

Community Is Sacred





700 Prospect Ave. | Cleveland, OH | 44115
800-437-8830 | InsuranceBoard.org

Community Is Sacred

Mission

The Insurance Board is dedicated to supporting and protecting churches and their ministries with superior property and casualty risk and insurance management services.

Vision

To become the program of choice for all church ministries within the denominations we serve.

Values

Choosing to be bound together in mutual care and concern, we maintain integrity, excellence, exceptional customer service, open communication and inclusiveness.

Our insurance serves you so you can serve God.

Serve God

2019 OVERVIEW

Calendar year 2019 revealed a perpetuation of the adverse trend of considerable property losses for the insurance industry, as well as for Insurance Board. Since 2015, Insurance Board has experienced a property loss trajectory resulting in property losses increasing by 63.3%, driven by hail, fire, and windstorm. Closely trailing these top 3 property loss leaders have been significant claims related to water damage. Claim distress in these areas resulted in Insurance Board posting a consolidated net loss of \$970,000 on more than \$50,000,000 in gross revenues.

Despite 7.2% growth in top line revenues, solid participant growth of 5.9% resulting in Insurance Board reaching the highest number of participants in the program's history during the year, and client retention of almost 97.5%, adverse insurance claims continued to dampen results. According to the National Association of Insurance Commissioners (NAIC) – 2018 Annual Report on the U.S. Property & Casualty and Title Insurance Industries¹, the industry's property (fire) combined ratio deteriorated 30.2% from 2015 through 2018. For Insurance Board, net property loss ratios deteriorated 19.8% from 2015 through 2018, with further deterioration of 11% through year end 2019. These results emphasize the need for continued work in the area of loss mitigation. Accordingly, Insurance Board has identified a range of initiatives designed to better position the organization for the future. 2020 will continue to pose challenges as claim trends continue, and as costs of insurance for catastrophic risk events, which Insurance Board purchases to protect its portfolio of insurance coverage for clients, continue to rise.



In December 2019, a novel strain of coronavirus (COVID-19) was reported in Wuhan, China. The World Health Organization has declared the outbreak to constitute a “Public Health Emergency of international Concern.” The extent of the impact of COVID-19 on Insurance Board's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, and its impact on policyholders, employees, and vendors, all of which are uncertain and cannot be predicted.

Despite these adverse trends and events, Insurance Board, which will hit 35 years of incorporation in 2020, continues to provide one of the broadest property and liability insurance products in the industry for churches and affiliated ministries within the denominations it serves. We are positioning for the long term and remain committed to serving our mission partners.

Faithfully,
Timothy Harris, CPCU
President and Chief Executive Officer

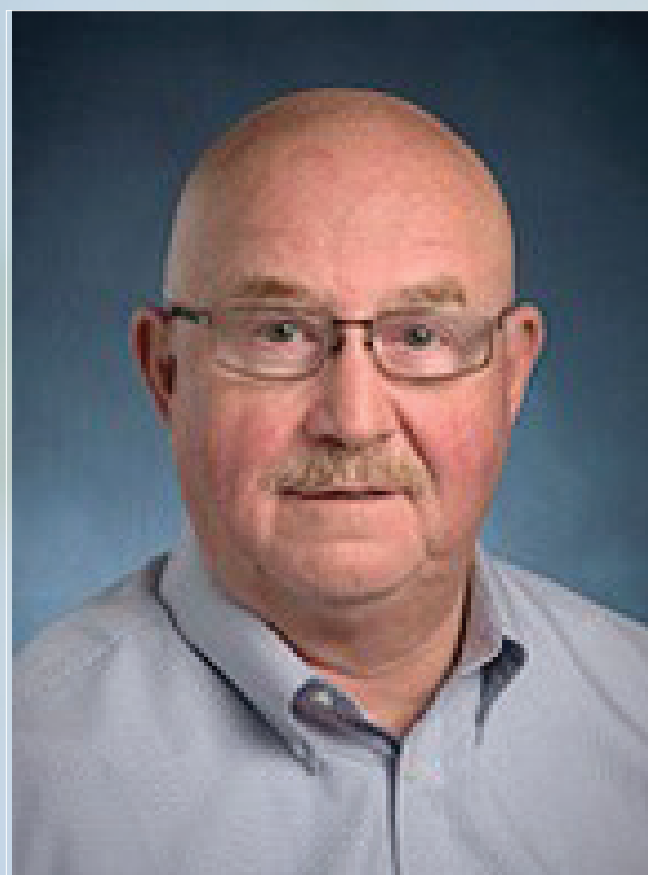
¹ NAIC U.S. Property & Casualty and Title Insurance Industries, 2018 Full Year Results

A MESSAGE FROM OUR BOARD

I served as the Chair of the Board of Directors of the Insurance Board for 2019, serving as the first non UCC Conference Minister chair. In 2018, reflecting the ecumenical nature of the six denominations we serve, the owners agreed that the Chair of the Board did not have to be a UCC Conference Minister. I am thankful for the chance to serve in this capacity and for everything I have learned and experienced as a board member representing the Presbyterian Church (U.S.A.). I believe our ministry serves as a vital function that supports and enables the ministries of our participating denominations and their congregations.

The Board and staff continue to be grateful to be partners in ministry with you. As you will note in the President's report, 2019 continued the adverse trend of considerable property loss in the insurance industry and for us. In these trying times in the field of insurance our Board is thankful for the leadership, strength, and faithful service of the whole Insurance Board staff. It is a blessing to work with them to support and protect the properties and ministries of the participating denominations with what we believe are superior property and casualty risk and insurance management services.

I am impressed by the varied expertise and commitment of my fellow board members. We are a mixture of insurance and church professionals, working with the staff, who choose to be bound together in mutual care and concern. We strive to maintain integrity, excellence, exceptional customer service, open communication, and inclusiveness. We covet your prayers and support as we continue this ministry on behalf of all of our participating denominations: UCC, Disciples of Christ, Presbyterian Church (U.S.A.), Evangelical Lutheran Church in America, Alliance of Baptists and Reformed Church in America.



Rev. David Crittenden
Chair of the Board
Retired Synod Executive
Presbyterian Church (U.S.A.)



Community Is Sacred

Since our formation in 1985, Insurance Board has maintained a simple vision:
By understanding church culture, we can provide a superior and affordable church
property insurance and church liability insurance program for church communities.

Here's how it all began. In the early 1980s, when quality insurance was hard to find for the United Church of Christ churches, leadership in this community came together to find an enduring solution that would protect their ministries.

This became the nonprofit, Insurance Board, that exists for one purpose: protect and preserve ministries.

Over the years, Insurance Board expanded to serve more than 4,500 churches that include the United Church of Christ, the Christian Church (Disciples of Christ), the Presbyterian Church (USA), a community of churches known as the Alliance of Baptists, the Evangelical Lutheran Church in America and the Reformed Church in America.

Together we recognize that what we protect is sacred – from the churches and associated buildings to the worshippers themselves.



We thank all of these
communities for their trust
and partnership over
these 35 years.

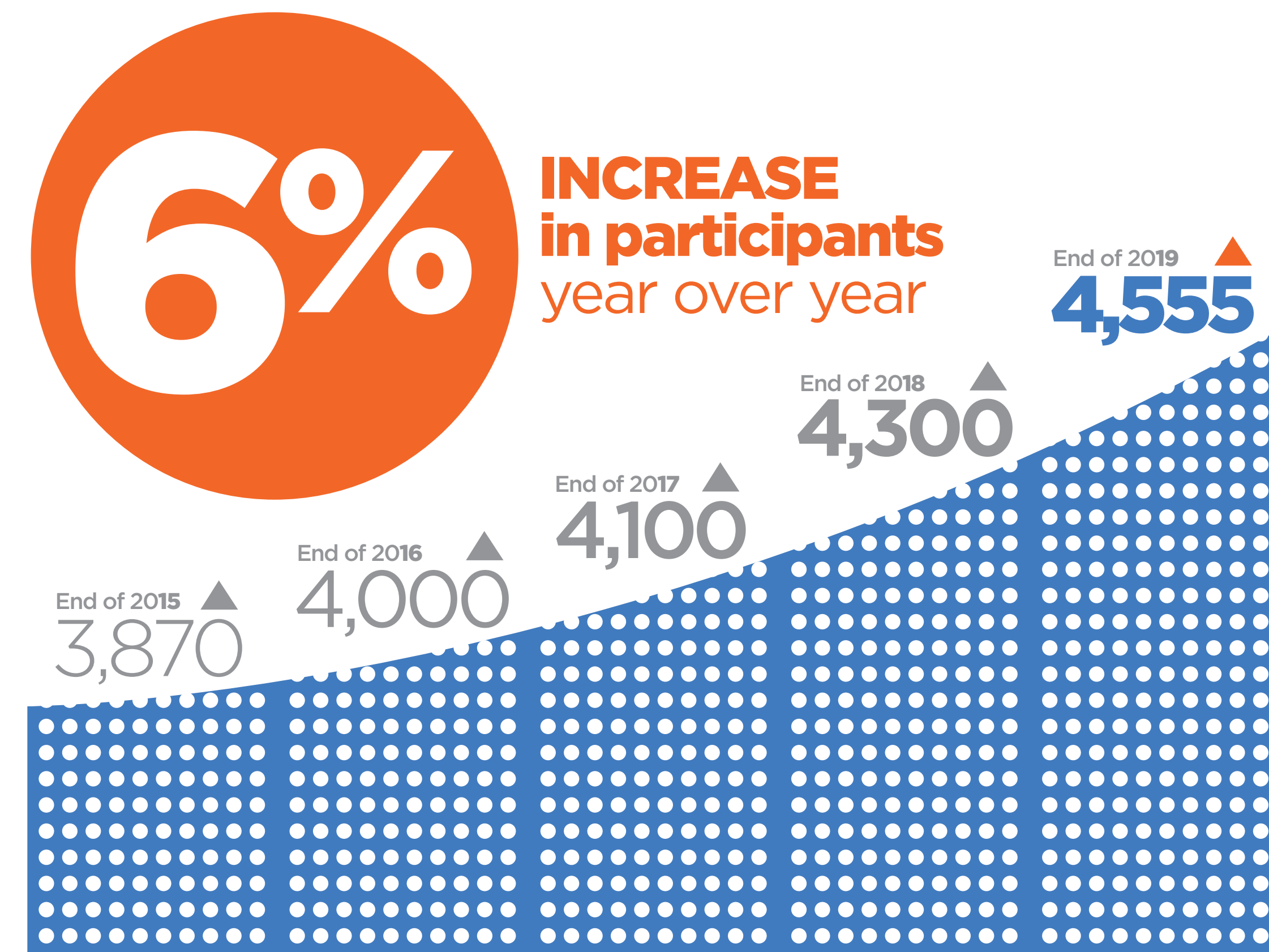


2019 FINANCIAL STATEMENT

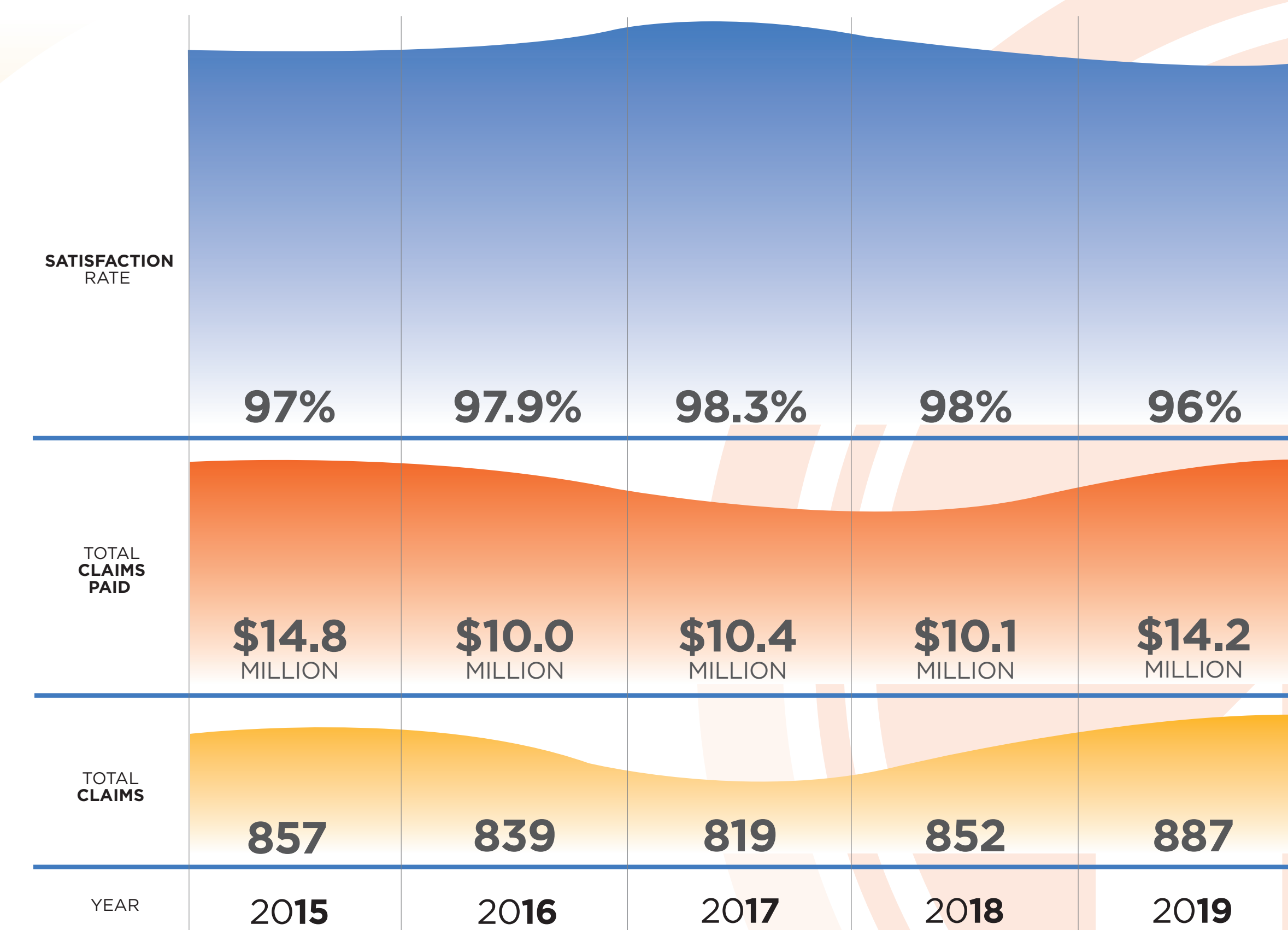
As of and For the Years Ended:	DECEMBER 31					
	2019	2018	2017	2016	2015	2014
Consolidated Statements of Financial Position						
Cash and Short-Term Investments	\$34,766,157	\$29,417,400	\$30,571,706	\$21,235,410	\$28,503,031	\$26,907,322
Investments	28,295,596	27,051,858	20,654,591	31,434,079	24,912,919	19,767,749
Accounts Receivable and Other Assets	726,167	776,006	766,435	670,230	700,029	1,599,185
Furniture and Equipment	597,276	668,798	981,560	584,208	818,574	989,404
Total Assets	\$64,385,196	\$57,914,062	\$52,974,292	\$53,923,927	\$54,934,553	\$49,263,660
Line of Credit	\$ —	\$ —	\$ —	\$ —	\$919,540	\$1,994,540
Accrued Expenses	\$8,611,170	\$5,151,972	3,906,208	8,850,820	4,132,950	2,568,832
Deferred Revenue	8,985,152	7,842,219	6,361,359	5,051,192	6,395,473	5,517,641
Reserve for Losses	22,357,143	19,517,500	17,237,998	13,258,692	15,925,339	14,901,145
Net Assets without Donor Restrictions	24,431,731	25,402,371	25,468,727	26,763,223	27,561,251	24,281,502
Total Liabilities and Net Assets	\$64,385,196	\$57,914,062	\$52,974,292	\$53,923,927	\$54,934,553	\$49,263,660
Consolidated Statements of Activities						
Program Revenue	\$50,759,218	\$47,293,847	\$44,394,655	\$42,592,411	\$42,266,805	\$43,052,383
Program Costs	51,729,858	47,360,203	45,689,151	43,390,439	38,987,056	39,544,553
Change in Net Assets without Donor Restrictions	\$(970,640)	\$(66,356)	\$(1,294,496)	\$(798,028)	\$3,279,749	\$3,507,830



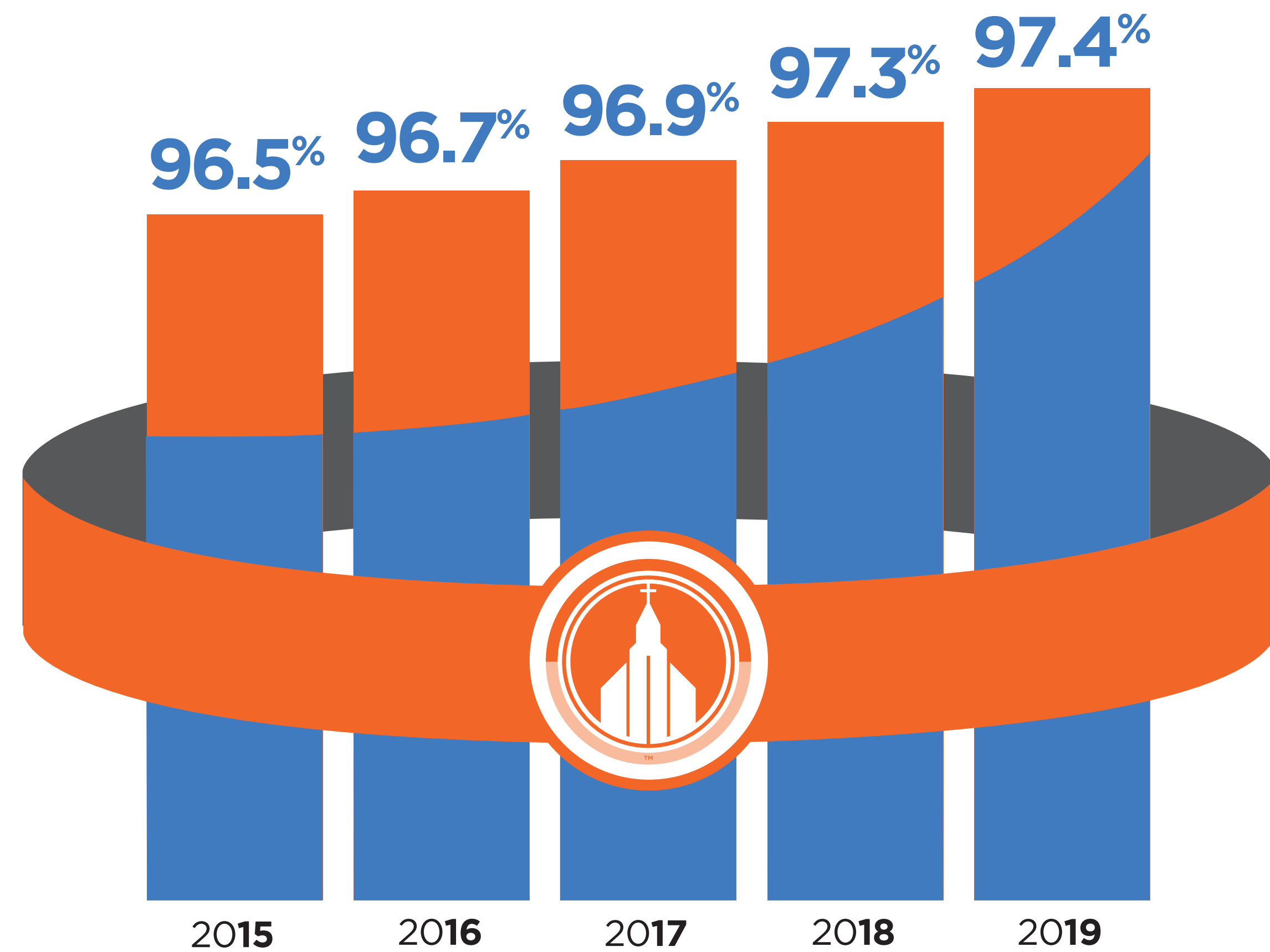
PARTICIPANTS



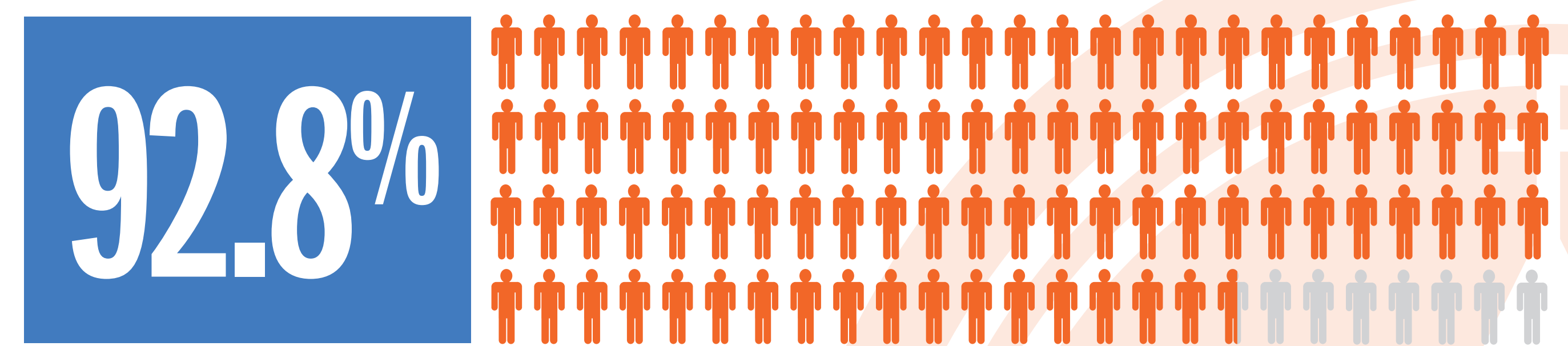
CLAIMS DATA



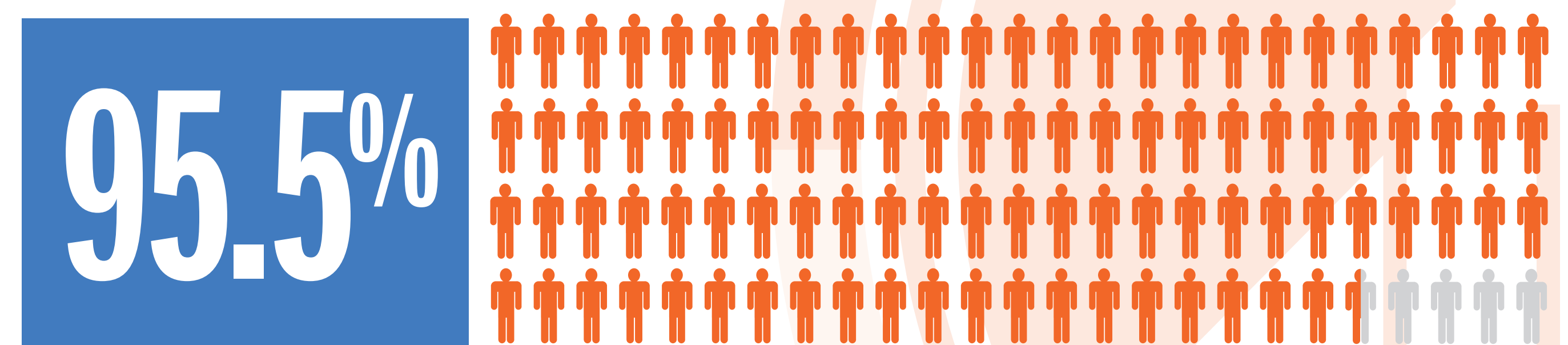
RETENTION RATE



SATISFACTION



of members indicated they **were satisfied** with Insurance Board's service.



of members surveyed indicated they would **recommend Insurance Board** to another church.

BOARD OF DIRECTORS

STAFF

Rev. David Crittenden
Board Chair
Presbyterian Church (USA)

Rev. June Boutwell
Penn West Conference

***Keith H. Bowden, CPCU**
Massachusetts Conference

Robert J. Brautigam
Illinois Conference

Andrew Bunn, JD
Secretary
Hawaii Conference

Rev. Dr. LaTaunya (Toni) Bynum
Northern CA/Nevada Region

Rev. Mike Castle
Alliance of Baptists

Duncan G. Draper
Indiana Region

***Rev. Judy Fletcher**
Presbyterian Church (USA)

Robert Gabon, CPA
South California/Nevada
Conference

Dr. Edith A. Guffey
Vice Chairman of the Board
Kansas/Oklahoma Conference

Rev. Shana Johnson
Illinois South Conference

Rev. Joyce Lieberman
Synod of South Atlantic

Barnet (Mike) McKee, JD, MDiv
Missouri/Mid South
Conference

Tom Mitchell, CPCU, AMIM, AIM
Southeast Conference

Rev. James Moos
UCC, Global Engagement

Rev. Terry Newland
Synod of Living Waters

Erick (Rick) D. Reisinger
Indiana Region

Alan Relyea, CIH, CSP
Connecticut Conference

Rev. John Vertigan
Florida Conference

Rev. Dr. Diane Weible
North California/
Nevada Conference

**William (Bill)
G. Whitehead**
Massachusetts
Conference

Rev. Bill Worley
Pennsylvania
Southeast
Conference



Timothy S. Harris, CPCU
President & CEO

Andrea Gauding, CPA
Senior Vice President & CFO

Farnaz Ansari Berna
Vice President, Marketing/Sales

Jennifer R. Perri, CIC, CISR
Assistant VP, UCIS

Joe K. Boyd, CPCU, ARM
Director, Underwriting

Lisa Gonzalez
Director, Loss Control

Cy McFarlin
Director, Claims Administration

Jamila Chambers
Manager, Marketing and
Communications

Monica B. Kornblum, SHRM-CP
Employee Service Manager

Dan Carrick
Project Manager

Rosalind Davis
Customer Service
Representative

Sherry A. Denby
Senior Accountant

Blaine Geary
Underwriting Assistant

Amy Gibson
Team Lead, Customer
Service Representative

Danielle Grasso
Social Media Coordinator

Cindy S. Howell, CIC
Account Executive

Macrina Hummel, CISR
Customer Service
Representative

Amanda Kornblum
Office Assistant

Rob Linson, CPCU, AU
Senior Underwriter

Kieziah McCullough, MBA
Underwriter

Nick Schidowka
Team Lead, Underwriter

Kaili Simmons
Junior Underwriter

Elizabeth Vance
Senior Loss Control
Representative

Mark A. Zimmerman, AINS
Senior Claims Analyst