

Coverage, Rate and Other Changes

The Board and Staff of Fairmont Farmers Mutual continue to work to provide you with insurance products to meet your needs, while keeping the rates in line. The June 16 storm last year resulted in just over \$6,000,000 in claims. This was followed by a September 20 storm which generated another \$700,000 in claims. This increase in storm activity has resulted in a greater frequency and severity of damage to insured property.

May 1, 2015, will bring several changes to the rates and products offered by Fairmont Farmers Mutual. Some of the highlights are as follows:

- » **Equipment breakdown** coverage will be included on all eligible property as a policy enhancement. There will not be an option to remove the coverage, and there will not be a specific premium charged. The policies that currently have the coverage will have the premium charge removed upon renewal. In addition, the equipment breakdown claims will be adjusted by Fairmont Farmers Mutual. This should eliminate the confusion caused when the staff of Grinnell Mutual and/or Mutual Boiler Re contact you regarding your claims. This change will also decrease the time it takes to settle the equipment breakdown claims.
- » **A \$1,500 deductible** is now available and will allow you to take advantage of a 5% premium credit at this deductible level. The \$2,500 deductible will see an increase in the credit from 8% to 12%. Keep the disappearing deductible in mind as you consider these deductible options. A letter is sent along with the policy renewals explaining how this works and showing the premium for the higher deductible options.
- » **The deductible for special form machinery** claims (i.e. rock in the combine, etc.) has been changed to limit your out-of-pocket expense. The larger of the following will apply:
 - » \$1,000; or
 - » Policy deductible; or
 - » 25% of the total loss, not to exceed \$5,000

Keep in mind that you also have non-depreciation of repairs which eliminates any deduction for depreciation.

If you have any questions about these changes, please give your agent a call and they can further explain these coverage changes.

DRY SPRING WEATHER LEADS TO... ...UNSAFE **BURNING** CONDITIONS

Communities and counties across the Midwest have initiated burning restrictions or bans in the past few weeks. A mild winter with little snow accumulation followed by dry, windy, and unseasonably warm temperatures have created dangerous conditions for field and ditch burning this spring.

Key factors in conducting a safe burn include monitoring wind direction and wind speed, temperature, and relative humidity. The Iowa State University Extension and Outreach office outlines when it's not advisable to burn.*

WHEN NOT TO BURN:

- » Do not burn when smoke will blow toward or linger over populated areas, major roads/highways. Winds should be between 5 to 15 mph for prairies and 20 to 25 mph for woodlots and savanna. Wind direction should be checked.
- » Never burn without first checking the National Fire Weather Forecast at <http://www.srh.noaa.gov/ridge2/fire/>. No burning should occur if the area is under a "fire weather watch" or "red flag warning." Burning should also not occur within 24 hours before or after a major frontal change as shifts in wind direction and speed create an unstable atmosphere.
- » Avoid burning during periods of drought. Relative humidity should be from 35 to 55 percent for prairies and 20 to 50 percent for forested areas.
- » Do not initiate burning early in the morning. Burns should begin after 9 a.m. as relative humidity is the lowest in the morning and has the quickest rate of change. Mixing height (height at which the smoke will mix with the atmosphere) peaks during mid to late afternoon.

CONTROLLING AN OPEN BURN

When weather conditions are advisable for open burning, taking safety precautions will help ensure flames stay where they should.

"Open burning should never be conducted within 100 feet of any building or structure, including grain bins and related grain handling equipment. A fire stop should be created around the entire perimeter of the area where open burning is to be conducted," explains Larry Gallagher, director of Corporate Loss Control at Grinnell Mutual.

Fire stops can be created by maintaining a mowed green area of 20 feet wide around the perimeter of the area to be burned or disking a 20 feet wide strip around the perimeter of the burn area.

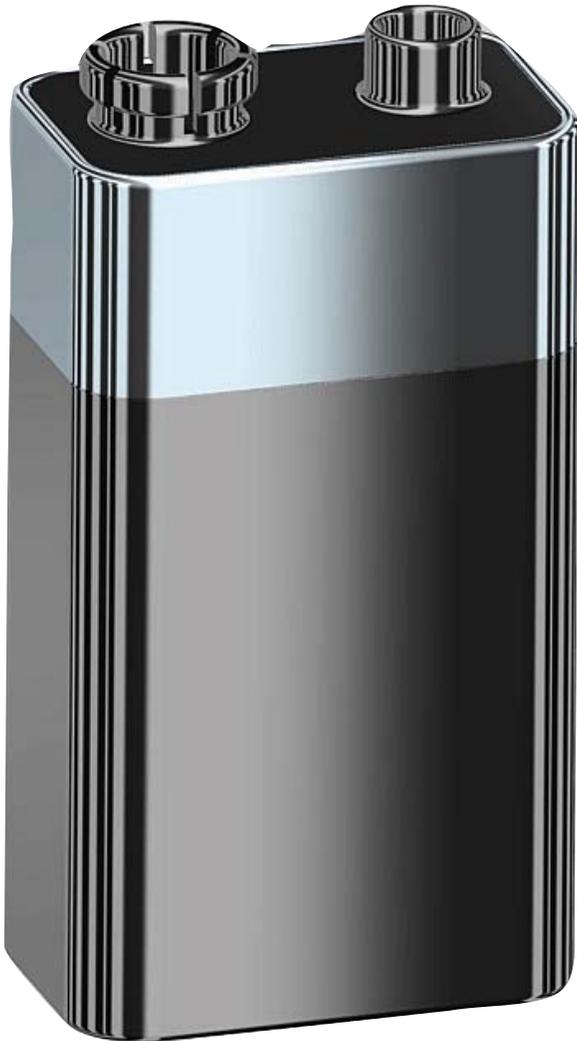
"Either option should help to reduce the fire from jumping to an adjacent field or property," says Gallagher. "In addition to developing a fire stop, ignite the area to be burned on three to four different sides so that the fire will burn to the center of the area and burn itself out. That also helps control unwanted fire spread."

Lastly, contact your local fire department to discuss your plans to control fire spread and ask if they have any additional suggestions. Counties, municipalities, and other areas have restrictions on when burning can occur or may require special burn permits.

*Reprinted in part with permission from Iowa State University: University Extension, Considerations for prescribed burning: Why, when, and when not to burn, PM2099C, August 2010

9-VOLT BATTERY SAFETY

9-volt batteries power our smoke alarms, household items and toys. They can be found in most homes. But these batteries can be a fire hazard if not stored safely or disposed of with care.



The problem

- » 9-volt batteries can be dangerous. The positive and negative posts are close together. If a metal object touches the two posts of a 9-volt battery, it can cause a short circuit. This can make enough heat to start a fire.
- » It is unsafe to store 9-volt batteries in a drawer near paper clips, coins, pens, or other batteries. Do not store common household items such as steel wool, aluminum foil, and keys near 9-volt batteries. If these items touch the two posts, there is a greater risk of a fire starting.
- » Weak batteries may have enough charge to cause a fire. Some fires have started in trash when 9-volt batteries were thrown away with other metal items.

Storing 9-volt batteries

- » Keep batteries in original packaging until you are ready to use them. If loose, keep the posts covered with masking, duct, or electrical tape. Prevent the posts from coming in contact with metal objects.
- » Keep them someplace safe where they won't be tossed around.
- » Store batteries standing up.
- » 9-volt batteries should not be stored loose in a drawer. Do not store them in containers with other batteries.

Disposal

- » 9-volt batteries should not be thrown away with trash. They can come in contact with other batteries or pieces of metal.
- » 9-volt batteries can be taken to a collection site for household hazardous waste.
- » To be safe, cover the positive and negative posts with masking, duct, or electrical tape before getting rid of batteries.
- » Some states do not allow any type of battery to be disposed of with trash. Check with your city or town for the best way to get rid of batteries.



Provided by NFPA Public Education Division

TIPS FOR HIRING A

CONTRACTOR

Before you hire a contractor, the Department of Labor and Industry suggests the following:

- » ask for the contractor's license number and contact the Department of Labor and Industry at (651) 284-5069 or 1-800-342-5354 to verify the builder is currently licensed and to find out if they have a disciplinary history; (The status of a contractor's license can also be verified by using DLI's Licensing/Certificate search.)
- » ask the contractor how long and where they have been in business;
- » ask for references and check with former customers to see if they were satisfied with the work;
- » ask for a Minnesota business address other than a post office box;
- » ask for a local phone number where the contractor can be reached during normal business hours;
- » check the contractor's litigation history on the state court system's website at <http://pa.courts.state.mn.us/default.aspx>.

Avoid contractors that:

- » arrive in an unmarked truck or van;
- » ask you to sign an estimate or authorization before you have decided to actually hire them;
- » appear to be willing to do the job at an unusually low price;
- » offer to pay your deductible or offer you discounts or other compensation for hiring them;
- » only provide a post office box for their business address;
- » require full or substantial payment before work begins;
- » refuse to provide you with a written estimate or contract;
- » refuse to provide you with a license number issued by the state of Minnesota;
- » refuse to provide you with references;
- » show up at your door unsolicited; or
- » use high-pressure sales tactics.

Before you sign a contract, make sure it includes:

- » a detailed summary of the work to be done;
- » a description of materials;
- » the total contract price or how the price will be calculated; and
- » specific timelines and provisions that address what will happen if the contractor fails to meet the contractual deadlines;

Regulation is in place to protect homeowners entering into contracts with roofers. With certain restrictions, homeowners are allowed to cancel a roofing contract if their insurance company denies the claim.

For additional information please visit the Department of Labor and Industry's website at: <http://www.dli.mn.gov/CCLD/RBCCConsumer.asp>.



Smoke Alarms Save Lives

Have you checked your smoke alarms lately? How many smoke alarms are in your home? Is there a smoke alarm outside of every bedroom in your home? Are there batteries in your smoke alarms? Are the batteries working? Are your smoke alarms more than 10 years old? If you are unsure about any of these questions, it's time to check. Your smoke alarms should be checked regularly. For example, when you change the clocks, change the batteries and test your smoke alarms.

A smoke alarm can save your life. Fire can spread so quickly through your home that you may have as little as two minutes to escape safely once a smoke alarm sounds. Most fire deaths happen at night while people are sleeping and contrary to popular belief, the smell of smoke may not wake a sleeping person. The poisonous gases and smoke produced by a fire can numb the senses and put you into a deeper sleep.

In addition to smoke alarms, every family should have a fire escape plan. Draw a floor plan of your home. Show at least two possible exits from each room. Decide if anyone will need help to escape such as young children or older adults. Choose a meeting place for your family outside and always remember to call 911 from outside of your home. Remember that where there is a fire, get out and stay out! Practice your fire drill at least twice a year so that you and your family are always familiar with the routine. Creating a fire escape plan on paper is a great way to get children involved in fire safety in a non-threatening way.

We hope that you never have to endure a fire in your home but if you do, be safe, have smoke alarms throughout your home and know your way out.

Spring Clean! Think Fire Safety!

As you are cleaning out this spring, don't forget about fire safety.

- » Test your smoke alarms, and replace any alarms that are 10 years old or older.
- » Test your carbon monoxide alarms, and replace any alarms that are 7 years old or older.
- » Check your dryer vents and clean the hosing.
- » Clean clutter inside and outside your home.
- » Check the cords on your appliances. If any are cracked or frayed, repair or replace them.
- » Practice your home fire escape plan.

For more information and free resources, visit www.usfa.fema.gov.

Fairmont Farmers

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