

# ...Because We Care

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# FARMERS®

## Disability

Have you ever wondered what would happen if you couldn't go to work tomorrow? Not because of a lost job, but because you were physically unable. Now imagine if that lasted a few weeks or months or for years. How would you survive? Would you be able to keep your house? Would your family eat? According to the Social Security Administration, 30% of today's 20 year olds will suffer some type of disability before age 67. Besides income not coming in, what if you needed nursing help at home or had to stay somewhere for rehabilitation care? How would you pay for that?

We can help you develop a plan to offset the lost of income and to help pay for these costs. There are many plans with many options. Some don't cost much, some cost more, just like everything else. But having some type of coverage is better than none. Call to discuss this with us. We can develop a plan that fits in your budget. We work with many name carriers such as AFLAC, Mass Mutual, and Mutual of Omaha.

## Liability

Most people can tell us their deductibles, but when it comes to liability coverage, they don't have a clue. And that is the most important coverage you can have.

If you are found at fault in an accident, the insurance company has to pay the other party. Imagine if they have a serious injury or are killed. How much do you think the courts will award them? It could be more than your coverage provides. Then what? In Illinois you have to pay and you can't get out of it. You can lose your car, house, savings, wages, and personal belongings. On the back of this is a chart for you to review. Please note that in 2004-2005, 16% of the judgments were for more than \$1,000,000. We can provide you with what your limits are and quote you what additional coverage would cost. Please give us a call today.

**You can still save on your 2008 income taxes. Call Dave today to ask how.**

## Charity of the Month

In this issue I want to talk about your favorite charity. I don't know what it is, but it is important to you for a very good reason. If you had all of the money in the world, you would give a sizable amount to it. In fact you wish you had enough money in your will to leave them a lasting legacy. Well, you can.

Federal law allows a charity to own a life policy on you. The charity owns it and pays for it. Upon your death, they receive the face value. Now the charity will not pay for a policy on you. So annually you write a check to the charity to pay the premium. Now here is another good part. Because you have written the check to the charity, the amount you have written is tax deductible. Call me today so that we can begin your legacy for tomorrow. *Dave*

## Illinois - Assets Exposed in the Event of a Judgment

Real Property*	Auto(s)	Liquid Assets	Future Wages	Personal Property
Primary residence if value exceeds \$15,000; \$30,000 if owned by 2 or more individuals.	Personal auto at risk if interest in the vehicle is greater than \$2,400.	Cash on hand as well as cash held in a financial institution such as checking accounts, savings accounts, money market funds, and certificate of deposit are at risk of levy or lien and seizure. Investments in stocks, bonds, and mutual funds are also at risk of levy or lien and seizure. (Note: Determination as to the possible levy or garnishment of public assistance funds, disability insurance funds, funds issued from a charity, spousal support, unemployment, child support, veteran's benefits, life insurance proceeds, qualified retirement accounts or pension plans under Section 401(a), 403(a), 403(b), 408 or 408A of the Internal Revenue Code of 1986 may be restricted by State or Federal Law.)	The lesser of 15% of weekly earnings for a week or the amount by which disposable earnings for the week exceed 45 times the federal minimum hourly wage are subject to garnishment.	All personal property (excluding necessary wearing apparel, bible, school books, and family pictures) with a cumulative interest in excess of \$4,000 is at risk. Personal property may include jewelry, household goods, appliances and tools not used in a trade.

National Overall Trends 1999-2005**			
Year of Award	Average Vehicle Liability Award	Average Premises Liability Award	
1999	\$201,205	\$588,934	
2000	\$204,406	\$542,462	
2001	\$244,863	\$635,713	
2002	\$223,071	\$638,081	
2003	\$236,674	\$1,112,977	
2004	\$300,164	\$680,543	
2005	\$406,576	\$541,117	

### Percentage of \$1,000,000 awards vs. total number of awards 1999-2005 by region\*\*

<i>Midwest:</i> Illinois, Indiana, Iowa, Kansas, Missouri and Nebraska			
Region	1999-2001	2002-2003	2004-2005
<i>Midwest</i>	10%	12%	16%

\*Amount listed is the homestead amount.

\*\*Source: Current Awards Trends in Personal Injury - 46th Edition, Copyright 2007 by LRP Publications, P.O. Box 24668, West Palm Beach, FL 33416-4668. All rights reserved. For more information on this or other products published by LRP Publications, please call 1-800-341-7874 or visit our website at [www.shoplrp.com/highered](http://www.shoplrp.com/highered).

This summary sheet has been created as a broad overview in part to assist in explaining assets subject to lien, levy, attachment, garnishment, execution or seizure in the event of a judgment and is current as of November 2007. It is provided for illustration purposes only and is not intended, nor should it be construed to be financial, legal or professional advice. This is not a statement of law, does not apply to all individuals and is not intended to address all circumstances or all factors of each individual situation. Amendments or changes in state and federal law as well as changes in individual circumstances may affect applicable exemptions. There may also be other exceptions or other qualifications that impact their application. Rules and regulations specific to each state may apply. Seek the advice of competent counsel with any questions you may have regarding legal issues. As legal advice must be tailored to the specific circumstances of each case and laws are constantly changing, nothing provided herein should be used as a substitute for the advice of competent counsel.