

# In the Field



NORTHERN REGION

WINTER 2017

## Talent Finds a Home

We've said it before and will no doubt say it again: It's our people that set ProAg® apart. That's why we like to feature a few of them in each of our newsletters. In this issue, we're giving you a chance to learn a little more about two of our talented north region staff members, Emily Haasl and Heidi Spurlin.

### Emily Haasl

An underwriting supervisor, Emily found her way into the crop insurance business somewhat by accident. "It was complete luck," she relates. "I worked for a bank that owned an AIP, and wanted to remain with the company but wanted out of the banking side. I applied for every position I could and lost track of exactly what I was applying for. I was called to interview for an underwriting position, and didn't realize it was in crop insurance until I researched the company."

A native of Bessemer, Michigan, Emily attended and played basketball at North Park University before finishing her communications degree—with a minor in sports management—at the University of Wisconsin – Superior. Her sports background carries right over into her work at ProAg.

"ProAg is a wonderful place to work because there is a vast amount of respect shown to employees," she says. "The teamwork I see and experience daily is very team and goal focused. I love the determination and commitment to constant improvement."

Emily's role is a perfect fit for her personality. "Diving in deep to research an issue or question that arises with policies and procedures really is the best," she states. "The bonus here is that there is always something new to learn."

Emily and her husband of nine years, Gavin, reside in Becker, Minnesota with their two dogs, Rocket and Tucker. A member of the Upper Michigan Women's Basketball Hall of



Fame, Emily travels to spend time with family and friends in Michigan and plays in different volleyball leagues throughout the year. "I am also obsessed with Christmas," she says. "I would watch cheesy Hallmark Christmas movies year-round if I could."

### Heidi Spurlin

Tough times in the financial industry turned into a career changing opportunity for Heidi, one of our account representatives.

"I was working as a loan officer, and decided to look outside the financial industry during the downturn in 2008," Heidi recalls.

"I was given an opportunity at an independent insurance agency in South Dakota. As a family, we decided to relocate in 2013, and that's when I was given the opportunity to join ProAg."

During the transition from banking to insurance, Heidi returned to school and completed her degree in ag business at South Dakota State University in 2015. She feels she's found her professional home at ProAg.

"ProAg has a welcoming and empowering atmosphere, providing support but allowing you to demonstrate your individual skill set," she states. "The word 'camaraderie' comes to mind. I feel when I have a question or a challenge, I have a great group of people supporting me. In turn, I always try to be a support and add value to the people I work with every day."

Heidi stays very busy. While son Caiden is married and living in Texas, daughter Kennedy is an active high school junior. "I enjoy attending her events, traveling, reading, gardening and volunteering with Royal Family Kids Camps and the Fostering Hope organizations," Heidi says. "I work with the crop conferences in two states, and one of my favorite things is designing and building furniture." 



EMPLOYEE SPOTLIGHT



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# RPowerD™ = Flexible Revenue Protection

By Barry Cermak,  
Product Development Manager



We've just introduced an exciting product that provides expanded revenue protection for corn and soybeans. RPowerD™ is a non-reinsured

supplement to the individual Federal Crop Insurance policy that allows the insured to choose revenue protection coverage levels from 70% up to 95%—an increase from the 85% upper limit provided by the federal policy alone.

RPowerD provides a high level of flexibility. It allows you to insure only a portion of the liability, effectively acting as a deductible and helping you manage costs. Another cost-saving feature—RPowerD also allows for an ARC-CO offset, so you can opt-in and out of the ARC-CO payment. You can lock in the current market price or choose the projected price, and can elect one or multiple pricing intervals in full- or half-month increments.

The production to count adjustment has been separated by irrigated and non-irrigated practice, a feature not previously available.

RPowerD will pay an indemnity whenever the revenue to count is less than the grower's RPowerD trigger revenue. This product is well-suited for producers who are looking for an opportunity to achieve a higher revenue trigger or lock in the current market price.

From an agent's perspective, the flexibility of RPowerD may be the best feature of this product. It allows you to tailor coverages and prices through the liability limiting factor, providing your insured with control over premium costs.

Talk to your ProAg account representative for more information on RPowerD. 🍌

## Solid Performance in the Face of Adversity

By Kendall Jones, President & CEO



It wouldn't be an exaggeration to designate 2017 as a year of weather disasters affecting different parts of the country and various crops and livestock.

Wildfires in Kansas, Oklahoma and Texas kicked off the year, followed by not one, but two hurricanes, drought in the Dakotas and Montana, and then coming full circle to end with the wine country wildfires.

Breaking the year down in more detail, moisture extremes and hail did affect corn and soybean crops this growing season, though the impacts were generally not widespread. With harvest prices below the projected base price for corn and beans—corn at 12% under and beans less than 5%—any yield loss on corn could impact indemnities.

### Timing prevents greater losses

Though no time is a good time to endure a hurricane or wildfire, the situations in Texas and California could have been much worse. In both cases, the bulk of the cotton and wine grape crops were harvested prior to Harvey's landfall and the outbreak of the wildfire. However, we are prepared for the potential that California wine grapes will experience some level of production reduction in 2018 due to fire damage this year.

Irma was harder on ag, to an extent, with most of the damage done to nursery

and citrus in Florida, and some claims on pecans and cotton in Georgia.

### The year ahead

Looking ahead to 2018, the big unknown, of course, is the next farm bill. We have heard that the House Ag Committee has a farm bill ready, but will wait to present it until early 2018. We expect to see something in the bill for cotton and dairy, and an effort to strengthen the ARC county program on the grain side. With many requests for funding, it is inevitable that tradeoffs will have to be made.

Of course, there will be opposition, but the farm bill coalition—those who have the greatest investment in and the best understanding of the importance of this bill—needs to stay in lockstep to make the necessary changes. As long as they remain united, farmers facing the unknown events should be in good shape.

Throughout the buildup to the farm bill creation, the importance of crop insurance has been reinforced by many diverse segments of the agricultural industry. It is a sound financial program where farmers share in the cost of risk management. In fact, for 2014 and 2015, the crop insurance program came in under budget by \$2.7 billion. At ProAg, we're proud of our contribution to the program, and will continue to work hard to help American farmers manage the risks that are unique to their business and way of life. 🍌

## Transforming Values Into Action

When we talk about being a 'Good Company' it is not merely an evaluation of size or market share, but rather a statement about the values we aim to represent. Our daily focus should be on doing the right thing and always acting for the benefit of our customers and society. We must constantly remind ourselves our job is to be a trusted advisor, who delivers a sense of safety and security.

By understanding our role and how we can bring value to our customers, we will ensure our ongoing relevance (and deliver results as a consequence).

Here at ProAg, as well as within all of the Tokio Marine HCC group of companies, we would like to create a corporate culture where we are always trying to achieve this vision. We will be there for our customers, playing our part

# Whole-Farm Improvements for 2018

Interest in the Whole-Farm Revenue Protection (WFRP) product continues to grow and improvements should make it even more attractive in 2018. Here are a few marketing suggestions unique to the 2018 policy you can share with your growers.

Fiscal year tax filers will receive better crop value evaluations due to the additional fall sales closing date of November 20. Prior to 2018, grower pricing for late fiscal year filers was determined unrealistic during the spring, at the time of the sales closing date of the application. The November date will provide a market situation more relative to current expected revenue and markets, prior to the onset of the fiscal year.

A second key change—growers that have utilized private crop insurance will no longer be required to count such indemnities as “revenue to count” for their WFRP policy. This is provided they are not insuring amounts (considering both private and federally subsidized policies) greater than their total crop and animal values for planned 2018 revenue. Federal crop policies assist with premium discounts, and those discounts will continue for 2018. Private crop policies offer no WFRP premium discounts, and their indemnities will no longer adversely affect the WFRP indemnities, as long as the grower does not “over insure” the expended revenue sales for the current fiscal or calendar year.

Here are some additional changes to the WFRP product for 2018:

- Expected yield determinations—commodities with underlying individual crop policies.
- A new form has been added to document expected values.
- Physical expansion is defined—what it is and what it isn't.
- A cancellation provision has been added for insureds who do not provide the required reports by sales closing date.
- Capping provisions have been added for commodities purchased for resale. The expected revenue is capped on commodities purchased for resale at the Revised Farm Operation Report—similar to capping procedures for Animals and Nursery.
- Replant payment calculations have been clarified. 🌱

## FOR MORE INFO

*Talk to your account representative for all the details on the 2018 WFRP product.*

in times of need. We will balance our strength as an organization with compassion as individuals, looking beyond profit to deliver fully on our commitments.

Our agricultural world was delivered a major blow during Hurricanes Harvey and Irma, along with the devastating drought in the Upper Midwest.

In the spirit of doing business as a Good Company, rather than sending out Christmas cards with associated postage, ProAg is redirecting those monies to the FFA state organizations in the affected areas this holiday season. Stay tuned for specific details around other ways we will be spreading cheer this season. 🌱

## TERRI'S TOP 4 TIPS

FOR FILLING OUT APPLICATIONS

### CH-CH-CHANGES

Ask about status changes—marriage, death, social security #s—for parties with substantial interest in the crop.



### NO SKIPPING

Verify every field. Missing options and endorsements are problems.



### JOHN HANCOCK, PLEASE

Make sure the signatures match the entity name.



### HUSTLE UP!

Timeliness is critical. Speed up front gives you time to process all applications and meet RMA deadlines.



*Incomplete applications = coverage issues at claim payment time*

## FIND OUT MORE

You can find TOPE documents on all of these processes on the ProAgPortal® intranet

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## Measuring Success, Evaluating Opportunities

By Diane Stinson, Regional Vice President – Northern Region



As you scan the ProAg map, every region dealt with their own weather-related disasters this past year. It was another year that reinforced the importance of crop insurance as a hedge against the factors in farming you just can't plan for.

With that said, as I reflect on the past year, I would classify it as a success. We helped our agents and their insureds weather the literal storms that impacted their livelihood. With ag in a down cycle, crop insurance has the ability to lessen the impact of market forces and natural disasters, allowing some to stay in business for another production season. That is a good feeling.

The acquisition and integration of International Ag went

well, and had a big impact on our region, as much of their business was concentrated in this area. We processed claims on two systems in 2017, so the transition will continue into 2018 as we finish moving all processing onto the ProAgWorks<sup>®</sup> system.

Margin protection gained momentum this fall, as agents found a place for it and marketed it aggressively. We are developing a new named peril product for 2018 and taking a look at our crop hail program for the coming production year.

We pause at this time of the year to look back, evaluate some of our wins and areas of opportunity, and make plans to turn those opportunities into reality in 2018. We want to thank you for placing your business with us. We wish everyone a happy holiday season and hope you have the chance to spend some great time with family and friends. 🍂



**"We helped our agents and their insureds weather the literal storms that impacted their livelihood."**