



Ralph Guarasci

At 86, Dad Decides to Stop Driving

Donates His Car to Volunteers of America



My father Frank has been a good driver all of his life. I can only think of one accident he caused. I know because I was there. It happened in a parking lot in Florida. While backing out of a tight spot he hit another car. He kept going which prompted me to suggest he stop to leave his contact info. “That’s not how we do it here in Florida” he said while leaving the scene.

My siblings left it to me to monitor dad’s driving. A few years ago he agreed to eliminate nighttime and freeway driving. Last summer I rode in the passenger seat while he drove to the places he takes mom—church, bible study, and hair dresser. She stopped driving 3 years ago. After our driving test I met with he and mom. I thought he handled the car fine but he took too many chances. For example, he turned right-on-red at a busy intersection. I suggested he wait until the light turns green. He said he tried that but people honk their horns and give him the finger.

His mobility has declined over the past year. His car insurance expired last December and he debated about whether to renew (“awfully expensive”). He has a small fortune that he’s saving for his heirs. Anyway, he paid six months of premium until deciding to stop driving this June.

His preference was to sell the car but I convinced him to make a donation. He signed over the title to Volunteers of America (left photo). He made sure the tax deduction form was part of the deal. They came to get his car on a cool spring day. I met the tow truck driver (right photo). I sat in my car and watched the car being lifted onto the truck. I turned on the radio and the song “Turn, Turn, Turn” by the Byrds started playing. Based on Ecclesiastes the words say “to everything there is a season, a time for every purpose under heaven”.

Kitchen Fire Claim Closes for \$393,119

Homeowner customers often think their insurance premium is too high. It’s easy to overlook how the cost adds up when a claim is paid. One of our insurance companies recently closed a modest kitchen fire claim. Repair of the dwelling was \$152,314 and the smoke-damaged contents was \$216,750. The policy also paid \$24,055 for the homeowner to find a suitable place to live while the house was being repaired. It took nearly two years to repair the house and replace all the contents.

Insurance Industry Struggles with Water Claims



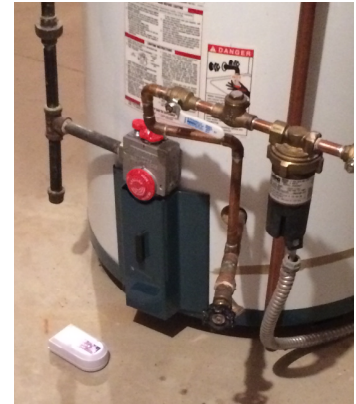
Above photo shows my water heater turned down to vacation mode. When I'm away I turn off the main water valve and lower the setting on the water heater.

There were several very cold spells during the past winter. Two of our agency customers were out of town as they winter in the south. Pipes froze and burst in each of their homes. Because the water was not turned off, each resulted in a rather large claim and a headache for the homeowners.



One night this past spring I noticed water puddling on the hardwood floor in our kitchen. The dishwasher was running at the time. My wife confirmed the water was from the dishwasher as the same thing happened earlier in the day. "Why would you run the dishwasher again if you knew it was leaking water" I inquired. "What else was I supposed to do? The dishes were dirty"

Pictured above is the repairman who corrected the problem.



The white object in the above photo is a water sensing device. It sounds an alarm if it comes in contact with water. I bought one alarm (for starters) and put it right next to the hot water heater. Several other staff members in the agency said they would put a device like this one near their washing machine, dishwasher, HVAC condensing line, ice maker, or kitchen sink. Including a battery, the alarm cost under \$20.

Not Your Ordinary Fish Story



The award was the inexpensive serving tray in the above photo. Nothing really but not something I was entitled to have. It belonged to the person behind me in line. In spite of how this turned out I reminded the grandkids that cheaters don't win.

Our church holds a fish fry every Friday in Lent. My wife and I made plans to join our daughter Kelly, her husband, and children on the final Friday. Kelly's family arrived first and was near the front of the long line waiting to get tickets. Lynn and I arrived later and were way back.

Someone suggested that Lynn and I ditch our way to the front of the line with the rest of the family. I didn't think that would be fair, not to mention in a church. However, keeping families together made sense so up we went. I felt the judging eyes of the people behind us.

Having arrived at the payment desk I just wanted to pay and get lost in the crowd. However, upon taking my money, the cashier rang a bell to make an announcement. It turns out I was the 5,000th dinner served this Lent which came with an award and a round of applause from the crowded dining hall.

From the Claim Department

Our agency received about 200 claims in the first half of 2019. Most are routine and settle quickly. However, a handful of the claims were not covered under a standard insurance policy. A few examples.

- A homeowner had a problem with water entering her basement where the walls meet the floor. During a heavy rain the water would make a stream to the floor drain. She was quoted \$12,000 for repairs and sought insurance coverage. Unfortunately, homeowner policies don't cover that type of repair.
- Two business customers had separate problems with underground service lines—one for water and the other for gas. In each case the lines corroded over time and had to be replaced. Business policies don't cover underground pipes so coverage did not apply. (Homeowner policies can now be written to cover underground service lines)
- A food distributor called with an unusual situation. During a polar vortex this past winter schools were closed for 3-5 straight days. The products in his warehouse intended for school customers exceeded the shelf-life and had to be pitched. Business insurance policies don't cover loss of market.
- The brick veneer on a chimney started to crack and crumble. The fix was about \$6,000. The homeowner filed a claim in hopes of recovering the repair cost. Unfortunately, wear and tear of this type is not covered.

Keeping Track of Mom's Jewelry



During a recent visit to see my parents, my mother (photo) asked if I would take something from her. She went into another room and reappeared with a ring that belonged to my great uncle (photo). I told her I could not accept that from her but agreed to keep it in a safe place. I let my siblings know lest they think I got a jump on our inheritance.

One of our insurance companies recently paid a rather large jewelry loss. After a death in the family nobody could find a \$20,000 ring. In fact, most of the jewelry was unaccounted for but turned up in hiding places throughout the house.



Undercover Claim Adjuster

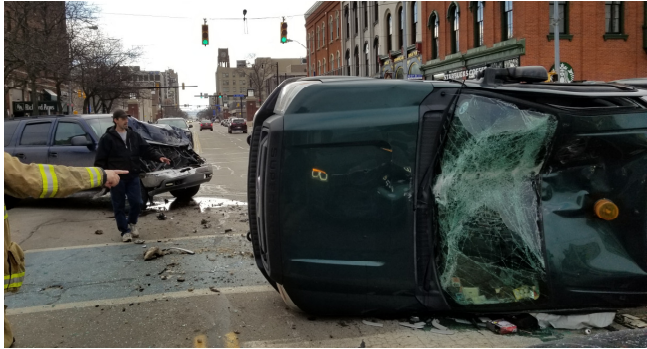
Central Ohio received quite a windstorm on Feb 24, 2019. As to be expected I got a number of roof claims. No problem, I've been on hundreds of roofs over my career. Now that I'm a little older I stay off the steep ones. Now I use more outside engineering companies to look at roof damage. Many insurance companies won't spend the money for a professional engineer but mine will. Having a 3rd party report on the condition of the roof makes the claim adjustment process easier.

Some homeowners don't trust the opinion of the engineer. Since the insurance company orders and pays for the report they think it must be biased. I don't think so but I understand the concern. In a few cases we've even paid for a second engineer. Plus we encourage the homeowner to get their own engineering report. Homeowners want to submit the written opinion of the roofing company that wants the work. We can't use that.

My insurance company has paid for thousands of new roofs in central Ohio. If the damage is minimal or repairable I can't justify paying for a new one. If the roof is old and badly worn it's not right to buy a new one on the insurance company dime. That being said I look for a way to say yes to a roof claim.

Luxury Car Owner Settles Diminished Value Claim for \$2,200

Dealership Says Diminished Value Closer to \$6,000



My youngest brother Frank owns a 2014 BMW SUV. It's a beautiful car with tons of options. I was born into a middle class family with unreliable cars. By the time he came along nearly 14 years later we were an upper class family and my dad drove a Cadillac.

Frank is in software sales and one of his accounts is Erie Insurance. During a trip to PA he witnessed a rather serious car accident (top left). One of the cars in the accident slid into his BMW causing about \$12,000 damage to the front end (right photo). After the claim was settled Frank wondered if the value of his car was less than prior to the accident. Carfax keeps track of this type of accident data so it's now part of the car history.

Frank contacted the car dealer who did some calculations. Using trade-in value they said the car was worth \$25,750 before the accident and \$19,856 afterward. That's a diminished value of \$5,894. He submitted those figures to the insurance company for the at-fault driver.

The insurance company provided Frank with a Diminished Value Worksheet. It showed the retail value of the car to be \$32,253. Based on the severity of the damage and miles on the car their calculations showed \$1,909 for diminished value and they offered \$2,000. They settled on \$2,200.

From the Mailroom

Dear Ralph,

I love your newsletter because it's short. Four pages is ideal. Why did it take Mueller 448 pages when he could have done it in four?

Page 1 - No

Page 2 - Collusion

Page 3 - No

Page 4 - Obstruction

Four beautiful words on four beautiful pages.

President Donald J Trump

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