

CALCULATING EXTRA EXPENSES

Extra expenses are all the monies you spent to recover from the disaster that are not “usual” to your business. This would include such expenses as overtime, expedited shipping, increased subcontractor costs, etc. They are also the increased expenses over expected expenses during your recovery period.

1. Calculate increased costs by listing the actual monthly sales during the recovery period.
2. Apply the expected expense ratios to these sales to calculate what your expenses should have been.
3. List your actual monthly expenses during the recovery period.
4. The difference is your extra operating expenses.

This calculation should include all extra expenses you incurred if shown on your profit and loss statement. Keep in mind that you will have to provide the adjuster with a list of “unusual” or additional expenses that you incurred during the recovery period (refer to your Claim Journal).



You could follow our detailed instructions above, or subscribe to **BISimplified.com** and use our electronic claim worksheets. It's so easy—supply the numbers, click, and WE do all the calculations for you!

If you missed opening September's *Be Prepared!* e-newsletter, go back and check out the included non-electronic samples of two interactive claim worksheets! The **BI Claim Worksheet** trends sales growth, calculates lost income, discontinuing expenses, extra expenses and provides a summary of the total claim amount. The **BI Claim Worksheet** maintains a running total dollar amount and record of the specific repairs made to the property. Both worksheets are electronic and simplified—pop-up text boxes provide explanations that keep you on track, eliminate guesswork and arguments, and save you weeks of claim settlement time and fees.

“Though no one can go back and make a brand new start, anyone can start from now and make a brand new ending.” —Anonymous

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- Nearly 770,000 Americans live near a volcano. Heavy ash falling after an eruption can cause serious lung irritation, corneal abrasions, and shortness of breath, especially for people with asthma. The Center for Disease Control and Prevention suggests that people living in volcanic regions keep N-95 respirators and eye protection on hand for themselves and their families.
- Batteries can last up to ten times longer in light-emitting diode (LED) flashlights. LED flashlights are 70% more efficient than incandescent models, and unlike bulbs, LEDs have no fragile parts so they can better withstand shock. That makes them a smarter choice for an emergency kit.
- More than 67% of respondents in an ASPCA survey said they would refuse to evacuate without their pets. The Pets Evacuation and Transportation Standards Act of 2006 passed after Hurricane Katrina, requires authorities to include pets in evacuation plans.



Most Red Cross shelters won't take pets, but will help people make arrangements with local animal shelters. The Humane Society of the United States suggests packing a disaster kit for pets that includes ID, immunization records, food, medicine, and photos.