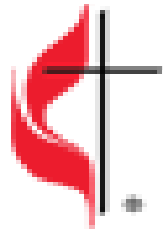


PHLY & HUB 2025

Risk Management Webinar

- 1) Welcome & Prayer**
- 2) Introductions**
- 3) Conference Claim review - Frequency & Incurred losses**
- 4) Property Risk Management Review**
- 5) Crime Risk Management Review**
- 6) Break**
- 7) Liability Risk Management Review**
- 8) MinistrySafe discussion**
- 9) Auto Risk Management Review**
- 10) Active Shooter and WPV discussion**
- 11) HUB Risk Services/Resources**
- 12) Closing prayer**



California-Pacific Conference

The United Methodist Church

Church Risk Management 2025

Presented by:

Jeff Hilborn – Sr. Risk Consultant, Philadelphia Insurance Co.

Dan Sarah – Risk Consultant, Philadelphia Insurance Co.

Katie Haro – Risk Consultant, Philadelphia Insurance Co.

Lizet Hernandez – Vice President, HUB International

Art Pedroza – Sr. Risk Consultant, HUB International

RISK MANAGEMENT

Risk Management: “the sound practice of identifying risk and making informed, calculated decisions to avoid or control these risks, enabling your church to minimize or eliminate events that contribute to losses”.

When we visit your church, we ask questions to gain a better understanding of your exposures and look for solutions. Our mission is loss prevention & safety.

We attempt to answer: What are your outreach ministries? What safety controls are in place? How often does your church participate in abuse prevention training? Do you have volunteers? What do they do? What are your claims and what corrective actions have you taken on prior claims? Is your church risk management proactive or reactive?

CLAIM ANALYSIS

HOW ARE WE DOING???

Property
Crime
General Liability
Auto

Frequency – Total number of claims reported by loss type

Incurred – Total claim dollars incurred by loss type

Property & Crime

Loss Experience 1/1/22 – 3/1/25

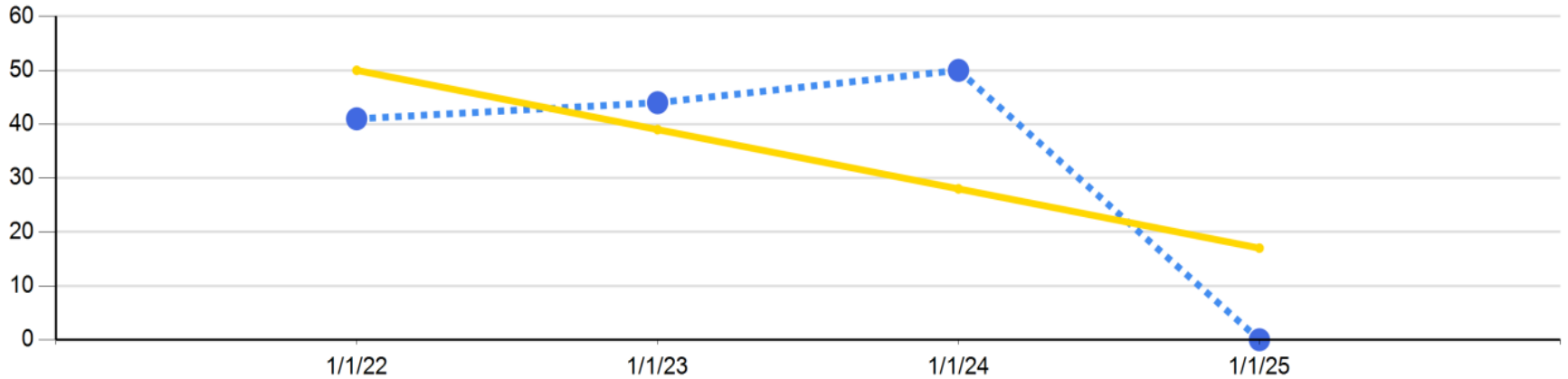
Property Loss Causes By Incurred						
Cause of Loss	# of Claims	% of Total Claims	Total Incurred	% of Total Incurred	Paid Loss	Paid Expense
Weather - Wildfire	3	2.22	\$14,966,467.00	57.26	\$13,226,596.00	\$51,166.00
Fire - All Causes	6	4.44	\$6,058,983.00	23.18	\$5,205,327.00	\$162,043.00
Fire - Arson / Incendiarism	2	1.48	\$2,509,337.00	9.6	\$2,430,060.00	\$79,278.00
Water Damage - Burst / Pipe Leak / Overflow	24	17.78	\$753,976.00	2.88	\$659,798.00	\$94,188.00
Employee Dishonesty	5	3.7	\$619,751.00	2.37	\$574,098.00	\$45,654.00
Vandalism	11	8.15	\$272,717.00	1.04	\$253,565.00	\$19,158.00
Weather - Wind Only	15	11.11	\$251,668.00	0.96	\$206,349.00	\$45,325.00
Burglary & Theft	14	10.37	\$210,908.00	0.81	\$194,503.00	\$16,408.00
Weather - Water (Water Intrusion)	24	17.78	\$205,535.00	0.79	\$50,000.00	\$155,554.00
Weather - Flood	10	7.41	\$161,234.00	0.62	\$116,719.00	\$44,519.00
Property Damage - Motor Vehicle	11	8.15	\$81,802.00	0.31	\$64,030.00	\$17,777.00
Water Damage - All Other	4	2.96	\$24,469.00	0.09	\$9,670.00	\$14,800.00
Weather - Weight of Ice / Rain / Snow	3	2.22	\$15,405.00	0.06	\$0.00	\$15,406.00
Collapse - All Other	1	0.74	\$5,564.00	0.02	\$0.00	\$5,565.00
Falling Objects	1	0.74	\$1,956.00	0.01	\$0.00	\$1,956.00
_Incorrect Policy/Account	1	0.74	\$0.00	0	\$0.00	\$0.00
Total	135	100.00%	\$26,139,772.00	100.00%	\$22,990,715.00	\$768,797.00

Water Damage = 46% of total Property claims reported
Fire losses = 90% of total Property loss dollars incurred

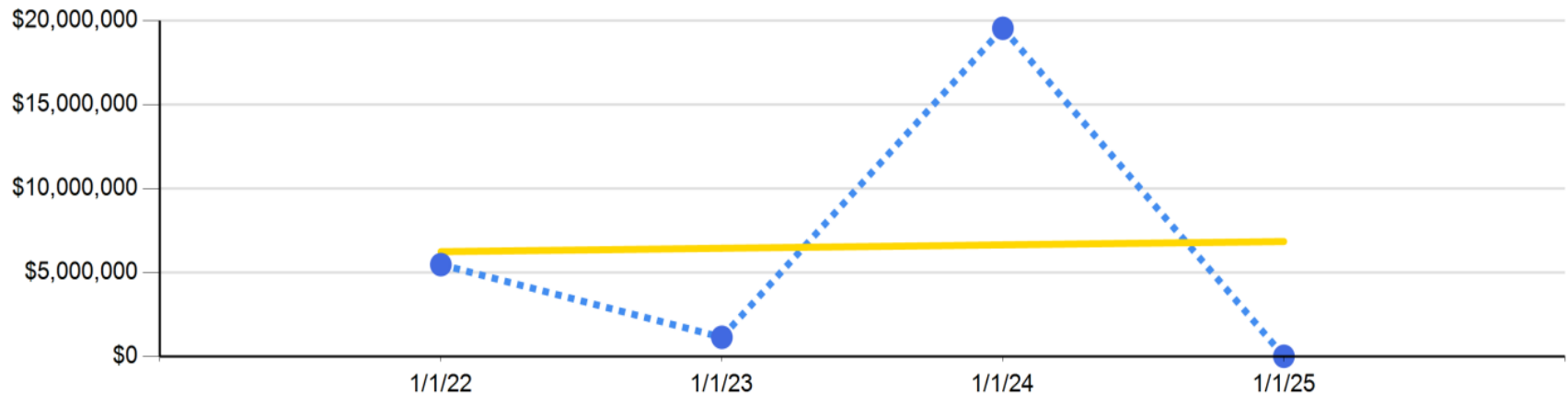
Property & Crime claims 1/1/22 – 3/1/25

Frequency & Severity Trending

Property Annual Frequency Trend






Property Annual Incurred Trend



Liability: General Liability & SAM

Loss Experience 1/1/22 – 9/23/25

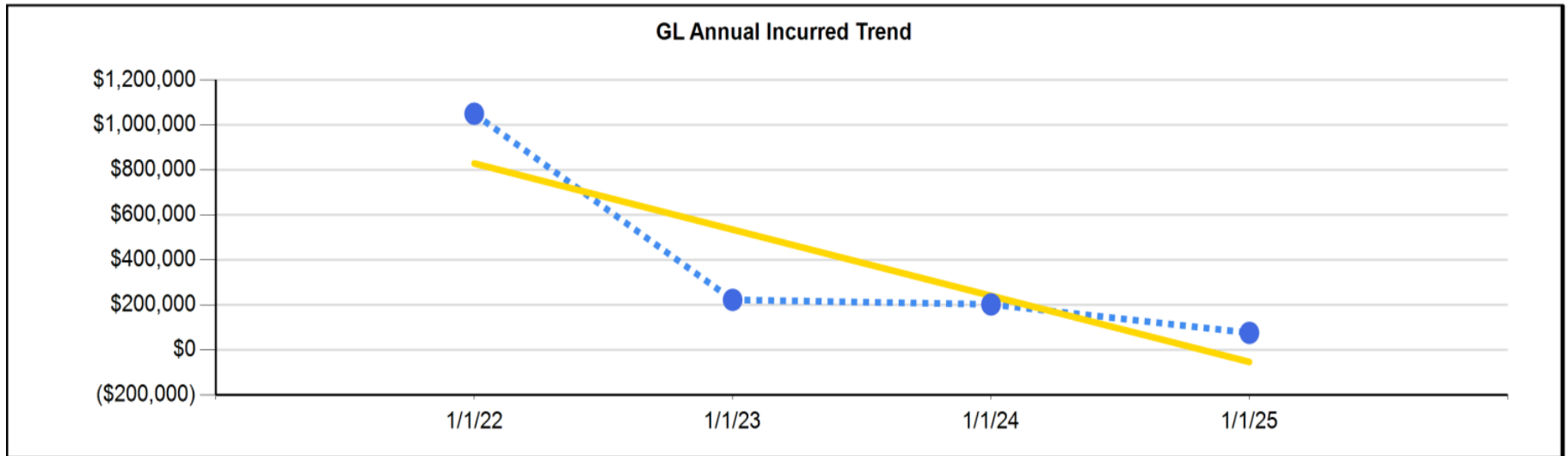
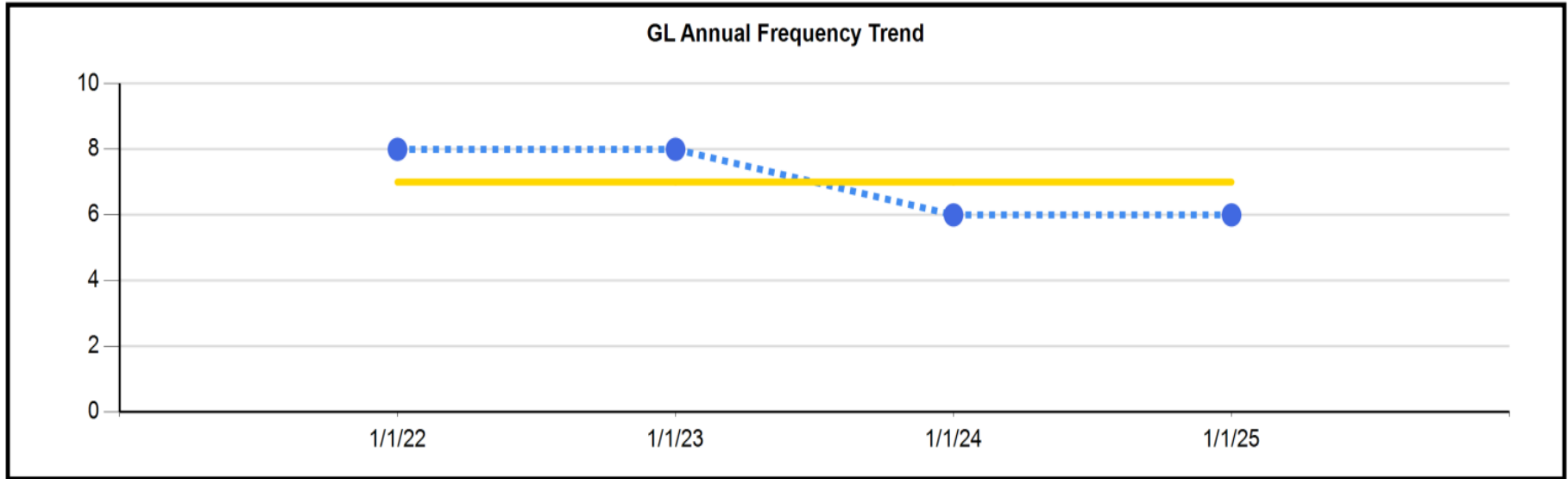
General Liability By Incurred						
Cause of Loss	# of Claims	% of Total Claims	Total Incurred	% of Total Incurred	Paid Loss	Paid Expense
Slip / Trip - Exterior 	5	17.86	\$774,279.00	49.9	\$120,404.00	\$138,787.00
Personal Injury - All Other	4	14.29	\$342,073.00	22.05	\$44,349.00	\$38,672.00
Slip / Trip - Interior 	4	14.29	\$202,642.00	13.06	\$0.00	\$2,644.00
Personal Injury - Assault & Battery	1	3.57	\$125,000.00	8.06	\$0.00	\$17,125.00
GL - All Other	1	3.57	\$75,000.00	4.83	\$0.00	\$8,219.00
Property Damage - Motor Vehicle	6	21.43	\$15,560.00	1	\$14,224.00	\$1,340.00
Slip / Trip - All Other 	1	3.57	\$10,000.00	0.64	\$0.00	\$0.00
Fall - Playground Equipment	1	3.57	\$5,923.00	0.38	\$3,228.00	\$2,696.00
Animal Bite	1	3.57	\$1,079.00	0.07	\$0.00	\$1,079.00
Property Damage - Weather Related	1	3.57	\$0.00	0	\$0.00	\$0.00
Burglary & Theft	1	3.57	\$0.00	0	\$0.00	\$0.00
Breach of Contract	2	7.14	\$0.00	0	\$0.00	\$0.00
Total	28	100.00%	\$1,551,556.00	100.00%	\$182,205.00	\$210,562.00

STF = 36% of total Liability claims reported

STF = 64% of total Liability loss dollars incurred

Liability claims in Last 3 years

Frequency & Severity Trending



AUTO – Liability & Physical Damage

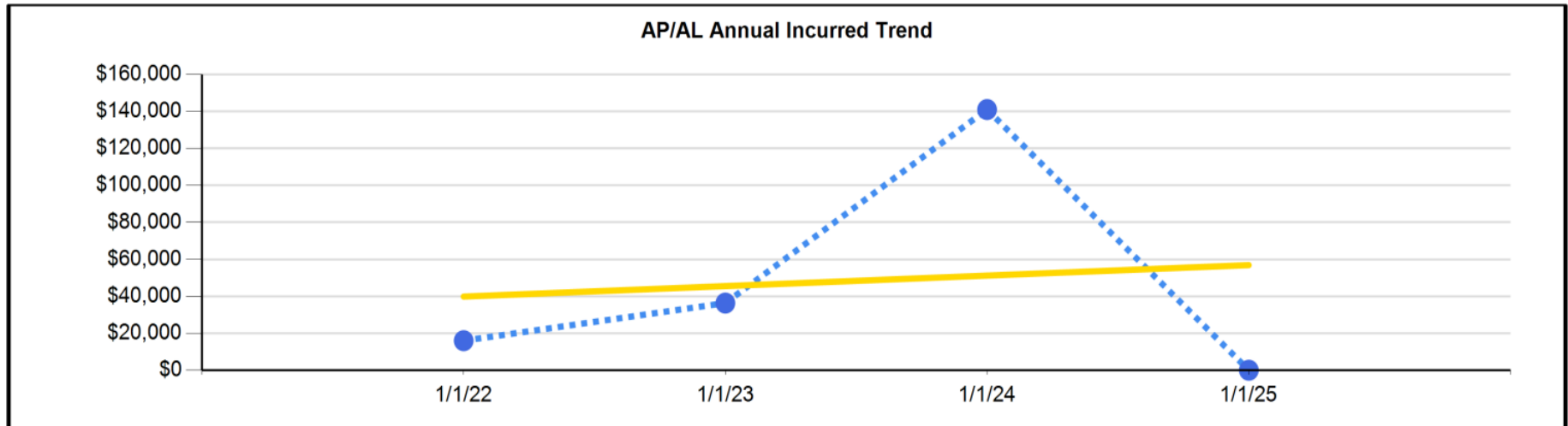
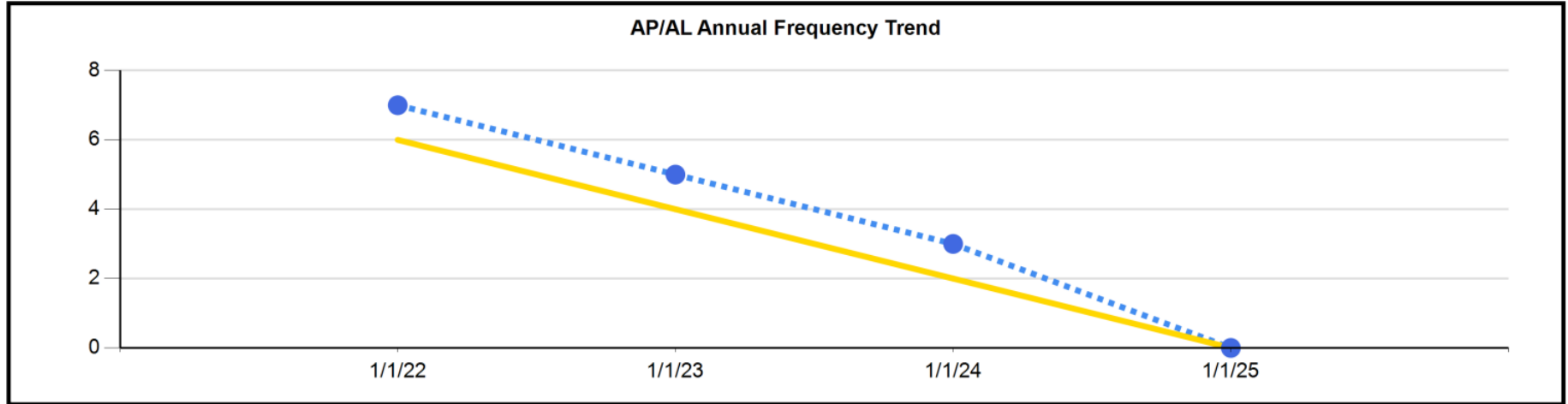
Loss Experience 1/1/22 – 9/23/25

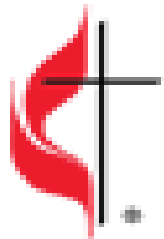
AP/AL Loss Causes By Incurred						
Cause of Loss	# of Claims	% of Total Claims	Total Incurred	% of Total Incurred	Paid Loss	Paid Expense
Employee Driving Personal Auto	1	6.67	\$125,763.00	65.04	\$0.00	\$763.00
Other Than Collision - Theft	2	13.33	\$40,335.00	20.86	\$40,114.00	\$223.00
Other Than Collision - Vandalism All Other	3	20	\$6,972.00	3.61	\$6,483.00	\$490.00
OV sideswiped IV	1	6.67	\$4,681.00	2.42	\$4,459.00	\$223.00
IV hit BUILDING	1	6.67	\$3,752.00	1.94	\$3,580.00	\$173.00
Rental Car - Nonowned - Liability (BI/PD) Claim Only	1	6.67	\$2,844.00	1.47	\$2,845.00	\$0.00
Parked IV - IV Struck While Parked	1	6.67	\$2,755.00	1.42	\$2,318.00	\$438.00
IV REARENDED OV	1	6.67	\$2,411.00	1.25	\$2,269.00	\$143.00
IV hit STATIONARY OBJECT	1	6.67	\$1,812.00	0.94	\$1,742.00	\$70.00
Traffic Light - Improper OV	1	6.67	\$1,123.00	0.58	\$981.00	\$143.00
Rental Car - Nonowned - Physical Damage Claim Only	1	6.67	\$902.00	0.47	\$902.00	\$0.00
IV hit TREE	1	6.67	\$0.00	0	\$0.00	\$0.00
Total	15	100.00%	\$193,350.00	100.00%	\$65,693.00	\$2,666.00

Other Than Collision; Vandalism = 20% total Auto claims reported.
Non-Owned Auto = 65% of total Auto loss dollars incurred.

Auto – Liability & Physical Damage

Frequency & Severity Trending





California-Pacific Conference

The United Methodist Church

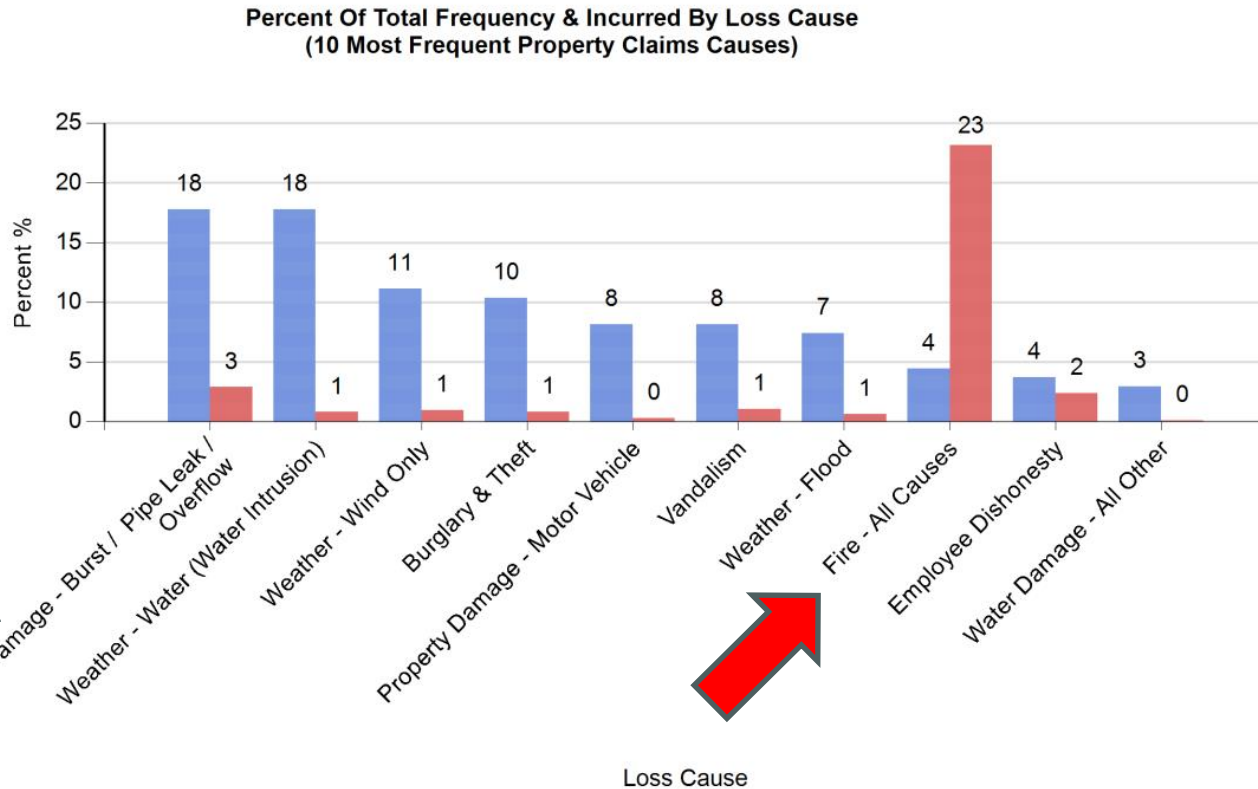
Church Risk Management 2025
Exposures and Controls For:

Property

Presented by: HUB

Property Exposures

1/1/22 – 3/1/25



Water Damage = Blue; frequency of Property claims reported
Fire losses = Red; the severity of Property loss dollars incurred

PROPERTY HAZARDS

Top 2 Property Loss Exposures



Fire is the #1 cause of loss in claim dollars Incurred for churches.

Water damage losses are the #1 most frequent loss type reported for churches.



Property Exposures – Water Damage

Exterior Church - Areas of Concern:

1. Roof – Poorly maintained coverings, clogged gutters/downspouts
2. Walls (meets the ground) – Surface cracks, window deficiencies
3. Below Grade (foundation/basement) – Poorly maintained sewer & water lines, foundation deferred maintenance.
4. Flooding due to surrounding area having ground worn down or washed away.

Interior Church – Areas of Concern:

1. Plumbing – burst pipes, showers, bathtubs, toilets.
2. Washing Machines.
3. Sewer Back-ups.
4. Storms – Rainwater intrusion, surface water intrusion.
5. Frozen Pipes – Check marginally insulated areas.

Water Damage Exposures

Recommendations

Loss Potential Solutions:

- Have a formal written facility maintenance program that include maintenance checklists for routine maintenance in efforts to guard against deferred maintenance.
- Carefully document all building repairs and upgrades. Keep copies of 3rd party contractor bids, contracts, and work orders.
- Inspect all building appliances/fixtures on an annual basis. Including all fittings & connections.
- Provide water damage prevention training for staff, to familiarize them with emergency shut-off valves.
- Create a general maintenance checklist based on HUB or PHLY's template.
- Strategically place water sensors.

Property Exposures - Fire

Kitchen/Cooking Hazards

One of the largest exposure for church fires comes from the kitchens.

Cooking fires are usually caused by:

- *Old or improperly maintained cooking appliances (ranges/ovens/fryers)*
- *Lack of proper flue & filter cleaning*
- *Lack of a proper fire suppression system*
- *Lack of properly mounted and serviced fire extinguishers; require K-class fire extinguisher.*
- *Combustible materials near cooking equipment*
- *Unattended cooking*

Cooking Fire Suppression systems available includes:

- *K-class fire extinguishers – for oil-based fires*
ABC class fire extinguishers – for combustible materials (cardboard, paper, etc.)
- *Commercial kitchen = UL 300 Automatic Extinguishing Systems (AES)*
- *Residential kitchen = Auto-out canisters*

California Code, CFC §904.11 Alternative Automatic Fire-Extinguishing Systems, came into effect in 2008 requiring all commercial appliances to be protected by a UL300 AES.

Property Exposures – Flammable liquids

Causes & Recommendations

Flammable Liquids: Building fires are usually caused by:

- *Improper storage of flammable liquids (chemicals – cleaning supplies)*
- *Too many and out-of-date flammable liquids stored onsite*
- *Improper usage of flammable liquids/agents/aerosols*

Easy Solutions:

- *All Flammable liquids to be stored inside a UL approved cabinet*
- *Never store more than allowable limit per NFPA*
- *Keep all flammable liquids away from electrical appliances and/or outlets*
- *Keep all flammable liquids at least 3 ft. from electrical panels.*



Property Exposures - Electrical Hazards

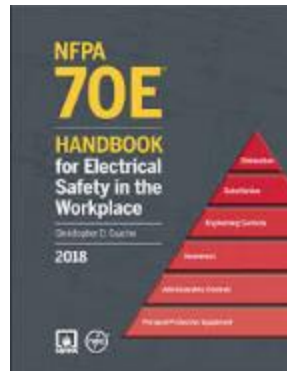
Causes & Recommendations

Electrical System- Fires usually involve:

- *Old or improperly maintained wiring, outlets, fixtures, and appliances*
- *Overloaded electrical outlets (too many power strips, daisy-chaining)*
- *Combustibles near electrical equipment (space heaters, halogen lamps)*
- *The possible existence of aluminum wiring (replace with copper)*

Potential Loss Solutions:

- *Perform a formal annual inspection of entire electrical system – panels, outlets, and appliances*
- *Replace all aluminum wiring with copper wiring*
- *Extension cords should never be in place of permanent wiring*
- *Keep space heaters and halogen lights away from combustible materials*
- *Keep furniture and any combustible materials at least 3 ft. from electric panels*
- *Good source: NFPA 70E*



Property Exposures – Combustible Storage

Causes & Recommendations

Combustibles storage - Building fires commonly result from:

- *Improper storage of combustible materials in a given room (near electrical outlets/fixtures, heating equipment, etc.)*
- *Too much storage of combustible materials in a given room*
- *Covering up & obstruction of fire sprinklers/systems due to ineffective storage practices*



The above can include old files, furniture, building materials, supplies, and holiday decorations, usually stored in a basement or seldom accessed room/closet.

Potential Loss Solutions:

- *Properly organize all storage rooms on scheduled basis*
- *Thin out storage rooms on a scheduled basis*
- *Rent offsite storage for storage overflow if necessary*
- *Utilize a building checklist as a proactive measure*
- *Hire an outside pest control contractor if necessary*



Property Exposures – 3rd Party Contractors/Hot Work

Causes & Recommendations

3rd party contractor fires usually result from:

- *Lack of a fire “watch” post electrical, roofing, or hot work.*
- *Contractor not properly clearing area of combustibles during hot work.*
- *Hiring an unlicensed contractor (electrician, plumber, roofer)*
- *Contractor not contacting “Dig Alert” (underground utilities) prior to performing work.*
- <https://www.cslb.ca.gov/OnlineServices/CheckLicense/CheckLicense.aspx>
- *Recent Example:*
 - *One large one we just had, was a contractor doing roofing on a hot day, the building was destroyed, and the contractor had no insurance.*
- **ALWAYS VERIFY THE CONTRACTOR’S INSURANCE AND GET NAMED AS AN ADDITIONAL INSURED BY THEIR INSURANCE CARRIER!**

Property Exposures – 3rd Party Contractors/Hot Work

Causes & Recommendations

- **Potential Loss Solutions:**
- *Hire only LICENSED, BONDED, INSURED contractors*
- *Obtain a Certificate of Insurance (COI) from contractor*
- *Make sure the contractor's liability & work comp policies are in force*
- *Be sure to have your church listed as an Additional Insured on the contractor's liability insurance policy*
- *HotWorks (welding) – require a **HotWorks Permit** completed prior to workcommencing. Phly has example Hotwork permits.*



Property Exposures – Other Fire Controls

Potential Loss Solutions:

Fire Sprinklers

- Inspected & tested annually and re-certified every 5 years. (NFPA)
- Maintain 18” minimum clearance
- Clear away all dust, residue, paint from sprinkler heads
- Maintain a good supply of sprinkler heads
- Do not hang anything from pipes/heads

Fire Extinguishers

- Inspected & tested annually
- A visible service tag is present at all times
- Proper placement – easily accessible and at eye level (not on floor, behind shelving, storage boxes, etc.)
- Proper placement within utility rooms and kitchen
- Visually inspect monthly

Fire/Smoke Alarms

- Inspected & tested annually
- Preferred hard-wired w/battery back-up
- Prefer they're tied into a 3rd party alarm monitoring entity
- Proper placement (utility rooms, classrooms, etc.).

> Create a simple FIRE Prevention checklist. PHL Y & HUB can help with checklist templates.



Property Exposures – Limited Use

Scenario: You have closed a church building, now what:

- Shut off all water connections to toilets, sinks, etc. & gas appliances.
- Unplug all electrical appliances, lamps, space heaters, portable ac units, etc.
- Properly lock all exterior doors to limit access.
- Do not chain up and padlock exterior doors.
- Keep HVAC running but set thermostat appropriately.
- Keep exterior security lights operating.
- Consider adding dead bolts to interior doors where you have limited access.
- Consider adding signage to interior spaces explaining why access is limited.
- Consider adding a moisture/temperature sensor to boiler/water heater room.
- Contact HUB if you plan to have your building vacant for an extended period of time



...*Please do not padlock interior doors*

Property Checklists

Checklists, checklists, checklists....

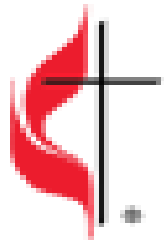
A portion of property losses reported each year can be contributed to deferred maintenance.

A simple monthly, or quarterly, or semi-annual, or annual review with routine maintenance of electrical, HVAC, roof, plumbing, landscape, etc. can help prevent or limit a larger future loss due to deferring a routine maintenance practice.

We encourage your maintenance staff to develop and utilize a formal maintenance checklist. HUB has checklist templates that can help you design a maintenance checklist that works best for you!



PHLY RISK MANAGEMENT
SERVICES



California-Pacific Conference

The United Methodist Church

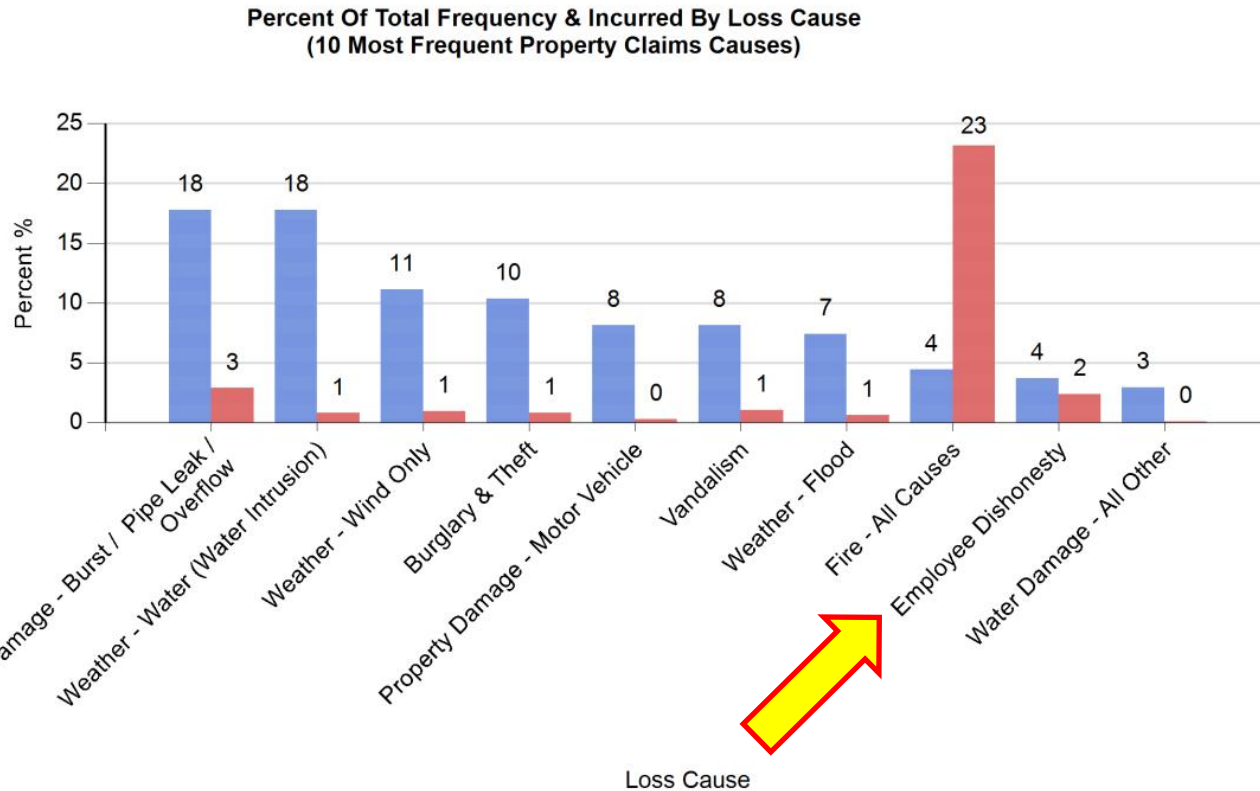
Church Risk Management 2025

Exposures and Controls For:
Crime

Presented by: HUB

Crime Exposures

1/1/22 – 3/1/25



Employee Dishonesty = Blue. 4% of Property claims reported 1/122 – 3/1/25.
Employee Dishonesty = Red. 2% of total Property loss dollars incurred.

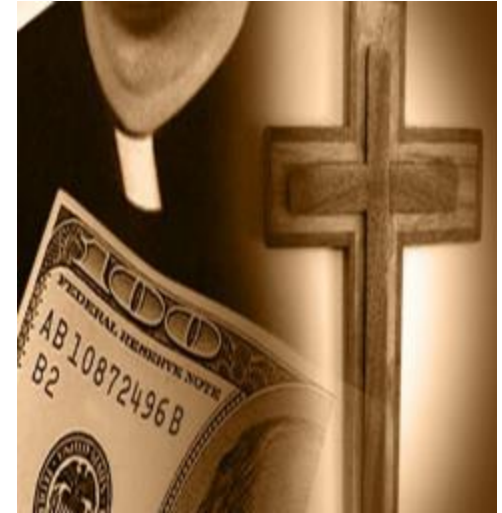
Crime Exposures

Employee Dishonesty

- A long-term problem affecting many churches is employee dishonesty, and more specifically, **embezzlement of church funds** for personal enrichment.
- It is a common belief within many church administrations that fraud or embezzlement will **never happen to them**.

Key points to consider:

- Employee dishonesty fraud generally takes place over a long period of time and involves small sums stolen intermittently, and thus difficult to detect.
- Many Religious Institutions lack the necessary internal financial controls to expose and prevent fraud.
- Usually, fraud is committed by long term employees, volunteers, or members no one would ever suspect. They look like you and me.



Employee Dishonesty

Potential Loss Solutions:



- Conduct **background checks** and **run credit reports** on those handling Religious Institution funds and church credit cards.
- Reference checks
- Cash handling procedures must be documented.
- Signers of checks must **NOT** be the person authorizing the expense.
- Require **TWO** individuals to sign checks of more than a predetermined amount.
- Monthly financial statements must be prepared on a timely basis and submitted to the church board or appropriate person or committee.



Employee Dishonesty

PHLY Recommends...



- **Potential Loss Solutions:**

- Account balances in the financial records should be reconciled with amounts presented in financial reports.
- Do not sign blank checks in advance.
- Checks should be stamped “For Deposit Only” immediately.
- At least two **unrelated members** of the counting committee be present when offerings are counted.
- Money counters must be **rotated** so the same people are not handling the funds each week.
- Counting should be done **behind a locked door**.
- All funds must be **promptly deposited**. Compare offering and other receipt records with bank deposits.
- Money counters must verify that the contents of the offering envelopes be **identical** to the amounts written on the outside of the envelopes.



Employee Dishonesty

Audit Requirement



Audits:

- Scheduled audits and inspections that are a normal part of your financial controls.
- Adding surprise, un-scheduled, audits and inspections to your financial controls.
- Financial responsibilities across the church and across multiple individuals creates a system of checks and balances.
- The key is to make sure that no **ONE** person has too much financial responsibility within your organization.
- **Follow GCFA Audit Guide**



Crime Exposures

Vandalism, Burglary, Theft

A high percentage of Property claims for churches result from various security related incidents or breaches. Common incidents are:

- Vandalism to buildings, stained glass, fixtures, contents/furnishings, & church vehicles.
- Burglary and/or theft of furnishings, electronics, musical instruments, religious artifacts (manuscripts, artwork, apparel), tools, AC units, and copper piping/wiring.

Areas of concern include:

- Poor exterior lighting
- Lack of a surveillance system
- Lack of a central station burglar alarm
- Unsecured windows & doors
- Unsecured high-value items
- Too many entry points
- Overgrown landscaping
- Uncontrolled unhoused issues
- Inadequate/non-existent key control program



Crime Exposures

Potential Loss Solutions:

- Develop a property Security Plan.
- Secure all entry points.
- Install a central station burglar alarm and/or surveillance system.
- Trim back all hedges, bushes, trees that are close to buildings.
- Provide adequate exterior lighting to help improve overall site security.



Crime Exposures

Potential Loss Solutions:

- Consider hiring a 3rd party uniformed security company.
- Prohibit unauthorized vehicles parking onsite
- Properly secure all valuables and high-target items.
- Inventory all church equipment & property annually. Videotape items. Label items.
- Lock those windows and doors!
- Establish a Key Control program
- Consider fencing, gates, and/or chain across the driveway leading into parking lots

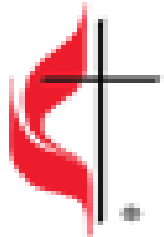


BREAK TIME

**LET'S TAKE A 10-15 MINUTE BREAK
TO REFRESH & RECHARGE**



PHLY RISK MANAGEMENT
SERVICES



California-Pacific Conference

The United Methodist Church

Church Risk Management 2025

Exposures and Controls For:

Liability: General Liability & SAM

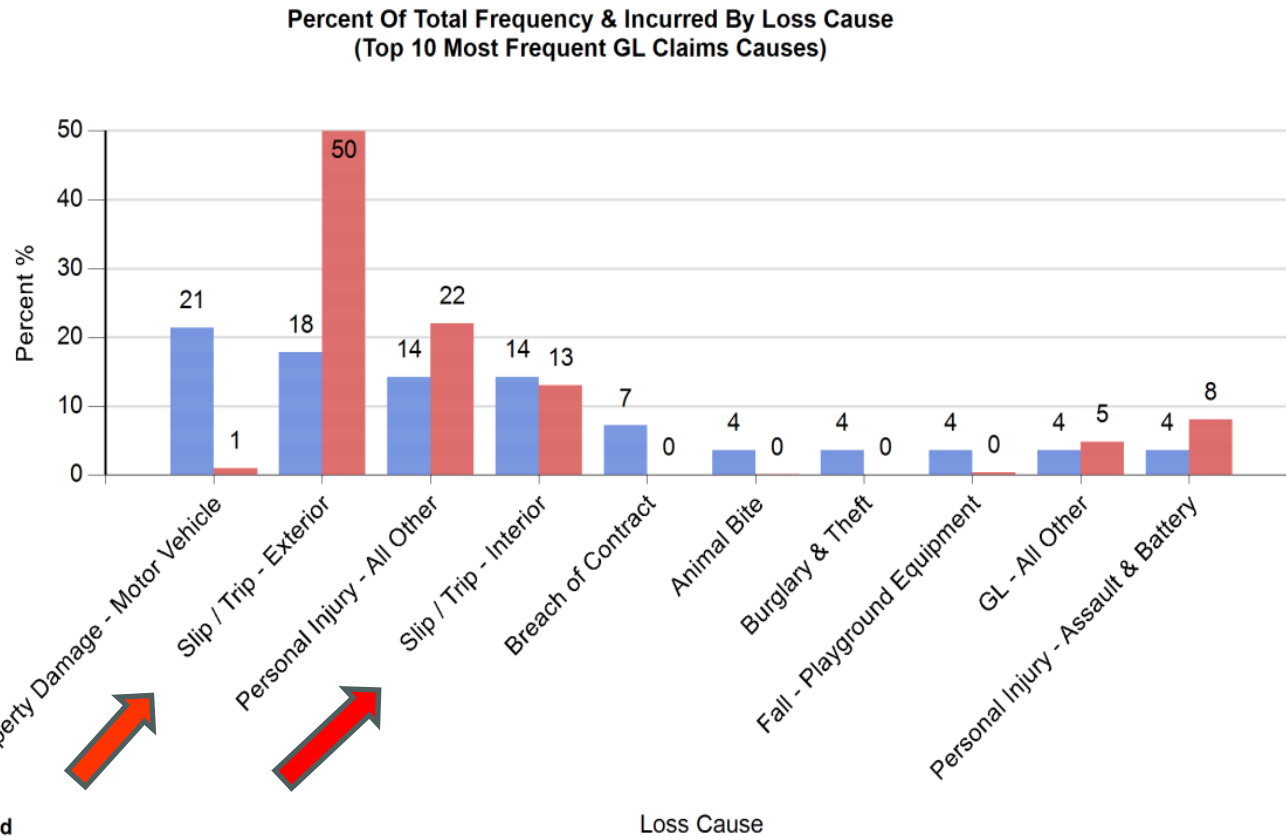
Presented by:

Jeff Hilborn – Senior Risk Consultant, Philadelphia Insurance Co.

Dan Sarah – Risk Consultant, Philadelphia Insurance Co

Katie Haro – Risk Consultant, Philadelphia Insurance Co

General Liability Exposures 2022-2025



STF = Blue. 36% of total Liability claims reported.

STF = Red. 64% of total Liability claim dollars incurred.

General Liability Exposures

Slips, Trips, & Falls

- The number one source of General Liability claims for churches is from **slips, trips, and falls**.
- Monetary damages can be significant, and General Liability claims seldom settle or close in a timely manner.
- A little extra care, a few cents for correction or materials, and **PROMPT ATTENTION** to unsafe floor and ground surfaces can be factors in preventing most slips and falls.



General Liability Exposures

Slips, Trips, & Falls

Church Interior - Areas of Concern:

- *Slippery floor conditions- Uneven, wet, waxed, worn, etc.*
- *Unmarked changes in elevation- Usually **unmarked stairs** but also changes in floor covering (carpet to tile, vinyl to wood, etc.)*
- *Carpeting with “**bumps**” or **tears**. Seems coming apart. Unanchored mats/rugs.*
- *Clutter in walkways, areas of egress*
- *Poor lighting within hallways, along stairways, at exits*
- *Uncovered cables, extension cords, etc.*
- *Occasional spills*

Church Exterior - Areas of Concern:

- *Uneven walking surfaces (sidewalks, pavers)*
- *Parking lot cracks, depressions, and potholes.*
- *Poor lighting along sidewalks, parking lots, at building entrances*
- *Wet surfaces (puddling, irrigation system issues, poor drainage)*
- *Unmarked stairs*
- *Lack of adequate handrails (or improper- excess spacing).*
- *Loose handrails*
- *Exposed tree roots*



Potholes becoming ponds; not desirable.

General Liability - Slips, Trips, & Falls

PHLY Recommends...

Potential Loss Solutions - Interior:

- Make walking and standing surfaces as **non-slippery** as possible.
- Repair or replace **worn carpeting**.
- Mark or highlight **changes in elevation**.
- Utilize **non-skid** mats, runners, or carpet strips whenever possible.
- Have a **spill kit**, wet floor signs and bad weather kit available at all times.
- Utilize **anti-slip floor waxes** whenever possible.
- Utilize PHLY's "**SafeSteps**" Program www.phly.com/rms/blog/SafeSteps.aspx

Potential Loss Solutions – Exterior:

- Fill in all parking area cracks and potholes.
- Grind down all paved walkways where raised sections are present due to age, tree roots, or other factors.
- Highlight leading edges of all exterior concrete stairs with a bright contrasting color.
- Make sure all stairway handrails are secure and in good shape.
- Make sure sidewalk edges that border grass or other landscape areas do not have raised sections over 1". Prevent ankle rolls.
- Install additional lighting where applicable.
- Utilize PHLY's *Slip, Trip, and Fall Self-Assessment Prevention Guide*. (www.phly.com)

General Liability Exposures

Playgrounds

- Many churches have playgrounds for their nursery school and/or daycare operations.
- Playgrounds can be poorly maintained, seldom inspected, and possibly not up to current code requirements.
- Insurance companies see a significant number of child injury claims every year from playground injuries.



General Liability Exposures – Playgrounds

PHLY Recommends...

Potential Loss Solutions:

- Make sure playground equipment is not on concrete, asphalt, or grass.
- You'll need at least 12" of wood chips, mulch, poured-in-place rubber, or sand **surfacing materials** to assure "safe" falls from equipment.
- Adequate "use zones" must be present on all sides of equipment (see CPSC guidebook)
- **Proper signage** must be posted that highlight the rules of the playground.
- Playgrounds should be **fenced & gated**.
- Check for dangerous hardware, like protruding bolt ends.
- Make sure there are no spaces that could trap children, such as openings in guardrails or between ladder rungs, measure less than 3.5 inches or more than 9 inches.
- Check for sharp points or edges in equipment.
- Look out for tripping hazards.
- Ensure **grass and dirt** surface elevations are level and in good condition.

A CPSC playground Safety Handbook can be found at the following link:

<https://www.cpsc.gov/s3fs-public/325.pdf>

General Liability Exposures

3rd Parties, Renting out your Church

- Many churches rent out their facilities to 3rd party entities as part of their core mission, as well as to generate revenue for the Institution.
- The latter can include weddings, community meetings, AA groups, Girls/Boy Scout groups, private schools, music programs, etc.
- Although often integral, they do present many liability exposures such as security concerns, maintenance/housekeeping issues, and contractual liability considerations.
- HUB – Gather Guard.



3rd Parties, Renting out your Church

PHLY Recommends...



Potential Loss Solutions:

Ask the right questions and do your research:

- Do you know them? Will children/minors be involved? What will they do in your space? What rooms/facilities will be utilized? Is there a Key Control program in place? Are there written “rules” in place?
- Do you have a signed “Facility Use” agreement with a “Hold Harmless” defense clause?
- Did you obtain a Certificate of Insurance from the group and have them name the church as an “Additional Insured”?



General Liability Exposures Volunteers

- **Volunteers are the lifeblood of most churches.** They serve on governing boards, assist with services, participate in music programs, supervise and teach children, run outreach programs, etc.
- Given the current legal climate, a poorly screened volunteer can present a huge liability exposure to your church.
- Volunteer liability exposures include ***childcare and other children's programs, maintenance work performed at the facility, driving to and from offsite events, and money handling (ie. fraud/embezzlement)*** as noted above.

- **AB506**



Heartfelt 
THANKS
TO OUR VOLUNTEERS!

General Liability Exposures - Volunteers

PHLY Recommends...

Potential Loss Solutions:

- Adopt a formal written **Volunteer Risk Management** program.
- Volunteers must sign a *Volunteer Agreement and Release from Liability*.
- Carefully screen all volunteers - **Intellicorp**.
- If Volunteers work with children/minors, they **must** be live scanned (AB506) and participate in an Abuse & Molestation training program- **MinistrySafe**.
- Volunteers who drive must provide a copy of their driver's license/automobile insurance. An MVR (Motor Vehicle Report) must be run.
- No hazardous volunteer activities - roof maintenance, heavy lifting, power tools, etc.

General Liability Exposures

Unhoused Ministry Challenges

- Many churches have an active unhoused outreach program and/or Ministry.
- They usually involve some type of meal service or offering (sack lunch), emergency shelter, counseling, job training, or medical referrals.
- Although the above are a wonderful resource, they do present **many** significant liability exposures.
- Be mindful that **Liability** exposures generally involve *security, housekeeping, and sanitation* concerns. **Property** exposures generally involve potential *damage to buildings* from *vandalism* as well as potential *burglary/theft* and fire concerns.



Unhoused Ministry Challenges

PHLY Recommends...

Potential Loss Solutions:

- Develop a **formal written** Unhoused Ministry program.
- Never allow the unhoused near children or minors (daycare, nursery, Sunday school, etc.). Be sure these 2 ministries are separated by space & time.
- The unhoused must be supervised at all times.
- If the unhoused are allowed to sleep onsite there must be physical separation of men/women. Proper life safety controls must also be in place.
- Uncontrolled use of exterior electrical outlets by the unhoused can result in fires. They can also start fires to stay warm, but if the trees catch fire it can spread to the buildings.

• **Ask the important questions** – *Do we have the resources? Are staff properly trained? Are we being a good neighbor? Are their local/gov't agencies more qualified to offer these services? Do we have adequate security controls? Are we adhering to city/municipal codes & ordinances?*



Pre-school/Daycare Exposures

- Many churches provide pre-schools and/or daycare facilities for their members as well as the public. These programs are usually an integral part of the church.
- But they do present many **significant** exposures: *recreational facilities, child abuse potential, security issues, meals/snacks- allergy issues, vehicles/drivers, off premises operations, animals/pets, immunization records, etc.*



Potential Loss Solutions:

- All pre-school/daycare operations must adhere to local and state licensing requirements.
- All personnel must submit to a criminal background check.
- All personnel must participate in some form of Abuse/Molestation prevention training, and this training must be documented.



Pre-school/Daycare Exposures

PHLY Recommends...



PHLY recommends:

- The program must be mindful of specific teacher to child ratio and specific supervision requirements.
- All childcare/daycare facilities must be equipped with proper life safety devices.
- All restroom facilities must have proper “child-sized” sinks and toilets.
- Adequate security measures must be adopted to keep the children as safe as possible.
- For any off-premises activities, all drivers must have a clean MVR (Motor Vehicle Record).



SAM Liability - Abuse & Molestation

- A growing concern for both churches and their insurance providers is the **proliferation of sexual abuse and/or molestation** claims in recent years.
- Churches provide childcare, pre-school, nurseries, and Sunday school type programs for their members. More importantly, families are the building block of most churches and **children are often at the core** of most of their programs and services.
- When you add in 3rd parties- unhoused ministries, and related groups, children are more exposed than ever to potential abuse and molestation incidents.



Abuse & Molestation

What we know

General background on abusers:

- Preferential abusers prefer a child as a sexual partner
- Generally, has a particular age and sex of preference
- Target single mothers
- Abusers will go to where they have access to children
- Utilize specific **grooming behaviors**: *gift giving, child magnet activities, repeated time alone with same child, overly touchy/pushing boundaries, playful but inappropriate touching, etc.*

PHLY recommends:

- Adopt a formal written Abuse & Molestation Program within your church (IT'S MANDATORY)
- All individuals (paid or volunteer) who work with children must have a DOJ live scan criminal background check. AB506.
- Adopt “**skillful screening**” guidelines when hiring employees and appointing volunteers to positions where children are present.



Abuse & Molestation Recommended



Potential Loss Solutions:

- Avoid **unmonitored one-to-one** adult on child, child on child situations at all times.
- Avoid **inappropriate physical touching**, including tickling.
- Watch for grooming behavior
- Utilize the abuse prevention resources provided by the Conference (MinistrySafe)

www.ministrysafe.com/phly

PHILADELPHIA INSURANCE COMPANY
MinistrySafe / Abuse Prevention

Managing the risk of child sexual abuse.

Awareness Training **Staff Screening Process** **Policies and Procedures** **Background Checks** **Monitoring and Oversight**

MinistrySafe / Abuse Prevention Systems
Developed by sexual abuse attorneys who understand the risk of child sexual abuse.

MinistrySafe / APS Membership – access to:

- Online Training and Resources ✓
- Industry-leading Screening Forms ✓
- Staff Screening Training ✓
- Sample Policy Forms ✓
- Online Control Panel Management ✓
- Online Legal Philosophy ✓
- Online Background Checks ✓

Equipping Child-Serving Organizations
The risk is high... the cost of prevention does not have to be.
Organizations need good information and resources to reduce risk.

- Understanding the Risk
- An Effective Safety System
- Recognizing High Risk Indicators of Effective Screening
- Knowledge of Reporting Requirements
- Changes in the Law
- Preventing Over Sexual Abuse
- Responding to an Allegation

Working Together to Provide:

- Live and Online Trainings / Workshops
- On-site System Assessments

Discounted Pricing for Philadelphia Insurance Customers! LEARN MORE

www.MinistrySafe.com/phly

MinistrySafe



Program for Cal Pac began in 2022

Services Provided:

Abuse Awareness Training

Skillful Screening Process

Sample Policies & Procedures

Background Checks- Additional Cost

Monitoring & Oversight

www.ministrysafe.com/phly

A brochure from Philadelphia Insurance Companies titled "MinistrySafe / Abuse Prevention". The top section features the company logo and the title. Below is a photo of children running in a park with the text "Managing the risk of child sexual abuse." Underneath the photo are five circular icons representing different services: Awareness Training, Skillful Screening Process, Policies and Procedures, Background Checks, and Monitoring and Oversight. The bottom section is divided into two columns. The left column is titled "MinistrySafe / Abuse Prevention Systems" and lists various services with checkmarks, including Online Training and Resources, Industry-Leading Screening Tools, Skillful Screening Training, Sample Policy Forms, Online Content Asset Management, Control of Legal Privileges, and Criminal Background Checks. The right column is titled "Equipping Child-Serving Organizations" and lists various topics for training, including Understanding the Risk, An Effective Safety System, Recognizing High Risk Behaviors, Knowledge of Reporting Requirements, Changes in the Law, Preventing Peer Sexual Abuse, and Responding to an Allegation. The bottom of the brochure includes a footer with the website URL and a "Learn More" link.

Other Liability Exposures

Employment Practices Liability (EPL): Insurance That deals with wrongful termination, sexual harassment, discrimination, invasion of privacy, false imprisonment, breach of contract, emotional distress, and wage & hour law violations.

- Be even handed when working with your employees.
- Have regular employee reviews.
- Be sure to adopt a progressive discipline process.
- Adopt an Open-Door policy.
- **Resource:** PHLYGateway



Cyber Liability: Insurance that provides protection from data breaches. Cyber risk is about data you hold and the best way to financially protect you if/when that data is breached.

- Adopt a written **Cyber Security & Response Plan**.
- Educate employees and members about online scams.
- Consider partnering with a reputable online payment services. Pushpay, Venmo, Zelle, NerdWallet, etc.
- **Resource:** eRisk Hub - <https://eriskhub.com/>



Sexual Harassment Training SB1343 Compliance

-**PHLYGateway** offers online classes that cover Harassment Prevention, Best Practices, Employment Discrimination, Smart Hiring, and many more resources.

-Many online classes are available in English and Spanish.

-This is all included at to your Conference and Churches:

Please note: Sexual Harassment training with PHLYGateway is separate from Sexual Physical Abuse training, which is with MinistrySafe.



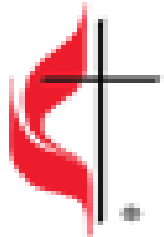
MANAGEMENT & PROFESSIONAL LIABILITY RISK MANAGEMENT GATEWAY

Introducing the **PHLY**Gateway!

Philadelphia Insurance Companies (PHLY) is excited to provide a powerful risk management tool to our Management and Professional Liability (M&PL) insureds. The **PHLY**Gateway is an online, risk management platform that can help organizations mitigate losses and manage business risk.



PHLY RISK MANAGEMENT
SERVICES



California-Pacific Conference

The United Methodist Church

Church Risk Management 2025

Exposures and Controls For:

Fleet – Commercial Auto

Presented by:

Jeff Hilborn – Senior Risk Consultant, Philadelphia Insurance Co.

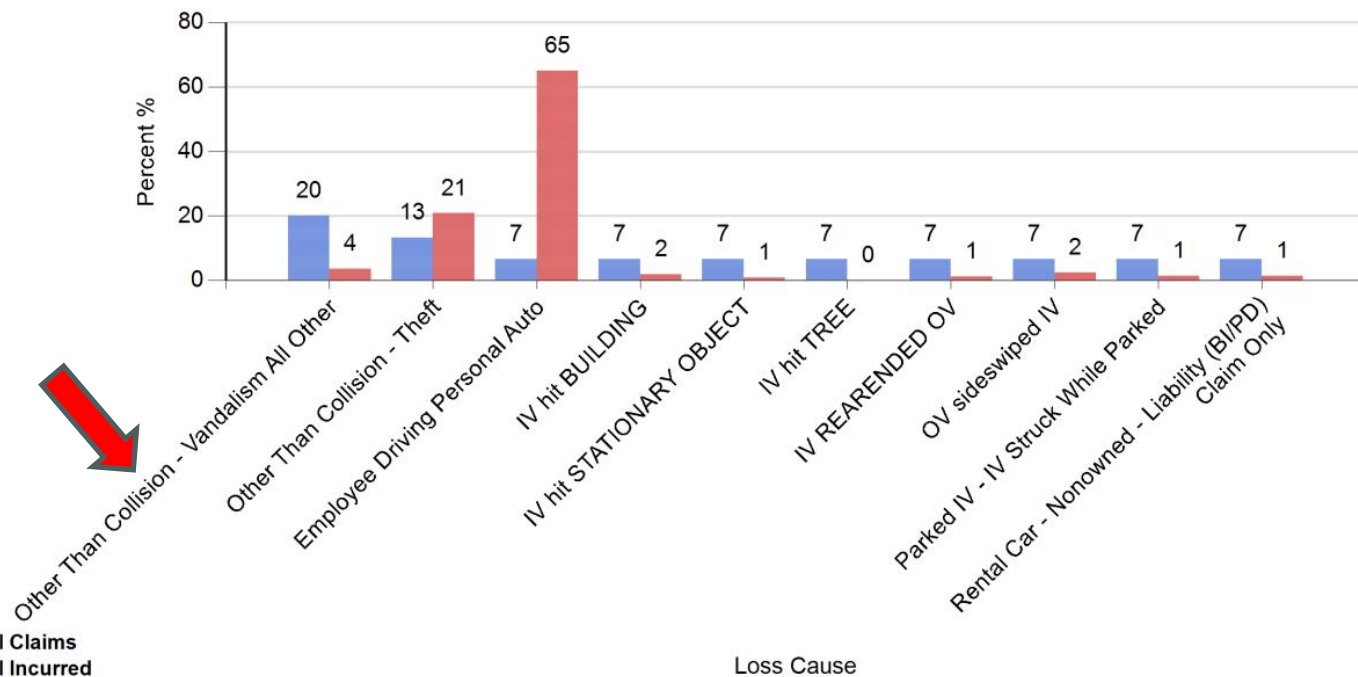
Dan Sarah – Risk Consultant, Philadelphia Insurance Co

Katie Haro – Risk Consultant, Philadelphia Insurance Co

Fleet Loss Experience

1/1/22 – 9/23/25

Percent Of Total Frequency & Incurred By Loss Cause
(10 Most Frequent AP/ AL Claims Causes)



Other Than Collision; Vandalism = Catalytic Converter theft.

OTC; Vandalism = Blue. 20% of total auto claims come from stolen CCs
Non-owned Auto = Red. 65% of Auto claim dollars incurred.

Commercial Auto Coverages

PHPK2638078-018

- **Auto Liability** – Coverage in the event your vehicle causes loss to a third party's property.
BI – accident caused bodily injury; minimal limits in CA = \$15k/30k
PD – accident caused property damage; minimal limits in CA = \$5k
Cal Pac Limits = CSL \$1million
- **Uninsured / Underinsured Motorists** – Coverage in the event your vehicle was damaged by a person who was uninsured. Sometimes this could also relate to hit & run. This is considered a “auto liability” coverage.
Cal Pac Limits = CSL \$1million
- **Auto Medical Payments** – Coverage if a third party is seeking reimbursement for medical bills without regard to who was at fault for the loss.
Cal Pac Limits = \$5,000
- **Physical Damage** – Coverage for damage to your vehicle from various causes.
Collision – Insured vehicle collides with an object (up over a parking stop, etc).
Comprehensive – Glass claims. Hail damage.
Cal Pac Deductible = \$500 Comp/\$1000 Collision
- **Hired & Non-owned Auto** – Coverage when a church staff person has a loss in personal car while on church work activity. PHLY is secondary coverage; the PAP is primary.
Cal Pac Limits = CSL \$1million.
Cal Pac Deductible = \$500 Comp/\$1000 Collision

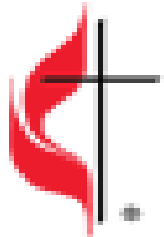
Commercial Auto Exposures

PHLY Recommends...

- **Drivers** – All drivers and potential drivers (using church or personal vehicle for church business) must have a thorough background check, including MVRs and drug screenings.
<https://www.intellicorp.net/marketing/branding/phly2/default\>
- **MVRs** – Churches should not allow anyone driving their church vehicle if the potential driver has had any major moving violation in last 36 months, or 2 or more moving violation tickets in last 36 months, or **any** accident in last 36 months.
- **Accident Investigation** – Churches should require a formal accident report form completed upon any accident and/or suspected accident. PHLY and HUB have forms to assist.
- **Non-owned Auto** – Churches should limit the exposure by limiting the staff from running church errands in their personal vehicles. Churches should not allow any transport of passengers inside a personal vehicle.
- **Vehicles** – Churches should maintain a vehicle manual. All vehicles should be serviced based on manufacturer's recommendations. Churches should require a pre- and post-trip inspection report completed before/after every use. Churches should know when vehicle left, when it will return, where the vehicle is going, and who is driving the vehicle. PHLY and HUB have forms to assist.
- **Garaging** – Churches should garage (whenever possible) vehicles indoors. If outside, the vehicle should be under bright exterior lights with a security camera facing the vehicle. Security alarm.
- **Catalytic Converters** – Keep vehicles under cameras and lighting. Consider adding shields.



PHLY RISK MANAGEMENT
SERVICES



California-Pacific Conference

The United Methodist Church

Church Risk Management 2025

Exposures and Controls For:

ACTIVE SHOOTER & Workplace Violence Prevention Plan

Presented by: HUB

ACTIVE SHOOTER & DE-ESCALATION



- When faced with threats of violence from a subordinate, co-worker, tenant, or visitor, calm yourself before interacting with the person.



<https://www.fbi.gov/how-we-can-help-you/safety-resources/active-shooter-safety-resources>

ACTIVE SHOOTER



- Familiarize yourself with your environment
- Know your escape routes
- Designate safe rooms
- Talk to your co-workers about a preplanned response
- Keep emergency supplies (first aid kit, food, water, etc.) on hand
- Identify ways to lock or barricade your area
- Practice! Practice! Practice!

ACTIVE SHOOTERS



- Run then call 911
- Hide
- Fight for your life if need be



Senate Bill 553 Key Requirements

- Workplace Violence Prevention Plan
 - Employers must establish, implement, and maintain an effective WPV Plan tailored to the specific hazards within their organization.
- Recordkeeping
 - Employers are required to maintain a violent incident log for a minimum of 5 years (incident investigation, hazard identification, corrections, etc.)
- Employee Training
 - Employers must provide job-specific workplace violence training. Required initially and annually thereafter.







HUB SB553 WPV Toolkit

HUB Risk Services Division

California Workplace Violence Prevention Toolkit

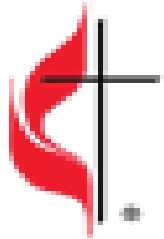
Revised March 2024



WPV Prevention Plan	The written WPV Prevention Plan includes details on who has overall responsibility to implement the plan, how the employer will assess and correct WPV hazards, how employees can report WPV incidents, and steps the employer will take to investigate and address WPV incidents and threats.	 WPVP Template
WPV Assessment	WPV Assessments are required when the WPV Prevention Plan is first established, after each WPV incident, and when the company is made aware of new or previously unrecognized hazard.	 WPV Assessment
WPV Incident Log	Employers are required to record information for every WPV incident on a WPV Incident Log. Information regarding the incident should be solicited from affected employees, witnesses, and investigation findings. The log should omit any personally identifiable information about the affected employee(s). The log should be reviewed annually at a minimum.	 WPV Incident Intake Log  WPV Log Sheet
WPV Training	WPV Prevention training is required when the plan is implemented and annually thereafter. Training material should be appropriate in content and vocabulary to the educational level, literacy, and language of the employees. Additional training is required when a new or previously unrecognized workplace violence hazard has been identified.	 CA WPV Training Requirements  Senate Bill 553 Text



PHLY RISK MANAGEMENT
SERVICES



California-Pacific Conference

The United Methodist Church

Church Risk Management 2025

Exposures and Controls For:

RESOURCES

Presented by: HUB

HUB RESOURCES/SERVICES

- **Property Risk Engineering**
- **Safety & Environmental Management**
- **Regulatory Compliance**
- **Integrated Absence Management Programs**
- **Enterprise Risk Management**
- **Crisis Management**
- **Business Continuity Management**
- **Emergency Management**
- **Security Management**
- **Cyber Risk Management**
- **High Net Worth / Family Office Risk Management**
- **Travel Risk Management**
- **Clinical Risk Management**
- **Fleet Risk Management**
- **Risk Management Information Systems (RMIS)**



HUB RESOURCES/SERVICES

- **MVR Review**
- **Contract Review (insurance specific)**
- **Certificate Review**
- **Building Valuation Report (replacement cost)**
- **On-Site Meetings**

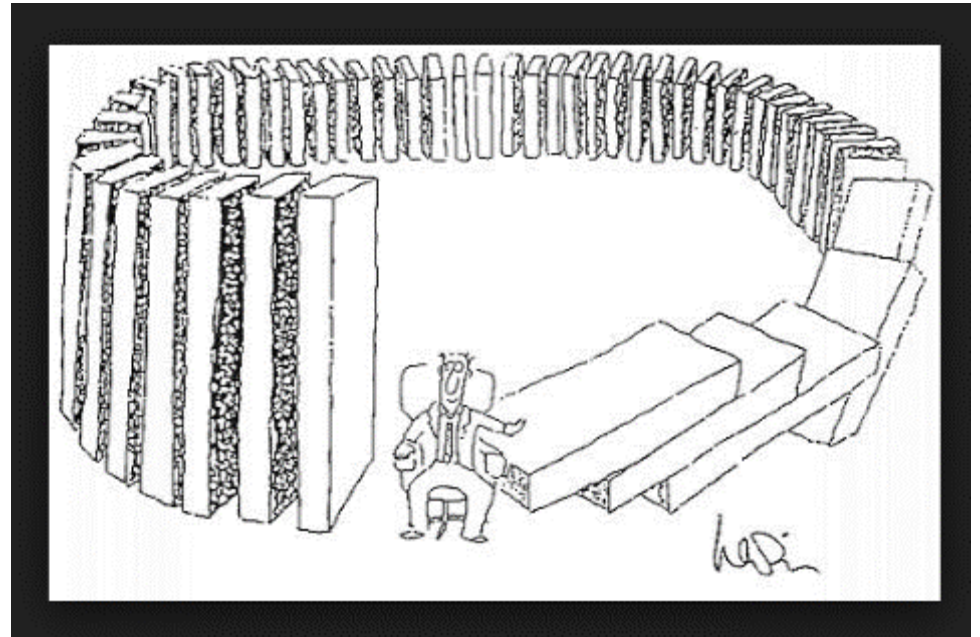


Sign up for HUB's monthly newsletter and occasional invites to HUB events and webinars

[Subscription Preference Center | HUB International](#)

CONCLUSION

- **Expect** the best
- **Plan** for the worst
- **Prepare** to be surprised



Thank You For Participating!!!!



PHILADELPHIA INSURANCE COMPANIES

A Member of the Tokio Marine Group