



**CORCORAN & HAVLIN
INSURANCE GROUP**

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RISK ADVISOR

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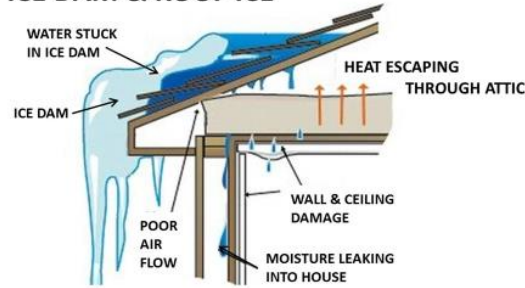
PREVENTING ICE DAMS

Ice dams are ridges of ice that form around drains or at the edge of a roof. They prevent melting snow from draining properly. Water backup behind these dams can leak into your building, causing damage to walls, ceilings, and even insulation. Anywhere on your roof where there isn't proper drainage will cause water, snow and ice to pile up and place greater pressure on your roof, which leads to a greater risk of collapse. Commercial buildings with flat roofs are particularly vulnerable to water leaks if ice dams keep water from flowing into roof drains. Keep in mind that ice dams don't actually have to block the drains – in fact the drains are frequently clear and open. The ice forms a ring around the drain that keeps the water from flowing.

Prevention:

- Keep all drains, scuppers, gutters, and downspouts free of debris and vegetation that can restrict proper flow.
- Tend to trees that may hang over the roof to prevent leaves from accumulating and branches that may impede roof drainage.

ICE DAM & ROOF ICE



- Improve ventilation by installing electric power vents with thermostats.
- Create a roof preventative maintenance plan that includes frequently inspecting the roof drainage system for proper flow including drains, gutters, and down spouts.
- Self-regulating heating cables can be permanently installed on gutters, downspouts, and around roof drains. Their power is self-adjusting based on the temperature, making them cost effective.

For Flat/Monoslope/Low-Sloped Roofs:

- A heavy-duty push broom with stiff bristles may be used to brush off the snow on low slope or flat roofs. A shovel or snow blower should not be used since they can damage the roof.
- If ice dams form around the drains, heating cables can be connected to the drains to prevent ice buildup. They can be installed in a zig-zag pattern along gutters or on the roof, connecting them to the drainage system, which creates a path the melting ice can follow.
- When the roof is dry, examine it for any evidence of long term standing water. Check for things like mold, mildew, and even small vegetation growing. This can indicate a problem with the roof cover system, which can hinder proper water drainage.

For Steep-Sloped Roofs:

- A roof rake may be used for most single story buildings while remaining on the ground to pull snow down the roof slope.
- Do not pull snow back against the slope or sideways since the snow may get underneath the cover and can break shingles.
- If you operate in a building that has a history of ice dams, and that has a roof that can't be reached from the ground with a roof rake, you should consult a roofing contractor.

SOCIAL MEDIA IN THE WORKPLACE

Just about every business today uses some kind of social media site or tool. Sites like Facebook, Instagram, and Twitter offer ways for companies to interact with their clients, employees and business partners. There are many advantages to social media, such as being a convenient and cost efficient means of advertising, but there are also serious disadvantages. Lack of experience among users can leave your business vulnerable to social media risks which threaten the reputation and security of your company.



Some of these potential risks include:

Loss of Intellectual Property: Employees should never post any information in regards to projects they may be working on, developments within the company, or other sensitive information. Employees should also never post content that infringes on another company's trademarks or copyright. This could put your business at risk for a costly lawsuit.

Hacking: Social media poses many risks to users, including viruses, phishing scams, malware and even identity theft. Hackers can use social media to compromise a users' computer and access personal and private information.

Company Reputation: It only takes one post from a disgruntled employee or client to generate substantial backlash that can go viral. Inappropriate use of social media can pose a serious risk to your business' reputation. Also, employees who demean a competitor can make your business liable for defamation damages.

Employee Interaction: Social media can be a way for clients to interact with one another, however this can lead to negative behavior that affects the workplace. Claims of sexual harassment and bullying should be taken seriously and investigated in a timely manner.

Employment Screening: The liability risk of your company increases if hiring or firing decisions are based on information discovered on social media (ex. religion, sexual orientation, etc).

Many organizations are not properly prepared to handle the risks posed by social media. The best way to be prepared is to have a **social media policy**. This is a critical first step for a business to take in order to minimize social media risks.

Other ways lessen the risks posed by social media:

Educate employees: Current and new employees should be educated on your company's social media policy so that they will understand the rules and expectations.

Monitor posts on a daily basis: When your company is mentioned in a post on social media, it's important to respond in a timely manner, especially if the post is a customer complaint or concern.

Consider Cyber Liability and EPLI Insurance: Even if you take all of the proper steps and have the right procedures in place, there is still a risk of lawsuits related to social media. Most general liability policies do not cover claims related to social media.



The policy should contain:

- Proper online security measures
- Rules concerning sharing company information
- Restrictions on personal use of social media while at work
- Regulations regarding the company's image online
- Interaction with employees outside of work via social media

Social media is a wonderful tool to help you build up your business' reputation. When you understand the risks posed by social media and have effective policies in place to minimize these risks, then you can securely take advantage of the benefits that social media has to offer.

For more information on how to protect your company from social media related problems, contact your Corcoran & Havlin agent today.



4 RISKS TO YOUR BUSINESS AUTO

If you are a business owner, odds are you (and your business) rely on some form of transportation, whether it's a cross-country trip or transportation to and from the job site.

There are some obvious dangers out there, like a deer darting out into the road or needing to drive through a low-clearance overhang to get to a worksite. But there are also other, less obvious threats that you should be aware of.

1. Poorly Managed Personal Use:

- Be sure employees understand that a company car is not a gift – it's an asset of the business.
- Establish clear boundaries for the use of the company car. Outline what activities are allowed (traveling to/from work, running business-related errands, etc.) and what ones are not allowed (going on a vacation, helping a friend move, etc.). Be sure to address seat belt usage & operating the vehicle under the influence.
- Enforce these rules once they have been set.

2. Driving During Off Hours:

- The peak period for tiredness behind the wheel is midnight to 6 a.m. – try to discourage employees from driving during these hours if possible.
- Spend additional time prepping vehicles that frequently drive in the

dark. Make sure headlights are properly illuminated and aligned.

- Be aware of animal hazards – wildlife is especially active at night.

3. Distracted Driving:

- To minimize distractions, it's recommended to ban the use of electronics while behind the wheel of a company car.
- Creating and enforcing a distracted driving policy is a good way to ensure employee awareness on the issue.

4. Careless Driver Selection:

- An employee must have a valid driver's license. If they don't have one, they should not be driving any vehicle, let alone a company one!
- It's recommended that employees have a clean motor vehicle record (MVR). Past driving behaviors are good indicators of future behavior. You can subscribe to a driver monitoring service that will run initial MVRs and send you alerts when a driver receives a violation.
- If your employee is operating a larger truck or pulling trailer, be sure the driver has the appropriate commercial driver's license.



AGENCY NEWS



Katelyn Atwater comes from a Personal Insurance background with Liberty Mutual, but the desire to expand her knowledge of the industry lead her to Corcoran & Havlin and obtaining a Commercial Insurance license. She is a graduate of University of New Hampshire where she obtained her Associate degree in Community Leadership

and her Bachelor of Arts degree in Communication. Katelyn is originally from Gilford, NH and moved to Medfield, MA her senior year of high school. She currently resides in Millis, MA with her fiancé. Katelyn enjoys spending time with family and friends more than anything, and is always on the look out to explore new places she has yet to go.

George Doherty was recently honored and awarded the *Distinguished Service Award* at the Massachusetts Association of Insurance Agents (MAIA) annual Big Event conference in Boston. The event took place at the end of October and was held at the Marriott Copley Place in Boston.



(left to right) George Doherty, President of the Corcoran & Havlin Insurance Group, Glen Davis, President of MAIA.)

COMMERCIAL LINES TEAM

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Alan Heinlein

Ryan Arsenault

Jane Loomis

Katelyn Atwater

Paul McDonald

John Browne

Beth McDonough

Mathew Darby

Sharon Marshall

George Doherty

Megan Peterson

Denise Donohue

Kevin Randolph

Ken Doucette

Bill Rohr

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Beth Eyster

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SALT YOUR SIDEWALKS!

When a business opens their door to the public, the potential for a slip & fall accident also opens. While surfaces like sidewalks and parking lots are the leading zones where slip & fall accidents occur, conditions such as torn carpet or poor lighting can also contribute to these incidents. Slips & falls can happen all year round, but they become increasingly more dangerous in the winter months due to snow and ice.

If you own your property, then you are responsible for removing the snow and ice. Business owners should always have a snow removal/ice treatment plan in order to prevent customers and employees from falling. By doing nothing, you become vulnerable to liability claims by both customers and employees.

One of the best methods of preventing winter slips & falls is using salt or ice melt. Ice melt reduces, and in some cases even rids walkways of ice. Even if walkways or parking lots have been shoveled, there is still a need to use salt or ice melt of some kind. There's still a thin layer of ice under the snow that can cause people to slip. Don't be fooled – even a dusting can prove hazardous, especially if the temperature should drop below freezing.

- Preparing before the storm is an important step – apply an ice melting agent to the ground before snow hits to reduce slippery conditions.
- Keep some salt near the door – reapply to the entrance/sidewalks as needed.

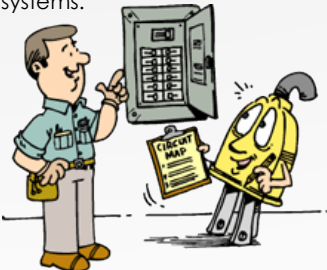


- Conduct recurring inspections of the area to spot any dangerous areas
- Remove any snow that accumulates with a snow blower or shovel.
- Once snow is removed, sprinkle an even layer of salt/ice melt over any surfaces that are walked on – make sure to wear gloves.
- Puddles become ice! Make sure you pay attention to these areas & apply ice melt when they freeze over.

ELECTRICAL SAFETY TIPS



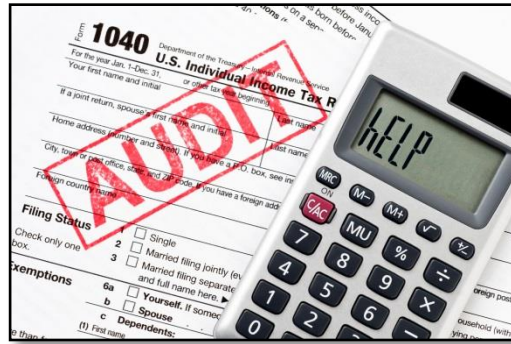
- 1) Avoid overloading outlets with too many appliances. Ensure that electrical loads are applicable for the circuits.
- 2) Unplug appliances when they are not in use to conserve energy and to minimize the chances for electric shock or fire.
- 3) Use outlets instead of relying on power strips and extension cords. Consider having additional permanent outlets installed where needed.
- 4) Use Ground Fault Circuit Interrupters (GFCIs) in wet/damp areas like bathrooms, kitchens and outdoors.
- 5) Inspect electrical cords to be sure that they are not frayed, cracked or damaged.
- 6) Do not place electrical cords in high traffic areas, across doorways or under carpets, where they pose a potential tripping hazard or could be easily damaged.
- 7) Ensure that all electrical products and equipment are certified by a nationally recognized testing laboratory, such as Underwriters Laboratories (UL), and read the manufacturer's instructions carefully.
- 8) Allow only trained and qualified electrical workers to perform work on electrical equipment.
- 9) Be aware of signs of electrical problems such as flickering lights and/or buzzing, sizzling or humming sounds from electrical systems.



PREPARING FOR AUDITS

Insurance audits are one of the most misunderstood and nerve wracking aspects of commercial insurance (& that is saying something!). Audits need not strike fear into one's heart if you are properly prepared and working in sync with your insurance agent. This article is written to help you better understand what an audit is, how to prepare for an audit and what to do if something goes wrong during an audit. Managing your insurance program so that you have smooth and uneventful audits will result in less stress and a more secure cash flow.

What exactly is an audit? The audit means is an official examination of financial records for accuracy.



Two insurance policies, General Liability (GL) and Workers Compensation (WC), require the audit process. The reason for this is due to both of these policies' premiums being based on payrolls and classifications that the Insured (you) predict at the beginning of the policy period. The carrier begins the policy year accepting the insured's best guess for the upcoming policy period payroll amount and then bases the annual premium on that guess. The catch is that at the end of the year the carrier will return and determine actual payrolls and then provide the insured a credit or a bill for additional premium.

Activity levels for any business change over the course of a year and this audit process allows the carrier to collect more premium if you have a busier than expected year and you to get money back if you have a less than expected year. To a great degree it is a balancing of the books for both you and the carrier. Once you know this and what payroll your current GL and WC policies are based on, you can mentally prepare for what is coming at you at audit. With this said there are still things you can do to insulate yourself from a rough audit experience.

To begin, realize audits are part of the insurance company's computer system and that it is a very slow moving beast. In other words your agent and you need to stay ahead of the computers and guide them to where you want them to go as correcting a system gone astray is tedious.

Along with payroll, the GL and WC policy premium are determined by the job classifications. A secretary payroll should not be charged at the same rate as a plumber for the WC exposure (and not at all for the GL). While knowing the difference between an office person and a contractor is obvious there are many that are not. Every contractor should take time to

discuss the classifications of Executive Supervisor, Insured Sub Contractors, splitting of classifications and any out of state work with your agent. I see these issues often misunderstood or worse used to hide payroll and the result is a financial sting at audit.

Next, don't hide from an audit. This never works. When you receive a letter asking for audit information or receive a call to set up an audit appointment respond as promptly as you are able. Get the process off on the right foot. Making an auditor chase you is like painting a target on yourself. If you are having an auditor visit you the key is to prepare and to do what you can to make their job simple. Like everyone else, auditors have too much to do and the clients who present ease of doing business and organization are better positioned to have a smooth audit. Those who get fired up for a fight will get their wish.

Once you have an audit date lined up, make sure you have:

- Tax Records such as 941's / WR1's.
- Financial records such as your General Ledger.
- Overtime records to show regular pay and premium pay.
- Detailed Payroll records if you are splitting an employee pay between two classes. Estimates are not allowed. The auditor must see actual payroll records.
- Detailed information on all sub contractors such as Certificates of Insurance per project, contracts, breakdowns of labor and materials.

Having the above ready and waiting for an auditor will show them you have nothing to hide and wish to make their job easy. Please remember the more difficult you make it for them, the more difficult they will make it for you. At the end of the day, they hold the cards so it is in your best interests to make their job as easy as possible.

Despite the best preparation and coordination between contractor and insurance agent, things do go wrong at audit. This can be due to computer error, a knuckle head auditor or other misunderstandings. As with any dispute with an insurance company the process can take time but often you will be successful in bringing the carrier around to your point of view if all the ducks are in a row.

Finally, the insurance marketplace is in a tightening mode. When we enter a hard market, the carriers get strict on rules, less forgiving and even look to dump business. In this climate, audits are low hanging fruit for the carriers to increase premiums collected and on a retroactive basis! The smart business owner will understand the process, prepare, assist the auditor and move on, hassle free. The alternative is to fight the process, swim upstream and ultimately lose time and money.

Together we can stay ahead of this process and hopefully move peacefully through your audits each year.

