

December 31, 2019 - Annual Statement

Iowa Company Number: 0088

Castle Grove Mutual Insurance Association

Duff Coleman
101 E. 10th St., Box 67
Monticello IA 52310

DECEMBER 31, 2019

1. Ledger Assets, December 31 of previous year, Total column 1, page 4.....				\$ 2,485,393
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.....	\$ 1,289,090	\$	\$	\$ 1,289,090
3. Windstorm.....				
4. Crop Hail.....				
Homeowner				
5. Assumed.....	XXXXXXX			
6. Totals.....	\$ 1,289,090	\$	\$	\$ 1,289,090
7. Aggregate excess loss reinsurance paid.....				480,663
8. Total net assessment, premiums and fees (line 6, col. 4-line 7 = line 8)				\$ 808,427
9. Net interest received on bonds.....				57,603
10. Increase in adjustment of bonds <u>1,023</u> , less <u>5,390</u> decrease in adjustment of bonds.....				(4,367)
11. Dividends received.....				8,580
12. Interest received on bank deposits (schedule C-2, column 7).....				1
13. Interest received on mortgage loans (schedule D, column 6).....				
14. Other interest.....				
15. Profit on sale of investment.....				26,972
16. Rents received*.....				6,000
17. Total income from investments (items 9 through 16).....				\$ 94,789
18. Borrowed money.....				
19. Premiums collected for other companies (less refunds).....				82,216
20. Checks charged off.....				
21. Increase in ledger liabilities.....				1,465
22. Underwriting expense reimbursement.....				
23. Federal income tax refund.....				
24. Miscellaneous income.....				
25. Crop Hail Contingency Commission.....				
26.				
27. Total (items 18 through 26).....				\$ 83,681
28. Total income (items 8, 17, and 27).....				\$ 986,897
29. Total assets and income (item 1 plus item 28).....				\$ 3,472,290

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

DECEMBER 31, 2019

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

\$ 3,472,290

DISBURSEMENTS - DECREASES IN LEDGER ASSETS

LOSSES			
(1) Direct Losses	(2) Reinsurance Assumed	(3) Specific Reinsurance Recovered	(4) Net Losses Paid (1+2-3=4)
2. Fire.....	\$ 602,158	\$	\$ 602,158
3. Windstorm.....	192,863		192,863
4. Crop Hail			
5. Homeowners Assumed....	XXXXXXXXXX		
6. Totals.....	\$ 795,021	\$	\$ 795,021

7. Received from aggregate excess loss reinsurance..... 302,120

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

\$ 492,901

OPERATING EXPENSE

9. Loss Adjustment Expenses.....

10. Commissions.....

11. Advertising.....

12. Boards, bureaus and associations.....

13. Inspection and loss prevention.....

14. Salaries of officers.....

15. Expenses of officers.....

16. Salaries of office employees.....

17. Employee welfare.....

18. Insurance.....

19. Directors' compensation.....

20. Directors' expenses.....

21. Rent and rent items.....

22. Equipment.....

23. Printing, stationery and supplies.....

24. Postage and telephone

25. Legal and auditing.....

26. State insurance taxes (March 1, 0) (June 1, 6,069) (August 15, 6,273)

27. Insurance Division licenses and fees.....

28. Payroll taxes.....

29. All other taxes (excluding Federal income).....

30. Real estate expenses.....

31. Real estate taxes.....

32. Interest on borrowed money.....

33. Miscellaneous.....

 a. Annual Meeting.....

 b. Donations/Contributions.....

 c. Travel and Travel Items.....

 d. Over and Short.....

34.

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

<u>21,353</u>
<u>158,855</u>
<u>3,438</u>
<u>7,764</u>
<u>27,112</u>
<u>48,300</u>
<u>31,728</u>
<u>14,422</u>
<u>13,057</u>
<u>2,640</u>
<u>848</u>
<u>3,600</u>
<u>8,763</u>
<u>3,585</u>
<u>5,832</u>
<u>9,500</u>
<u>12,342</u>
<u>210</u>
<u>12,123</u>
<u>848</u>
<u>8,415</u>
<u>2,836</u>
<u>10,230</u>
<u>1,129</u>
<u>980</u>
<u>348</u>
<u>4</u>

\$ 410,262

NON-OPERATING EXPENSE

36. Borrowed money repaid.....

37. Depreciation on real estate.....

38. Loss on sale of investments.....

39. Federal income tax Prior year, 6,928 Current year, 11,124

40. Premium collections transmitted to other companies.....

41. Commission paid agents for other companies.....

42. Decrease in ledger liabilities.....

43. Federal income tax penalty/interest.....

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

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

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

<u>3,363</u>
<u>689</u>
<u>18,052</u>
<u>65,772</u>
<u>12,160</u>
<u> </u>
<u> </u>

100,036

\$ 1,003,199

\$ 2,469,091

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).....	\$ 1,492,162	\$	\$	\$ 1,492,162	\$ 1,596,528
2. Stocks (schedule A-part 2).....	778,332	224,049		1,002,379	743,933
3. Bank Balances					
3.1 Subject to check(C-1).....	148,669			148,669	245,545
3.2 On interest (C-2).....	9,862			9,862	9,861
4. Mortgage loans (schedule D)					
4.1 First liens.....					
4.2 Other than first.....					
5. Collateral loans (schedule E).....					
6. Real estate (schedule F).....	38,184			38,184	38,586
7. Cash in office.....	25			25	25
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.....		1,078		1,078	1,975
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.....		32,047		32,047	
12. Accrued interest.....	X X X X X X	9,680		9,680	10,251
13. Accrued rent due.....	X X X X X X				
14. Equipment and furniture.....	1,857		1,857	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.....					
20. Service fees & misc receivables.		9,553		9,553	
21. Prepaid Reins. & other assets....					
22. Totals.....	\$ 2,469,091	\$ 276,407	\$ 1,857	\$ 2,743,639	\$ 2,646,704

*Bonds are amortized through 12/31/2019.

LIABILITIES - DECEMBER 31, 2019

		Current Year	Prior Year
1. Unpaid claims (reported).....	\$ 151,160		
2. Unpaid claims (incurred but not reported).....			
3. Total unpaid losses.....	151,160		
4. Less: reinsurance recoverable on unpaid losses.....	62,000		
5. Net unpaid claims.....		\$ 89,160	\$ 278,913
6. Unpaid adjusting expenses.....		4,200	11,600
7. Ceded reinsurance balances payable.....		39,803	42,802
8. Unpaid salaries and commissions.....		15,319	13,354
9. Borrowed money.....			
10. Interest due on borrowed money.....			
11. Amounts withheld for the account of others.....			
12. Taxes payable: Real estate.....		2,836	2,626
Federal Income.....			7,000
Premium.....		344	-
Other.....		-	-
13. Other unpaid expenses.....		2,143	1,698
14. Premiums collected for other companies - not remitted.....		5,377	5,286
15. Premiums received in advance.....		28,395	18,561
16.* Unearned premium reserve.....		500,000	494,000
17. Service Fees and Employee Benefits Payable.....		1,652	1,232
18. Miscellaneous Liabilities.....			
19. Total liabilities.....		\$ 689,229	\$ 877,072
20. Surplus.....		\$ 2,054,410	\$ 1,769,632
21. Total liabilities and surplus.....		\$ 2,743,639	\$ 2,646,704

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

*Method of calculation: 40% method.

HISTORICAL INFORMATION

	2019	2018	2017	2016	2015
Gross Premium					
Fire.....	1,274,087	1,239,238	1,259,324	1,249,476	1,233,704
Windstorm.....	15,003	15,315	15,715	15,722	16,886
Crop Hail.....	0	0	0	0	0
Total.....	1,289,090	1,254,553	1,275,039	1,265,198	1,250,590
Net Premium Written					
Fire.....	1,274,087	1,239,238	1,259,324	1,248,687	1,225,672
Windstorm.....	15,003	15,315	15,715	15,722	16,886
Crop Hail.....	0	0	0	0	0
Total.....	1,289,090	1,254,553	1,275,039	1,264,409	1,242,558
Total Net of Agg.....	808,427	827,459	700,476	666,692	696,411
Gross Losses Paid					
Fire.....	602,158	223,228	68,492	120,289	327,928
Windstorm.....	192,863	48,241	173,853	143,651	243,020
Crop Hail.....	0	0	0	0	0
Total.....	795,021	271,469	242,345	263,940	570,948
Net Losses Paid					
Fire.....	602,158	223,228	68,492	120,289	327,928
Windstorm.....	192,863	48,241	173,853	143,651	243,020
Crop Hail.....	0	0	0	0	0
Total.....	795,021	271,469	242,345	263,940	570,948
Total Net of Agg.....	492,901	271,469	242,345	191,772	356,389
Loss Percentage (Direct)					
Fire Losses/Fire Prem.....	47 %	18 %	5 %	10 %	27 %
Windstorm Losses/Windstorm Prem.....	1,285 %	315 %	1,106 %	914 %	1,439 %
Crop Hail Losses/Crop Hail Prem.....	0 %	0 %	0 %	0 %	0 %
Total Losses/Total Prem.....	62 %	22 %	19 %	21 %	46 %
Loss Percentage (Net)					
Fire Losses/Fire Prem.....	47 %	18 %	5 %	10 %	27 %
Windstorm Losses/Windstorm Prem.....	1,285 %	315 %	1,106 %	914 %	1,439 %
Crop Hail Losses/Crop Hail Prem.....	0 %	0 %	0 %	0 %	0 %
Total Losses/Total Prem.....	62 %	22 %	19 %	21 %	46 %
Total Net Agg Losses/Total Net Agg Prem	61 %	33 %	35 %	29 %	51 %
Balance Sheet Items					
Total Admitted Assets.....	2,743,639	2,646,704	2,524,616	2,232,674	2,057,530
Liabilities.....	689,229	877,072	612,302	608,510	655,321
Surplus.....	2,054,410	1,769,632	1,912,314	1,624,164	1,402,209
Bonds.....	1,492,161	1,596,528	1,244,473	1,068,890	1,057,062
Stocks.....	1,002,378	743,933	964,901	820,360	748,506
Real Estate.....	38,184	38,586	42,239	38,218	38,231
Unpaid Premium(line 8.1).....	0	1,598	0	0	0
Unpaid Premium(line 8.2).....	1,078	1,975	1,797	1,058	616
Agent's Balances.....	0	0	0	0	0
Unearned Premium.....	500,000	494,000	495,000	493,000	494,000
Balance Sheet Percentages					
Bonds/Admitted Assets.....	54 %	60 %	49 %	48 %	51 %
Stocks/Admitted Assets.....	37 %	28 %	38 %	37 %	36 %
Real Estate/Admitted Assets.....	1 %	1 %	2 %	2 %	2 %
Unpaid Prem (line 8.2)/Admitted Assets.....	0 %	0 %	0 %	0 %	0 %
Agents' Balances/Admitted Assets.....	0 %	0 %	0 %	0 %	0 %
Income/Disbursement Items					
Total Income.....	986,897	1,036,699	872,771	883,801	893,171
Total Disbursements.....	1,003,199	768,019	712,922	712,772	893,941
Operating Expense.....	410,262	406,470	378,761	400,357	405,118
Commissions.....	158,855	156,452	157,548	153,809	148,237
Investment Income.....	94,788	128,614	85,408	134,748	113,713
Salaries (lines 14-17).....	94,450	94,465	94,104	95,904	91,237
Other					
Gross Risk in Force.....	317,999,846	302,733,987	301,628,014	294,490,287	283,089,118
Number of Policies.....	557	567	576	579	610
Operating Expense/Net Premium.....	51 %	49 %	54 %	60 %	58 %