



DEPARTMENT OF COMMERCE & INSURANCE

P.O. Box 690, Jefferson City, Mo. 65102-0690

ORDER

After full consideration and review of the report of the financial examination of Clarks Fork Mutual Insurance Company for the period ended December 31, 2024, together with any written submissions or rebuttals and any relevant portions of the examiner's workpapers, I, Angela L. Nelson, Director, Missouri Department of Commerce and Insurance pursuant to section 380.491, RSMo, adopt such report. The findings and conclusions of the report are incorporated by reference herein and are deemed to be my findings and conclusions.

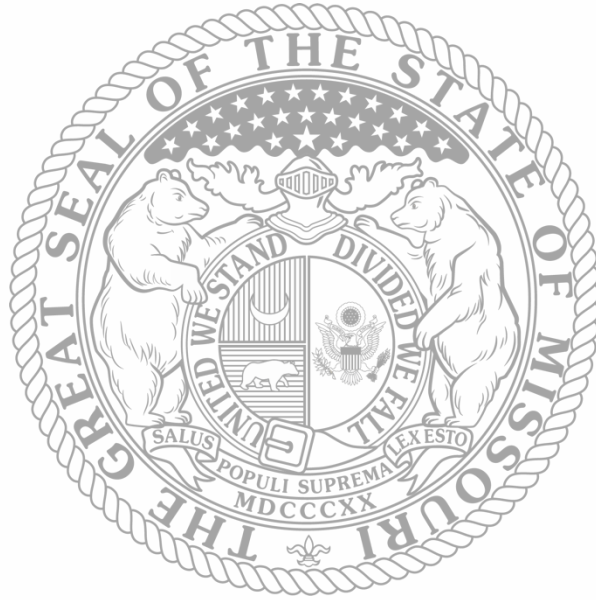
Based on such findings and conclusions, I hereby ORDER Clarks Fork Mutual Insurance Company to take the following action or actions, which I consider necessary to cure any violation of law, regulation or prior order of the Director revealed in such report: (1) account for its financial condition and affairs in a manner consistent with the Director's findings and conclusions; and (2) submit a signed copy of the minutes of the meeting which reflect a corporate resolution to the effect the Examination Report has been reviewed and accepted.

So ordered, signed and official seal affixed this 23rd day of July, 2026.



A handwritten signature in blue ink that reads "Angela L. Nelson".

Angela L. Nelson, Director
Department of Commerce and Insurance



REPORT OF
FINANCIAL EXAMINATION OF

CLARKS FORK MUTUAL INSURANCE COMPANY

AS OF
DECEMBER 31, 2024

STATE OF MISSOURI
DEPARTMENT OF COMMERCE & INSURANCE

JEFFERSON CITY, MISSOURI

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Boonville, MO
May 4, 2026

Honorable Angela L Nelson, Director
Missouri Department of Commerce and Insurance
301 West High Street, Room 530
Jefferson City, Missouri 65101

Director Nelson:

In accordance with your financial examination warrant, a full-scope financial examination has been made of the records, affairs, and financial condition of

Clarks Fork Mutual Insurance Company

hereinafter referred to as such, as CFMIC, or as the Company. Its administrative office is located at 17780 Sky Line Road, Boonville, Missouri 65233, telephone number (660) 882-7199. The fieldwork for this examination began on January 23, 2026, and concluded on the above date.

SCOPE OF EXAMINATION

Period Covered

The Missouri Department of Commerce and Insurance (Department) has performed a single-state financial examination of Clarks Fork Mutual Insurance Company. The last examination of the Company by the Department covered the period of January 1, 2015, through December 31, 2019. The current examination covers the period of January 1, 2020, through December 31, 2024, as well as a review of any material transactions and events occurring subsequent to the examination period through the date of this report.

Procedures

We conducted our examination in accordance with the National Association of Insurance Commissioners (NAIC) *Financial Condition Examiners Handbook (Handbook)*, except where practices, procedures, and applicable regulations of the Department or statutes of the state of Missouri prevailed. The *Handbook* requires that we plan and perform the examination to evaluate the financial condition, assess corporate governance, identify current and prospective risks of the Company, and evaluate system controls and procedures used to mitigate those risks. An examination also includes the identification and evaluation of significant risks that could cause the Company's surplus to be materially misstated, both on a current and prospective basis.

This examination also included a review of significant estimates made by management and evaluation of management's compliance with Statutory Accounting Principles. The examination does not attest to the fair presentation of the financial statements included herein. If, during the course of the examination an adjustment is identified, the impact of such adjustment will be documented separately following the Company's financial statements.

SUMMARY OF SIGNIFICANT FINDINGS

There were no material adverse findings, significant non-compliance issues, or material changes to the financial statements noted during the examination.

COMPANY HISTORY

General

The Company was originally organized on November 15, 1892, as Clarks Fork Farmer Feuer-Unterstützungs-Verein. On February 24, 1915, the Company changed its name to Clarks Fork Farmers Mutual, Fire, Lighting and Tornado Insurance Company of Cooper County, Missouri and was incorporated as a Missouri corporation. On February 25, 1935, the Company changed its name to Clarks Fork Farmers Mutual Insurance Company of Cooper County. On November 18, 1971, the Company changed its name to Clarks Fork Mutual Insurance Company.

The Company has a Certificate of Authority dated July 1, 1991, and is covered by Sections 380.201 through 380.611 RSMo (Extended Missouri Mutual Insurance Companies). The Company's Certificate of Authority is renewed annually.

MANAGEMENT AND CONTROL

Board of Directors

In accordance with the Articles of Incorporation, the annual meeting of the Company's members is held on the fourth Tuesday in March, at the home office of the Company or at such place as may be designated by the Board of Directors. Special meetings of the members may be called by the Board of Directors at any time and shall be called upon the petition of one-fourth of the members. Ten members shall constitute a quorum at any membership meeting. Proxy voting is not permitted.

The management of the Company is vested in a Board of Directors, who are elected by the general membership. The Board of Directors consists of seven members, serving staggered, three-year terms. All directors must be policyholders of the Company. The Board of Directors meets approximately every month. Directors receive \$500 for each meeting attended. The President receives an additional \$200 per month.

Members serving on the Board of Directors as of December 31, 2024, were as follows:

<u>Name and Address</u>	<u>Principal Occupation</u>
Herbert Twenter Pilot Grove, MO	Retired Insurance Agent
Judith Simmons Otterville, MO	Insurance Agent
Sheryl Luster Bunceton, MO	Insurance Agent
Robert Ashford Marshall, MO	Realtor / Insurance Agent
Jared Williams Syracuse, MO	Farmer / Seed Sales
Susan Lenz Boonville, MO	Banker
David Lang Boonville, MO	Realtor / Retired Banker

Officers

The officers elected and serving, as of December 31, 2024, were as follows:

<u>Name</u>	<u>Office</u>
Herbert Twenter	President
Judith Simmons	Vice-President
Donald Simmons	Secretary/Treasurer

Conflict of Interest

The Company has written a conflict of interest procedure for the disclosure of material conflicts of interest or affiliations by its directors and officers. The Company's directors and officers sign conflict of Interest statements on an annual basis. A review of the executed conflict of interest statements noted that three of the directors disclosed that they were agents for the Company.

Corporate Records

The Company's Articles of Incorporation and Bylaws were reviewed. There were no revisions to either document during the examination period. The minutes of the annual membership meeting and Board of Directors meetings were reviewed for the period under examination.

EMPLOYEE BENEFITS

The Company has six full-time employees. Employee benefits offered by the Company include basic life insurance, dental insurance, health insurance, short-term and long-term disability insurance, matching contributions to retirement accounts, paid holidays, and paid time off.

INSURANCE PRODUCTS AND RELATED PRACTICES.**Territory and Plan of Operations**

The Company is licensed by the Missouri Department of Commerce and Insurance as an Extended Missouri Mutual Company operating under Sections 380.201 through 380.611, RSMo (Extended Missouri Mutual Companies). The Company is authorized to write fire, wind and liability insurance in all counties in the State of Missouri. The Company's policies are sold by twelve agents, who receive a 15% commission on all new and renewal policies written.

Policy Forms and Underwriting Practices

The Company utilizes American Association of Insurance Services (AAIS) policy forms, as well as Grinnell Mutual Reinsurance Company (Reinsurer) forms and custom forms approved by the Department. The policies are written on a continuous basis and renewed annually. Property inspections and the majority of claims adjusting are performed in-house by the Company's inspector/adjuster. Claims adjusting is also performed by the reinsurer. Rates are determined by the Board of Directors.

GROWTH OF COMPANY AND LOSS EXPERIENCE

(\$000s omitted)

Year	Admitted Assets	Liabilities	Gross Written Premiums	Gross Paid Losses	Investment Income (Loss)	Underwriting Income (Loss)	Net Income (Loss)
2024	\$ 8,739	\$ 32	\$ 5,927	\$ 2,761	\$ 325	\$ 829	\$ 1,042
2023	7,745	81	4,107	4,477	211	(204)	6
2022	7,950	292	3,532	1,545	158	978	1,004
2021	7,352	245	3,336	1,605	164	68	236
2020	7,092	224	3,112	887	166	564	725

At year-end 2024, there were 4,414 policies in force.

General

The Company's premium activity on a direct written, assumed, and ceded basis for the period under examination is detailed below:

(\$000s omitted)

Premium Type	2020	2021	2022	2023	2024
Direct Premiums Written	\$ 3,112	\$ 3,336	\$ 3,535	\$ 4,107	\$ 5,927
Reinsurance Assumed:	19	19	19	18	19
Reinsurance Ceded:	(786)	(817)	(385)	(1,032)	(1,886)
Net Premiums Written	\$ 2,345	\$ 2,538	\$ 3,169	\$ 3,093	\$ 4,060

Assumed Reinsurance

MAMIC Mutual Insurance Company (MAMIC) issues direct policies to insure agents' errors and omissions liability and directors' and officers' liability risks for various mutual insurance companies, including the Company. All of the policy risks insured by MAMIC for these two products are pooled and ceded to participating mutual insurance companies. The Company has a 5% share in the interests and liabilities of the pool.

Ceded Reinsurance

The Company has all of its reinsurance through Grinnell Mutual Reinsurance Company (the reinsurer) under separate reinsurance agreements for property and liability risks.

The property reinsurance agreement includes per-risk excess of loss, catastrophe excess of loss, and aggregate excess of loss coverages. Under the per-risk section of the agreement, the Company retains \$200,000 per property risk, subject to a maximum reinsurance recovery of \$10 million for each risk. Under the catastrophe excess of loss section of the agreement, the Company retains \$825,000 per loss occurrence, and the reinsurer is liable for 100% of losses in the excess of the Company's retention. Under the aggregate excess of loss section, the reinsurer is liable for 100% of the ultimate net losses in excess of an amount equal to a 74.43% loss ratio.

Under the liability reinsurance agreement, the Company cedes 100% of the liability risks and premium to the reinsurer and receives a 31% ceding commission.

The Company is contingently liable for all reinsurance losses ceded to others. This contingent liability would become an actual liability in the event that an assuming reinsurer fails to perform its obligations under the reinsurance contract.

ACCOUNTS AND RECORDS

Independent Auditor

The accounting records are maintained by the Company on a modified accrual basis. The CPA firm of Lammers and Associates, P.C., of Boonville, Missouri, performs an annual review of the Company's financial statements and prepares the Company's tax filings.

FINANCIAL STATEMENTS

The following financial statements are based on the statutory financial statements filed by the Company with the Department and present the financial condition of CFMIC for the period ending December 31, 2024. The accompanying comments on financial statements reflect any examination adjustments to the amounts reported in the financial statements and should be considered an integral part of the financial statements. The failure of any column of numbers to add to its respective total is due to rounding or truncation.

There may have been additional differences found in the course of this examination, which are not shown in the "Comments on Financial Statement Items." These differences were determined to be immaterial concerning their effect on the financial statements, and therefore were only communicated to the Company and noted in the workpapers for each individual key activity.

ASSETS

As of December 31, 2024

Bonds	\$	3,754,581
Real Estate – Book Value		111,508
Cash on Deposit		4,319,552
Other Investments		519,596
Computer Equipment (Hardware Only)		1,837
Asset Write-Ins		31,805
TOTAL ASSETS	\$	8,738,879

LIABILITIES, SURPLUS AND OTHER FUNDS

As of December 31, 2024

Gross Losses Unpaid	\$	32,493
Overpayment to State Tax		(91)
TOTAL LIABILITIES	\$	32,402
Guaranty Fund		150,000
Other Surplus		8,556,477
TOTAL POLICYHOLDER SURPLUS	\$	8,706,477
TOTAL LIABILITIES AND SURPLUS	\$	8,738,879

STATEMENT OF INCOME

For the Year Ended December 31, 2024

Net Earned Assessment/Premium Income	\$ 4,059,678
Other Insurance Income	290,259
Net Losses & Loss Adjustment Expense	(1,721,060)
Underwriting Expenses	(1,800,065)
Underwriting Income (Loss)	\$ 828,812
Investment Income	325,388
Investment Expenses	(5)
Interest Expenses	-
Net Investment Gain (Loss)	\$ 325,383
Other Income	37,965
Gross Profit or Loss	\$ 1,192,160
Federal Income Tax	(150,000)
NET PROFIT OR (LOSS)	\$ 1,042,160

GAIN OR LOSS IN SURPLUS

Changes from January 1, 2020 to December 31, 2024

(\$000s omitted)

	2020	2021	2022	2023	2024
Beginning Policyholder's Surplus	\$ 6,143	\$6,870	\$ 7,107	\$ 7,658	\$ 7,664
Net Profit or (Loss)	725	236	1,004	6	1,042
Change in Unrealized Gains (Losses)	2	-	(452)	-	-
Ending Policyholder's Surplus	\$ 6,870	\$ 7,107	\$ 7,658	\$ 7,664	\$ 8,706

COMMENTS ON FINANCIAL STATEMENT ITEMS

None.

FINANCIAL STATEMENT CHANGES RESULTING FROM EXAMINATION

None.

SUMMARY OF RECOMMENDATIONS

None.

SUBSEQUENT EVENTS

None.

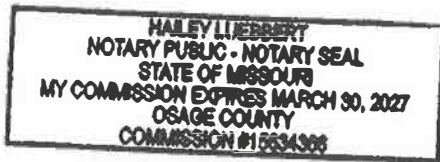
ACKNOWLEDGMENT

The assistance and cooperation extended by the officers and the employees of Clarks Fork Mutual Insurance Company during the course of this examination is hereby acknowledged and appreciated

VERIFICATION

State of Missouri)
)
 County of Cole) ss

I, Justin Lamb, on my oath swear that to the best of my knowledge and belief the above examination report is true and accurate and is comprised of only facts appearing upon the books, records, or other documents of CFMIC, its agents or other persons examined, or as ascertained from the testimony of its officers or agents or other persons examined concerning its affairs, and such conclusions and recommendations as the examiners find reasonably warranted from the facts.



Justin Lamb
 Justin Lamb
 Examiner
 Missouri Department of Commerce and Insurance

Sworn to and subscribed before me this 15th day of June, 2026.

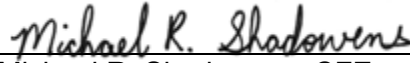
My commission expires:

March 30, 2027

Hailey Liebert
 Notary Public

SUPERVISION

The examination process has been monitored and supervised by the undersigned. The examination report and supporting workpapers have been reviewed and approved. Compliance with NAIC procedures and guidelines as contained in the *Financial Condition Examiners Handbook* has been confirmed, except where practices, procedures, and applicable regulations of the Missouri Department of Commerce and Insurance and statutes of the state of Missouri prevailed.

A handwritten signature in cursive script, reading "Michael R. Shadowens", positioned above a horizontal line.

Michael R. Shadowens, CFE
Assistant Chief Financial Examiner
Missouri Department of Commerce and
Insurance