

Minnesota Association of Farm Mutual Insurance Companies

Mutual LINK

Minnesota Weather Issues

Karl Porisch, Western Mutual

Minnesota and the surrounding states have indeed had their fair share of severe weather the past few years. North and South Dakota recorded 105 tornados. Iowa had 52 and Wisconsin logged in at 68. Last year Minnesota led the nation in tornado outbreaks with 145 recorded storms. Minnesota also set a new one day state record on June 17th, with a total of 48 funnel clouds reported, surpassing the old record of 27 set on June 16-17 of 1992. How could I forget that date! It was my first summer of being manager at Western Mutual, and I learned very quickly of the awful damage an F5 tornado can accomplish in a very short period of time.

So when the Weather Service issues a severe weather warning and you hear the beeping on the television and your pulse quickens just a bit, what does come to your mind? Strong winds with damaging hail? Tornado's with their funnels dropping out of dark clouds and wrecking everything in its path? Certainly these are common thoughts in the minds of folks in our region. While tornados and hail storms are dramatic examples of what nature can dish out whenever she feels like it, flooding in our part of the country can be just as damaging.

Minnesota has several rivers that are perennial candidates for flooding. The Mississippi, St. Croix, Red River of the North and of course the Minnesota. Two of these rivers, Mississippi and Minnesota, have recorded record setting

flood stages of 26 feet and 35 feet respectively. Both of these records occurred in 1965 and caused devastating damage to the cities of St. Paul and Jordon. In 1997 the Red River of the North hit a flood stage of 54 feet in East Grand Forks.

This aerial photo of downtown East Grand Forks completely inundated with water and businesses on fire is still fresh in my mind. Looking back over the last ten years, there have been Presidential Disaster Declarations for flooding in every year except 2003 and 2005. 2001 led the list with a total of 66 counties receiving some kind of disaster relief assistance. So while wind and hail are dramatic examples of our weather here in Minnesota, our ties to the slogan "Land of 10,000 Lakes" reminds us of our watery history and the damage caused by the rivers that flow through our state.



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INSIDE THIS ISSUE

Board Member Profile	2
Company Profile	3
Manager's Workshop	4
Registration Form	
Short Course Highlights	5
Types of Property a Township	6
Mutual Fire Insurance Company	
Can Insure	
Legislative Update	7

Board Member Profile

Connie Jaskowiak, PFMM, Manager of Young America Mutual Insurance Company

Personal Questions:

1. Where did you grow up? I grew up on a farm near Silver Lake.

2. Where did you attend high school? I attended Silver Lake High School.

3. Did you attend college – If so, where & what for? I didn't attend college.

4. Are you married? Do you have children? Yes. Jerry and I will be married for 40 years in November. We have 2 children and 3 grandchildren.

5. What are some of your favorite hobbies? I love to quilt.

Professional Questions:

1. What was your first job? I was a waitress at a restaurant in Silver Lake.

2. What about the insurance industry appealed to you as you were starting out? The people. Everyone is friendly and willing to help each other to make this a great industry.

3. What do you enjoy about your job? Again it is the people and the friendships I have made.

4. What do you strive for professionally? To be the best I can be. To keep our company strong and a company that is there for its policyholders when they need us.

5. Who has been most influential to you professionally? There is no one person. I feel everyone I work with has influenced me in some way.

6. What do you like about being a board member? Being on the MAFMIC Board has been a learning experience. I enjoy working with the other members to serve our membership. It has given me a better understanding as to how much work goes into our association.

7. What issues do you think are most important concerning the Mutual Insurance Industry? I feel the most important issue is staying competitive in today's market. We will need to stay active in our State and National Associations to keep on top of our changing industry.

Editorial Advisory Committee

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"You won't realize the distance you've walked until you take a look around and realize how far you've been."

- Author Unknown -



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Mid-State Mutual

Mary Thompson, PFMM, Manager

Mid-State Mutual was founded in 1887, next year we will celebrate our 125th anniversary. We are a combination of three companies. We were founded by farmers who could not find affordable insurance for their farms.

Mid-State Mutual writes fire and extended coverage lines.

We currently staff three employees, Manager, Underwriter and Receptionist/Assistant. We have had three employees who have been employed with Mid-State Mutual 40 years or longer. With the help of the latest technology we are able to do so much more with the same amount of staff.

Mid-State Mutual's business philosophy and mission statement is to SERVE the policyholders and make them the most important to our company's survival. That includes giving them a great product at a competitive price. We give our policyholders the benefit of the doubt when it comes to claims. We also support our agency family in any way we can.

Our goals for the Mid-State Mutual in the next five year's is to grow in the area of Homeowners as we all realize there is very few new farms. We are always seeking to do things better without jeopardizing the great personal service we provide.

Mid-State Mutual's biggest challenge is to stay competitive and profitable so that we can be a strong company going forward.

Keeping losses at a minimum requires good underwriting and inspecting. It is difficult to measure the savings with a good inspection program but everyone in the industry believes it does make a difference.

Mid-State donates to many projects in the community especially organizations involved with agriculture. We support the Waseca County Fair, 4H, FFA, Dairy Princess and other community events.

To describe our company in one word we like to say we are "RELIABLE!"



Office of Mid-State Mutual, Waseca, MN

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Helping member mutuals keep promises since 1909



MAFMIC Manager's Workshop

Chase on the Lake May 25 & 26, 2011

502 Cleveland Blvd. • Walker, Minnesota 56484 • Ph: (218) 547-7777

COST

Early Bird Registration\$95.00

Regular Registration\$105

Early Bird Registration date is May 2. Lodging is not included in Registration price. Contact Chase on the Lake Resort (above) and mention MAFMIC to receive a discounted rate of \$89.99 single occupancy. You must call by May 2 to receive this rate.

Wednesday, May 25

9:00 am - 12:00 pm General Session/Breakout Groups
12:00 - 1:00 pm Lunch
1:00 - 6:00 pm Optional Activity
6:00 - 8:00 pm Reception & Dinner

Thursday, May 26

8:00 - 9:00 am Hot Breakfast Buffet
9:00 - 11:30 pm Breakout Groups
11:30 - 12:30 pm Large Group Discussion
12:30pm Lunch on your Own

Activities: Payment must be included in registration payment for chosen activity; personal checks are welcome for such events. If you plan to utilize the Copper Door Spa located at Chase on the Lake you must call them directly to arrange your appointment and payment. We currently have time blocked on May 25th from 1:00 to 6:00 pm for appointments.

(Choose one)

2011 MAFMIC Manager's Workshop

Please fill out form and return to MAFMIC Office

NAME	COMPANY	EMAIL	Bowling \$20	18 hole golf w/cart \$40

Questions For Breakout Groups: _____

Cancellation Policy

75% refundable before May 11 - 50% refundable between May 11 -17 - No refunds will be made after May 17

All registration cancellations must be made in writing and sent to info@mafmic.org or faxed to (320) 271-0912



Mail
P.O. Box 880



Fax
(320) 271-0912



Phone
(320) 271-0909

2011 Short Course Highlights

Arrowwood Resort, March 16-17, 2011

This years Short Course was another successful event for MAFMIC and it's members. The event hosted close to 370 agents, directors, managers, spouses, etc.

This year's Short Course features some entertaining and informative speakers such as keynote speaker Damian Mason along with educational speakers, Richard Peterson, MN Department of Commerce, Chris O'Hagen, Land of Lakes Claim Services Inc, Gwen Batalden, Redwood County Farmers Mutual, Jason Buetow, Rural Computer Consultants, Inc, Paul Wocken & John Neal, Willenbring, Dahl, Wocken & Zimmerman, PLLC, Moderators, Linda Jaskowiak, Sumter Mutual, Deb Liden, Bray-Gentilly Mutual, Johnny Blowers, North Star Mutual, Patrick Lowther, The Legal Professionals, Dave Pederson, Farmers Mutual of Manchester, Karl Porisch, Western Mutual, Jerome Mayne, Fred McGuire, ServiceMaster and closing it off with Jeff Mauland, President of North Star Mutual.

During the Attitude Adjustment Hour attendees had their chance to show their skills with shooting hoops, tossing bean bags and putting to help raise money for the Political Action Committee (PAC). Winners of these events include **Stuart Selchow**, Young America Mutual, **Mark Nelson**, Norwegian Mutual and **Brent Luthens & Steve Schauer**, Sumter Mutual.

Following the event a survey was sent out and yielded some great comments! One attendee wrote, "I thought that the various sessions were very worth while. The presenters were of high caliber and as a result, made for a very informative short course" and another said "I thought it was one of the best short courses I attended." We always encourage our attendees to provide us with feedback to help plan better meetings, so thank you to those that participated! We want to thank the Education Committee for a great job in planning this years Short Course.

Next year's MAFMIC Short Course is scheduled for March 14-15, 2012 at the St. Cloud Civic Center. Hope to see you there.



Education Committee Chairman Larry Johnson, North Star Mutual presenting **Stuart Selchow**, Young America, with a trophy after his winning performance in the Putt for PAC.



Greg Gangelhoff, Stark Farmers Mutual, presenting a trophy to **Mark Nelson**, Norwegian Mutual, after his winning performance in the Hoops for PAC.

A total of \$400 was raised from these games to help support the PAC.



Mikel Nelson, Elmdale Mutual, presents a trophy to **Brent Luthens** and **Steve Schauer**, Sumter Mutual after their winning performance in the Bag Toss for PAC.



*In March, **Greg Parent**, German Farmers Mutual came to visit the MAFMIC office. Following lunch we had a nice "Cupcake" ready for him. Thanks for the memories Greg !*

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Types of Property a Township Mutual Fire Insurance Company Can Insure

John J. Neal, WILLENBRING, DAHL, WOCKEN & ZIMMERMANN, PLLC

Township Mutual Insurance in its purest form is neighbors insuring each other against catastrophe. Given the unique nature of Township Mutual Insurance, the Minnesota Legislature has limited the types of property a Township Mutual can insure. This article discusses those types of property, which may be classified in three different categories: (1) qualified property; (2) secondary property; and (3) property located outside the Township Mutual's authorized territory.

- 1. Qualified Property:** Township Mutuals can insure "dwellings, household goods, appurtenant structures, farm buildings, farm personal property, churches, church personal property, county fair buildings, community township meeting halls and their usual contents" provided they are located within the Township Mutual's authorized territory. (Minn. Stat. § 67A.14, subd. 1(a)). This property is called "qualified property."

Example: A policyholder's farm buildings, dwellings, appurtenant structures, household goods, livestock and farm equipment.

- 2. Secondary Property:** Township Mutuals can also extend coverage to a policyholder's "secondary property," so long as it writes the policyholder's qualified property as well. (Minn. Stat. § 67A.14, subd. 1(b)). Secondary property is any property that is not qualified property; in other words any property that is not a dwelling, household good, appurtenant structure, farm building, *etc.* An example of secondary property would be an insured's business-related property.

The maximum amount a coverage a Township Mutual may write for secondary property, however, is limited to 25% of the total policy limit issued for the policyholder's qualified property. Thus, if a policyholder's qualified property is covered to a limit of \$500,000, then the Township Mutual can insure the policyholder's secondary property up to a limit of \$125,000.

Example: Amway products sold by a policyholder, so long as coverage is 25% or less of the coverage extended to the Insured's qualified property.

- 3. Property outside the Township Mutual's Territory:** If a Township Mutual insures a policyholder's qualified property within the territory in which the company is authorized to transact business, then the company can also insure any additional qualified property owned by the policyholder which is located outside the company's territory. There is no limit on the amount of qualified property that one can insure outside a Township Mutual's territory provided the company also insures qualified property for that person within the Township Mutual's territory. All secondary property, whether or not located within the company's territory, remains capped at the 25% threshold described above.

Example: A policyholder insures a farm and dwelling within the Township Mutual's territory. The Township Mutual can then insure the policyholder's lake home located outside the Township Mutual's territory, regardless of its value.

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MINNESOTA LEGISLATIVE SESSION HEADING FOR FINAL MONTH

Marcus Marsh, MAFMIC

The Minnesota Legislative Session is heading full steam to the final deadline which this year is Monday, May 23rd at midnight.

The Legislature has completed the budget process the earliest in memory but the Legislative Budget and Governor Mark Dayton's Budget are billions of dollars apart. The Legislature raises state spending from \$32 billion dollars to \$34.2 billion dollars with a few real cuts in spending for couple of state agencies but most "cuts" are a cut in the increased spending that was requested. Governor Dayton's budget request is \$39 billion dollars which is a 20% increase with the additional dollars coming from an income tax increase.

It appears at this point both sides are holding tight on their position as the deadline draws closer with some Legislators quietly saying a Special Legislative Session is likely. Time will tell.

We at MAFMIC continue to work on bills for lawsuit reform and other bills favorable to the insurance industry that many of you are familiar with from my weekly Legislative Reports.

NOTICES

Farm Show Donations

Anyone interested in donating items for the upcoming Farm Shows can drop them off or send them to the MAFMIC office. If you plan to donate something please have your items to the office by Friday, July 15th.



MAFMIC Mutual Assistance Manual

This is a tremendous resource for questions or concerns for just about any subject involving the operation of a Minnesota Mutual. The current version of the manual is available at www.mafmic.org under the "Services" tab. The MAFMIC Mutual Assistance Committee strives to keep the manual up-to-date. Your assistance would be appreciated. If you see something that needs to be changed, updated or added to the manual, please contact a member of the Mutual Assistance Committee or the MAFMIC office at info@mafmic.org.



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2011 MAFMIC Calendar of Events

May	11-12	Congressional Contact Visit Washington D.C.
May	25-26	Managers Workshop Chase on the Lake, Walker
July	13	Managers & Directors Seminar Civic Center, St. Cloud
July	14	Educational Scholarship Golf Outing Little Crow Country Club, Spicer
Aug	2-3	Farm Fest, Gilfillan Estates Redwood County
Aug	17	Mutual Support Staff Seminar, Holiday Inn , St. Cloud

In Sympathy



Linda Rupp, 54 of New London passed away March 29, 2011, she is the wife of Dan Rupp, RAM Mutual Insurance Company. Linda devoted her time to her passion of gardening and horticulture. Linda leaves behind a wonderful husband and two boys.



Ronald Nelson, 61 of Bemidji passed away Sunday March 17th, 2011. Ron served for over 30 years with Lakeland Farmers Mutual. He also served on the MAFMIC Board from 2001 to 2005.

MAFMIC wishes to express its sincerest condolences to both family and friends of Linda and Ron.

MAFMIC Summer Hours:

**Beginning May 30th and continuing through
September 2nd. MAFMIC's office hours will be:
Monday thru Thursday 8am - 4:30pm and
Fridays 8:00am to 12:00pm.**



To submit an article to be published in the Mutual Link please send them to Mutual Link, PO Box 880, St. Joseph, MN 56374 or email them to info@mafmic.org.