

Insurance companies make the difference in recovery process for Angora residents

By Linda Fine Conaboy

Not only did the people living within the boundaries of the huge swath of the Angora Fire suffer titanic losses to the rampaging fire, they also, when the dust settled, had to begin the process of working with their insurance companies. They found, when it comes to fire insurance, not all outcomes are painted with the same brush.



Angora Fire --
5 years later

Imagine the overwhelming intensity of this situation: More than \$145 million in damage; 254 homes destroyed; 26 homes damaged; 3,000 evacuations.

Estimates are the Angora Fire was among the top half-dozen most costly fires in the United States with the price tag to fight the fire topping \$20 million, while losses to the local economy estimated to be even more.

According to a report from KCRA.com, the California Department of Insurance received more than 60 consumer complaints about insurance companies in the aftermath of the 2007 fire.

Tony Colombo and his wife, Tara Brennan, lost their home to

this fire.

“It disintegrated,” Colombo said. “All the way down to the foundation. We had about 90 pine trees and shrubs, deciduous trees, a fenced yard and a beautiful, soft lawn that we played croquet on.”

Unfortunately, Colombo told *Lake Tahoe News*, we were underinsured. “We had changed agents, so consequently, we were underinsured by about \$400,000. [The fire] was a financial catastrophe, but the physical and emotional damage was the worst.”



Tony Colombo and Tara Brennan rebuilt on Mount Olympia Circle. Photo/Linda Fine Conaboy

Colombo, who previously owned Colombo’s Burgers a Go-Go on Emerald Bay Road, sold it and found what he called his dream job with plans to retire in 2010. After the fire and the downturn in the economy, Brennan sold her business, Pandora’s Trunk, also on Emerald Bay Road.

Now, however, the part-time dream job is no longer reality. For the time being, life is somewhat of a challenge and retirement is not looming in the near future. Colombo is a driver for BlueGo, South Shore’s public transit service, a job he says he loves, while Brennan is the floor manager at High Chaparral Western Wear.

All is not lost for them, however. The couple decided to sue their insurance company – State Farm Insurance – and finally settled out of court a week before the trial was to commence.

“It was immensely worthwhile,” Colombo said. “Otherwise, we would have gone bankrupt and had to leave the area.

“But here’s what’s ironic. I’m still with them. We just don’t want to look for another company. There are four of us out here with them, but I’m the only one who went to litigation.”

An agent’s perspective

Dick Horn has been with State Farm Insurance for 29 years and worked at the South Lake Tahoe office for 19 of those years. He said he handles about 2,400 fire policies in South Lake Tahoe, Carson City and Gardnerville.

“During the fire I had the same number of policies. There were 52 homes damaged with State Farm Insurance and I had about half of them,” he said.

“I knew we were in serious trouble [when the fire started] because of the high winds. It got into the tree tops and there was no stopping it until the wind died.”



So many items lost in the fire did not have a true price tag because

sentimental value is
priceless. Photo/USFS

Horn said the first thing he and other agents did was man their office and hold on tight to see what they could do to help. "We knew we had access to shelter, from Harvey's to rental homes, for our clients. I have authority out of my office to write some pretty healthy checks for food, clothing, shelter, etc. I wrote quite a few of those checks."

The fire started on a Sunday, Horn recalled, and by noon he and others had moved a big motor home into their parking lot to serve as a disaster shelter. "We also rented a building to serve as a disaster claims office. For nine months it was staffed with claims adjusters, estimators, logistics staff and secretaries.

"At first you can't believe it, then realization sets in," he said of the fire victims. "It takes time to get their lifestyle back. There's some counseling to be done as an agent. I found myself in a role of assisting clients with claims people, contractors, adjusters, city officials and had to go to fire meetings, too. I helped people get new driver's licenses. You lose all of your personal papers."

Horn had high praise for Guy Lease, president of Lake Tahoe Community College at the time. "He really came through. He threw open the doors for as long as necessary for people who needed a place to meet; a place to contact FEMA or the state or whoever."

Since the fire, Horn's company is much more sensitive to wildfire now. "Now we have locations, not just South Lake Tahoe, but throughout California that are designated as wildfire areas. This means these places have a higher propensity or risk for fire, so they require, for me, extra underwriting (exposure to risk)."

Here's a list of some of the new considerations for fire insurance underwriting, put into place since the Angora Fire:

- how far away are trees and brush from a home
- roofing; no wood shingles, must be Class A or metal roofing
- windows; no plastic/vinyl window casings
- siding must be fire resistant
- decks must be enclosed around their perimeter.

In order to be more proactive, Horn said he now inspects and photographs every home he insures. "We're trying to be fire wise," he said.

In Horn's estimation, 99 percent of his clients were pleased with the service they received. "It was a well-choreographed claims situation. Other governmental agencies have come to Tahoe to see what we did."

AAA was one of the insurance company's that received a tremendous amount of praise after the fire because of the way claims people handled the situation – including writing checks before any paperwork was officially filed.

But it's five years later and the company has gone – at least physically – from the basin. The South Lake Tahoe and Kings Beach offices have closed in that time. And now Matt Skryja with AAA won't even give Lake Tahoe News an interview.

Proving your worth

Joe and Lisa McAvoy lost their home in the fire and have since rebuilt, although on a different parcel. The McAvoy's said ultimately they were pleased with their claims coverage and the way it was handled, even though it took a year to go through the process.

"We had to haggle for a long time," Joe McAvoy said. Besides

fighting fires for a living, Joe is also a cabinetmaker, and with Lisa, did most of the planning and construction of both of their homes – pre-fire and post-fire.

“We showed them that the home couldn’t be rebuilt for what they wanted to pay.

We showed them photos of the craftsmanship involved in our house. We finally showed them what it would cost to rebuild, although it was really tough to get them to see the true costs.”

Although, in Joe McAvoy’s words, the adjuster was a “good guy” and a “straight shooter,” it took a year of haggling, topped off by six months dealing with El Dorado County and another nearly two years to rebuild.



Lisa MacAvoy in her rebuilt home. Photo/Linda Fine Conaboy

“The adjuster said we probably wouldn’t like him when this is all done, but at least after all the stress of it, it turned out good in the end. They finally paid the policy that I was paying for. The adjuster kept saying it’s going to take time. You have to inventory every single thing in your house from the forks and spoons, when you bought them and for how much.

“But there were groups of people who came up from San Diego

who had been in a fire and they had drawn up inventory sheets. So instead of starting from scratch, we had a road map. At least the blender and replacement costs were on the list," he laughed.

He said eventually his insurance company came through and they're still insured with the same company. "You end up doing what they say. My company ended up doing what was right, but the process was arduous. I think there should be a better way. But if we didn't have insurance, we'd be starting over from scratch."

Damage claims hard to process

Suzanne Kingsbury isn't entirely pleased with her insurance company either. The Kingsbury home didn't burn down, but it did suffer extensive smoke and heat damage that necessitated they vacate for six months.

"Everything we owned went to smoke rehab," the El Dorado County Superior Court judge told *Lake Tahoe News*. "What an ordeal. I had no clothes and no belongings."

Kingsbury said her experience with the insurance company was interesting to say the least. "The adjuster came out and made an assessment; all the restoration people were there too. As time moved on, the insurance company balked and the restoration folks disappeared.

"All of our neighbors were insured by the same company, but they had different adjusters. When we all compared notes, we found we were not being treated equitably. Interestingly, we all were accused of conspiring. We had a meeting with the insurance company and the end result was a different adjuster – service improved immediately."

For Kingsbury and her husband, the fire and their return from it became a multi-year project including painting, repainting and new siding. "It seemed like everything that was done had

to be re-done multiple times, but our insurance company finally hung with us. I know people who had fabulous experiences and then there were those who did nothing but fight with their companies.”

When you’re in a trauma situation it makes it impossible to properly deal with insurance companies and fight with them, Kingsbury said. “Some people threw their hands up and couldn’t deal with it.”

Fortunately, Kingsbury’s husband is retired and handled much of the legwork.

Rebuilding was important

Delicia Spees is seemingly is a poster child for all people involved in the Angora Fire. The Spees’ family home burned to the ground; in fact, there was only one neighbor in her vicinity who didn’t lose a home.

“We never considered not rebuilding,” she said. “I have mixed emotions about our insurance company. We were underinsured by a whole lot; I didn’t have a mortgage then and I do now.”

She said it took a while to work with her insurance company because it didn’t have a local presence. “We had our home for 34 years and had done extensive remodeling, but our agent never talked to us about upgrading to cover the additions. Up to that time, most of us lived in la-la land and didn’t talk about insurance.

“We’ve learned to be quite pro-active now and have definitely changed companies. You’d think the insurance company would contact you about upgrades.”

Spees continued: “My jewelry, my mom’s jewelry, my kids’ things are all gone. That’s what kills you. Insurance didn’t cover that. What I learned though, are monetary things come back. We lost no lives in the fire. I love this town – so

generous. I lost my children's things, but in reality, I now have a beautiful home and a job.

"Losing a human is tragic; losing a home is losing monetary things – just stuff that you were going to clear out anyway. Life isn't fair, but it doesn't pick on you; you go forward and you're lucky to have anything."

Things to consider

To help navigate the insurance recovery process, the Insurance Information Network of California offers the following advice to those whose property has been damaged or destroyed:

- Call your insurance agent or insurance company and report the damage. Most homeowner policies cover additional living expenses and will advance money if there is a need for temporary shelter, food or clothing.
- If your home or business has been damaged but not destroyed, make temporary repairs where possible to prevent any further damage. Save receipts for supplies and materials purchases as the insurance company will reimburse for any reasonable expense for those temporary repairs.
- Prepare for the adjuster's inspection. Take the time to inspect the property in advance and note anything that you would like the adjuster to see. Provide the adjuster with a list of the damaged items, photographs, receipts, bills and other relevant paperwork. Doing so will help the adjuster correctly determine the value of destroyed property information or how to create an inventory. Free inventory software is also available at the IINC website.

It is important for those filing an insurance claim to maintain a calendar of benchmark dates for decisions on rebuilding and completing the recovery process.

To view a copy of the brochure, [Settling Insurance Claims](#)

after a Disaster, visit the IINC website.