

## Property Casualty 360

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# Small Towns Face Larger Challenges Following Tornadoes

An insider's view of what happens in the aftermath

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Aftermath in Vilonia, AK. Photo: Michael Pelonero

*On May 7, President Obama made a stopover visit to Vilonia, Arkansas, to lift the spirits of its residents whose community was devastated twice in three years by tornadoes. As director of Enservio Service on Site (SOS), which works directly with policyholders to capture inventories in the wake of a disaster, Michael Pelonero took a break to share his experiences. From his third-story window he could see the barricades set up by the Secret Service in preparation for the President's invitation-only press conference. As much as he wanted to meet the most powerful man in the world, Pelonero lamented that his team couldn't even brush their teeth for lack of running water.*

Our SOS team is spread out in an area between Vilonia, and the towns of Conway and Mayflower. About 30 miles southeast is Little Rock, the closest city. We're seeing a lot of the same damage that tornadoes cause as one would expect: complete total losses with homes taken down to their very foundations. Contents, what we specialize in, are scattered for miles in every direction.

Our biggest challenge is working with policyholders to figure out what was inside the home. Every catastrophe brings many challenges and tornadoes pose the biggest, especially when the town is small and almost entirely destroyed. In Vilonia, it's very difficult for

homeowners to get support because everybody is in the same predicament. People can't help each other as is normally the case.



Vilonia, Conway, and Mayflower were all heavily hit. Louisville, Mississippi, where we also deployed a claims team, was also hit hard. Tornadoes rooted around larger cities, such as those that came through Joplin, Missouri, and Moore, Oklahoma, have more resources to draw from. Here, resources are minimal. In Louisville, there's been no running water for 12 days. Even large chain restaurants like McDonald's cannot supply ice with soft drinks. You can't use their bathrooms because there's no running water.

In towns this small, the city itself faces the same predicament as homeowners. We're seeing a lot of church parking lots converted into impromptu campgrounds. People are renting trailers and FEMA has rolled in housing. But temporary housing is severely lacking. Towns are being swarmed with an

influx of outside service providers from multiple industries (contractors, electrical companies, debris removal companies, restoration vendors, insurance companies, etc.), who all put a major strain on these small towns, especially lodging. Not only do all these folks need a place a stay, so too do all the displaced residents.

The end goal is to compile a list of the lost contents to hand over to the insurer. In some cases we can make a relatively accurate estimate electronically using our data warehouse and looking at key demographics such as zip code, location, square footage, and how long the home owner has owned the property.

We go through a formal reconstruction process where our staff will sit with an insured for a half to a full day. We go room by room, and say, hey, let's talk about the electronics in the living room. Okay, now let's talk about the furniture in the dining room. We conduct a room by room survey until we have a fully compiled list. The insurance company knows exactly, to the item, what needs replacing.

Taking the homeowner through this process can help bring a measure of relief and closure. As stressful as it sounds, there's comfort in letting somebody know how much an object meant to that person. Losing all your belongings is an emotional roller coaster.

Taking a physical inventory gets the homeowner back on their feet faster. It provides a timely and accurate settlement, which is the most important thing. It allows the homeowner to resume their normal life a little bit faster, which is what everyone wants.

Before working with the policyholder on the reconstruction process, we find it a best practice to create a friendly atmosphere before jumping right into listing contents. We want to get to know the person. We'll ask, how long have you lived here? Who lived in the house with you, including children and pets? How much square footage did you have? Did you have an attic? There are about 10 qualifying pieces of information that need to be documented accurately. We try to unearth that info organically through a casual conversation. We don't want the homeowners to feel pressured.

Every major insurance carrier is being represented here. We're working with State Auto, The Hartford Group, Auto Owners Insurance, GuideOne, PURE. It's a concerted effort where everyone is on the same team.

We want to have a core presence not only for policyholders but also for adjusters. Our message to insurers is, we're here to help. We'll do whatever it takes.

Michael Pelonero is director of Enservio Service on Site, a team of field representatives that offers boots-on-the-ground contents inventory capture for large loss property claims throughout the country on behalf of insurers.

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