

## Insurance Essentials: Your Questions Answered Symposia Series

GLENWOOD SPRINGS, COLORADO • OCTOBER 24, 2014



Ian Exelbert, COO, Glenwood Insurance Agency, welcomes guests to the Insurance Essentials: Your Questions Answered symposium.

### Opening Remarks

Ian Exelbert, Chief Operating Officer,  
Glenwood Insurance Agency

### Panel Discussion

Moderator – Joan Woodward,  
President, Travelers Institute;  
Executive Vice President, Public Policy,  
The Travelers Companies, Inc.

Kim Hammon, Personal Lines Producer,  
Glenwood Insurance Agency

Jeremy Joslin, Mortgage Banker,  
Liberty Home Financial

Amy Luetke, Owner, The Property Shop

Gary Tillotson, Fire Chief,  
Glenwood Springs Fire Department

On Friday, October 24, 2014, the [Travelers Institute](#), in partnership with the [Glenwood Springs Chamber Resort Association](#) and [Glenwood Insurance Agency](#), convened community members and business owners for its Insurance Essentials: Your Questions Answered symposium. The discussion commenced the annual “Biz-Opoly” event, a local small business trade fair and networking opportunity held in Glenwood Springs, Colorado, since 1994.

Joan Woodward, President of the Travelers Institute and Executive Vice President of Public Policy at Travelers, kicked off the conversation by welcoming the audience and explaining the long-lasting implications of insurance education. Through the [Travelers Consumer Risk Index](#), a national survey to help identify Americans’ perceptions of risk, Woodward explained how consumers are more likely to have a plan for what to do before a disaster than how to recover from one. This, Woodward said, is one of the many reasons the Travelers Institute began the symposia series in 2013.

Ian Exelbert, COO of Glenwood Insurance Agency, offered insight on the nuances of wording found within insurance policies. He discussed the variation in policies from one insurance company to another, and emphasized the importance of understanding deductibles, exclusions and limits, and of discussing options with an independent insurance agent.



Members of the Glenwood Springs community gather at the historic Hotel Colorado to learn about their personal insurance options from leading local professionals.

Woodward polled the audience on their familiarity with insurance and found that:

- 67 percent were homeowners
- 28 percent rented property
- 5 percent owned a second home
- 72 percent bought insurance through an independent agent
- 15 percent bought insurance online
- 13 percent used the same company as their parents

### Homeowners Insurance

Amy Luetke, Owner of The Property Shop, continued the conversation with an analysis of the local housing market. Like many municipalities, Glenwood Springs experienced volatile losses during the recession, a time when many homes lost 50-70 percent of their value. Yet, recent data paints a more positive picture, as the average home has a year-to-date appreciation rate of 15 percent, Luetke explained.

“[Glenwood Springs] is a seller’s market again,” said Luetke, who offered considerations for future homeowners.

Luetke explained that it is not all about the house itself. “Length of ownership, resaleability and total cost to own [are important],” she said. “A lot of times people are just looking at their bottom line [or] their monthly payment, rather than looking at – How much upkeep is going to be required on this home? What are my insurance rates? What are the homeowners association dues? All of those costs go into home ownership.”

Jeremy Joslin, Mortgage Banker at Liberty Home Financial, built on Luetke’s advice. Joslin opined that the lending application process is relatively straightforward, and lenders are available and, most importantly, willing to lend in the



Amy Luetke (left), Owner of The Property Shop, describes the Glenwood Springs real estate market and offers tips for homebuyers.

current economy. To simplify and expedite the process, Joslin reinforced the need to provide as much information as possible up front (e.g., tax returns, 30 days’ worth of paystubs, W-2s). Joslin added that many lenders require certain levels of homeowners insurance before authorizing a mortgage.

Returning to audience polls, Woodward found that 74 percent of the attendees did not have a documented contents inventory for their property. Kim Hammon, Personal Lines Producer for Glenwood Insurance Agency, offered a few simple tips for creating one:

- Create a file or list of all of your possessions, including descriptions, photos and video
- Walk through your home room by room to make sure you include everything
- Store the file electronically and include a backup list in an off-site location
- Consider expensive items, and consult with your independent insurance agent to make sure you have enough insurance to cover them

When asked if their homeowners insurance should cover their homes’ market value or the cost to rebuild, 81 percent of the audience correctly responded that it should be the cost to rebuild. This is due to market fluctuations that may negatively affect a home’s value. Ninety-one percent of attendees also accurately said that a standard homeowners policy does not cover flood damage.

### Flood Insurance

While many parts of Colorado – due to high elevation – are not at a high risk for floods, Hammon explained how every homeowner, regardless of location, is in some type of flood zone designated by the Federal Emergency Management Agency (FEMA). Eighty-three percent of attendees did not think they lived in a flood zone. Some audience members asked



Wildfires and home fires are a concern for the Glenwood Springs area, as Fire Chief Gary Tillotson, Glenwood Springs Fire Department, explains to an audience member.

for clarification, as they lived on a mountain range and never encountered a near-flooding experience as a homeowner. Hammon explained that those properties are labeled in the flood zones that present the lowest overall risk. She did, however, recommend homeowners monitor their homes' classification, as FEMA periodically updates flood maps.

### Fires

Fire Chief Gary Tillotson, Glenwood Springs Fire Department, then provided the audience with advice for handling a house fire. First and foremost, individuals should only re-enter the home after a local fire department has deemed it safe. Fires need to be completely cleared and burning toxic chemicals could be hazardous.

Inside the home, Tillotson explained that homeowners should replace smoke detectors every 8-10 years, a task 63 percent of audience members correctly identified as the appropriate practice. Though some detectors may emit sound when the test button is pushed after that time frame, Tillotson emphasized that the smoke detection mechanism is separate from the audio system. Thus, the audio system may still be working, while the smoke detector itself may no longer be reliable.



L to R: Jeremy Joslin, Mortgage Banker, Liberty Home Financial; Kim Hammon, Personal Lines Producer, Glenwood Insurance Agency; Joan Woodward, President, Travelers Institute; Gary Tillotson, Fire Chief, Glenwood Springs Fire Department; Amy Luetke, Owner, The Property Shop

An audience member asked Tillotson about the efficacy of sprinkler systems inside the home. Because installation could be costly for older homes (between \$1.50 and \$5.00 per square foot, according to Tillotson), he did not think it was necessary to retrofit every home with sprinkler systems. However, Tillotson recommended that owners of soon-to-be-built and newer homes consider it.

### Auto Insurance

The conversation concluded with auto insurance, where the audience answered several more questions. Thirty percent correctly identified that comprehensive auto coverage covers everything outside of a collision. Furthermore, 68 percent understood that liability coverage will pay if the insured driver causes the accident.

More information on auto insurance, homeowners insurance, flood insurance and other types of coverage is available in the [Travelers Institute® Insurance Guide](#).

### **The Travelers Institute**

Travelers established the Travelers Institute as a means of participating in the public policy dialogue on matters of interest to the property casualty insurance sector, as well as the financial services industry more broadly. The Travelers Institute draws upon the industry expertise of Travelers' senior management and the technical expertise of its risk professionals and other experts to provide information, analysis and recommendations to public policymakers and regulators.

### **Glenwood Insurance Agency**

Glenwood Insurance Agency is a full-service agency offering insurance for home, auto and business needs, as well as life, health, disability and long-term care insurance. As an independent agency, it represents over 30 quality insurance companies.

### **Glenwood Springs Chamber Resort Association (GSCRA)**

The purpose of the Glenwood Springs Chamber Resort Association (GSCRA) is to provide leadership, promote commerce, encourage measured growth and support endeavors that enrich the community's quality of life.