



Northern California Homeowners Insurance

- Steven Galyardt
- Vitas Insurance Agency

Winston Churchill

- The truth is indisputable. Malice may attack it, ignorance may deride it, but in the end, there it is.



Living With Wild Fires






[This Photo](#) by Unknown Author is licensed under [CC BY-NC-ND](#)

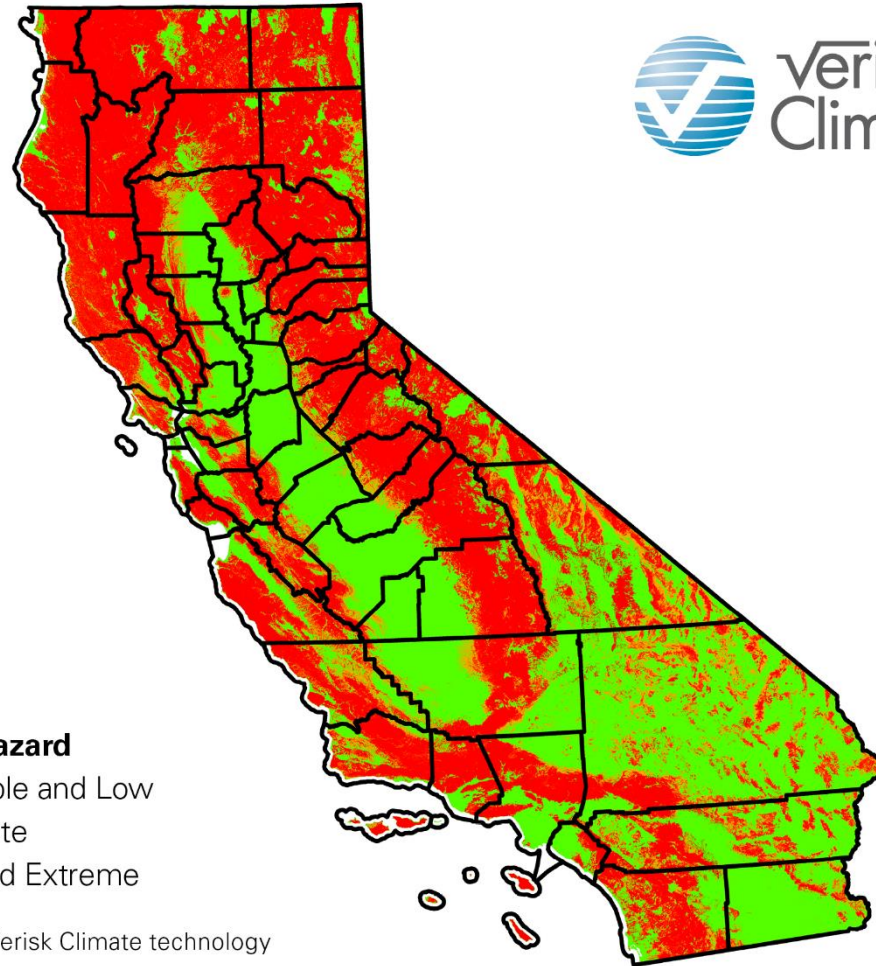
Wildfire Risk Across California



Wildfire Hazard

-  Negligible and Low
-  Moderate
-  High and Extreme

Powered by Verisk Climate technology



Cal Fire Suppression Costs by Year

• 2014-2015	\$402 Million
• 2015-2016	\$608 Million
• 2016-2017	\$534 Million
• 2017-2018	\$947 Million
• 2018-2019	?



Cal Fire Deadliest Fires in California 7 out of the top 20 since 2017

Camp Fire 2018	18,804 Structures	85 Deaths
Carr Fire 2018	1,604 Structures	8 Deaths
Mendocino Fire 2018	280 Structures	1 Death
Thomas Fire 2017	1,063 Structures	2 Deaths
Tubbs Fire 2017	5,643 Structures	22 Deaths
Redwood Fire 2017	544 Structures	9 Deaths
Atlas Fire 2017	781 Structures	6 Deaths

California



2,044,800 CA homes in high to extreme risk (15%)



\$13 billion in fire loss claims 2017



\$18 billion (estimated) in fire loss claims 2018



1,266,224 acres burned in 2017



9,560 wildfires in 2017



90% by humans



10% by nature

Homeowners Insurance



[This Photo](#) by Unknown Author is licensed under [CC BY](#)



Law of large Numbers

Paying for a loss

- **Collect premium from customers**
- **Pay out 95% on claims**



2019 what can we expect in the Auburn area?



Homeowners insurance coverage will increase.



Estimates are if you paid \$800 a year for a policy you could now be charged up to \$5,000.
1/31/2019 Money Watch



Vitas Insurance is currently working on over 600 non-renewals for 2019



I am one of those homeowners

Will insurance become unavailable?

01

Traditional Insurers are leaving high risk areas

02

Surplus Carriers – Lloyds of London

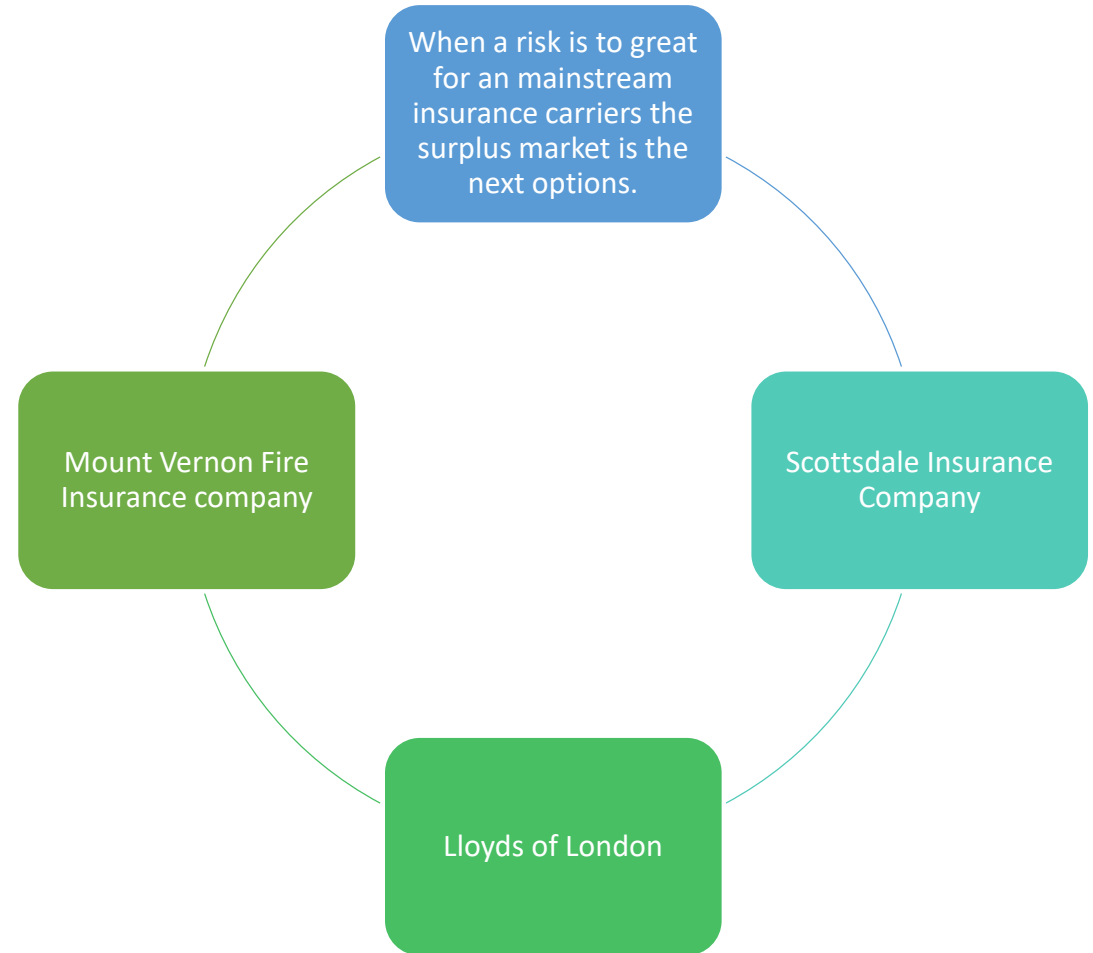
03

California Fair Plan – State Pool Alternative

04

Wrap-Around Policy

Surplus Lines of Insurance





[This Photo](#) by Unknown Author is licensed under [CC BY-SA](#)

Lloyd's of London – The First Insurance Company

Edward Lloyds Coffee House



- Around 1686 the Lloyds Coffee House on Tower Street in London was a popular place for sailors, merchants and ship owners.
- When a ship was ready to sail its cargo could be insured by the “members” of Lloyds by singing under the ships name with percentage of cargo to be insured and price.
- Thus becoming an underwriter.

California Fair Plan



WHEN TRADITIONAL CARRIERS ARE NOT AVAILABLE THE CALIFORNIA FAIR PLAN IS AN OPTION.



SATISFIES LENDER REQUIREMENTS



COVERS DAMAGE TO HOMES FROM FIRE, WILDFIRES, SMOKE WIND, HAIL, VANDALISM, EXPLOSION AMONG OTHER COVERAGES.

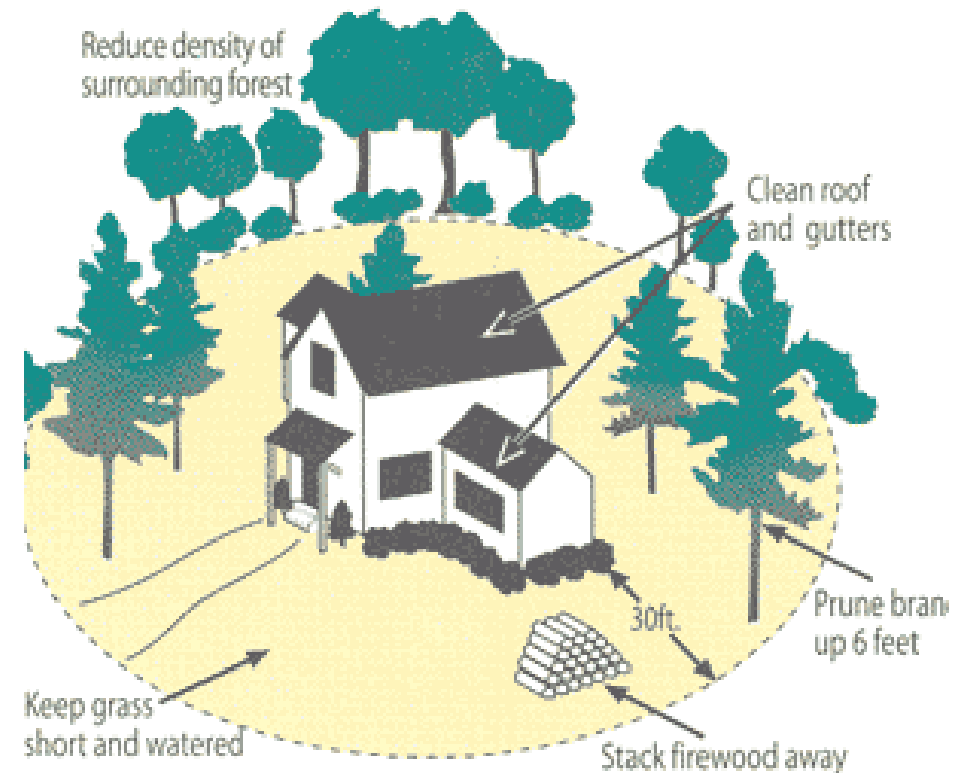
Wrap-Around Policy



Homeowners Responsibility



[This Photo](#) by Unknown Author is licensed under [CC BY-SA](#)



[This Photo](#) by Unknown Author is licensed under [CC BY-SA-NC](#)

Cal Fire Preparing Your Home

Prepare your Home for Wildfire Season

- Maintain a “fire-free” area around the perimeter of your home, 100 ft or more
- Manage vegetation along fences
- Clear debris from decks patios, eaves, and porches;
- Move radiant heat sources away from the home (i.e., wood piles, fuel tanks, sheds)
- Thin trees and ladder fuels around the home
- Talk to your local fire department
- Develop a family preparedness plan
- Go to www.firewise.org to learn more



[This Photo](#) by Unknown Author is licensed under [CC BY](#)





Evacuation Plan



“Men occasionally stumble over the truth, but most of them pick themselves up and hurry off as if nothing had happened”



[This Photo](#) by Unknown Author is licensed under [CC BY-NC-ND](#)