

The Atlantic Hurricane season runs from June 1 through November 30. However, a hurricane can form outside of those dates. Historically, fall is the most active part of hurricane season. August and September are usually the busiest months for hurricanes along North Carolina's coast. Our proximity to the Atlantic coast, combined with the low elevation above sea level for large parts of our town, make River Bend vulnerable to impacts from Hurricanes. A tropical system does not need to develop into a hurricane to cause damage in River Bend, particularly in the flood zone.

Because of these facts, if you live in River Bend, you should consider purchasing flood insurance. You can obtain a policy from a local agent, through the National Flood Insurance Program (NFIP). The Town of River Bend is a participant in the Community Rating System (CRS) of the NFIP. In short, that means that the town maintains records and files on flood zone properties, has and enforces a local flood damage prevention ordinance and meets other annual minimums to be a CRS town. Our CRS status earns any River Bend resident a 10% discount on annual flood insurance policy premiums.

Our records indicate that 503 homes in River Bend were flooded during Hurricane Florence. According to data from the NFIP, just before Hurricane Florence made landfall, there were 443 flood insurance policies in effect in River Bend. That means there were at least 60 flooded homes that did not have flood insurance. Of the insured homes, cumulatively, those policies had total annual premiums of \$342,200 and were insured for a total \$107,660,200. On average, each policy owner paid \$772 in annual premium and was insured for \$243,000. After Hurricane Florence, 370 claims were made on those 443 policies, which is an 85% claims rate. To date, those claims have paid \$37,092,325 to the policy owners. On average, each policy owner with a claim received \$100,250 from their flood insurance policy. These facts show that having flood insurance can be very beneficial. Typically, regular home owners insurance does not cover damages from rising waters (flooding). If you are uncertain about your insurance coverage, you should contact your agent now. Do not wait until after the storm to learn that you are not covered.

It is true that flood insurance is like most other types of insurance, in that there may be many years that you pay the premium and never have a claim. Based on the figures above, the average claim in River Bend after Hurricane Florence paid for 129 years' worth of the average premium costs. Also, it is important to note that being located outside of a flood hazard area on the map does not mean that your home is safe from flooding. It just means that the risk is lower. On a personal note, my home is not located in a flood zone, but I maintain flood insurance. I have \$250,000 of coverage, and my annual premium is less than \$600. I strongly encourage every River Bend resident to consider purchasing flood insurance, especially those who live in a flood zone. Flood insurance typically does not go into effect until 30 days after it is purchased. If you wait until a hurricane is projected to impact River Bend, it may be too late. See the attached flyer for more facts to think about when considering flood insurance.

Delane Jackson
Town Manager



National Flood Insurance Program

The Benefits of Flood Insurance Versus Disaster Assistance



FEMA

The Benefits of Flood Insurance Versus Disaster Assistance

Flood Insurance

- You are in control. Flood insurance claims are paid even if a disaster is not declared by the President.
- More than 20 percent of NFIP claims come from outside of mapped Special Flood Hazard Areas.
- There is no payback requirement.
- Flood insurance policies are continuous, and are not non-renewed or canceled for repeat losses.
- Flood insurance reimburses you for all covered building losses up to \$250,000 for residential occupancies and up to \$500,000 for businesses. Contents coverage is also available up to \$100,000 for residential occupancies and up to \$500,000 for businesses.
- The average cost of a flood insurance policy is about \$600 annually. The cost of a preferred risk policy is less than \$200 annually, if you live in a moderate-to-low-risk area.

Disaster Assistance

- Most forms of Federal disaster assistance require a Presidential declaration.
- Federal disaster assistance declarations are not awarded in all flooding incidents.
- The most typical form of disaster assistance is a loan that must be repaid with interest.
- The duration of a Small Business Administration (SBA) disaster home loan could extend to 30 years.
- The average Individuals and Households Program award for Presidential disaster declarations related to flooding in 2008 was less than \$4,000.
- Repayment on a \$50,000 SBA disaster home loan is \$240 a month or \$2,880 annually at 4 percent interest.

For more information about the NFIP and flood insurance, call 1-800-427-4661, or contact your insurance company or agent.

For an agent referral, call 1-888-435-6637 • <http://www.floodsmart.gov> •

<http://www.fema.gov/national-flood-insurance-program>