

Risk Management

Business Manager Professional Development Day

October 13, 2021

Overview of Risk Management



Risk Management Trust and Self Insurance



Allocation of Risk



Safety & Security



Winterization Checklist



Risk Management Contacts

Risk Management Trust

Established in 1998, the Archdiocese of Denver Risk Management and Property/Casualty Trust ("Insurance Trust") provides funds for the risk management program for the Archdiocese, the parishes of northern Colorado, and its related ecclesiastical organizations. The risk management program is administered by the Archdiocese of Denver Management Corporation to provide property and casualty insurance at affordable costs; to provide education and consultation in the areas of public safety, environmental protection, and risk management; to provide a self-insurance fund to pay uninsured claims; and to provide the administration required to support the program.

Self-Insurance

Self-Insurance — a system whereby an organization sets aside an amount of its money to provide for any losses that occur—losses that could ordinarily be covered under an insurance program.

The money that would normally be used for premium payments are added to this special fund for payment of losses incurred.

Self-insurance is a means of *capturing the cash flow benefits of unpaid loss reserves (claims) and offers the possibility of reducing expenses typically incorporated within a traditional insurance program.*

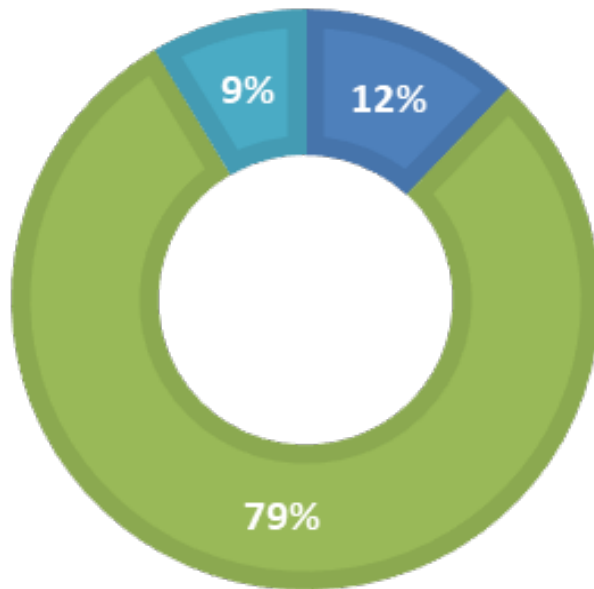
Risk Management Trust

- Total cost of risk is allocated to parishes and ecclesiastical entities each year
 - The basis for the allocations are updated via the annual insurance questionnaire sent to Business Managers
 - Each entity pays their allocation into the trust
- Premiums, claims and fixed costs are paid from the trust
- Net assets are invested and retained in the trust

Total Cost of Risk - \$7.2MM

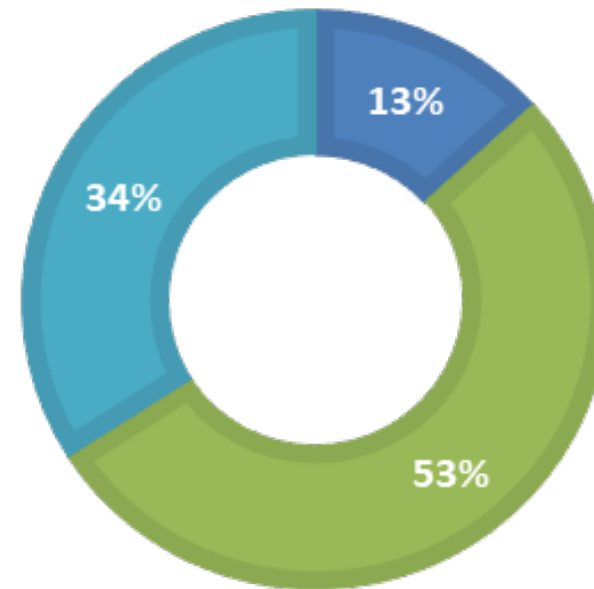
FIRST DOLLAR COVERAGE

■ Fixed Costs ■ Premiums ■ Claims



SELF INSURED

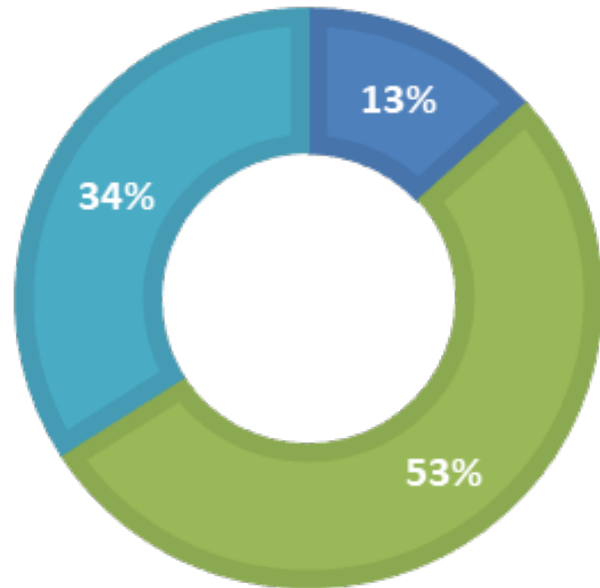
■ Fixed Costs ■ Premiums ■ Claims



Total Cost of Risk - \$7.2MM

SELF INSURED

■ Fixed Costs ■ Premiums ■ Claims



- Premiums – guaranteed cost is reduced from 79% to 53%, savings of nearly \$2MM
- Claims cost increases from 9% to 34%
- Shift from guaranteed premium to retained losses
- Retained losses (claims) are controllable
- Reduced claims costs can decrease cost of risk for all

Allocation of Risk

Type of Coverage	Basis for Allocation
Property	Square Footage/Value
General Liability	Type of Entity
Auto Liability	Parish Owned Autos
Worker's Compensation	Wages
Cyber	Type of Entity

- Due to GGB.ArchdioceseDenver.Risk@ajg.com October 22, 2021

Parish Security & Safety

- Each person who visits our parishes should be able to pray, attend Liturgies, and conduct other activities in a safe and secure environment.
- Parishes should take precautions to minimize the risk from those who intend to inflict harm.
- Tools and Resources on Denver Parish Connect
 - Parish Security & Safety
 - Parish Security Considerations
 - “Worship without Worry” by Tina Lewis Rowe
 - Security Checklist

Annual Winterization Program

Participate in the program & make every effort to properly winterize your building = no deductible applied to “freeze” claim loss!



2021 WINTERIZATION CHECKLIST

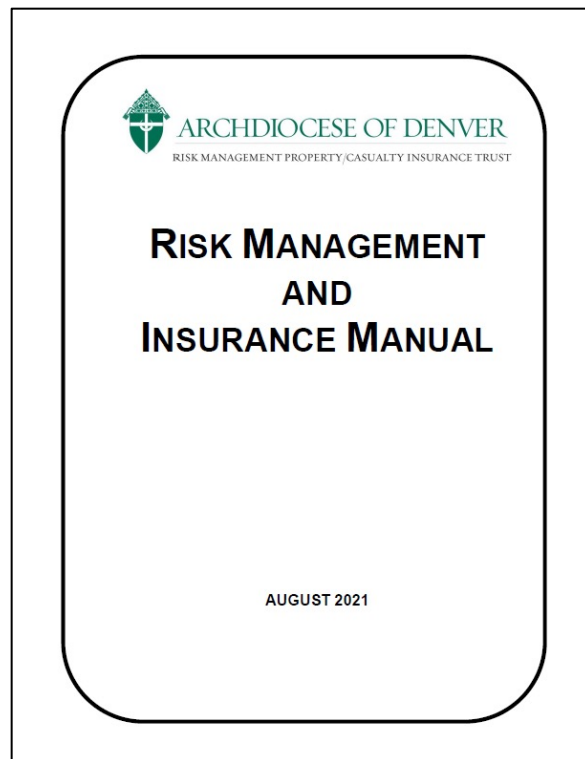
Parish/School/Organization: _____ Loc. No: _____
 Person responsible for Winterization Program: _____
 Date of initial planning meeting: _____

EXTERIOR	Date Completed	By
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- | | | |
|---|-------|-------|
| Blow-out and drain lawn sprinkler systems to avoid freeze-up and damage. | _____ | _____ |
| Remove all garden hoses from outside faucets. | _____ | _____ |
| A thorough "clean up" of the roof should be done. Debris thrown around on the roof by wind creates many problems. Repair any deteriorated areas of the roof. | _____ | _____ |
| Clean all drains, gutters, and downspouts of debris. Check all gutter seams and seal if necessary. | _____ | _____ |
| All metal cap flashings should be recaulked where necessary. | _____ | _____ |
| Inspect and repair tuck points where needed. | _____ | _____ |
| Each H.V.A.C. unit should be checked for the following: | _____ | _____ |
| - Condensation pans and drains should be cleaned and checked. | _____ | _____ |
| - Unit accessories and panels should be secured and sealed. | _____ | _____ |
| - Examine external duct work. Check seals on joints. | _____ | _____ |
| Swamp coolers should be drained and covered. Exterior water lines should be turned off and drained entirely. | _____ | _____ |
| Inspect the domes of skylights for cracks and reseal with non-hazardous sealant, if necessary. | _____ | _____ |
| Check on vents and pipes to make sure they have storm collars and are sealed properly. | _____ | _____ |
| Top off pipe penetration pockets (pitch pans). | _____ | _____ |
| Make certain all exposed fasteners are tight and weather sealant is in good condition. Replace and repair if necessary. | _____ | _____ |
| Check gaskets at roof access doors and hatches for proper fit. | _____ | _____ |
| Keep ice and snow away from drain areas on roofs by clearing a path from the roof center to the drains. | _____ | _____ |
| Be careful when walking on roofs to avoid surface damage and falls. | _____ | _____ |
| Never attempt to melt ice from drains or roof surfaces with blow torches or similar devices. | _____ | _____ |
| Occasionally, it may be necessary to clear your roof of a major snow accumulation. | _____ | _____ |
| If heights or climbing are involved, seek professional help for this potentially dangerous task. A professional has the knowledge and the tools to do the job safely. | _____ | _____ |

Risk Management Manual & Contacts

- Updated Risk Management Manual
 - Sent to all Business Managers end of August
 - Can also be found on Denver Parish Connect



CONTACTS

Claim Reporting

Gallagher Bassett Services, Inc. - 1-844-529-8284
tnwclaims@tnwinc.com
Archdiocese of Denver Client Number: 000049

Certificates

Arthur J. Gallagher Risk Management Services, Inc.
e-mail - ArchdioceseDenverCerts@ajg.com

General Risk Management Questions

Arthur J. Gallagher Risk Management Services, Inc.
e-mail - GGB.ArchdioceseDenver.Risk@ajg.com

Boiler and Machinery (Equipment Breakdown)

Arthur J. Gallagher Risk Management Services, Inc.
e-mail - scclaims@ajg.com
phone - 303.889.2570
fax - 303.773.9776

QUESTIONS?