

October 29, 2012

INSURANCE INFORMATION NOTICE 2013-4

PROPERTY COVERAGE AND REPORTING

The following property coverage changes went into effect July 1, 2012:

1. The following items are NOT insured by the Office of Risk Management (ORM) due to their presence on a roadway and/or the increased risk of damage from vehicular traffic: street signs, traffic signs, street lights, parking lot lights, impact attenuators, guardrails, barriers.
2. Outdoor property, such as fences, signs, freestanding lights, flag poles, etc. will no longer be appraised by the Loss Prevention Officers and included in the replacement cost of buildings. Agencies are now responsible for reporting the value of these items on their property exposure reports. As contents, these items will be paid at actual cash value (ACV) in the event of a loss.

Large freestanding structural type signs and fences that currently have building ID numbers will continue to be tracked with these numbers. However, these items will no longer be appraised. Agencies will be responsible for providing a value and ensuring they are reported correctly. These items will also be paid at ACV in the event of a loss.

Lights and signs physically attached to buildings will still be appraised as part of a building and included in the replacement cost.

The Property Exposure Report is being updated to include several new reporting fields: Fences, Signs, Other Outdoor Property, Mobile Equipment, and Medical Equipment. Definitions of these new fields will be added to the Exposure Reporting Manual shortly. We have also combined the state owned and non state owned contents values so you will only report one value for each of the contents categories, i.e. include all state owned and non state owned computer equipment in the Computer Equipment field. These changes will be reflected on the March 2013 report. The updated Contents Reporting Form (UND-1) can be found in the Exposure Reporting Manual on the ORM website (<http://doa.louisiana.gov/orm/uwexpman.htm>). Attached is an example of the new report format and the updated UND-1 form.

For the remainder of the current fiscal year, ORM will pay ACV on outdoor property whether reported correctly or not. However, beginning July 1, 2013, claims may be denied if the outdoor property is not reported or underreported.

Please review your property exposure reports carefully and be sure to report accurate values for your contents. Because the property policy is a scheduled policy, property (buildings and contents) will only be covered if it is scheduled with ORM. The contents values on file with ORM at the time of a loss are limits of insurance, just as the replacement cost on file is the limit for building coverage. ORM can only pay up to the scheduled limit for a loss.

If you have any questions, please contact Amanda Stein at Amanda.Stein@la.gov or (225) 342-8469.

Contents Reporting Form Office of Risk Management

NOTE	USE THIS FORM TO ADD MOVABLE PROPERTY (CONTENTS) VALUES FOR BUILDINGS NOT ALREADY INDICATED ON THE PROPERTY EXPOSURE REPORT, INCLUDING THE CONTENTS OF NEW LEASED BUILDINGS. DO NOT USE TO INSURE ACTUAL BUILDING STRUCTURE.				
AGENCY NAME			AGENCY ISIS CODE		ORM LOCATION CODE
CONTACT NAME		PHONE NUMBER			DATE
BUILDING INFORMATION (ALL FIELDS REQUIRED)					
BUILDING ID NUMBER (NEW FORMAT: SITE CODE/ BLDG #)			LEGACY BUILDING ID NUMBER (SLABS #)		
BUILDING NAME (IF APPLICABLE)			OWNER OF BUILDING (IF STATE OWNED, INDICATE WHICH STATE AGENCY)		
PHYSICAL STREET ADDRESS (NOT P. O. BOX)			CITY, STATE, ZIPCODE		
TOTAL SQUARE FOOTAGE OCCUPIED		GROUND FLOOR SQUARE FOOTAGE OCCUPIED		ARE YOUR AGENCY'S EMPLOYEES LOCATED AT THIS BUILDING?	<input type="checkbox"/> YES <input type="checkbox"/> NO
CONTENTS VALUES (INCLUDE THE TOTAL OF STATE OWNED AND NON-STATE OWNED; ROUND TO WHOLE NUMBERS)					
COMPUTER EQUIPMENT			MOBILE EQUIPMENT		
FINE ARTS			FENCES		
MEDICAL EQUIPMENT			SIGNS		
LIVESTOCK			OTHER OUTDOOR PROPERTY		
MOBILE STRUCTURES			LPFA/3RD PARTY FINANCING		
BOATS			BUSINESS INCOME		
RETURN COMPLETED FORM TO	UNDERWRITING UNIT, OFFICE OF RISK MANAGEMENT, POST OFFICE BOX 91106, BATON ROUGE, LOUISIANA 70821-9106				

UND-1

FOR ORM USE ONLY	
PS NUMBER	
RS NUMBER	

STATE OF LOUISIANA

RC04 Property Exposure Report (ORM Location)

Report Date: X/X/XX

ORM Location Code: Number and Name

Building Code	Building Name	State Owned	Building/ Object	Replacement Cost	Tot SQFT	Genl Cont Prop	Comp Equip	Fine Arts	Medical Equip	Livestock	Mobile Struct	LPFA/3rd Party Fin	Business Income
	Building Address	Leg. Bldg. ID		Covered Walkways	Grnd SQFT		Boats	Mobile Equip	Fences	Signs	Other Outdoor Prop		
123456/1	BUILDING A	Yes	Building	1,000,000	50,000	800,000	75,000	210,000	0	0	0	0	0
	123 MAIN STREET BATON ROUGE, LA 70802	S99998		Yes	50,000		0	0	2,200	6,400	0		
123456/2	PERIMETER FENCE	Yes	Object	55,000									
	123 N. 3RD STREET BATON ROUGE, LA 70802	S99999		No									
123456/3	BUILDING B	Yes	Building	26,875	3,000	14,225	0	0	0	4,255	0	0	0
	1051 NORTH THIRD STREET BATON ROUGE, LA 70802	S99997			3,000		10,000	64,512	8,400	9,500	6,800		
Sum:					1,081,875	53,000	814,225	75,000	210,000	0	4,255	0	0
					53,000	0	10,000	64,512	10,600	15,900	6,800		

ORM Location Code Totals	
Contents	1,211,292
Bldg Structure Flood	1,081,875
Total Insurable Value	2,293,167