Keys to being a resilient mountain resident

Garry Sanfaçon
Boulder County Office of Resilience & Recovery

- How to ensure you are properly insured
- Create a home inventory
- Store documents offsite

Boulder County

United Policyholders™

Empowering the Insured

Over 60% of Fourmile Canyon fire survivors were underinsured

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Key messages:

- Adequate private insurance is essential
- Government and charitable aid programs will not cover the cost of rebuilding a destroyed home
- Agents, brokers and insurers often underestimate your home's replacement cost
- Oral promises by insurance reps that you're fully covered are useless if you can't prove them later

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Learn the Lingo

- Your “Declaration Page” is a map to your policy
- Most policies have separate dollar limits for:
  - Dwelling (Coverage “A”)
  - Contents (Coverage “C”)
  - Other Structures (Coverage “B”)
  - ALE/Loss of Use: At least 24 months of Additional Living Expenses.
  - “Endorsements” = add-ons, extra amounts of coverage. Generally each one has a code, listed on your “Dec page”.

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Coverage A: The dwelling limit should be very close to what it would cost to replace your home if it burned to the ground.

- *Not the assessed value, Not how much you could sell the house.*
  - How to determine existing coverage?
  - Coverage A ÷ by number of sq. ft. of living space
  - Example: $400,000 ÷ 2,000 sq. ft. = $200 per sq. ft. to rebuild

Determining Value for “A”

- Hire a mountain builder to give you an accurate, up-to-date price to replace your home in today’s economy and county regs.
- Pay an Inspection Service.
- Get a specific commitment from your insurance company to calculate it for you.
- Building costs of living space estimated around $300-350/sq.ft. and up.

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If You are Underinsured

- Call your agent immediately and request an increase to your coverage.
- Don’t take no for an answer.
- If they say you are adequately insured, demand that they put it in writing.

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Boulder County Awareness

- Code upgrade (ordinance or law) coverage should be a minimum of 25% in policy

- Flood Insurance: Even if you do not live in a designated flood zone, you may need flood insurance to protect you from unexpected water flow (policies have a 30 day wait period)

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Contents – Coverage “C”

- You can NOT decrease this coverage but you typically can increase this value
- Actual Cash Value (ACV) will pay only what property is worth at time of damage or stolen.
- **ACV**=Replacement-Depreciation
- Replacement will pay what it actually costs to replace the item

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Contents:

- In most policies, personal property is handled in two ways:

1. Unscheduled – property that is covered up to the policy limit (subject to deductible)

2. Scheduled – set at sub-limit amounts of coverage

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Scheduled Personal Property

Typical scheduled property with sub-limit amounts of coverage

- Jewelry
- Silverware
- Fine Arts
- Coins
- Collections
- Cameras
- Guns
- Stamps
- Rare Books
- Furs
- Musical Instruments
- Golf Equipment

If you want to extend the policy limits or buy separate coverage, you need to contact your insurance agent

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Valuable Personal Property:

- When you decide to "extend" your scheduled personal property sub-limits, you are creating an endorsement.
- These "add-ons" will increase your premium but will NOT be subject to your deductible.

Typically these coverages are for theft OR loss.

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Contents:

"Endorsements" = changes the terms of an insurance policy by adding or subtracting coverage

There are over 100 endorsements for the standard homeowners policy (even identity theft)

MOST COMMON POLICY ENDORSEMENTS

Inflation Guard	Personal Injury
Scheduled Personal Property	Home Business
Personal Property Replacement Cost	Earthquake

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Documentation

- Many insurance companies will pay a certain amount and no more until the item has been replaced
- Nearly impossible to remember everything you once had
- Painful
- Time consuming

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Home Inventory

- Option 1: Create a spreadsheet of your belongings, update it

- Option 2: Photograph or video inside and outside of your home, open closets and drawers

Your insurer gets to keep your money after a loss if you can't remember or describe everything that was destroyed

Store Documents & Home Inventory Offsite

- Most home-use safes (even fireproof-rated safes) did not survive the extreme heat
- At your office
- Safe deposit box
- Scan and digitize all documents and home inventory
- Save them in the cloud

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Top Insurance Buying Tips

- Don’t underestimate the cost of replacing what you have
- Don’t blindly trust that your insurer has got you covered
- Do reduce costs by raising deductibles
- Do take the time to shop for full coverage and best price

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What are the best insurance companies?

- Difference between agent and claims adjuster.
- More and more companies are no longer insuring mountain homes.

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You can't stop natural disasters but ……

- You can minimize the consequences to your most valuable assets: Your home and/ or business

  - ✓ Insurance adequate? (Insure to Value!)
  - ✓ Reasonably complete inventory?
  - ✓ Important documents scanned and/or stored off-site?

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For More Information:

Visit United Policyholders website: www.uphelp.org

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Thank you for coming!

Questions & Comments?

Boulder County

Wildfire Partners: A Comprehensive Approach to Mitigation

Lessons from the Fourmile Canyon Fire Findings

1. We have the opportunity to significantly reduce the potential for WUI fire disasters
2. This opportunity requires a change in approach
3. The responsibility for reducing vulnerability to wildfire rests with the homeowner
4. WUI fire disasters cannot be prevented without homeowners actively creating and maintaining HIZs with low home ignition potential

The Key Messages

- Take personal responsibility
- Work with neighbors
- Identify weak links & preferred pathways
- Maintain over time
- Understand risk; there are no guarantees

WILDFIRE PARTNERS

The Benefits to Homeowners

- Home Assessment
- Customized Report w/ your checklist
- Phone Advising
- Financial Assistance
- Certificate & Recognition

Before Wildfire Partners

Same Home After Wildfire Partners

All 19 County Mitigated Homes Survived

Questions ?

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Prepare Your Property

Home Inventory Checklist

- Make sure you have the right amount of coverage for your contents.
- Important Information to record: date of purchase, receipt, serial number, photo/video
- Helpful Computer Software:
  - iPhone/iPad Apps: $4.99 Home Inventory, My Stuff, Itemizer
  - Home PC Software:
    - Collectify Your Home (Windows) $50
    - Compartments by LIttleFin Software (Mac) $10
    - Mystuff2 iphone or ipad (Mac) $15

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