

**December 31, 2021 - Annual Statement**

*Iowa Company Number:* 0093

**Lee County Mutual Insurance Association**

Abbigail Johnson  
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WEST POINT IA 52656

**DECEMBER 31, 2021**

1. Ledger Assets, December 31 of previous year, Total, column 1, page 4.....					\$4,131,727
<b>INCOME - INCREASES IN LEDGER ASSETS</b>					
<b>PREMIUMS</b>					
	(1)	(2)	(3)	(4)	
	Direct Premiums	Reinsurance Premiums Assumed	Per Risk Reinsurance Premiums Ceded	Net Premiums (1+2-3=4)	
2. Fire	\$502,671	\$0	\$83	\$502,588	
3. Windstorm	468,213	0	83	468,130	
4. Other	0	0			
5. Totals	\$970,884	\$0	\$166	\$970,718	
6. All reinsurance premiums ceded other than Per Risk				101,063	
7. Total net premiums and fees (line 5, col. 4 - line 6 = line 8)					\$869,655
8. Interest received on bonds				52,205	
9. Increase in adjustment of bonds	\$	348	, less		
	\$	1,123	decrease in adjustment of bonds	(775)	
10. Dividends received				209,429	
11. Interest received on bank deposits (schedule C-2, column 7)				568	
12. Other interest				0	
13. Profit on sale of investment				196,138	
14. Rents received*				3,600	
15. Total income from investments (items 8 through 14)					\$461,165
16. Borrowed money				0	
17. Premiums collected for other companies (less refunds)				28,765	
18. Increase in ledger liabilities				3,473	
19. "Overwrite Fees" received				0	
20. Federal income tax refund				0	
21. Miscellaneous income				0	
22. Crop Hail Contingency Commission					
23. Total (items 16 through 22)					\$32,238
24. Total income (items 7, 15, and 23)					\$1,363,058
25. Total assets and income (item 1 plus item 25)					\$5,494,785

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

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**DECEMBER 31, 2021**

1.	Amount brought forward from line 29 page 2		\$5,494,785
<b>DISBURSEMENTS - DECREASES IN LEDGER ASSETS</b>			
	(1)	(2)	(3)
	Direct Losses	Reinsurance Assumed	Per Risk Reinsurance Losses Ceded
	(4)		
	Net Losses Paid (1+2-3=4)		
2.	\$277,792	\$0	\$0
3.	318,297	0	0
4.	0	0	0
5.	<b>\$596,089</b>	<b>\$0</b>	<b>\$0</b>
6.	All reinsurance losses ceded other than Per Risk Losses		\$11,539
7.	Net losses (line 6, col. 4 - line 7 = line 8)		<b>\$584,550</b>
<b>OPERATING EXPENSE</b>			
8.	Loss Adjustment Expenses		\$8,183
9.	Commissions		148,005
10.	Advertising		22,156
11.	Boards, bureaus and associations		50
12.	Inspection and loss prevention		3,441
13.	Salaries of officers		68,083
14.	Expenses of officers		0
15.	Salaries of office employees		0
16.	Employee welfare		6,038
17.	Insurance		27,497
18.	Directors' compensation		11,050
19.	Directors' expenses		0
20.	Rent and rent items		4,705
21.	Equipment		12,418
22.	Printing, stationery and supplies		10,052
23.	Postage and telephone		9,557
24.	Legal and auditing		17,193
25.	State insurance taxes		5,084
	June 1	March 1	August 15
	4,696	388	0
26.	Insurance Division licenses and fees		0
27.	Payroll taxes		0
28.	All other taxes (excluding Federal income)		0
29.	Real estate expenses		8,878
30.	Real estate taxes		1,433
31.	Interest on borrowed money		0
32.	Miscellaneous		13,831
	a. Annual meeting & conventions		0
	b. Donations & contributions		6,427
	c. Data processing expense		21,435
	d. Investment Expense		2,351
33.	Automobile Expnse		0
34.	Total operating expense (items 9 through 34)		<b>\$407,867</b>
<b>NON-OPERATING EXPENSE</b>			
35.	Borrowed money repaid		\$0
36.	Depreciation on real estate		1,532
37.	Loss on sale of investments		1,454
38.	Federal income tax Prior year 0 Current year 17,000		17,000
39.	Premium collections transmitted to other companies		9,769
40.	Commissions paid agents for other companies		0
41.	Decrease in ledger liabilities		0
42.			
43.	Total non-operating expense (items 36 through 43)		<b>\$29,755</b>
44.	Total disbursements (items 8, 35 and 44)		<b>\$1,022,172</b>
45.	Balance - ledger assets, December 31st must agree with Line 22, Column 1, Page 4		<b>\$4,472,613</b>

**ASSETS - DECEMBER 31, 2021**

	(1) Ledger Assets	(2) Non-ledger	(3) Non-admitted Assets 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)	\$2,077,274	\$0	\$0	\$2,077,274	\$1,768,926
2. Stocks (schedule A - part 2)	1,917,367	1,403,402	0	3,320,769	3,329,135
3. Bank Balances					
3.1 Check (C-1)	91,008	0	0	91,008	126,098
3.2 Interest Bearing (C-2)	239,343	0	0	239,343	38,775
6. Real estate (schedule F)	39,110	0	0	39,110	40,642
7. Cash in office	0			0	0
8. Unpaid Premiums					
8.1 Due before November 1	3,567	0	3,567	XXXXXXX	
8.2 Due after November 1	104,944	0	59,656	45,288	5,597
11. Reinsurance receivable on paid losses	0	7,447	0	7,447	11,539
12. Accrued interest	XXXXXXX	15,411	0	15,411	13,460
13. Accrued rent due	XXXXXXX			0	0
14. Equipment and furniture	0	0	0	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	79,855	0	79,855	0
19. Electronic data processing equipment	0	0	0	0	2,062
20. Grinnell Contingency	0	6,388	0	6,388	3,875
21. Prepaid reinsurance	0	0	0	0	0
22. Totals	\$4,472,813	\$1,512,503	\$63,223	\$5,921,893	\$5,340,109

## LIABILITIES - DECEMBER 31, 2021

		Current Year	Prior Year
1.	Unpaid claims (reported)	\$214,998	
2.	Unpaid claims (incurred but not reported)	0	
3.	Total unpaid losses	214,998	
4.	Less: reinsurance recoverable on unpaid losses	54,434	
5.	Net unpaid claims	\$160,564	\$59,449
6.	Unpaid adjusting expenses	1,329	1,188
7.	Ceded reinsurance balances payable	138,388	16,150
8.	Unpaid salaries and commissions	6,771	795
9.	Borrowed money	0	0
10.	Interest due on borrowed money	0	0
11.	Amounts withheld for the account of others	1,976	3,013
12.	Taxes payable: Real estate	479	950
	Federal income	16,000	0
	Premium	5,012	388
	Other	0	0
13.	Other unpaid expenses	1,883	2,116
14.	Premiums collected for other companies - not remitted	18,149	3,237
15.	Premiums received in advance	26,308	7,612
*16.	Unearned premium reserve	388,651	359,288
17.	Service Fees and Employee Benefits Payable		
18.	Miscellaneous Liabilities		
19.	Total liabilities	\$765,510	\$454,186
20.	Surplus	\$5,156,383	\$4,885,923
21.	Total liabilities and surplus	\$5,921,893	\$5,340,109

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

\* Method of calculation: 40% Method

## HISTORICAL INFORMATION

	2021	2020	2019	2018	2017
<b>Gross Premium</b>					
Fire	502,671	487,470	466,232	432,162	441,763
Windstorm	468,213	451,858	434,315	402,724	413,035
Other	0	0	0	0	0
Total Direct Premiums	970,884	939,328	900,547	834,886	854,798
<b>Net Premiums Written</b>					
Fire	502,588	487,301	466,070	432,058	441,659
Windstorm	468,130	451,689	434,153	402,620	412,931
Other	0	0	0	0	0
Total Direct Premiums	970,718	938,990	900,223	834,678	854,590
Total Net of Reinsurance	869,655	751,044	716,776	663,552	697,250
<b>Gross Losses Paid</b>					
Fire	277,792	419,217	307,268	238,145	99,533
Windstorm	318,297	478,235	94,308	194,013	328,136
Other	0	0	0	0	0
Total	596,089	897,452	401,576	432,158	427,669
<b>Net Losses Paid</b>					
Fire	277,792	419,217	307,268	238,145	99,533
Windstorm	318,297	478,235	94,308	194,013	328,136
Other	0	0	0	0	0
Total	596,089	897,452	401,576	432,158	427,669
Total Net of Reinsurance	584,550	739,147	400,566	415,735	427,669
<b>Loss Percentage (Direct)</b>					
Fire Losses/Fire Prem	55%	86%	66%	55%	23%
Windstorm Losses/Windstorm Prem	68%	106%	22%	48%	79%
Other Losses"/Other Premiums	0%	0%	0%	0%	0%
Total Losses/Total Prem	61%	96%	45%	52%	50%
<b>Loss Percentage (Net)</b>					
Fire Losses/Fire Prem	55%	86%	66%	55%	23%
Windstorm Losses/Windstorm Prem	68%	106%	22%	48%	79%
Other Losses"/Other Premiums	0%	0%	0%	0%	0%
Total Losses/Total Prem	61%	96%	45%	52%	50%
Net Losses/Net Premiums	67%	98%	56%	63%	61%
<b>Balance Sheet Items</b>					
Total Admitted Assets	5,921,893	5,340,109	5,243,845	4,619,080	4,782,614
Liabilities	765,510	454,186	472,761	427,866	352,277
Surplus	5,156,383	4,885,923	4,771,084	4,191,214	4,430,337
Bonds	2,077,274	1,768,926	1,749,680	1,652,739	1,607,396
Stocks	3,320,769	3,329,135	3,224,649	2,643,448	2,819,551
Real Estate	39,110	40,642	42,522	44,901	47,781
Unpaid Premium (line 6.1)	0	0	0	0	0
Unpaid Premium (line 6.2)	45,288	5,597	19,970	37,438	13,772
Unearned Premium	388,651	359,288	345,244	347,253	317,479
<b>Balance Sheet Percentages</b>					
Bonds/Admitted Assets	35%	33%	33%	36%	34%
Stocks/Admitted Assets	56%	62%	61%	57%	59%
Real Estate/Admitted Asset	1%	1%	1%	1%	1%
Unpaid Prem (line 6.2)/Admitted Assets	1%	0%	0%	1%	0%
<b>Income/Disbursement Items</b>					
Total Income	1,363,058	936,374	941,029	1,053,835	931,962
Total Disbursements	1,022,172	1,153,516	792,866	800,246	825,148
Operating Expense	407,867	377,951	335,932	341,185	281,434
Commissions	148,005	142,646	128,165	125,734	128,573
Investment Income	461,165	161,711	205,297	277,355	219,777
Salaries (lines 14-17)	74,121	74,854	76,319	74,404	49,500
<b>Other</b>					
Gross Risk in Force	284,034,710	270,420,101	251,289,031	240,600,996	229,031,798
Number of Policies	764	762	734	722	717
Operating Expense/Net Premium	47%	50%	47%	51%	40%