



Prepare + Prevent + Respond + **Recover** + Mitigate

# WELCOME

# 2013 getting it right!



# Workshop

getting it right!  
Documentation +  
Insurance



**DISASTER RECOVERY**  
STARTS TODAY!



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# Louisiana Department of Insurance in partnership with GOHSEP



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# What is risk?



- The potential for **financial loss**.



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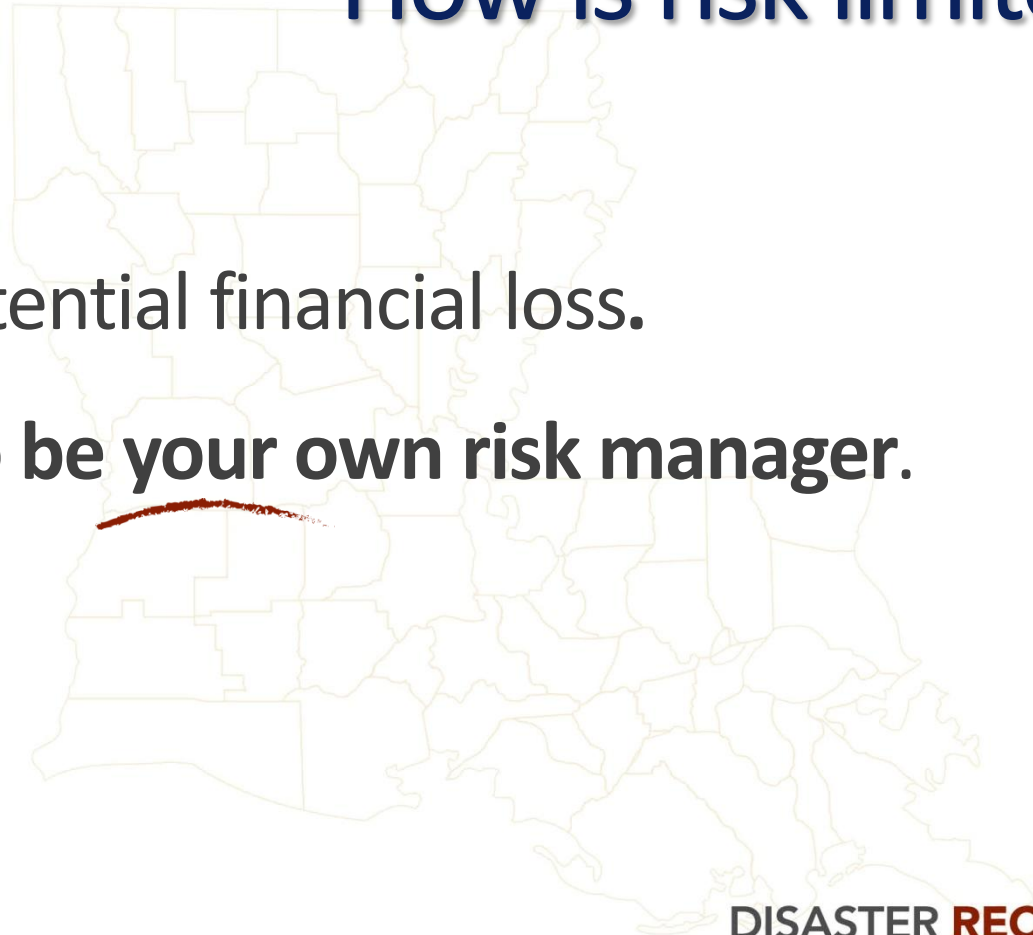


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# How is risk limited?

## Insurance!

- It covers potential financial loss.
- **You need to be your own risk manager.**







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# How is risk managed?

- **Insurance**
  - Usual way to **transfer risk**.
- **Avoidance**
  - Don't build in **harm's way**.
- **Mitigation**
  - Codes + elevation + hardening a structure.

**Result: Saves on insurance premiums.**



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# Who does insurance protect?

Customers

Clients

Employees

Vendors

Contractors

# Facilities

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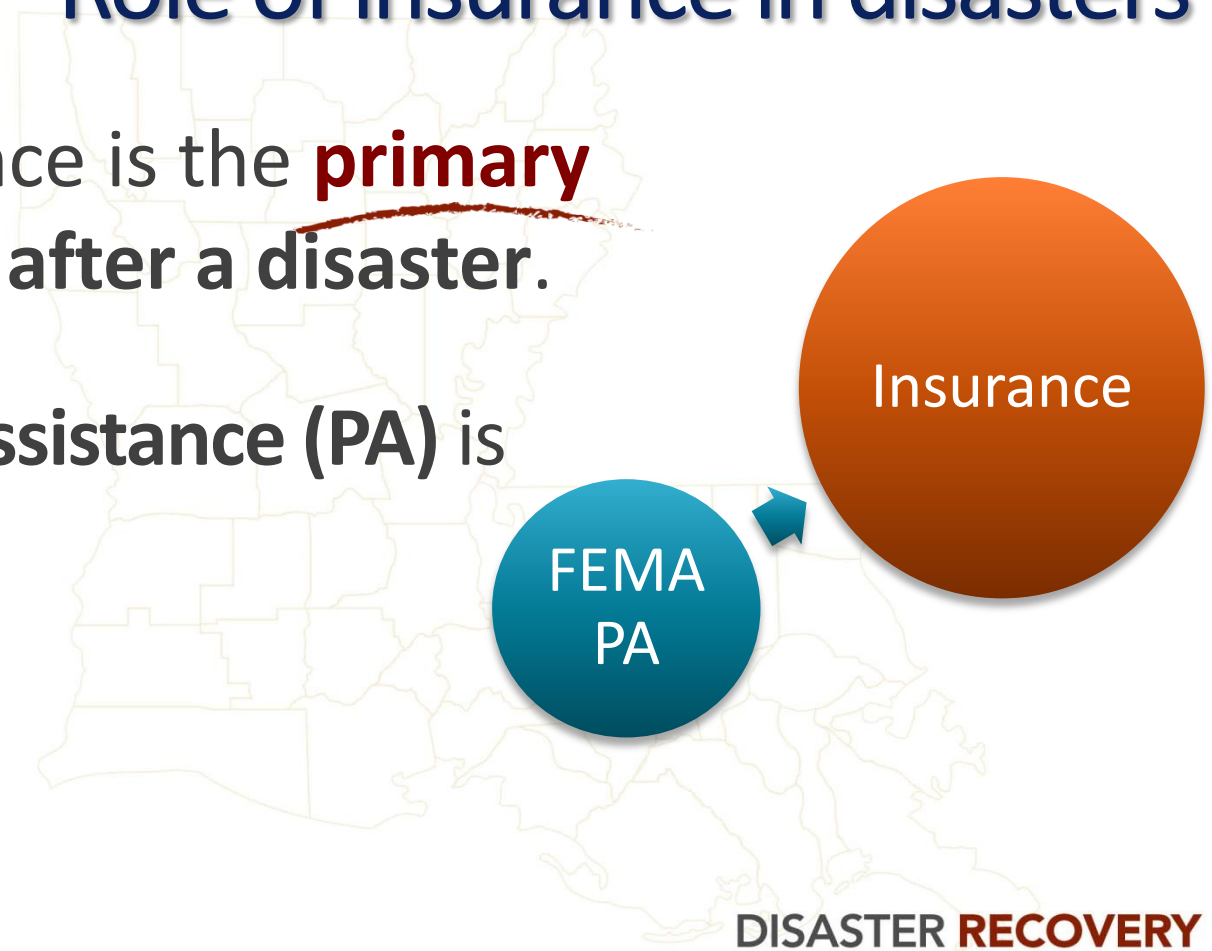
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# Role of insurance in disasters

- Private insurance is the **primary source** of help after a disaster.
- FEMA Public Assistance (PA) is **supplemental**.
  - If available.







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# Commercial general liability

Insurance that covers many of the **common liability loss** exposures faced by an organization.





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# Commercial general liability

Provides:

- Coverage for **damages** to the **facility** + **contents**.
- Some **liability** coverage for **incidents** at the location.





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# Purchasing insurance

- **Affordable**
  - Do I have the money to **pay** for the premium?
- **Available**
  - Is it available in the **present market**?
- **Is the property insurable?**

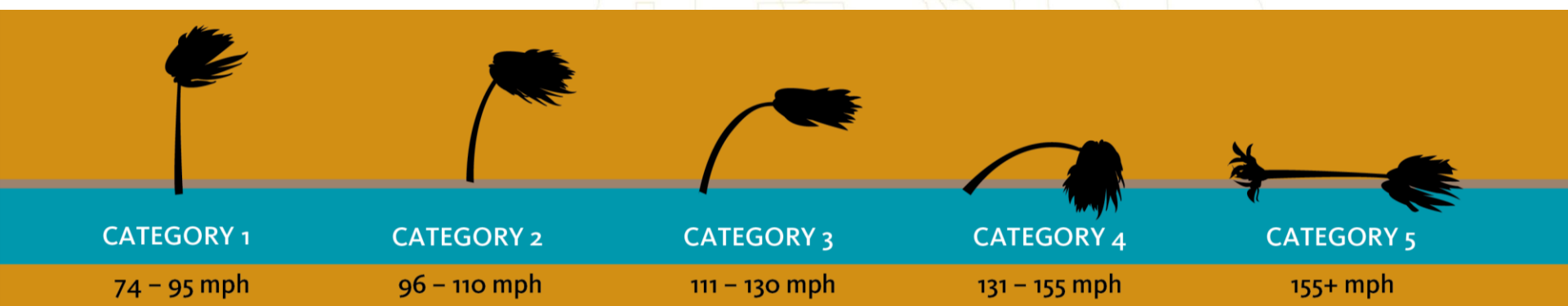




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# Types of deductibles

- Deductibles: **Your** share of the risk.
- Types of deductibles:
  - All other perils (AOP)
  - Wind + hail
  - Named-storm
  - Hurricane



Emergency forces utilize the Saffir-Simpson scale of wind speeds.

Graphic courtesy of Lafayette Utilities System



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# National Flood Insurance Program (NFIP)

- **Administered** by the **Federal Emergency Management Agency (FEMA)**.
- **Private insurance companies DO NOT** provide flood insurance.
  - They may provide **excess** flood.





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# NFIP

- Separate policy usually purchased in **conjunction** with property insurance.



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- **5.6 million policyholders** nationwide.
- Louisiana has **relied heavily** on NFIP.
  - **\$15 billion** in payments for **Hurricanes Katrina + Rita**.
- Following **Sandy** payments of **\$7 billion**.
  - NFIP will have **\$28 billion deficit**.
- Biggert-Waters Act **reauthorized NFIP until 2017 with changes . . .**



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## Biggert-Waters Act

- Phases out **subsidized premiums**
- **20%** of policies are currently subsidized.
  - The premium paid is **not actuarially justified.**
- **In Louisiana . . .**
  - At least **49%** of policyholder rates are currently subsidized.



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# When a disaster strikes . . .



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# Stafford Act vs. insurance

- **Stafford Act Public Assistance (PA):**
  - Available only if the **President declares** a disaster.
  - **Financial assistance** for disaster damages **not covered by insurance.**
  - Does **not cover:**
    - + **Business interruption.**
    - + **Sales tax or service fees loss.**
    - + **Duplication of Benefits (DOB).**



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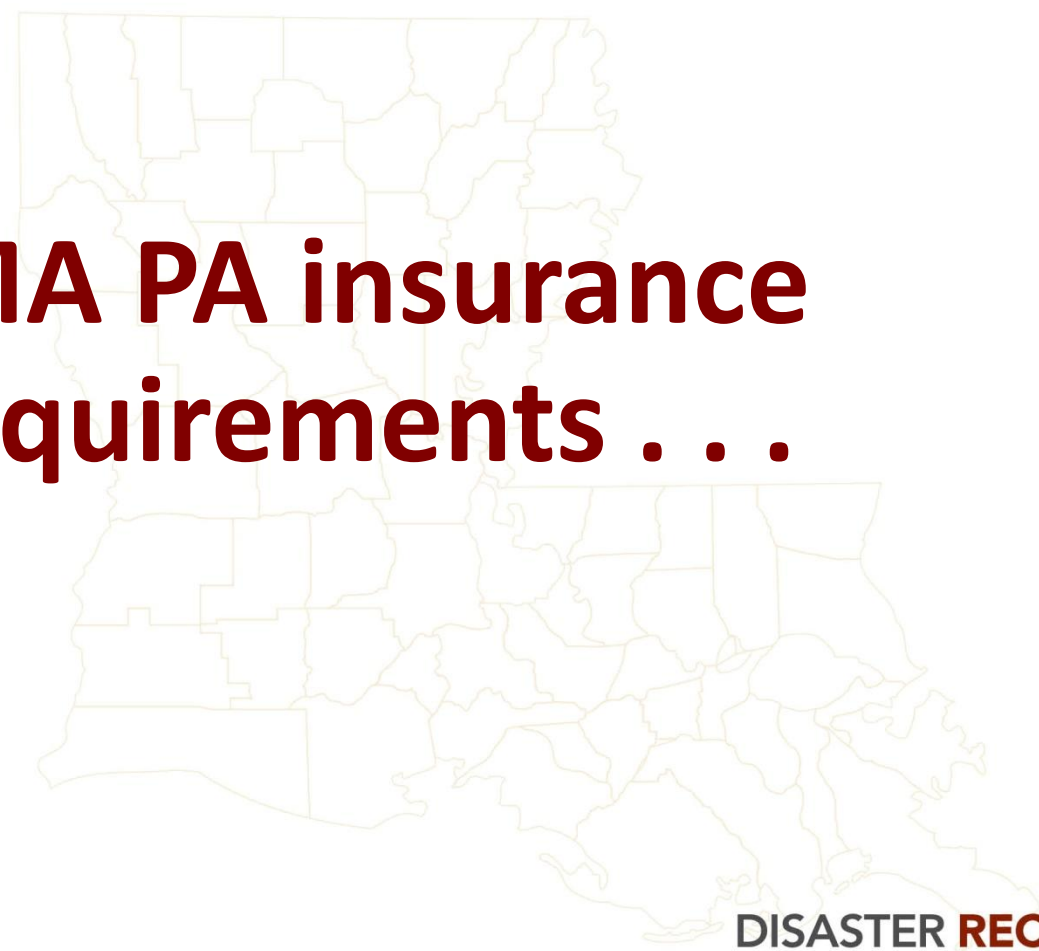
# Stafford Act vs. insurance

- **Stafford Act PA:**
  - Subject to non-Federal cost share:
    - + 75%/25%
    - + 90%/10%
    - + **100% not likely.**
  - Most damages occur in **non-declared** events.
    - + **You are on your own.**



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# FEMA PA insurance requirements . . .



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# FEMA PA obtain & maintain (O & M) requirements

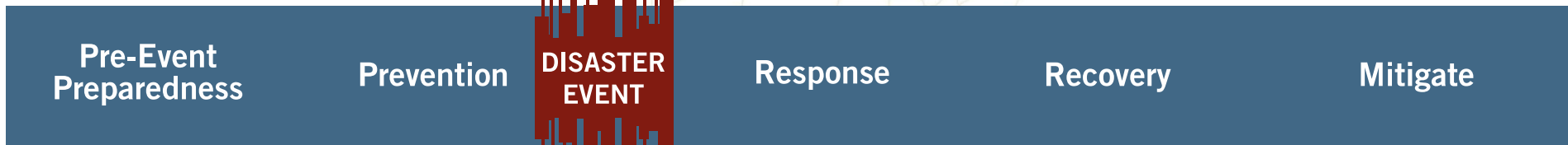
- An Applicant that receives FEMA PA funding **must obtain and maintain** insurance coverage **at least equal** to the amount of **eligible damage** to the **facility** receiving Federal assistance.
  - This is called the **O & M requirement**.





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# EMERGENCY MANAGEMENT CONTINUUM



- Insurance

- O & M requirement of FEMA programs

- NFIP requirement

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# O & M requirements



- **Purpose:**
  - Protect **taxpayers** from **funding a future similar loss** to the **same facility**.



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# O & M challenges post-disaster

- **Increased/new** insurance requirements.
- **Disaster impacts** to the insurance market:
  - Increasing deductibles.
  - Increasing premiums.
  - Decreased availability.



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# What if you **can't meet** the O & M requirement?

## **An ICC may be available . . .**

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DE-OBLIGATION  
 LOST FUNDING \$ LOST FUNDING  
 LOST FUNDING \$ DE-OBLIGATION  
 \$ LOST FUNDING  
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# BREAK

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# Insurance Commissioner's Certification (ICC)

## What is it?

- Issued by LDI.
- Insurance **not reasonably** available.
- May ensure **continued eligibility** for FEMA PA funding in a **subsequent** disaster.



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## ICC: Who needs one?

- Applicants who cannot **reasonably obtain** and **maintain** required insurance (for the **full amount** of FEMA PA eligible damages).
- Applicants with **blanket** or **scheduled** policies, pooling arrangements or layered programs.





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# ICC application requirements

- Establish **minimum** insurance **budget**.
- Procure **insurance**.
- Demonstrate procurement efforts.
- Comply with **documentation** requirements.





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# Establish minimum insurance budget

Organization type	Percentage of operating budget
Local Government	0.33%
	0.29%
	0.17%
	0.26%
	2.91%
	1.41%
	2.61%

**NOTE: Cost of business interruption insurance is separate and cannot be used to meet your percent of budget requirement.**



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## Establish minimum insurance budget

- Allocate **no less than** the established portion of your current annual operating budget (OR prior year's audited financial statement) to the purchase of property insurance.





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## Procure insurance

- Procure **maximum** available NFIP coverage.
- Procure **property** coverage (including wind + other perils, exclusive of flood) **up to** replacement cost . . .
  - . . . to the **maximum** extent possible.
- With remaining funds, procure **excess flood**.

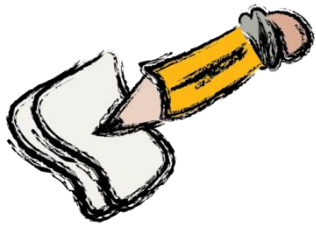






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## Demonstrate procurement efforts



- Copies of insurance **quotes/declinations** obtained for the **current** policy period.

City of Makebelieve Premium Quotes								
Option 1								
Company	Limits	AOP Ded	Wind Ded	All other wind ded	Flood Ded	Quake Ded	Coverage	Premium
Lexington	\$25M	\$50K	5% per occ per loc min \$100K	\$100K	5% min \$25K max \$100K	\$100K	All Risk	\$700,000
					5% min \$100K Named Storm			
All Risk excluding flood and quake								\$176,736
								Included in the \$176,736
								Premium
								\$314,385
								127,144
All Risk excluding								

**\$176,736**

# City of Makebelieve Premium Quotes



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## Comply with documentation requirements



- Prior year audited financial statement.
  - **OR** current annual operating budget.

City of Makebelieve  
2013 Annual Operating Budget

	2013
Beginning Balance	\$ 35,585,372.00
<b>Revenues</b>	
Sales Taxes	\$ 20,000,000.00
Service Charges	\$ 3,000,000.00
Garbage Fees	\$ 2,400,000.00
Fines	\$ 400,000.00
<b>\$ 29,800,000.00</b>	
Salaries/Benefits	\$ 18,000,000.00
Contract Services	\$ 10,000,000.00
Property Insurance	\$ 459,738.00
Business Income Insurance	\$ 200,000.00
Supplies	\$ 500,000.00
Equipment	\$ 20,000.00

# City of Makebelieve 2013 Annual Operating Budget



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## Comply with documentation requirements

- All **current** property + flood insurance policies AND those in place **at the time of loss** (including NFIP).

**FLOOD POLICY DECLARATIONS**  
07/20/2012  
AMERICAN BANKERS  
INSURANCE COMPANY OF FLORIDA  
SCOTTSDALE AZ 85261-4337

FILE COPY  
NO. FLOOD185

**ASSURANT**  
Specialty  
Property\*

GENERAL PROPERTY FORM  
RENEWAL

**INSURING COMPANY:  
TRAVELERS PROPERTY CASUALTY COMPANY OF AMERICA**

**FLOOD POLICY DECLARATIONS**  
07/20/2012  
AMERICAN BANKERS  
INSURANCE COMPANY OF FLORIDA  
SCOTTSDALE AZ 85261-4337

**ASSURANT**  
Specialty  
Property\*

GENERAL PROPERTY FORM  
RENEWAL

ISSUE DATE 7/20/2012

LIMITS OF LIABILITY	BUILDING CONTENTS	\$500,000 \$500,000	DEDUCTIBLE AMOUNTS	BUILDING CONTENTS	\$2,000 \$2,000
---------------------	-------------------	------------------------	--------------------	-------------------	--------------------

4. COVERAGE PARTS FORMING PART OF THIS POLICY AND INSURING COMPANIES:  
DELUXE PROPERTY COVERAGE PART DECLARATIONS DX TO 00 09 98 TIL

5. NUMBERS OF FORMS AND ENDORSEMENTS FORMING A PART OF THIS POLICY: SEE IL T8 01 10 93

6. SUPPLEMENTAL POLICIES: Each of the following is a separate policy containing its complete provisions:





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# Comply with documentation requirements



- **Statement of loss for the disaster.**
  - **Or settlement-related documentation.**

DEPARTMENT OF HOMELAND SECURITY  
 FEDERAL EMERGENCY MANAGEMENT AGENCY  
 NATIONAL FLOOD INSURANCE PROGRAM

## PROOF OF LOSS

(See Attached Privacy Act Statement and Paperwork Burden Disclosure Notice)

POLICY NUMBER Flood123      DEPARTMENT OF HOMELAND SECURITY  
 FEDERAL EMERGENCY MANAGEMENT AGENCY  
 NATIONAL FLOOD INSURANCE PROGRAM      O.M.B. No. 1660-0005  
 Expires October 31, 2013

POLICY TERM \_\_\_\_\_  
 AMT OF BLDG COV AT TIME OF LOSS \$45,000.00      **PROOF OF LOSS**      AGENCY \_\_\_\_\_  
 (See Attached Privacy Act Statement and Paperwork Burden Disclosure Notice)  
 AMT OF CNTS COV AT TIME OF LOSS \$0.00      AGENCY AT \_\_\_\_\_

TO THE American Bankers OF PO BOX 777, Taylorville, TX 12345  
 At the time of loss, by the above indicated policy of insurance, you insured the interest of  
City of Makebelieve  
123 Elder Lane

against loss by Flood to the property described according to the terms and conditions of said policy and of all forms, endorsements, transfers and assignments attached thereto.

TIME AND ORIGIN      A Flood loss occurred about \_\_\_\_\_  
 on the 29 day of August, 2005, the cause of the said loss was:  
Flood

OCCUPANCY      The premises described, or containing the property described, was occupied at the time of the loss as follows,  
 and for no other purpose whatever: \_\_\_\_\_  
Commercial

INTEREST      No other person or persons had any interest therein or encumbrance thereon, except: \_\_\_\_\_  
None & Insured

1. FULL AMOUNT OF INSURANCE applicable to the property for which claim is presented is .....	\$45,000.00
2. ACTUAL CASH VALUE of building structure .....	\$90,518.40
3. ADD ACTUAL CASH VALUE OF CONTENTS or personal property insured .....	\$0.00
4. ACTUAL CASH VALUE OF ALL PROPERTY .....	\$90,518.40
5. FULL COST OF REPAIR OR REPLACEMENT .....	\$9,657.59
6. LESS APPLICABLE DEPRECIATION .....	\$529.49
7. ACTUAL CASH VALUE LOSS is .....	\$9,128.10
8. LESS DEDUCTIBLES .....	\$2,000.00
9. NET AMOUNT CLAIMED under above numbered policy is (Pending Your Flood Carrier's Final Approval)	\$7,128.10

The said loss did not originate by any act, design or procurement on the part of your insured, nothing has been done by or with the privacy or consent of your insured to violate the conditions of the policy, or render it void; no articles are mentioned herein or in annexed schedules but such as were destroyed or damaged at the time of said loss, no property saved required will be furnished and considered a part of this proof.

I understand that this insurance (policy) is issued Pursuant to the National Flood Insurance Act of 1968, or Any Act Amending thereof, and Applicable Federal Regulations in Title 44 of the Code of Federal Regulations, Subchapter B, and that knowingly and willfully making any false answers or misrepresentations of fact may be punishable by fine or imprisonment under applicable United States Codes.

Subrogation - To the extent of the payment made or advanced under this policy, the insured hereby assigns, transfers and sets over to the insurer all rights, claims or interest that he has against any person, firm or corporation liable for the loss or damage to the property for which payment is made or advanced. He also hereby authorizes the insurer to sue any such third party in his name.

The insured hereby warrants that no release has been given or will be given or settlement or compromise made or agreed upon with any third party who may be liable in damages to the insured with respect to the claim being made herein.

The furnishing of this blank or the preparation of proofs by a representative of the above insurer is not a waiver of any of its rights.

I declare under penalty of perjury that the information contained in the foregoing is true and correct to the best of my knowledge and belief.

Executed this 24th day of September, 2005

Signature Trevor Davidson for City of Makebelieve  
 INSURED

Signature \_\_\_\_\_  
 INSURED

FEMA Form 086-0-9, OCT 2010      REPLACES ALL PREVIOUS EDITIONS      F-101





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## Comply with documentation requirements

- List of all **previously damaged facilities** that received FEMA PA funding (including Project Worksheet [PW] numbers).

City of Makebelieve  
Project Listing

City of Makebelieve

DR	PW	PW	Facili
1603	2		
1603	11	2	Makebelieve Municipal Auditorium
1603	23	11	Makebelieve Court House
1786	478		
1786	595	23	Makebeleive Senior Citizen's Center
1786	1325		
1786	5123		Makebelieve Library
1786	7438		Makebelieve City Hall



# ICC application submittal

- **Download** ICC application from **LouisianaPA.com** (LAPA).
- **Compile** all required documentation.
- **Submit** application to GOHSEP.
- GOHSEP **validates** application.
- GOHSEP **submits validated** application to LDI.



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# ICC application submittal

- Louisiana Commissioner of Insurance makes the **final determination**.





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# Consequences of NO ICC

- No **future** funding for:
  - **Prior** damaged facilities that received FEMA PA funding . . .
  - . . . and have **not met** the O & M requirement.
- **May** also be at risk for **de-obligation** of prior funding.





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# Where to find your O & M requirement . . .



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# O & M example

## DR1603 – Hurricane Katrina

### PROJECT WORKSHEET REPORT

DECLARATION NO. FEMA LA - DR1603      PREPARED DATE 03/17/2011  
 FIPS NO. [REDACTED]      REPORT DATE 06/15/2011 10:37  
 APPLICANT NAME [REDACTED]      INF TYPE [REDACTED]  
 SUBDIVISION [REDACTED]  
 FEMA PW # [REDACTED]      VSN [REDACTED]      REF# [REDACTED]

### REQUIRED INSURANCE

Insurance Type	Policy No.	Bldg/Property Ar	Insurance Type	Policy No.	Bldg/Property Amt	Bldg/Prorty Duration
Flood	RI III DING	\$76,628.91				
		\$60,660.79			\$60,660.79	

### PROJECT WORKSHEET REPORT



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# DR1786 – Hurricane Gustav

4	9999	Roof Replacement	1	LS	150,579.00		\$ 150,579.00
5	9003	Contract Costs	1	LS	32,750.00	CONTRACTUAL	\$ 32,750.00

Total Cost

Insurance Adjustments (Deductibles, Proceeds and Settlements)

Sequence	Code	Material and/or Description	Unit Quantity	Unit	Unit Price	Total
1	5901	Deduct Anticipated Insurance Proceeds				

### Required Insurance Information

Insurance Type	Policy No.	Bldg/Property Amount	Content Amount	Insurance Amount
General	NA	\$ 183,676.76	\$ 0.00	\$

Comments

Attachments

Existing Insurance Information

Insurance Type	Policy No.	Bldg/Property Amount	Content Amount	Insurance Amount	Deductible Amount	Years Required
General		\$ 2,000,000.00	\$ 100,000.00	\$ 2,100,000.00	\$ 105,000.00	

Required Insurance Information

Insurance Type	Policy No.	Bldg/Property Amount	Content Amount	Insurance Amount	Deductible Amount	Years Required
General	NA	\$ 183,676.76	\$ 0.00	\$	\$	

Comments

Attachments

Comments and Attachments

Name of Section	Comment	Attachment
Project Description		
Damage Facilities		

Bundle Reference # (Amendment #)

Date Awarded

Bldg/Property Amount

\$ 183,676.76



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# How to complete the ICC application . . .



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**1. APPLICANT INFORMATION**

*City of Makebelieve*

*000-ABCDE-00*

APPLICANT NAME

FIPS #

*PO BOX 123 Makebelieve, LA 12345*

MAILING ADDRESS

*Trevor Davidson*

*(III) 142-4325*

PRIMARY CONTACT

PHONE

*tdavidson@citymb.com*

EMAIL

**1. APPLICANT INFORMATION**



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## 2. ORGANIZATION TYPE

CHECK ALL THAT APPLY:

<input checked="" type="checkbox"/>	Local Governmental
<input type="checkbox"/>	Elementary and Secondary Education
<input type="checkbox"/>	Post-Secondary Education
<input type="checkbox"/>	Health Care
<input type="checkbox"/>	Non-Profit Association
<input type="checkbox"/>	Non-Profit Trust
<input type="checkbox"/>	Non-Profit Religious

# 2. ORGANIZATION TYPE



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### 3. FEMA PUBLIC ASSISTANCE (PA) FUNDING HISTORY

AS AN APPLICANT, HAVE YOU RECEIVED FEMA PA FUNDING FOR ANY OF THE FOLLOWING DISASTERS FOR PERMANENT WORK (CATEGORY C-G)? CHECK ALL THAT APPLY:

	FEMA DR-LA 4102	Severe Storms and Flooding
	FEMA DR-LA 4080	Hurricane Isaac
	FEMA DR-LA 4041	Tropical Storm Lee
	FEMA DR-LA 4015	Mississippi River Spring Flooding
	FEMA DR-LA 3322	Mississippi River Spring Flooding
	FEMA DR-LA 1863	Severe Storms, Tornadoes, and Flooding
✓	FEMA DR-LA 1792	Hurricane Ike
✓	FEMA DR-LA 1786	Hurricane Gustav
	FEMA DR-LA 1668	Severe Storms and Flooding
✓	FEMA DR-LA 1607	Hurricane Rita
	FEMA DR-LA 1603	Hurricane Katrina
	FEMA DR-LA 1601	Tropical Storm Cindy
	FEMA DR-LA 1548	

### 3. FEMA PUBLIC ASSISTANCE (PA) FUNDING HISTORY







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## 5. CURRENT INSURANCE POLICY AND DEDUCTIBLES

### 4. TOTAL INSURED VALUE (TIV)

APPLICANT'S TOTAL INSURED VALUED (TIV) LESS BUSINESS INTERRUPTION: \$ 48,000,000

### 5. CURRENT INSURANCE POLICY AND DEDUCTIBLES

The Insurance Commissioner stipulates that the deductible cannot exceed 15% of property insurance coverage and cannot be combined with business interruption insurance coverage.

	PK	EFF	CO	(With	TOT	LIM	PRE	PERCENTAGE									
Assurant	Flood123	7/20/12	Flood	\$1 mill													
Travelers	Building123	7/1/12	Building	\$20 million													
										<b>4. TOTAL INSURED VALUE (TIV)</b>							
\$	<u>48,000,000</u>										OF	DOLLAR	OF	DOLLAR	%	DEDUCTIBLE:	%
											TIV	AMOUNT OR	TIV	OF	AMOUNT OR	OF	
												PERCENTAGE	TIV	PERCENTAGE	PERCENTAGE	TIV	
Assurant															\$4000	.008%	
Travelers	Building123	7/1/12	Building	\$20 million	\$449,203	\$25,000	.05%	5%				\$25,000	.05%				



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## 6. CURRENT INSURANCE EXPENDITURE

<p>OPERATING BUDGET LESS CAPITAL OUTLAY</p>	<p><i>CAPITAL OUTLAY</i> <i>Money spent for repair or replacement</i></p>	<p><b>OPERATING BUDGET LESS CAPITAL OUTLAY</b></p>	<p>DOCUMENTATION: OPERATING BUDGET GOVERNOR'S AUDITED FINANCIAL STATEMENT (Identify portion of Financial Statement representing Operating Budget)</p>	<p>ANNUAL OPERATING BUDGET  \$ <u>34,205,634</u></p>
<p>CURRENT TOTAL INSURANCE EXPENDITURE NFIP + PROPERTY COVERAGE + WIND + EXCESS FLOOD</p>	<p><b>DO NOT INCLUDE:</b></p> <ul style="list-style-type: none"> <li>• Business interruption</li> <li>• Premium costs for other lines of insurance (i.e. workers' compensation, general liability, automobile liability, etc.), unless they are a direct result of a FEMA PA insurance requirement.</li> </ul>	<p>IDENTIFY SPECIFICALLY WHERE THESE COSTS ARE REFLECTED IN THE OPERATING BUDGET</p>	<p>CURRENT TOTAL INSURANCE EXPENDITURE</p>	
<p>PERCENTAGE OF BUDGET EXPENDED ON INSURANCE</p>	<p>The minimum percentage of budget required for an ICC can be found in the Stafford Act Insurance Commissioner's Certification (ICC) Process brochure.</p>	<p><b>\$ <u>34,205,634</u></b></p>		

**NOTE: AN ICC WILL NOT AUTHORIZE REDUCTION OF CURRENT INSURANCE COVERAGE PURCHASED.**



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City of Makebelieve  
2013 Annual Operating Budget

		2013
<b>Beginning Balance</b>		<b>\$ 35,585,372.00</b>
<b>Revenues</b>		
Sales Taxes	\$	20,000,000.00
Service Charges	\$	3,000,000.00
Garbage Fees	\$	2,400,000.00
Fines	\$	400,000.00
Water Fees	\$	4,000,000.00
<b>Total</b>	<b>\$</b>	<b>29,800,000.00</b>
<b>Expenses</b>		
Salaries/Benefits	\$	18,000,000.00
Contract Services	\$	10,000,000.00
Property Insurance	\$	459,738.00
Business Income Insurance	\$	200,000.00
Supplies	\$	500,000.00
Equipment	\$	20,000.00
<b>Subtotal</b>	<b>\$</b>	<b>29,179,738.00</b>
<b>Capital Outlay</b>	<b>\$</b>	<b>1,000,000.00</b>
<b>Total Funds Forward</b>	<b>\$</b>	<b>35,205,634.00</b>

## Calculating current insurance expenditure

\$35,205,634.00  
-\$ 1,000,000.00

**\$34,205,634.00**



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**CURRENT TOTAL  
INSURANCE  
EXPENDITURE  
NFIP + PROPERTY  
COVERAGE + WIND +  
EXCESS FLOOD**

SOURCE DOCUMENTATION:  
 CURRENT OPERATING BUDGET  
**OR**  
 LAST YEAR'S AUDITED FINANCIAL STATEMENT (if applicable)

ANNUAL  
OPERATING  
BUDGET

1,205,634

CURRENT TOTAL  
INSURANCE  
EXPENDITURE  
NFIP + PROPERTY  
COVERAGE + WIND +  
EXCESS FLOOD

**DO NOT INCLUDE**

- Business interruption
- Premium costs for (i.e. workers' compensation liability, automobile liability, they are a direct result of a FEMA PA insurance requirement.

\$

**459,738**

\$ 459,738

PERCENTAGE OF  
BUDGET  
EXPENDED ON  
INSURANCE

*The minimum percentage of budget required for an ICC can be found in the Stafford Act Insurance Commissioner's Certification (ICC) Process brochure.*

DIVIDE TOTAL INSURANCE EXPENDITURE (less cost of business interruption, etc.) BY OPERATING BUDGET (less capital outlay).

PERCENTAGE OF  
BUDGET EXPENDED  
ON INSURANCE  
  
1.34 %

**NOTE: AN ICC WILL NOT AUTHORIZE REDUCTION OF CURRENT INSURANCE COVERAGE ALREADY PURCHASED.**





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City of Makebelieve  
2013 Annual Operating Budget

		2013
<b>Beginning Balance</b>		<b>\$ 35,585,372.00</b>
<b>Revenues</b>		
Sales Taxes	\$	20,000,000.00
Service Charges	\$	3,000,000.00
Garbage Fees	\$	2,400,000.00
Fines	\$	400,000.00
Water Fees	\$	4,000,000.00
<b>Total</b>	<b>\$</b>	<b>29,800,000.00</b>
<b>Expenses</b>		
Salaries/Benefits	\$	18,000,000.00
Contract Services	\$	10,000,000.00
Property Insurance	\$	459,738.00
Business Income Insurance	\$	200,000.00
Supplies	\$	500,000.00
Equipment	\$	20,000.00
<b>Subtotal</b>	<b>\$</b>	<b>29,179,738.00</b>
<b>Capital Outlay</b>	<b>\$</b>	<b>1,000,000.00</b>
<b>Total Funds Forward</b>	<b>\$</b>	<b>35,205,634.00</b>

## Calculating current insurance expenditure

$$\begin{aligned} & \$ 459,738.00 \\ & \div \$ 34,205,634.00 \end{aligned}$$

**.0134 OR 1.34%**



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6. CURRENT OPERATING BUDGET

# PERCENTAGE OF BUDGET EXPENDED ON INSURANCE

SOURCE DOCUMENTATION:

CURRENT OPERATING BUDGET

OR

LAST YEAR'S BUDGET

ANNUAL OPERATING BUDGET

# 1.34 %

CURRENT YEAR'S INSURANCE EXPENDITURE (NFIP + PROPERTY COVERAGE + WIND + EXCESS FLOOD)

*• Premium costs for other lines of insurance (i.e. workers' compensation, general liability, automobile liability, etc.), unless they are a direct result of a FEMA PA insurance requirement.*

PERCENTAGE OF BUDGET EXPENDED ON INSURANCE

*The minimum percentage of budget required for an ICC can be found in the Stafford Act Insurance Commissioner's Certification (ICC) Process brochure.*

DIVIDE TOTAL INSURANCE EXPENDITURE (less cost of business interruption, etc.) BY OPERATING BUDGET (less capital outlay).

PERCENTAGE OF BUDGET EXPENDED ON INSURANCE

1.34 %

**NOTE: AN ICC WILL NOT AUTHORIZE REDUCTION OF CURRENT INSURANCE COVERAGE ALREADY PURCHASED.**



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Trevor Davidson

APPLICANT PRINTED NAME

Risk Manager

APPLICANT TITLE

- List of all previous projects
- List of all previous projects via PA funding

including NFIP) (See step 3)

Trevor Davidson

APPLICANT SIGNATURE

06/04/13

DATE

APPLICANT ACKNOWLEDGEMENT

ATTACHED HERETO ARE COPIES OF THE DOCUMENTS LISTED IN THE ATTACHED LIST. THESE DOCUMENTS ARE FULL, CORRECT AND COMPLETE, TO THE BEST OF MY KNOWLEDGE. Some of the listed projects are not complete and may not reflect the final outcome. This information should be used solely for the purpose of the Louisiana Department of Insurance's review and for any other purpose.

Trevor Davidson

APPLICANT PRINTED NAME

Risk Manager

APPLICANT TITLE

Trevor Davidson

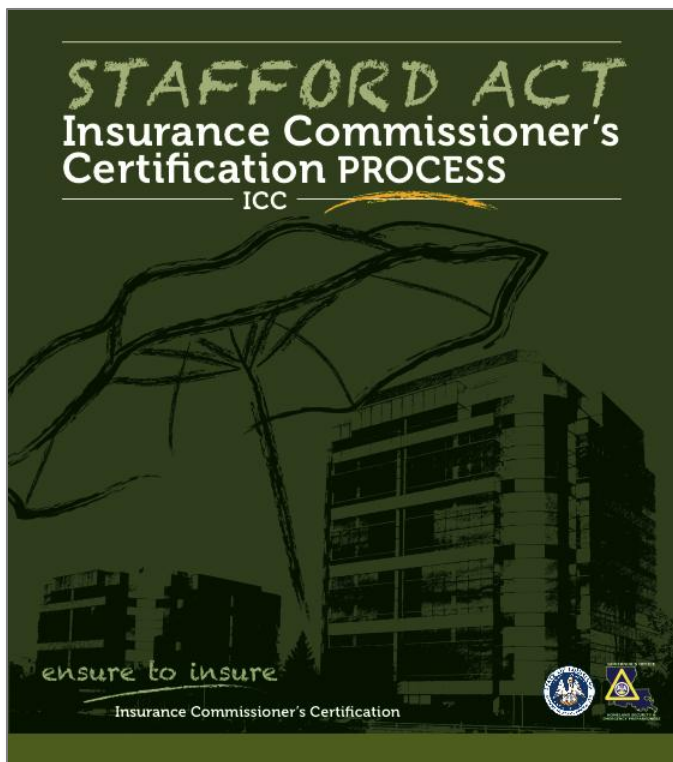
APPLICANT SIGNATURE

06/04/13

DATE



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## 5 STEPS . . .

The following is a summary of steps involved in the Insurance Commissioner's Certification (ICC) review process. Additional actions may be necessary by the Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP), the Louisiana Department of Insurance (LDI) or Applicants.

### Insurance Commissioner's Certification (ICC) Application Process

- 1 Applicant notifies the Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP) that because of the insurance market it merits consideration for an Insurance Commissioner's Certification (ICC).
- 2 GOHSEP sends an application packet to the Applicant.
- 3 Applicant returns completed application to GOHSEP.
  - GOHSEP inventories required documentation for completeness (requesting additional documentation if necessary).
  - GOHSEP reviews application packet to:
    - Verify that figures supplied by the Applicant on the ICC application form are supported by documentation supplied by the Applicant; and
    - Makes threshold determination that Applicant is a candidate for consideration of an ICC, i.e., that the amount of the obtain and maintain (O & M) requirement (at the time of the application) exceeds the amount of insurance the Applicant has been able to procure based on the pre-determined percentage of its current operating budget.
- 4 GOHSEP forwards packet to Louisiana Department of Insurance (LDI) for consideration.
  - LDI staff reviews packet; requests clarifications and additional documentation if needed to make a decision.
  - GOHSEP assists the Applicant in addressing LDI requests for additional information or documentation.
- 5 LDI makes final determination.



getting it right!  
Documentation + Insurance



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**Ben Moss**

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Louisiana Department of  
Insurance*

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**(225) 342-5423**

GOVERNOR'S OFFICE



HOMELAND SECURITY &  
EMERGENCY PREPAREDNESS

**Nathan Dronette**

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Governor's Office of Homeland  
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# For more information + to download materials from today's workshop:

[gohsep.la.gov/outreach.aspx](http://gohsep.la.gov/outreach.aspx)



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STARTS TODAY!