

Insurance Matters

"because we care"

The insurance newsletter of the Diocese of Nova Scotia & PEI

Christmas Safety

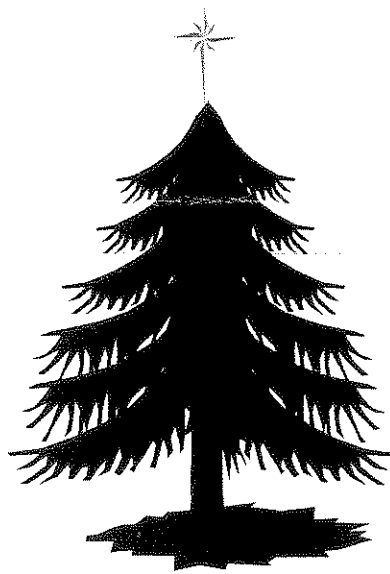
Now that Advent is upon us and Christmas is quickly approaching parishes need to exercise additional caution to ensure that risk of fire is kept to a minimum. According to the National Fire Protection Association (NFPA), the third most common cause of fires occurring in places of worship originate from Christmas trees.

The NFPA recommends using only approved, non-combustible, artificial Christmas trees inside buildings. The location of an indoor tree should be chosen with due care and regard to exit routes.

Electrical lighting sets should be labeled and, before use, should be carefully examined for defective lampholders and insulation. Tree lighting sets should not be left burning when the area is unoccupied.

Candles should never be used for decorating a tree of any kind and not even electric lights should be used on aluminum trees.

Special attention needs to be focused on Advent wreaths. Only



Mission

The Mission of the Diocesan Insurance Program is to provide all participating parishes with the broadest possible insurance coverage at the lowest possible cost and through the Insurance Committee, to assist Parishes with the stewardship and responsible management of their insurable assets and liabilities.

fire resistant artificial garland should be used on the wreaths. Also, candle holder stands should be secure and not in danger of

tipping and certainly not be placed near any combustible material.

Careful scrutiny of possible risks will ensure that your parish fully enjoys the Advent and Christmas seasons.

Please note there is no exclusion under our policy which would negate a claim. The foregoing article is merely an attempt to establishing good and proper Risk Management and to draw your attention to the potential hazards which might be created.

Good News Bad News!

Recently we learned of a parish that took precautions against a lightning strike by installing a lightning rod on the roof. All seemed well until it was noticed that the rod was grounded to the oil tank!!! Not a good idea we believe. The only thing missing was the arrow pointing to the tank. The story does have a happy ending; lightning did not strike and the lightning rod has now been grounded properly.

March 2000 Renewal

The last time most parishes updated their building(s) and content(s) values was during the 1995 year.

Values should be reviewed and updated for the March 1, 2000 renewal to reflect what the replacement cost values are today instead of 5 years ago.

It is our intention to make March 1, 2000, the effective date for any required changes in the insured limits.

Therefore, the earlier these can be determined, the sooner we can give the required instructions to our broker so that the renewal will be issued correctly and further endorsements avoided.

For those locations where an appraisal was acquired, it is not necessary to have a new appraisal made - the appraiser need only trend (up-date) their report to bring the values into today's costs and prices. The only exception is if there has been a major addition to the structure which would alter a building's value.

Unfortunately, when it comes to updating the values of your contents, there is no easy way to do so other than the slow, laborious method of reviewing your content kits line by line and adding up the totals to determine the new insurable total required.

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Demolition Coverage

There are times when a decision is reached to place a location under Class "C" - Demolition and Site Clearing. This is done recognizing that if the building were lost it would not be replaced.

As you know the Loss Settlement Clause for this class reads as follows:-

"The Insurer will pay for the cost of repairing, replacing or rebuilding the lost or damaged property up to the insured limit or the cost of demolishing and clearing the site up to the insured limit".

We suggest that parishes look at insuring the building(s) in a different light than insuring the contents.

Losses which can happen to contents may have no impact on a decision to demolish and clear the site.

We have secured agreement with our insurer to insure the building for demolition and site clearing while at the same time insuring the contents either under Class "A" or Class "B". This will be particularly helpful in situations where the contents would be used at another church in the parish even if the present building was not replaced.

To insure the contents in Class "A", you will need to complete an inventory kit and insure to the final determined total value. To insure

under Class "B", you are at liberty to pick the maximum limit which you feel meets your requirements.

Using a frame, non-protected site as an illustration, the rates applicable vary as follows:-

Class "C"	\$0.5670 per \$100.
Class "B"	\$0.2065 per \$100.
Class "A"	\$0.1450 per \$100.

We believe all locations currently insured under this Class "C" should be reviewed accordingly. Please do not hesitate to call Jarvis deCondé at the Synod office if you have any questions regarding the foregoing or if you need inventory kits.

Contact Us!

If there are any insurance related topics you would like discussed in this newsletter please contact:

Mr. Jarvis deConde, Insurance Advisor
5732 College St.
Halifax B3H 1X3
902-420-0717

This newsletter is published intermittently by the Synod Office of the Diocese of Nova Scotia and Prince Edward Island. It is meant to convey only general information concerning parish insurance and risk management issues. It is not intended to be a statement of policy or a legal document. For specific information on coverage or other topics please contact the Broker, Marsh Canada at 1-800-405-6668 or the Synod office at:
5732 College St. Halifax NS B3H 1X3
Tel 902-420-0717
Fax 902-425-0717
diocese@fox.nstn.ca