**Maintenance Tip: Silo Insurance**

**Presented as a Public Service for the purposes of Farm Safety**

**LET’S TALK SILOS - SILO SENSE - COMMON SENSE**

**For many years, tower silos have stood – like soldiers standing at attention – protecting farmers valuable feed crop – protecting it from not only spoilage but against contamination and other negative outside sources. Tower Silos have performed so well and for so long that often little attention is given to their value and importance on the farm, or to their maintenance.**

Worst case scenario: Your silo collapses. You have damage to adjoining structures. You have feed losses. You can’t see the unloader. You have a mess to clean up, to say nothing about the loss of your silo. If you have to call your insurance company to find out what your coverage is, it’s too late. Reading this column is important.

Insurance is a contract between you and the insurance company. It spells out what is covered, the perils that are covered, the amount of coverage, the deductibles and the cleanup coverage. When it comes to a claim, the policy or contract governs the settlement. The adjuster verifies the claim, obtains loss estimates, identifies the peril to determine coverage and then settles the claim according to the provisions in the policy. This is my understanding and I think it’s pretty accurate.

What kind of insurance do you have on your silos? My experience is that the standard policy covers wind, fire and other accidental damage. Silo failure from lack of maintenance, cleanup, damage to buildings, loss of feed, loss of cattle and unloader loss are normally not a part of the standard insurance policy. In some cases, a collapse clause may be written to cover these perils. This usually requires silo inspection. To find out what you are covered for, read your policy. If you have questions, call your agent.

How much insurance should be put on a silo? I would never make a recommendation. This needs to be the owner’s decision. But let’s look at some general repair costs. A 20’ silo roof, installed, depending on the accessories and method of installation, runs about $8,000.00. Replacement fill pipe and brackets on a 60’ silo run about $1,500, installed. If you have a barn fire and the silo is damaged, repairs on a 20’ X 60’ could run like this:

Silo doors (complete) $1,900.00 Silo Chute replaced with dormer $3,300.00

Silo hoop replacement $4,000.00 Silo relining $4,000.00

So, if you get the idea, repairs can be expensive.

In some policies, silo roofs are insured for 25% of what the silo is insured for. In some cases, the policy subtracts depreciation. There is also the deductible to consider. Different companies write policies in different ways and base premiums on the coverage provided.

Remember, the key to insurance on your silo is how much risk you are willing to take and how much risk you want the insurance company to accept. Then, make sure the risks you are unwilling to accept are spelled out in the policy. Your best resource is your insurance agent.

**Your tower silo is protecting your valuable feed. It needs to be in top notch condition to do its job. You can’t expect it to do its job if it’s not maintained. Common Sense tells us to maintain your silo properly and insure it against unexpected loss.**

Disclaimer

These articles are contributed by Bruce Johnson of Wisconsin Silos. They are meant to be informative and fun to read. They are not all inclusive. Your best source of information is the International Silo Association Operator’s manual or call the International Silo Association at 610-607-3622.