



MONTANA HAIL INSURANCE PROGRAM

2015 Crop Year Annual Report

The State Hail Insurance Program was enacted in 1917 to provide hail insurance to crop producers at actual cost and thereby improve their financial position and the economic wellbeing of the industry and the state. The State Hail Insurance Program is self-supporting through a proprietary fund and reserve established through premiums paid by participating producers. The State Hail Board sets premium rates on a county basis to reflect the actual cost of the insurance. The State Hail Insurance Program insures producers against hail damage on crops grown in Montana, up to the maximum coverage set by statute. Maximum coverage for most non-irrigated crops is \$75/acre and for most irrigated crops is \$114/acre. High value crops are insured at various rates. Please call the state hail office for quotes. Premium rates vary according to the zone you farm in and may range from 5.25% to 11.5% of total available coverage.

Hail Insurance Protects Your Crop Investment

When your crops are established, we encourage you to call the Hail program office at the Montana State Department of Agriculture to purchase your State Hail Insurance.

Montana Hail Insurance Program
P.O. Box 200201 | Helena, MT 59620-0201
(406) 444-5429 | hail.mt.gov

BOARD MEMBERS

Chairman

Gary Gollehon Brady	Jim Schillinger Baker
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Judy Tureck Coffee Creek	Monica Lindeen State Auditor
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Secretary

Ron de Yong
Director of Agriculture

**MONTANA
DEPARTMENT OF
AGRICULTURE**

Christy Clark Bureau Chief	Walt Anseth Section Manager
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Jana Mertens Technician	Cid Sivils Accountant
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2015 CROP YEAR

The second year of policies being purchased through the state hail office received an overwhelming positive response from the producers.

Spring Wheat continues as the most insured crop with pulse crops insured this year to 116,872 acres insured. State Hail Insurance continues to be a valued form of protection for the producers of Montana.

99 YEAR SUMMARY

Total Risk Written.	\$1,935,498,036
Premium Charge.	\$167,006,342
Amount of Losses Paid.	\$124,680,459
Policies Issued.	200,268
Acres Insured.	82,424,807
Average Acres Per Policy	412
Number of Losses Paid.	45,101
Loss Ratio.	74.66 %
Total Refunds Paid.	\$32,466,126

Montana Hail Program 2015 Operations Report

As required by Montana Code Annotated a report of the 2015 season is hereby submitted.

Investments

<u>Amount Invested</u>	<u>Interest Rate*</u>	<u>Interest Received</u>
\$1,515,534	0.2%	\$3,265

**Annualized interest rate for average amounts in Short and Long Term Investments.*

Damage Summary for 2015

<u>Crops</u>	<u>Acres Damaged</u>	<u>Loss Paid</u>
Barley	29,704	\$506,765
Beans	102	\$7,650
Buckwheat	60	\$4,500
Canola	4,101	\$90,173
Corn	466	\$10,287
Durum Wheat	9,064	\$294,882
Lentils	2,284	\$60,699
Mustard	1,139	\$41,951
Oats	40	\$315
Peas	8,697	\$331,648
Safflower	3,991	\$152,663
Spring Wheat	78,488	\$1,830,137
Winter Wheat	61,243	\$2,127,111
Totals	200,399	\$5,528,757

Business Summary For 2015

Total Risk Written.	\$81,233,513
Premium Charge.	\$ 7,545,889
Amount of Losses Paid.	\$ 5,528,757
Policies Issued.	1,219
Acres Insured.	1,221,625
Average Acres Per Policy.	1,002
Acres Reported Damaged.	200,399
Number of Losses Paid.	312
Loss Ratio	73.27%

Total Acres Insured — 2015

<u>Crops</u>	<u>Acres</u>
Alfalfa Seed	477
Barley	162,946
Beans	3,908
Buckwheat	664
Canola	12,699
Corn	5,938
Durum Wheat	73,982
Flax	4,468
Hay	3,949
Lentils	21,788
Millet	241
Mustard	3,524
Oats	1,766
Peas	95,084
Safflower	13,142
Sanfoin	1,141
Sorghum	24
Soybeans	1,247
Speltz	109
Spring Wheat	429,145
Sugar Beets	468
Sunflower	1,389
Triticale	958
Winter Wheat	382,568
Totals	1,221,625

Operating Expenses

11/1/2014—10/31/2015

Personnel Services.	\$264,229
Operating Expenses.	\$84,163
Reinsurance refund 2014 . . .	(\$170,235)
Indirects.	\$222,014

Total Operating Expenses. \$400,171

Reinsurance	\$1,486,160
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