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# Insurance Roundup

Our Business Is  
To Protect Your Assets

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## Editorial

**I had written a newsletter and had it all ready to send.** That was about the time we realized the flood in Minot and all communities along the Mouse River was going to be out of control, huge beyond belief, and going to be with us for a very long time. In short this was not a drill, it's the real deal. I called up my friend Tom Lowe of Lowe's Printing to see when he thought they would be up and running to get the newsletter out and he told me he was standing on top a dike above his place of business. Then he amazed me by saying they had already put a deal together with a printer in another town and could get our newsletter out with only a delay of a few days. Good job Tom! Now the monkey was on my back to rewrite my newsletter to give it at least a little relevance to the situation we find ourselves in this spring. Here goes, instead of hearing that its not a good idea to 'do your own insurance quote' and why you **ABSOLUTELY** need an agent not a telemarketer by your side at claim time, lets talk about the real deal.

First of all, even before these flood losses came we had already filed crop losses on over 600,000 acres of crops which we insure here at Western Agency. I explain this and the process we intend to use in Farm Shorts elsewhere in the newsletter. Suffice to say, we already had the largest loss year in the history of our agency well under way just with the crop losses

which we are conservatively estimating at over \$40,000,000.

Now to the flood situation in the Mouse River Valley. First of all probably largely due to the fact we have been told for years that since we had reconstructed or built new the four main dams controlling floodwater on the Mouse River we were largely 'flood proof'. Banks had by and large stopped requiring flood insurance on home loans and housing projects had been permitted in places that had formerly been considered to be 'flood zone'. In short in the Minot area we thought we had our 'flood problem' fixed. Nature, we were about to find



out had other ideas on our idea of 'fixed'. Sure we had an earlier scare when the first big surge hit Minot and many of us had moved our friends and loved ones out of homes located in the flood zone. But then dikes got built back up, and things started to return to normal. We were thinking we had only been treated to a minor inconvenience. It was about this time an estimated seven inch cloudburst of rain hit the upper Mouse River valley. Within hours we went from having

been inconvenienced to having a full blown crisis on our hands. We went from being out of homes for a few days to the possibility of being out of them for a year or more. Frantically, we went back to moving things out and getting them stored in machine sheds, grain bins, garages, trailers, and anywhere else we could simply get things out of the flood area and out of the elements. My machine shed, shop, granary barn and three spare rooms in the office building are full of people's belongings. When Casey left our sister Cory Eliason's place at around noon on Wednesday 6/22/11 the water was already coming over the dike behind her home and was in places hub deep on his Ford pickup.

Coverage for property stored off premises: For the hundreds of you with property now stored in remote locations, I can tell you that Insurance Commissioner, Adam Hamm has requested that companies allow you the same coverage you would have had on your current policy for the location where you were at to be extended to wherever your belongings are stored. Again, any questions call us and we will look up your own individual personal or commercial policy.

Flood Claims: It turns out there are only around 375 flood policies in Minot. We have 29 of them insured here at Western Agency. We have already turned in losses on all of these policies and our Claims Manager, Lu Hanson is quickly getting up to speed

## Editorial Continued...



on how to help you all get them settled. I can tell you this, on my mother's policy, I filed the loss on Wednesday and had a call back from the adjuster within five hours. Wow! Was I impressed. We have all of our flood insurance contracts with Auto Owners Insurance company and they are living up to their well earned reputation of being rated #1 in customer satisfaction by J.D. Power and Associates.

**Sewer Backup:** Of course, the elephant in the room is the literally thousands of homes uninsured for the peril of flood. Of course rumors are rampant that the sewer backup coverage on

many of these policies will pay the max amount. All I can tell you on this is we simply don't know. I know that in the past in the Grand Forks flood there were payments made but as to the same being done in this flood I simply don't know with certainty at the time I am writing this and neither does anyone else. I can tell you if one company pays on sewer backup most likely several companies will pay.

Whether or not you have a flood insurance policy you or your loved ones will have questions that need to be answered. We of course are going to be heavily engaged here in getting up to speed as to how these losses and situations can be dealt with. If you want to give us a call we will do our best to get an answer for you.

Furthermore, as we get into this situation we will get updates out to you. In the meantime, don't be afraid to call and ask us. I would expect that

within the next week we will be pretty solid on what and how things will be handled.

Again, as always, thanks for your business, thanks for all of your prayers and assistance to family, friends and total strangers. Times like this are trying but they bring out the best in all of us. Luckily, we are here, we can help, give us a call. I need to close and get this newsletter copy to the printers.

Dave Shomento from Sammy's Pizza is waiting out front to get his loss filed.

*The Management and Staff of Western Agency, Inc.*

*Thanks for your business!*

Chuck Tompkins



## Backes Report/Pullen Rebutal

I had a nice Backes Report and a Pullen Rebuttal written. It talked about how Scotty and brother Rick Backes were considering raising Cranberries and how I felt they could do better TV ads than the current ones from Ocean Spray. The Pullen Rebuttal was going to be about Ed thinking about raising fish and since he was not busy with crops this year he was going to buy a boat and learn more about fishing. But seriously, it's hard to joke about how terribly wet we really are out in the country and in the flooded towns and villages in North Dakota. I suppose as a state and as the close knit communities we are, we will do what we have always done. Help each other get through this time and try to keep a happy face doing it. Here's to hopping you and yours are safe and ok.

## FEMA Information

We have sent staff to FEMA meetings to gather information which we are now forwarding to those who need it. We are not agents for FEMA and of course cannot settle or even tell you what kind of payment or help they can give you. However, we can help you understand how to get the claim process moving. The FEMA number is 1-800-621-3362 (FEMA) or register online at [www.disasterassistance.gov](http://www.disasterassistance.gov).

**File a Flood Loss With Your Property Insurance Carrier:** First of all, when presenting your claim to FEMA they will want to know who your property carrier is. Later in the loss they are going to require a letter from your Property Insurance carrier that they do not cover you for the peril of overland flooding. This would apply to both personal and commercial insurance. To get an actual denial of coverage letter you will have to file a loss with your Property carrier. So if you are going to try and get a FEMA payment

let us know and we will get started on getting you one of these coverage denial letters. This you can present to FEMA. We asked if we could just type this letter up for you and were told it had to be a formal letter from the insurance carrier. Therefore, you must file a formal loss to get one. We have no way of knowing for sure who has had flood damage so let us know and we can get you filed to get this Denial Letter coming your way.

### **Other Things You Need To Have To Continue to File Your FEMA Loss:**

- Social security number (you and spouse) and if business tax ID #
- Private insurance information (copy of declarations page) see us for this.
- Address and zip code of damaged property
- Directions to the home or property
- Telephone number where FEMA can reach you.

## Westy Hat



**In preparing to write this spring's newsletter,** when I was contacted by the unknown, never seen, and totally secret judge that picks the Westy Hat Contest winners, I was surprised to get chewed out. Turns out Antler farmer/rancher Pete Artz was on TV a while back while wearing his trusty Westy Hat. I guess the Mysterious Judge had told me about it and I had forgotten to put Artz in the Newsletter! Guess that won't be happening again. In addition Minot area farmer Chip Drawz was spotted wearing his new-style black Westy Hat this past month. Norwich area farmer Lance Lenton showed up nicely topped at the John Deere Apex meeting with a new style black Westy Hat. In the Southwest it was Charles Stafford in Dickinson with his cream colored hat and Lance Gartner (Hebron) in new Westy khaki green. Looks like \$50 gift cert to Perkins for Artz, \$50 gift cert to Sammy's for Drawz, \$50 gift cert to Homesteaders for Lenton, \$50 gift cert to Jack's for Stafford and \$50 gift cert to Pizza Pantry for Gartner. Thanks to all winners for proudly wearing your Westy Hats!

## Personal Insurance Shorts

**Gap Insurance:** In these days of used car prices falling and new car prices being high, there is a new problem to consider when talking about your car insurance. If you are involved with an accident and your car is a total loss, if the value of your auto is less (\$15,000) than the loan you have on it (\$20,000), you may well find yourself in a situation where you are several thousand dollars short after the loss settlement. Think this does not happen? We just had a case like this a couple of months ago. The problem is virtually all auto policies only insure you for the book value (ACV) of your auto. Even this amount is based on the condition of the auto. In other words, if your car has excessive miles on it, lots of superficial dents and scratches, etc the value will be even less. However, just because the value of your car is low doesn't mean your loan is less. The way to be sure you do not have a Gap in coverage from what you owe on the auto (loan) to what its Actual Cash Value (insured value) is, would be to purchase an additional coverage called Gap Insurance. This policy is not very expensive and can be a life saver if you in fact have your vehicle totaled while owing more on it than the car is worth. In the case we just handled, the person had Gap coverage and was paid the \$5000 difference between the Value of her car and what she owed on it.

**Personal Watercraft Coverages Discussed:** Although this discussion centers on Personal Watercraft (jet skis) it could apply in many cases to boats, snowmobiles, motorcycles, and even autos in some cases. For that matter, it could even apply to borrowed or rented machinery. However, this discussion is primarily about letting others use your personal watercraft, ATV's boats or snowmobiles. In most cases this involves a son or daughter (that is not living in your residence) using your boat, personal watercraft, snowmobile, or some other form of recreational equipment. The case in point involved one of our long time clients who happened to mention his personal watercraft was being kept at his son's home and his son was using it. At that point I called the company to see if in fact my client's liability and physical damage coverage would still cover the machine. What I found out in this case was that it would. Also, in this case the son has his own homeowner's policy. Would his policy cover a borrowed Personal Watercraft? Since we are not the son's agent, we simply don't know. We advised the son to talk to his own agent, or better yet let us insure him. The problem is that no matter

which company you have, each and every situation needs to be discussed with your agent. Additionally, though a policy may cover for the Liability (someone gets hurt) part of the loss, it may not cover for the Physical Damage (you wreck the machine) part of the claim. In the particular case mentioned above, if you give your son/daughter permission to use the machine it is in most cases and with most companies insured. However, no two companies are alike and be sure and call us if you are thinking of doing this. Secondly, if you are leaving the machine with the son/daughter basically as a gift to them for their use, it may not be a bad idea to have them insure it on their own homeowner's policy. One final caution, what if your son (who in most cases is probably covered) allows a friend of his to use the machine. Now we are really getting out there as far as the chain of permission goes. Folks, only one way to be sure what you have covered. Call us... Anytime...and I do mean ANYTIME. Before the claim happens. We will look into it, and be sure we have your assets correctly covered. There has simply never been a policy written, by any company that covers everything automatically, all the time. Oh, by the way, we here at Western Agency speak perfect English, not an Asian dialect. Call us.

**More Theft Trauma...** Thieves punch a hole right under the door handle on the passenger's side of the vehicle. No broken windows, no broken glass, usually you don't even know your car has been broken into for several days. Meanwhile, thieves, check your GPS to see where your home is. This way they know where you live, they know what you drive; they may be able to get your cell phone number. They can call to see if you are home and if not; break into your home etc. If your purse is in the car they only take one or two cards; they hope you won't notice for a couple of days. Meanwhile, they have run up a bunch more costs to you. All I can say is don't leave your purse in your car, don't leave the portable GPS unit in sight, and look on the passenger's side of the car to see if you have a small hole under the door handle where it shouldn't be. Do I do this? Not all the time, but I am working on it. "Linda, you left your purse in the car..."

## Farm Shorts

**"Western Agency Wins Contest:** In a recent state wide contest concerning written premium on Farm Insurance by one of our larger farm insurance carriers Western Agency

was declared the winner. We ended up winning the contest by a simply huge margin. The contest ran from January to March and by contest's end there had been approximately \$180,000 of premium written in North Dakota on new farm accounts. It seems Western Agency had written \$160,000 of this. Wow! Are we in the Farm Insurance Business or what! By winning the contest we were presented with a cash award for area Fire Departments. Therefore, we will be donating a check for \$625 each to the Garrison, Hebron, Glenburn, Carpio, Wyndmere, Oakes, Verona, and Sawyer Fire departments.

## Crop Corner

**Prevent Plant Losses:** I suppose all I can say about crop insurance is state our #1 Goal here at Western Agency. That goal is three fold: get our crop claims Filed, get the audits done, and get the claims Paid: Quickly, Accurately, and with as little hassle as possible. All policies losses are filed, We were totally focused on the fact that this will be or largest claim year ever, and we have been gearing up for these losses for months. All of our companies are on notice, the adjustors are in place, and we too have staffed up to help get your losses handled. 'Let's get er done!'

## Flood Story

**Jackie Best:** When due to rising floodwaters, Minot residents were told that they needed to evacuate as of immediately, Western, CSR Jackie Best was in a total quandary. How to get her and her two children moved out of the house and to higher ground in a mere few hours. Western Agency CEO Ryon Boen called wife Kristin Boen and asked her to call Jackie to see what she needed. When Kristin called Jackie, she asked if I could get some boxes, and a trailer. Luckily, Western Insured's Troy Coons, Jeff Braun, Max Braun, and Scotty Backes were in the office and heard of her dilemma. Not only that but Troy Coons had his son and two of his son's friends with him. All headed for Jackie's house. Kristin had some boxes left over from her own move and Barb Kohlman and Shannon Berens had some to contribute as well. With the help of these clients, friends, and family within four and ½ hours Jackie and her family were packed and moved. Amazing job! A heart-felt thanks to everyone who helped.



## Westy Pen?

**Jim Thom** one of our longest term Western Agency insured's; (well over 30 years and counting) recently pointed out that he has a Westy pen that has been to over 16 states, signed countless documents, and is his very favorite pen. He pointed out that since there is no known 'secret, unknown, never seen' Westy INK PEN judge but "there should be". Anyway, in view of the fact we can never hope to locate another judge such as the Hat Judge we will simply recognize Jim and his favorite pen and record how far the pen has traveled. Also, for helping get me some more fodder for the Westy Newsletter how about a \$50 gift certificate to Barry's Quick Stop in Surrey, where Jim is known to stop for Hamburgers and Coffee. In addition, if any of our other Westy Insured's have a well traveled 'famous' Westy pen let us know about it.



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## Minot Airport Museum a "Must See"



If you have never had the chance to stop up and go through the Minot Airport Museum this next few months you should for sure take the time to do it. The museum is opened 10:00 a.m. to 5:00 p.m. Monday through Saturday, and 1:00 p.m. through 5:00 p.m. on Sundays. The Museum is home to countless displays of aircraft beginning with a replica of the original Wright Brothers Flyer to dozens of other military and civilian aircraft. However, what makes these next few months critical is there are five of the finest examples of surviving WWII aircraft on display until July. These aircraft are on loan from the

Texas Flying Legends Museum and consist of a B-25 Mitchell bomber, a P-51 Mustang fighter, a P-40 Warhawk fighter, a Corsair fighter, and a Japanese Zero, fighter. The Japanese Zero is the only flying one of its kind in the world that flew during the Pearl Harbor era. All airplanes are award winning in quality and are in nearly the exact livery and condition they would have been in WWII. It is awe inspiring to see these planes and unbelievable that we can have them right here in our town to be viewed by all. If you get a chance be sure and stop up to see these genuine pieces of flying history.

## Jim Winczewski Retires

**Longtime Western Agency insurance agent Jim Winczewski** has retired from the insurance business after a career spanning several decades. Jim's retiring was not good news to us since he has long been a valued and excellent part of our insurance team here in Minot and Garrison. The Minot staff held a barbecue for Jim and Rosie and it was an absolutely perfect evening. At the party Jim was presented with a new shotgun, several plaques, and lots of good natured teasing. When I asked Jim what he was going to be doing to keep busy, he mentioned more fishing, hunting, yard work, and other jobs. He emphatically mentioned they would be jobs with NO PAPERWORK!! Since Jim has been planning his retirement for some time most of you have been introduced to your new agent and if you have any questions at all as to who will be handling your accounts, please call and we can get you in touch. Luckily, Jim has agreed to continue on as our premier cook for the yearly Pheasant Hunt with all the Western agents.