

GATE



KEEPER

SOUTHERN MUTUAL CHURCH INSURANCE

- | | | |
|---|---|---|
| 2 Verify your contractors are licensed and insured | 3 Background checks needed with volunteers as well | 4 Keeping the children safe in VBS |
|---|---|---|



Prevention is the key to avoiding huge damage from water leaks

For several days at the end of December and beginning of January, temperatures plunged across the seven states that Southern Mutual Church Insurance serves. A number of our churches experienced claims from frozen and ruptured plumbing and fire suppression systems.

Churches are often older structures with water supply lines in attics, crawlspaces or within exterior walls where the pipes are not insulated and therefore exposed to the cold weather. When the cold is extreme for two or three days in a row, those pipes can freeze or burst. That is a big problem, especially if not discovered for several more days.

But water leaks are not just a cold weather problem. While there is a heightened hazard during a freeze, "we have water claims throughout the year," says Loss Control Manager Mike Brittain.

And those claims can be quite expensive when water is allowed to do its worst damage to a treasured structure. In cases involving sprinkler systems, it can run into hundreds of thousands of dollars. Obviously, that is why you need insurance. But the inconvenience of being unable to conduct normal operations in your church for weeks and months at a time while repair work is being done can be just as bad, if not worse.

And it happens all too often. Mike points out that water damage is "the second largest driver of losses we handle after wind and hail." And when the trouble comes in waves, it takes time to get the problem fixed. This past winter, Mike says the contractors who do that type of work were "just swamped."

The key is prevention. Here are some recommendations from Mike:

- "Do your routine maintenance." That means annual inspections by qualified experts to check the condition of your water infrastructure.
- Replace pipes if necessary. For instance, if your water supply line is made of copper that is 50 years old or older – it may be time to upgrade. As copper plumbing systems age, they corrode and become susceptible to leaks.
- Consider installing a leak detection device. Some devices monitor water flow through a main supply line and send a warning to your mobile phone if there's an indication of a leak. If you do not respond, it will shut off the water automatically. Other devices can be installed throughout the building to detect the presence of water where it should not be. These effective devices are becoming more and more popular to prevent and reduce water losses, both large and small. Water Hero, Moen and Leak



What our churches are saying...



"I really appreciate SMCI taking care of us with the water damage. The adjuster was so thorough in looking at everything that was damaged and working with us. He was super! Thank you again!"

– Crosswell Apostolic Church, Easley, SC

"Excellent Responsiveness! Able to tarp roof and prevent interior damage from rain as a result of quick authorization of reimbursement. All around excellent service."

– Dublin Bible Church, Dublin, GA

"We thank you for your great service during our time of need. May God bless you and keep you. Thanks again!"

—St. Matthew Missionary Baptist Church,
Donaldson, GA



"We are so blessed to have Southern Mutual Church Insurance coverage. Very helpful!"

– New Life Baptist Ministries,
Bessemer City, NC



"The claim was handled in a professional manner. I would recommend this company to any church who is looking for a great insurance company!"

– Harrell Chapel Baptist Church,
Lenox, GA

Verify your contractors are licensed and insured

In the top story of this edition of the Gatekeeper, we discussed the damage water leaks can cause. That is but one of many scenarios in which your church may need to engage the services of a contractor.

When hiring a contractor, it's important to make sure that they are licensed. While licensing requirements vary by state and trade, a contractor who is licensed brings with them a degree of credibility. Hiring an unlicensed contractor can potentially lead to large out-of-pocket expenses. An example would be hiring an unlicensed roofer. If a roofing contractor is not in compliance with state requirements for licensing, there may be a greater chance they cut corners or ignore codes for roof installation.

Verifying that your contractor is insured is also important. Hiring uninsured contractors may cause the church to be responsible



for resulting damage caused by the contractor's faulty workmanship.

Don't sign a contract without proof of the contractor's insurance. Request a certificate of insurance which will provide limits that should be adequate for a worst-case scenario injury or damage. Request to have your church listed as an Additional Insured on the contractor's insurance policy.

All employers, including contractors, should carry workers' compensation to protect themselves and their employees while on the job.

Make sure you are adequately insured

Everything costs more these days. This is true for construction and repairs to buildings as well as items you purchase at the grocery store.

Inflation has caused increases in building materials and labor costs, making repairs more expensive. In the event of a total loss, you want to be sure that your coverage limits are sufficient to replace your buildings. Contact your agent or us directly and we will gladly review your coverage. There is no obligation for you to increase your limits. It's just one of the many valued services we offer our policyholders.



Background checks needed with volunteers

In this issue's Vacation Bible School article, we stress the importance of performing background checks on anyone who comes in contact with the children – including volunteers. The need for such checking goes well beyond VBS.

If your church offers any kind of childcare, you need to take the same kind of precautions year-round. It is easy to overlook this important step when the worker is a volunteer.

A similar vetting process should be done for anyone working with or handling your church's



finances. You owe that to all who donate to support your ministry. A person should not be given access to church funds without performing a background check and following up on references.

SMCI offers access to discounted background checks on our website in the Child Protection section under the Resources tab. Please visit www.smcins.com to learn more.

Payment just a click away



At Southern Mutual Church Insurance, we like to make things easier for our churches. That is why we offer a simple, online payment system for policies that will transfer the money directly from your church's checking account.

Simply go to our home page, www.smcins.com, and click on "Make A Payment." The instructions on that page will walk you through the process.



Keeping the children safe in VBS

It's summer and for many churches, the doors will be open for hundreds of kids to attend Vacation Bible School (VBS). That is a big job, requiring a lot of staff and volunteers. Here are some things to keep in mind so that children are safe at your church:

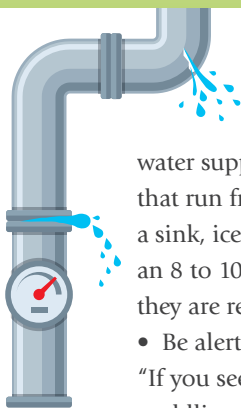
- Conduct background checks on anyone working with the children, including the volunteers.
- Make sure everyone – including those volunteers – is trained to work with kids and address emergencies.
- Ensure that you have adequate staff and volunteers trained in first aid. We highly recommend the first aid course from CongregationU. Please visit our website to access this training.
- Establish an efficient and reliable check-in and check-out process. Know where the children are at all times and who is responsible for them.
- Make sure you have all relevant information from parents including allergy and other medical information.
- Prohibit all one-on-one interactions between adults and children. Please review the Child Protection information under the Resources tab on our website for this important information.
- Check your property for any safety hazards, including playground equipment, walking surfaces and all areas of recreation.

If you have policy questions related to your VBS program, we are here to help. We wish you and everyone a safe and blessed summer!

Prevention is the key to avoiding huge damage from water leaks (continued)

Defense System are just a few companies providing products aimed at preventing plumbing losses.

- Make sure toilets are working as they should. A toilet tank left running for several days – which could happen in a church building that is unoccupied for much of the week – can overflow and do tremendous damage to floors, walls and to the floors below in the case of an upstairs bathroom.
- Know that you can only count on a water heater to last for about 10 years. They are the culprit of many large water losses in churches, parsonages and fellowship halls.



- The problem is not just main water supply lines. Flexible supply lines that run from the wall to fixtures – such as a sink, ice maker or water fountain – have an 8 to 10-year life expectancy. Make sure they are replaced BEFORE they fail.
 - Be alert to anything that involves water. “If you see a valve that’s glistening, or puddling under the sink – you need to take action,” Mike says.
- Regular maintenance and quick action to address problems could save you from being without the use of your church home for a painfully long time. Prevention is the key.



LETTER FROM THE PRESIDENT

Lately at Southern Mutual Church Insurance, we have been focusing on GRATITUDE.

We should all do more of that in our lives, as no doubt the Pastors at most of our churches would tell you. Each of us has so much to be thankful for. That is certainly true here at SMCI. We have many wonderful blessings, starting with our policyholders, agents, employees and business partners.

Once again, we present the Gatekeeper as a way to show that gratitude by sharing ways to protect your church, its ministry and congregation.

That includes being aware of the damage that water leaks can cause and learning ways to avoid them – or at least mitigate the harm they can do when they occur. This is our top story this year because we have seen so many of our churches experience water losses due to freezing pipes, failed supply lines and old water heaters. Please be sure to read what Loss Control Manager Mike Brittain has to share.

Of course, when you have such damage, you will need to seek out a contractor to help make repairs – but be careful. Sometimes following the least expensive and easiest path can lead to big problems. It is imperative to make sure your contractor is licensed and insured.

Elsewhere, you will see tips on keeping the children safe during Vacation Bible School, which among other things includes conducting background checks on everyone they will encounter – including volunteers.

Let us all remember to be grateful for our blessings. We know that troubles can arise, but SMCI stands ready to help and serve as we have since 1928. Please call us at 1-800-922-5332 if we can ever be of assistance to you. Or visit www.smcins.com to learn more.

Robert Bates, CPCU, CRM, CIC, AIS

President & CEO, Southern Mutual Church Insurance Company

No rate increases for three years. **We promise.**

The world can be full of unpleasant surprises – storms, fires, floods, broken water lines, vandalism and more. There is one place where you will not be surprised – your insurance bill from Southern Mutual Church Insurance. We guarantee rates for three years on our commercial package policy, giving churches the financial security and predictability they need.



Connect to our online resources

Visit the Resources section of our website to find helpful information about the issues facing churches today. We have created informative articles, videos and handouts about topics such as church security, child protection, cyber security, theft and more. You will also find the latest edition of the Gatekeeper. Visit www.smcins.com and click on Resources.



Scan to visit our website

PSRT STD
U.S. POSTAGE
PAID
COLUMBIA SC
PERMIT 907



Serving Churches Since 1928

201 Greenlawn Drive
P.O. Box 9346
Columbia, SC 29290-0346

803-776-9365
800-922-5332
www.smcins.com