

# One of your greatest resources in fighting wildland fires – Your Insurance Policy!

## Some timely advice from your friends at Fire Safe Santa Cruz County



We all give thanks to the dedicated firefighters willing to put their lives on the line to protect our lives, our homes, and our property. And, we hope that all of us living in areas near or among lands prone to wildland fire, (also known as the Wildland Urban Interface or WUI), have taken steps this past winter to reduce fuels around our properties and improve the ability of our homes to survive a wildland fire.

But as the start of fire season approaches, there is another very important tool you can use to defend your home from Wildland Fires, one you may not have even thought about – your Homeowner's or Renter's Insurance Policy.

Few people buying insurance ever plan on having to use it to replace their homes and everything they owned. In Linda Masterson's book, "**Surviving Wildfire**," she went through precisely this scenario and offers sage advice not only on dealing with the loss of your home and possessions but every other aspect of getting prepared, staying alive as the fire approaches, and rebuilding your life in its aftermath.

In the average wildfire, more than half the people who lose their homes are underinsured by 25% or more. When you suffer a total loss that runs into hundreds of thousands of dollars, that's a lot of money. The cost to build has continued to climb, creating a wider and wider gap between market value and actual replacement cost. Current building costs in Santa Cruz County average between \$350 and \$400 per square foot\*. And in the aftermath of a widespread disaster, local supply and demand issues often cause building cost to balloon even further.

That is why decisions you make right now regarding your insurance policy will shape the way you will be able to respond to the aftermath of a wildland fire disaster.

If it is the worst case scenario you are facing, your insurance policy will become your lifeline to recovery. There's nothing worse than sitting down with your adjustor and finding out that you are underinsured, under-documented, and unprepared to go through the lengthy process of substantiating your claim and collecting what you are due.

To avoid this, the first thing you need to do now is make an appointment with your Insurance Agent. Here are a series of questions you'll want to ask.

1. How much is my house insured for? ***Here in Santa Cruz County, building costs are currently running between \$350 to \$400 per square foot.\* After a fire, when demand is high, costs could be even higher.***
2. How was that amount of coverage determined? If my home were destroyed today, how much would it be depreciated or appreciated?
3. Do I have the best policy available? If not, what is missing?
4. Does my policy cover Replacement Value for my home and personal property? *Note: This is a really important question!*

5. Does my policy cover Additional Living Expenses if my home burns down? For how long? (Or how much, if it's a set dollar amount?)
6. Do I have Extended Replacement coverage? How much? Does it apply to anything besides my house?
7. How much coverage do I have for my detached garage, shop, and other outbuildings and landscaping?
8. Does my policy cover the increased cost of upgrades dictated by changes in building codes or laws (Ordinance and Law coverage), and how much? *Note: new building code rules may require substantial upgrades to make homes better able to withstand future wildland fires.*
9. What does my policy cover if I'm officially evacuated for a fire or any other reason? Do I need to pay the deductible?
10. Does my policy cover debris removal? If yes, how much? *Note: Debris removal can cost up to \$30,000!*
11. What's my deductible? How much would I save if I increased it?
12. Are there any available discounts for which I could qualify? Is there anything else I can do to decrease my premium?

Another common reason for being underinsured is that as the years go by, people make changes, buying that top of the line new mountain bike, big screen TV, a beautiful new sofa or patio furniture, remodel kitchens and baths, upgrade to double pane windows, put on new Class A Fire Rated roof, or even add new rooms. Sadly, they frequently forget to report these purchases to their insurance company and adjust their coverage.

Think about what you've purchased or added at your home since you first set up your insurance policy. If you lose your home and the new bedroom set or bedroom you added is not covered, your insurance policy will **not** reimburse you for it!

**Linda Masterson's "Surviving Wildfire"** offers clear and easily understood information based on real-life experience and in-depth research. The chapter on "A Homeowner's Guide to Insurance" offers useful tools for understanding information on your insurance policy, how to make sure you have appropriate coverage, how to begin documenting your belongings and structures, and what to expect if you ever do lose your home in a wildland fire.

While it is important to do all you can to prepare your home and family to survive a wildland fire, the reality is that there are just some fires that are so large and aggressive that firefighters become overwhelmed, and nothing can be done to stop the fire's destructive rampage.

So, take a deep breath, pick up the phone, and give your homeowner's or renter's insurance agent a call. No one who has ever had their home burn down has ever said, "Gee, I wish we'd had less insurance."

*\*Replacement cost figures provided by Mike McCauley, State Farm Insurance, Capitola*

**Fire Safe Santa Cruz County is hosting a series of four presentations on residential insurance in the Wildland Urban Interface with Peter Meza, an Associate Insurance Compliance Office with the State of California, Department of Insurance on Tuesday and Wednesday, July 23<sup>rd</sup> and 24<sup>th</sup>.**

**For the past 18 years, Mr. Meza has worked as a compliance officer within the California Department of Insurance. He has handled consumer complaints against insurance companies as a result of wildfire losses. He has worked in FEMA centers following major California fires and participated in many forums regarding all aspects of insurance, serves as a Spanish spokesperson for the California Department of Insurance, and has worked closely with the last three California State Insurance Commissioners.**

**If you would like to attend one of his free presentations (two in the north part of the county, and two in the south part of the county), please register at the [Fire Safe Santa Cruz County website](#). Space is limited, so sign up soon!**

**Events:**

**July 23 2019 San Lorenzo Valley Area, 2pm-3:30pm**

Location: Highlands Park Senior Center, 8500 CA Hwy 9, Ben Lomond CA. Park in parking lot, signs will direct you to meeting room.

**July 23 2019 Santa Cruz Santa Cruz/North County Areas, 7pm-8:30pm**

Location: Santa Cruz County Government Center, 701 Ocean St, Santa Cruz, CA 95060 , 5th Floor Supervisor Chambers. Please park anywhere in the parking lot. No need to pay. Please use the entrance to the left of the front doors (down a ramp into the basement) to enter the building, take elevator to 5th floor. We will have signs out to make path of entry clear.

Note: This will be a live televised event, to be broadcast on Community Television and made available on YouTube.

**July 24 2019 Corralitos/South County Areas, 2pm-3:30pm**

Location: Corralitos Community Center, 35 Browns Valley Rd, Corralitos, CA 95076, event will be in the Corralitos Padres Hall. Park in parking lot, it will be clear where the event is.

**July 24 2019 Capitola, 7pm-8:30pm**

Location: Capitola City Hall, 420 Capitola Ave, Capitola, CA 95010. Entrance to venue is on the lower level of the building. See attached map for parking lot locations. Park in either the Upper or Lower Lot. Small fee for parking, cash, debit, credit accepted. Metered until 8pm. Go down the stairs to the ground level, you'll see us setting up.

**See the California Department of Insurance Website for more information:** <http://www.insurance.ca.gov/>