

Wisconsin School Talk



Insurance | Risk Management | Consulting

Proactively position your district for the 2020 property renewal process with accurate and updated building appraisals.

Your Gallagher advisor is available to answer related questions and provide additional information upon request.

Nancy Moon

Area Vice President, GGB Midwest D
262.792.2240
M 262.853.6356
nancy_moon@ajg.com
ajg.com

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Value of Professional Building Appraisals

Determining policy values can be a daunting task for School Districts. With limited budgets, the assumption is that with higher limits premium costs will rise. It is important to select accurate replacement cost values so that if and when property losses occur, district leadership may be confident that limits are adequate for necessary repair and replacement of building assets. A professional appraisal report may also help school districts reduce potential premium cost of over-insuring and the potential unacceptable unanticipated cost of being under insured.

School Districts with positive risk profiles garner the best underwriting results. Engage with your insurance broker to help identify specific areas within your current statement of values that may benefit from immediate financial assessment from an on-site professional building valuation. In addition, proactively investing the time and the appraisal fee for accurate valuation will increase the comfort level of everyone including the incumbent and any alternative insurance carriers that may offer the district premium quotations as they will better understand risk they are willing to underwrite.

Key Benefits of Professional Replacement Cost Appraisals:

- Third party property insurance appraisals assist to determine and confirm limits required to replace damaged building assets.
- Written appraisals document the school district's risk profile quality to insure that key details evaluated in the underwriting process are not overlooked.
- Enable district leadership to clarify tangible solutions to protect existing assets.
- Provide documentation for proof of loss in the event of full or partial loss scenarios.
- Accurately reflect current valuation for new building construction and or completed renovations.
- On-site inspections by appraisers confirm accuracy of square footage, construction quality, fluctuating costs of building materials and labor which may be significant.
- Some appraisers may capably also evaluate equipment and other specialized building improvements; technology, cameras and security systems installed.

We recommend that districts implement a planned professional appraisal valuation process so that building assets are updated every 3-5 years. Written appraisal estimate bids should include full details specifying what onsite services will be provided including related travel time, costs and any related expediting expenses with an anticipated time frame to complete. With a planned strategy to verify accuracy of values reported on the district's Statement of Values, district stakeholders gain peace of mind in due diligence performed.

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