

December 31, 2019 - Annual Statement

Iowa Company Number: 0055

Dickinson County Mutual Insurance Association

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DECEMBER 31, 2019

1. Ledger Assets, December 31 of previous year, Total column 1, page 4..... \$ 3,310,496

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.....	\$ 1,014,216	\$	\$ 1,014,216
3. Windstorm.....	869,526		869,526
4. Crop Hail.....			
Homeowner			
5. Assumed.....	XXXXXXX		
6. Totals.....	\$ 1,883,742	\$	\$ 1,883,742

7. Aggregate excess loss reinsurance paid..... 605,472

8. Total net assessment, premiums and fees (line 6, col. 4 - line 7 = line 8) \$ 1,278,270

9. Net interest received on bonds..... 112,130

10. Increase in adjustment of bonds 2,259, less 5,563
decrease in adjustment of bonds..... (3,304)

11. Dividends received..... 33,884

12. Interest received on bank deposits (schedule C-2, column 7)..... 52

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

14. Other interest.....

15. Profit on sale of investment..... 3,121

16. Rents received*..... 11,100

17. Total income from investments (items 9 through 16)..... \$ 156,983

18. Borrowed money.....

19. Premiums collected for other companies (less refunds)..... 138,426

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)..... \$ 138,426

28. Total income (items 8, 17, and 27)..... \$ 1,573,679

29. Total assets and income (item 1 plus item 28)..... \$ 4,884,175

*Includes \$11,100 for association's occupancy of its own buildings.

DECEMBER 31, 2019

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

\$ 4,884,175

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.....	\$ 233,407	\$ 54,888	\$ 178,519
3. Windstorm.....	334,067		334,067
4. Crop Hail			
5. Homeowners Assumed.....	XXXXXXXXXX		
6. Totals.....	\$ 567,474	\$ 54,888	\$ 512,586

7. Received from aggregate excess loss reinsurance..... 303,328

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

\$ 209,258

OPERATING EXPENSE

9. Loss Adjustment Expenses.....	<u>74,497</u>
10. Commissions.....	<u>230,451</u>
11. Advertising.....	<u>11,395</u>
12. Boards, bureaus and associations.....	<u>8,536</u>
13. Inspection and loss prevention.....	<u>11,582</u>
14. Salaries of officers.....	<u>73,607</u>
15. Expenses of officers.....	<u>2,375</u>
16. Salaries of office employees.....	<u>44,966</u>
17. Employee welfare.....	<u>37,000</u>
18. Insurance.....	<u>11,425</u>
19. Directors' compensation.....	<u>8,201</u>
20. Directors' expenses.....	<u>457</u>
21. Rent and rent items.....	<u>11,100</u>
22. Equipment.....	<u>23,621</u>
23. Printing, stationery and supplies.....	<u>5,761</u>
24. Postage and telephone	<u>19,176</u>
25. Legal and auditing.....	<u>12,000</u>
26. State insurance taxes (March 1, 1,050) (June 1, 9,245) (August 15, 9,245)	<u>19,540</u>
27. Insurance Division licenses and fees.....	<u>130</u>
28. Payroll taxes.....	<u>12,018</u>
29. All other taxes (excluding Federal income).....	<u>1,082</u>
30. Real estate expenses.....	<u>11,101</u>
31. Real estate taxes.....	<u>3,896</u>
32. Interest on borrowed money.....	<u>15,262</u>
33. Miscellaneous.....	<u>2</u>
a. Annual Meeting.....	
b. Donations/Contributions.....	<u>3,218</u>
c. Travel and Travel Items.....	<u>133</u>
d. Over and Short.....	

34.

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

\$ 652,532

NON-OPERATING EXPENSE

36. Borrowed money repaid.....	<u>325,000</u>
37. Depreciation on real estate.....	<u>6,377</u>
38. Loss on sale of investments.....	<u>198</u>
39. Federal income tax Prior year, 14,507 Current year, 17,460	<u>31,967</u>
40. Premium collections transmitted to other companies.....	<u>110,722</u>
41. Commission paid agents for other companies.....	<u>16,611</u>
42. Decrease in ledger liabilities.....	<u>1,839</u>
43. Federal income tax penalty/interest.....	

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

492,714

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

\$ 1,354,504

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

\$ 3,529,671

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).....	\$ 2,538,330	\$	\$ 49,639	\$ 2,488,691	\$ 2,512,631
2. Stocks (schedule A-part 2).....	473,481	253,722		727,203	597,464
3. Bank Balances					
3.1 Subject to check(C-1).....	410,052			410,052	213,180
3.2 On interest (C-2).....	13,504			13,504	18,452
4. Mortgage loans (schedule D)					
4.1 First liens.....					
4.2 Other than first.....					
5. Collateral loans (schedule E).....					
6. Real estate (schedule F).....	94,304			94,304	86,137
7. Cash in office.....					
8. Unpaid Premiums					
8.1 Due before November 1.....		1,799	1,799	X X X X X X	X X X X X X
8.2 Due after November 1.....		14,201		14,201	16,066
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.....					143,642
12. Accrued interest.....	X X X X X X	26,064		26,064	25,363
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.....					
20. Service fees & misc receivables..		22,909		22,909	18,987
21. Prepaid Reins. & other assets....					
22. Totals.....	\$ 3,529,671	\$ 318,695	\$ 51,438	\$ 3,796,928	\$ 3,631,922

*Bonds are amortized through 12/31/19.

LIABILITIES - DECEMBER 31, 2019

		Current Year	Prior Year
1. Unpaid claims (reported).....	\$ 82,150		
2. Unpaid claims (incurred but not reported).....			
3. Total unpaid losses.....	82,150		
4. Less: reinsurance recoverable on unpaid losses.....	16,100		
5. Net unpaid claims.....		\$ 66,050	\$ 12,350
6. Unpaid adjusting expenses.....		7,700	10,600
7. Ceded reinsurance balances payable.....		51,683	52,738
8. Unpaid salaries and commissions.....		60,269	35,378
9. Borrowed money.....			325,000
10. Interest due on borrowed money.....			2,680
11. Amounts withheld for the account of others.....		2,463	4,239
12. Taxes payable: Real estate.....		3,884	3,908
Federal Income.....			15,000
Premium.....		347	1,050
Other.....		3,126	2,297
13. Other unpaid expenses.....		4,559	8,017
14. Premiums collected for other companies - not remitted.....		11,443	11,359
15. Premiums received in advance.....			3,777
16.* Unearned premium reserve.....		732,000	715,000
17. Service Fees and Employee Benefits Payable.....			
18. Miscellaneous Liabilities.....			
19. Total liabilities.....		\$ 943,524	\$ 1,203,393
20. Surplus.....		\$ 2,853,404	\$ 2,428,529
21. Total liabilities and surplus.....		\$ 3,796,928	\$ 3,631,922

(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.....	1,014,216	994,584	938,201	938,551	957,050
Windstorm.....	869,526	854,351	805,755	813,327	881,555
Crop Hail.....	0	0	0	0	0
Total.....	1,883,742	1,848,935	1,743,956	1,751,878	1,838,605
Net Premium Written					
Fire.....	1,014,216	994,584	938,201	938,551	957,050
Windstorm.....	869,526	854,351	805,755	813,327	881,555
Crop Hail.....	0	0	0	0	0
Total.....	1,883,742	1,848,935	1,743,956	1,751,878	1,838,605
Total Net of Agg.....	1,278,270	1,231,342	1,102,528	1,167,449	1,220,915
Gross Losses Paid					
Fire.....	233,407	683,861	477,626	233,804	280,504
Windstorm.....	334,067	563,707	441,768	304,054	199,642
Crop Hail.....	0	0	0	0	0
Total.....	567,474	1,247,568	919,394	537,858	480,146
Net Losses Paid					
Fire.....	178,519	623,712	437,376	220,023	268,722
Windstorm.....	334,067	563,707	441,768	304,054	199,642
Crop Hail.....	0	0	0	0	0
Total.....	512,586	1,187,419	879,144	524,077	468,364
Total Net of Agg.....	209,258	1,185,999	878,766	509,109	434,323
Loss Percentage (Direct)					
Fire Losses/Fire Prem.....	23 %	69 %	51 %	25 %	29 %
Windstorm Losses/Windstorm Prem.....	38 %	66 %	55 %	37 %	23 %
Crop Hail Losses/Crop Hail Prem.....	0 %	0 %	0 %	0 %	0 %
Total Losses/Total Prem.....	30 %	67 %	53 %	31 %	26 %
Loss Percentage (Net)					
Fire Losses/Fire Prem.....	18 %	63 %	47 %	23 %	28 %
Windstorm Losses/Windstorm Prem.....	38 %	66 %	55 %	37 %	23 %
Crop Hail Losses/Crop Hail Prem.....	0 %	0 %	0 %	0 %	0 %
Total Losses/Total Prem.....	27 %	64 %	50 %	30 %	25 %
Total Net Agg Losses/Total Net Ag Prem	16 %	96 %	80 %	44 %	36 %
Balance Sheet Items					
Total Admitted Assets.....	3,796,928	3,631,922	3,741,202	3,800,599	3,497,552
Liabilities.....	943,524	1,203,393	922,044	1,076,322	984,009
Surplus.....	2,853,404	2,428,529	2,819,158	2,724,277	2,513,543
Bonds.....	2,488,691	2,512,631	2,549,923	2,677,322	2,248,880
Stocks.....	727,203	597,464	891,547	743,370	746,032
Real Estate.....	94,304	86,137	92,460	98,783	101,888
Unpaid Premium(line 8.1).....	1,799	3,837	1,803	0	1,404
Unpaid Premium(line 8.2).....	14,201	16,066	23,099	7,943	5,992
Agent's Balances.....	0	0	0	0	0
Unearned Premium.....	732,000	715,000	689,000	671,000	712,000
Balance Sheet Percentages					
Bonds/Admitted Assets.....	66 %	69 %	68 %	70 %	64 %
Stocks/Admitted Assets.....	19 %	16 %	24 %	20 %	21 %
Real Estate/Admitted Assets.....	2 %	2 %	2 %	3 %	3 %
Unpaid Prem (line 8.2)/Admitted Assets.	0 %	0 %	1 %	0 %	0 %
Agents' Balances/Admitted Assets.....	0 %	0 %	0 %	0 %	0 %
Income/Disbursement Items					
Total Income.....	1,573,678	1,951,423	1,578,801	1,492,140	1,633,095
Total Disbursements.....	1,354,502	2,020,275	1,706,562	1,273,758	1,365,490
Operating Expense.....	652,530	632,418	620,702	629,683	651,348
Commissions.....	230,451	234,788	233,388	235,663	230,107
Investment Income.....	156,983	247,643	168,559	157,044	144,523
Salaries (lines 14-17).....	157,947	152,861	157,206	155,908	158,049
Other					
Gross Risk in Force.....	523,905,443	506,013,662	489,992,244	476,828,770	543,446,614
Number of Policies.....	1,951	1,957	1,929	1,938	1,965
Operating Expense/Net Premium.....	51 %	51 %	56 %	54 %	53 %