51.6%	57.4%
Stocks/Admitted Assets	36.4%	35.3%	32.4%	40.6%	34.3%
Real Estate/Admitted Assets	2.8%	3.1%	4.0%	3.9%	6.0%
Unpaid Prem (line 8.2)/Admitted Assets	0.1%	0.1%	0.3%	0.5%	0.4%
Agents' Balances/Admitted Assets	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Income/Disbursement Items</b>					
Total Income	1,686,187	1,810,761	1,911,360	2,026,305	1,992,497
Total Disbursements	1,543,251	1,568,258	2,089,278	1,964,304	2,267,488
Operating Expense	746,156	805,901	857,025	864,432	858,859
Commissions	340,383	343,377	367,639	389,742	384,760
Investment Income	105,721	152,055	202,375	158,346	149,793
Salaries (lines 14-17)	144,930	190,505	215,200	180,064	171,356
<b>Other</b>					
Gross Risk in Force	543,638,942	543,606,992	558,592,238	655,274,453	672,997,258
Number of Policies	1,223	1,280	1,348	1,472	1,542
Operating Expense/Net Premium	32.8%	35.1%	34.9%	33.3%	33.5%