

December 31, 2018 - Annual Statement

Iowa Company Number: 0027

Mount Carmel Mutual Insurance Association

105 N. 3rd St., P.O. Box 69

Breda IA 51436

DECEMBER 31, 2018

1.	Ledger Assets, December 31 of previous year, Total, column 1, page 4.....				5,420,746
INCOME - INCREASES IN LEDGER ASSETS					
PREMIUMS					
	(1) Direct Premium	(2) Reinsurance Premiums Assumed	(3) Specific Reinsurance Premiums Ceded	(4) Net Premiums (1+2-3=4)	
2.	Fire.....	1,430,369	\$0	\$3,125	\$1,427,244
3.	Windstorm.....	1,356,071	0	0	1,356,071
4.	Crop Hail.....	0			0
5.	Homeowners Assumed.....	xxxxxxxxxxxxxxxx	0	0	0
6.	Totals.....	\$2,786,440	\$0	\$3,125	\$2,783,315
7.	Aggregate excess loss reinsurance paid.....			1,082,379	
8.	Total net assessments, premiums and fees (line 6, col. 4 - line 7 = line 8).....				\$1,700,936
9.	Net interest received on bonds.....			90,495	
10.	Increase in adjustment of bonds \$ 1,013 , less \$ 3,148 decrease in adjustment of bonds.....			(2,135)	
11.	Dividends received.....			37,556	
12.	Interest received on bank deposits (schedule C-2, column 7).....			10,586	
13.	Interest received on mortgage loans (schedule D, column 6).....			0	
14.	Other interest.....			0	
15.	Profit on sale of investment.....			5,749	
16.	Rents received*			5,400	
17.	Total income from investments (items 9 through 16).....				\$147,651
18.	Borrowed money.....			0	
19.	Premiums collected for other companies (less refunds).....			119,388	
20.	Checks charged off.....			0	
21.	Increase in ledger liabilities.....			11,830	
22.	Underwriting expense reimbursement.....			0	
23.	Federal income tax refund.....			0	
24.	Miscellaneous income.....			25	
25.				
26.				
27.	Total (items 18 through 26).....				\$131,243
28.	Total income (items 8, 17, and 27)....				\$1,979,830
29.	Total assets and income (item 1 plus item 28).....				\$7,400,576

*Includes \$0 for association's occupancy of its own buildings.

DECEMBER 31, 2018

1.	Amount brought forward from line 29, page 2.....			\$7,400,576
DISBURSEMENTS - DECREASES IN LEDGER ASSETS				
	(1) Direct Losses	(2) Reinsurance Assumed	(3) Specific Reinsurance Recovered	(4) Net Losses Paid (1+2-3=4)
2.	Fire.....	\$760,141	\$0	0
3.	Windstorm.....	225,710	0	0
4.	Crop Hail.....	0	0	0
5.	Homeowners Assumed.....	XXXXXXXXXXXXXXXXXXXXX	0	0
6.	Totals.....	\$985,851	\$0	\$0
7.	Received from aggregate excess loss reinsurance.....			4,620
8.	Total of all net losses (line 6, col. 4 - line 7 = line 8).....			\$981,231
OPERATING EXPENSE				
9.	Loss Adjustment Expenses.....			20,007
10.	Commissions.....			400,595
11.	Advertising.....			8,608
12.	Boards, bureaus and associations.....			8,377
13.	Inspection and loss prevention.....			1,293
14.	Salaries of officers.....			57,087
15.	Expenses of officers.....			1,266
16.	Salaries of office employees.....			90,126
17.	Employee welfare.....			31,566
18.	Insurance.....			16,314
19.	Directors' compensation.....			2,875
20.	Directors' expenses.....			180
21.	Rent and rent items.....			0
22.	Equipment.....			4,344
23.	Printing, stationery and supplies.....			6,127
24.	Postage and telephone.....			5,238
25.	Legal and auditing.....			11,351
26.	State insurance taxes March 1.....	0		
	June 1.....	12,794	August 15.....	13,836
				26,630
27.	Insurance Division licenses and fees.....			264
28.	Payroll taxes.....			11,493
29.	All other taxes (excluding Federal income).....			435
30.	Real estate expenses.....			9,838
31.	Real estate taxes.....			1,244
32.	Interest on borrowed money.....			0
33.	Miscellaneous.....			8,941
a.	Annual meeting & conventions.....			278
b.	Donations & contributions.....			1,275
c.	Data processing expense.....			25,598
d.	Management Fee.....			25,081
e.	Travel.....			28
34.			
35.	Total operating expense (items 9 through 34).....			\$776,459
NON-OPERATING EXPENSE				
36.	Borrowed money repaid.....			\$0
37.	Depreciation on real estate.....			959
38.	Loss on sale of investments.....			7,083
39.	Federal income tax Prior year.....	10,589	Current year.....	10,440
				21,029
40.	Premium collections transmitted to other companies.....			92,285
41.	Commission paid agents for other companies.....			20,081
42.	Decrease in ledger liabilities.....			0
43.			
44.	Total non-operating expense (items 36 through 43).....			\$141,437
45.	Total disbursements (items 8, 35 and 44).....			\$1,899,127
46.	Balance - ledger assets, December 31st must agree with Line 22, Column 1, Page 4.....			\$5,501,449

ASSETS - DECEMBER 31, 2018

	(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).....	\$2,136,666	\$0	\$6,461	\$2,130,205	\$1,993,530
2. Stocks (schedule A - part 2).....	1,278,096	80,585	0	1,358,681	1,279,195
3. Bank Balances					
3.1 Subject to check (C-1).....	719,749	0	0	719,749	778,098
3.2 On interest (C-2).....	1,003,024	0	0	1,003,024	1,104,560
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).....	46,741	0	0	46,741	52,699
7. Cash in office.....	0			0	0
8. Unpaid Premiums					
8.1 Due before November 1.....	589	0	589	xxxxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxxxx
8.2 Due after November 1.....	313,114	0	294,204	18,910	12,832
9. Bills receivable.....				xxxxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxxxx
10. Agents' balances.....				0	0
11. Reinsurance receivable on paid losses.....	0	0	0	0	0
12. Accrued interest.....	xxxxxxxxxxxxxxxxxx	29,615	0	29,615	20,826
13. Accrued rent due.....	xxxxxxxxxxxxxxxxxx			0	0
14. Equipment and furniture.....	3,470	0	3,470	xxxxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxxxx
15. Supplies.....				xxxxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxxxx
16. Automobiles.....	0	0	0	xxxxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxxxx
17. Cash surrender value of life ins.....	0	0	0	0	0
18. Federal income tax recoverable.....	0	10,000	10,000	0	0
19. Electronic data processing equipment.....	0		0	0	0
20. Subro/Contingency Receivable	0	0	0	0	36,310
21. Prepaid Reinsurance.....	0	0	0	0	100,000
22. Totals.....	\$5,501,449	\$120,200	\$314,724	\$5,306,925	\$5,378,050

LIABILITIES - DECEMBER 31, 2018

		Current Year	Prior Year
1.	Unpaid claims (reported).....	\$450,325	
2.	Unpaid claims (incurred but not reported).....	75,000	
3.	Total unpaid losses.....	525,325	
4.	Less: reinsurance recoverable on unpaid losses.....	0	
5.	Net unpaid claims.....	\$525,325	\$280,124
6.	Unpaid adjusting expenses.....	656	656
7.	Ceded reinsurance balances payable.....	92,756	100,807
8.	Unpaid salaries and commissions.....	41,533	117,999
9.	Borrowed money.....	0	0
10.	Interest due on borrowed money.....	0	0
11.	Amounts withheld for the account of others.....	5,565	5,297
12.	Taxes payable:		
	Real estate.....	1,250	1,254
	Federal income.....	0	11,000
	Premium.....	191	(1,043)
	Other.....	0	0
13.	Other unpaid expenses.....	3,975	2,519
14.	Premiums collected for other companies - not remitted.....	6,592	7,327
15.	Premiums received in advance.....	62,612	63,745
*16.	Unearned premium reserve.....	1,093,489	1,076,909
17.	Investment Payable.....	0	0
18.		
19.	Total liabilities.....	\$1,833,944	\$1,666,594
20.	Surplus.....	\$3,472,981	\$3,711,456
21.	Total liabilities and surplus.....	\$5,306,925	\$5,378,050

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

* Method of calculation: 40% Method

HISTORICAL INFORMATION

	2018	2017	2016	2015	2014
Gross Premium					
Fire	1,430,369	1,418,032	1,472,959	1,452,890	1,619,988
Windstorm	1,356,071	1,349,286	1,400,768	1,380,289	1,517,581
Crop Hail	0	0	0	0	0
Total	2,786,440	2,767,318	2,873,727	2,833,179	3,137,569
Net Premiums Written					
Fire	1,427,244	1,414,907	1,470,716	1,442,355	1,588,846
Windstorm	1,356,071	1,349,286	1,398,635	1,370,280	1,488,408
Crop Hail	0	0	0	0	0
Total	2,783,315	2,764,193	2,869,351	2,812,635	3,077,254
Total Net of Agg	1,700,936	1,575,146	1,333,473	1,355,174	1,616,880
Gross Losses Paid					
Fire	760,141	336,529	835,485	507,472	697,577
Windstorm	225,710	182,595	642,234	657,727	360,198
Crop Hail	0	0	0	0	0
Total	985,851	519,124	1,477,719	1,165,199	1,057,775
Net Losses Paid					
Fire	760,141	336,529	835,485	507,472	697,577
Windstorm	225,710	158,867	642,234	657,727	360,198
Crop Hail	0	0	0	0	0
Total	985,851	495,396	1,477,719	1,165,199	1,057,775
Total Net of Agg	981,231	438,384	1,400,966	1,154,386	1,056,901
Loss Percentage (Direct)					
Fire Losses/Fire Prem	53%	24%	57%	35%	43%
Windstorm Losses/Windstorm Prem	17%	14%	46%	48%	24%
Crop Hail Losses/Crop Hail Prem	0%	0%	0%	0%	0%
Total Losses/Total Prem	35%	19%	51%	41%	34%
Loss Percentage (Net)					
Fire Losses/Fire Prem	53%	24%	57%	35%	44%
Windstorm Losses/Windstorm Prem	17%	12%	46%	48%	24%
Crop Hail Losses/Crop Hail Prem	0%	0%	0%	0%	0%
Total Losses/Total Prem	35%	18%	52%	41%	34%
Total Net Agg Losses/Total Net Agg Prem	58%	28%	105%	85%	65%
Balance Sheet Items					
Total Admitted Assets	5,306,925	5,378,050	4,551,347	4,918,407	4,342,785
Liabilities	1,833,944	1,666,594	1,629,066	1,915,957	1,713,967
Surplus	3,472,981	3,711,456	2,922,281	3,002,450	2,628,818
Bonds	2,130,205	1,993,530	2,051,344	2,002,282	1,277,460
Stocks	1,358,681	1,279,195	1,149,873	1,059,779	1,473,797
Real Estate	46,741	52,699	29,201	22,721	22,892
Unpaid Premium (line 8.1)	0	0	0	0	0
Unpaid Premium (line 8.2)	18,910	12,832	29,098	30,167	19,639
Agents' Balances	0	0	0	0	0
Unearned Premium	1,093,489	1,076,909	1,120,165	1,129,306	1,245,000
Balance Sheet Percentages					
Bonds/Admitted Assets	40%	37%	45%	41%	29%
Stocks/Admitted Assets	26%	24%	25%	22%	34%
Real Estate/Admitted Assets	1%	1%	1%	0%	1%
Unpaid Prem (line 8.2)/Admitted Assets	0%	0%	1%	1%	0%
Agents' Balances/Admitted Assets	0%	0%	0%	0%	0%
Income/Disbursement Items					
Total Income	1,979,830	1,958,024	1,708,872	1,785,697	2,186,918
Total Disbursements	1,899,127	1,238,682	2,208,880	2,003,164	2,022,687
Operating Expense	776,459	656,643	695,710	654,192	662,648
Commissions	400,595	292,862	298,946	301,722	308,380
Investment Income	147,651	254,269	216,411	311,039	444,371
Salaries (lines 14-17)	180,044	162,931	208,098	173,975	163,069
Other					
Gross Risk in Force	690,911,347	675,397,627	666,607,017	602,510,764	658,085,247
Number of Policies	1704	1724	1739	1787	1864
Operating Expense/Net Premium	46%	42%	52%	48%	41%