

# The Mutual Monitor



WINTER 2023 EDITION

VOL. 40, NO. 1

## Manager's Memo

Greetings to all of our policyholders! We hope that you have had a Merry Christmas and are enjoying a happy and prosperous new year!

2022 was an interesting year in the insurance industry. While Elmdale Mutual had a relatively decent year, our partner North Star took a pretty good licking with wind and hail losses. While it was a substantial amount of money they paid out, they are quite financially stable and have an excellent reinsurance program. North Star went into the storm season in excellent financial position and emerged in really good condition. That is better than many others in Minnesota. One of the major writers of farm wind will be ceasing to write wind and hail coverage in the state. You do not have that worry with North Star and Elmdale. Both are in it for the long run and are financially strong.

We have written about issues with repairs on homes and buildings in the past, but it is important to reiterate that. We strongly recommend that you do business with your local contractors and lumber yards whenever possible. We have received reports of numerous instances where someone showed up at a residence or farm and was not who they indicated. Storm chasers are quite common and are generally unscrupulous people. They will bully you into decisions that are not in your best interest. Deal locally and with people that you know and trust.

Most contractors do not need to see your insurance adjuster's report. This is generally a ploy to maximize their profits. Get a bid to fix the damage to your building and work off of that. If there are discrepancies, the company adjuster will work with you to resolve it.

Contractors are not totally to blame for these issues. I recently had a contractor tell me that they had never seen so many people asking to get something included into the repairs that was not an insurance claim. That is just plain insurance fraud. No other way around it, it is illegal. The money to pay claims comes basically from one source: Your premiums. If there are claims being paid that are inflated or not covered, that only drives premiums up. Plain and simple.

Earlier in this article I mentioned that Elmdale Mutual is in this business for the long run. We will be celebrating our 125<sup>th</sup> year in business in 2023!!! While every year has not been excellent, we have managed to grow the company from very modest beginnings to one of the top 10 Township Mutuals in Minnesota in regard to surplus and premium.

This success has not been the work of one or two people, it has been the efforts of many people. The office staff that takes care of the daily work, claims and inspection program deserves most of the praise. They have developed systems to stay efficient and on track with the company's rules and long-term plans. They also find creative ways to provide insurance coverage to properties that sometimes are not perfect.

The agents that sell Elmdale Mutual insurance deserve a lot of the credit also. Without them meeting with you and explaining the benefits of insuring with a mutual, we would not be where we are. Elmdale is committed to using independent agencies. We will NOT sell insurance direct or through the internet. We feel it is important to have relationships with customers, both as the selling agent and as the company backing it all up.

The mutual insurance industry was started in the United States by Benjamin Franklin. The basis of it is simple: The profits (if any) stay with the company; they are not distributed to shareholders or investors. Any profit is held, and the idea is to use it to offset losses in future years. That way the people who have put the money in – you the policyholders – will receive the benefits. Not someone who happened to purchase a stock. However, if the company has a LOSS on operations, we cannot come back to you for more premium.

Elmdale's Board of Directors deserves much of the credit for the company doing well, also. While we have had changeover on the Board throughout the years, one thing is constant: They represent YOU, the policyholder. They are all policyholders of Elmdale. In the early years they were mostly farmers. That has changed somewhat. We now have a board made up of many different backgrounds, but they all have one thing in common...Agriculture and rural roots.

The board recently held an off-site meeting to plan for the future of

## ANNUAL MEETING

*You are invited to the*

### 125th Annual Meeting of Elmdale Farmers Mutual Insurance, Inc.

**Thursday, March 23rd, 2023  
1:30 p.m.  
Elmdale Community Center  
in Elmdale, MN**

Business Meeting  
Board of Directors election

Reports on 2022 results  
Coffee and cake

Interesting speaker

### COME AND JOIN US!!

ADJOURNMENT BY 4:00 P.M.

This is your notice of the annual meeting of the Elmdale Farmers Mutual Insurance, Inc. to be held on Thursday, March 23, 2023 at the Elmdale Community Center in Elmdale, MN at 1:30 p.m. Business will include the minutes of the previous annual meeting, Board of Directors election, a report and discussion of the Company's financial affairs and any other business that shall properly be placed before the meeting.

Mikel B. Nelson, Secretary

the Company. We brought in an outside advisor who has 42 years' experience in the Minnesota mutual insurance world. We discussed the landscape of the insurance market in rural Minnesota; where we have been and where we intend to go in the future. We discussed contingency plans for management of the company in the event of something unforeseen. Overall, it was a good meeting, and the Company has a very bright future!

As always, thank you for your business!! We appreciate it.  
Mikel B. Nelson, Manager  
Elmdale Farmers Mutual Insurance.

## INSPECTOR'S FINDINGS

### HOME FIRE ESCAPE PLAN

Do you have an escape plan in case your home catches on fire? If not, I urge you to make one as soon as possible, especially if you have young children. Kids can become very scared and need clear direction and help getting out of a burning house. They may not know how to escape or what to do unless an adult shows them.

So, have a plan for young children who cannot get outside by themselves. Talk about who will help each child get out safely. Make sure your kids know what to do when they hear a smoke alarm if there's no adult around. Help them practice going to your outside meeting place.

Teach your kids to NEVER go back inside a burning building for any reason. Once they are out, stay out! Make sure your kids know to get low and crawl on the floor where the air is less smoky. Make sure the kids know there are two ways out of every room in case one way is blocked by smoke or fire. Finally, DO A FIRE DRILL!!

*Rick Pogatschnick, Inspector*





# ASK MR. MUTUAL

*(Mr. Mutual's answers are based on the TP1 {1-21} edition [farm policies] and PHI {1-21} for homeowners. Individual policies may vary slightly and you should check any loss with your company and with the policy contract you may have.)*

**Dear Mr. Mutual:** This sounds a lot like something out of the movie "The Christmas Story," but it actually happened. My neighbor was helping me clear away a bunch of dead branches that fell next to my garage during an ice storm when an icicle, actually a chunk of ice and an icicle, somehow came loose from the garage eaves and hit his head causing both a mild concussion and a wound deep enough to require several stitches. His medical insurance covered all the needed repairs and we both viewed it as just a freak accident—his wife started calling him "Ralphie"—but after it happened, I got to wondering if my homeowners policy would cover something like that if he had sued. Would it?

**Mr. Mutual says:** Without an investigation and limited information as to why the ice came loose, Mr. Mutual would say that because he was injured at your property the Medical Payments to Others Coverage would be available. In order for the Liability limit to be available, there would need to be negligence on your behalf.

**Dear Mr. Mutual:** I breed Jersey cattle and I have a pair of championship bulls. Although both are unusually docile animals, knowing the Jersey bulls' reputation for meanness, each has a separate paddock with six foot high fencing and a pair of hot wires offset from the fence. I recently caught two of the neighbor's kids, ages 12 and 10, around the fence by one of the bull paddocks teasing the bull. I gave them "what for" and also made a call on my neighbor and his wife explaining that while both bulls had never shown any meanness, bulls can be unpredictable and the kids needed to stay away from the bull paddocks. They must not have said anything to the kids or if they did it had no effect because a few days later, the older boy was back teasing the bull and this time, the bull wasn't so docile. He charged and scared the kid so badly that in running away, he stepped in a gopher hole and broke his ankle quite badly. It has required extensive orthopedic surgery to fix and he faces a lengthy rehab. Now the parents are threatening to sue on the grounds that the bull was an attractive nuisance and the gopher hole was a hazard that should have been eliminated. Do they have a case?

**Mr. Mutual says:** The bull did not injure the boy, so the attractive nuisance claims seems weak. The owner of the bull has a duty to take reasonable steps to confine the bull. Six foot high fencing and electrified wire seems reasonable. In fact, there is no evidence, based upon the case presented, the bull escaped its confinement, therefore the fence functioned as it should have. The boy was injured when he stepped into a gopher hole.

The owner of land has a duty to maintain the property in a reasonably safe manner. A landowner cannot create unreasonably conditions upon the land that is likely to injury someone. Generally, the public takes the land as it is. The landowner in this case, did not create the gopher hole. The fact that the gopher hole is naturally occurring, and the boy and his parents were warned to stay away from the bull makes this a defensible case.

**Dear Mr. Mutual:** My son is currently a student at the "U". The problem is that crime of all types has risen substantially on and around the Minneapolis campus since 2020 and I'm guessing that it's only a matter of time before he's a victim. He's an aerospace engineering student which means he has a lot of stuff, most of it expensive. Do I need to get any sort of special insurance policy for him or will my homeowners policy cover his stuff?

**Mr. Mutual says:** There is coverage in your policy for property "temporarily" away from the insured's premise. This applies for students. "However"...if your son has permanently moved away from home, this area can be gray. Mr. Mutual recommends that your son (or you) purchase a renter's insurance policy for his property with some liability insurance also that names his current address on the policy. That way

there are no questions. This is a case where you need to consult with your agent.

**Dear Mr. Mutual:** On Halloween this year, while we were attending a party at a friend's house, some of the mischief makers around our neighborhood apparently decided it would be fun to throw rocks at our outdoor lighting and spray-paint the house. If they'd stuck to the lighting, it wouldn't have been so bad but they also managed to break four windows in the house including a very expensive etched glass in the front door, which will cost almost \$2,500 to replace and a large bay window in the living room. Will my homeowners policy cover the broken lights and windows? How about the expense of cleaning up all the broken glass and getting it out of the carpets? Part of the carpet in the living room was badly cut up by the broken glass. Is replacing that covered? What about cleaning up the spray-paint?

**Mr. Mutual says:** All of the above are covered. You will have to pay the deductible. Mr. Mutual will talk with the authorities and undoubtedly he will attempt to find out who the perpetrators are and get restitution.

**Dear Mr. Mutual:** I have a fairly large gun collection that I recently inventoried and had appraised. The numbers the appraiser attached to several of the firearms were stunning. When I mentioned this to my insurance agent and showed him the appraiser's report, he said I needed to insure the collection with a special Inland Marine policy. How does something that insures ships cover a gun collection and do I actually need a policy like this? Doesn't my farm policy cover guns?

**Mr. Mutual says:** Yes your farm policy covers guns. However, there is a limit in the event of THEFT of \$2,000. There is no limit if the loss is due to fire, for example. However, the value of your firearms may use up the limit that you had planned on using to purchase clothing and furniture. Inland Marine coverage will require a description, value and serial number of each firearm. You will undoubtedly have a lower deductible in the event of a loss and the value of the firearms will not count against the rest of your personal property.

## MR. MUTUAL TO PAGE 7

### HOME HEATING TIPS

Every year when the weather turns colder we hear of some form of a "new and more efficient way to heat your home". Some of these new methods involve wood or wood pellets, fuels, etc.

We urge you to be quite careful if you are considering something like this. We ALL want to save money of heating costs. We live in Minnesota; it is cold, and we need heat in our homes. That costs money.

However, there are not a lot of new and improved ideas that actually work and are safe. Fuel oil, natural gas, propane and wood are still the mainstays of heating. And there are only a certain number of ways to make this more efficient. We have seen many ideas tried over the years. Most have resulted in failure and in some cases fire to the home.

Be careful and stay warm!!

### FIRE EXTINGUISHERS



10 pound extinguisher	\$70.00
5 pound extinguisher	\$50.00
Heavy duty brackets	\$40.00/10#
	\$20.00/5#

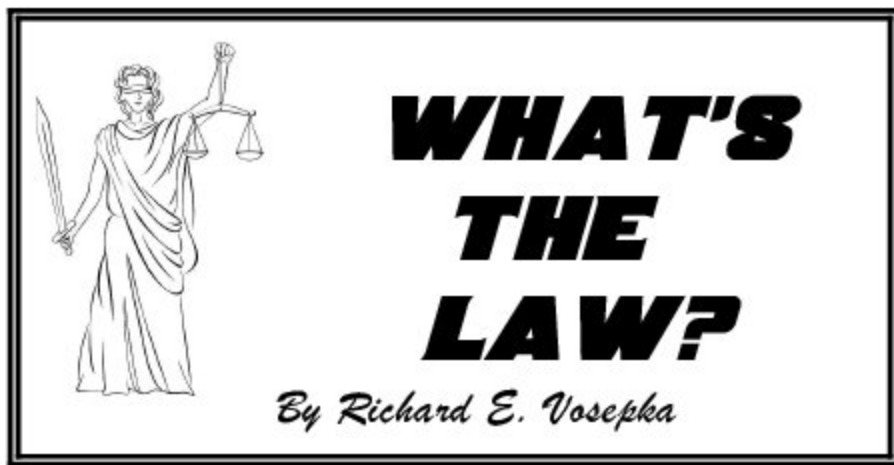
Large tractors, combines, forage harvesters, etc. should have at least two 10 pound extinguishers. One should be inside the cab and one outside the cab. This is a minimum. Other implements such as big square balers, large round balers, etc. should have at least one 10 pound extinguisher. As they are generally hooked to a tractor, there should be extinguishers on the tractor also.

Shops with welding equipment should have at least one 10 pound extinguisher and additional extinguishers should be used if there is wood burning in the building.

Homes should have a minimum of one 10 pound extinguisher per floor. Additional extinguishers should be available if there is wood burning in the home and this includes fireplaces.

These extinguishers are available from your agent or at the Elmdale Home Office. These are ABC extinguishers that are rechargeable and refillable. Please call 320-573-2151.





Rowland Stuart was tired of his job although it had kept him out of trouble for nearly three years following his release from state prison. Still, he had little to show for his years of hard work and he was determined to do something about it, to find a way to make a lot of money a whole lot quicker. He had thought long and hard about resuming his "career" as a burglar but had rejected that possibility for two reasons. One was that burglary required him to work harder than he wanted to work.

A good burglar, which Stuart believed he was despite having been caught and convicted on three different occasions, had to search for a worthwhile target and then, no matter how much loot resulted from the break-in, it was a lucky day or he'd gotten very high class, untraceable merchandise, when he realized more than ten to fifteen percent of the value of the stuff when he "fenced" it.

His second reason for rejecting a return to his life as a burglar was that the risk seemed to outweigh the benefits. It seemed like an increasing number of people were installing very sophisticated alarm systems and twice Stuart had nearly been caught when he was trying to disable one of those systems. What's more, he had noted an increase in the number of people whose homes might contain worthwhile stuff, who also had very large dogs. Stuart was deathly afraid of dogs having been severely bitten on three occasions when he broke into homes that were occupied by territorial dogs who resented his presence. Once he had barely escaped with his life and had spent weeks recovering from the bite wounds.

One day, on the morning news show, there was brief story about the rising incidence of insurance fraud nationally. That story created an "Aha" moment for Stuart. It required only a modest amount of work, the risk of detection, if he did things right, was minimal and there was no "fence" taking his very liberal cut of the proceeds. But he needed someone who had a few more bucks available than he had and that's where an old prison crony, Breton Carpentier, came in.

The two of them formed Oak Tree Financial and began looking for low value homes. When they found one, they approached several people, with equally shady backgrounds, about purchasing the home and the insurance on it in the third person's name but with Oak Tree providing the financing. One of the first participants in the scheme was Marie Brice, the widow of a minor organized crime figure. Stuart and Carpentier purchased a run-down home in Brice's name and insured it and a considerable amount of bogus personal property with a national insurance company. A month or so later, Brice reported that her home had flooded due to a burst pipe. The pipe burst because Stuart had deliberately broken it. The company paid the claim.

A few weeks after the burst pipe, Brice reported that to her insurance company that while the home was being repaired and she was living elsewhere during the repair process since the policy included additional living expense coverage, thieves had stolen a number of items from her home totaling nearly \$30,000. In fact, most of those items never actually existed and the ones that did had been removed by Carpentier prior to the fire and placed in another home that Stuart and Carpentier had just purchased using a different straw buyer, Reed Grenfell. They had insured this home with a different national company than the one insuring Brice's home. The total amount of the losses to Brice's home, both from the fire and the bogus theft, was \$135,000.

In the process of insuring the home where Grenfell was the "front," Carpentier provided Grenfell with a list of contents in the home to add to the personal property being insured. None of those items were actually in that home. Again, a month after the home was purchased and insured, Stuart set it on fire and it was determined that the house was a total loss. The result was a claim for \$165,000 for the house and personal property. Grenfell told the company that he believed a generator he owned and was using during a power outage had been the cause of the fire.

Three months later, Marvin O'Bannion, the "straw buyer" of yet another home notified the insurance company that his home had burned to the ground after he put a foil-wrapped chicken in the microwave to thaw and had then gone to the grocery to get additional items for dinner. In fact, Stuart had set the fire that caused the home to burn. The loss, including personal property, had totaled nearly a quarter million dollars

and many of the items listed as lost during the fire were the same items that Grenfell had claimed were lost in his house fire.

Stuart and Carpentier then purchased another home in O'Bannion's name and provided the money for the first two months insurance premiums with a different national insurance company. Three months after the purchase, O'Bannion reported that a water pipe had burst in the ceiling and the house had flooded doing nearly \$35,000 worth of damage. This time Carpentier was the one responsible for bursting the pipe. The company paid the claim.

Two months later, O'Bannion's home caught fire. In this fire, however, a firefighter, with a wife and three small children, was badly injured when part of the structure collapsed as he was attempting to find and rescue O'Bannion's young nephew, who was temporarily living with him because of a serious family conflict and was believed to be asleep in the back bedroom. The nephew, in fact, had smelled smoke and exited the house before running three blocks to tell his step-mother that Uncle Marv's house was on fire. When he filed the proof-of-loss, O'Bannion said he thought a faulty hotplate was the cause of the fire and the insurance company paid a \$200,000 claim.

This fire, however, fractured the relationship between Stuart and Carpentier and Carpentier bailed out of the arrangement. Sickened by the near death of the firefighter and the possibility that O'Bannion's nephew could also have perished in the fire, he told Stuart that while he was a thief and a conman, he wasn't a murderer and he wanted no part of any additional house burning.

Early in their partnership, Stuart and Carpentier had also formed a construction company, which, unlike Oak Tree Financial, was a legitimate company and not a front, to do repairs on the homes they damaged or burned. As he had actually been the manager of the construction company, Carpentier and Stuart simply agreed to go their separate ways with Carpentier taking the construction company and Stuart becoming the sole proprietor of Oak Tree Financial. However, Carpentier continued to do the repair work on homes that Stuart bought and then burned or damaged.

Following the breakup, Stuart's next actions were in cahoots with his girlfriend, Bonita Parks. Parks wanted to remodel her home but didn't have the money to do the things she wanted. So, Stuart offered to help her solve that problem. He suggested that she might want to go visit her parents for a few days as they lived in another state. When she returned home, he said she should act very surprised and upset to find her home damaged by water. She told her insurance company that while she had been away, a pipe burst above one of the bedrooms and her home had flooded. Her insurance company paid a total of \$175,633 to settle this claim.

Parks was unhappy with the job that Carpentier Construction did repairing and remodeling her home and complained to Stuart that she was still having roofing problems along with some other repairs that needed to be done. So, after carefully having removed pictures, clothing and other personal items from the home and while Parks waited in the bedroom, Stuart started a fire and left. Parks remained in the bedroom until the fire had a good start before running to her neighbor's home and calling the fire department. She told the insurance company that she had been asleep when she woke up to smell smoke and heard glass breaking. She said she immediately left the house, went to her neighbors and called 9-1-1. She also told her insurance company she had no idea what caused the fire but said the fire chief suspected it had started in the circuit breaker box. For this claim, she was paid a bit more than \$200,000.

Stuart continued the scheme with various other straw buyers for nearly three years and the combined losses for the insurance companies totaled nearly \$5 million. It began to fall apart when Parks confided about her successes with insurance claims to a friend and that friend told her brother who was an agent for one of the companies Parks and Stuart had defrauded. He, in turn, relayed what his sister had told him about Parks' claims to the company's fraud investigators.

The company's investigators began looking at all of Parks' claims plus other claims they had received where Stuart had been either the primary beneficiary or had collected a significant sum through Oak Tree Financial. When they found many of the same items listed as lost on four different claims made by four different claimants but always with Stuart or Stuart and Carpentier benefitting in some way from the claims, they took what they'd discovered to the Postal Inspectors.

The Bureau of Alcohol, Tobacco and Firearms was already investigating the O'Bannion home fire where the brave firefighter had been seriously injured and Special Agents had consulted with an Assistant U. S. Attorney in the federal district where the fire had occurred. The fraud investigation undertaken by the U. S. Postal Inspection Service quickly revealed that the O'Bannion house fire was one of the possible insurance frauds and so the AUSA took on both cases with the Postal Inspectors as lead and the BATF assisting. Federal jurisdiction for the fraud to be investigated by the Postal Service is based on the use of mail or wire communications in furtherance of committing the frauds.

While it took several months, forensic accountants finally unraveled the string of bogus claims. When all the indictments were finally handed down, 15 people were facing multiple counts of mail fraud, conspiracy to commit mail fraud and Stuart and Carpentier also were charged with four counts of use of fire in commission of a felony.



## AVOIDING COSTLY WINTER HOME INSURANCE CLAIMS

Winter has its charms, such as nights by the fire, hot chocolate, skiing, holidays and waking to snow-covered views. But winter also brings its share of trouble in the form of home damage from winter storms, high winds, freezing temperatures and even house fires.



Water damage from freezing pipes is the most significant source of home damage. Not fires, collapse from weight of ice and snow, but water loss because of a broken pipe. The reason that freezing pipes are such a significant issue is that broken pipe repair is only the tip of the iceberg, so to speak. A pipe that

freezes and bursts can lead to substantial water damage and mold. Water damage and freezing is the second most common home insurance claim.

Here are some steps to reduce your frozen pipe risk:

- Drain and disconnect hoses
- Drain sprinkler supply lines
- Insulate pipes located in unheated spaces like basements, crawl spaces, attics and garages.
- Apply pipe sleeves or heat tape to the most vulnerable pipes.
- Keep the home warm. If you leave town, set the thermostat to 65 degrees F or higher.
- Leave garage doors closed.
- When it's very cold, let cold water drip from the faucet.

It's a good idea to learn where your water shut off valve is located so you can minimize damage if your pipes freeze, despite your best efforts.



Another common issue in winter is damage from ice and snow. Heavy snow accumulations and ice can damage gutters, roofs and decks and also cause trees or parts of trees to go down. While standard homeowners policies cover damage caused by ice and snow, if ice forms on your gutters and prevents

runoff from draining properly, it can cause water to build up and seep into your home. Damages resulting from water seeping into your home may not be covered depending on whether the insurer deems you are responsible for failing to maintain your home properly. So, for that reason, it is important to prevent ice dams by minimizing snow melt on your roof. Some ways you can do that are:

- Insulate adequately so your home's heat doesn't escape through the ceiling.
- Seal any gaps that let warm air leak from the house into the attic.
- Make sure your attic is ventilated so that cold air from outside can enter that space. You don't want it too warm up there because that can cause snow on the roof to melt, and when it contacts the cold eaves, it may refreeze, forming a dam.

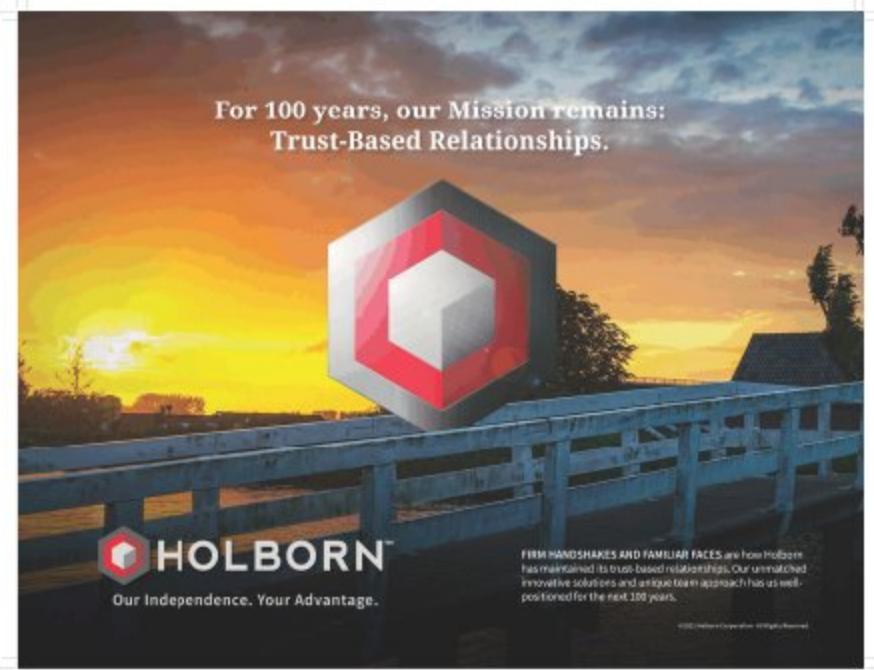
Heavy ice or snow may also cause trees or tree limbs to fall on your home. This damage is usually covered under the dwelling portion of your home insurance policy. However, if the tree was dead and should have previously been removed, your insurance company may determine you were negligent and deny the claim.



A third major hazard in winter is a house fire. During frigid weather, it is common for homeowners to use space heaters or fireplaces to warm up. But that additional coziness doesn't come without risk. The National Fire Protection Association (NFPA) reports that space heaters cause 44% of fires in the U.S. Fireplaces and

chimneys were responsible for another 29% and central heat accounted for 12% of fires. Here are some ways to help prevent heater and fireplace fires:

- Follow the manufacturer's instructions for use of the heating equipment.



- Keep any heating device at least 36 inches from anything that can catch fire.
- Have a professional clean and inspect your chimney prior to the start of each heating season. Even if the chimney is not due for cleaning, it is important to check for animal nests or other blockages that could prevent smoke from escaping.
- Make sure the area around a fireplace is clear of anything that is potentially flammable (ie: furniture, drapes, newspapers, books, etc.). If these items get too close to the fireplace, they could catch fire.
- Never leave heaters or the fire in a fireplace unattended. Make sure the heater is completely turned off and the fire in a fireplace is completely out before you go to bed or before you leave the house.
- Install both smoke and carbon monoxide detectors. Test them



monthly and change the batteries at least once a year. If possible, keep a window cracked open when you have a fire in the fireplace. Keep a fire extinguisher on hand,

- Use dry, well-aged wood in your fireplace. Wet or green wood causes more smoke and contributes to soot buildup in the chimney.

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## WATCH FOR SYMPTOMS OF POISONING AFTER EXPOSURE TO AG CHEMICALS

As more and more agricultural chemicals, previously thought to be safe, have proven over time to be not so safe, it's important to quickly recognize when something might be wrong after exposure to ag chemicals. Some of the symptoms to watch out for include:

- ★ headache
- ★ nausea
- ★ vomiting
- ★ diarrhea
- ★ pinpoint pupils
- ★ dizziness
- ★ muscle twitching
- ★ increased bronchial congestion and watering eyes
- ★ skin rashes and irritation
- ★ chemical burns.

If you notice any of these symptoms after being exposed to chemicals, it's very important to seek immediate medical attention. Some long-term effects of chemical exposure can include:

- ★ increased risk of some cancers
- ★ birth defects
- ★ diseases of the lungs, liver or kidneys
- ★ nervous system disorders.

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## LOOK OUT FOR SCAMMERS IMPERSONATING GOVERNMENT AGENTS

Several U.S. government agencies including the Social Security Administration, the IRS and the FBI are again warning against scammers posing as government agents. They'll give you some reason why you need to send money or give them your personal information. They may also threaten you with arrest if you don't pay up. If you get a call like this, hang up immediately. Government agencies won't call, email or text you and ask for money or personal information. Only a scammer will do that.



## DEALING WITH STRESS IN FARMING



Changing contracts. Increasing production costs. Weather. Paperwork. Working with family or just family members in general. The list of things that can get on your nerves and stress a person out in a farming operation is long and what's worse, most of the items on the list are chronic.

Living and working in rural America can be very rewarding. However, farming can also be stressful. There are the everyday issues of family life, balancing budgets, planning for the future and keeping up with developments in your area of farming. The added pressures of managing a farm during difficult times like a natural disaster or market fluctuations can sometimes seem overwhelming. Social isolation and working long, irregular hours can make coping with stress issues much harder.

What can you do to deal with the stress these issues create? Few farmers take the time to develop an environment to help their brains cope with the overload of stress that is part of the business. Your self-care deserves the same attention as your land and animals. A small amount of stress can help keep a person motivated and actually improves performance and productivity. However, persistent high levels of stress can have a negative impact on performance and both a person's physical and mental wellbeing.

Different people respond differently to potentially stressful situations. Be aware of some of the common effects of stress to watch out for in yourself and others:

- ◆ Poor sleep or sleeping more than usual.
- ◆ Poor concentration, irritability and anger.
- ◆ Increased drinking or smoking.
- ◆ Poor decision making, avoiding making decisions or forgetfulness.
- ◆ Changed appetite, not feeling well or nervousness. Feeling like you are at the end of your rope.

There are some fairly simple things you can do to manage stressful times in a farming operation:

- ★ Make a list of people and services you can call on for information and assistance
- ★ Break large tasks into smaller, more manageable tasks which you can then prioritize in order of importance. Don't avoid making decisions.
- ★ Take the time to eat real meals. A bag of potato chips and a can of soda consumed on the run is not going to provide the kind of fuel your body needs to help you cope with stress.
- ★ Celebrate and reward success. Even small wins should be acknowledged—a new calf, foal, lamb, kid or piglets or even the sun shining after a long, wet spell are a cause for celebration.
- ★ Keep in touch with farming groups and industry networks—they are sources of information and social contact
- ★ Schedule time away from the farm—taking a break gives you fresh perspective, renewed energy and improved decision-making power.



- ★ Get a pet and make them house pets. Pets, especially dogs and cats, can reduce stress, anxiety and depression, ease loneliness, encourage exercise and playfulness and even improve cardiovascular health. Pet owners are less likely to suffer from depression and they have lower blood pressure in stressful situations. Playing with a dog,



### WE MAKE CHIMNEYS SAFER

- ★ Chimney inspections
  - ★ Solid Flue Chimney Liner
  - ★ Chimney scanner
  - ★ Chimney repair or restoration
  - ★ Chimney cleaning
  - ★ Cleaning supplies
  - ★ Dryer vent cleaning
- Concrete      Block      Brick

## Drake Chimney Service and Construction

Clair Drake and Cade Drake

Solid Flue Chimnologists

Box 67, Tyler, MN 507-530-1738

cat or other pet can elevate levels of serotonin and dopamine which, in turn, calms and causes people to relax.

While we know people in rural farming communities are very willing to volunteer help to others, many farmers, who are used to working things out for themselves, don't want to share their problems. However, it's really important that you talk to family, trusted friends or a health professional about issues that are upsetting, stressful or difficult. Don't give up if you find it tricky to find support that suits you—there is never a one-size-fits-all solution. Keep trying until you find what works for you.

## PROTECTING YOUR FARM FROM GRASS FIRES



Windy, dry conditions can cause grass fires that burn hundreds of acres very quickly and are a potentially catastrophic danger to farmland, machinery, buildings and

other high-value assets. Sustained high winds and low humidity are the most frequent conditions the National Weather Service considers in issuing watches and warnings. A watch is issued up to 72 hours before these conditions are expected while a red flag warning is issued when they're likely within 24 hours. Don't take these alerts lightly as a grass fire move at 10 to 15 mph in windy conditions and can quickly overwhelm farm vehicles, buildings and their occupants.

Some tips to prevent fire and stay safe when conditions favor a grass fire near your farm are:

- ★ Plan ahead and keep everyone in the loop. Work with farm workers, family members, local fire department personnel and anyone else who's on or around your farm to plan for any fire containment or emergency evacuation efforts. This may include plans to relocate equipment, machinery or livestock that could be caught in a grass fire.

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## FARM LIABILITY CORNER

### HOLY COW!

Animal liability claims make up a large, and growing, volume of liability losses. Living in rural Minnesota often times means we have pets and perhaps livestock. How does a liability insurance policy respond if a pet or livestock causes bodily injury or property damage? The answer to that question is as varied as the varieties of animals a person can own. For example, if a dog attacks or injures a person, state law drives how that claim will be handled.

Minnesota Statutes 347.22 says, in part: “if a dog, without provocation attacks or injures any person... in any place where he may lawfully be, the owner of the dog is liable in damages to the person so attacked or injured”.

There is no question the liability insurance policy will provide protection for the policyholder. Generally, the issues in a dog bite case is not coverage or even liability but, rather, the value of the injury. There are many factors to consider when evaluating dog bite injuries. The age, gender, and where on the body the person was bitten, will impact the value of the injury. A small child bitten on the face will have a much different value than an older person bitten on a part of the body normally covered by clothing. Two separate and recent jury verdicts, both involving young girls bitten on the face, resulted in verdicts ranging in the low \$40,000. A similar injury on an adult man may result in a verdict much less than awarded the two young girls.

Although dog bite claims are impacted by Minnesota Statute 347.22, cat bites are not. The statute mentioned above has no impact on cat bite injuries. Unlike dog bite cases, liability is not a foregone conclusion. Cat bite injuries are subject to common-law negligence. The role of the person bitten by a cat plays a big part in the potential jury verdict. In a recent case, the plaintiff was bitten by her own cat when, she claims, it was being harassed by a dog owned by a neighboring farmer. Because the cat was owned by the person bitten, a jury could factor that into the ultimate verdict. In different cat bite injury case, a jury reduced the verdict by 40% to account for the claimant’s own comparative fault.

Livestock, such as cattle and horses, bring on their own unique set of factors. Probably one of the most confusing concepts for the general public is the fact that livestock on the road does not, by itself, establish that the owner of the livestock is negligent. Certainly there are instances where the owner of the livestock is negligent and the issue becomes merely one of damages but that is not always the case. There are circumstances where livestock escapes its confinement and the owner of the livestock is not negligent. To add to the confusion, there may be a set of circumstances where the owner of the livestock is negligent but the negligence of the injured person outweighs that of the livestock owner. When the negligence of the injured person outweighs the negligence of the livestock owner, the jury verdict would favor the livestock owner.

For example, let’s say the owner of cattle did forget to secure a gate and several animals escape their enclosure and are hit by a passing automobile. The owner of the livestock is likely negligent for leaving the gate open. However, if the driver of the automobile is intoxicated and speeding, when compared to the owner of the automobile, the livestock owner’s negligence is less. In simple terms, a 6-pack of beer outweighs a 1200 pound cow.

One such example involved a young couple who met at a bar in rural Minnesota. The couple was riding a motorcycle on their way to the woman’s apartment when they collided with a cow. Although the fence containing the cow was not in good condition, the jury verdict was in favor of the livestock owner. The jury concluded, because the couple had been drinking, the farmer’s fault was less than the driver of the motorcycle.

When dealing with any liability claim, it is important to remember there is no one size fits all. All liability claims are fact specific. A seemingly small detail could have a significant impact on the final outcome.

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### KID SAFETY AROUND PETS

Dogs, cats, and other pets can be wonderful additions to the family. They can be fuzzy friends that provide love and companionship for many years. Unfortunately, however, even the

most loving of pets can bite. Sadly, children represent a large percentage of these animal bite victims.

Children are at increased risk for dog bites for a number of different reasons. Children may not be able to interpret the body language of an animal, which may be a warning sign before a bite occurs. A dog that is fearful or anxious may crouch low to the ground, put its tail between their legs or flatten its ears back. An aggressive dog may puff out fur to try to appear bigger or may growl or show teeth in a warning display.

Children sometimes frighten animals just by doing normal kid things. Loud or rough play may be scary for dogs. Curious kids may try to play with a dog’s food, or explore an area a dog considers to be his/her territory such as their bed. These types of behaviors, while normal for children, may be anxiety-provoking for an animal. Kids love to play with animals, but children don’t necessarily play with animals in ways that animals like. For example, young children often try to hug dogs or touch their faces. As a result of this face-to-face interaction, and because of their small size, younger children are likely to suffer dog bites to the face, head, and neck. Older children and teens are more likely to experience dog bites to their hands, arms and legs.

But having a home that is safe for both pets and kids is possible! Here are some tip to help prevent animal bites:

- ★ Choose your pet carefully. Make sure the animal you choose is a good fit for your household. Pets should come from a reputable breeder or adopted from a shelter where its behavior has been observed or evaluated.
- ★ Socialize your pet. Dogs and cats that feel more comfortable around people and other animals are less likely to become frightened by these interactions and subsequently less likely to bite.
- ★ Train your dog. Obedience training helps to build a confident, trusting relationship between you and your pet.
- ★ Keep your pet healthy. Animals that are sick or in pain are more likely to bite. Additionally, unhealthy animals are more likely to spread disease to their human families.
- ★ Stranger danger! Teach children not to approach or pet strange animals. Petting a dog or a cat through a fence or a car window may seem harmless to you but the animal may interpret this as an invasion of their territory. Also, children should not interact with stray animals or wildlife, such as raccoons or bats.
- ★ Be alert. Pay attention to the behavioral signals your dog is sending, such as barking, growling, crouching or showing teeth or cats that are hissing, showing teeth or making snarling sounds. Teach children to recognize these behaviors as well.
- ★ Do not disturb. Teach children not to bother a dog or cat while it’s eating or to startle them during sleep and to handle animals gently and give them space.
- ★ ALWAYS supervise children around animals! Never leave a baby or child alone with a dog or a cat. Even a beloved family pet can bite under the wrong circumstances.

If your child is bitten or injured by any animal, seek medical attention immediately. While some injuries need only a good cleaning and a bandage, some animal bites can be severe. Animal bites are at greater risk for becoming infected than other types of injuries, so it’s important to take any medications as instructed by your health care provider.

### GRASS FIRES FROM PAGE 5



- ★ Don’t count on the road for protection. Though roads sometimes form a break in vegetation that can fuel a fire, flames can often “jump” a roadway and continue its spread. So, never depend on a roadway to stop a grass fire.
- ★ Relocate or remove flammable materials. Take an inventory of any materials on your farm that could propel a grass fire including hay bales, stored fuel and other similar combustibles. Make sure these types of highly flammable materials aren’t situated close to barns, outbuildings or farm homes to reduce the risk of structural damage.
- ★ Prepare for containment. Keep a tillage tool hooked up and ready, as tilling a fire break in grass in the fire’s path can sometimes stop it. Make sure you have all the necessary safety equipment — smoke alarms, fire extinguishers, sprinkler systems — well-maintained and ready at all times.
- ★ Consider everything your home, family, farm equipment and livestock will need in the event a grass fire hits your farm and make sure you have emergency action plans made well in advance of the start of the spring fire season and throughout the summer and fall.



LAW FROM PAGE 3

This fraud ring caused losses totaling well over one billion dollars. All the coconspirators, including several lesser participants such as Parks, were convicted on fraud and conspiracy counts and all received sentences including federal incarceration of at least two years, but most received five to ten year sentences. Additionally, Stuart and Carpentier were charged with several counts of use of fire in the commission of a felony. This is significant because sentencing on those counts is consecutive and not concurrent to the sentences on the underlying felonies.

The state also indicted the ringleaders with engaging in an organized criminal activity; a statute patterned on the federal RICO statute.

At sentencing Carpentier received incarceration totaling 30 years but the U. S. District Judge, appropriately, reserved the harshest punishment for Stuart. She addressed Stuart by telling him that his greed had cost insurance companies millions of dollars which contributes to higher insurance costs for all of us. Worse yet, he endangered people's lives; emergency personnel, neighbors and others and in one case nearly cost a firefighter his life. She went on to say that Stuart was such an evil man that it saddened her that she could only sentence him to enough time to keep him behind bars for the rest of his life; in this case 78 years.

The judge's comments suggested that she might have entertained capital punishment if it were available. Irrespective of the judge's sentencing desires, as fate would have it, Stuart would not have long to be imprisoned. Early in his incarceration he got sideways with a fellow inmate and was killed by him.

*Richard Vosepka is a retired Assistant United States Attorney. He is also a retired lieutenant colonel in the United States Marine Corps where he served with the U. S. Navy's Judge Advocate General Corps.*

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MR. MUTUAL FROM PAGE 2

**Dear Mr. Mutual:** A couple of years ago, we purchased a nice rural home with a tool/equipment shed along with 15 acres that the realtor had listed as a hobby farm. While we certainly hadn't intended to do any farming we also hadn't reckoned on how quickly our kids would take to rural living. The kids went to some 4-H meetings with their classroom pals, joined the club and almost before we realized what was happening, our oldest son had used his birthday money to buy a pair of lambs, our daughter had convinced us to buy her a Connemara pony and the youngest boy had a half dozen show rabbits. Now, in addition to the house and the tool/equipment shed, which is getting an addition, we also have the livestock, a small barn/stable with four 12' x 12' box stalls and several rabbit hutches. We have always just insured our property with a homeowners policy but I don't see any place on that policy for insurance on lambs, a pony, rabbits, a barn or rabbit hutches. While I wouldn't exactly call our place a farm, do we need a farm policy? If that's not the answer, what's the best way to insure this additional property?

**Mr. Mutual says:** It would be a good idea to visit with your agent in regard to the difference of a homeowners policy and a farm policy. There are some limitations as to the number and size of outbuildings on a homeowners policy. Also, the horse brings a change in liability. The rabbits are no issue, but the lambs are also live stock. You will probably need to purchase farm liability which will provide coverage in the event there is a liability claim involving the horse. Definitely speak with your agent.

**Dear Mr. Mutual:** A nasty windstorm this fall blew a bunch of branches off the trees in our yard. One of the branches was big enough and heavy enough so when it hit the bay window in our living room, it broke two large panes plus two stained glass panels that topped the clear panes. The cost to replace the panes and the panels is a lot more, like about 120 percent more, than we paid for them initially. We have replacement cost insurance on the house as well as its contents but does that also apply to something like fancy windows?

**Mr. Mutual says:** Yes. The replacement cost provision pays for like kind and quality.

**Dear Mr. Mutual:** My son was putting the combine away in the shed when he was tired and in a hurry and clearly not paying attention to what he was doing. He managed to hook the shed door with the header and before he got the machine stopped, he'd ripped off the shed door and done a fair amount of damage to the wall. Do we have any coverage for something like this on our farm policy?

**Mr. Mutual says:** Yes for both the damage to the combine and the building.

**Dear Mr. Mutual:** One of the local high school boys mows lawns for a number of folks in the community during the summer months. My daughter

thinks he's cute, which is the main reason she's been pestering me to hire him to mow our lawns as well as my mother's, but he's also a really good kid. I'd like to hire the kid and help him out as his folks were killed in an auto accident a couple of years ago and he lives with his aunt and uncle plus lawn mowing is not my favorite job but my wife has raised an issue about insurance. What happens if he gets hurt while mowing our or my mother's lawns? Are we liable? How about if the mower picks up a rock and damages our property or heaven forbid, hits someone? Knowing the family, I'd bet they have no insurance that would cover his summer work.

**Mr. Mutual says:** What happens if the boy is injured while mowing your mother's lawn depends upon how the boy is injured. If the boy is injured by the lawnmower or something he does to cause his injury, you likely will not be held liable. If, on the other hand, the boy is injured by something you did, or a hidden condition of the property, you likely will be liable.

Whether he has insurance or not, if the boy damages the property or injures someone while he is mowing your mother's lawn, he is responsible for the damage or injury.

**Dear Mr. Mutual:** I have a dozen pedigreed Ayrshire cows plus a bull that we show at the various county fairs and also several state fairs. Individually and collectively, they have won numerous grand championships and are very valuable. Do I need get some sort of special coverage on these animals, without buying mortality insurance, or will my farm policy cover most of the risks if I insure each one of these animals individually to their value on my farm policy?

**Mr. Mutual says:** You would be well served to schedule each of the animals on your farm policy. Your mutual may have limitations as to the maximum value they will insure so be certain to ask what that amount would be. You may also wish to give them copies of any registration paperwork and reasoning for the valuation. Your farm policy provides "Named perils" coverage. It does NOT provide mortality coverage. If the animal is dead in the barn and it is not due to a cause listed in the policy, there is no coverage. Check with your agent to see what would be covered. They can provide a listing.

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