

Vol. 7, No. 2--May 2014

# THE HOME AGENCY

thehomeagency.com



# President's Thoughts



## FROM THE DESK OF JIM BALDONADO...

**G**reetings! Oh, what a sales season it was! It all started the last week of January in Gothenburg, NE and we ended March 3<sup>rd</sup> in Agra, KS. In between those two meetings were 26 more and around 9000 miles.

Being in the business for 28 years, these meetings never get old. It's great to see some old friends that I only get to see once or maybe twice a year.

This year I was able to get in front of a lot of new people through our association with Plains Equipment Group and the First State Agencies in and around Lincoln. At every one of those meetings, someone would always say, "You're that guy on the radio," which I always enjoy hearing.

Dewey Nelson, KRVN, and I have been doing our spots on the radio for 17 years now. How many of you remember when those spots were five minutes long? I sure do, as it was real hard to talk about something for five minutes. They then turned to three minutes and now to our one-and-a-half minute format. When we started those spots I was the only person doing spots like that and all of the rest of the ads were done by KRVN staff. The only other people to talk on the radio back then were Sammy Tepy from the Sale Barn and Laddy Wilson from Kansas City doing the markets. What's funny, all three of us have Wauneta, NE ties. For those that know both Sammy and I, can you envision us dressed up in our altar boy outfits? We did a lot of that together. Over time, some things change, and some stay the same. Laddy and Sammy are still doing their spots on KRVN. I can be heard not only on KRVN, but other radio stations in Colorado and

Kansas. Radio has been good to us at The Home Agency and many of you reading this are with us because you heard me on the radio years ago. I tell everyone that if it wasn't for the staff that I have and radio, I don't know what I would be doing for a living. Thank God for both!

Something else I enjoyed seeing this year is some of the younger people wanting to do what I do. They're still young enough and have no fear, so getting up in front of 50 people is no big deal. Arlyn Rieker does a great job when talking on the radio or in front of a group of people talking about LRP. We are one of the largest writers in the nation selling Livestock Risk Protection. The reasons why: we know what we are talking about and we do it at night. Most of you know it has to be sold after 3:30pm and before 9:00am the next day. Most of our competitors don't have business hours past 4 or 5 in the afternoon. As you know we are not getting any younger and to have the younger people eager to learn and want to travel is making it a lot easier for me.

For over 20 years Sharri has been serving prime rib at our spring dinner meetings, and I bet she can't wait for the day that one of the girls starts doing it for her. There is no doubt they could, but I don't see it happening any time in the near future. Thanks a bunch, Sharri, and please keep it up for a few more years!

Hail season is right around the corner, so when reading this be expecting a call to review your hail needs. At the time of this writing we are up 40-50 cents from when we set the base price

**There are 1,940,000 cows in Nebraska.**

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**KRVN** Lexington  
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**KTIC** West Point

back in February, so let's get together and visit about how you want to protect your uninsured bushels.

Also be thinking about a weather contract from eWeather-Risk. If we don't start getting moisture soon, it could be a long hot summer. In most areas in the Mid-West we are well below 2011-2012 numbers for the first three months of the year.

#### EWEATHER

In 2011 we started writing weather contracts from eWeather-Risk and boy am I glad we did. These contracts are products that you just don't see anywhere. You can purchase contracts for too much heat, drought, excess precipitation, freeze, and cold/cool season. Remember, you have to purchase these contracts 15 days in advance and each weather station has a \$500,000 limit. You can purchase one weather station or do what we call a basket, which is from 2-4 stations.

When writing this article the 1<sup>st</sup> of April we are already getting a number of calls for lack of precipitation on the pastures and winter wheat. If we don't have some moisture soon it will be really hard to get too excited about planting non-irrigated crops.

In eastern Nebraska and eastern Kansas where there are a few more people that purchase enterprise units on their Multi-Peril crop insurance policy and have both irrigated and non-irrigated crops; they really need to look into lack of precipitation contracts because their non-irrigated crops may burn up but their irrigated may do well, which could push them out of a claim because they have Enterprise Units.

Looking at precipitation for the first three months of this year we are right in line with where we were in 2011 and 2012 and some areas have received even less. With cattle prices going up and up and up, we need moisture on our pastures or farmers will be lacking in feed come this summer.

With a lack of precipitation contract, if you don't get the moisture at the weather station or stations that you choose, you get a payment from eWeatherRisk. This can go a long way in helping you off-set your additional feed costs. And what would be even better is to get the precipitation during that time you choose and you don't have a payment, but you have the moisture to make things grow.

Just remember, you have to purchase these contracts 15 days in advance, so when reading this article the first week of May and it's hot out and the wind is blowing 50 mph, **again**, call us and let us show you what a lack of precipitation or heat contract can do for you.

*Continues on the next page...*

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### FARMERS ALLIANCE ADVANTAGE AWARD

The Farmers Alliance Companies in McPherson, Kansas, have announced that The Home Agency in Elwood has been named a **FARMERS ALLIANCE ADVANTAGE AGENT** for 2014.

To qualify as an **ADVANTAGE AGENT**, an agency must exhibit superior professionalism and profitability over five consecutive years. **ADVANTAGE AGENTS** are recognized by Farmers Alliance as the "best of the best". To reach this level of distinction is a reflection of this agency's commitment to their customers and their community. Congratulations to The Home Agency for this achievement.

The Farmers Alliance Companies are represented by independent agents, and serve eight states. Farmers Alliance was established in 1888 and writes a full range of property and liability insurance for homes, farms, and commercial businesses.



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## PRODUCTION HAIL

This year we have associations with a number of new locations, and I find it hard to believe sometimes that producers have not been shown Production Hail. So they don't understand what we are talking about, but once we show them, they like what they see.

What you are seeing in the two charts, Chart 1 shows HPP plans 110-115-120. I highlighted the cost for the hail only, at the 120 plan, which is \$19.12 in Howard County, NE. I also highlighted how a 10% loss would pay out on all three plans.

Looking at the HPP plans first, let's say you purchased the 120 plan and had a 10% wind or hail loss. If you harvest 179.3 or less you would be paid \$92.03. The reason you would not want to buy the 110 plan is that it's the same field, same loss and harvested the 179.3 bushels you would collect  $183-179.3=3.7$  bushels times  $4.62=\$17.09$ . Sure you saved \$3.34 in premium, but it costs you \$74.94 in a loss payment.

I also like our Quoter because it shows that if you have a 3.15% hail or wind loss it pays for all your hail-wind and extra harvest expense premium. It doesn't take much hail or wind to have a 3.15% loss.

What I like to do is show the HPP plans on Chart 1 versus the Companion plans on Chart 2. As you can see, I spent the same premium of \$19.12 on all plans on both charts.

I also highlighted the 10% losses on Chart 2. On Chart 1, a 10% hail loss with the HPP 120 plan will pay \$92.03 if you harvest 179.3 bushels or less, but on Chart 2 the best payout is \$38.24 under the Basic Hail plan and you spent the same money. Now which one would you buy?

Some of our competitors will come back with, "Yeah, but you can grow yourself out of a claim on the HPP plans," and I say, "So, what! The farmer would rather have the bushels than the hail payment any day."

HPP plans are the product of choice on almost all crops. Depending on your APH's in drought stricken areas we may have to go with a different type of hail policy, but with our Hail Quoter you will easily see which one you want to purchase.

## FAMILY

As in years past as soon as March 15<sup>th</sup> has passed and spring sales season is over, it is time for me to head to the mountains. I love to snow ski and every year I get to ski with my three girls, Sara, Morgan, and Megan. Hopefully next year, my oldest grandson Hudson will join us.

This year Hudson took a lesson from my good friend, Patrick, who has been giving lessons on Keystone



Mountain for over 20 years. He did a great job and after a couple more lessons next year he will be ready to go!

Axten is only 16 months so skiing is not in his near future; although, we had Hudson on skis at 23 months! Axten likes staying at the condo with Grandma and Tank. He climbs on Tank's back and rides him like he would a pony. Tank is so good with him. It doesn't matter what Axten does to him, it's ok.

The grandsons were out at our house the middle of April for a few days and the weather was warm enough to try and catch a few fish one of the days. Hudson's got the hang of it, but Axten can't sit still long enough to get a bite. Oh, well, maybe next time!

A few pages back in this magazine, you will see Sara on the cover of Corn & Soybean Digest. A number of you noticed it when you got your magazine back in February. It was a great picture and also a great article. And yes, Sara, you are one up on me for the time being!

Well, planting season is upon us, so take your time and be careful. Remember there is always another day and we want to be in it! ■

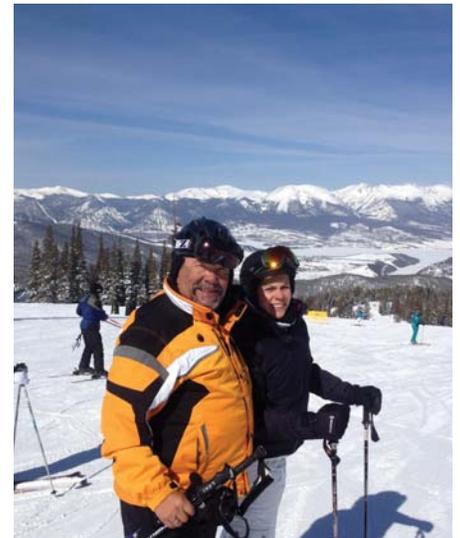


Chart 1-HPP Plans		View Field						Plans
Plan		110		115		120		
Rate		5%		5%		5%		
HPP Bushel Guarantee/Acre		183		191		199		
MPCI + Hail \$ Coverage/Acre		\$843.61		\$881.96		\$920.30		
Hail \$ Coverage / Acre		\$268.42		\$306.77		\$345.11		
HPP Rate / \$100		\$5.88		\$5.47		\$5.54		
HPP Premium / Acre		\$15.78		\$16.78		\$19.12		
HPP + Green Snap End Premium/Acre		\$22.63		\$24.60		\$27.92		
HPP + Green Snap End w/ EHE Premium/Acre		\$23.43		\$25.52		\$28.96		
% Loss Required To Get Your Hail Premium Back		1.87%		1.90%		2.08%		
% Loss Required To Get Your Hail+Green Snap End Premium Back		2.68%		2.79%		3.03%		
% Loss Required To Get Your Hail+Green Snap w/ EHE Prem. Back		2.78%		2.89%		3.15%		
1% Loss	180.8	\$8.44	189.0	\$8.82	197.2	\$9.20		
2% Loss	178.9	\$16.87	187.1	\$17.64	195.2	\$18.41		
3% Loss	177.1	\$25.31	185.2	\$26.46	193.2	\$27.61		
4% Loss	175.3	\$33.74	183.3	\$35.28	191.2	\$36.81		
5% Loss	173.5	\$42.18	181.4	\$44.10	189.2	\$46.02		
10% Loss	164.3	\$84.36	171.8	\$88.20	179.3	\$92.03		
15% Loss	155.2	\$126.54	162.3	\$132.29	169.3	\$138.05		
20% Loss	146.1	\$168.72	152.7	\$176.39	159.4	\$184.06		
25% Loss	137.0	\$210.90	143.2	\$220.49	149.4	\$230.08		
30% Loss	127.8	\$253.08	133.6	\$264.59	139.4	\$276.09		
35% Loss	118.7	\$268.42	124.1	\$306.77	129.5	\$322.11		
40% Loss	109.6	\$268.42	114.5	\$306.77	119.5	\$345.11		
45% Loss	100.4	\$268.42	105.0	\$306.77	109.6	\$345.11		
50% Loss	91.3	\$268.42	95.5	\$306.77	99.6	\$345.11		

Chart 2-Companion Plans		View Field						Plans		
Plan		COMP 2		COMP 2+		COMP 3		BASIC	DXS10	
Rate/\$100		\$6.10		\$6.70		\$8.25		\$5.00	\$3.15	
Cov/Acre		\$313.44		\$285.37		\$231.76		\$382.40	\$606.98	
Prem/Acre		\$19.12		\$19.12		\$19.12		\$19.12	\$19.12	
With Wind		\$23.82		\$23.40		\$22.60		\$24.86	\$28.22	
Wind + EHE		\$24.76		\$24.26		\$23.29		\$26.00	\$30.05	
1% Loss	1.00%	\$0.00	1.00%	\$2.85	1.00%	\$0.00	1.00%	\$3.82	1.00%	\$0.00
2% Loss	2.00%	\$0.00	2.00%	\$5.71	2.00%	\$0.00	2.00%	\$7.65	2.00%	\$0.00
3% Loss	3.00%	\$0.00	3.00%	\$8.56	3.00%	\$0.00	3.00%	\$11.47	3.00%	\$0.00
4% Loss	4.00%	\$0.00	4.00%	\$11.41	4.00%	\$0.00	4.00%	\$15.30	4.00%	\$0.00
5% Loss	5.00%	\$0.00	5.00%	\$14.27	5.00%	\$0.00	5.00%	\$19.12	5.00%	\$0.00
10% Loss	10.00%	\$31.34	10.00%	\$28.54	10.00%	\$34.76	10.00%	\$38.24	10.00%	\$0.00
15% Loss	15.00%	\$62.69	15.00%	\$57.07	15.00%	\$69.53	15.00%	\$57.36	15.00%	\$38.24
20% Loss	20.00%	\$94.03	20.00%	\$85.61	20.00%	\$104.29	20.00%	\$76.48	20.00%	\$75.87
25% Loss	25.00%	\$125.38	25.00%	\$114.15	25.00%	\$139.05	25.00%	\$95.60	25.00%	\$114.11
30% Loss	30.00%	\$156.72	30.00%	\$142.69	30.00%	\$173.82	30.00%	\$114.72	30.00%	\$151.75
35% Loss	35.00%	\$188.07	35.00%	\$171.22	35.00%	\$208.58	35.00%	\$133.84	35.00%	\$189.99
40% Loss	40.00%	\$219.41	40.00%	\$199.76	40.00%	\$231.76	40.00%	\$152.96	40.00%	\$227.62
45% Loss	45.00%	\$250.75	45.00%	\$228.30	45.00%	\$231.76	45.00%	\$172.08	45.00%	\$265.86
50% Loss	50.00%	\$282.10	50.00%	\$256.84	50.00%	\$231.76	50.00%	\$191.20	50.00%	\$303.49
55% Loss	55.00%	\$313.44	55.00%	\$285.37	55.00%	\$231.76	55.00%	\$210.32	55.00%	\$333.84
60% Loss	60.00%	\$313.44	60.00%	\$285.37	60.00%	\$231.76	60.00%	\$229.44	60.00%	\$364.19
65% Loss	65.00%	\$313.44	65.00%	\$285.37	65.00%	\$231.76	65.00%	\$248.56	65.00%	\$394.54
70% Loss	70.00%	\$313.44	70.00%	\$285.37	70.00%	\$231.76	70.00%	\$267.68	70.00%	\$424.89
75% Loss	75.00%	\$313.44	75.00%	\$285.37	75.00%	\$231.76	75.00%	\$296.36	75.00%	\$470.41
80% Loss	80.00%	\$313.44	80.00%	\$285.37	80.00%	\$231.76	80.00%	\$325.04	80.00%	\$515.94
85% Loss	85.00%	\$313.44	85.00%	\$285.37	85.00%	\$231.76	85.00%	\$353.72	85.00%	\$561.46
90% Loss	90.00%	\$313.44	90.00%	\$285.37	90.00%	\$231.76	90.00%	\$382.40	90.00%	\$606.98
95% Loss	95.00%	\$313.44	95.00%	\$285.37	95.00%	\$231.76	95.00%	\$382.40	95.00%	\$606.98
100% Loss	100.00%	\$313.44	100.00%	\$285.37	100.00%	\$231.76	100.00%	\$382.40	100.00%	\$606.98



# Crop Insurance Corner

## CROP INSURANCE NOTES

By Cindy Davis

It is officially spring as I'm writing this article in late March, and we welcomed it in with a winter storm and a couple of inches of wet snow here in Nebraska. It may not have been the best first days of spring, but the moisture was sure a welcomed sight. It was once again a very mild winter for us and unfortunately not what the drought-stricken ground needed. The spring season always has a way of bringing new hope and anticipation though, at least for me. Watching the colors change from a dull, dreary brown to a rich, radiant green, seeing the baby calves playing in the fields, and awaiting the new flowers as they start to make their way through the soil, all somehow seem to bring about a revived spirit. With any luck, these changes brought with them much needed moisture, as producers prepared for planting.

The 2013 crop year lingered well into the first quarter of 2014 as companies did their best to complete another year of non-stop claims. The total number of claims and indemnities paid may not be close to the record setting year of 2012, but they sure held their own showing once again how vital crop insurance is to the American producers. Let's hope that 2014 does not follow in the footsteps of the prior two years and producers are able to grow bumper crops this year.

### 2014 WHEAT

Speaking of the 2014 crop year, some producers may soon be facing tough decisions on their 2014 wheat, especially in drought stricken areas. First, unless your acres were short-rated, never destroy the crop before you contact your agent and have spoken to an adjuster. Any wheat acres that were short-rated back in March need to be destroyed prior to harvest. If you are taking your wheat to harvest, below are the options you will have if there is a loss or if you have an appraisal done on the crop (assuming

you do NOT qualify for double-cropping status in your operation):

- Take 35% of the wheat payment and insure the second crop (If the second crop qualifies for coverage – in some areas it may not, particularly NI acreage), pay 35% of premium. If there is a loss on the second insurable crop, collect that loss or collect the remainder of the wheat loss and pay the additional 65% of wheat premium.
- Take 100% of the wheat payment and do not insure a second crop.
- Take 100% of the wheat payment and don't plant a

second crop. If the 2014 wheat was insured as Summer Fallow practice, is destroyed by June 1<sup>st</sup>, and any later growth is controlled by mechanical or chemical means, the acreage will qualify as Summer Fallow for 2015.

In no case will you collect more than 135% of crop indemnities on two insured crops in the same crop year.

### 2014 ROW-CROP

Another Sales Closing Deadline has passed us by. Back in March you should have made any changes needed to your 2014 Row Crop policies. Several new products were introduced with 2014 spring sales season. Added Price Option (APO), Harvest-Max and PriceFlex were three new products we offered this year, and after the base prices were set during the month of February, many producers took advantage of these to supplement their Multi-Peril Coverage. The chart below will show the prices set in February, along with the tracking dates for the Harvest Prices. Before long the fields and highways and farmsteads will be buzzing with activity. Planting will be in full swing. The days will be getting longer; the nights shorter, and we will all be doing our best to squeeze as much into the days as possible. We wish you all a safe and productive planting season and will pass along a few things to keep in mind during this busy time.

- Initial and final plant dates could vary between counties/states. Check with your agent to find the correct dates for your crops and counties. Planting a crop prior to the initial plant date will surrender any possible replant payment, un-

2014 Spring Crop Prices & Harvest Tracking Dates			
Crop	States	Projected Price Set-Yield Protection (YP) and Revenue Protection (RP)	Harvest Price Tracking Dates-Revenue Protection (RP)
Corn	CO, IA, KS, NE, SD	\$4.62	Dec Corn CBOT Oct 1-Oct 31
Grain Sorghum	CO, IA, KS, NE, SD	\$4.46	*Dec Corn CBOT Oct 1-Oct 31
Soybeans	CO, IA, KS, NE, SD	\$11.36	Nov Sbean CBOT Oct 1-Oct 31
*Multiplied by the price percentage relationship between grain sorghum and corn as determined by RMA.			

less you have purchased a supplemental Replant Coverage policy.

- If you will be electing prevented planting on any of your acres, be sure to contact your agent in a timely matter. You must give notice to your agent **within 72 hours after the final planting date for the crop in your county**. Don't wait until acreage reporting time to let your agent know – this could jeopardize any possible indemnity.
- If you need to replant any acres, be sure to let your agent know **prior** to replanting. Your agent needs to turn in a replant loss and get an adjuster in contact with you before the actual replanting occurs. The same procedures will apply this fall, if you will be chopping any acres for silage. Give your agent a few days' notice so an adjuster will have time to appraise the acres, if needed.
- Precision Farming – if you will be utilizing this technology for your crop insurance program, your **records need to begin with planting**. There are a number of rules and factors involved in order for these records to be acceptable. These rules have been outlined in several previous issues of *The Home Agency* magazine. If you have any questions regarding Precision Farming technology as it relates to your crop insurance, give your agent a call today.

As you begin to spend long hours in those tractor cabs, also keep in the mind the very unpredictable months approaching, the severe weather season. Your hail coverage will need reviewed very soon, if you haven't already done so. Depending on the type of coverage you had last year, your coverage could soon be expiring. Give your agent a call today to get your hail coverage in place and enjoy the peace of mind and restful nights when those storm clouds pop up out of nowhere!

#### ACREAGE REPORTING

The next crop insurance deadline will be Acreage Reporting Deadline. The deadline for Nebraska, Colorado, Kansas, Iowa and South Dakota is July 15<sup>th</sup>, 2014. Be sure to get in to see your agent before this date. Your agent will need **all** acres reported; both insurable and uninsurable acres, planted and prevented planting acres, along with plant dates and shareholders. Be sure to include any newly acquired ground that may not show on your pre-printed acreage reporting form. We can't stress enough how important this reporting is, a simple mistake could jeopardize coverage and prove to be very costly. Make sure you double-check your acreage report and all of the information on it before you sign. Your acres should match up to what you report at FSA. It has been very helpful in the past if you bring your map books with you when you report acres.

#### FARM BILL

On February 7<sup>th</sup>, 2014, U.S. President Barack Obama signed the Agricultural Act of 2014 and the long awaited Farm Bill was finally signed into law. Many questions now arise as to how the new legislation will affect crop insurance. I would like to outline some of the new features and changes we will be seeing in the future, knowing that many of the new programs are still a work in progress and the details could change. These changes will not be in effect until the 2015 crop year or later.

First of all, the direct and countercyclical payment programs and the ACRE (Average Crop Revenue Enhancement) program from the 2008 Farm Bill have been eliminated. Taking their place will be two new programs in which a producer will have the option of choosing only one. The first program is called **PLC (Price Loss Coverage)**, which will make a payment to a producer when the market price for a covered crop is below a fixed reference price. The second program is called **ARC (Agriculture Risk Protection)**. The ARC program will make a payment when either the farm's revenue from all crops or the county's revenue for a crop (the farmer may choose which alternative) is below 86% of a predetermined or benchmark level of revenue. The maximum coverage is 10 percentage points (76% to 86% of benchmark revenue). Both of these programs are designed to supplement crop insurance by providing assistance in periods of multi-year price declines and by helping producers cover the crop insurance deductibles. These two programs will be administered by the FSA (Farm Service Agency) and will cover 2014 and the next four years and hope to be available for sign-up sometime after August of 2014. It should be noted that the choices made between these two programs could affect the availability of other programs, as detailed below.

Another new program, which will work in conjunction with your underlying individual crop policy and be administered by RMA and the crop insurance companies, is called **SCO (Supplemental Coverage Option)**. It provides producers with the option to purchase area coverage in combination with an underlying

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policy. SCO is scheduled to be available for sale beginning with the 2015 crop year on a county-wide level. SCO indemnities are triggered if losses in the area exceed 14% of expected levels, with SCO coverage not to exceed the difference between 86% and the coverage level selected by the producer for the underlying policy. **SCO coverage is not available for crops enrolled in ARC.** Producers who purchase SCO will pay 35% of premium and USDA will subsidize the other 65%. The big distinction between ARC and SCO is that SCO does not have a payment cap. SCO is exclusively a county-wide policy and pays based on county revenue.

The next new program, also set to begin for the 2015 crop year, is called **STAX (Stacked Income Protection Insurance)**. STAX is for upland cotton acreage only, as **cotton producers are not eligible for ARC or PLC.** STAX is an additional area revenue plan that a cotton producer may use alone or in combination with an underlying policy or plan of insurance. STAX covers revenue losses of not less than 10% and not more than 30% of expected county revenue. An indemnity is paid based on the amount that expected county revenue exceeds actual county revenue as applied to the individual coverage of the producer, except that indemnities may not include or overlap the producer's selected deductible. Producers receive a premium discount equal to 80% of the STAX premium.

One big feature producers have been inquiring about will come to be in 2015. Producers will be able to have separate coverage levels for irrigated and non-irrigated acres. The Farm Bill also makes permanent the higher premium subsidy for enterprise units, and allows for separate enterprise units for irrigated and non-irrigated crops. This will help the issue of producers suffering from the loss of insurable coverage due to continuous low yields in disaster years. Another new aspect relating to crop insurance will be the ability of producers to exclude any year from their insurable production (APH) when the entire county is 50% below the 10-year average yield.

The new Farm Bill will also include help for beginning farmers, one who has not actively operated and managed a farm with an insurable interest in a crop as an owner-operator, landlord, or tenant or had a share in a crop for more than five years. A beginning farmer will receive a premium discount that is 10% greater than would otherwise be available (except for CAT coverage). Beginning farmers may also have available to them higher insurable yields than traditional farmers.

The final change I will discuss in this article is the highly debated conservation compliance. The Farm Bill requires conservation compliance with highly erodible land and wetland conservation practices to be eligible for premium subsidies when purchasing crop insurance. A producer not previously subject to this requirement for commodity program eligibility will have five years to develop an approved conservation plan. A producer previously subject to the requirement and who is currently in violation of highly erodible land conservation has two years to develop and comply with a conservation plan. The ineligibility language would only apply after a final determination has been made

and only applies to subsequent crop years. This does not mean a producer found ineligible cannot buy crop insurance, but that they cannot receive premium subsidy. Conservation compliance also contains language that a producer is ineligible for premium subsidy if the producer converts wetlands by draining or other means to make them farmable. Another provision listed under the conservation language is the "sod-buster" legislation. This legislation reduces crop insurance benefits for farmers who plow native sod. Under this provision, the producer would receive only 65% of the transitional yield in the county for the crop, for the first four years of production, as well as a 50% reduction of premium subsidy. This "sod-buster" provision only applies to farmers in Iowa, Minnesota, Montana, Nebraska, North Dakota and South Dakota.

As you can see, there are many changes coming our way very soon. The items I listed above are by no means all of the additions or changes to crop insurance, but are intended to touch on some of the key issues and give you an insight of what the future is bringing. There could, undoubtedly, be alterations or additions to all these new programs by the time they are put into effect, but we will keep you informed as the 2014 Farm Bill is administered. Much of the information above was taken from the website [www.cropinsuranceinamerica.org](http://www.cropinsuranceinamerica.org). The article: Crop Insurance – Just the Facts is a great piece that will answer many questions from the new Farm Bill changes to why private sector delivery is so important. If you haven't been to this site yet, it is definitely worth your time. ■

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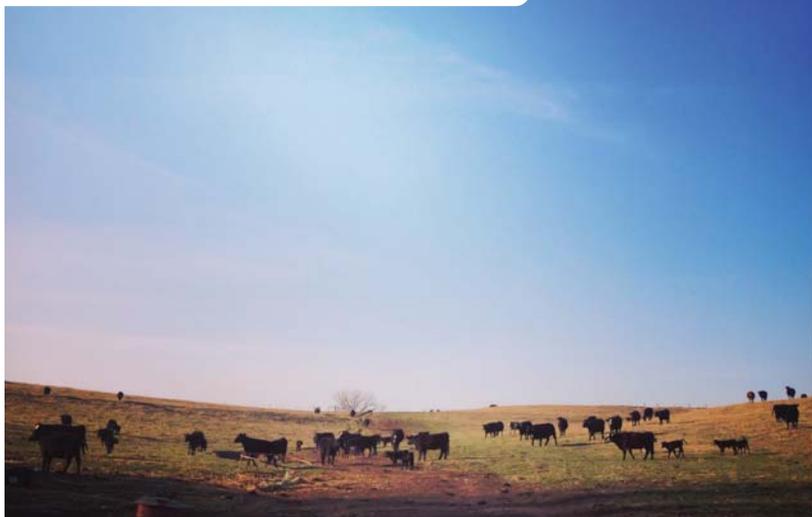
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# Cattle News



## RECORD PRICES: PRICE PROTECTION

By Arlyn Rieker

Spring is upon us and with it brings both many similarities and changes from the past year. Once again we started the spring attending the Cattlemen's Classic in Kearney. This is always an exciting time for me to visit with many producers, whether they are seed stock suppliers or commercial cattlemen. In conjunction with the Classic, we attended the 'Classic on the Road' meetings in seven different locations from Columbus to North Platte to help "kick off" the event.

Livestock Mortality coverage has been busy this spring for Julie, Lori, and Corbett. They attended production sales for Randy Lempke, Spring Valley Farms, Plateau Red Angus, and Hueftle Cattle Company. This is a great opportunity for us to meet with our friends and clients and help sponsor and return the loyalty they have committed to us. Thank you to all of you for allowing us to be a part of your day.

Additionally, LRP has been an active option also for cattle producers. Fall coverage in 2013 for 5.99# steers was in the range of \$175- \$177/cwt. This year we are writing fall coverage for the same weight steer at \$196.65/cwt and are close to getting above \$2.00/cwt. I would have never thought coverage would be in this range. Producers are putting a floor on these record highs by writing LRP contracts at these levels. Give the office a call and we will be happy to visit with you about writing coverage for your calves.

Just a couple of the many things I enjoy are seeing what is new in agriculture and following the young people in our community and where their education takes them. I have been following Jordan Deterding and asked him to tell us where his agriculture degree has taken him. What follows is a short summary of his adventure following school.

"My name is Jordan Deterding, and I am originally from Eustis, Nebraska. I went to high school at Eustis-Farnam Public School where I graduated in May 2011. I proceeded to Southeast Community College where I studied for my associate's degree. In order to graduate from SCC College, I needed to complete a three-month paid internship. So the search began. I sent out a few emails and cover letters. I received a call from my mom asking if I wanted to go to Russia. Scott Nielsen had put in a good reference for me and had given me Erik Burken's phone number. I didn't waste any time calling Erik, and he hired me over the phone and told me I would be leaving the 21<sup>st</sup> of March.

Packing for the first time was hard. I was told the weather would be like early March here, so I packed for what I considered chilly, but not cold. I boarded the plane in Omaha and proceeded to Minneapolis, then New York, and finally Moscow – a total of fourteen hours in the air. Once in Russia I was put to work calving heifers and checking pairs, it was all done on horseback. We would put in twelve hours in the saddle and then sometimes help the night crew pull calves. Once calving started to slow we started spring vaccinations, the same as here in the U.S., but we were teaching Russians. Instead of having a well-educated processing crew, we had three Americans to guide and 12 Russians that needed guidance. Before I left, Erik asked if I would be interested in coming back. Seeing the opportunity, I chose to return to work at the feedlot.

The feedlot has been my place of work now for nine months. We are currently building the feedlot, so construction is annoying and is not necessarily convenient. I have four vets that work on the feedlot with me (two women and two men). We also have a cattle crew that consists of approximately eight other individuals. Working at the feedlot is very similar to a feedlot here. My day usually consists of reading bunks, making ration changes, putting a processing schedule in order, shipping cattle and/ or receiving cattle, and helping diagnose sick cattle; however, the quarantines are hard to work a vaccination schedule around, and I need to speak Russian.

To give an overview of our company, it consists of six ranches and a feedlot, plus our own packinghouse will be completed this year. The feedlot will have a maximum capacity of 20,000 head when complete.

Overall, Russia has been an extremely good opportunity for me. It has a lot of potential in the beef industry, and I'm glad I've been there to be a part of it. Also, helping bring modern techniques and technology to them is fun and exciting and it will be interesting to see how Russia will play in beef markets in the near future."

Thank you, Jordan, and I look forward to visiting with you more in the future. (Jordan left on March 24, 2014, to head back to Russia.) ■



## DATA COMPROMISE COVERAGE

By Corbett Hahn

**B**y now you've probably heard about the data breach that happened at Target stores during the last Christmas buying season. You may have even been a victim of that breach. These types of crimes are becoming much too commonplace in business. But if you're a business owner, how can you protect yourself should this ever happen to you?

If you are a business that collects credit/debit account numbers, driver's license information, social security numbers, or other sensitive information, you are a possible target for a data breach. A data breach occurs when your customer's personal data or information is lost, stolen, or accidentally made public. According to Columbia Insurance Group, one of our insurance providers, more than 150 million personal records are lost or stolen each year. They also note that data breaches are up 69% and that around 50% of small businesses have experienced a data breach. In 44 states, including Nebraska, Colorado, Kansas, and Iowa, a response to a data breach is mandatory by the business. This means that it is the business owner's responsibility to respond to each customer.

So how do data breaches occur? Here is a list of some of the common ways that data breaches can occur:

- Lost file or portable media disk
- Exposure on a non-secure website
- Account or social security numbers inadvertently printed on mailings
- Files dumped instead of being shredded
- Laptop thefts
- Electronic hacking
- Dishonest employees

A data breach can have a severe impact on a business. The business can be fined for failure to comply with applicable laws. There is a cost for the compliance with state laws. The business and customer relationship can be damaged and the business can

suffer from a bad reputation and ultimately lose business. Unfortunately, most small businesses don't have a plan in place for responding to a data breach, most don't have adequate protection from data breaches, and most have no applicable insurance coverage.

Insurance companies have started to offer data compromise coverage as an option on most business policies. The following is a list of what coverage is included in a data compromise policy:

- Pays costs for legal review and forensic information analysis
- Covers costs to notify individuals affected by a breach, including:
  - Assistance for clients
  - Credit monitoring
  - Identity restoration case management for identity theft victims
- Covers cost of assistance services for affected individuals
- Legal review coverage
  - Pays for legal counsel to review facts and advise appropriate course of action
  - Reviews statutory obligations by state
  - Reviews non-compliance fines and penalties
- Information Technology review coverage

As you can see, data compromise coverage provides a lot of value to your business. If you are interested in learning more, please contact one of our agents listed on the back of this publication. ■



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## Share your stories

8



- 22 Corn populations put to the test
- 28 Farmers grow cellulosic ethanol
- 36 Track VR corn costs per bushel
- 48 No-till corn yield secrets

SCAN  
& READ



ONLINE

As a CommonGround volunteer at public and online venues, Sara Ross is a farmer who can answer consumers' food-production questions. Sara, husband Kevin, and sons Hudson, 3, and Axten, 1, raise corn, soybeans, alfalfa and pasture, and operate a 75-head cow-calf operation near Minden, Iowa.



# Telling farm stories, personally

These farm women make a difference with consumers through conversation.

By **Jim Ruen**

**F**or the past three years, a select cadre of farm women has volunteered to personally connect consumers around the country to farming. More than 110 members strong and representing 16 states from Delaware and South Carolina

to North Dakota and Colorado, the women of CommonGround have logged tens of thousands of visits with non-farmers, as well as trained peers. They use social media, traditional media and in-person visits to initiate conversations about food and food producers.

CommonGround is a joint initiative of the National Corn Growers Association and the United Soybean

Board, along with state affiliates. Since the initiative was introduced in 2011, these volunteers have worked hard to get the farm and food message out to consumers.

CommonGround participants recently appeared in a miniseries on "The Balancing Act," a morning talk show on the Lifetime channel, and recorded more than 6.4 million impressions. Members have conducted more than 161 million "conversations" with consumers. Their

national Facebook page alone has almost 25,000 followers, and each state page adds to that. In addition to social and other media events, the states involved in CommonGround have hosted an average of 125 special events each year.

The women of CommonGround share their expertise with each other and with audiences around the country as they educate, inform and communicate about agriculture. Sara Ross, Minden, Iowa, and Kristin Reese, Baltimore, Ohio, have been members of CommonGround since its inception.

Ross helps her husband, Kevin, on the 600-acre family farm with its row crops and 75-head cow-calf herd; raises two young sons; and works with her dad's independent insurance agency. Her schedule didn't stop her from responding positively when the Iowa Corn Growers Association told her about CommonGround.

"My husband was ICGA president-elect at the time, and we saw that when others told the farm story, it was not always accurate," says Ross. "We thought having farmwives reach out to their urban counterparts was

a good way to educate consumers."

In the three years since, Ross has done her share telling the story. Through her blog ([www.sarashousehd.com](http://www.sarashousehd.com)) and other work in social media, personal appearances and more, she creates an opportunity for dialogue with strangers. In return, they often comment and ask questions, giving Ross the opportunity to respond and help them better understand agriculture.

### Understand their point of view

"I'll try to strike up a conversation to explain our point of view and understand theirs," says Ross. "Most of the time, it doesn't get real scientific. The average consumer is so removed from agriculture that they are not even sure where to find a farmer to talk to when they have a question or position on an issue. I neither argue for or against, but simply explain my position. I would like to be the farmer they go to when they have a question or concern."

Ross relates well to the non-farmers she encounters. Though raised in a rural community, she knew little about where her food came from.

## Farm and food facts on *FindOurCommonGround.com*

Sorting through the myths and misinformation to find facts about farming and food can be overwhelming. We've made the job easier for you by collecting credible answers to the most-asked questions.

### Antibiotics

Why are antibiotics given to livestock? Is my health impacted?

### Food prices

Why do food prices go up? Are farmers getting rich when I pay more?

### Animal welfare

Are farm animals treated humanely? Why are some animals kept in contained spaces?

### Hormones

Are hormones in meat and milk safe for my family to eat?

### Local and organic

Is organic food more nutritious? Is local food better for the environment?

### Food safety

How can I be sure my meat is safe? Is organic food safer than non-organic?

### GMO foods

What are GMOs? How do we know they are safe?

### Corporate farms

Are family farms a thing of the past? What is a factory farm?

## Think different

Put social media to work telling your farm's story. See how Sara Ross and Kristin Reese do it:

### Sara Ross

#### Twitter:

@sarashousehd

#### Facebook:

Saras-House-HD or CommonGround Iowa

#### Blog:

Sara's House HD  
[www.sarashousehd.com](http://www.sarashousehd.com)

#### Pinterest:

[www.pinterest.com/sarashousehd](http://www.pinterest.com/sarashousehd)

#### Instagram:

[instagram.com/sarashousehd](http://instagram.com/sarashousehd)

#### YouTube:

Sara's House HD  
[www.youtube.com/watch?v=2LeNVAgrjdY](http://www.youtube.com/watch?v=2LeNVAgrjdY)

### Kristin Reese

#### Twitter:

@LocalFarmMom

#### Facebook:

Reese Farm Roots  
[http://bit.ly/FB\\_Reese](http://bit.ly/FB_Reese)

#### Blog:

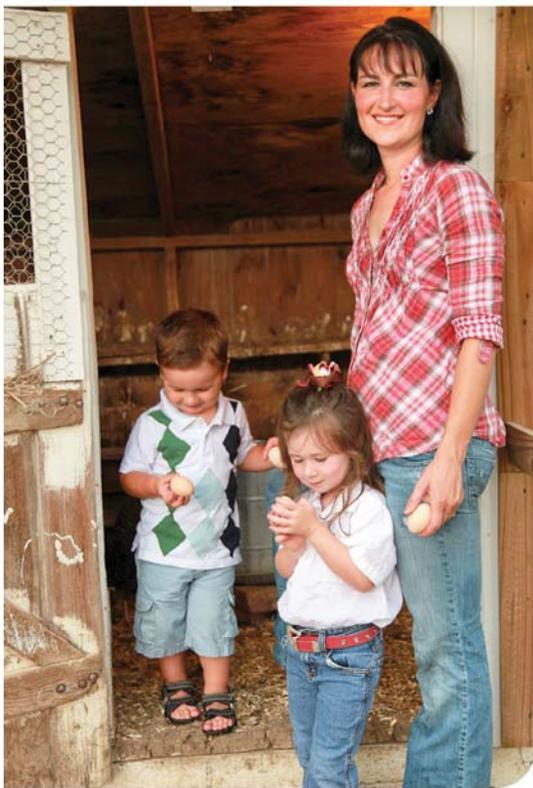
Reese Farm Roots  
[www.reesefarmroots.com](http://www.reesefarmroots.com)

#### Instagram:

[instagram.com/krootreese](http://instagram.com/krootreese)

#### YouTube:

ReeseFarmRoots  
[www.youtube.com/watch?v=c2TcxWnC7jI](http://www.youtube.com/watch?v=c2TcxWnC7jI)



REESE

Too many consumers don't realize that most farms are family farms, says Kristin Reese, Baltimore, Ohio. When not in the henhouse with Parker, 2, and Campbell, 4, Reese is available to answer consumer questions about food quality, production and safety.

"I've learned a lot about farming from Kevin, but I've learned even more from my fellow CommonGround volunteers," says Ross. "If I get a question about dairy farming that I can't answer, I bring a fellow dairy farm volunteer into the conversation or get the answer from them."

Recently, Ross was one of four CommonGround volunteers sharing what she has learned and her lifestyle with the 400,000 daily viewers of "The Balancing Act." She spoke about GMOs and biotechnology from the perspective of her family's farming operation, but also with knowledge gained at a CommonGround workshop on biotechnology. It is a subject that often comes up when talking to consumers in person or via social media.

"People will say, 'GMOs are bad, and I won't buy any,'" reports Ross. "I'll try to find out why they think they are bad and explain why we choose to grow them on our farm. I try to present our point of view and understand theirs. I assure them we've done the research, and there is no proven health risk."

Ross has taken her messages to other bloggers with thousands of

their own followers. Whether speaking to 400,000 TV viewers, thousands of social-media followers or a fellow grocery shopper, it is sharing her message that matters to Ross.

"Our biggest challenge is those who don't want to listen and are set in their ways," she says. "However, I've also come across many who think it is great to talk to a farmer face to face. When they thank you for the information, you really feel like you've done a good job."

Kristin Reese grew up on a typical row-crop farm in Carroll, Ohio. Today she is anything but a typical farmer. She and her husband, Matt, have a small farm where they raise their two children as well as sheep, meat chickens, laying hens and rabbits. They also raise alfalfa and grass hay, help out with Matt's family's Christmas tree farm and advocate for agriculture. He is editor of Ohio's *Country Journal* and does a weekly agriculture column for state newspapers.

"I tell people ours is the picturesque red barn farm that everyone likes," says Kristin Reese. "While I speak from what we do, I emphasize that farms like those of a friend who raises thousands of turkeys, or the large corn and soybean farms around us, are more representative of American agriculture. This helps people relate that even though I don't do things the way others might, I can support conventional agriculture."

CommonGround and its messages have become part of Reese's everyday life off the farm as a real estate agent and caterer. Whether selling a home or visiting with customers of her catering business, food production, food quality and food safety are part of the discussion.

"I was always talking to people about food and agriculture, so when the Ohio Soybean Council contacted me about volunteering with Com-

monGround, their concepts and goals were a natural fit," says Reese. "It has been an exciting three years, doing key influencer dinners, talking to bloggers and to individual moms with questions."

### Need to talk about why

It can be challenging. Reese notes that you have to be able to handle criticism, sometimes even from people in agriculture who say they don't care about what CommonGround is doing.

"Our goal is not to change views, but to present the bigger picture and open up lines of communication," says Reese. "People off the farm may question decisions about how farms are managed and how food is produced. The decisions may be no-brainers for us, but we need to talk about what we are doing and why."

Reese discussed the family farm on "The Balancing Act" and has taken part in national media tours. However, she emphasizes that each interaction with a consumer is important. For instance, Reese had organized and catered a dinner where she prepared and served her own chicken. A guest at the dinner admitted to not eating meat because she didn't know who raised it.

"After visiting for a while, she told me she trusted me and would eat the meat that night," recalls Reese. "I told her that though she might not know who was raising her meat, it was hardworking family farmers like me. She said she had never thought of farmers as people, and it changed her perspective."

"Too many consumers don't realize that the majority of farms are family farms," says Reese. "We need to change that perspective. CommonGround is a way of sharing what real agriculture is all about." **CSD**



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Yes	VANDALISM/MALICIOUS MISCHIEF	No
Yes	WIND/TORNADO	Yes
Yes	REPLACEMENT COST COVERAGE <i>(On units less than 25 years old)</i>	Varies
Yes	HAIL	Yes
Yes	FIRE	Yes
Yes	LIGHTNING	Most
Yes	FLOOD	No
Yes	COLLISION WITH FARM IMPLEMENTS	No
Yes	RODENT DAMAGE	No
Yes*	MECHANICAL/ELECTRICAL FAILURE	No

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[www.CancunVIPReservations.com](http://www.CancunVIPReservations.com)



Dear Pep and family,

Thank you so much for sharing the Hard Rock Cancun with us!! We had a blast! Everyone was so friendly and the views were amazing!! We had such a great time hanging out in our beach cabana all day while JJ took incredible care of us. Truly paradise with all you can eat and drink in beautiful Cancun. Thank you so much!! We loved getting to meet all your friends down there, too. Everyone loves Mr. Jimmy! All five of us appreciate your generosity and had a wonderful Mexico experience! Thanks again!

Much Love!  
Lesley & Jay Davis



The Home Agency

PO Box 326

Elwood, NE 68937



Jim & Sharri-

First of all I want to thank you both for allowing us to be part of your wonderful timeshare experience at the Hard Rock - Cancun. Also, a big thanks to Morgan Yardley as she did a wonderful job booking our vacation and making sure everything was perfect for our trip. The relaxing week away from the stresses of the world was exactly what my wife and I needed. We knew we were in good hands when Randy, our personal "Butler", introduced himself and greeted us upon arrival. He made it easy to relax and enjoy everything the resort had to offer. He set up our massages, surprised us with champagne in our room, made our meal reservations, ect. We had several things on our wanting-to-do-list, but ended up finding the perfect spot in a cabana on the beach. Our beach brother, JJ, made it very hard to want to go anywhere as he spoiled us all week. This week will be hard to top as it currently stands as the best week ever!

Thanks Jim and Sharri!  
Luke Rickertsen



Jim & Sharri Baldonado

PO Box 326

Elwood, NE 68937

Morgan,

We just returned from our trip to the Hard Rock - Cancun. What an amazing trip!!! The service was top notch. Our Butlers, Jacob and Andy, made sure we were well taken care of at all times. Also, I cannot say enough about our Beach Butler - JJ!



One highlight for us was we were invited to a special dinner in the kitchen with the chefs. It was with the Roberts and another couple from Maine. They prepared a special dinner with a couple of different wines and the meal was incredible!

The only downside to the whole trip was this Wednesday when we had to leave! Please tell Mr. Baldonado thank you for his generosity and sharing his resort at the Community Foundation Auction and thank you as well for your assistance in setting up our arrangements.

Thank You!  
Larry Luther

Morgan Yardley

PO Box 326

Elwood, NE 68937



# Springtime from THA



Dairy and Crop farmer from Kansas, Mike Fincham is with his only daughter as he celebrates one year of being cancer free recently! (Photo by Leo Lee)



*Diane O'Donnell*



*Jeri Schultheiss*



*Diane O'Donnell*

# More Pictures

## Employees



Jim Baldonado, with his two daughters, Megan and Sara, and good friends up in Keystone, CO.





# Health & Wellness

## FOOD SAFETY AND HORMONES IN OUR FOOD

By Morgan Yardley

**T**his is a must read when it comes to health and wellness articles. When I first started researching this topic I was mystified about how much labeling is not correct on our foods. I am still appalled that people (even I) spend more money on purchasing antibiotic-free, no antibiotic residues, and hormone-free food. These words are not approved for labeling, meaning, these words can be put on labels but it doesn't mean anything. Confused? So was I. Let's walk through the meaning of hormones, antibiotics, food safety, and what to look for when you are shopping.

Sara Ross recently stated on her blog ([sarashousehd.com](http://sarashousehd.com)), "A recent survey taken by CommonGround showed that more than half of moms surveyed believe it is important to feed their families hormone-free poultry and pork, even though it may cost more." Well, granted, I am not a mom, but I also choose to purchase hormone-free items whenever I can. I thought I wanted the most natural form of meat and milk. Did you know that during the pasteurization of milk, 90 percent of hormones are destroyed? Neither did I. So now you ask me what about the other 10 percent that is left? Well, the last 10 percent that is left is broken down during digestion. There is no difference between milk produced by hormone-treated and untreated cows; this is according to FDA studies that have been conducted over nearly 60 years. Farmers have been using growth hormones for almost 60 years and with each year comes scientific testing to ensure they are safe for the animals and for us humans.

So I know everyone wants to ask this question -- I can feel it: Why do farmers even use hormones? Farmers use growth hormones in meat and dairy production to safely increase milk output per cow and to produce a leaner meat product more efficiently. It is that simple and it is that safe for the animals and us, the consumers.

Here is something you may not have known, as I did not know. Hormones are only allowed on cattle and sheep. I know a lot of you reading this have seen chicken or turkey in the store labeled "hormone-free." Can you say "marketing ploy"? Companies are able to use words like this on labeling. We will touch on that subject later on in this article.

Once I heard that no hormones are used in poultry, I began to ask myself, how in the world are some chicken breasts so much larger than others? It *has* to be because of hormones used; right? Nope! The size of a chicken breast is due to a combination of several factors. The first one is advancements in genetics (breeding) along with feed and other production practices. The FDA states there are no hormones used in the poultry you purchase.

This now brings us to the topic of antibiotics in meat and milk. According to FDA and FSIS (Food Safety and Inspection Service) regulations, livestock antibiotic use requires specific withdrawal times or a certain number of days that must pass between the last antibiotic treatment and the animal entering the food supply. This makes sure that all the drugs have sufficiently cleared the animal's system. To ensure this, the FDA does not allow meat to be sold with any trace of antibiotics above a safety limit. To make sure that producers are abiding by the rules, random, but scheduled, testing of meat is conducted nationwide.

Think of using antibiotics like this: healthy animals, which are what we want, will provide us healthy food. The use of antibiotics helps prevent and control disease. It is that simple.

Steven D. Vaughn, D.V.M., director of the Office of New Animal Drug Evaluation in FDA's Center for Veterinary Medicine states, "The judicious use of all drugs in animals, particularly food-producing animals, is very important. The use of medicated feeds in food-producing animals is evaluated and regulated to prevent harmful effect on both animal and human health."

Now that you have an understanding of hormones and antibiotics, let's move on to food safety. I wrote an article on organic vs. non-organic awhile back so I am not going to go into details about that again. I just want to state once again that all foods, whether organic or non-organic, must meet certain federal and state regulations before being sold to consumers; therefore, you should not worry about what is being sold in our supermarkets. I know a lot of people are worried about chemicals on their produce and meat. Make sure to wash your produce before eating. You can often eliminate residues, if they are present, with this easy and simple practice.

Let's walk through some things to look for when you are shopping. As I stated at the beginning of this article there are marketing schemes that make you think you are buying something you really are not. These three labels are **unapproved** antibiotic labels so beware of these in the supermarket:

- No Antibiotic Growth Promotants
- Antibiotic-Free
- No Antibiotic Residues

So when you see a package that says "No Added Hormones" on a poultry label, you should also notice beneath it will say that "Federal regulation prohibits the use of hormones in poultry." This is one of the biggest marketing schemes out there. Just make sure to look for labels that have the USDA-verified symbol when shopping. This will help guide you to non-misleading food items. ■



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6. 3A East Shore, Dr. 2, Johnson Lake \$387,500

# Regional Office News



STRATTON, CO  
By Penni Fox

**W**hat a beautiful day on the eastern plains of Colorado. Hopefully the bitter cold has found a home elsewhere and we can begin to hear the birds sing again welcoming spring. I am certainly ready for spring cleaning and planting flowers. This is my favorite time of the year with extra daylight in the evening and warm sunshine.

With P&C premiums on the rise this year there may be a few ways you can catch a break. When you receive your renewal, make sure you discuss with your agent that you are receiving discounts you are eligible for. Review your deductibles to see if you would feel comfortable increasing them. Regarding personal auto policies make sure drivers are attached to the correct vehicle especially when youthful drivers are on the policy. Speak to your agent regarding any special promotions the company may be offering; for example, Progressive has the Snap Shot program.

For many of you, vacation is around the corner so I feel compelled to share the dangers of announcing your absence from your home on any kind of social media. Save posting pictures and fun activities until you return home (explain this to your children as well). Thieves are looking for easy access homes to ransack during summertime. Place your newspaper deliveries on hold or have a neighbor pick them up daily for you. Put timers on one inside and one outside light. Have a friend go by and check on your home every couple of days.

Hope you all have a wonderful summer and bountiful harvest with all this rain we are going to get this spring (that would be awesome if I could really predict that!). Thank you for your business and continued loyalty. ■

MCCLELLAND, IA  
By Kevin Ross

Dry, dry, dry, and, oh yeah, how did I forget WINDY! That pretty much sums up the winter and so far this spring in SW Iowa. Corn planting will be nearly wrapped up here by the time you read this, unless the weather pattern suddenly changes. Even with the dry weather, flying dirt, and swirling cornstalks, the warmer spring weather is a welcome end to all the bitter cold.

Calving season is well underway and is always one of the best parts of spring for me. The spring sales season went very well this year with some new options that a lot of folks decided to take advantage of. The loyalty of our past customers is humbling, and Sara and I truly enjoy working with each of you. We also really want to thank all of our new customers for asking us to serve their crop insurance needs. As always, stay safe this spring! We are all praying for good weather and adequate moisture. ■

BELOIT, KS  
By Enos & Jill Grauerholz

As we write this at the end of March, we can only hope we have received adequate moisture by the time you read this in May. On a recent drive through western Kansas and eastern Colorado, we saw a lot of below average wheat. With that, wheat on KCBOT for July has been going up. It is approaching \$8.00. As producers we need to take advantage of the rally and use our crop insurance to back our decisions. If you feel you will be having a wheat claim, please let us know. Turning it in early will help get it worked timely.

On a different note, cattle prices have been at an all time high. We encourage you to look at LRP to protect your bottom line. A recent quote for 599# steers would guarantee you \$193.57/cwt. That is \$1159.49 per head for a premium of \$23.90. That is a 2.1% rate. We are happy to get you a quote anytime. Remember that new quotes come out mid-late afternoon and are only available until 9:00 AM the next day. Use our website at [www.thehomeagency.com](http://www.thehomeagency.com) and click on LRP to see a quote or call us anytime.

In March we celebrated our 20 year anniversary. It seems like a blur to look back on the years. As you may recall, Gage, our oldest son is graduating from high school this year on Mother's Day. We try to cherish every moment and enjoy the ride. It is hard to believe how fast time has gone by. So take a moment to enjoy what's going on in your life today. The chaos of harvest is just around the corner. ■

HOME, KS  
By Paula Brown

We have just finished the spring sales season and the drop in row crop prices was the main discussion along with the need for some rain to bring the wheat along. Wheat has been trending up recently, prompting many to go ahead and contract their marketable bushels. Many producers increased row crop multi-peril

coverage levels this season to cover more revenue at the lower base price and/or added the trend adjustment option to their policies. As we look toward the severe weather season we will be comparing hail production plan coverage to a traditional hail policy. For those with high wheat aph's, production hail can be a good option, so we will want to run the numbers to determine which option will work best for you. The next crop insurance deadline will be acreage reporting which is July 15th. As soon as I have acres, I can generate marketable bushels on your row crops for those who may want to contract grain. I'd like to thank each of my insureds for their business! If you have any questions about your multi-peril or hail coverage give me a call! ■

KIRWIN, KS  
By Rhonda Jones

Hello! I'm sure enjoying the warm weather this spring after the brutal polar vortex we experienced this winter. Calving season had its challenges. Cooper is old enough now to go with Papa and feed the cows and see the baby calves. He is really excited about the cattle.

Spring planting is fast approaching. The area has received very little moisture this last winter. It is the end of March and the wheat is starting to green up. Pray for RAIN and lots of it.

Thank you to everyone that made it to the appreciation meal and meeting. I hope you have a safe and prosperous growing season.

There is a lot for farmers to be concerned about. Weather, commodity prices, cost of inputs and production. Crop insurance is to help protect your operation. Contact me any time for quotes on hail, fire, LRP or if you have any questions.

I will be meeting with you before the acreage reporting deadline on July 15<sup>th</sup>. Let me know as soon as possible if you think you may have a wheat loss. Losses need to be turned in timely!

Thank you for your business! ■

LARNED, KS  
By Clark Redding

Hello there! Will this winter ever end? Sometimes I am not so sure. As I write this, they are calling for another cold front coming in this coming week, and spring is supposed to be here. Oh yeah, well I don't see it yet. If it's going to get cold, please let it snow or rain, because we need it.

I was in Lincoln and Jewell counties this week and I don't believe I have ever seen it so dry. Wheat is looking pretty rough, and some will not make it. We need rain and need it now.

East on past Salina toward Topeka, it's more of the same, but that's Kansas for ya. You are gonna get a drought or hail or early freeze or wind or God knows.

Eastern Colorado is blowing away. Winds like you have never

seen. Some of that wheat is just hanging on by a thread. How much manure can you spread to save your ground? Adjusters will be busy in a few weeks looking at the wheat. Let's hope we get some moisture in the meantime and hold the ground and save the wheat.

It's not all bad everywhere. Pawnee County, KS is looking pretty good at this time. We were lucky and got quite a bit of snow this winter and actually have a decent profile in places. With any luck we can raise some wheat and harvest a decent milo crop to boot. Now that's being optimistic wouldn't you say? If you are farming, you better be an optimist! ■

BENKELMAN, NE  
By Meghann Pursley

Hello everyone! It's already March 21<sup>st</sup> and I am glad to be through the rush of spring sales closing and finally into spring! I appreciate everyone signing up and for coming to our spring appreciation meeting. It's a night I look forward to every year.

Nice weather is just around the corner and it's time to start thinking about getting those row crops planted. Final plant dates for spring crops in Dundy, Chase, Hitchcock, Hayes, and Red Willow counties, NE are:

Corn-May 25th

Milo-June 15th

Soybeans-June 10th

Millet-June 25<sup>th</sup>

Acreage reporting deadline for all above crops is July 15<sup>th</sup>.

Hoping for some rain this year, although with that usually comes hail. I will be calling everyone to see if you are interested in hail coverage again this year. It never hurts to do a quote if you're undecided.

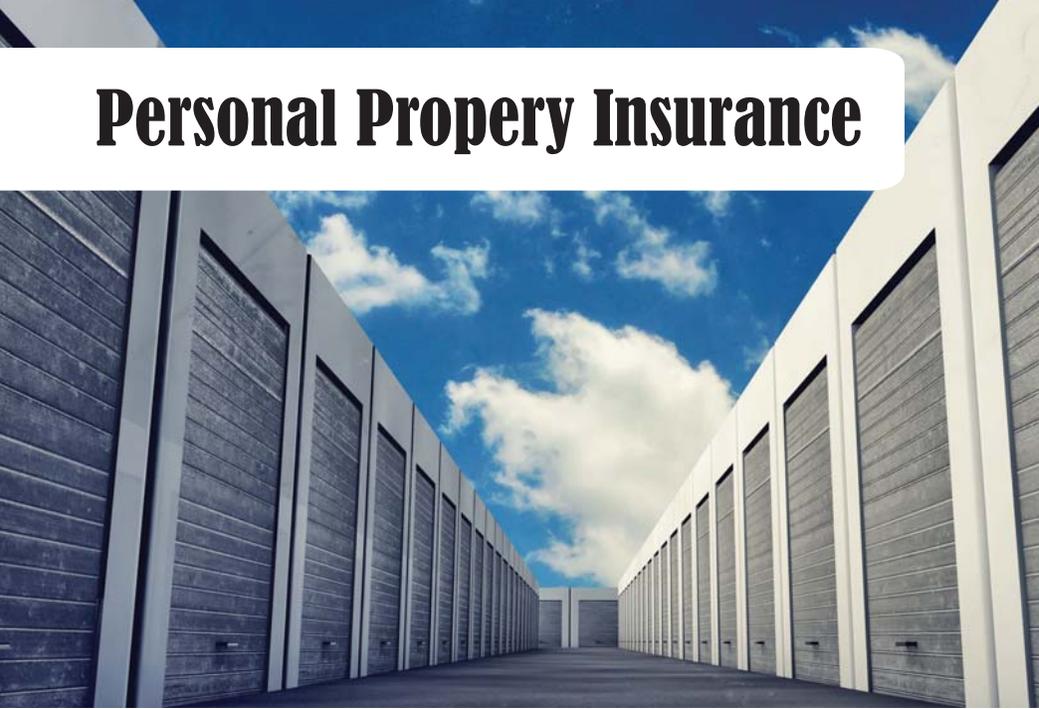
Drew and I will be celebrating our new baby boy towards the end of July! The office will be closed for a little while, but if you need assistance during this time please feel free to call. Either I or someone from our Elwood office will be there to turn in claims and help in any way we can. Just a reminder, during harvest keep different units separated or marked if stored together in the same bin. This is so important and makes adjusting go so much faster. Thank you all so much for your business! ■

RUSKIN, NE  
By Dave Meyer

Hello from south central Nebraska. It's the middle/end of March and feels like the middle of January. I woke up yesterday morning to 11 degrees and an inch of snow. It has been a roller coaster with extreme temperature swings almost on a weekly basis. But days will turn into weeks, weeks into months and seemingly overnight the planting will be done, pivots will be running, and we will have triple digit temps to contend with.

I hope everyone has a safe planting season and a great crop year. ■

# Personal Property Insurance



## INSURING PROPERTY IN STORAGE

By Deb Arends and Kristy Diefenbaugh

**H**ave you found yourself in the situation where you need to store your personal property in a self-storage facility? Do you know if you have insurance coverage on those items in storage? As long as there is a homeowners policy or tenant's (HO-4) policy in place, you should be OK. Most homeowners policies cover personal property anywhere in the world. There is typically a limitation on property usually located at another residence, but that doesn't apply to a storage facility. This is what the "ISO standard" policy says:

### *COVERAGE D – Personal Property*

*We cover personal property owned or used by an "insured" while it is anywhere in the world. At your request, we will cover personal property owned by:*

- 1. Others while the property is on the part of the "residence premises" occupied by an "insured";*
- 2. A guest or a "residence employee," while the property is in any residence occupied by an "insured."*

*Our limit of liability for personal property usually located at an insured's residence, other than the "residence premises," is 10% of the limit of liability for Coverage C, or \$1000, whichever is greater.*

*Personal property in a newly acquired principal residence is not subject to this limitation for the 30 days from the time you begin to move the property there.*

So in other words, a homeowners policy provides extremely broad coverage for personal property. The 10% limit would NOT apply to property stored in a temporary storage facility or at a friend's or family member's house. The 10% limit is applied to property "usually located at an insured's residence." Meaning, if you have a second home or a cabin, etc. Keep in mind, not all policies are "standard." There are some companies that have a specific limit of coverage for "property stored off-premise." If you have property in a rented storage facility or warehouse long

term it is recommended that you add that location to your homeowners policy.

Personal property of college students is subject to the 10% limit, according to most insurance policies. The 10% limit under the parent's is usually sufficient, but coverage can be increased or the student can purchase a renter's (HO-4) policy.

Something else to keep in mind is the limitations of Theft Coverage relevant to personal property in storage. For example, there is no off-premise theft coverage for watercraft, related equipment, campers, and trailers. Insureds who use a mini-warehouse to store watercraft and equipment, or trailers and campers, have no theft coverage for such property. In addition, there is no theft coverage for the property a child has at college if the child has not been at their college residence within 45 days prior to the theft.

So what about ATV's? With regard to the ATV, even the existing HO policy would probably not cover that due to the motor vehicle exclusion. Here's what the "ISO standard" homeowners policy says:

*Property Not Covered. We do not cover:*

- Motor vehicles or all other motorized land conveyances. This includes:
  - 1. Their equipment and accessories; or*
  - 2. Electronic apparatus that is designed to be operated solely by use of the power from the electrical system of motor vehicles or all other motorized land conveyances.**

*Electronic apparatus includes:*

- Accessories or antennas; or*
- Tapes, wires, record, discs or other media; for use with any electronic apparatus.*

*We do cover vehicles or conveyances not subject to motor vehicle registration, which are:*

- Used to service an "insured's" residence; or*
- Designed for assisting the handicapped*

So, unless the ATV is used to service the residence or assist the handicapped, there is no coverage. There are recreational vehicle policies designed to cover the property and liability exposures of such vehicles.

While the homeowners policy provides broad coverage for insureds in most storage-related situations, there are certain specific exposures that present limitations or are not covered. We addressed a few but certainly not all. Each company has different rules and limitations. Contact your agent at The Home Agency if you have any questions about your specific exposures. ■

*Information provided by ILABA Virtual University at <http://vu.iiaa.net>.*



## ANIMAL LIABILITY & UMBRELLA POLICIES

By Julie Dornhoff

**M**an's best friend can sometimes cause major problems in your life. What type of dog do you own? Is he well mannered or is he very protective and sometimes aggressive toward people?

Information provided by the Insurance Information Institute shows why a significant number of insurers issue homeowners policies with animal liability exclusion endorsements. In fact, the Insurance Services Office (ISO) rolled out a "canine exclusion" endorsement in the 2011 Homeowners program.

Each year in the United States there are about 4.7 million injuries from dog bites. Of those, 900,000 bites required medical treatment and 50% of bites happen at the residence where the dog lives. In addition, 33% of all dollars paid out for homeowners policy liability coverage can be attributed to dog bites: \$412 million was paid by insurers for dog bites in 2009, and the average dog bite claim was more than \$24,000.

While the standard ISO homeowners policy has no exclusion for animal liability claims, there are two points to keep in mind. First, as mentioned earlier, ISO has introduced a "canine liability exclusion" endorsement that insurers are able to use, if desired. The endorsement applies only to dogs, and, furthermore, only to the dog(s) described in the schedule. Second, it is not uncommon to find carriers with their own company-specific animal liability exclusion, which often excludes all animals owned by an insured or in the care of an insured.

Therefore, since some homeowners policies do not cover animal liability—or in the case of ISO, canine liability—it begs the question of how personal umbrella and excess liability policies respond for dog bites and other animal liability claims.

It's important to remember excess liability policies are known by various names and all respond differently. Each policy is different and no analysis of a claim can take place without reading the

policy. How an excess or umbrella policy responds to an animal liability claim (or any claim for that matter) depends on the type of policy in question.

### UMBRELLA POLICY

An umbrella policy—sometimes called a "broad form umbrella"—typically increases the underlying policy limits by \$1 million or more. In addition, it provides coverage for some claims the underlying policies do not cover. Relating to animal liability claims, therefore, it's possible that some umbrella policies would respond for an animal liability claim, even if excluded by the homeowners policy.

This is often referred to as a "drop down provision." In such a circumstance, a "Self Insured Retention" or "Retained Limit" applies, typically \$250 to \$1,000 on personal umbrella policies. Each umbrella is different so it's important to read each policy to determine coverage.

### FOLLOWING FORM POLICY

A following form policy exactly tracks the underlying policies in all respects; therefore, if the homeowners policy covered an animal liability claim so, too, would a following form policy. Likewise, if the homeowners policy excluded an animal liability claim, the following form policy would also exclude the claim. Each following form policy is different so it's important to read each one to determine coverage.

### EXCESS LIABILITY POLICY

An excess liability policy typically provides only higher limits of liability above the underlying policies and does not cover claims that are excluded by the underlying policies. It's possible, however, that an excess liability policy would exclude a claim that would be covered by an underlying policy.

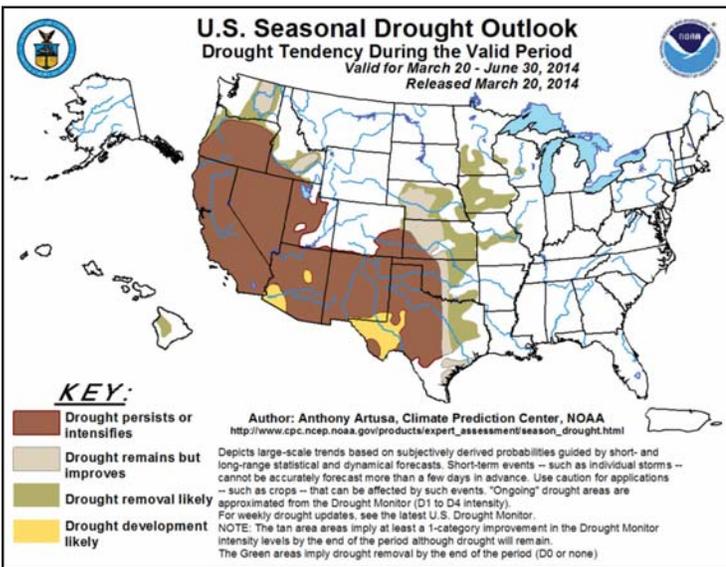
As it relates to an animal liability claim, an excess policy would typically respond only if the underlying policy also responded. Even if the underlying policy did respond, the excess liability could exclude the claim. Each excess liability policy is different so it's important to read each one to determine coverage.

### CONCLUSION

If the underlying homeowners policy excludes an animal liability claim, the most likely policy to respond is the umbrella policy. As pointed out earlier, each umbrella is different. Some umbrella policies will cover animal liability claims that are excluded by the homeowners policy (subject to the Self Insured Retention), while others will exclude them.

So, stay away from the aggressive breeds, read the policies, and hope for the best. ■

*Information provided by: David Thompson education instructor for the Florida Association of Insurance Agents.*



WHAT'S IN STORE FOR THE 2014 SEASON...  
By Jim Jubb

In the last several spring editions we've talked about how the weather is shaping up for the upcoming season and to keep you informed as to both the drought situation and what to expect from the forecasts for temperature this year.

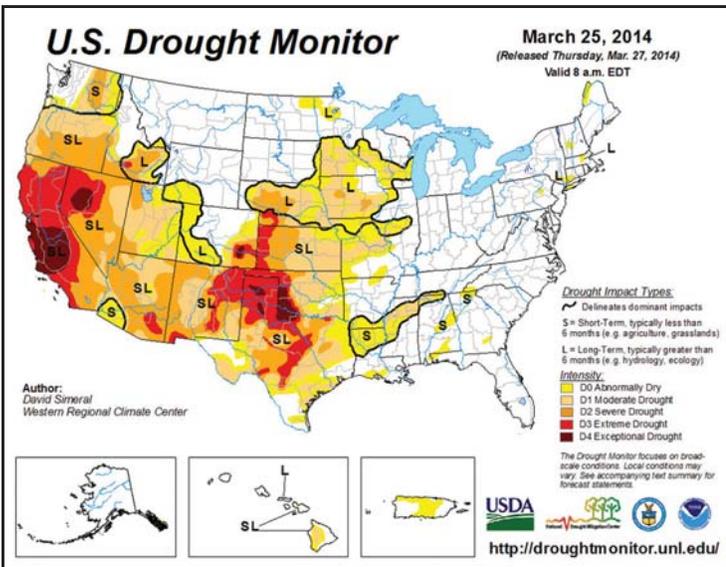
WHAT THE FORECASTS SHOW FOR SUMMER THIS COMING YEAR...  
Producers throughout The Home Agency network want to know what weather may be in store for them. Drought and the heat that comes with it are still major concerns.

The spring drought outlook to the left shows continued persistence for almost the entire The Home Agency network through at least June 2014. What this basically means is that the drought will continue, though in areas might have some slight improvement.

The second map is the current Drought Monitor that shows a more detailed view of what is happening by state on a week-to-week basis that over the last few weeks has introduced extreme to severe drought in THA network, which, unfortunately, tends to have excess heat that reinforces the drought.

As with all weather hedges, you can purchase these ahead of time and “lock-in” your rate, term, and rainfall guarantees. Talk to your Home Agency agent about how you can get the best guarantee now.

The National Weather Service has been developing long range forecasts for decades now, and to the right is their temperature outlook for June, July, and August. Above normal summer temperatures are forecasted, affecting much of the country while there are “Equal Changes” for either normal or above normal



conditions throughout a portion of The Home Agency area. By looking at both heat and drought outlooks, you can develop a weather risk strategy to compliment your crop insurance or if you are thinking about second cropping or have grass, this shows you what to expect this season and how to protect it. This year you can “lock-in” both your drought and heat risk early as many customers are either renewing or buying for the first time to protect against excess heat and dryness.

When you purchase a heat contract, you get a “double benefit” because when it is hot, it is generally dry; others may simply want drought protection. And in those cases we have the way to protect your profits that is affordable.

Your agent can give you the history for heat and drought in your specific area plus show you various levels of protection that are available to you. The Home Agency agent can also give you an idea where the best protection “degree-day range” might be or what the “inch guarantee” might be. Then you can find what is the best level to protect your profit range. Plus, they can build either a straight drought or an excessive heat hedge quite quickly and show you how affordable they are or maybe you have a custom structure in mind. All you need to do is pick up the phone and give them a call.

### WHAT TO EXPECT IN THE FORECAST FOR 2014?

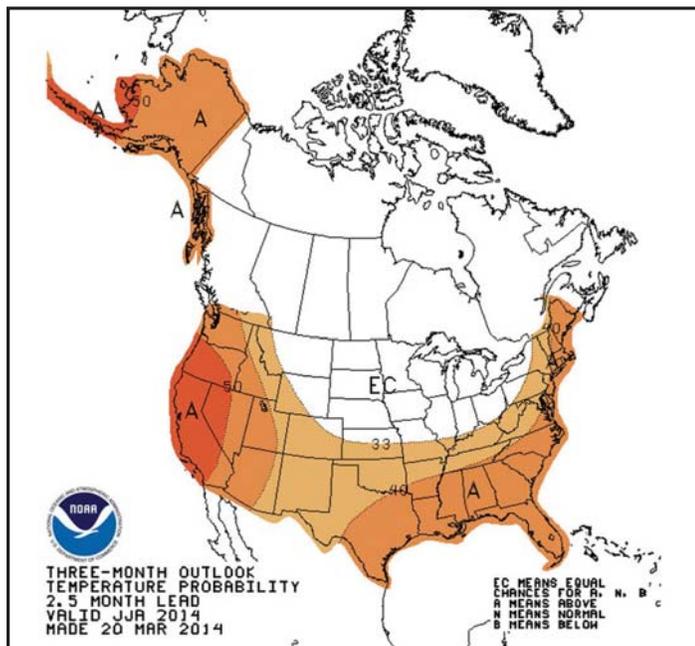
The weekly The Home Agency WeatherManager has both long range forecast trends and short to medium term forecasts that can be very beneficial in your financial decisions. You can't find these on television nor hear about the long range on the radio. You can find these forecasts on The Home Agency website though.

For a long-term trend, it all depends where you are. We currently expect 2014 to see continued warmer temperatures and dryness in the Central Plains. To see the latest drought outlook, call your Home Agency agent for a copy.



Every week we talk about the weather that is important to your operation and offer ideas on how to hedge your weather risk.

If you haven't received a copy of The Home Agency WeatherManager, simply go to <http://www.thehomeagency.com> and download the most recent one, or call your agent and have them send one to you in the mail. ■



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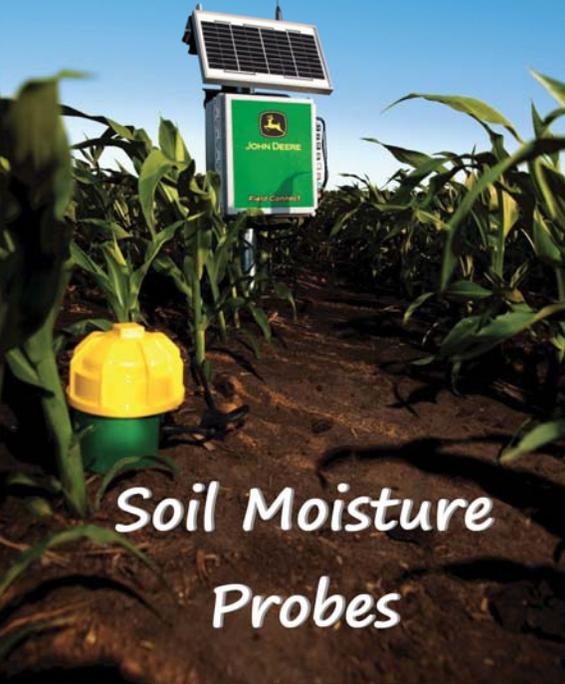
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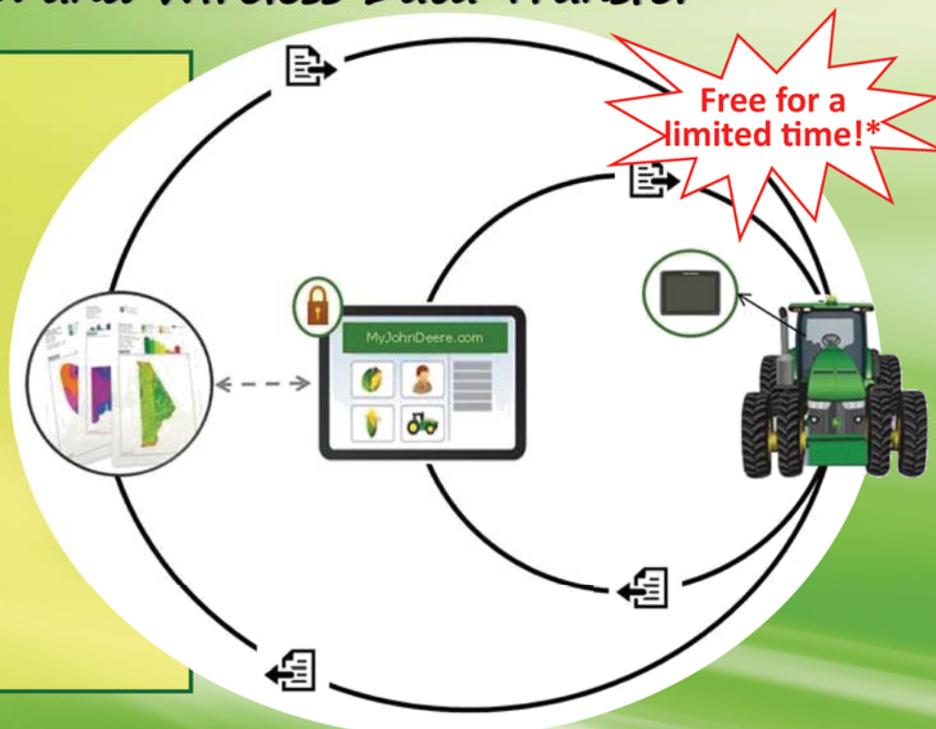
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**Level 2 Data Management Insurance Certified**- This service is created to make the growers insurance mapping an efficient process. We handle the 3 major links in the crop insurance chain that require planting prescriptions, as-applied planting documentation, and harvest documentation. This data is then prepared and organized for submission to the insurance agency for reporting. This service also includes secure storage of this data for future uses by the grower. **\$3.25/acre**

**Level 3 Data Management Full Analysis**- This is the premier package of data management. It includes both the facilitation and insurance packages for data and much more. Additionally, it includes unlimited prescription rates per field and unlimited prescription writes. True analysis is the hallmark of this package as it lets the grower analyze current trends on yields based on current year factors. It also allows analysis on yield data by seed variety, soil type, soil nutrient, planting speed, harvest speed, or even by operator! Over time it also analyzes historic trends in yields and helps with management decisions for seed placement and seed population. **\$6.00/acre**

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JOHN DEERE



# Does your auto insurance cover rental cars?

TOP 10 REASONS TO PURCHASE  
THE RENTAL CAR DAMAGE WAIVER  
By Diane O'Donnell & Rana Williamson

**A**lthough most collision damage waiver (CDW) or loss damage waiver (LDW) fees are considered outrageous, most consumers should consider purchasing the CDW/LDW for short-term rental. This is becoming increasingly the case as rental car companies charge ever-higher fees and penalties for losses and expenses not covered by most policies or credit cards. The following are ten reasons to purchase the rental car damage waiver.

## 1. Loss Valuation

The value of rental car, according to virtually all rental agreements, is determined solely at the discretion of the rental company and may be significantly different from the market value "ACV" basis used by most auto policies. The "industry standard" (ISO) personal auto insurance policy covers the lesser of the "actual cash value" (market value) of the vehicle or the amount "necessary" to repair or replace the damaged property.

The rental agreement may very well contractually obligate the consumer to reimburse the rental agency for the "full value" (whatever that is) of the vehicle. If the renter's insurance policy has a "betterment" clause, the insurer might not pay the "full value" and the renter could be responsible for the difference.

## 2. Loss Settlement

As implied above, there may very well be disagreements over the value of the vehicle or the amount charged for labor and material to repair the property. An Appraisal clause may be invoked by the insurer with its accompanying cost covered partially by the insured/renter.

More importantly, the auto insurer has the right to "...inspect and appraise the damaged property before it's repaired or disposal." The rental company may choose to make the repairs immediately, potentially resulting in a lack of auto insurance coverage

because of failure to comply with the condition cited above.

## 3. Loss Payment

The rental agreement may require immediate reimbursement for damages and it is not uncommon for the rental company to charge the consumer's credit card for the full value of the vehicle and other expenses. This can create a significant debt, "Max" out the card's credit limit (perhaps shortening a vacation or business trip) and result in litigation, etc.

## 4. Loss Damage Waivers (LDW)

The rental agreement usually requires reimbursement for more than collision, making the consumer responsible for ANY "loss" in value beyond normal wear and tear regardless of fault. Most auto policies must include collision coverage on at least one insured owned vehicle for collision coverage to transfer to the rental car. Since many consumers who buy only State-mandated liability insurance may have no physical damage coverage to transfer to the rental car.

If the rental agreement includes a Loss (not just Collision) Damage Waiver (LDW), the policy must also include comprehensive coverage to protect the consumer for non-collision damage such as theft or vandalism. Even so, keep in mind the renter's contractual liability under the rental agreement may be almost absolute, so it's possible the auto policy may not respond to all losses.

## 5. Indirect Losses

The consumer most likely will be responsible for the rental company's loss of income on the damage unit. Most auto policies have, at best, daily and maximum caps for this indirect loss and some may pay only for loss of income resulting from theft, not collision or other causes of loss.

In addition, many rental companies will not divulge their fleet utilization logs for competitive reasons or their rental agreements may make the renter responsible for loss of use without regard to fleet utilization rates. If so, the renter may be charged even

though unused rental vehicles are sitting on the lot. In one case, a renter was hit with a \$2,000 loss of use charge. Insurers may not be willing to pay for charges they don't feel represent a true loss of income by the rental company.

Most alarmingly, rental car companies are increasingly inclined to charge for "diminution of value," an indirect loss that is not covered by most auto policies' physical damage section (nor most credit card coverage). We have seen documented examples of these charges for amounts in excess of \$5,000-\$7,000 and heard of one that was allegedly \$15,000 on an upscale SUV rental.

#### 6. Administrative Expenses

The rental contract may make the consumer liable for various "administrative" or loss-related expenses such as towing (e.g. one renter was charged for a 230-mile tow), storage, appraisal, claims adjustment, etc. None of these expenses are typically covered by auto policies.

#### 7. Other Insurance

Coverage under an auto policy is typically excess over: (1) any coverage provided by owner of the auto, perhaps including self-insured plans, (2) any other applicable physical damage insurance, and (3) any other source of recovery applicable to the loss—CDW/LDW, travel policies, credit card coverages, etc. (What if the credit card coverage says it's excess over the auto policy?) The potential controversy over who pays what is obvious and can result in litigation.

#### 8. Excluded Vehicles and Territories

Personal auto policies typically do not provide Physical Damage coverage for motorcycles, motor homes, and other motor vehicles that are not private passenger cars, pickup trucks, or vans, and use of covered vehicles is limited to the U.S., its territories and possessions, Puerto Rico, and Canada (the rental agreement may also exclude operation outside a specific geographical area, in which case the auto policy could provide coverage not provided for under an LDW).

Also, if a consumer is renting a trailer (U-Haul, camper trailer, etc.), auto coverage is typically limited to only \$500- \$1,500. The consumer usually has no choice but to rely on the rental company's damage waiver for coverage under these circumstances.

#### 9. Excluded Uses and Drivers

The personal auto policy may have limitations on the use of vehicles that are not otherwise excluded by the rental agreement damage waiver. For example, some auto policies provide no physical damage coverage for the business use of non-owned pickup trucks or vans.

Additionally, some auto policies may include an exclusionary endorsement for certain individuals or may apply only to designated individuals that can be covered by listing them on the rental agreement. In contrast, the damage waiver usually only applies to designated individuals (with certain omnibus "insureds" such as spouses), so having both on an auto policy and the damage waiver can again be advantageous.

One often overlooked issue, where a large coverage gap might exist, is using valet parking at a hotel or restaurant during a personal or business trip. Most auto policies cover damage to non-owned autos if you have physical damage coverage on at least one declared auto; however, this coverage may extend only to a non-owned auto "while in the custody of or being operated by you or any 'family member'..."

If the rental car is being valet parked, it's certainly not being operated by you. The question is whether it is still technically in your custody. Does custody mean possession or entrustment? Is the rental car in your custody from the moment you rent it or only when you have physical control? It's a matter of law and contract interpretation. That's why it is probably not a good idea to valet park a rental car.

The catch-22 is that, even if you purchase the rental car damage waiver, most rental agreements void the coverage of the vehicle if being driven by an unauthorized driver. As discussed above, the only authorized drivers are identified by name on the rental agreement and perhaps a spouse or co-worker. Hotel or restaurant valets? Highly unlikely.

#### 10. Additional and/or Future Costs

The personal auto policy will most certainly include a physical damage deductible in the range of \$100-\$500 or more, while the rental agency's LDW may not. In addition, payment for damage to a rental car may result in a significant premium increase on the renter's auto policy via surcharges or loss of credits.

### CONCLUSION

All auto insurance policies are not created equal, despite what you might be led to believe by some "low-cost" auto insurance advertising. In particular, coverage and claims practices for the use of non-owned auto like rental cars can vary dramatically from one insurer to another. Equally important, virtually all rental car companies draft their own rental agreements and can make charges and assessments that are not covered by any auto policy. Although damage waiver fees are generally considered outrageous, most consumers should consider purchasing the waiver for short-term rentals.

Please call The Home Agency with any questions you may have regarding this article or any of your insurance needs. ■

### DISCLAIMER

*The above information is based on the "ISO standard" Personal Auto Policy in force in most states at the time of publication and typical rental car agreements. Be aware that these contracts may vary from state to state and there may be statutory exceptions (e.g., the State of NY) that may govern. In addition, this provision can change at any time, so it is important to review the laws and contracts in effect in your Jurisdiction at any point in time. Due to the brevity of this article, we cannot analyze every possible loss exposure and exception to the general guidelines above.*

*Information on this article provided by the insurers of Tennessee and Independent Insurance Agents & Brokers of American. Article provided by: <http://www.iiaba.net/ou>.*



## Kuzma Financial Services

### THE BLACK DEATH

By Alan E. Kuzma, CLU ChFC

Investment Advisory Services offered through Global Financial Private Capital, LLC

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**H**ere's a question for you: What do Ronald Regan, Peter Falk (remember him as Colombo?), crooner Perry Como, actor Charleston Hesston, actress Rita Hayworth, and former coach of the Lady Vols at the University of Tennessee Pat Summitt have in common?

All of them were diagnosed with Alzheimer's.

I have been in the insurance field for over 40 years. I learned at an early age that "Living Death" is a disability. I used to believe that a disability was as bad as it gets; no income, but the bills still go on. I have since changed my mind. Alzheimer's is worse, much worse.

I found the facts to be chilling.

In this two-part article we will look at the incidence of the disease, what Alzheimer's is, the risk factors, and the burden of Alzheimer's.

### OMINOUS FORECAST

Today there are over five million Americans living with Alzheimer's. This includes 200,000 under the age of 65. By 2050 that figure is expected to soar to 16 million.

In the general population today, 1 in 70 are afflicted. For Americans over the age of 65, 1-in-9 have been diagnosed and 1-in-3 Americans over the age of 85 have Alzheimer's. Another American develops Alzheimer's every 67 seconds. By 2050 that frequency will increase to every 33 seconds.

Alzheimer's is now officially the 6<sup>th</sup> leading cause of death in the United States and the 5<sup>th</sup> leading cause for people over the age of

65. From 2000-2010, while the incidence of most major diseases decreased, the incidence of Alzheimer's increased 68%!

One-third of all seniors that die in a given year have been diagnosed with Alzheimer's or dementia.

### WHAT IS ALZHEIMER'S AND DEMENTIA?

Dementia is an overall term for diseases and conditions characterized by a decline in memory or other thinking skills that affect a person's ability to perform everyday activities.

Dementia is caused by damage to nerve cells in the brain which are called neurons. As a result of damage, neurons can no longer function normally and may die. This in turn can lead to changes in one's memory, behavior, and ability to think clearly. The most common initial symptom is a gradually worsening ability to remember new information.

In Alzheimer's disease, the damage to and death of neurons eventually impair one's ability to carry out basic bodily functions such as walking and swallowing. People in the final stages of the disease are bed bound and require around-the-clock care.

Alzheimer's disease is ultimately fatal.

### RISK FACTORS

**Age**-The greatest risk factor of Alzheimer's is advanced age. Most people with Alzheimer's are diagnosed at age 65 or older. While age is the greatest risk factor, Alzheimer's is not a normal part of aging and advanced age alone is not sufficient to cause the disease.

**Family History**-Individuals who have a parent, brother, or sister with Alzheimer's are more likely to develop the disease than those who do not have an immediate relative with Alzheimer's. Those with more than one immediate relative with Alzheimer's are at a higher risk.

**Mild Cognitive Impairment (MCI)**-MCI is a condition in which an individual has mild, but measurable changes in the thinking abilities that are noticeable to the person affected and to family members, but do not affect an individual's ability to carry out everyday activities. People with MCI, especially MCI involving memory problems, are more likely to develop Alzheimer's.

**Cardiovascular Disease**-Interestingly there is growing evidence that links the health of the brain to the health of the heart. The brain has an extensive network of blood vessels. A healthy heart ensures that blood is adequate to supply oxygen rich and nutrient rich blood to the brain for normal function.

**Social and Cognitive Engagement**-Additional studies suggest that remaining mentally and socially active may support brain health and possibly reduce the risk of Alzheimer's and other dementias.

**Education**-People with fewer years of formal education are at a

higher risk for Alzheimer's than those with more years of formal education.

**Traumatic Brain Injury (TBI)**-Moderate and severe TBI increase the risk of developing Alzheimer's and other dementia. TBI is a disruption of normal brain functions caused by a blow or jolt to the head. Not all blows to the head disrupt brain function. Moderate TBI is defined as a head injury resulting in loss of consciousness lasting more than 30 minutes. Hence, groups such as boxers, football players, or combat veterans are at a higher risk.

**THE BURDEN OF ALZHEIMER'S** Alzheimer's has a long duration with the average patient afflicted for four to eight years, yet some live as long as 20 years.

Due to the extended duration, the level of care for a loved one with Alzheimer's increases as the disease progresses. Most of this care comes from unpaid caregivers who are family members.

In 2013 unpaid caregivers provided an estimated 17.7 billion hours of informal (unpaid) care. The lost economic impact of this care was \$220.2 billion. This is approximately one-half of the 2012 annual sales of Wal-Mart and nearly eight times the revenue of McDonald's!

Who are these caregivers? Women are by far and away the largest care giving group making up 65% of all caregivers. 21% were over 65 and 44% had a college degree. The majority were married and employed.

To add to the stress of caring for a loved one, a significant percentage of caregivers are of the Sandwich Generation. Meaning, they are not only raising their own families, but also caring for a loved one with Alzheimer's or dementia.

Caregiver's do a number of tasks:

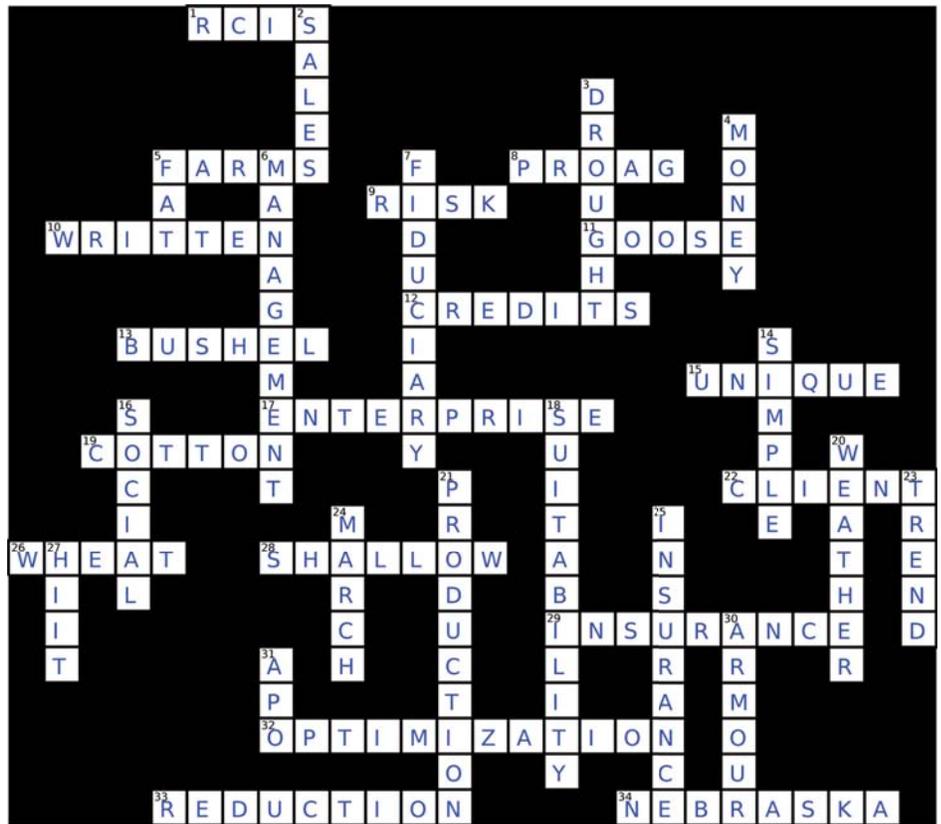
Helping with activities of daily living such as household chores, shopping, preparing meals, transporting, arranging for doctor's appointments, managing finances, and answering the telephone. Correct medication administration.

Helping afflicted persons adhere to treatment recommendations. Assisting with bathing, dressing, grooming, feeding, transferring, toileting, and managing incontinence.

Managing behavioral symptoms such as aggressive behavior, wandering, depressive moods, agitation, anxiety, and night time disturbances.

Finding support services such as adult day service programs.

In part two we further explore the role of the caregiver, what proactive steps you can take and the 10 warning signs of Alzheimer's. ■



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# Spring Favorites

## Parmesan Asparagus *From: Sara Ross*



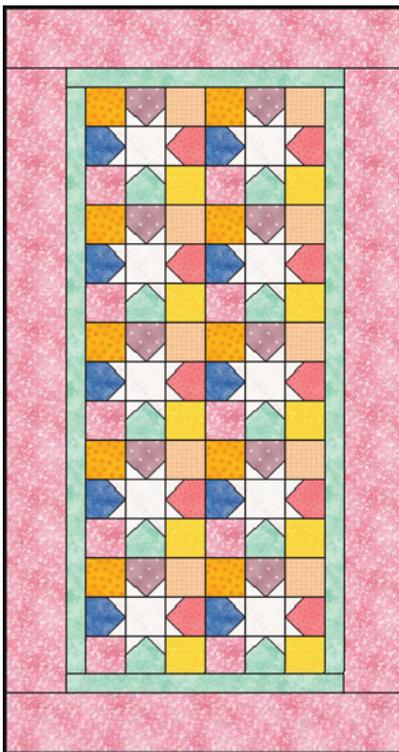
### Ingredients:

- 2 egg whites
- ¼ c. flour
- 1 c. seasoned bread crumbs
- ¼ c. Parmesan cheese
- Salt & pepper
- Bunch of asparagus

### Directions:

Combine the flour, bread crumbs, cheese, salt and pepper in a shallow dish. Beat the egg whites in another shallow dish. Dip the asparagus in the egg whites and then in the cheese mixture. Lay on a wire baking rack on top of a jelly roll pan. Bake at 425° for approximately 15 minutes. Enjoy!

*It is the time of the year when asparagus starts growing like crazy! If you're looking for a new and easy recipe for asparagus, give this Parmesan Asparagus recipe a try! It's great as a side dish or as an appetizer!*



**Runner Finished Size: 20" x 38"**

### Cutting:

#### Assorted Pastel Colors:

**1 Mini Charm Pack or**  
(40) 2 1/2" x 2 1/2" squares

**White: 1/3 yard**

Cut (10) 2 1/2" x 2 1/2" squares and  
(80) 1 1/2" x 1 1/2" squares

**Green: Inner Border (1/6 yard)**

Cut (3) 1 1/2" strips, sub-cut into:  
(2) 1 1/2" x 30 1/2"  
and (2) 1 1/2" x 14 1/2"

**Pink: Outer Border (1/3 yard)**

Cut (3) 3 1/2" strips, sub-cut into:  
(2) 3 1/2" x 32 1/2"  
and (2) 3 1/2" x 20 1/2"

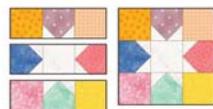
**Pink: Binding (1/3 yard)**

Cut (4) 2 1/2" strips

**Backing: 3/4 yard**



Make 40 units.



Make 10 Blocks.

## Charming Star Table runner

*Construction: All seam allowances are 1/4"*

### Half-Square Triangles:

1. Draw a diagonal line across the wrong side of the 1 1/2" white squares. Place one white square right sides together on corner of a pastel square. Stitch on drawn line. Trim seam allowance to 1/4". Press towards white. Repeat on adjacent corner of the square. Make 40 star point units.
2. Arrange 4 star point units, 4 pastel 2 1/2" squares and 1 white 2 1/2" square as shown in diagram. Sew units into rows, then join rows together. Block should measure 6 1/2" x 6 1/2". Make 10 blocks.
3. Sew blocks together in two rows of 5 blocks each. Join the two rows together. Center should measure 12 1/2" x 30 1/2".
4. Sew a 1 1/2" x 30 1/2" inner border strip to each side of the runner. Sew a 1 1/2" x 14 1/2" inner border strip to each end of the runner.
5. Cut two border sections to 3 1/2" x 32 1/2", sew to sides of runner. Cut two border sections to 3 1/2" x 20 1/2", sew to ends of runner.
6. Layer runner, batting, and backing. Quilt as desired.
7. Bind using the 2 1/2" strips.

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# Crossword Puzzle

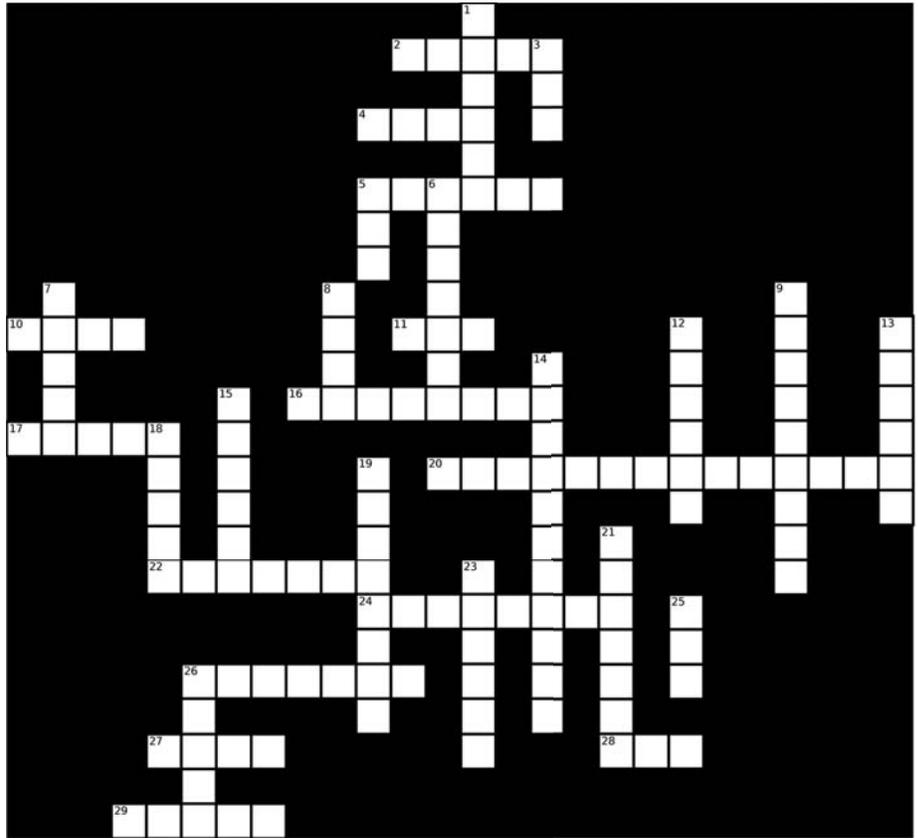
Please enjoy this crossword puzzle. You will find every answer somewhere in this magazine. The correct answers will be in the next issue.

## ACROSS

- 2 Unless a farmer's \_\_\_\_ acres were short-rated, they should never destroy the crop before they contact their agent and have spoken to an adjuster.
- 4 Today there are over \_\_\_\_ million Americans living with Alzheimer's.
- 5 Which one of Jim's grandsons took ski lessons this year while out skiing with Jim in Keystone, CO?
- 10 A new program provided in the new Farm Bill is called Agriculture \_\_\_\_ Protection.
- 11 One of the greatest risk factors of Alzheimer's.
- 16 If farmers will be utilizing precision farming technology for their crop insurance program, they must begin with \_\_\_\_.
- 17 Hormones are only allowed in cattle and \_\_\_\_.
- 20 The rental company may make the consumer liable for various "\_\_\_\_" or loss-related expenses such as towing, storage, appraisal, claims adjustment, etc.
- 22 A new aspect relating to crop insurance will be the ability of producers to \_\_\_\_ any year from their insurable production when the entire county is 50% below the 10-year average yield.
- 24 \_\_\_\_ is an overall term for diseases and conditions characterized by a decline in memory or other thinking skills that affect a person's ability to perform everyday activities.
- 26 You must purchase eWeatherRisk contracts at least \_\_\_\_ days before you want it to go into effect.
- 27 An excursion that you can go on while in Cancun is to go play \_\_\_\_.
- 28 33% of all dollars paid out for homeowners policy liability coverage can be attributed to \_\_\_\_ bites.
- 29 Standard insurance policies will cover personal property owned or used by an "insured" while it is anywhere in the \_\_\_\_.

## DOWN

- 1 In 2015 producers will be able to have separate coverage \_\_\_\_ for irrigated and non-irrigated acres.
- 3 In no case will you collect more than 135% of crop indemnities on \_\_\_\_ insured crops in the same year.
- 5 Farmers may grow themselves out of a claim on a \_\_\_\_ policy.
- 6 By looking at both heat and \_\_\_\_ outlooks, farmers can develop a weather risk strategy to compliment their crop insurance.
- 7 Alzheimer's is not officially the \_\_\_\_ leading cause of death in the United States.
- 8 \_\_\_\_ season is right around the corner!
- 9 Dewey Nelson, KRVN, and Jim have been doing radio spots on



- the air for \_\_\_\_ years.
- 12 In the new Farm Bill, the Supplemental Coverage Option for farmers is exclusively a \_\_\_\_-wide policy and pays based on the county revenue.
- 13 2014 is currently expected to see continued \_\_\_\_ temperatures and dryness in the Central Plains.
- 14 On February 7, 2014, U.S. President Barack Obama signed the \_\_\_\_ Act of 2014 and the long awaited Farm Bill was finally signed into law.
- 15 A data breach occurs when your customer's personal data or information is lost, stolen, or accidentally made \_\_\_\_.
- 18 A new program provided in the new Farm Bill is called \_\_\_\_ Loss Coverage.
- 19 A common way that a data breach occurs is when files are dumped instead of being \_\_\_\_.
- 21 If you book a trip to Cancun through Cancun VIP Reservations you will be at the VIP \_\_\_\_ Level.
- 23 The "industry standard" (ISO) personal auto insurance policy covers the lesser of the "actual cash value" market value of the vehicle or the amount "necessary" to repair or replace the damaged property.
- 25 \_\_\_\_, Harvest-Max, and Price Flex were three new products The Home Agency offered this year to their crop customers.
- 26 Producers are putting a \_\_\_\_ on these record high cattle prices by writing LRP contracts. ■



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Design and layout of The Home Agency Magazine is by Sara Ross.*

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