

**December 31, 2019 - Annual Statement**

*Iowa Company Number: 0003*

**Adams Mutual Insurance Association**

Adam Grundman  
721 Davis Ave., Box 48  
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**DECEMBER 31, 2019**

1. Ledger Assets, December 31 of previous year, Total column 1, page 4..... \$ 1,233,107

**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.....	\$ 546,724	\$	\$	\$ 546,724
3. Windstorm.....	155,421			155,421
4. Crop Hail.....				
Homeowner 5. Assumed.....	XXXXXXX			
6. Totals.....	\$ 702,145	\$	\$	\$ 702,145

7. Aggregate excess loss reinsurance paid..... 174,972

8. Total net assessment, premiums and fees(line 6, col. 4-line 7 = line 8) ..... \$ 527,173

9. Net interest received on bonds..... 14,818

10. Increase in adjustment of bonds 458 , less  
1,145 decrease in adjustment of bonds..... (687)

11. Dividends received..... 20,886

12. Interest received on bank deposits (schedule C-2, column 7)..... 3,752

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

14. Other interest.....

15. Profit on sale of investment..... 24,962

16. Rents received\*..... 6,080

17. Total income from investments (items 9 through 16)..... \$ 69,811

18. Borrowed money.....

19. Premiums collected for other companies (less refunds)..... 72,427

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)..... \$ 72,427

28. Total income (items 8, 17, and 27)..... \$ 669,411

29. Total assets and income (item 1 plus item 28)..... \$ 1,902,518

\*Includes \$2,400 for association's occupancy of its own buildings.

**DECEMBER 31, 2019**

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

\$ 1,902,518

**DISBURSEMENTS - DECREASES IN LEDGER ASSETS**

	(1) Direct Losses	(2) Reinsurance Assumed	(3) Specific Reinsurance Recovered	(4) Net Losses Paid (1+2-3=4)
2. Fire.....	\$ 516,737	\$	\$	\$ 516,737
3. Windstorm.....	344,656			344,656
4. Crop Hail .....				
5. Homeowners Assumed.....	XXXXXXXXXX			
6. Totals.....	\$ 861,393	\$	\$	\$ 861,393

7. Received from aggregate excess loss reinsurance..... 504,431

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

\$ 356,962

**OPERATING EXPENSE**

9. Loss Adjustment Expenses.....	26,077
10. Commissions.....	86,206
11. Advertising.....	4,115
12. Boards, bureaus and associations.....	4,367
13. Inspection and loss prevention.....	2,409
14. Salaries of officers.....	19,441
15. Expenses of officers.....	75
16. Salaries of office employees.....	15,863
17. Employee welfare.....	10,611
18. Insurance.....	9,482
19. Directors' compensation.....	4,625
20. Directors' expenses.....	392
21. Rent and rent items.....	2,400
22. Equipment.....	11,226
23. Printing, stationery and supplies.....	4,451
24. Postage and telephone .....	9,448
25. Legal and auditing.....	11,660
26. State insurance taxes (March 1, 864 ) (June 1, 3,489 ) (August 15, 3,489 )	7,842
27. Insurance Division licenses and fees.....	225
28. Payroll taxes.....	3,197
29. All other taxes (excluding Federal income).....	379
30. Real estate expenses.....	12,468
31. Real estate taxes.....	1,529
32. Interest on borrowed money.....	
33. Miscellaneous.....	27,884
a. Annual Meeting.....	
b. Donations/Contributions.....	
c. Travel and Travel Items.....	1,092
d. Over and Short.....	17
34. ....	

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

\$ 277,481

**NON-OPERATING EXPENSE**

36. Borrowed money repaid.....	
37. Depreciation on real estate.....	792
38. Loss on sale of investments.....	510
39. Federal income tax Prior year, 1,690 Current year, 1,971 .....	3,661
40. Premium collections transmitted to other companies.....	60,543
41. Commission paid agents for other companies.....	8,935
42. Decrease in ledger liabilities.....	4,516
43. Federal income tax penalty/interest.....	

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

78,957

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

\$ 713,400

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

\$ 1,189,118

## ASSETS - DECEMBER 31, 2019

	(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).....	\$ 356,821	\$	\$	\$ 356,821	\$ 455,809
2. Stocks (schedule A-part 2).....	540,343		5,956	534,387	363,316
3. Bank Balances					
3.1 Subject to check(C-1).....	155,364			155,364	55,635
3.2 On interest (C-2).....	135,928			135,928	281,683
4. Mortgage loans (schedule D)					
4.1 First liens.....					
4.2 Other than first.....					
5. Collateral loans (schedule E).....					
6. Real estate (schedule F).....					30,627
7. Cash in office.....	23			23	100
8. Unpaid Premiums					
8.1 Due before November 1.....				X X X X X X	X X X X X X
8.2 Due after November 1.....		7,722		7,722	1,460
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.....					139,211
12. Accrued interest.....	X X X X X X	3,498		3,498	3,965
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.....	639		639		2,333
20. Service fees & misc receivables.					
21. Prepaid Reins. & other assets....					
22. Totals.....	\$ 1,189,118	\$ 11,220	\$ 6,595	\$ 1,193,743	\$ 1,334,139

\*Bonds are amortized through 12/31/19 (enter date)

## LIABILITIES - DECEMBER 31, 2019

		Current Year	Prior Year
1. Unpaid claims (reported).....	\$		
2. Unpaid claims (incurred but not reported).....			
3. Total unpaid losses.....			
4. Less: reinsurance recoverable on unpaid losses.....			
5. Net unpaid claims.....	\$		\$ 25,000
6. Unpaid adjusting expenses.....		1,050	1,500
7. Ceded reinsurance balances payable.....		14,890	13,741
8. Unpaid salaries and commissions.....		1,032	6,190
9. Borrowed money.....			
10. Interest due on borrowed money.....			
11. Amounts withheld for the account of others.....			
12. Taxes payable: Real estate.....			766
Federal Income.....			2,000
Premium.....		43	864
Other.....			379
13. Other unpaid expenses.....		1,618	1,794
14. Premiums collected for other companies - not remitted.....		4,657	4,572
15. Premiums received in advance.....			7,054
16.* Unearned premium reserve.....		277,000	268,000
17. Service Fees and Employee Benefits Payable.....			
18. Miscellaneous Liabilities.....			
19. Total liabilities.....	\$	300,290	\$ 331,860
20. Surplus.....	\$	893,453	\$ 1,002,279
21. Total liabilities and surplus.....	\$	1,193,743	\$ 1,334,139

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

\*Method of calculation: 40% method.

## HISTORICAL INFORMATION

	2019	2018	2017	2016	2015
<b>Gross Premium</b>					
Fire.....	546,724	548,093	469,017	441,897	475,729
Windstorm.....	155,421	149,614	142,290	134,266	137,241
Crop Hail.....	0	0	0	0	0
Total.....	702,145	697,707	611,307	576,163	612,970
<b>Net Premium Written</b>					
Fire.....	546,724	548,093	469,017	441,897	475,729
Windstorm.....	155,421	149,614	142,290	134,266	137,241
Crop Hail.....	0	0	0	0	0
Total.....	702,145	697,707	611,307	576,163	612,970
Total Net of Agg.....	527,173	534,002	449,777	420,311	449,954
<b>Gross Losses Paid</b>					
Fire.....	516,737	153,605	145,412	172,887	68,604
Windstorm.....	344,656	77,978	621,893	52,449	88,783
Crop Hail.....	0	807	0	0	0
Total.....	861,393	232,390	767,305	225,336	157,387
<b>Net Losses Paid</b>					
Fire.....	516,737	153,605	145,412	172,887	68,604
Windstorm.....	344,656	77,978	621,893	52,449	88,783
Crop Hail.....	0	807	0	0	0
Total.....	861,393	232,390	767,305	225,336	157,387
Total Net of Agg.....	356,962	179,640	350,576	216,037	121,477
<b>Loss Percentage (Direct)</b>					
Fire Losses/Fire Prem.....	95 %	28 %	31 %	39 %	14 %
Windstorm Losses/Windstorm Prem.....	222 %	52 %	437 %	39 %	65 %
Crop Hail Losses/Crop Hail Prem.....	0 %	0 %	0 %	0 %	0 %
Total Losses/Total Prem.....	123 %	33 %	126 %	39 %	26 %
<b>Loss Percentage (Net)</b>					
Fire Losses/Fire Prem.....	95 %	28 %	31 %	39 %	14 %
Windstorm Losses/Windstorm Prem.....	222 %	52 %	437 %	39 %	65 %
Crop Hail Losses/Crop Hail Prem.....	0 %	0 %	0 %	0 %	0 %
Total Losses/Total Prem.....	123 %	33 %	126 %	39 %	26 %
Total Net Agg Losses/Total Net Ag Prem	68 %	34 %	78 %	51 %	27 %
<b>Balance Sheet Items</b>					
Total Admitted Assets.....	1,193,743	1,334,138	1,094,456	1,182,579	1,136,223
Liabilities.....	300,290	331,860	269,572	311,599	292,652
Surplus.....	893,453	1,002,278	824,884	870,980	843,571
Bonds.....	356,820	455,809	377,211	423,439	441,528
Stocks.....	534,387	363,316	361,623	313,376	289,041
Real Estate.....	0	30,627	31,897	33,171	33,712
Unpaid Premium(line 8.1).....	0	0	0	0	0
Unpaid Premium(line 8.2).....	7,722	1,460	2,137	0	0
Agent's Balances.....	0	0	0	0	368
Unearned Premium.....	277,000	268,000	238,000	222,000	246,000
<b>Balance Sheet Percentages</b>					
Bonds/Admitted Assets.....	30 %	34 %	34 %	36 %	39 %
Stocks/Admitted Assets.....	45 %	27 %	33 %	26 %	25 %
Real Estate/Admitted Assets.....	0 %	2 %	3 %	3 %	3 %
Unpaid Prem (line 8.2)/Admitted Assets.	1 %	0 %	0 %	0 %	0 %
Agents' Balances/Admitted Assets.....	0 %	0 %	0 %	0 %	0 %
<b>Income/Disbursement Items</b>					
Total Income.....	669,411	656,763	560,279	489,981	528,702
Total Disbursements.....	713,400	487,087	674,475	472,148	450,226
Operating Expense.....	277,482	229,531	220,615	211,775	211,215
Commissions.....	86,206	85,891	75,203	70,010	61,744
Investment Income.....	69,812	61,727	56,583	25,777	34,387
Salaries (lines 14-17).....	45,990	49,060	48,577	55,571	70,264
<b>Other</b>					
Gross Risk in Force.....	166,723,714	151,447,515	144,413,104	129,469,332	121,073,787
Number of Policies.....	643	629	608	593	579
Operating Expense/Net Premium.....	53 %	43 %	49 %	50 %	47 %