

**December 31, 2019 - Annual Statement**

*Iowa Company Number: 0008*

**Lenox Mutual Insurance Association**

Bob Kaestner  
213 W. Tuttle Street, Box 38,  
Norway, IA 52318

December 31st, 2019

1. Ledger Assets, December 31 of previous year, Total column 1, page 4..... \$ 3,226,612

**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.....	\$ 1,129,322	\$	\$ 1,129,322
3. Windstorm.....			
4. Crop Hail.....			
Homeowner 5. Assumed.....	XXXXXXXX		
6. Totals.....	\$ 1,129,322	\$	\$ 1,129,322

7. Aggregate excess loss reinsurance paid..... 324,512

8. Total net assessment, premiums and fees (line 6, col. 4-line 7 = line 8) ..... \$ 804,810

9. Net interest received on bonds..... 42,361

10. Increase in adjustment of bonds 1,455, less  
605 decrease in adjustment of bonds..... 850

11. Dividends received..... 24,862

12. Interest received on bank deposits (schedule C-2, column 7)..... 24,697

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

14. Other interest.....

15. Profit on sale of investment..... 4,125

16. Rents received\*..... 2,400

17. Total income from investments (items 9 through 16)..... \$ 99,295

18. Borrowed money.....

19. Premiums collected for other companies (less refunds)..... 80,679

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)..... \$ 80,679

28. Total income (items 8, 17, and 27)..... \$ 984,784

29. Total assets and income (item 1 plus item 28)..... \$ 4,211,396

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



## ASSETS - December 31st, 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).....	\$ 1,510,115	\$	\$ 1,510,115	\$ 1,004,392
2. Stocks (schedule A-part 2).....	408,777	140,246	549,023	730,190
3. Bank Balances				
3.1 Subject to check(C-1).....	249,583		249,583	213,084
3.2 On interest (C-2).....	1,361,782		1,361,782	1,320,325
4. Mortgage loans (schedule D)				
4.1 First liens.....				
4.2 Other than first.....				
5. Collateral loans (schedule E).....				
6. Real estate (schedule F).....	18,927		18,927	19,511
7. Cash in office.....				
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.....		1,599	1,599	1,816
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.....				
12. Accrued interest.....	X X X X X X	26,126	26,126	15,688
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.....	2,385		2,385	3,517
20. Service fees & misc receivables.				16,917
21. Prepaid Reins. & other assets....				
22. Totals.....	\$ 3,551,569	\$ 167,971	\$ 3,719,540	\$ 3,325,440

\*Bonds are amortized through 12/31/19

## LIABILITIES - December 31st, 2019

		Current Year	Prior Year
1. Unpaid claims (reported).....	\$ 2,000		
2. Unpaid claims (incurred but not reported).....			
3. Total unpaid losses.....	<u>2,000</u>		
4. Less: reinsurance recoverable on unpaid losses.....			
5. Net unpaid claims.....		\$ 2,000	\$ 17,157
6. Unpaid adjusting expenses.....		<u>2,700</u>	<u>2,900</u>
7. Ceded reinsurance balances payable.....		<u>28,476</u>	<u>28,194</u>
8. Unpaid salaries and commissions.....		<u>7,383</u>	<u>11,352</u>
9. Borrowed money.....			
10. Interest due on borrowed money.....			
11. Amounts withheld for the account of others.....			
12. Taxes payable: Real estate.....		<u>1,024</u>	<u>952</u>
Federal Income.....		<u>2,000</u>	<u>5,000</u>
Premium.....		<u>-</u>	<u>105</u>
Other.....		<u>-</u>	<u>695</u>
13. Other unpaid expenses.....		<u>88</u>	<u>76</u>
14. Premiums collected for other companies - not remitted.....		<u>4,330</u>	<u>4,269</u>
15. Premiums received in advance.....			<u>25,878</u>
16.* Unearned premium reserve.....		<u>451,000</u>	<u>442,000</u>
17. Service Fees and Employee Benefits Payable.....			<u>21,372</u>
18. Miscellaneous Liabilities.....			
19. Total liabilities.....		\$ <u>499,000</u>	\$ <u>559,950</u>
20. Surplus.....		\$ <u>3,220,540</u>	\$ <u>2,765,490</u>
21. Total liabilities and surplus.....		\$ <u>3,719,540</u>	\$ <u>3,325,440</u>

(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.....	1,114,925	1,115,609	1,105,308	1,037,526	1,001,685
Windstorm.....	14,397	14,837	14,634	14,362	14,657
Crop Hail.....	0	0	0	0	0
Total.....	1,129,322	1,130,446	1,119,942	1,051,888	1,016,342
<b>Net Premium Written</b>					
Fire.....	1,114,925	1,115,609	1,105,308	1,037,526	1,001,685
Windstorm.....	14,397	14,837	14,634	14,362	14,657
Crop Hail.....	0	0	0	0	0
Total.....	1,129,322	1,130,446	1,119,942	1,051,888	1,016,342
Total Net of Agg.....	804,810	791,527	772,807	685,516	669,256
<b>Gross Losses Paid</b>					
Fire.....	144,313	181,503	56,493	194,787	91,339
Windstorm.....	22,093	20,941	179,642	194,291	18,885
Crop Hail.....	0	0	0	0	0
Total.....	166,406	202,444	236,135	389,078	110,224
<b>Net Losses Paid</b>					
Fire.....	144,313	181,503	56,493	194,787	91,339
Windstorm.....	22,093	20,941	179,642	149,863	18,885
Crop Hail.....	0	0	0	0	0
Total.....	166,406	202,444	236,135	344,650	110,224
Total Net of Agg.....	166,406	202,444	216,789	344,650	110,224
<b>Loss Percentage (Direct)</b>					
Fire Losses/Fire Prem.....	13 %	16 %	5 %	19 %	9 %
Windstorm Losses/Windstorm Prem.....	153 %	141 %	1,228 %	1,353 %	129 %
Crop Hail Losses/Crop Hail Prem.....	0 %	0 %	0 %	0 %	0 %
Total Losses/Total Prem.....	15 %	18 %	21 %	37 %	11 %
<b>Loss Percentage (Net)</b>					
Fire Losses/Fire Prem.....	13 %	16 %	5 %	19 %	9 %
Windstorm Losses/Windstorm Prem.....	153 %	141 %	1,228 %	1,043 %	129 %
Crop Hail Losses/Crop Hail Prem.....	0 %	0 %	0 %	0 %	0 %
Total Losses/Total Prem.....	15 %	18 %	21 %	33 %	11 %
Total Net Agg Losses/Total Net Ag Prem	21 %	26 %	28 %	50 %	16 %
<b>Balance Sheet Items</b>					
Total Admitted Assets.....	3,719,541	3,325,440	2,976,591	2,664,585	2,561,474
Liabilities.....	499,000	559,949	541,836	485,537	512,434
Surplus.....	3,220,541	2,765,491	2,434,755	2,179,048	2,049,040
Bonds.....	1,510,116	1,004,392	987,138	1,044,347	1,084,588
Stocks.....	549,023	730,190	735,804	600,560	403,325
Real Estate.....	18,927	19,511	20,095	19,666	20,225
Unpaid Premium(line 8.1).....	0	0	0	0	0
Unpaid Premium(line 8.2).....	1,599	1,816	670	6,414	4,697
Agent's Balances.....	0	0	0	0	0
Unearned Premium.....	451,000	442,000	427,000	418,000	397,000
<b>Balance Sheet Percentages</b>					
Bonds/Admitted Assets.....	41 %	30 %	33 %	39 %	42 %
Stocks/Admitted Assets.....	15 %	22 %	25 %	23 %	16 %
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 %
<b>Income/Disbursement Items</b>					
Total Income.....	984,784	962,979	943,975	846,915	821,266
Total Disbursements.....	659,826	625,956	646,393	766,972	488,534
Operating Expense.....	393,187	343,689	350,950	344,448	290,572
Commissions.....	184,491	140,811	136,646	157,548	115,615
Investment Income.....	99,295	89,837	80,614	82,995	73,820
Salaries (lines 14-17).....	88,108	81,181	78,370	74,711	68,443
<b>Other</b>					
Gross Risk in Force.....	260,593,002	250,526,882	247,367,704	247,911,835	241,499,134
Number of Policies.....	949	954	952	969	988
Operating Expense/Net Premium.....	49 %	43 %	45 %	50 %	43 %