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THE STEWARD

Trustworthy Insurance Insights for Churches and Ministries

“If the Lord had not been on our side...the raging waters would have swept us away.”

Psalms 124:1-5

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The Causes of Water Damage and How To Avoid Them



Over the years, water damage has been a leading cause of loss for churches. Although any building may be susceptible to water damage, churches are particularly the most vulnerable. Some of the most expensive water damage claims have occurred in unoccupied churches where no one is around to mitigate water leaks. Protecting a church's ministry and property is a crucial and essential priority. In some cases, water damage causes large-scale flooding and invites mold to grow as it thrives in humid conditions.

It's important to examine some of the causes of water damage along with the precautions and management techniques.

The Causes

The most common causes include:

- Frozen water pipes
- Clogged gutters
- Seepage
- Hydrostatic pressure
- Leaking AC and water heaters
- Sewer backup
- Sprinkler system malfunction
- Sump pump malfunction

The Precautions (Including Management Techniques)

During times when a church is unoccupied, the HVAC

system might be set too low causing internal temperatures to drop and water pipes to freeze. It is crucial to keep your church's internal temperature above 55 degrees. If a power outage occurs and the system is set below 55, temperatures will drop to dangerous levels within a short period of time causing your pipes to freeze.

Leaks are also caused by clogged gutters. Water collects at the base of the church's foundation, leading to soil erosion and seepage. Simple self-management techniques such as inspecting the gutters or walking around the base of your foundation to identify any risks are essential. You can also attach a downspout extension to prevent gutter overflow, but it's important to be careful of where you direct the water to avoid other damage.

If water pressure increases, hydrostatic pressure can occur. This is the downward pressure caused by standing water pushing against any surface that's blocking it. Once this pressure builds up, the weight of the water will push through and flood the building. Installing a waterproofing system will relieve this pressure. In addition, when moisture gets trapped behind masonry walls, water will deteriorate and affect the integrity of the structure. Air barrier systems help to get rid of this moisture.

If you notice dirty unit filters, damaged evaporator coils, and cracked drain pans, act immediately. Drain pans fill with water and collect dust and debris, creating a perfect environment for bacteria to grow. Additionally, mold and bacteria can contaminate evaporator coils. Wet and dry dustpans are convenient for draining and filtering solid waste and fluids. Routine inspections are highly recommended to catch problems early on before they lead to serious expensive repairs.

The Causes of Water Damage and How To Avoid Them (Continued)

Storm and sanitary sewer backups are another contributor to water damage. Storm backups occur when excessive rainwater overflows from city drains into other property. Sanitary backups can occur from not disposing of trash properly which lets off air-borne and physical contaminants that can harm your health. Make sure to avoid flushing anything unusual down the toilets or rinsing food and grease down the sink. Installing a backflow prevention valve will help by directing sewage out but also preventing it from flowing back in.

Sprinkler systems should be insulated so they don't malfunction. For sump pumps, planning and maintenance will help keep them from becoming defective. Backup battery systems are critical in the event of a power outage. This allows the sump pump to continue removing water from the building and away from the foundation. Make sure to remove gravel, sand, and debris from the sump pit, and sump pumps should be inspected annually to ensure it doesn't need to be replaced or repaired.

According to the United States Environmental Protection Agency, damp conditions can lead to wood-decaying mold, bacteria, and even insect pests. Freeze-thaw cycles can also damage concrete and brick. Many people have lost personal items and clothing in their church due to the damage. Water damage can ruin property, put health at risk, and become very costly. Insurance Board

provides a variety of proactive tools and emergency plans made available for participants on the website. It is important to implement a plan that will help mitigate these risks to the highest degree. Please consult a licensed electrician, plumber, technician, or other building maintenance professional for more specific advice on protecting your property.

Moisture Control Guidance:

<https://www.epa.gov/sites/default/files/2014-08/documents/moisture-control.pdf>

Reducing Groundwater Pollution:

[What we can all do to reduce groundwater pollution \(ct.gov\)](http://www.ct.gov/what-we-can-all-do-to-reduce-groundwater-pollution)

Insurance Board Resources

- [Water Damage Prevention - Insurance Board](#)
- [Severe Weather - Insurance Board](#)
- [1-Planning-for-Water-Emergencies-1.pdf \(insuranceboard.org\)](#)
- [2-Shutting-Off-Your-Main-Valve-1.pdf \(insuranceboard.org\)](#)
- [5-Preventing-Frozen-Pipes-1.pdf \(insuranceboard.org\)](#)
- [6-Mold-Prevention-1.pdf \(insuranceboard.org\)](#)
- [7-Sump-Pump-Upkeep-1.pdf \(insuranceboard.org\)](#)

Water Damage: Early Detection and Mitigation

Churches have experienced various causes of water damage; many times, it is difficult for ministries to detect, remove or even prevent water damage before it occurs. Water intrusion can occur at your church because of people or an act of nature. Awareness and maintenance are two ways to prevent or lessen your church's exposure to water damage. Most churches experience water intrusion in the following ways:

- Leaks or backup causing clogs from a plumbing system
- Seepage through a foundation wall
- Clogged gutters and disconnected downspouts
- Old or faulty appliances
- Sewer or septic system backup
- HVAC condensation
- Extreme weather

Water Damage: Early Detection and Mitigation (continued)

Prevention is simple, but not always guaranteed. Your own routine self-inspections and observations can identify a problem before it gets worse. Simply checking plumbing for early signs of trouble such as leaking supply lines/valves or slow draining (clogged?) toilets and sinks, can prevent many cases of water damage. Checking drainage or gutters and downspouts to make sure they direct water away from buildings is also important. Contact a professional plumber if you notice any issues so they can address issues before they get worse.

Routine professional inspections and maintenance of plumbing/sewer systems, appliances, and HVAC systems can prevent losses and even lessen any damage. For example, a small clog will cause less water to back up from a sewer than a large blockage. Plumbers have many options for preventative maintenance, including camera inspections of sewer lines, chemical or mechanical (snaking) cleaning, and even repairs or re-lining of sewer pipes.

Insurance Board offers the following options for consideration for ministries if water damage occurs:

After any water damage situation, your primary focus should be safety. Ask yourself and your congregation the following questions:

- Is it safe to be on the property and in the building?
- Are there any electrical or "slip and fall" hazards?
- What activities are safe to perform?
- Is it safe to lift any heavy wet materials?

If you determine it is safe to be on the premises, consider the following:

- Turn off the water supply to the source that is causing the leak (if accessible).
- Control the spread of the water leak by using towels to absorb the water.
- Contact your local plumber or property management for assistance.

- Contact a professional water mitigation company (if needed).
- Remove excess water by mopping and blotting.
- Wipe excess water from wood furniture after removal of lamps and tabletop items.
- Remove and prop wet upholstery and cushions.
- Place aluminum foil or wood blocks between furniture legs and wet carpeting.
- Turn air conditioning on for maximum drying in summer.
- Remove colored rugs from wet carpeting.
- Remove art objects to a safe, dry place.
- Gather loose items from floors.

What NOT TO DO After Water Damage:

- Do not leave wet fabrics in place (hang items to facilitate drying).
- Do not leave books, magazines, or other colored items on wet carpets or floors.
- Do not use a household vacuum to remove water.
- Do not use a television or other household appliances.
- Do not turn on ceiling fixtures, if the ceiling is wet, and keep out of rooms where ceilings are sagging [from water](#).

We are blessed to have some wonderful, professional, and well-trained mitigation and water cleanup companies available to assist when water damage occurs. In general, there is a network of franchise companies that are well-positioned and equipped throughout the country that can be available to almost anyone. They maintain storm response teams for larger weather events and are available 24 hours a day, 365 days a year. Hiring one of these companies can be the first and most crucial step in minimizing the damage from any water event.

Water Damage: Early Detection and Mitigation (Continued)

Professional restoration companies have a variety of commercial-grade tools available to them that can mitigate damage at a much higher level than any personal equipment. These tools include dehumidifiers, air movers, moisture meters, and air scrubbers. They also have institutional use disinfectants, sanitizers, and antimicrobials for flood damage. These products kill bacteria and stop the spread of germs and mold.

If your ministry plans to file an insurance claim, a mitigation company can make the process easier through its use of standardized insurance company documentation and itemized costs. They can help navigate the insurance claims process and coordinate the necessary paperwork.

Insurance Board recommends your ministry consults with a licensed electrician, plumber, technician, or other building maintenance professional for specific advice on protecting your property.



DISCLAIMER: This communication, along with any attachment, does not amend, extend, or alter the coverage terms, exclusions and conditions of insurance policies referenced herein. Policy language is controlling and supersedes. Guidance provided by the Insurance Board does not constitute legal advice; please seek the advice of an attorney if you wish to obtain legal advice.

Water Claims Lesson Learned:

The number of severe water claims is increasing throughout the country and insurers have begun to feel the impact. According to **Insurance Business**, Chubb has reported that the annual number of water claims costing more than \$500,000 has doubled since 2015, and those costing more than \$1 million have tripled. In a recent article by Insurance Business, an executive from USAA told the Wallstreet Journal, “Wildfires, hurricanes, and tornadoes catch headlines, but the reality is that the No. 1 kind of risk that the everyday consumer has is a water claim.” For businesses and churches, these claims are not only costly in terms of deductibles paid, but also because of the inconvenience caused by an unanticipated interruption of normal operations.

This increase is not just limited to extreme weather events like hurricanes and convective storms. Claims that are the result of plumbing malfunctions such as overflowing toilets and burst pipes have also increased. In a recent study by Travelers, non-weather water incidents were the second most frequent claim type reported by homeowner policyholders.

For Insurance Board participants, non-weather water claims as well as those involving frozen pipes were the most frequent claim types reported in 2021. Moreover, many of these incidents could have been mitigated or prevented by routine maintenance and/or by incorporating water sensor technology. The following examples represent some of our more common types of preventable water claims.

Water Claims Lesson Learned:

Claim Scenario #1

A church reported their basement and hallways had several inches of water. The damages affected several rooms in the church preschool and daycare – approximately 7,000 square feet. The cause was a toilet flush handle that malfunctioned causing the toilet to overflow. A large amount of water warranted a mitigation company being called to clean up the water to prevent further damage. However, the damage was extensive, and the church had to suspend part of its preschool and daycare operations until clean up and repairs were made. The plumbing was more than 50 years old, and the church did not have any water sensors and/or alarms to warn of any leaks or malfunctions.

Claim Scenario #2

A hose under a bathroom sink broke causing extensive water damage to three floors of the church. This church also did not have any water sensors and/or alarms to warn of leaks or malfunctions, and they discovered the supply line to the hose was extremely corroded due to age.

Routine maintenance on bathroom plumbing would most likely have prevented these accidents. Travelers Risk Control advises that water heaters, showers, tubs, toilets, sinks, and plumbing appliances should be inspected regularly and repaired if there are signs of leaks or corrosion. Inspections should include supply lines, hoses, connections, and fittings.

Claim Scenario #3:

Cold temperatures caused multiple pipes to burst inside a church building. Heat had been maintained in the building, but nothing had been done to protect the pipes in preparation for the dip in outside temperatures. The damages to the interior of the church were extensive.

This church also did not have any water sensors and/or alarms to warn of any leaks or malfunctions.

A water sensor can detect the presence of water when a leak or pipe burst occurs and through smart technology, alert the ministry to shut off the water to prevent further damage. In each of these examples, water sensors could have helped to either mitigate or prevent the damages from occurring.

It is also essential to take precautions that can prevent or lower the risk of pipes freezing during cold weather. Consumer reports suggests using pipe insulation – which is very inexpensive – as well as making sure heat can flow into interior spaces which can be affected by outside temperatures. Again, a routine inspection of water pipes in anticipation of a dip in temperatures can help a church identify potential issues before they occur.

As church infrastructures age, the likelihood of incurring a preventable water claim can increase. All these examples involved churches with older plumbing systems.

Routine inspections, preventative maintenance, and the use of water sensors can help ensure these systems are functioning properly, and help churches mitigate future water claims.

Sources:

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<https://www.consumerreports.org/home-maintenance-repairs/how-to-keep-pipes-from-freezing-a2277945570/>

<https://www.insurancebusinessmag.com/us/news/breaking-news/study-water-damage-claims-surging-161741.aspx>

<https://dansig.com/blog/structural-issues-and-aging-buildings/>

Water Sensor Testimonial:

By: Tom Sweet, First Congregational Church of Vernon

FIRST CONGREGATIONAL CHURCH OF VERNON



The church has been very pleased with the water sensor system from Insurance Board. Tom Sweet from The First Congregational Church of Vernon referred to the IB water sensor as a “Godsend” for their church building. According to Tom, the basement is not checked frequently unless someone goes down there. When the heavy rains marched across Vernon, CT in July of 2021, the basement at the church was beginning to flood. The sensors detected the presence of water in the basement and issued an alert. They were able to vacuum the 1.5 inches of water out of the basement and preserve their documents on the shelving units. It might’ve been a few days before someone noticed had it not been for the sensors per Tom.

Additional heavy rain in September of 2021 resulted in water in the basement of The First Congregational Church of Vernon once again. This time, the basement water was getting high quickly and the new heating system was at risk. With the alert from the sensor system and quick actions from members of the church, they pumped the water out and saved the heating system. The church has since invested in a sump pump and combined with the IB water sensors, they feel protected. Tom and his Insurance Board representative, Michael Krause, have been in contact and both believe the water sensors have helped mitigate risk at their church and have installed additional sensors on the main floor.

Speaking of their Agent, Tom shared that they have an excellent relationship with Michael Krause, and they can’t say enough about him. “He’s quick to respond.”



When asked about the installation of the IB water sensor at FCCV, Tom mentioned the process was quick and easy and their administrative assistant was able to install it with a few quick steps. Tom adds, “Works great, simple to use, we are pleased with the system, well worth it. If you’re not activating it, I don’t know why.”

AGENT CORNER “As an agent for the Insurance Board program for over 35 years, I was thrilled that the Insurance Board was able to build a relationship with HSB Connected Technologies to have a program available for my churches to help minimize water damage claims and protect their Ministries from a catastrophe. The easy to install sensor technology monitoring devices not only assist in detecting water in unwanted areas but they also monitor indoor temperatures to prevent pipes from freezing and bursting as a result. Several of my churches have already signed up and reaped the benefits of the monitoring system. I have had several churches that have received warning alerts from the device notifying them that the temperature had dropped in their boiler room. Therefore, the problem was fixed before any pipes could freeze. In another situation, water was detected and the church was alerted immediately. Instead of any major water damage occurring over a long period of time from being unattended to, all that was needed was a minor cleanup due to being alerted of the situation. Seeing firsthand how beneficial a simple loss control implementation could be, I had one installed in my office. If as a program, we could eliminate a water damage claim or at least minimize the size of a water damage claim, it will help us control the insurance premiums that have to be charged to the church. This initiative not only benefits my churches, but the entire program, and therefore, I am in full support. I encourage all churches to sign up for the Insurance Board Water Sensor program to have peace of mind in that they are doing their best to protect their Ministry. “ - **MICHAEL KRAUSE , INSURANCE BOARD AGENT**



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CEO CORNER

I am often asked about insurance premiums and my thoughts on when I believe insurance premiums will begin to decline. I remind those asking the question that we do not cause insurance claims for churches. We pay them, and the cost of insurance claims is the single biggest factor impacting insurance premiums.

This seems like a simple enough concept, and we should all understand that insurance is, fundamentally, designed to protect against the risks of financial and business interruption losses due to sudden and accidental, fortuitous events occurring from time to time. In addition to these claim events, property insurance claims are increasingly exacerbated by a lack of care and maintenance. Each year, more than 30% of all property claims reported and 25% of the dollars expended by Insurance Board are related to water damage emanating from freezing due to poor insulation, leaks from aging pipes and plumbing infrastructure, poor drainage from gutters and downspouts, overdue roof maintenance, improperly serviced fire sprinkler systems, sump pump failures, etc. These claims are frequent and cumulatively expensive, and add considerably to insurance premium costs annually. More than anything, these claims are largely preventable. As I mentioned in a previous article, the largest claims paid within

the Insurance Board program are not weather or climate driven, but the result of human action or inaction. Consequently, policyholders collectively have the most control over how much, and when, insurance premiums relent.

As examples, the largest property claims for the first quarter 2022 involved the failure to extinguish an Advent candle, a frozen sprinkler system that burst, and a sprinkler system discharge due to malfunction. These 3 claims amounted to millions of dollars and accounted for close to 78% of the claim dollars spent during the quarter. All of these claims were entirely preventable. Unfortunately, these types of claim scenarios are far too common. Our focus on loss control and prevention is geared at driving best practices for use at churches and affiliated ministries to mitigate the incidence of these and other insurance losses. Covenantally, if each of our churches works to protect their own facilities, this, in turn, improves the costs for all. Conversely, churches that do not practice effective risk management adversely impact the costs for all churches. As churches begin to appreciate their facilities as vital to church ministry through proactive investment in upkeep and maintenance, they will start to bend the insurance cost curve downward. Diminishment in claim costs, in turn, will have the predictable impact of reducing premiums.



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