

SUPREME COURT OF MISSISSIPPI

Sweet Valley Missionary Baptist Church v. Alfa Insurance Corporation

192 So. 3d 990 (Miss. 2016) · No. No. 2014-CA-01748-SCT · Decided June 2, 2016

SUMMARY

The Mississippi Supreme Court affirmed the dismissal of Sweet Valley Missionary Baptist Church's claim for prejudgment interest. The court held that Mississippi Code Section 75-17-7 permits interest only when based on a judgment or decree, and no such judgment existed because the insurance claim was resolved through a contractual appraisal process and payment.

CASE DETAILS

COURT	Supreme Court of Mississippi
WRITING FOR THE COURT	Beam, Justice; Waller, C.J.; Dickinson, P.J.; Randolph, P.J.; Lamar, J.; Kitchens, J.; King, J.; Coleman, J.; Maxwell, J.
JURISDICTION	Mississippi
DECIDED	June 2, 2016
DOCKET	No. 2014-CA-01748-SCT
DISPOSITION	affirmed
PROCEDURAL POSTURE	Sweet Valley appealed the Marion County Circuit Court's grant of summary judgment and dismissal with prejudice in favor of Alfa, challenging the denial of prejudgment interest.
STANDARD OF REVIEW	The court reviewed the grant of summary judgment and the interpretation and application of Mississippi Code section 75-17-7.
PRECEDENTIAL VALUE	Published opinion; en banc decision of the Supreme Court of Mississippi.
PARTIES	Sweet Valley Missionary Baptist Church a/k/a Hub Community Baptist v. Alfa Insurance Corporation a/k/a Alfa General Insurance Corporation a/k/a Alfa Mutual General Insurance Company a/k/a Alfa Specialty Insurance Corporation

TOPICS

[insurance coverage](#)[prejudgment interest](#)[summary judgment](#)[statutory interpretation](#)[breach of contract](#)

PRACTICE AREAS

insurance

contract law

civil procedure

remedies

statutory interpretation

QUESTIONS PRESENTED

1. Whether Mississippi Code section 75-17-7 permits prejudgment interest when the insured receives payment through a contractual appraisal process rather than through a judgment or decree.
2. Whether the circuit court properly dismissed the action after the appraisal resolved the value of the insurance claim and Alfa paid the appraised amount.

HOLDINGS

1. Section 75-17-7 allows interest only when predicated on a judgment or decree; it does not authorize prejudgment interest on an amount paid voluntarily through a contractual appraisal process when no judgment or decree was entered.
2. The circuit court properly entered an order dismissing the action with prejudice because the parties had resolved the value of the insurance claim through the contractual appraisal process and no dispute remained for adjudication.

KEY QUOTATIONS

“Based on its plain language, Section 75-17-7 allows only interest predicated on a judgment or decree.”
(¶11)

“Here, we find the trial court rightly entered an order dismissing the case with prejudice because no dispute remained for adjudication.” (¶12)

FACTUAL BACKGROUND

Sweet Valley held a commercial insurance policy with Alfa covering its religious organization property in Columbia, Mississippi. After Hurricane Katrina damaged the property, Alfa initially appraised the loss at \$9,951.89, prompting Sweet Valley to sue for breach of contract and undervaluation. Alfa invoked the policy's appraisal provision, which determined that Sweet Valley was entitled to \$462,761.89, and Alfa paid that amount in full.

PROCEDURAL HISTORY

Sweet Valley sued Alfa for breach of an insurance contract after alleging that Alfa undervalued its Hurricane Katrina property-damage claim. Alfa invoked the policy's appraisal provision, and the appraisal determined that Sweet Valley was entitled to \$462,761.89, which Alfa paid in full. Alfa then moved for summary judgment, arguing that no genuine issues remained; the circuit court granted the motion and dismissed the case, and the Supreme Court of Mississippi affirmed.

DISPOSITION

affirmed

CASES CITED

- Arcadia Farms P'ship v. Audubon Ins. Co., 77 So. 3d 100 (Miss. 2012)

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