



SPRING 2012

## What would it take to reconstruct your home?

When most of us think about how much our home is worth, we focus on resale value – what it would fetch if we put it on the market. However, that figure may fall far short of the amount needed to rebuild it from scratch.

That's because reconstruction costs don't fluctuate with the real estate market's up-and-downs. Insurance pays to rebuild your home at today's prices using the same kind of materials, construction standards, design, layout, and quality of workmanship used originally. That includes upgrades you've made to your home, costs for debris removal, workarounds needed to protect other structures, and extras to bring a home up to current building codes.

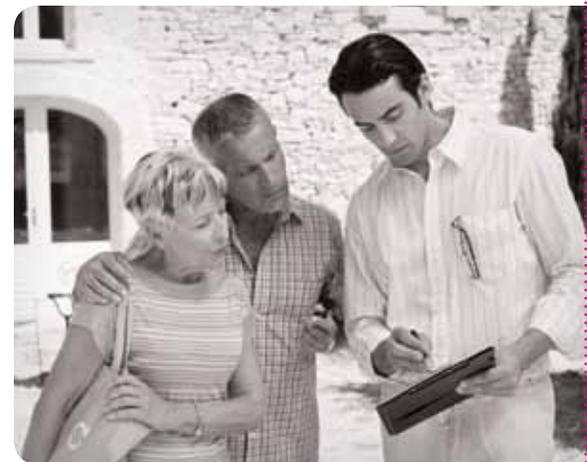
Insurance consultant Marshall & Swift/Boeckh estimates that 58% of American homes are underinsured, and not by just a few thousand dollars. On average, they're short 21% – a cost their owners could bear out-of-pocket in case of a devastating fire or other total loss.

### Check in to check up

Most homes start out with the right amount of insurance. However, after a few years, they can become underinsured when homeowners forget to update their policies after they've:

- Remodeled, added, or expanded rooms
- Finished a basement or added a porch or deck
- Upgraded from vinyl floors to hardwoods, laminate counters to granite, or replaced appliances with high-end models. (That's especially important for condo owners. While your original appliances and surfaces are covered by your condominium association master policy in most cases, their replacements aren't.)
- Built a fence, detached garage, or gazebo. (Though these technically fall under "other structures," it's helpful for you to inform us of such improvements.)

Wondering if your home could be underinsured? Take a moment to check your policy's "Coverage A" amount, found on your latest policy renewal. If it seems too low or you're just not sure, call your local PEMCO agent, 1-800-GO-PEMCO, or contact us at pemco.com for a complimentary review. While no one knows your home better than you do, you definitely don't have to go it alone when determining the right amount of coverage. ■



*Although they're a homeowner's worst nightmare, total losses are rare. They make up only 2% of all insurance companies' claims.*

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## Could you pass the driver's test if you took it today?

The next time you shake your head at a fellow motorist and wonder, "How did that guy ever pass his driver's test?" you might be on to something.

According to GMAC, which sponsors the annual National Driver's Test, Americans could use a refresher on those rules of the road we all studied so hard when we were 16. An estimated 37 million people would flunk if they had to retake the written driver's test today!

While GMAC's test uses sample questions from DMV tests across America, we've pulled four practice questions from Washington and Oregon. Give these a try, then find the answers below the green box to the right. Fair warning: They might be tougher than you'd think!

To take the complete practice tests from each state, visit pemco.com's "More from Perspective" box to link to them. ■

### TAKE OUR QUIZ AND SEE IF YOU COULD PASS THE DRIVER'S TEST

#### From Washington's test

1. When following a fire truck, you should follow no closer than:  
A. 150 feet  
B. 300 feet  
C. 500 feet  
D. 1,000 feet
2. The speed limit in school zones unless otherwise posted is:  
A. 15 mph  
B. 20 mph  
C. 25 mph  
D. 30 mph

#### From Oregon's test

3. You're on a two-way street, stopped at an intersection. Can you legally turn left on a red light onto a one-way street?  
A. Only if a left turn sign is posted  
B. Only if there is a green arrow with the red light  
C. No. You must wait for the green light  
D. Yes, if traffic allows
4. Which of the following is true about driving through a curve?  
A. Slow as you enter, speed up as you exit  
B. Maintain constant speed through the whole curve  
C. Speed up as you enter, slow down as you exit  
D. Stay near the right side of your lane

ANSWERS: 1, C; 2, B; 3, D; 4, A.

### Spring newsbriefs

## Timely tips about moss, pools, and dogs

### Time for moss control

Combat moss and its shingle-damaging effects with a commercial anti-moss treatment formulated for roofs. Beware of home remedies like sprinkling laundry detergent on your roof. It can break down the water-shedding properties on some types of roofs and cause leaks, sometimes within days of application. Trim overhanging branches that keep the roof wet and contribute to moss and needle buildup. And if you're thinking about having your cedar roof or deck pressure-washed, make sure your contractor uses a gentle setting. Pressure suitable for concrete can shred wood fibers, shortening the life of your roof. Apply a water repellent formulated for cedar roofs after pressure washing.

### Drowning risks for portable pools

Every five days during the summer, a child drowns in a portable pool in the United States. That's the sad finding of a study released by the Center for Injury Research and Policy at Nationwide Children's Hospital in Columbus, Ohio. Ninety-four percent of cases involved children under age 5. Some occurred in only a few inches of water.



While adult supervision is critical, it's not foolproof. More than 40% of drownings and near-drownings occurred with adults present. The study urges parents to employ the same kind of drowning-prevention tools used for in-ground pools (like life jackets and pool alarms) with inflatable and soft-sided pools.

### Lock up dogs before repair technicians arrive

Collecting bids on that spring project? Getting someone to look at your temperamental dishwasher? Don't open the door until you've locked up your dog. Dog bites account for one-third of homeowner liability claims. While 60% of victims are children, home service workers like repair technicians also rank high on the list. Seeing someone entering their home carrying strange tools and equipment can spark protective, aggressive behaviors in otherwise docile dogs. ■



## CORRECTION

In our last issue, we stated that the MyHOME Scr.APPbook home inventory tool for iPhone® and Android is free. It's not. While the trial version is free, the full version costs \$4. We apologize for any confusion or disappointment.

## More safe cars to choose from than ever before

This year, the Insurance Institute for Highway Safety recognized a record number of cars – 115 models – as worthy of its **TOP SAFETY PICK** accolade.

IIHS ranked vehicles on how well they protect people in front, side, rollover, and rear crashes. Subaru was the only manufacturer to win awards for all of its models. Toyota/Lexus/Scion earned the most with 15 TOP PICKS, followed by General Motors and Volkswagen/Audi.

To see all 115 winners, visit pemco.com's "More from Perspective" box to link to 2012's Safest Cars. ■

## Suggest an article

*Is there an insurance topic you'd like us to cover in Perspective? Whether it's something you'd simply like to know more about or a consumer tip for fellow readers, we'd love to consider it for a future issue! Please e-mail your ideas to [perspective@pemco.com](mailto:perspective@pemco.com).*

## From your Perspective

**Around Western Washington, people seem to stick in the left lane and not use it just for passing. Why aren't there more signs posted reminding drivers to stay right except to pass?**

– Carolyn C., Renton, Wash.

Left-lane camping does seem common on Washington freeways, and we recently ran a PEMCO Poll on the topic. Forty-three percent of respondents didn't know that impeding the flow of traffic in the left lane is illegal (perhaps testament that we could use a few more signs reminding drivers "Keep Right Except to Pass"). Of the few respondents who admitted to being left-lane campers, drivers under age 35 outnumbered their older counterparts two to one. Although left-lane camping may not lead to a lot of collisions, it definitely increases frustration and distraction on the road, and violators may be cited (RCW 46.61.100 in Washington; ORS 811.315 in Oregon). And if you're stuck behind a left-lane camper, Sergeant J.J. Gundermann of the Washington State Patrol reminds drivers to avoid the urge to flash headlights or honk. "Those actions can promote road rage and rarely get other drivers to change their behavior," he said.

**Is it legal to cross a double-yellow line to make a left turn into a driveway?**

– Joyce N. and Jim O., Gig Harbor, Wash.

Contrary to what many who learned to drive in the 1950s, '60s, and '70s seem to recall about crossing double-yellow lines, yes – it IS legal to cross yellow lane markings to turn left into alleys, driveways, and private roads as long as it is safe (RCW 46.61.130 in Washington; ORS 811.3110 in Oregon). The double-yellow pavement markings designate no-passing zones, but don't apply when you're turning into another roadway. The exception in Washington: medians (page 32, Washington Driver Guide). In Oregon, you may cross a painted median in the left-turn scenario above (page 28, Oregon Driver Manual).

*Editor's note: Joyce was so determined to find the answer about double-yellow lines that she did some sleuthing herself and shared her research with us so we could pass it along to Perspective readers. Thanks, Joyce!*

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## Six tips for making a video inventory

**Take this test:** Choose a dresser drawer and, without opening it, try to write down everything inside. Then open the drawer. Surprised at how much you missed? Imagine having to do that for a whole houseful of belongings after a devastating fire.

A video inventory can lift that burden if you ever need to file an insurance claim.

### Here's how to make an inventory:

1. Give the date, your name, address, a brief history of your home, when you bought it, and any renovations.
2. Pick a room and, starting at the doorway, pan to show furnishings and finishes.
3. Zoom in on individual items, naming and describing each briefly (brand; age; features; price, if known). Capture serial numbers, if possible.
4. Open every drawer and closet, showing their contents.
5. Repeat for every room, including the garage, and store your inventory **AWAY** from home (in a safe deposit box or at work).
6. Update your record periodically to include new purchases and improvements.

Or, if you'd prefer a printed record, visit pemco.com's "More from *Perspective*" box to link to our online inventory form. ■



## Boat owners: First-of-the-season fuel tips

### What you need to know about ethanol-blend fuels

Before you fill up for the first time this season, take a good look at the fuel you're about to pump, particularly if you trailer your boat to a neighborhood gas station.

The Environmental Protection Agency has approved "E-15" – 15% ethanol, 85% gasoline blends – for use in automobiles model year 2001 and newer. The blend is **NOT** approved for marine use and, over time, may result in engine failure or fire.

A blend of 10% ethanol, 90% gasoline is approved for some marine engines. However, before you choose it, you'll want to check your manufacturer's fuel-use recommendations. Older vessels and two-stroke outboard engines may be incompatible with ethanol.

### Keep those receipts for your Washington gas-tax refund.

Boaters and other off-roaders who pay \$20 or more in fuel taxes can request a partial refund by filing a claim with the Washington State Department of Licensing's Fuel Tax Section Refunds Unit.

You can call the Refunds Unit at (360) 664-1838 to request a Fuel Tax Refund Permit or complete an application online using the Fuel Tax Refund link you'll find on pemco.com's "More from Perspective" box.

*The refund is not available in Oregon.*

## What to do when encountering another vessel

Whether you boat under power or sail, you'll want to brush up on these rules of the waterways.

**Stand on** = Maintain your course and speed.

**Give way** = Stop, slow, or change course to avoid collision.



### Meeting head-on

**Powerboats:** Both vessels keep starboard (right).

**Power vs. sail:** The sailboat is the stand-on vessel.



### Crossing

**Powerboats:** The vessel on the operator's port (left) side gives way.

**Power vs. sail:** The powerboat gives way.



### Overtaking

The overtaking vessel gives way, whether it's sail or power.

### Nighttime boating

When you see a:

**White light:** You're the overtaking vessel. Give way and go around on either side.

**Green and white light:** You're the stand-on vessel; however, remain alert.

**Red and white light:** Give way. Slow to let the vessel pass or turn right to pass behind it.

**Red light only or green light only:** You're encountering a sailboat. Give way.

*Courtesy of Adventures in Boating Washington Handbook and PEMCO Mutual Insurance Company*



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