



# MARYSVILLE MUTUAL MESSAGES

INSURING KANSAS POLICYHOLDERS SINCE 1889

## 2009 ANNUAL REPORT

Marysville Mutual Insurance Company added to policyholder surplus in 2009. However, storms in the state caused another record year for gross losses incurred. Written premiums were up slightly at \$16,293,659. Assets were \$23,949,614 while year-end policyholder surplus ended at \$14,831,462.

	<u>2009</u>	<u>2008</u>
Premium Written	\$16,293,659	\$15,755,318
Premium Earned	\$12,296,201	\$12,487,402
Losses Incurred	(\$8,754,877)	(\$8,431,468)
Adjusting Expense	(\$658,487)	(\$803,099)
Underwriting Expenses	<u>(\$3,666,109)</u>	<u>(\$3,535,191)</u>
<b>Underwriting Gain</b>	<b>(\$761,417)</b>	<b>(\$282,356)</b>
Investment Income	\$673,539	\$858,622
Other Income	\$147,621	\$149,791
Federal Taxes/or Credits	<u>\$133,073</u>	<u>(\$246,859)</u>
<b>Net Income</b>	<b>\$192,816</b>	<b>\$479,198</b>
Surplus Adjustments	<u>\$585,264</u>	<u>(\$959,358)</u>
Change in Surplus	\$778,080	(\$480,162)
<b>Policyholders' Surplus</b>	<b>\$14,831,462</b>	<b>\$14,053,381</b>

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## CUSTOMER PAYMENTS

**3 CONVENIENT WAYS TO MAKE A PAYMENT**—Customers can pay their renewal bill or new business down payment via the Internet by going to our website and click on “Make a Payment”. Payments can be made by Credit/Debit card or Online Check payment.

Automatic Bank Withdrawal is available for all Direct Bill Accounts. The form is on our website, under Forms/Manuals—“Frequently Requested”. Your customer will save service charges by signing up!

Agencies can have their bank account swept for customer’s account payments by logging into the Agent’s Online Access.

## CLAIMS SUBMISSION

Losses can be filed by going to our website, click on “Report a Loss” and fill in the boxes; when it’s completed click “Submit” and the loss will be directly emailed to you and to our Claims Department—it’s that simple!

Please keep in mind when submitting a loss; we need the correct policy number, loss location, date of loss, contact telephone numbers, contact person, short description of the loss and its severity so we can prioritize claims.

An Independent Adjuster will contact you about setting up a time to come out and adjust your loss.

If you have any questions, please feel free to give us a call!



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

**IF YOU WANT TO BE ON OUR MAILING LIST—WE NEED YOUR EMAIL ADDRESS!! Please send it to: [lscheibe@marysvillemutual.com](mailto:lscheibe@marysvillemutual.com). THANK YOU!**

## EQUIPMENT BREAKDOWN COVERAGE

Our Equipment Breakdown Endorsement has been extremely popular but we are still striving to hit 100% participation.

Your policy has Three Primary exclusions: Mechanical Breakdown, Electrical Breakdown (power surges) and Pressure systems breakdown.

Equipment Breakdown Coverage fills these gaps in coverage.

Think about all of the equipment in your home...AC, furnace, pool, breaker boxes, computer equipment, appliances, water heater, etc... All of these items are exposed to Equipment Breakdown.

Let's look at a Farmowner risk. There may be generators, irrigation systems, computerized milking equipment, vacuum system, refrigerant system, ventilation motors, fans and alarm systems. All of these items are exposed to Equipment Breakdown and could be quite costly to repair or replace.

Equipment Breakdown coverage is an affordable alternative to costly product and home warranty plans. Unlike some other forms, **our Equipment Breakdown form covers your Personal Property.**

### Examples of Equipment Breakdown Claims Marysville Mutual has experienced:

The circuit board on an expensive plasma screen TV suffers electrical breakdown from a power surge. On a typical homeowner policy, this loss would not be covered. With the benefits of the Equipment Breakdown coverage, it would be a covered loss.

\$877.69	TV Replacement
<u>-500.00</u>	<u>Equipment Breakdown Deductible</u>
\$377.69	Paid to Insured



The electricity in a residence went off and on multiple times until the electronic control panel in the central air conditioning unit arced and burned up the unit. These damages made the replacement of the air conditioning unit necessary.

\$4601.60	Air Conditioner Replacement
<u>-500.00</u>	<u>Equipment Breakdown Deductible</u>
\$4101.60	Paid to Insured

### Once Notice of Loss is received:

Typically losses filed for coverage under this form are handled by our claims staff. A letter is sent out to the insured the day a loss is received in our office. Along with the letter, we forward an electrician's affidavit to be completed for each item claimed. The affidavit must be detailed with the electrician's opinion of the cause of damage and whether the item or item's can be repaired or if replacement is recommended; either way a detailed estimate for the repair or replacement is required.

It is necessary for us to know exactly what the damage is caused by, so we can determine which coverage and deductible applies; since the equipment breakdown coverage is a flat \$500.00 deductible.

We do ask that items claimed are retained until the loss is settled in full.

### There's a Whole Lotta Shakin' Going On...

In light of the recent earthquakes around the world we thought we would remind you that Marysville Mutual offers **Earthquake Coverage**. It is fairly inexpensive at .20 & .30 per \$1000 for the Homeowner line and .30 & .45 for the Farmowner line. The rate is based on Frame or Masonry Construction. It carries a 2% deductible.



*Now Offering...  
Umbrella Coverage!!!*



**Marysville Mutual is excited to offer our customers a Personal and Farm Umbrella product!**

The Personal and Farm Umbrella policy provides coverage for claims over and above the limits afforded by your existing Home, Auto or Watercraft policies. With an Umbrella policy, you are covered if the limits under your primary policy are depleted due to a large claim. Your personal assets and farm as well as your future earnings are protected with the purchase of an umbrella policy. This coverage can be written as long as Marysville Mutual holds your Homeowner or Farmowner policy.

**Six Reasons for Individuals or Families to Buy Personal and Farm Umbrella**

- **Affordable Piece of Mind**—Low premiums provide you greater protection from the unexpected.
- **Bad Accidents Happen To Responsible People**—Accidents often happen by chance. Consider the close calls you've had while driving. Bad luck can play a large role in causing serious injuries.
- **Everyday Accidents Can Result In Serious Injuries**—Do you drive a car or own a swimming pool, dog, watercraft or firearm? Do you entertain guests at your home? Are you financially responsible for a young driver? Are you occasionally responsible for watching grandchildren? Each of these exposures has catastrophic injury potential.
- **Internet Chat Rooms, Blogs or Gripe Sites**—The exploding use of the electronic media, especially among young adults and teenagers, has increased the potential for defamation and invasion of privacy lawsuits. Recent statistics indicate that the internet just passed one billion global users. While we now have the ability to share our voice (i.e. opinions, photos, commentary or gripes) with the world through the internet, we also have the increased responsibility of protecting the privacy of others.
- **Greater Asset Protection**—If your current assets are greater than your homeowners, farmowners, automobile or watercraft liability limits, umbrella coverage provides additional financial security. Are you sufficiently protecting your assets from an unexpected event?
- **Greater Future Income Protection**—While your current assets may be adequately protected by your current liability limits, how is your future income protected? A large liability judgment or settlement can result in garnished future wages if inadequate insurance limits are in place.

**Please contact your Marysville Mutual Independent Agent for an Umbrella quote!**