



Conference Board of Trustees

California-Pacific Conference

THE UNITED METHODIST CHURCH

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Christy Drenner
Interim Treasurer and CPA

February 18, 2025

Dear Pastor, Treasurers, Finance Chairperson, and Board of Trustees Chairperson,

Please read this promptly! Your response is needed immediately!

[At this link](#), you will find an important and urgent letter from Lizet Hernandez, our Account Executive at HUB, our Conference's insurance broker. You have seen this letter before. HUB sent out a similar update on Employee Dishonesty/Embezzlement and Computer Fraud in October, when we first learned that Philadelphia Insurance would no longer be carrying our crime coverage. Thanks to HUB, we secured an extension to March 1, 2025. This gave Lizet and her team time to scour the market for new coverage against financial losses arising from Employee Dishonesty/Embezzlement and Computer Fraud. And it gave your church time to complete an application form for new coverage and some of you have done so.

Here's what we have learned in the interim:

There are not a lot of carriers willing to cover churches for crime coverage. Churches are high risk organizations when it comes to these types of losses. Many of our churches will need to tighten up our financial controls. This is the subject of future communication and training opportunities.

There are two options for your consideration. **One** is low cost, low coverage and high deductible. The **Other** is higher cost, far higher coverage and much lower deductible. The Conference Board of Trustees is requiring all our churches to adhere to at least the minimum coverage designated by the UMC's General Council on Finance and Administration, which is \$25,000.

Option 1 – Lowest Cost Option

Minimum coverage will be provided by Hanover Insurance, \$25,000 coverage, with a \$25,000 deductible at \$350/year. They also offer \$50,000 coverage, with a \$25,000 deductible at \$450/year. This will be group coverage, billed to your church by the Annual Conference like your Property & Liability coverage.

Option 2 – Higher Coverage - Recommended

An individual church policy is available through the Hiscox Insurance Company. Hiscox is willing to cover our churches individually for between \$500,000 to \$1,000,000 with a \$5000 deductible and will cost somewhere between \$1335 and \$7497 per year (determined on individual church exposure including factors such as the number of employees and volunteers.)

- This additional coverage will be an additional policy with an additional premium, billed directly to your church rather than through the Conference.

For **both options** you will need to fill out this insurance application as soon as possible (if you haven't already). Your typed name is sufficient for the signature.

To begin the process for additional coverage:

1. For both the minimum and optional individual coverage you will need to fill out the insurance application. Your typed name is sufficient for the signature. [The Crime Insurance Application is available at this link.](#)
2. Once you download and complete this application, [you can submit it at this link.](#)

You will also be receiving a renewal letter for our group property coverage very soon. The details of which will be sent as soon as they are available. **Please watch for it and review it promptly.**

Those of us coordinating this effort are also pastors and local church leaders and we are fully aware that insurance does not feel like your top priority. But we are called to be good stewards of the assets entrusted to us, and as Pacific Palisades UMC and Altadena UMC can tell you today, insurance is essential in a disaster. The security of your assets depends on your attentiveness to the business of church, even as you engage in the heart and soul work of making disciples of Jesus Christ for the transformation of the world.

Thanks, and blessings,



Rev. Melissa Rusler
Chairperson, Conference Board of Trustees

Christy Drenner

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Conference Treasurer



Rev. Paige Eaves
Assistant to Bishop Dottie Escobedo-Frank