

December 31, 2022 Annual Statement

Shelby County Farmers Mutual Insurance Association

Brock Darling

1117 7TH ST

HARLAN IA 51537

Iowa Company Number: 0132

DECEMBER 31, 2022

1. Ledger Assets, December 31 of previous year, Total, column 1, page 4					\$ 10,382,958
INCOME - INCREASES IN LEDGER ASSETS					
PREMIUMS					
	(1)	(2)	(3)	(4)	
	Direct Premiums	Reinsurance Premiums Assumed	Per Risk Reinsurance Premiums Ceded	Net Premiums (1 + 2 - 3 = 4)	
2. Fire	\$ 1,196,114	\$	\$ 139,839	\$ 1,056,275	
3. Windstorm	744,982		87,097	657,885	
4. Other					
5. Totals	\$ 1,941,096	\$	\$ 226,936	\$ 1,714,160	
6. All reinsurance premiums ceded other than Per Risk				277,521	
7. Total net premiums and fees (line 5, col. 4 - line 6 = line 8)					\$ 1,436,639
8. Interest received on bonds				198,992	
9. Increase in adjustment of bonds \$		2,012			
	\$ 26,766				
					(24,754)
10. Dividends received				147,810	
11. Interest received on bank deposits (schedule C-2, column 7)				2,492	
12. Other Interest					
13. Profit on sale of investment				238,120	
14. Rents received*				29,400	
15. Total income from investments (items 8 through 14)					\$ 592,060
16. Borrowed money					
17. Premiums collected for other companies (less refunds)					
18. Increase in ledger liabilities				208,075	
19. "Overwrite Fees" received				13,255	
20. Federal income tax refund					
21. Miscellaneous income					
22.					
23. Total (items 16 through 22)					\$ 221,330
24. Total income (items 7, 15, and 23)					\$ 2,250,029
25. Total assets and income (item 1 plus item 25)					\$ 12,632,987

*Includes \$ 5,400 For association's occupancy of its own buildings

DECEMBER 31, 2022

1. Amount brought forward from line 29 page 2					\$ 12,632,987
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.	\$ 902,496		\$ 574,683	\$ 327,813	
3. Windstorm	910,210			910,210	
4. Other (Sch G)					
5. Totals	\$ 1,812,706	\$	\$ 574,683	\$ 1,238,023	
6. All reinsurance losses ceded other than Per Risk Losses					
7. Net losses (line 6, col.4 - line 7 = line 8)					\$ 1,238,023
OPERATING EXPENSE					
8. Loss Adjustment Expenses				102,212	
9. Commissions				161,523	
10. Advertising				19,673	
11. Boards, bureaus and associations				7,490	
12. Inspection and loss prevention				7,631	
13. Salaries of officers.				101,708	
14. Expenses of officers					
15. Salaries of office employees				61,471	
16. Employee welfare				39,211	
17. Insurance				36,693	
18. Directors' compensation				18,294	
19. Directors' expenses					
20. Rent and other items				5,400	
21. Equipment				12,353	
22. Printing, stationery and supplies				11,285	
23. Postage and telephone				10,615	
24. Legal and auditing				17,245	
25. State insurance taxes	March 1	431			
	June 1	8,186	August 15	8,186	16,803
26. Insurance Division licenses and fees					530
27. Payroll taxes					14,320
28. All other taxes (excluding Federal income)					76
29. Real estate expenses					11,941
30. Real estate taxes					1,274
31. Interest on borrowed money					
32. Miscellaneous					5,884
Technology Expense					23,071
Investment Expenses					37,726
Meals & Entertainment Expenses					1,987
Travel & Meeting Expense					18,650
33. Automobile Expense					
34. Total operating expense (items 9 through 34)					\$ 745,066
NON-OPERATING EXPENSE					
35. Borrowed money repaid					
36. Depreciation on real estate					1,866
37. Loss on sale of investments					6,113
38. Federal income tax Prior year	37,070		Current year	22,000	59,070
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 36 through 43)					\$ 67,049
44. Total disbursements (items 8, 35 and 44)					\$ 2,050,138
45. Balance - ledger assets, December 31st must agree with Line 22, Column 1, Page 4					\$ 10,582,849

ASSETS - DECEMBER 31, 2022

	(1)	(2)	(3)	(4)	(5)
	Ledger Assets	Non-ledger	Non-admitted Assets including excess of book over market or amortized values	Current Year Net Admitted Assets (1+2-3=4)	Prior Year Net Admitted Assets
1. Bonds (schedule A-part 1)	\$ 6,463,374			6,463,374	\$ 6,425,437
2. Stocks (schedule A-part 2).	3,201,907	750,657		3,952,564	\$ 4,929,047
3. Bank Balances					
3.1 Check (C-1)	398,856			398,856	\$ 137,074
3.2 Interest Bearing (C-2)	241,166			241,166	\$ 264,676
4. Real estate (schedule F)	62,108			62,108	\$ 63,974
5. Cash in office	50			50	\$ 50
6. Unpaid Premiums					
6.1 Due before November 1	32		32	xxxxxxx	
6.2 Due after November 1	191,005		180,867	10,138	\$ 5,213
7. Reinsurance receivable on paid losses					\$ 173,820
8. Accrued interest	xxxxxxx	47,999		47,999	\$ 47,196
9. Accrued rent due	xxxxxxx				
10. Equipment and furniture	19,001		19,001	xxxxxxx	xxxxxxx
11. Automobiles				xxxxxxx	xxxxxxx
12. Cash surrender value of life ins.					
13. Federal income tax recoverable		53,000	53,000		
14. Prepaid Reinsurance					\$ 227,560
15. Overwrite Receivable		980		980	\$ 1,052
Reinsurance Prem Refundable					\$ 5,661
16. EDP Equipment & Software	5,350			5,350	
17. Totals	\$ 10,582,849	\$ 852,636	\$ 252,900	\$ 11,182,585	\$ 12,280,760

LIABILITIES - DECEMBER 31, 2022

		Current Year	Prior Year
1. Unpaid claims (reported)	\$ 98,533		
2. Unpaid claims (incurred but not reported)	73,000		
3. Total unpaid losses	171,533		
4. Less: reinsurance recoverable on unpaid losses			
5. Net unpaid claims		\$ 171,533	\$ 341,288
6. Unpaid adjusting expenses		2,351	1,800
7. Ceded reinsurance balances payable			
8. Unpaid salaries and commissions		7,486	13,245
9. Borrowed money		211,281	
10. Interest due on borrowed money			
11. Amounts withheld for the account of others			
12. Taxes payable: Real Estate		650	650
Federal Income			37,150
Premium		3,039	431
Other		(1,480)	
13. Other unpaid expenses		14,192	15,738
14. Premiums collected for other companies - not remitted		9,322	13,476
15. Premiums received in advance		42,207	35,900
*16. Unearned premium reserve		854,190	718,837
17. Service Fees and Employee Benefits Payable			
18. Miscellaneous Liabilities			
19. Total liabilities		\$ 1,314,771	\$ 1,178,515
20. Surplus		\$ 9,867,814	\$ 11,102,245
21. Total liabilities and surplus		\$ 11,182,585	\$ 12,280,760

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

*Method of calculation: Actual, daily pro-rata

HISTORICAL INFORMATION

	2022	2021	2020	2019	2018
Gross Premium					
Fire	1,196,114	999,127	970,252	935,905	895,021
Windstorm	744,982	637,252	625,791	604,507	580,955
Other	-	-	-	-	-
Total Direct Premiums	1,941,096	1,636,379	1,596,043	1,540,412	1,475,976
Net Premiums Written					
Fire	1,056,275	886,448	966,896	932,430	895,021
Windstorm	657,885	565,383	623,627	602,262	580,955
Other	-	-	-	-	-
Total Direct Premiums	1,714,160	1,451,831	1,590,523	1,534,692	1,475,976
Total Net of Reinsurance	1,436,639	1,238,202	1,188,847	1,159,104	1,128,009
Gross Losses Paid					
Fire	902,496	482,100	600,291	565,087	430,199
Windstorm	910,210	191,375	52,121	61,133	676,783
Other	-	-	-	-	-
Total	1,812,706	673,475	652,412	626,220	1,106,982
Net Losses Paid					
Fire	327,813	482,100	600,291	565,087	430,199
Windstorm	910,210	191,375	52,121	61,133	676,783
Other	-	-	-	-	-
Total	1,238,023	673,475	652,412	626,220	1,106,982
Total Net of Reinsurance	1,238,023	673,475	652,412	459,300	1,000,696
Loss Percentage (Direct)					
Fire Losses/Fire Prem	75.5%	48.3%	61.9%	60.4%	48.1%
Windstorm Losses/Windstorm Prem	122.2%	30.0%	8.3%	10.1%	116.5%
Other Losses/Other Premiums	0.0%	0.0%	0.0%	0.0%	0.0%
Total Losses/Total Prem	93.4%	41.2%	40.9%	40.7%	75.0%
Loss Percentage (Net)					
Fire Losses/Fire Prem	31.0%	54.4%	62.1%	60.6%	48.1%
Windstorm Losses/Windstorm Prem	138.4%	33.8%	8.4%	10.2%	116.5%
Other Losses/Other Premiums	0.0%	0.0%	0.0%	0.0%	0.0%
Total Losses/Total Prem	72.2%	46.4%	41.0%	40.8%	75.0%
Net Losses/Net Premiums	86.2%	54.4%	54.9%	39.6%	88.7%
Balance Sheet Items					
Total Admitted Assets	11,182,585	12,280,760	11,245,329	10,492,347	9,487,153
Liabilities	1,314,771	1,178,515	947,641	923,364	791,571
Surplus	9,867,814	11,102,245	10,297,688	9,568,983	8,695,582
Bonds	6,463,374	6,425,437	6,065,960	6,128,165	5,862,525
Stocks	3,952,564	4,929,047	4,438,600	3,616,005	3,019,594
Real Estate	62,108	63,974	65,904	67,900	58,421
Unpaid Premium (line 8.1)	32	371	371	512	70
Unpaid Premium (line 8.2)	10,138	5,213	6,576	11,800	4,327
Unearned Premium	854,190	718,837	700,888	679,013	649,524
Balance Sheet Percentages					
Bonds/Admitted Assets	58%	52%	54%	58%	62%
Stocks/Admitted Assets	35%	40%	39%	34%	32%
Real Estate/Admitted Assets	1%	1%	1%	1%	1%
Unpaid Prem (line 8.2)/Admitted Assets	0%	0%	0%	0%	0%
Income/Disbursement Items					
Total Income	2,250,029	1,823,460	1,545,613	1,587,073	1,795,929
Total Disbursements	2,050,138	1,311,479	1,321,393	1,047,069	1,636,005
Operating Expense	745,066	633,290	612,542	583,433	630,922
Commissions	161,523	137,602	135,484	124,879	114,767
Investment Income	592,060	549,967	333,369	407,487	625,983
Salaries (lines 14-17)	202,390	181,650	180,841	176,194	178,927
Other					
Gross Risk in Force	478,945,779	422,947,008	404,438,766	386,012,973	363,118,979
Number of Policies	1,098	1,132	1,149	1,126	1,110
Operating Expense/Net Premium	52%	51%	52%	50%	56%