

December 31, 2019 - Annual Statement

Iowa Company Number: 0036

Clay Mutual Insurance Association

Ann Banks
515 Grand, Box 467
Spencer IA 51301

DECEMBER 31, 2019

1. Ledger Assets, December 31 of previous year, Total, column 1, page 4				\$ 4,484,047
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	\$ 1,207,357	\$	\$	\$ 1,207,357
3. Windstorm	1,142,680			1,142,680
4. Crop hail				
5. Homeowners assumed	xxxxxxx			
6. Totals	\$ 2,350,037	\$	\$	\$ 2,350,037
7. Aggregate excess loss reinsurance paid				543,114
8. Total net assessment, premiums and fees (line 6, col. 4 - line 7 = line 8)				\$ 1,806,923
9. Net interest received on bonds				95,882
10. Increase in adjustment of bonds \$ <u>946</u> , less \$ <u>7,896</u> decrease in adjustment of bonds				(6,950)
11. Dividends received				72,291
12. Interest received on bank deposits (schedule C-2, column 7)				3,923
13. Interest received on mortgage loans (schedule D, column 6)				
14. Other Interest				
15. Profit on sale of investment				9,381
16. Rents received*				16,000
17. Total income from investments (items 9 through 16)				\$ 190,527
18. Borrowed money				
19. Premiums collected for other companies (less refunds)				205,185
20. Checks charged off				
21. Increase in ledger liabilities				44,612
22. Underwriting expense reimbursement				
23. Federal income tax refund				82,829
24. Miscellaneous income				368
25.				
26.				
27. Total (items 18 through 26)				\$ 332,994
28. Total income (items 8, 17 and 27)				\$ 2,330,444
29. Total assets and income (item 1 plus item 28)				\$ 6,814,491

*Includes \$ 8,000 for association's occupancy of its own buildings.

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)	\$ 2,614,239	\$		\$ 2,614,239	\$ 2,666,471
2. Stocks (schedule A-part 2)	1,550,164	600,161		2,150,325	1,615,658
3. Bank Balances					
3.1 Subject to check (C-1)	607,344			607,344	337,527
3.2 On interest (C-2)					
4. Mortgage loans (schedule D)					
4.1 First liens					
4.2 Other than first					
5. Collateral loans (schedule E)					
6. Real estate (schedule F)	113,354			113,354	122,083
7. Cash in office	30			30	30
8. Unpaid Premiums					
8.1 Due before November 1		(52)	(52)	xxxxxxx	xxxxxxx
8.2 Due after November 1		1,877		1,877	30,027
9. Bills receivable				xxxxxxx	xxxxxxx
10. Agents' balances					
11. Reinsurance receivable on paid losses					
12. Accrued interest	xxxxxxx	20,226		20,226	21,795
13. Accrued rent due	xxxxxxx				
14. Equipment and furniture	1,954		1,954	xxxxxxx	xxxxxxx
15. Supplies				xxxxxxx	xxxxxxx
16. Automobiles	19,240		19,240	xxxxxxx	xxxxxxx
17. Cash surrender value of life ins.					
18. Federal income tax recoverable		12,000	12,000		
19. Electronic Data Processing Equip.					
20. Due from Clay Insurance Agency	1,956			1,956	1,441
21. Salvage Receivable					
22. Totals	\$ 4,908,281	\$ 634,212	\$ 33,142	\$ 5,509,351	\$ 4,795,032

LIABILITIES - DECEMBER 31, 2019

		Current Year	Prior Year
1. Unpaid claims (reported)	\$ 1,103,001		
2. Unpaid claims (incurred but not reported)	40,000		
3. Total unpaid losses	1,143,001		
4. Less: reinsurance recoverable on unpaid	1,022,813		
5. Net unpaid claims		\$ 120,188	\$ 1,500
6. Unpaid adjusting expenses		22,060	31,620
7. Ceded reinsurance balances payable		45,449	42,894
8. Unpaid salaries and commissions		34,134	23,585
9. Borrowed money			7,500
10. Interest due on borrowed money			
11. Amounts withheld for the account of others		1,098	659
12. Taxes payable:	Real Estate	3,000	2,950
	Federal Income		
	Premium	1,526	(146)
	Other	1,067	953
13. Other unpaid expenses		3,537	4,154
14. Premiums collected for other companies - not remitted		10,081	9,518
15. Premiums received in advance		20,264	6,325
*16. Unearned premium reserve		900,926	866,581
17.			
18.			
19. Total liabilities		\$ 1,163,330	\$ 998,093
20. Surplus		\$ 4,346,021	\$ 3,796,939
21. Total liabilities and surplus		\$ 5,509,351	\$ 4,795,032

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

*Method of calculation: 40% method

HISTORICAL INFORMATION

	2019	2018	2017	2016	2015
Gross Premium					
Fire	1,207,357	1,139,635	1,138,896	1,127,001	1,142,443
Windstorm	1,142,680	1,057,740	1,073,125	1,063,164	1,075,439
Crop Hail	0	0	0	0	0
Total	2,350,037	2,197,375	2,212,021	2,190,165	2,217,882
Net Premiums Written					
Fire	1,207,357	1,139,635	1,138,896	1,127,001	1,142,443
Windstorm	1,142,680	1,057,740	1,073,125	1,063,164	1,075,439
Crop Hail	0	0	0	0	0
Total	2,350,037	2,197,375	2,212,021	2,190,165	2,217,882
Total Net of Agg.	1,806,923	1,683,871	1,713,623	1,752,688	1,682,766
Gross Losses Paid					
Fire	419,406	1,604,935	985,790	718,120	751,402
Windstorm	3,796,662	4,400,545	548,448	435,470	381,684
Crop Hail	0	0	0	0	0
Total	4,216,068	6,005,480	1,534,238	1,153,590	1,133,086
Net Losses Paid					
Fire	419,406	1,604,935	985,790	718,120	751,402
Windstorm	3,796,662	4,400,545	548,448	435,470	381,684
Crop Hail	0	0	0	0	0
Total	4,216,068	6,005,480	1,534,238	1,153,590	1,133,086
Total Net of Agg.	962,060	1,909,384	970,439	946,783	792,001
Loss Percentage (Direct)					
Fire Losses/Fire Prem.	35%	141%	87%	64%	66%
Windstorm Losses/Windstorm Prem.	332%	416%	51%	41%	35%
Crop Hail Losses/Crop Hail Prem.	0%	0%	0%	0%	0%
Total Losses/Total Prem.	179%	273%	69%	53%	51%
Loss Percentage (Net)					
Fire Losses/Fire Prem.	35%	141%	87%	64%	66%
Windstorm Losses/Windstorm Prem.	332%	416%	51%	41%	35%
Crop Hail Losses/Crop Hail Prem.	0%	0%	0%	0%	0%
Total Losses/Total Prem.	179%	273%	69%	53%	51%
Tot Net Agg Losses/Tot Net Agg Prem	53%	113%	57%	54%	47%
Balance Sheet Items					
Total Admitted Assets	5,509,351	4,795,032	5,640,088	5,061,265	4,902,422
Liabilities	1,163,330	998,093	1,322,881	1,097,591	1,059,123
Surplus	4,346,021	3,796,939	4,317,207	3,963,674	3,843,299
Bonds	2,614,239	2,666,471	2,640,020	2,356,125	2,265,936
Stocks	2,150,325	1,615,658	2,064,872	1,759,681	1,586,284
Real Estate	113,354	122,083	87,894	91,641	95,385
Unpaid Premium (line 8.1)	(52)	210	(418)	0	0
Unpaid Premium (line 8.2)	1,877	30,027	11,971	6,363	7,891
Agents' Balances	0	0	0	0	0
Unearned Premium	900,926	866,581	865,573	854,000	856,000
Balance Sheet Percentages					
Bonds/Admitted Assets	47%	56%	47%	47%	46%
Stocks/Admitted Assets	39%	34%	37%	35%	32%
Real Estate/Admitted Assets	2%	3%	2%	2%	2%
Unpaid Prem (line 8.2)/Admitted Assets ..	0%	1%	0%	0%	0%
Agents' Balances/Admitted Assets	0%	0%	0%	0%	0%
Income/Disbursement Items					
Total Income	2,330,444	2,287,259	2,102,951	2,109,140	2,121,651
Total Disbursements	1,906,210	2,761,317	1,796,041	1,943,492	1,592,191
Operating Expense	687,454	652,278	628,515	664,386	622,369
Commissions	276,754	255,265	256,004	264,947	257,388
Investment Income	190,527	400,943	213,228	203,346	230,064
Salaries (lines 14-17)	171,357	167,955	155,263	161,996	159,106
Other					
Gross Risk in Force	544,973,688	532,530,189	520,472,366	500,407,340	494,169,835
Number of Policies	1,852	1,877	1,874	1,857	1,891
Operating Expense/Net Premium	38%	39%	37%	38%	37%