

December 31, 2021 - Annual Statement

Iowa Company Number: 0076

Howard County Mutual Insurance Association

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CRESCO IA 52136

DECEMBER 31, 2021

1. Ledger Assets, December 31 of previous year, Total, column 1, page 4 \$ 5,713,506

INCOME - INCREASES IN LEDGER ASSETS

PREMIUMS					
	(1) Direct Premiums	(2) Reinsurance Premiums Assumed	(3) Per Risk Reinsurance Premiums Ceded	(4) Net Premiums (1 + 2 - 3 = 4)	
2. Fire	\$ 971,948	\$	\$ 118,416	\$ 853,532	
3. Windstorm	701,691		118,417	583,274	
4. Other	38,332			38,332	
5. Totals	\$ 1,711,971	\$	\$ 236,833	\$ 1,475,138	
6. All reinsurance premiums ceded other than Per Risk				216,231	
7. Total net premiums and fees (line 5, col. 4 - line 6 = line 7)					\$ 1,258,907
8. Interest received on bonds				109,360	
9. Increase in adjustment of bonds \$		881			
\$ 14,892 decrease in adjustment of bonds				(14,011)	
10. Dividends received				141,030	
11. Interest received on bank deposits (schedule C-2, column 7)				858	
12. Other Interest					
13. Profit on sale of investment				93,489	
14. Rents received*				12,000	
15. Total income from investments (items 8 through 14)					\$ 342,726
16. Borrowed money					
17. Premiums collected for other companies (less refunds)					
18. Increase in ledger liabilities				6,506	
19. "Overwrite Fees" received				8,565	
20. Federal income tax refund					
21. Miscellaneous income					
22.					
23. Total (items 16 through 22)					\$ 15,071
24. Total income (items 7, 15, and 23)					\$ 1,616,704
25. Total assets and income (item 1 plus item 24)					\$ 7,330,210

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

DECEMBER 31, 2021

1. Amount brought forward from line 25 page 2

\$ 7,330,210

DISBURSEMENTS - DECREASES IN LEDGER ASSETS

	(1)	(2)	(3)	(4)
	Direct Losses	Reinsurance Assumed	Per Risk Reinsurance Losses Ceded	Net Losses Paid (1 + 2 - 3 = 4)
2. Fire.	\$ 203,476		\$	\$ 203,476
3. Windstorm	54,371			54,371
4. Other (Sch G)	71,366			71,366
5. Totals	\$ 329,213	\$	\$	\$ 329,213

6. All reinsurance losses ceded other than Per Risk Losses

7. Net losses (line 5, col.4 - line 6 = line 7)

\$ 329,213

OPERATING EXPENSE

8. Loss Adjustment Expenses				5,878
9. Commissions				253,964
10. Advertising				6,481
11. Boards, bureaus and associations				8,121
12. Inspection and loss prevention				5,771
13. Salaries of officers.				122,767
14. Expenses of officers				906
15. Salaries of office employees				77,955
16. Employee welfare				5,604
17. Insurance				18,525
18. Directors' compensation				9,000
19. Directors' expenses				688
20. Rent and other items				6,000
21. Equipment				5,596
22. Printing, stationery and supplies				3,415
23. Postage and telephone				6,859
24. Legal and auditing				20,750
25. State insurance taxes				16,399
	March 1	August 15	8,392	
	June 1	8,007		
26. Insurance Division licenses and fees				502
27. Payroll taxes				15,340
28. All other taxes (excluding Federal income)				
29. Real estate expenses				13,636
30. Real estate taxes				6,189
31. Interest on borrowed money				
32. Miscellaneous				
Donations				545
Data Processing				12,215
Agency Expense Reimbursement				(3,000)
Travel, Meals & Entertainment				115
Investment Fees & Bank Charges				18,918
33.				
34. Total operating expense (items 8 through 33)				\$ 639,139

NON-OPERATING EXPENSE

35. Borrowed money repaid				
36. Depreciation on real estate				3,291
37. Loss on sale of investments				265
38. Federal income tax Prior year	5,000	Current year	51,867	56,867
39. Premium collections transmitted to other companies				
40. Commissions paid agents for other companies				
41. Decrease in ledger liabilities				
42. .				
43. Total non-operating expense (items 35 through 42)				\$ 60,423
44. Total disbursements (items 7, 34 and 43)				\$ 1,028,775
45. Balance - ledger assets, December 31st must agree with Line 17, Column 1, Page 4				\$ 6,301,435

ASSETS - DECEMBER 31, 2021

	(1) Ledger Assets	(2) Non-ledger	(3) Non-admitted Assets 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)	\$ 3,248,319			3,248,319	\$ 3,153,858
2. Stocks (schedule A-part 2).	1,932,315	546,956		2,479,271	\$ 2,131,854
3. Bank Balances					
3.1 Check (C-1)	371,280			371,280	\$ 181,990
3.2 Interest Bearing (C-2)	301,625			301,625	\$ 85,767
4. Real estate (schedule F)	75,234			75,234	\$ 78,525
5. Cash in office	100			100	\$ 100
6. Unpaid Premiums					
6.1 Due before November 1				xxxxxxx	
6.2 Due after November 1	354,377		351,969	2,408	\$ 7,505
7. Reinsurance receivable on paid losses					
8. Accrued interest	xxxxxxx	26,848		26,848	\$ 26,786
9. Accrued rent due	xxxxxxx				
10. Equipment and furniture				xxxxxxx	xxxxxxx
11. Automobiles				xxxxxxx	xxxxxxx
12. Cash surrender value of life ins.					
13. Federal income tax recoverable		69,400	69,400		
14. Prepaid Reinsurance					\$ 200,000
15. Overwrite Fees/Prepaid Ins	12,835	778	12,835	778	\$ 739
EDP Equipment	5,350			5,350	
16. Reins Prem Refundable/Due from Subsidiary					\$ 36,409
17. Totals	\$ 6,301,435	\$ 643,982	\$ 434,204	\$ 6,511,213	\$ 5,903,533

LIABILITIES - DECEMBER 31, 2021

		Current Year	Prior Year
1. Unpaid claims (reported)	\$ 1,567,250		
2. Unpaid claims (incurred but not reported)	30,000		
3. Total unpaid losses	1,597,250		
4. Less: reinsurance recoverable on unpaid losses	673,691		
5. Net unpaid claims		\$ 923,559	\$ 61,431
6. Unpaid adjusting expenses		3,000	400
7. Ceded reinsurance balances payable		7,573	
8. Unpaid salaries and commissions		25,848	21,996
9. Borrowed money			
10. Interest due on borrowed money			
11. Amounts withheld for the account of others		6,511	6,865
12. Taxes payable: Real Estate		2,075	4,100
Federal Income			4,100
Premium		257	(385)
Other			
13. Other unpaid expenses		3,863	3,480
14. Premiums collected for other companies - not remitted		9,558	9,054
15. Premiums received in advance		26,366	21,786
*16. Unearned premium reserve		524,814	518,998
17. Service Fees and Employee Benefits Payable			
18. Miscellaneous Liabilities			
19. Total liabilities		\$ 1,533,424	\$ 651,825
20. Surplus		\$ 4,977,789	\$ 5,251,708
21. Total liabilities and surplus		\$ 6,511,213	\$ 5,903,533

(line 21 must agree with line 17, column 4, page 4)

*Method of calculation: Actual, daily pro-rata

HISTORICAL INFORMATION

	2021	2020	2019	2018	2017
Gross Premium					
Fire	971,948	980,798	999,238	1,053,773	1,015,321
Windstorm	701,691	724,034	729,454	757,400	723,524
Other	38,332				
Total Direct Premiums	1,711,971	1,704,832	1,728,692	1,811,173	1,738,845
Net Premiums Written					
Fire	853,532	954,238	987,286	1,047,586	1,009,380
Windstorm	583,274	697,474	717,502	751,212	717,583
Other	38,332				
Total Direct Premiums	1,475,138	1,651,712	1,704,788	1,798,798	1,726,963
Total Net of Reinsurance	1,258,907	1,262,720	1,261,303	1,393,535	1,311,649
Gross Losses Paid					
Fire	203,476	492,632	211,959	268,631	285,512
Windstorm	54,371	345,565	791,812	407,059	455,376
Other	71,366				
Total	329,213	838,197	1,003,771	675,690	740,888
Net Losses Paid					
Fire	203,476	492,632	211,959	268,631	285,512
Windstorm	54,371	345,565	791,812	407,059	455,376
Other	71,366				
Total	329,213	838,197	1,003,771	675,690	740,888
Total Net of Reinsurance	329,213	521,344	791,286	675,690	740,888
Loss Percentage (Direct)					
Fire Losses/Fire Prem	20.9%	50.2%	21.2%	25.5%	28.1%
Windstorm Losses/Windstorm Prem	7.7%	47.7%	108.5%	53.7%	62.9%
Other Losses"/Other Premiums	186.2%	0.0%	0.0%	0.0%	0.0%
Total Losses/Total Prem	19.2%	49.2%	58.1%	37.3%	42.6%
Loss Percentage (Net)					
Fire Losses/Fire Prem	23.8%	51.6%	21.5%	25.6%	28.3%
Windstorm Losses/Windstorm Prem	9.3%	49.5%	110.4%	54.2%	63.5%
Other Losses"/Other Premiums	186.2%	0.0%	0.0%	0.0%	0.0%
Total Losses/Total Prem	22.3%	50.7%	58.9%	37.6%	42.9%
Net Losses/Net Premiums	26.2%	41.3%	62.7%	48.5%	56.5%
Balance Sheet Items					
Total Admitted Assets	6,511,213	5,903,533	5,655,893	5,220,576	5,105,800
Liabilities	1,533,424	651,825	790,557	884,105	827,709
Surplus	4,977,789	5,251,708	4,865,336	4,336,471	4,278,091
Bonds	3,248,319	3,153,858	3,057,253	3,214,871	2,787,948
Stocks	2,479,271	2,131,854	1,995,399	1,433,850	1,679,722
Real Estate	75,234	78,525	81,816	85,183	90,295
Unpaid Premium (line 8.1)	-	-	(4)	(18)	-
Unpaid Premium (line 8.2)	2,408	7,505	6,646	4,165	531
Unearned Premium	524,814	518,998	531,110	529,623	524,861
Balance Sheet Percentages					
Bonds/Admitted Assets	50%	53%	54%	62%	55%
Stocks/Admitted Assets	38%	36%	35%	27%	33%
Real Estate/Admitted Assets	1%	1%	1%	2%	2%
Unpaid Prem (line 8.2)/Admitted Assets	0%	0%	0%	0%	0%
Income/Disbursement Items					
Total Income	1,616,704	1,518,153	1,476,453	1,699,443	1,535,385
Total Disbursements	1,028,775	1,259,752	1,460,560	1,357,499	1,387,531
Operating Expense	639,139	633,869	648,588	522,158	605,537
Commissions	253,964	252,907	256,367	268,653	257,930
Investment Income	342,726	246,969	206,567	228,344	211,135
Salaries (lines 14-17)	207,232	214,225	210,464	170,327	176,258
Other					
Gross Risk in Force	436,674,041	423,584,959	429,911,613	432,994,832	423,225,800
Number of Policies	882	909	930	957	934
Operating Expense/Net Premium	51%	50%	51%	37%	46%