

December 31, 2019 - Annual Statement

Iowa Company Number: 0101

Louisa Mutual Insurance Association

Trina Durham

336 N. 2nd, Box 97

Wapello IA 52653

DECEMBER 31, 2019

1. Ledger Assets, December 31 of previous year, Total column 1, page 4.....					\$ 4,629,737
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.....	\$ 603,648	\$	\$	\$ 603,648	
3. Windstorm.....	575,709			575,709	
4. Crop Hail.....					
Homeowner					
5. Assumed.....	XXXXXXX				
6. Totals.....	\$ 1,179,357	\$	\$	\$ 1,179,357	
7. Aggregate excess loss reinsurance paid.....					299,188
8. Total net assessment, premiums and fees (line 6, col. 4 - line 7 = line 8)					\$ 880,169
9. Net interest received on bonds.....					64,114
10. Increase in adjustment of bonds _____ 645 , less _____ 3,478 decrease in adjustment of bonds.....					(2,833)
11. Dividends received.....					25,277
12. Interest received on bank deposits (schedule C-2, column 7).....					8,716
13. Interest received on mortgage loans (schedule D, column 6).....					
14. Other interest.....					
15. Profit on sale of investment.....					30,761
16. Rents received*.....					16,200
17. Total income from investments (items 9 through 16).....					\$ 142,235
18. Borrowed money.....					
19. Premiums collected for other companies (less refunds).....					72,246
20. Checks charged off.....					
21. Increase in ledger liabilities.....					9,192
22. Underwriting expense reimbursement.....					
23. Federal income tax refund.....					
24. Miscellaneous income.....					
25. Crop Hail Contingency Commission.....					
26.					
27. Total (items 18 through 26).....					\$ 81,438
28. Total income (items 8, 17, and 27).....					\$ 1,103,842
29. Total assets and income (item 1 plus item 28).....					\$ 5,733,579

*Includes \$7,200 for association's occupancy of its own buildings.

DECEMBER 31, 2019

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

\$ 5,733,579

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.....	\$ 235,440	\$	\$ 235,440
3. Windstorm.....	121,695		121,695
4. Crop Hail			
5. Homeowners Assumed.....	XXXXXXXXXX		
6. Totals.....	\$ 357,135	\$	\$ 357,135

7. Received from aggregate excess loss reinsurance.....

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

\$ 357,135

OPERATING EXPENSE

9. Loss Adjustment Expenses.....	34,537
10. Commissions.....	170,084
11. Advertising.....	3,263
12. Boards, bureaus and associations.....	5,889
13. Inspection and loss prevention.....	8,709
14. Salaries of officers.....	17,272
15. Expenses of officers.....	
16. Salaries of office employees.....	96,293
17. Employee welfare.....	6,989
18. Insurance.....	15,416
19. Directors' compensation.....	5,400
20. Directors' expenses.....	2,761
21. Rent and rent items.....	7,360
22. Equipment.....	17,542
23. Printing, stationery and supplies.....	3,161
24. Postage and telephone	5,021
25. Legal and auditing.....	11,775
26. State insurance taxes (March 1, 507) (June 1, 5,632) (August 15, 5,632)	11,771
27. Insurance Division licenses and fees.....	10,798
28. Payroll taxes.....	11,682
29. All other taxes (excluding Federal income).....	
30. Real estate expenses.....	9,096
31. Real estate taxes.....	1,714
32. Interest on borrowed money.....	
33. Miscellaneous.....	3,642
a. Annual Meeting.....	
b. Donations/Contributions.....	800
c. Travel and Travel Items.....	3,339
d. Over and Short.....	113

34.

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

\$ 464,427

NON-OPERATING EXPENSE

36. Borrowed money repaid.....	
37. Depreciation on real estate.....	1,550
38. Loss on sale of investments.....	
39. Federal income tax Prior year, 5,806 Current year, 15,952	21,758
40. Premium collections transmitted to other companies.....	51,582
41. Commission paid agents for other companies.....	10,502
42. Decrease in ledger liabilities.....	
43. Federal income tax penalty/interest.....	

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

85,392

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

\$ 906,954

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

\$ 4,826,625

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).....	\$ 2,092,264	\$	\$	\$ 2,092,264	\$ 2,030,629
2. Stocks (schedule A-part 2).....	1,146,344	9,349		1,155,693	957,903
3. Bank Balances					
3.1 Subject to check(C-I).....	416,506			416,506	354,758
3.2 On interest (C-2).....	1,095,876			1,095,876	1,089,160
4. Mortgage loans (schedule D)					
4.1 First liens.....					
4.2 Other than first.....					
5. Collateral loans (schedule E).....					
6. Real estate (schedule F).....	64,736			64,736	40,518
7. Cash in office.....					
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.....					824
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.....					
12. Accrued interest.....	X X X X X X	17,382		17,382	18,659
13. Accrued rent due.....	X X X X X X				
14. Equipment and furniture.....	4,744		4,744	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.....	6,155			6,155	
20. Service fees & misc receivables..		3,010		3,010	
21. Prepaid Reins. & other assets....					
22. Totals.....	\$ 4,826,625	\$ 29,741	\$ 4,744	\$ 4,851,622	\$ 4,492,451

*Bonds are amortized through 12/31/2019

LIABILITIES - DECEMBER 31, 2019

		Current Year	Prior Year
1. Unpaid claims (reported).....	\$ 18,491		
2. Unpaid claims (incurred but not reported).....			
3. Total unpaid losses.....	18,491		
4. Less: reinsurance recoverable on unpaid losses.....			
5. Net unpaid claims.....		\$ 18,491	\$ 59,730
6. Unpaid adjusting expenses.....		3,200	4,000
7. Ceded reinsurance balances payable.....		24,245	23,753
8. Unpaid salaries and commissions.....		26,562	8,784
9. Borrowed money.....			
10. Interest due on borrowed money.....			
11. Amounts withheld for the account of others.....		1,377	1,289
12. Taxes payable: Real estate.....		1,130	1,118
Federal Income.....			6,000
Premium.....		530	507
Other.....		-	667
13. Other unpaid expenses.....		3,059	2,712
14. Premiums collected for other companies - not remitted.....		5,761	5,158
15. Premiums received in advance.....		17,165	3,824
16.* Unearned premium reserve.....		453,000	439,000
17. Service Fees and Employee Benefits Payable.....		12,878	15,651
18. Miscellaneous Liabilities.....			
19. Total liabilities.....		\$ 567,398	\$ 572,193
20. Surplus.....		\$ 4,284,224	\$ 3,920,258
21. Total liabilities and surplus.....		\$ 4,851,622	\$ 4,492,451

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

*Method of calculation: 40% method.

HISTORICAL INFORMATION

	2019	2018	2017	2016	2015
<u>Gross Premium</u>					
Fire.....	603,648	576,737	550,945	542,159	543,859
Windstorm.....	575,709	549,559	524,700	515,842	520,607
Crop Hail.....	0	0	0	0	0
Total.....	1,179,357	1,126,296	1,075,645	1,058,001	1,064,466
<u>Net Premium Written</u>					
Fire.....	603,648	576,737	550,945	542,159	543,859
Windstorm.....	575,709	549,559	524,700	515,842	520,607
Crop Hail.....	0	0	0	0	0
Total.....	1,179,357	1,126,296	1,075,645	1,058,001	1,064,466
Total Net of Agg.....	880,169	840,815	797,309	792,889	798,687
<u>Gross Losses Paid</u>					
Fire.....	235,440	105,394	287,611	197,416	134,071
Windstorm.....	121,695	84,881	363,783	855,014	124,837
Crop Hail.....	0	0	0	0	0
Total.....	357,135	190,275	651,394	1,052,430	258,908
<u>Net Losses Paid</u>					
Fire.....	235,440	105,394	287,611	197,416	134,071
Windstorm.....	121,695	84,881	363,783	855,014	124,837
Crop Hail.....	0	0	0	0	0
Total.....	357,135	190,275	651,394	1,052,430	258,908
Total Net of Agg.....	357,135	190,275	580,204	854,525	141,961
<u>Loss Percentage (Direct)</u>					
Fire Losses/Fire Prem.....	39 %	18 %	52 %	36 %	25 %
Windstorm Losses/Windstorm Prem.....	21 %	15 %	69 %	166 %	24 %
Crop Hail Losses/Crop Hail Prem.....	0 %	0 %	0 %	0 %	0 %
Total Losses/Total Prem.....	30 %	17 %	61 %	99 %	24 %
<u>Loss Percentage (Net)</u>					
Fire Losses/Fire Prem.....	39 %	18 %	52 %	36 %	25 %
Windstorm Losses/Windstorm Prem.....	21 %	15 %	69 %	166 %	24 %
Crop Hail Losses/Crop Hail Prem.....	0 %	0 %	0 %	0 %	0 %
Total Losses/Total Prem.....	30 %	17 %	61 %	99 %	24 %
Total Net Agg Losses/Total Net Ag Prem	41 %	23 %	73 %	108 %	18 %
<u>Balance Sheet Items</u>					
Total Admitted Assets.....	4,851,622	4,492,451	4,227,727	4,185,513	4,451,531
Liabilities.....	567,398	572,194	643,871	493,167	543,866
Surplus.....	4,284,224	3,920,257	3,583,856	3,692,346	3,907,665
Bonds.....	2,092,264	2,030,629	2,311,640	2,419,112	2,235,551
Stocks.....	1,155,693	957,903	1,015,438	914,862	1,002,747
Real Estate.....	64,736	40,518	19,246	21,519	23,793
Unpaid Premium(line 8.1).....	0	0	0	0	0
Unpaid Premium(line 8.2).....	0	824	14,436	3,255	1,257
Agent's Balances.....	0	0	0	0	0
Unearned Premium.....	453,000	439,000	421,000	413,000	412,000
<u>Balance Sheet Percentages</u>					
Bonds/Admitted Assets.....	43 %	45 %	55 %	58 %	50 %
Stocks/Admitted Assets.....	24 %	21 %	24 %	22 %	23 %
Real Estate/Admitted Assets.....	1 %	1 %	0 %	1 %	1 %
Unpaid Prem (line 8.2)/Admitted Assets.....	0 %	0 %	0 %	0 %	0 %
Agents' Balances/Admitted Assets.....	0 %	0 %	0 %	0 %	0 %
<u>Income/Disbursement Items</u>					
Total Income.....	1,103,841	1,084,738	1,023,011	1,015,367	1,039,137
Total Disbursements.....	906,953	694,243	1,051,950	1,366,819	621,042
Operating Expense.....	464,426	420,815	403,705	382,203	376,130
Commissions.....	170,084	157,622	156,915	153,658	151,397
Investment Income.....	142,235	168,819	149,476	148,998	159,309
Salaries (lines 14-17).....	120,554	108,561	94,863	93,568	92,065
<u>Other</u>					
Gross Risk in Force.....	334,842,566	313,026,878	293,195,321	292,905,220	282,000,003
Number of Policies.....	730	703	694	716	742
Operating Expense/Net Premium.....	53 %	50 %	51 %	48 %	47 %