



News & Views

Property & Liability and Workers' Compensation Programs Continue to Grow!

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VACoRP welcomes the following new members effective July 1, 2005:

Carroll County Public Schools
 Stony Creek Sanitary District
 Toms Brook-Maurertown Sanitary District

VACoRP now covers 74 counties, 43 county school systems, and 74 county-related agencies.

VACoGSIA welcomes the following new members effective July 1, 2005:

Carroll County Public Schools
 Frederick County Public Schools
 Mathews County
 Roanoke County (TPA)
 Roanoke County Public Schools (TPA)
 Stony Creek Sanitary District
 Toms Brook-Maurertown Sanitary District
 Virginia Peninsulas Public Service Authority

VACoGSIA now provides workers' compensation coverage to 60 counties, 32 county school systems, and 42 county-related agencies.

We would like to thank the membership for its continued support.

Employee Spotlight

We are please to announce that Nancy S. Helm has joined our office as Counsel. Nancy graduated from TC Williams School of Law at the University of Richmond in 1986. Prior to joining VACoRP, Nancy worked both as an insurance defense lawyer in private practice and in the Claims Department of Essex Insurance Company, a subsidiary of Markel Corporation.

Nancy lives in Salem, Virginia with her husband, Steven, and three boys, Harrison, Nelson and Hayden.



VACO Risk Management Programs would like to congratulate Steve Rawlings, Risk Control Consultant. Steve's January Newsletter Article on Ramming was Publish in the Kentucky Association of Counties winter magazine.

Undercover Vehicles

VACoRP relies on its members to accurately report all owned vehicles at the beginning of each policy year. These vehicles are subsequently inventoried and covered under the county's liability policy. Within any policy term, a member will likely purchase the sporadic vehicle or two based on need and availability. When this occurs, the member may choose from several options:

- Immediately notify VACoRP of the vehicle(s) purchase
- Include the vehicle on the county's auto schedule at renewal
- If, prior to renewal, the vehicle is involved in a crash, notify VACoRP of the vehicle's existence at that time

For VACoRP members, coverage for automobiles purchased within a fiscal year is automatic. However, vehicles purposefully left off from year to year will be excluded from coverage



While detailed reporting may be straightforward for most county operations, identifying certain specific Sheriff's Offices' vehicles may pose legitimate concerns resulting in incomplete fleet reporting. Sheriff's offices that utilize undercover vehicles need to safeguard the vehicles' identities in many manners. Protecting vehicle identification from the public should not outweigh covering those same vehicles for liability. Intentional omission of any vehicle will result in no coverage being applied for that fiscal year. VACoRP would be unable to support or defend the county in a loss under these circumstances.

Member Sheriff's Offices may address the balance between operating uninsured vehicles and exposing undercover operations by listing certain vehicles with various other county departments.

For example: a Sheriff's Office operates a 1987 Ford F-150 in undercover operations. The county can report it as a Landfill, Social Services, or Parks and Recreation vehicle. Coverage for this vehicle will apply in the event of a crash; at the same time, the automobile will not appear on a Sheriff's vehicle list.

The goal of VACoRP is to be a member-focused program. We strive to work with all members to solve issues that create liability exposure for a single entity or the entire pool. Members who have questions or concerns on this or any portion of VACoRP's coverage guidelines are welcome to contact Risk Control or the Underwriting Department.



OSHA Hazard Assessment Compliance Guidelines

OSHA has established general Personal Protective Equipment (PPE) requirements in order to help protect employees from injury. These requirements directly affect employers and include hazard assessment, equipment selection, and training. Written documentation of the above information must be kept on file and updated whenever new hazards are introduced.

Hazard assessment and selection should evaluate exposure for injury to head, hand, foot, eye, and face. Appropriate protective devices should be mated to the specific hazards. The assessment itself, divided into four categories, begins with a walk-through that will identify hazards and their origin. Collected data is used to select the proper PPE. This assessment example is extracted from OSHA Subpart I - Personal Protective Equipment Appendix B, a non-mandatory compliance assistance guide.

- Survey – This is simply looking at the area for hazard types:
 - Impact
 - Penetration
 - Compression
 - Chemical
 - Heat
 - Harmful dust
 - Light radiation
 - Electrical
- Sources – Identify what causes the types of injuries listed above. Pay particular attention to moving/movable objects, origin of high temperatures, potential for falling objects, possible piercing or crushing situations, electrical hazards, and overall layout of facility. Consider the tasks performed within the department or facility, not just what is being done at the time of the assessment.
- Organize data – Coordinate all information in a logical format that can be used for analysis of potential PPE selection.
- Analyze data – Review each specific hazard and identify the potential injury type, level of risk for that injury, and the seriousness of potential injury.



Selection

Upon completion of the assessment, the employer should determine what PPE is appropriate for the identified hazards. The employer should carefully consider the environment in which the hazard exists. Select PPE that exceeds the minimum level of protection.

Fit

Employers are responsible for identifying the proper, comfortable fit of selected PPE. Employees likely will not wear PPE that is uncomfortable or restrictive, increasing their chances for receiving an injury. Employers are expected to communicate the PPE expectations and to provide training in its correct use.

Reassessment

Each time new equipment, processes, or hazards are introduced into the workplace, it is the employer's responsibility to reassess the hazards and the effectiveness of current/new PPE.

Coverage for Personal Property

One of the coverage issues that often comes up is whether or not personal property of employees or, in the case of schools, students, is covered under VACoRP's policy. This situation can come up if an employee brings personal tools to work to use when performing tasks for the employer. It could also be a situation in which a student leaves his or her band instrument at the school and it is subsequently damaged or stolen. Or, perhaps, an employee brings his or her own laptop to use while at work. If a personal item is damaged or destroyed, just what are you responsible for and what coverage is available?

Under your General Liability policy, coverage would only exist if the entity entered into a contractual agreement with the other party that states the insured would be responsible for the personal property in question. Even under this circumstance, it would have to be shown that the entity was grossly negligent and that this negligence is what caused the personal property to be damaged.

Coverage could exist under your Property policy. There is a provision for coverage of real and personal property *of others in the Participant's care, custody and control and the Participant's liability imposed by law or assumed by written contract prior to loss*. Any payment under this provision of the policy treats the other party's property as if it is your own. Therefore, any payment under this provision is subject to your policy provisions and deductibles. This means that all of the lost property would be lumped together, and we would make payment to our insured for the total of the claim minus the deductible. Keep in mind that this provision only comes into play if there is some written agreement between the insured and the other party that states you are providing a safe haven for the other person's property and are taking the responsibility for it. The fact that the other party leaves personal property in your building and you lock the building at night is not enough to make you responsible.

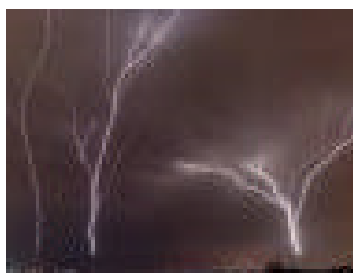
Any claims of this nature would be reviewed by VACoRP to see if the facts surrounding the property loss would cause the entity to be responsible for payment. Every effort should be taken by the insured to have the other party submit their claim for personal property to their own homeowner's insurance carrier. When in doubt, report the claim to us for investigation.

Lightning and Power Surges

As late spring and early summer fast approach, property exposures from thunderstorms become an increasing risk. Factors such as terrain, drainage/soil type, and elevated structures help determine a county's propensity for lightning strikes. While some counties may be more prone to frequent lightning strikes than others, all county governments should take steps to protect equipment and personnel from excess energy discharged through either a lightning storm or power surge.

Proper grounding is an essential first step to protecting a building and its contents. While incoming electrical feeds are the responsibility of the power supply company, consumers are charged with providing an adequate, low resistance path to ground that will carry excess current safely away from the structure. Effective building grounds consist of the following elements:

- Solid copper wire (#2 AWG) run from the main panel or bus bar to the external ground system
- Low impedance ground rod system
 - Ground ring
 - Multiple ground rods
- Short, straight runs of copper ground wire – avoid tight bends, kinks, and excess loops of wire
- Secure, effective connections



Lightning and Power Surges, *continued from page 4*

An effective ground rod system will vary from region to region. Areas with typically drier, rockier soil will often find it difficult to supply a low resistance to ground, thus requiring more rods to be driven for a single system. This may be in stark contrast to other areas that remain moist and have more soil, thereby possibly requiring only one or two driven rod(s) to provide an adequate ground.

Today's government buildings, as with most homes, have many more incoming lines that require an effective ground than just a single electrical feed. All incoming feeds should be effectively grounded together; otherwise, if excess current from one system finds an easier path to ground through another, chances are that current will "jump" to the second system in its effort to dissipate through the earth.



Additional incoming lines:

- Telephone
- Internet
- Satellite/cable
- E-911 towers

Act as conduits from which current can jump to other sensitive systems.

In addition to properly grounding all systems, county entities should strongly consider surge suppression devices, both at point-of-entry and at point-of-use. Incoming telephone systems feeds are typically highly susceptible to surges and act as direct links to other vital electronic equipment; therefore, it is important for counties to consider establishing both points of protection on them as well as on the traditional electric lines.

Point-of-entry devices are located at service entrances and should be installed next to the main breaker panel(s). Several varieties of point-of-entry surge protection do exist.

- Incorporate Silicone Avalanche Diode (SAD) technology to protect expensive and vital equipment
- Use a reputable source or retailer with experience
- Professional installation helps to ensure maximum efficiency

A much less expensive and far more common option for protecting equipment is the application of point-of-use devices. Familiarly known as surge protectors, these devices plug into standard outlets and often have space for up to six pieces of equipment. Many good devices can be purchased for between twenty-five dollars and fifty dollars. Consumers should look for several key points prior to purchase:

- UL-approved – this designation identifies that the device has been independently tested and accepted by Underwriter's Laboratories Inc.
- Clamping voltage – UL will approve devices that clamp (either redirect current or block it completely) as low as 330 volts. The most effective surge suppressors will have a clamping voltage of 330 volts.
- Suppression time – Effective suppression devices react in less than one-nanosecond (one-billionth of a second).
- Indicator light – These lights, often coinciding with a device's on/off switch, will illuminate when the suppressor is functioning properly. When the light no longer functions, the suppressor should be replaced.
- Telephone jack(s) – Especially when located with networked computers, surge suppressors that provide jacks for telephone lines add key protection.

Unfortunately, a direct lightning strike will cause damage regardless of the protections in place. When efficient grounding is provided and quality suppression devices are installed, however, sensitive equipment is much less likely to suffer ill effects from strikes and power company-derived surges. VACo Risk Control Services can audit your existing building/systems and assist you with any needed controls. Please let us know if you feel your entity needs assistance.



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