

**December 31, 2019 - Annual Statement**

*Iowa Company Number:* 0068

**Grundy Mutual Insurance Association**

DeeGene McMartin  
715 G Avenue  
Grundy Center IA 50638

**DECEMBER 31, 2019**

1.	Ledger Assets, December 31 of previous year, Total, column 1, page 4.....					\$	6,733,699
<b>INCOME - INCREASES IN LEDGER ASSETS</b>							
<b>PREMIUMS</b>							
	(1)	(2)	(3)	(4)			
	Direct Premiums	Reinsurance Premiums Assumed	Specific Reinsurance Premiums Ceded	Net Premiums (1+2-3=4)			
2.	Fire.....	\$ 1,291,305	\$ 0	\$ 1,020	\$ 1,290,285		
3.	Windstorm.....	1,158,822		1,019	1,157,803		
4.	Crop Hail.....				0		
5.	Homeowners assumed.....	XXXXXXXXXXXXXXXXXX			0		
6.	Totals.....	\$ 2,450,127	\$ 0	\$ 2,039	\$ 2,448,088		
7.	Aggregate excess loss reinsurance paid.....				815,137		
8.	Total net assessment, premiums and fees (line 6, col. 4 - line 7 = line 8).....					\$	1,632,951
9.	Net interest received on bonds.....				152,754		
10.	Increase in adjustment of bonds \$ 1,210 , less \$ 19,793 decrease in adjustment of bonds.....				(18,583)		
11.	Dividends received.....				90,559		
12.	Interest received on bank deposits (schedule C-2, column 7).....				5,436		
13.	Interest received on mortgage loans (schedule D, column 6).....				0		
14.	Other interest.....				0		
15.	Profit on sale of investment.....				1,046		
16.	Rents received* .....				10,800		
17.	Total income from investments (items 9 through 16).....					\$	242,012
18.	Borrowed money.....				0		
19.	Premiums collected for other companies (less refunds).....				17,045		
20.	Checks charged off.....				0		
21.	Increase in ledger liabilities.....				12,709		
22.	Underwriting expense reimbursement.....				1,896		
23.	Federal income tax refund.....				0		
24.	Miscellaneous income.....				(224)		
25.	.....						
26.	.....						
27.	Total (items 18 through 26).....					\$	31,426
28.	Total income (items 8, 17, and 27).....					\$	1,906,389
29.	Total assets and income (item 1 plus item 28).....					\$	8,640,088

\*Includes \$1,200 For association's occupancy of its own buildings

**DECEMBER 31, 2019**

1.	Amount brought forward from line 29, page 2.....		\$	8,640,088
<b>DISBURSEMENTS - DECREASES IN LEDGER ASSETS</b>				
	(1)	(2)	(3)	(4)
	Direct Losses	Reinsurance Assumed	Specific Reinsurance Recovered	Net Losses Paid (1+2-3=4)
2.	Fire.....	1,068,201	0	1,068,201
3.	Windstorm.....	217,001	0	217,001
4.	Crop Hail.....		0	
5.	Homeowners Assumed.....	xxxxxxxxxxxxxxxxxxxxx 0		0
6.	Totals.....	1,285,202	0	1,285,202
7.	Received from aggregate excess loss reinsurance.....			314,645
8.	Total of all net losses (line 6, col. 4 - line 7 = line 8).....			\$ 970,557
<b>OPERATING EXPENSE</b>				
9.	Loss Adjustment Expenses.....			57,994
10.	Commissions.....			328,416
11.	Advertising.....			4,247
12.	Boards, bureaus and associations.....			10,579
13.	Inspection and loss prevention.....			6,941
14.	Salaries of officers.....			80,950
15.	Expenses of officers.....			0
16.	Salaries of office employees.....			107,862
17.	Employee welfare.....			55,809
18.	Insurance.....			15,144
19.	Directors' compensation.....			0
20.	Directors' expenses.....			6,801
21.	Rent and rent items.....			1,200
22.	Equipment.....			33,787
23.	Printing, stationery and supplies.....			4,561
24.	Postage and telephone.....			1,439
25.	Legal and auditing.....			21,504
26.	State insurance taxes March 1.....	1,412		
	June 1.....	12,279		
	August 15.....		12,279	25,970
27.	Insurance Division licenses and fees.....			400
28.	Payroll taxes.....			16,477
29.	All other taxes (excluding Federal income).....			0
30.	Real estate expenses.....			14,473
31.	Real estate taxes.....			1,713
32.	Interest on borrowed money.....			0
33.	Miscellaneous.....			5,128
	a. Donations.....			500
	b. Travel, conventions, and continuing education.....			4,644
	c. Investment Expense.....			18,558
34.	.....			
35.	Total operating expense (items 9 through 34).....			\$ 825,097
<b>NON-OPERATING EXPENSE</b>				
36.	Borrowed money repaid.....			0
37.	Depreciation on real estate.....			2,412
38.	Loss on sale of investments.....			4,994
39.	Federal income tax Prior year.....	0	1,152	1,152
	Current year.....			
40.	Premium collections transmitted to other companies.....			0
41.	Commissions paid agents for other companies.....			0
42.	Decrease in ledger liabilities.....			0
43.	.....			
44.	Total non-operating expense (items 36 through 43).....			\$ 8,558
45.	Total disbursements (items 8, 35 and 44).....			\$ 1,804,212
46.	Balance - ledger assets, December 31st must agree with Line 22, Column 1, Page 4.....			\$ 6,835,876

**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) Net Admitted Assets (1+2-3=4)	(5) Prior Year Net Admitted Assets
1. Bonds (schedule A - part 1).....	\$ 4,472,269			\$ 4,472,269	\$ 4,341,516
2. Stocks (schedule A - part 2).....	1,798,512	709,871	0	2,508,383	2,004,530
3. Bank Balances					
3.1 Subject to check (C-1).....	377,922			377,922	490,771
3.2 On interest (C-2).....	114,604			114,604	112,242
4. Mortgage loans (schedule D)					
4.1 First liens.....				0	0
4.2 Other than first.....				0	0
5. Collateral loans (schedule E).....				0	0
6. Real estate (schedule F).....	57,352			57,352	58,979
7. Cash in office.....	250			250	250
8. Unpaid Premiums					
8.1 Due before November 1.....		4,910	4,910	xx	
8.2 Due after November 1.....		7,501		7,501	10,249
9. Bills receivable.....				xx	
10. Agents' balances.....				0	0
11. Reinsurance receivable on paid losses.....		0		0	0
12. Accrued interest.....	xxxxxxxxxxxxxxxxxxxxxxxx	38,890		38,890	38,299
13. Accrued rent due.....	xxxxxxxxxxxxxxxxxxxxxxxx			0	0
14. Equipment and furniture.....	447		447	xx	
15. Supplies.....		0	0	xx	
16. Automobiles.....				xx	
17. Contingency Receivable.		25,270	0	25,270	23,302
18. Federal income tax recoverable.....		0	0	0	0
19. Electronic data processing equipment.....	14,520			14,520	3,616
20. Overwrite from IMT.....	0	116	0	116	95
21. Prepaid Reinsurance.....	0	0	0	0	0
22. Totals.....	\$ 6,835,876	\$ 786,558	\$ 5,357	\$ 7,617,077	\$ 7,083,849

**LIABILITIES - DECEMBER 31, 2019**

		Current Year	Prior Year
1.	Unpaid claims (reported).....	\$ 178,891	
2.	Unpaid claims (incurred but not reported).....	10,000	
3.	Total unpaid losses.....	188,891	
4.	Less: reinsurance recoverable on unpaid losses .....	0	
5.	Net unpaid claims.....	\$ 188,891	\$ 464,673
6.	Unpaid adjusting expenses.....	10,000	10,000
7.	Ceded reinsurance balances payable.....	70,110	68,771
8.	Unpaid salaries and commissions.....	33,442	33,326
9.	Borrowed money.....	0	0
10.	Interest due on borrowed money.....	0	0
11.	Amounts withheld for the account of others.....	6,969	279
12.	Taxes payable:		
	Real estate.....	1,706	1,720
	Federal income.....	13,000	0
	Premium.....	(67)	1,412
	Other.....	0	0
13.	Other unpaid expenses.....	15,534	10,105
14.	Premiums collected for other companies - not remitted.....	9,721	10,001
15.	Premiums received in advance.....	58,282	50,599
*16.	Unearned premium reserve.....	948,754	960,342
17.	Salvage Payable to Reinsurer .....	0	0
18.	.....		
19.	Total liabilities.....	\$ 1,356,342	\$ 1,611,228
20.	Surplus.....	\$ 6,260,735	\$ 5,472,621
21.	Total liabilities and surplus.....	\$ 7,617,077	\$ 7,083,849

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

\* Method of calculation: 40% method

## HISTORICAL INFORMATION

	2019	2018	2017	2016	2015
<b>Gross Premium</b>					
Fire.....	1,291,305	1,293,492	1,219,473	1,275,043	1,265,491
Windstorm.....	1,158,822	1,162,953	1,095,820	1,147,562	1,136,082
Crop Hail.....	0	0	0	0	0
Total.....	2,450,127	2,456,445	2,315,293	2,422,605	2,401,573
<b>Net Premiums Written</b>					
Fire.....	1,290,285	1,292,719	1,218,712	1,274,405	1,265,217
Windstorm.....	1,157,803	1,162,181	1,095,059	1,146,924	1,135,807
Crop Hail.....	0	0	0	0	0
Total.....	2,448,088	2,454,900	2,313,771	2,421,329	2,401,024
Total Net of Agg.....	1,632,951	1,655,203	1,529,922	1,610,580	1,582,332
<b>Gross Losses Paid</b>					
Fire.....	1,068,201	396,426	393,477	388,265	712,332
Windstorm.....	217,001	182,511	1,197,827	129,891	89,212
Crop Hail.....	0	0	0	0	0
Total.....	1,285,202	578,937	1,591,304	518,156	801,544
<b>Net Losses Paid</b>					
Fire.....	1,068,201	396,426	393,477	388,265	712,332
Windstorm.....	217,001	182,511	1,197,827	129,891	89,212
Crop Hail.....	0	0	0	0	0
Total.....	1,285,202	578,937	1,591,304	518,156	801,544
Total Net of Agg.....	970,557	578,937	1,388,059	510,355	547,154
<b>Loss Percentage (Direct)</b>					
Fire Losses/Fire Prem.....	82.72%	30.65%	32.27%	30.45%	56.29%
Windstorm Losses/Windstorm Prem.....	18.73%	15.69%	109.31%	11.32%	7.85%
Crop Hail Losses/Crop Hail Prem.....	N/A	N/A	N/A	N/A	N/A
Total Losses/Total Prem.....	52.45%	23.57%	68.73%	21.39%	33.38%
<b>Loss Percentage (Net)</b>					
Fire Losses/Fire Prem.....	82.79%	30.67%	32.29%	30.47%	56.30%
Windstorm Losses/Windstorm Prem.....	18.74%	15.70%	109.38%	11.33%	7.85%
Crop Hail Losses/Crop Hail Prem.....	N/A	N/A	N/A	N/A	N/A
Total Losses/Total Prem.....	52.50%	23.58%	68.78%	21.40%	33.38%
Total Net Agg Losses/Total Net Agg Prem.....	59.44%	34.98%	90.73%	31.69%	34.58%
<b>Balance Sheet Items</b>					
Total Admitted Assets.....	7,617,077	7,083,849	6,675,982	6,833,704	6,343,587
Liabilities.....	1,356,342	1,611,228	1,452,611	1,332,466	1,356,184
Surplus.....	6,260,735	5,472,621	5,223,371	5,501,238	4,987,403
Bonds.....	4,472,269	4,341,516	4,169,225	4,339,357	4,071,077
Stocks.....	2,508,383	2,004,530	2,215,191	1,691,583	1,676,746
Real Estate.....	57,352	58,979	39,790	41,554	42,894
Unpaid Premium (line 8.1).....	4,910	5,487	1,424	916	75
Unpaid Premium (line 8.2).....	7,501	10,249	9,582	5,075	10,647
Agents' Balances.....	0	0	0	0	0
Unearned Premium.....	948,754	960,342	903,899	928,727	933,588
<b>Balance Sheet Percentages</b>					
Bonds/Admitted Assets.....	58.71%	61.29%	62.45%	63.50%	64.18%
Stocks/Admitted Assets.....	32.93%	28.30%	33.18%	24.75%	26.43%
Real Estate/Admitted Assets.....	0.75%	0.83%	0.60%	0.61%	0.68%
Unpaid Prem (line 8.2)/Admitted Assets.....	0.10%	0.14%	0.14%	0.07%	0.17%
Agents' Balances/Admitted Assets.....	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Income/Disbursement Items</b>					
Total Income.....	1,906,389	2,137,638	2,073,226	1,845,440	1,892,998
Total Disbursements.....	1,804,212	1,499,907	2,470,139	1,450,670	1,448,328
Operating Expense.....	825,097	813,900	776,340	781,604	746,604
Commissions.....	328,416	328,570	305,153	320,470	313,254
Investment Income.....	242,012	281,083	289,271	230,681	295,123
Salaries (lines 14-17).....	244,621	243,322	230,790	230,724	227,907
<b>Other</b>					
Gross Risk in Force.....	771,739,016	757,308,149	725,126,397	715,080,917	703,317,772
Number of Policies.....	2136	2114	1853	2029	2061
Operating Expense/Net Premium.....	50.53%	49.17%	50.74%	48.53%	47.18%