

Equipment Breakdown for Grayson-Carroll-Wythe Religious Institutions



Regardless of size, religious institutions have insurable equipment breakdown exposures. Most religious institutions have boilers for heating purposes. Boiler failures, normally caused by low-water conditions resulting from inadequate maintenance, are the leading cause of loss. Almost all religious institutions have air conditioning equipment, which is another area of significant loss potential.

Air compressors are used to supply compressed air to organs and may suffer a mechanical breakdown. All religious institutions have electrical distribution systems subject to electrical breakdown. A common exposure is the mechanical or electrical breakdown of the air conditioning system. In fact, electrical failures, are more costly than boiler failures. Additional exposures consist of extra expense to hold services elsewhere and food spoilage caused by mechanical or electrical breakdowns to refrigeration equipment.

Typical Losses

The evaporator coil in the air conditioning unit began to leak due to corrosion. As a result of the low refrigerant conditions, the compressor overheated and seized. Coverage was extended for the mechanical damage to the compressor.

Property Damage: \$7,200

During a period of high winds, a utility surge was generated, damaging the alarm and lighting system. While repairs were made to the lighting system, the alarm system required replacement due to limited availability of parts.

Property Damage: \$9,700

Exposures

- Motors
- Transformers
- Computers
- Switchgears
- Distribution Systems
- Communications Equipment
- Printer/Scanner/Copier
- Boilers
- Compressed Air Storage Tanks
- Air Conditioning Units
- Compressors
- Pumps

Loss Prevention Tip

Identify outside repair contractors for the sudden breakdown of critical equipment such as air conditioning units.

