



FINANCIAL
PLANNING
ASSOCIATION

EAST BAY

2021 Gold Partner/Sponsor Highlight



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BIO:

My hometown is Oakland, CA and today I live in Lafayette with my amazing partner, Tricia, her son, my daughter, and our cat. After graduating from UCLA in 1978, I began my insurance career at an insurance agency in San Francisco. In 1983, I became the Agency Principal of David Shaffer Insurance Services and recently celebrated my 27th year in business as a Professional Independent Insurance Agency. My personal interests include cooking, hiking, downhill skiing, photography, various volunteer

work, and traveling. In 2019, I spent three incredible weeks in Portugal and during the 2020 Thanksgiving week, enjoyed five incredible days in Yosemite.

COMPANY HIGHLIGHT:

What really sets my agency apart from other insurance agencies and licensed agents is how we approach our insurance work.

We start with the premise we always do what is in the best interest of our clients. We will not provide any premium indication, known as a quote, or suggest any insurance company that we represent until after an extensive review of all the existing insurance coverage, the completion of a unique Insurance Risk and Attitude Questionnaire, and after we have identified thoroughly all the assets at risk. In contrast, most agents or agencies will just want to provide immediately a quote without any deep analysis.

Every client presents unique needs and asset exposures which takes time to learn about. In addition, no one insurance company can be all things to all types of clients. It is only after many hours of time and research that we will put together our analysis which includes comments on the current coverage or lack of it, the options on how to improve the current situation, which financially sound insurer(s) we represent is/are the most appropriate to protect the assets, and a plan on how to implement all the necessary changes.

The specific types of coverage that we can review and help with include but are not limited to on the personal side: auto, home, earthquake, personal umbrella, valuable items (art, jewelry), watercraft, life and long-term care, and for commercial insurance: office insurance for CFP's, Lawyers, Dentists and other professionals, commercial property & liability insurance (apartment and office buildings), workers compensation, business auto and commercial umbrella.

Our ideal client is someone who really cares about being insured properly in the event of a catastrophic property or liability loss, for both their personal or business insurance needs as their number one objective versus someone just asking us to reduce their premium by 15% or more in less than 15 minutes and is willing to follow our unique six-step process to get it done right. Our ideal client also expects us to have competitive premiums from financially strong insurers. It is rare that anyone who agrees to follow my unique process does not benefit from their very extensive review.

Here is the connection with what I do and your work as a CFP. There are ticking time-bombs, what I call Protection Gaps, in many of the insurance policies that I have reviewed for the past 37 years that go undetected because no large property or liability loss has brought them to the surface yet. You can read about many examples of Protection Gaps in my article posted at the FPA of the East Bay website or on my website's resource page, Bringing into Focus the Property and Casualty Protection Gaps in the Financial Planning Process and How to Eliminate Them (<https://www.davidshaffer.com/resources>).

The reason why you want to see as a CFP that Protection Gaps eliminated is because, 1) you really care about your clients, and 2) failure to uncover them can result serious negative consequences to AUM if money must be removed from AUM and used to pay for an uninsured or underinsured loss. Your eMoney or similar software will clearly show the impact of removing \$500,000 or \$1,000,000 or any large sum to pay for an uninsured or underinsured loss on the AUM and the future performance of the AUM. It is not pretty and is all preventable by the type of professional work I do.

Today in California the market for home insurance is in a deep crisis due to the historic wildfires in California in 2017, 2018 and 2020. Many insurers have already and continued to cancel thousands home policies in California if the homes are in wildfire zones or raising renewal premiums significantly, such as 100% or more, in some cases, if the home located near a wildfire zone even gets renewed. We are successfully helping existing and new clients navigate this very challenging time in the California home insurance marketplace that will probably be challenging for the next several years.