

Thank you for turning in your yields so quickly this year. We actually had to wait until the RMA rolled over the computer system. Claims are in and either paid or being worked. As you have read, there have been changes to MPCI for 2011. However, for most crop insurance clients, the functional differences will be minimal. **“CRC” has become “RP,” or revenue protection and “APH” has become “YP,” or yield protection.**

The spring price is set for RP and YP during February and is the same for both RP and YP. The **‘Unit Numbers’** will be expanded and include the letters BU, OU or EU at the end for basic unit, optional unit or enterprise unit. Be sure you have your yield records in order. Per the policy, you need to **retain 3 years of yield records.** Again, if you would like us to scan your records and provide a CD or .pdf file, we have the capability and will do so. Beginning in 2011, **prevented plant claims will be based on the spring price only.** A higher fall price will NOT trigger an additional payment. Therefore, you might want to consider a higher level of prevented plant coverage for 2011! 60% is standard with the Common Policy, you can buy coverage to 65% or 70%.

**Correct tax identification** numbers (SSI or FEIN) and land ownership is critical to coverage and claims. Any ownership changes need to be reported within 30 days. Depending upon the time in the policy life cycle, there may be need to change your crop insurance policy. Policies with incorrect ID numbers cannot have claims processed. FSA’s **SURE payments** are calculated based on 60% of the difference between the SURE Disaster Program Guarantee and the Total Farm Revenue. For insured crops, the guarantee is based on the level of coverage you elect. Higher levels of coverage will result in higher crop guarantees (within SURE ) payment limitations).



### RCIS' Late Plant Option Policy (LPO)

We all remember the 2010 planting season--strung out for weeks, not days! The challenge is deciding to mud it in or wait for dryer conditions and all the while, the MPCI guarantee drops 1% per day after the final plant date. LPO is available for corn and beans and provides up to 10 extra days (10%) of protection for corn or beans planted during the late plant period. If your corn yield is 170 and you elect 80% coverage, your MPCI guarantee is 136 bushels. With an LPO policy, up to 13.6 bushels (1% per day) would be added to the guarantee if you plant days 1-10 after the final planting date. High risk land and CAT policies are not eligible. The policy is available as an endorsement to your MPCI policy and must be elected no later than March 15. We have more information on our web site.



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

We are pleased to be offering Total Weather Insurance through WeatherBill Insurance, LLC. This product can be a great addition to MPCI coverage, especially those of you with enterprise units. These policies pay out based solely on specified weather conditions that are measured at nearby official weather stations. Total Weather Insurance includes coverage for a wet planting season, drought in the summer, too cool in the summer, an early frost and a wet harvest season. The most economical coverage is with all five weather events, however each policy can be written a' la carte. WeatherBill is based upon your crop acres planted only. There are no yield reports required. Coverage is paid based upon weather conditions at the official weather station of your choosing. There is some customization of weather factors (temperature, rainfall, etc.) available. A contract can be signed anytime between now and March 15 with no obligation. If you decide to not take the coverage, simply cancel by March 15 (just like crop insurance). If you maintain coverage, no premium is due until October 1.



Beginning in 2011, replant coverage in the MPCI policy is fixed at 8 bushels of corn times the spring price and 3 bushels of beans times the spring price. It is no longer your cost vs. the formula. At the current price, replant coverage will be about \$45 per acre for corn and \$39 per acre for beans. You can elect to buy-up coverage to \$50 or \$60 an acre by requesting the endorsement prior to March 15. The same standard of the lesser of 20 acres or 20% still applies. AND you have to call BEFORE you replant. The RMA is very particular about this requirement.

We have added Grinnell Mutual of Grinnell, Iowa to our personal lines offerings. Grinnell is the reinsurance company behind Farmers Pioneer of Onarga and is the largest, primary reinsurer of farm mutual companies in North America. Grinnell Mutual continues to receive an A rating from A.M. Best, a leading industry rating service, as they have for more than 20 years.



Congratulations to Steve Francis for receiving his AFIS Designation. The **Agribusiness and Farm Insurance Specialist** designation is earned after attending three courses to study farm

property and liability, farm/ag risk management, workers compensation, farm auto coverage and crop insurance. An exam must be passed after each course.

Only a select group of planners have met the rigorous education, examination, experience and ethics requirements necessary to call themselves **CERTIFIED FINANCIAL**

**PLANNER™** professionals or CFP® practitioners. Steve Francis recently earned this prestigious certification.

Steve Francis is a Financial Advisor and offers securities through Raymond James Financial Services, Inc., Member FINRA/SIPC. S.J. Francis Insurance is not affiliated with RJFS.

Replant is fixed payment

Insurance

New Certifications

[www.farmdoc.illinois.edu](http://www.farmdoc.illinois.edu)

This winter, take some time to check out the wide array of decision tools available on "FarmDoc." There are cash rent statistics, US Farm policy and the 2012 farm bill information, and many links to management, law, taxation, insurance, finance and marketing discussions.

"Farm gate" can also be accessed from the site which is a chat room to use to discuss common challenges you face on a daily basis.

If your banker is looking for a balance sheet and cash flow, you can access good templates from the site. If you need assistance filling them out, give Steve a call!

Umbrella Liability coverage is a type of insurance policy that goes well beyond what is considered standard liability coverage. Umbrellas are optional and do not take the place of primary liability coverage - instead, they offer an additional level of coverage to be used in extreme circumstances. In the event of a claim, it must be submitted to the primary insurance carrier first, then the umbrella policy would pay up to its limits if the primary limits are exhausted. Umbrella policies may be written as a part of a home owner or auto policy and may have a discounted premium, or can be written separately (known as a monoline policy). The minimum standard liability limits for the home owner or auto policy are often specified by the umbrella policy and will vary by company. The available umbrella policy limits are often set at \$1 million, \$2 million and \$5 million increments and the level of coverage you purchase is determined by your assets. Note that farm owners should consider all of their property when determining an umbrella. Indeed, all assets (land, machinery, buildings) could be at risk when settling a large liability claim.

Farm

Weight of Ice and Snow

I sure never thought I would be happy about such strong winds during the February blizzard. It just proves that nothing can be all bad. Given the volume of snow, without the wind, many of us may have faced collapsed roofs or worse, the entire building! Did you see the dairy barn out east? Most farm policies can have an endorsement to cover collapsed roofs caused by snow or ice. If you are concerned about your coverage, give us a call. For those of you with insurance from us, we are reviewing all of our policies and will contact you in the near future if we see a potential deficiency.



IMPORTANT DATES

- Feb 1-Feb 28: Price discovery date for corn and beans
- March 15: Sales closing date for MPCl & WeatherBill. *(Any changes or cancellations must be done!)*
- April 6 & 16: Early plant date for corn & beans
- April 15: 2010 yield/production reports
- June 5 & 16: Final plant date for corn & beans
- July 1: Discounted Hail premium due for ProAg clients
- July 15: Acreage reporting date
- Aug 1: Discounted Hail premium due for RCIS
- Oct 15: WeatherBill premium due
- Nov 1: MPCl premium due

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

No argument that health insurance and Medicare coverage is changing! Some changes are in force and others are yet to come. We plan to offer another Medigap presentation in early 2011. Medigap is a supplement to provide additional coverage beyond standard Medicare coverage. Theresa Lukow, Riverside Medical Center's Sr. Advantage representative, will review Medicare coverage and changes. She will also answer questions about the different plans that are available. As an individual, you can apply for Medigap coverage 3 months before and 3 months after your 65th birthday and be assured of acceptance, regardless of pre-existing conditions. The government has a good website to answer many of your questions at [www.medicare.gov](http://www.medicare.gov). If you don't have computer access, please stop by. Just call Laura--she's ready to assist!

Same Location, New Office

As of January 8, 2011, Steve Francis and Bill Daily have moved into a larger office space in Wilmington. They will be doing what they've always done, except they are officially joining forces and staffs to provide great financial planning services in one stop. In addition to our full line insurance agency, tax work and total financial planning is also offered. Stop by and ask for a tour!

Now that harvest is completed, have you been shopping for new equipment? It is very important to keep your specified machinery inventory or farm blanket coverage up to date. In the event of a loss, this list is used by the adjustor to determine how the loss will be paid. If you have a loan on the equipment, the bank will require that they are on the insurance policy. Please contact us as soon as possible with any changes.