

December 31, 2019 - Annual Statement

Iowa Company Number: 0107

Marion County Mutual Insurance Association

Mark Doschadis

303 East Main St., P.O. Box 503

Knoxville IA 50138

DECEMBER 31, 2019

1. Ledger Assets, December 31 of previous year, Total column 1, page 4.....

\$ 2,217,548

INCOME - INCREASES IN LEDGER ASSETS

PREMIUMS				
(1)	(2)	(3)	(4)	
Direct Premiums	Reinsurance Premiums Assumed	Specific Reinsurance Premiums Ceded	Net Premiums (1+2-3=4)	
2. Fire.....	\$ 1,598,804	\$	\$ 1,598,804	
3. Windstorm.....	22,653		22,653	
4. Crop Hail.....				
Homeowner				
5. Assumed	XXXXXXX			
6. Totals.....	\$ 1,621,457	\$	\$ 1,621,457	
7. Aggregate excess loss reinsurance paid.....			472,906	
8. Total net assessment, premiums and fees (line 6, col. 4 - line 7 = line 8)				\$ <u>1,148,551</u>
9. Net interest received on bonds.....			35,328	
10. Increase in adjustment of bonds <u>740</u> , less <u>6,951</u> decrease in adjustment of bonds.....			(6,211)	
11. Dividends received.....			40,302	
12. Interest received on bank deposits (schedule C-2, column 7).....			1,408	
13. Interest received on mortgage loans (schedule D, column 6).....				
14. Other interest.....				
15. Profit on sale of investment.....			80,314	
16. Rents received*.....			3,600	
17. Total income from investments (items 9 through 16).....				\$ <u>154,741</u>
18. Borrowed money.....				
19. Premiums collected for other companies (less refunds).....			141,130	
20. Checks charged off.....				
21. Increase in ledger liabilities.....			4,001	
22. Underwriting expense reimbursement.....				
23. Federal income tax refund.....				
24. Miscellaneous income.....				
25. Crop Hail Contingency Commission.....				
26.				
27. Total (items 18 through 26).....				\$ <u>145,131</u>
28. Total income (items 8, 17, and 27).....				\$ <u>1,448,423</u>
29. Total assets and income (item 1 plus item 28).....				\$ <u>3,665,971</u>

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

DECEMBER 31, 2019

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

\$ 3,665,971

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.....	\$ 639,413	\$	\$ 639,413
3. Windstorm.....	930,217		930,217
4. Crop Hail			
5. Homeowners Assumed....	XXXXXXXXXX		
6. Totals.....	\$ 1,569,630	\$	\$ 1,569,630

7. Received from aggregate excess loss reinsurance..... 686,269

8. Total of all net losses (line 6, column 4 - line 7 = line 8)..... \$ 883,361

OPERATING EXPENSE

9. Loss Adjustment Expenses.....	52,130
10. Commissions.....	236,771
11. Advertising.....	3,499
12. Boards, bureaus and associations.....	8,420
13. Inspection and loss prevention.....	33,499
14. Salaries of officers.....	47,069
15. Expenses of officers.....	
16. Salaries of office employees.....	73,500
17. Employee welfare.....	58,490
18. Insurance.....	12,979
19. Directors' compensation.....	7,200
20. Directors' expenses.....	1,064
21. Rent and rent items.....	3,600
22. Equipment.....	9,710
23. Printing, stationery and supplies.....	13,669
24. Postage and telephone	11,488
25. Legal and auditing.....	12,265
26. State insurance taxes (March 1, 1,037) (June 1, 7,506) (August 15, 7,506)	16,049
27. Insurance Division licenses and fees.....	755
28. Payroll taxes.....	12,964
29. All other taxes (excluding Federal income).....	
30. Real estate expenses.....	
31. Real estate taxes.....	840
32. Interest on borrowed money.....	
33. Miscellaneous.....	7,273
a. Annual Meeting.....	
b. Donations/Contributions.....	
c. Travel and Travel Items.....	
d. Over and Short.....	

34.

35. Total operating expense (items 9 through 34)..... \$ 623,234

NON-OPERATING EXPENSE

36. Borrowed money repaid.....	
37. Depreciation on real estate.....	1,391
38. Loss on sale of investments.....	324
39. Federal income tax Prior year, 2,143 Current year, 3,544	5,687
40. Premium collections transmitted to other companies.....	111,352
41. Commission paid agents for other companies.....	21,057
42. Decrease in ledger liabilities.....	
43. Federal income tax penalty/interest.....	

44. Total non-operating expense (items 36 through 43)..... 139,811

45. Total disbursements (items 8, 35, and 44)..... \$ 1,646,406

46. Balance - ledger assets, December 31st must agree with Line 22, Column 1, Page 4... \$ 2,019,565

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).....	\$ 836,813	\$	\$	\$ 836,813	\$ 932,166
2. Stocks (schedule A-part 2).....	719,302	762,631		1,481,933	1,296,819
3. Bank Balances					
3.1 Subject to check(C-I).....	368,320			368,320	565,913
3.2 On interest (C-2).....	72,957			72,957	
4. Mortgage loans (schedule D)					
4.1 First liens.....					
4.2 Other than first.....					
5. Collateral loans (schedule E).....					
6. Real estate (schedule F).....	12,341			12,341	13,732
7. Cash in office.....	293			293	330
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.....		8,144		8,144	12,260
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.....		57,702		57,702	
12. Accrued interest.....	X X X X X X	8,638		8,638	10,376
13. Accrued rent due.....	X X X X X X				
14. Equipment and furniture.....	1,213		1,213	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.....	8,326			8,326	1,041
20. Service fees & misc receivables..					
21. Prepaid Reins. & other assets....					
22. Totals.....	\$ 2,019,565	\$ 837,115	\$ 1,213	\$ 2,855,467	\$ 2,832,637

*Bonds are amortized through 12/31/19.

LIABILITIES - DECEMBER 31, 2019

		Current Year	Prior Year
1. Unpaid claims (reported).....	\$ 134,000		
2. Unpaid claims (incurred but not reported).....			
3. Total unpaid losses.....	134,000		
4. Less: reinsurance recoverable on unpaid losses.....	134,000		
5. Net unpaid claims.....		\$	\$ 41,000
6. Unpaid adjusting expenses.....		4,800	2,400
7. Ceded reinsurance balances payable.....		39,474	38,701
8. Unpaid salaries and commissions.....		23,059	19,838
9. Borrowed money.....			
10. Interest due on borrowed money.....			
11. Amounts withheld for the account of others.....			
12. Taxes payable: Real estate.....		840	798
Federal Income.....		14,000	3,000
Premium.....		1,203	1,037
Other.....		140	864
13. Other unpaid expenses.....		645	948
14. Premiums collected for other companies - not remitted.....		9,811	9,171
15. Premiums received in advance.....		17,583	25,150
16.* Unearned premium reserve.....		632,000	586,000
17. Service Fees and Employee Benefits Payable.....			
18. Miscellaneous Liabilities.....			
19. Total liabilities.....		\$ 743,555	\$ 728,907
20. Surplus.....		\$ 2,111,912	\$ 2,103,730
21. Total liabilities and surplus.....		\$ 2,855,467	\$ 2,832,637

(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.....	1,598,804	1,480,071	1,377,953	1,388,069	1,437,353
Windstorm.....	22,653	21,034	19,410	17,896	18,106
Crop Hail.....	0	0	0	0	0
Total.....	1,621,457	1,501,105	1,397,363	1,405,965	1,455,459
Net Premium Written					
Fire.....	1,598,804	1,480,071	1,377,953	1,388,069	1,437,353
Windstorm.....	22,653	21,034	19,410	17,896	18,106
Crop Hail.....	0	0	0	0	0
Total.....	1,621,457	1,501,105	1,397,363	1,405,965	1,455,459
Total Net of Agg.....	1,148,551	1,035,902	962,981	868,184	957,537
Gross Losses Paid					
Fire.....	639,413	312,484	783,657	92,815	255,553
Windstorm.....	930,217	575,554	1,054,486	95,937	139,577
Crop Hail.....	0	0	0	0	0
Total.....	1,569,630	888,038	1,838,143	188,752	395,130
Net Losses Paid					
Fire.....	639,413	312,484	783,657	92,815	255,553
Windstorm.....	930,217	575,554	1,054,486	95,937	139,577
Crop Hail.....	0	0	0	0	0
Total.....	1,569,630	888,038	1,838,143	188,752	395,130
Total Net of Agg.....	883,361	543,408	854,141	188,752	395,130
Loss Percentage (Direct)					
Fire Losses/Fire Prem.....	40 %	21 %	57 %	7 %	18 %
Windstorm Losses/Windstorm Prem.....	4,106 %	2,736 %	5,433 %	536 %	771 %
Crop Hail Losses/Crop Hail Prem.....	0 %	0 %	0 %	0 %	0 %
Total Losses/Total Prem.....	97 %	59 %	132 %	13 %	27 %
Loss Percentage (Net)					
Fire Losses/Fire Prem.....	40 %	21 %	57 %	7 %	18 %
Windstorm Losses/Windstorm Prem.....	4,106 %	2,736 %	5,433 %	536 %	771 %
Crop Hail Losses/Crop Hail Prem.....	0 %	0 %	0 %	0 %	0 %
Total Losses/Total Prem.....	97 %	59 %	132 %	13 %	27 %
Total Net Agg Losses/Total Net Ag Prem	77 %	52 %	89 %	22 %	41 %
Balance Sheet Items					
Total Admitted Assets.....	2,855,467	2,832,637	3,078,735	3,162,066	2,797,357
Liabilities.....	743,555	728,908	640,956	657,167	719,718
Surplus.....	2,111,912	2,103,729	2,437,779	2,504,899	2,077,639
Bonds.....	836,813	932,166	939,181	946,197	874,094
Stocks.....	1,481,934	1,296,819	1,503,827	1,374,017	1,291,106
Real Estate.....	12,341	13,732	15,123	16,514	18,098
Unpaid Premium(line 8.1).....	0	0	0	0	0
Unpaid Premium(line 8.2).....	8,144	12,260	11,410	7,843	8,030
Agent's Balances.....	0	0	0	0	0
Unearned Premium.....	632,000	586,000	541,000	550,000	570,000
Balance Sheet Percentages					
Bonds/Admitted Assets.....	29 %	33 %	31 %	30 %	31 %
Stocks/Admitted Assets.....	52 %	46 %	49 %	43 %	46 %
Real Estate/Admitted Assets.....	0 %	0 %	0 %	1 %	1 %
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.....	1,448,424	1,246,315	1,190,473	1,104,737	1,150,899
Total Disbursements.....	1,646,407	1,249,101	1,523,238	911,144	1,044,411
Operating Expense.....	623,235	579,860	550,455	517,320	530,991
Commissions.....	236,771	215,110	202,572	202,170	220,434
Investment Income.....	154,742	71,944	86,676	104,605	70,530
Salaries (lines 14-17).....	179,059	180,387	177,289	160,592	147,404
Other					
Gross Risk in Force.....	572,524,149	518,157,108	464,448,122	430,110,000	424,737,587
Number of Policies.....	1,427	1,361	1,264	1,209	1,221
Operating Expense/Net Premium.....	54 %	56 %	57 %	60 %	55 %