



Upper New York Conference

The United Methodist Church

To live the Gospel of Jesus Christ and to be God's love with our neighbors in all places.

To all Churches in the Upper New York Conference -

December 12, 2017

We are writing to update you on your insurance coverage for 2018. As you know, we currently have a master insurance policy and program through Church Mutual. This will continue again in 2018. Walsh Duffield will also continue in 2018 as our risk management and insurance consultants.

Our Church Mutual policy applies to all Churches in the Conference. This provides consistency for churches and efficiencies for the Conference and the Trustees in the administration and pricing of the program.

This has not been a good year for us from an insurance claims standpoint. We have two significant losses and some unusual weather issues (ie., high wind damage claims) which have impacted our pricing for 2018. Here are the details for the 2018 program:

- All coverage aspects of the Conference's policies will remain the same as the 2017 insurance program, including property and liability limits, deductibles, policy terms, etc.
- As a result of significant insurance losses and claim payouts in 2017, all Churches across the Conference will see a 3%-5% increase in their 2018 "Commercial Multi Peril" premium from Church Mutual.
- In an effort to be proactive and hopefully prevent similar losses in the future, we have asked Church Mutual to enhance their loss control site visits to individual Churches in 2018. This will lead to more frequent inspections of Churches across the Conference and a renewed focus on safety and protective measures.
- As an additional risk management enhancement, every Church that is a part of the Upper NY Annual Conference will now be eligible for Church Mutual's Water Sensor Technology in 2018. This valuable tool is offered free of charge, and therefore, we are asking each Church to participate in the program going forward. We believe this initiative will help mitigate future water damage issues and better position the Conference to limit additional insurance price increases in subsequent years.

We expect that Church Mutual will be sending out 2018 invoices to the Churches this week. Please let us know if you have any questions regarding your billing.

Walsh Duffield will lead the Conference through an extensive RFP process on our master insurance program to explore all options that the insurance marketplace has to offer prior to 2019.

Finally, we wanted to thank you for your patience in our providing you with this information and the Church Mutual invoices. We have been negotiating with Church Mutual for the past three weeks and this has taken longer than we had hoped.

Thank you very much.

Sincerely,

Peter H. Abdella

Rev. Jack Keating

From the Trustees Insurance Committee