

# San Bernardino “Old Fire” Victims

Meeting Minutes

Sunday November 23, 2003

## Today’s visitors

Pastor Paul - Pastor of host church <http://www.calvarysbdo.org>

Rex Jenson from FEMA [www.fema.com](http://www.fema.com)

Joe Ramos AIA [www.aia.org](http://www.aia.org)

Representatives from Lutheran Disaster Response

Representatives from San Bernardino Mental Health (?)

George Carer from CARE [www.carehelp.org](http://www.carehelp.org)

Fred and Seal Sharmin – Laguna Fire Survivors

## FEMA

Homeowners who are insured will be automatically denied FEMA grants (or be declared “ineligible”. You should still register (and tell others to register) so you can get through the system faster and so that you can receive SBA loans if necessary.

Grants are only up to \$5001. Loans can be up to \$250,000. Loans are at the low rate of about 2.5%. They are very liberal about the payback terms.

## Fred and Seal Sharmin

They are here to give information about itemization of your personal property.

They quoted from today’s LA Times paper (see side bar). There is hope that future survivors will not need the lengthy, detailed lists we are having to create, but for now... you must create them.

Start by listing everything you can think of. Next go through the book they have to find other things you might have forgotten. (Also try looking through catalogs).

Ask friends to help price things at stores. Put appropriate prices on your items, not garage sale prices. Include sales tax (increases values by almost 8%). List name brands or the location you bought it if you shop at high-end shops.

Pictures can be good support material... especially if you purchase high-end goods.

You have 60 days to create your list. Send a registered letter requesting an extension.

If there is an item that you’re not sure if it should be in real property or personal property (i.e. window blinds), put it in the place where it does you the most good. If you have maxed out one, put it in the other.

Once you have created your list, you can use it for tax purposes also.

November 23, 2003

THE STATE  
Insurers' Demands for Details From Fire Victims Criticized

By Kenneth Reich, Times Staff Writer

Some firms require clients to itemize all personal property before claims are paid.

Several big insurance companies have come under fire from state officials examining the Southern California wildfires for requiring victims to itemize all their personal property before they could collect on their claims.

State Insurance Commissioner John Garamendi, state Senate Insurance Committee Chairwoman Jackie Speier (D-Hillsborough) and three other legislators said they did not feel it was reasonable for the companies to expect their policyholders to remember so many details about hundreds of individual items.

Speier suggested that legislation might be needed to restrict such questions, and Assemblyman Dennis Mountjoy (R-Monrovia) questioned why the insurer couldn't commit to pay a set amount for personal property in case of total destruction, even before the incident occurred.

The officials spoke out after a San Bernardino homeowner, Hazel Weaver, and her neighbor, Amelia Herman, testified at a state hearing Thursday that they had been driven to distraction by the demands of insurance adjusters after losing their homes to the fires.

[Continued in LATimes]

George said some insurance companies are paying for Inventory Expeditors or for people to help you create your Inventory lists. Ask your insurance company about this option.

Find others with the same insurance and network with them. Share information about what your adjuster is saying so you can both get a fair deal. If one gets something, everyone should. Remember, you paid for this insurance. Claim what is rightfully yours.

## **George from CARE**

He is a survivor of the Oakland fires in 1991. They lost their home and businesses. CARE grew from his experience as a General Contractor and a Lawyer.

Scripps Ranch is having Insurance meetings every Mon and Tue evening in alphabetical order (?). He asked Pastor Paul if we could set up something like that at this location.

### ***Debris Removal***

A question arose about Debris removal. A man had received one quote at \$9k and another at \$27k. George said to make sure you're comparing apples to apples. The more expensive quote *might* include Haz Mat removal, concrete removal etc. Bottom line is you need detailed quotes from both so you can make sure of what you're getting into. A lump sum quote might *not* work to your advantage especially if it's open ended enough to allow the contractor to add on these things. Also make sure they are both licensed.

Before you remove debris from your site make sure you get detailed plans/reports about your existing house. Keep anything that might prove unusual construction processes or materials in your house. Have someone draw as-built drawings and detail any of these unusual specifications to get detailed quotes of how much it would cost to build your house back. Keep the debris in containers to prove it. Do NOT get rid of them until you move into your new house and are okay with everything.

Get a concrete damage analysis before you remove any concrete. Insurance company might say they won't pay for new concrete if you don't have proof it needed to be removed.

Insurance will usually pay 5% of the entire A, B&C portions of your policy to remove debris.

If anyone helps you clean up or fix up your house, keep timesheets and pay them. Your insurance company should reimburse you for their time. Someone in the audience says they're paying \$15/hour for debris removal.

### ***Recorded Interview***

Remember that if you are asked to do a phone recorded interview, you can tell them you are busy and that you want them to send you the questions in writing. Written word is a type of recording. You will be able to give more complete answers if you are given time to think over the answers. Just tell them you are busy or distracted.

### ***Working with your insurance company***

If your married, make sure you work as a team. Don't argue in front of the adjuster. They will pick which person to listen too and put that persons answer in their reports. They will also note that you are not agreeing and use it to their advantage.

When the adjuster asks questions always leave it open. Never agree that they are done paying. Never agree that you are "done" or that the list is complete. Say it is all for now, and that you will be giving more info later.

Read everything carefully. If they want you to sign anything, ask if you can take it with you so you can read it and give it back to them later.

Write “ Partial Payment, Total loss yet to be determined” on each check or letter they give you with dollar amounts on them. Write it next to each figure on the page.

Write everything down. Every conversation, every date and the start and finish time of the conversation. Always keep copies of checks (both sides) and letters you receive.

Always get your own experts (do not rely on the people the insurance company hires).

Make sure to get a current declaration page. A two-year-old insurance policy will not help you. Also get the correct attachments from the insurance company.

### ***Dates to remember:***

Get a calendar out and *mark these dates*. Count the actual number of days; do not rely on the day of month.

60-day deadline: This deadline is usually the deadline to get a “ proof of loss” to the insurance company. This is a signed notarized statement saying that you had a loss. It can be 60 days from date of loss, or 60 days from when they request the statement.

Read the proof of statement before signing it. Be sure there are no dollar amounts in the statement saying that you agree to those amounts. If there are \$ amounts, write “undisputed amount, full loss yet to be determined” next to each number and initial them. It is then okay to sign it.

If there are blanks where \$ amounts should be, write “ unknown, amount yet to be determined” and sign.

It is okay to review it and do the notary later!!! Call CARE if you have questions about the form.

180-day deadline: doesn't start until a check has been given to you. This is the Actual Cash Value deadline. He didn't explain it much since the 60-day deadline is looming. The 180-day deadline is kind of fuzzy since the policy will say one thing, but case law says two other things.

He also said something about writing a letter regarding intending to replace dwelling and personal property items by this 180 day deadline or the insurance company will pay ACV, not replacement cost (ACV is a lower amount).

365-day deadline: This is your deadline to file suit against the insurance company. If after 10 months you are not satisfied with your claim, it is time to find a GOOD “ Bad Faith” lawyer to start filing your claim. If you wait until the 11<sup>th</sup> month, all of the good lawyers will be too busy to take you.

### ***“Waiver” Forms***

Someone in the audience who had Farmers brought up the “ Waiving of depreciation on structure” form we discussed last week. George said in a blanket statement not to sign it, but said sometimes it is okay to sign it so discuss with him later. The letter gives you some things, but places restrictions on you.

### ***Getting the full value for your house***

If you tell the insurance company you are planning on rebuilding a different house from your original, they might treat you differently and not go into detail about your existing house. You will LOOSE MONEY this way as they might try to get out of doing a detailed scope of loss. Just focus on your house AS IT WAS before the fire. Once you are satisfied

with the money you're getting you can go ahead with your plans. You insured your house as it was, so you should both be focusing on your house as it was.

George said for every hour he spent going over his scope of loss, he would find \$1000 worth of stuff they "forgot" so it was worth it to go over it with a fine tooth comb. The insurance company also tends to underestimate the costs. The database they use (Marshal and Swift is a common one) tends to low-ball costs.

They also give labor amounts in fractions of hours. This is not industry standard in the house building industry (unlike auto industry) but they will do this because it cuts the amount they have to pay.

The only insurance companies that have full replacement policies are AAA and Fireman's Fund. Insurance companies tend to assume you live close enough to a fire station to not have a total loss so they under insure most people. Only when a disaster happens like this does it come out that you are underinsured. It is not your fault. They might try to tell you that it is your fault, but they are the experts or professionals.

You have the right to see anything they used to develop your claim. Ask for copies of everything.

The cost of an architect and/or engineer should be covered in your policy and might be in a separate part of your policy than A,B or C.

## **John of AIA**

Florence Holt is the director of the local Inland Empire AIA office, which is located in Redlands. AIA members who volunteer their time to the community in this manner cannot take jobs from the people they are speaking too. (AIA code of ethics.)

Architect works for you to help you with contractors, inspectors and the bureaucrats. They work with other people such as landscape architects and engineers to do the entire job. They can help with everything from clean up to building occupancy.

An architect is not required, but it's not as expensive as you might think. They can also help with future costs (i.e. energy savings and future loss mitigation (i.e. earthquake or fire). Architects know city ordinances as well as building codes and accessibility issues.

You should get a contract that gives you a time and money budget. They can work within your budget. Good design does not need to cost a lot of money. They know how to save you money as well.

They will be able to specify the quality of bid you receive from contractors. Meaning, they can weed out the low-ball bidders that do cheap/bad work and they know how to bid a job so you don't stuck in a contract with cheap-o building techniques.

Remember to check everyone's references.

## **Pastor Paul**

Next meeting will be two weeks from today, Sunday, December 7, 2003 at 3pm. A different meeting time will be discussed at that time. If you have a preference as to the time/day of week, please leave him a note.

## **Future Meeting Ideas**

County of SBD Assessor Donald Williamson (property tax issues)

CALCPA rep for income tax issues