

*And don't forget to patch those potholes!*



# T H E S T E W A R D

## INSURANCE BOARD

Those of us who experience the cold and blustery season known more commonly as winter have already started to sense it – the first signs of spring – the birds, the sun, the temperature, open windows, and those dreaded potholes. In Cleveland, we say we have two seasons: snow season and pothole season.

Yes, daffodils are not the only early bloomers in spring, so are potholes. And they may be blossoming in your parking lot. Heaving frost may have moved sidewalks as well as created changes in elevation. Stairs may be crumbling from water intrusion and expansion from freezing. All of which leads to tripping hazards.

Did you know that the leading source of liability claims on church property is slips and falls? About one third of those falls occurs on sidewalks and in parking lots.

The elderly are especially at risk for falls due to issues of balance and vision, and they may not pick up their feet as high when they walk. Their injuries are more likely to be severe and even permanent. Bone fractures may initiate a sudden decline in health due to complications of healing. Quality of life is likely to decline. Mobility and independence is lost. This is not the end-of-life experience we want for our parents and friends.

Now that the snow is gone, it's time to carefully inspect for defects and set priorities for their repair so that your members, friends, and family, don't "fall" victim to a pothole, a crack in the sidewalk, or crumbling stairs. Encourage your congregants to report potholes, elevated sidewalks, and crumbling stairs. Discovering these maladies early will not only save someone from tripping, but

it will also be less expensive to repair.



Act now to:

- Identify defects;
- Warn the public of defects (secure the damaged areas);
- Provide safe alternative routes;
- Budget and initiate repairs.

When a fall occurs:

- If the person is injured, render first aid or call EMS if warranted.
- Get pictures of the damaged pavement. Claim negotiations revolve around whether the defect was significant or obvious.
- Prepare an incident report to keep on file. Get details from people who may have seen what happened. A form is available in the Loss Control Manual, Vol I. which can be found at

[www.InsuranceBoard.org](http://www.InsuranceBoard.org)

under the Loss Prevention tab and Brochures.

- Protect the area, if necessary, so that others will not be injured.
- Schedule repairs, if necessary.
- Alert your Insurance Board agent.

## Hey, Carl.....Am I Covered?

Did you know the Insurance Board property insurance program includes "machinery breakdown" coverage? Sudden and accidental failure of various pieces of equipment like boilers, motors, pumps, and compressors may be covered.

While "wear and tear" is not a covered cause of loss, the damage that follows may be covered. Very soon, you will be revving up your air conditioning systems for the summer months. If you have a breakdown of the mechanical components, you should report a claim to your IB agent. **Further inspection before the repairs are done** will confirm whether the breakdown is covered by your Insurance Board policy.

### Claims Corner

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Joe K. Boyd, Manager, Claims Administration	216.736.3251
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You May File A Claim On-Line	<a href="http://www.InsuranceBoard.org">www.InsuranceBoard.org</a>

# Exactly What is a Flood?

Ahhhh. Take a breath!  
“What’s that,” you say.

## It’s spring!

Not so fast. It’s spring after a year of record snowfalls, and that is not a good combination. Snow is melted, the ground is saturated, and rivers are running full. Flood season is upon us. Do you really understand your insurance policy?



The word “flood” is used commonly to identify any water calamity including sewer back-ups and water penetrating basement walls, but in the insurance world the term “flood” is more precisely defined and usually limited by policies. For properties in defined “flood zones”, coverage for flood is normally excluded. And not all areas of the country are eligible for flood coverage from traditional carriers. At the Insurance Board, flood is an option that more than 75% of our participants choose. When specific flood coverage is purchased, deductibles may be high. Be sure you understand your coverage.

Whether your church is in a flood zone or not, it’s time to prepare. You probably know from experience what is possible during extended or sudden heavy rainfall. It’s time to make sure items stored in the basement are elevated. Make plans to monitor conditions and relocate items

## REMINDER: Electrical Inspections!

When many of our participating churches were built, electrical demands were basically light and heat. Computers and audio/video equipment, air conditioning, and the needs of day care programs are placing demands on electrical systems that could never be anticipated in the original design.

Electrical systems are taken for granted and often neglected until there’s a problem. Electrical panels are beyond capacity. Often, they have been tended to by amateurs or low bidders taking shortcuts while adding new circuits. In addition, dangerous dust is collecting, and connections are loose and getting hot. Out of sight, out of mind. Until tragedy strikes.

to a higher floor if necessary. If sewer back-up occurs frequently, invest in a back-flow preventer. Make sure surface water can drain away from building foundations. If you have interior water damage, you have 72 hours to clean it up and dry it out before mold starts to grow.

If your electrical equipment, boiler (or other appliances) have been exposed to flood waters, they may be at risk of damage even after the water has receded. Water, silt and other contaminants may be trapped inside. Attempting to test or restart equipment without proper inspection and cleaning may cause serious damage.

Water may have damaged electrical insulation or may be trapped in conduits. Motor windings for furnaces, boilers and kitchen appliances may contain residual moisture.

Tread lightly as this is not territory for amateurs. Get qualified technical assistance. Report your loss to your IB agent, and remember, when large scale disasters occur, communications and response times may be slower.

*To learn more about flood insurance in general visit the Federal Emergency Management Agency’s (FEMA) site, [www.floodsmart.gov](http://www.floodsmart.gov). You will find a wealth of information and interactive tools, including information about flood preparation and recovery.*

The Insurance Board provides an electrical inspection service through TEGG, a unit of Hartford Steam Boiler Inspection and Insurance Co. For a small investment of \$225 (subsidized by the IB), your church may have major electrical systems inspected by a licensed electrician specially trained by TEGG. You will receive an allowance of \$500 towards the repair of “critical” and “severe” items found during inspection as well.

We encourage you to call your Insurance Board agent to discuss the value of an electrical inspection. To arrange for an inspection under the IB program, contact Carl Kotheimer at 216.736.3244, or [cckotheimer@InsuranceBoard.org](mailto:cckotheimer@InsuranceBoard.org).

## Webinar Information

Recently, we launched a webinar training series, a learning opportunity for church leaders/employees that focuses on safety and issues affecting your churches and ministries.

Use of the internet permits you to learn from your home/office in an interactive environment. You have the choice of participating throughout the session, ask questions, and share information. To view the list of upcoming sessions, and to register, go here:

<https://InsuranceBoard.ilinc.com>  
(note there is no www)

Click next to the session(s) you want to register for and then scroll to the bottom of the list to click “register”. You will be asked to enter your name and email because you will receive confirmations and reminders.

Recordings are available for these past topics:

- Church Tenants and Your Liability
- Maintaining Your Church with Contractors or Volunteers
- The New Church Usher

Go to the same site and click on the Join tab. Select a recorded session by clicking on Open .

Because of exceptional interest, we will present “Where Is Your Safe Church Policy?” on May 12th at 11AM EST & May 15th at 3PM EST. Our special guest from Praesidium, Inc., our partner in providing background checking and abuse prevention training will present “Adult/Child Interaction Guidelines – Know the Rules” on June 2nd at 11AM EST & June 3rd at 3PM EST. This session will focus on the details of a very important element of an effective Safe Church Policy.

Next we’ll turn to a critical area of church management: “Building Trust, Preventing Disaster – Financial Controls for Your Church” on June 23rd at 11AM EST & June 24th at 3PM EST. Church embezzlements are a reality, occurring more frequently and commonly resulting in six figure claims. If you are a church leader, you must understand this subject.

We will create new sessions and repeat others based on your feedback.

For more details and information, go to <https://InsuranceBoard.ilinc.com> or contact Carl Kotheimer, 216.736.3244 or [cckotheimer@InsuranceBoard.org](mailto:cckotheimer@InsuranceBoard.org)

# Fire Devastates Euclid Avenue Congregational Church

Early Tuesday morning (March 23, 2010), the city of Cleveland woke to find that a beloved landmark and historic church, Euclid Avenue Congregational Church was ablaze. It had been struck by lightning in the storm that settled over the city in the early morning hours.

You can read a poignant letter from Curt Ackley, Minister and Executive, Western Reserve Association, Ohio Conference on our website [www.InsuranceBoard.org](http://www.InsuranceBoard.org).

We will keep Pastor Terri Young and her congregation in our prayers as they navigate through this difficult time.

And while this was a completely unpreventable loss, we do look to what can be learned from this experience. Here are some things your leadership team can think about now that can help your church if it is ever struck by such a



tragedy: Do you have enough insurance to rebuild? Are your by-laws in order? What about fine arts? Do you store records off-site, and in water and fire proof containers?

## Can Maintenance Reduce Claims?

By: Alison Hanna, Claims Analyst

Yes! Proper and comprehensive spring maintenance can greatly reduce the frequency and severity of claims. Two of the most notable preventable areas of claims that spring maintenance can address: slips, trips, and falls, and playground injuries.

Repairing stairs, driveways, sidewalks, and parking lots can help to lessen the frequency and severity of slip and fall claims. Churches that do not make the necessary repairs may find an increase in these types of claims (which can be severe and costly).

Playgrounds are potential hazards to begin with, but without proper maintenance a church might find itself in a situation that costs money, and/or results in the injury of a child.

Nobody can predict if your church will have a claim, but what we do know is that there are steps you can take to lessen the likelihood of a claim and reduce the severity of a claim. Our goal is to help you understand the role you have in preventing claims by being proactive with spring maintenance around your church. Follow up on any issues found. Get those repairs done.

Additional information on spring maintenance and checklists can be obtained by contacting [ckotheimer@InsuranceBoard.org](mailto:ckotheimer@InsuranceBoard.org), or by going to our website [www.InsuranceBoard.org](http://www.InsuranceBoard.org).

## Safe Church Policy One Leg At A Time

In our last issue, we asked: “Does Your Safe Church Policy Have Legs?” Six elements of policy were listed. In this, and following issues, we’ll provide more detail about each leg, beginning with screening.

The screening part of a safe church policy begins with deciding

**who** will be screened, and then how it will be accomplished. Once this component is established, there **MUST** be **no exceptions**. For youth-programs, the general screening standard is everyone who may have contact with youth. That may include paid staff, volunteers, **including parents**, clergy, custodians and drivers.

Every person should complete an **application**, especially volunteers who are minors. An application should include a component of self-disclosure. This is especially important for minors because information regarding juvenile criminal proceedings is often not accessible. A later discovery that information was falsified provides grounds for dismissal. Also, requiring self-disclosure puts applicants “on notice” that you are doing your due diligence. **References** should be required and actually checked.

Normally, a membership period of at least six months is required to work in church youth programs. This is important and should never be waived. Predators are impatient for access to victims, a waiting period may induce him/her to move on.

Claims experience suggests that predators may operate “under the radar” from one organization to the next. Frequent movement is a “red flag,” so check the timelines given in an application.

The final step is the background check. This is basic “due diligence” that cannot be set aside or waived. If, and when, there are allegations of abuse, the very first question that will be asked is: “Did you do a background check?”

The Insurance Board provides important services in support of your safe church policy, including free “abuse prevention” training and subsidized “background checking”. Go to the [www.InsuranceBoard.org](http://www.InsuranceBoard.org) and click on Safe Church Workbench for more information. You may also contact Carl Kotheimer at 216 736 3244 or [ckotheimer@InsuranceBoard.org](mailto:ckotheimer@InsuranceBoard.org).



## Lessons from Losses

We refer to a client's history of claims as "loss experience." Luckily, to most, there is no experience at all, since losses are rare events. As your insurance program manager, we see all of your incidents combined! We thought you should have the benefit of **your** group experience. The intent of this section is to let you know what we are seeing, and to provide advice that you can apply to avoid having an experience.

# Electrical Short Cuts May Lead to More Than Electrical Outages

Two large fire losses attributed to electrical systems have occurred to Insurance Board participant churches in the last year. At the same time, we have been looking at the details of electrical inspections conducted by TEGG for Insurance Board participants. Some disturbing clues are showing up.

In both of the large fires, it was established that electricians had made modifications to the electrical system near the fire origins. Often, changes in the electrical system are not easily observed. They are buried in the walls.

If you watch "Holmes on Homes" on the Home & Garden TV Network, you know how often Holmes finds incompetent, sometimes fraudulent, work hidden inside the walls ([www.holmesonhomes.com](http://www.holmesonhomes.com)). A common theme is buried junction boxes, where loose connections might generate heat. Usually a building permit was not issued and therefore, an inspection was never conducted. Inspections, though most people fear them, provide a



March 2010 church fire, electrical in nature.

true value for unwary consumers. In this case, a problem may have been revealed.

As we review the results of our churches' TEGG electrical inspections, we find a common defect known as "double lugging" – the attachment of two circuits to the same breaker. This results when the electrical panel is full, and there is no room for another circuit. We also see improper grounding. We see circuits with 20 amp breakers which should be 15 amp. This is the equivalent to the old fashioned and dangerous practice of inserting pennies in the place of fuses to prevent fuses from popping.

The message is simple: **BEWARE** of the low bidder and the amateur electrician.

- Do your due diligence when hiring an electrician.
- Don't accept work done without permits and inspections – it's fraudulent!

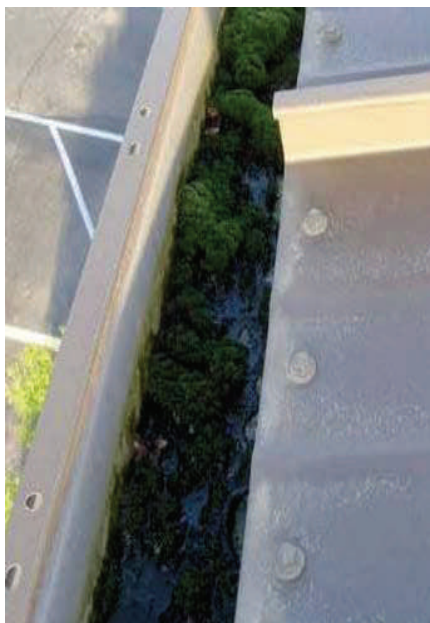
Require the electrician to provide proof of liability coverage, including "completed operations" under the general liability policy.

These steps will assure quality work with less chance of loss down the road.

## How Do YOUR Gutters Look?

Twenty-five years ago my neighbor planted four five-foot white pines on the property line as a privacy screen, about ten feet from our porch. They grew rapidly and became an endless nuisance. Who says pine trees don't lose their leaves (aka needles)?! My gutters required cleaning at least three times a year because they were clogged with pine needles and could not/would not drain.

Too often, trees that grow quickly are planted too close to buildings without thought to the maintenance consequences in just a few years. Roofs, gutters, siding,



No your eyes are not deceiving you. This is an actual photo of a gutter at one of our participating churches.

and foundations may be affected.

When gutters cannot drain, icicles and ice dams form easily, and interior damage may follow. When there is not an obvious source, gutters may accumulate silt and moss. This may occur even in mild climates and go unnoticed until interior water damage occurs. The photo here from a California church shows a "forest" of moss growing in the gutter which caused interior damage.

Have all gutters inspected annually and cleaned as often as necessary.



*The Steward* is the joint effort of:

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