

December 31, 2018 - Annual Statement

Iowa Company Number: 0152

Northwest Iowa Mutual Insurance Association

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Remsen IA 51050

DECEMBER 31, 2018

1. Ledger Assets, December 31 of previous year, Total column 1, page 4.....					\$ 5,280,969
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.....	\$ 1,277,021	\$	\$	\$ 1,277,021	
3. Windstorm.....	1,098,666			1,098,666	
4. Crop Hail.....					
Homeowner					
5. Assumed.....	XXXXXXX				
6. Totals.....	\$ 2,375,687	\$	\$	\$ 2,375,687	
7. Aggregate excess loss reinsurance paid.....					463,957
8. Total net assessment, premiums and fees (line 6, col. 4 - line 7 = line 8).....					\$ 1,911,730
9. Net interest received on bonds.....					1,625
10. Increase in adjustment of bonds _____, less _____ 16 decrease in adjustment of bonds.....					(16)
11. Dividends received.....					101,623
12. Interest received on bank deposits (schedule C-2, column 7).....					46,915
13. Interest received on mortgage loans (schedule D, column 6).....					
14. Other interest.....					
15. Profit on sale of investment.....					72
16. Rents received*.....					8,400
17. Total income from investments (items 9 through 16).....					\$ 158,619
18. Borrowed money.....					
19. Premiums collected for other companies (less refunds).....					141,888
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).....					\$ 141,888
28. Total income (items 8, 17, and 27).....					\$ 2,212,237
29. Total assets and income (item 1 plus item 28).....					\$ 7,493,206

*Includes \$4,800 for association's occupancy of its own buildings.

DECEMBER 31, 2018

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

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.....	\$ 687,472	\$	\$ 413,583	\$ 273,889
3. Windstorm.....	767,517			767,517
4. Crop Hail				
5. Homeowners Assumed.....	XXXXXXXXXX			
6. Totals.....	\$ 1,454,989	\$	\$ 413,583	\$ 1,041,406

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

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

OPERATING EXPENSE

9. Loss Adjustment Expenses.....	63,065
10. Commissions.....	350,994
11. Advertising.....	6,116
12. Boards, bureaus and associations.....	7,722
13. Inspection and loss prevention.....	33,958
14. Salaries of officers.....	67,520
15. Expenses of officers.....	469
16. Salaries of office employees.....	101,900
17. Employee welfare.....	3,075
18. Insurance.....	20,218
19. Directors' compensation.....	3,920
20. Directors' expenses.....	2,797
21. Rent and rent items.....	4,800
22. Equipment.....	23,906
23. Printing, stationery and supplies.....	539
24. Postage and telephone	12,997
25. Legal and auditing.....	12,000
26. State insurance taxes (March 1, 906) (June 1, 11,490) (August 15, 11,490)	23,887
27. Insurance Division licenses and fees.....	430
28. Payroll taxes.....	18,099
29. All other taxes (excluding Federal income).....	
30. Real estate expenses.....	2,271
31. Real estate taxes.....	2,110
32. Interest on borrowed money.....	
33. Miscellaneous.....	1,354
a. Annual Meeting.....	
b. Donations/Contributions.....	1,965
c. Travel and Travel Items.....	
d. Over and Short.....	(2,455)
34.	
35. Total operating expense (items 9 through 34).....	763,657

NON-OPERATING EXPENSE

36. Borrowed money repaid.....	
37. Depreciation on real estate.....	4,329
38. Loss on sale of investments.....	
39. Federal income tax Prior year, 0 Current year, 35,000	35,000
40. Premium collections transmitted to other companies.....	113,002
41. Commission paid agents for other companies.....	21,226
42. Decrease in ledger liabilities.....	4,317
43. Federal income tax penalty/interest.....	
44. Total non-operating expense (items 36 through 43).....	177,874
45. Total disbursements (items 8, 35, and 44).....	1,982,937
46. Balance - ledger assets, December 31st must agree with Line 22, Column 1, Page 4... ..	5,510,269

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).....	\$ 25,155	\$	\$	\$ 25,155	\$ 25,169
2. Stocks (schedule A-part 2).....	2,320,805	426,137		2,746,942	2,757,066
3. Bank Balances					
3.1 Subject to check(C-l).....	64,166			64,166	90,883
3.2 On interest (C-2).....	2,975,444			2,975,444	2,824,127
4. Mortgage loans (schedule D)					
4.1 First liens.....					
4.2 Other than first.....					
5. Collateral loans (schedule E).....					
6. Real estate (schedule F).....	64,856		3,806	61,050	65,210
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.....		2,137		2,137	2,939
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	19,027		19,027	16,017
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.....	59,843		59,843	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.....					233
20. Service fees & misc receivables..					
21. Prepaid Reins. & other assets....					
22. Totals.....	\$ 5,510,269	\$ 447,301	\$ 63,649	\$ 5,893,921	\$ 5,781,644

*Bonds are amortized through 12/31/2018.

LIABILITIES - DECEMBER 31, 2018

		Current Year	Prior Year
1. Unpaid claims (reported).....	\$ 146,442		
2. Unpaid claims (incurred but not reported).....			
3. Total unpaid losses.....	146,442		
4. Less: reinsurance recoverable on unpaid losses.....	25,000		
5. Net unpaid claims.....		\$ 121,442	\$
6. Unpaid adjusting expenses.....		4,000	8,900
7. Ceded reinsurance balances payable.....		38,934	35,712
8. Unpaid salaries and commissions.....		30,123	29,696
9. Borrowed money.....			
10. Interest due on borrowed money.....			
11. Amounts withheld for the account of others.....			
12. Taxes payable: Real estate.....		2,110	1,954
Federal Income.....			
Premium.....		776	906
Other.....			
13. Other unpaid expenses.....		1,256	1,195
14. Premiums collected for other companies - not remitted.....		10,456	10,321
15. Premiums received in advance.....		60,582	79,240
16.* Unearned premium reserve.....		944,000	903,000
17. Service Fees and Employee Benefits Payable.....			
18. Miscellaneous Liabilities.....			
19. Total liabilities.....		\$ 1,213,679	\$ 1,070,924
20. Surplus.....		\$ 4,680,242	\$ 4,710,720
21. Total liabilities and surplus.....		\$ 5,893,921	\$ 5,781,644

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

*Method of calculation: 40% method.

HISTORICAL INFORMATION

	2018	2017	2016	2015	2014
<u>Gross Premium</u>					
Fire.....	1,277,021	1,236,178	1,184,829	1,080,996	1,003,393
Windstorm.....	1,098,666	1,061,887	1,022,642	951,379	892,932
Crop Hail.....	0	0	0	0	0
Total.....	2,375,687	2,298,065	2,207,471	2,032,375	1,896,325
<u>Net Premium Written</u>					
Fire.....	1,277,021	1,236,178	1,184,829	1,080,996	1,003,393
Windstorm.....	1,098,666	1,061,887	1,022,642	951,379	892,932
Crop Hail.....	0	0	0	0	0
Total.....	2,375,687	2,298,065	2,207,471	2,032,375	1,896,325
Total Net of Agg.....	1,911,730	1,871,845	1,820,954	1,698,871	1,500,896
<u>Gross Losses Paid</u>					
Fire.....	687,472	873,181	2,209,852	1,013,990	491,140
Windstorm.....	767,517	3,486,063	633,428	130,816	156,435
Crop Hail.....	0	0	0	0	0
Total.....	1,454,989	4,359,244	2,843,280	1,144,806	647,575
<u>Net Losses Paid</u>					
Fire.....	273,890	266,455	565,044	928,659	485,432
Windstorm.....	767,517	3,486,063	633,428	130,816	156,435
Crop Hail.....	0	0	0	0	0
Total.....	1,041,407	3,752,518	1,198,472	1,059,475	641,867
Total Net of Agg.....	1,041,407	1,501,379	1,198,472	1,059,475	641,867
<u>Loss Percentage (Direct)</u>					
Fire Losses/Fire Prem.....	54 %	71 %	187 %	94 %	49 %
Windstorm Losses/Windstorm Prem.....	70 %	328 %	62 %	14 %	18 %
Crop Hail Losses/Crop Hail Prem.....	0 %	0 %	0 %	0 %	0 %
Total Losses/Total Prem.....	61 %	190 %	129 %	56 %	34 %
<u>Loss Percentage (Net)</u>					
Fire Losses/Fire Prem.....	21 %	22 %	48 %	86 %	48 %
Windstorm Losses/Windstorm Prem.....	70 %	328 %	62 %	14 %	18 %
Crop Hail Losses/Crop Hail Prem.....	0 %	0 %	0 %	0 %	0 %
Total Losses/Total Prem.....	44 %	163 %	54 %	52 %	34 %
Total Net Agg Losses/Total Net Ag Prem	54 %	80 %	66 %	62 %	43 %
<u>Balance Sheet Items</u>					
Total Admitted Assets.....	5,893,921	5,781,644	5,950,479	5,631,795	5,805,921
Liabilities.....	1,213,678	1,070,923	1,400,461	1,018,407	929,061
Surplus.....	4,680,243	4,710,721	4,550,018	4,613,388	4,876,860
Bonds.....	25,154	25,169	25,185	25,201	25,216
Stocks.....	2,746,943	2,757,066	2,727,850	2,247,414	2,088,553
Real Estate.....	61,050	65,210	69,370	73,530	77,689
Unpaid Premium(line 8.1).....	0	0	0	0	723
Unpaid Premium(line 8.2).....	2,137	2,939	4,739	5,228	2,817
Agent's Balances.....	0	0	0	0	0
Unearned Premium.....	944,000	903,000	872,000	796,000	741,000
<u>Balance Sheet Percentages</u>					
Bonds/Admitted Assets.....	0 %	0 %	0 %	0 %	0 %
Stocks/Admitted Assets.....	47 %	48 %	46 %	40 %	36 %
Real Estate/Admitted Assets.....	1 %	1 %	1 %	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.....	2,212,237	2,349,342	2,132,061	1,969,541	1,747,034
Total Disbursements.....	1,982,937	2,553,436	2,127,420	1,925,812	1,541,982
Operating Expense.....	763,657	818,782	805,243	677,311	699,649
Commissions.....	350,994	339,405	362,917	282,845	299,325
Investment Income.....	158,619	223,045	147,462	153,307	145,847
Salaries (lines 14-17).....	172,964	222,093	215,181	185,120	182,707
<u>Other</u>					
Gross Risk in Force.....	692,393,069	676,388,984	661,398,709	608,726,095	551,546,259
Number of Policies.....	1,947	1,971	1,954	1,882	1,770
Operating Expense/Net Premium.....	40 %	44 %	44 %	40 %	47 %