



Neighborhood Risk Management
C O R P O R A T I O N

NWOs working to insure safer communities

30 Broad Street, Suite 1429, New York, NY 10004
T: 212.509.6762 | M: 917.882.9949 | F: 212.269.2890
daschheim@neighborhoodrisk.org

HAPPENINGS AT NRMC

September 2013

Renewal 2014 - Early Forecast from Willis

The summer is not even over, but NRMC is hard at work on Renewal 2014.

A number of our members are working on their 2014 budgets and have asked what they can expect for Renewal 2014 - April 1, 2014. While the actual renewal quoting process for NRMC by the carriers is many months away, I asked our team at Willis what we can expect, and here is what they have reported:

"There are a number of factors to consider when budgeting for insurance cost six to eight months ahead of the renewal of coverage. Loss experience, overall condition and geography all have an impact on the rates for a specific location. Based on current benchmarking and feedback from underwriters on their expectations, we believe a good range to consider is a **5-15% increase for the 2014 renewal**", reports Andra Tipton, a Client Advocate at Willis.

"For locations in the Panhandle of Florida and coastal areas of states north of Florida, there should be some consideration given to changes in the **"RMS"**, which is the software used by underwriters and the insurance markets to model catastrophe exposure for calculating premiums. RMS 13.0 was published on 7/31/2013 in the wake of Hurricane Sandy and its aftermath, and will likely

impact those that are exposed to North Atlantic Hurricanes most significantly. The overall impact of the changes to each region have not yet been determined but, it may be prudent to consider an additional 5% for locations in the North Atlantic coastal region as result of changes in RMS.

"This is a conservative projection of cost which is not representative of what NRMC will seek to accomplish for our members at renewal. As always, we will strive to achieve rates that out-perform average market trends in order to continue to hold cost down and stabilize this expense and its impact on our members financial performance." concludes Andra.

"Each of us plays a critical role in achieving the best results for our program. As an NRMC member, your attention to loss prevention and your continued proactive maintenance are essential to keeping loss activity to a minimum. Adopt a culture of safety among all your residents and staff. Install StoveTop Firetops in all of your properties. Engage in loss mitigation practices that will keep insurance costs for the NRMC Program as low as possible." advises Patrick Madden, President of NRMC.

NRMC Welcomes New Member Arbor Housing & Development Corporation

We are pleased to welcome **ARBOR HOUSING AND DEVELOPMENT CORPORATION** to the NRMC Family. Arbor, our newest member, has 130 residential units which will be covered under the NRMC program.

Arbor was founded in 1969 as Steuben Churchpeople Against Poverty. Since then, it has expanded its services to include a multitude of independent living options, serviced by a staff of almost 100 people. Operating out of two office locations in Upstate New York, Arbor services communities in Steuben, Allegany, Livingston, Yates and Wayne Counties.

We look forward to a long and safe relationship with Arbor.

UPDATE

NRMC STOVETOP FIRESTOP INITIATIVE: We are on our way to achieving our Goal of 100% Installation by Thanksgiving 2013

This summer, we launched our **StoveTop FireStop** initiative, with the goal of installing these safety devices in 100% of the properties insured by our program by Thanksgiving 2013. Our goal is to eliminate the impact of kitchen fires from our portfolio. And, our initiatives and timing are directly linked to the holiday season, when there is increased cooking and increased risk of kitchen fires. [For copies of the NRMC White Paper on StoveTop FireStops, click here.](#)

To date, 45% of our insured properties have installed these fire suppression safety devices. We are on the way to achieving our goal, but we still have a long way to go. How are we doing? Here are the results so far:



As of August 31, 2013, over 45% of the units insured in the NRMC Program have installed StoveTop FireStop suppression devices. Be counted with the safe members.

Goal: 100% Installation among all members
by Thanksgiving 2013

We certainly want to place all of our members in the Gold Fire Extinguisher, and to give you a Certificate acknowledging your achievement. We will happy to include your organization in the Silver Fire Extinguisher to recognize your efforts in working to our ultimate goal. Let us know your progress, and update your information with NRMCM as soon as you can. For Renewal 2014, we want to show the insurance markets that our members take fire prevention seriously!

To update your information or to learn more about this initiative, please contact Deborah Aschheim of NRMCM at [212.509.6762](tel:212.509.6762) or daschheim@neighborhoodrisk.org.

Recognizing Tree Hazards

Trees are an important part of our world and our properties. They offer a wide range of benefits to the environment and provide tremendous beauty to our properties and communities. But, when a tree falls and injures people or damages property, they are liabilities. As our members prepare for the winter's ice and snow storms, now is a good time to make sure that the trees on your properties are in healthy condition, and that there are no branches or limbs at risk of falling or snapping. And, improperly maintained tree roots can damage pavements and building foundations - which we will discuss at another time.

The health and appearance of trees are most affected by the person with the pruning saw. Proper planting, pruning and care of a new tree can lead to a structurally strong and healthy tree. Improper care can drastically shorten the life of a tree, and not only waste the money and time invested in raising the tree, but can expose the tree owners (or those liable for maintaining the tree) to property and injury damages. Always engage a qualified tree professional - an **arborist** - to perform tree work properly and safely. Licensed or certified arborists should be used, and you should consult with your municipality about proper tree maintenance. And remember that when you engage an arborist or landscaper, always make sure that they maintain proper insurance and that they are properly licensed or certified.

Check with your local municipality about available tree services. Some communities even provide free tree pruning services as part of their safety and beautification services for the community.

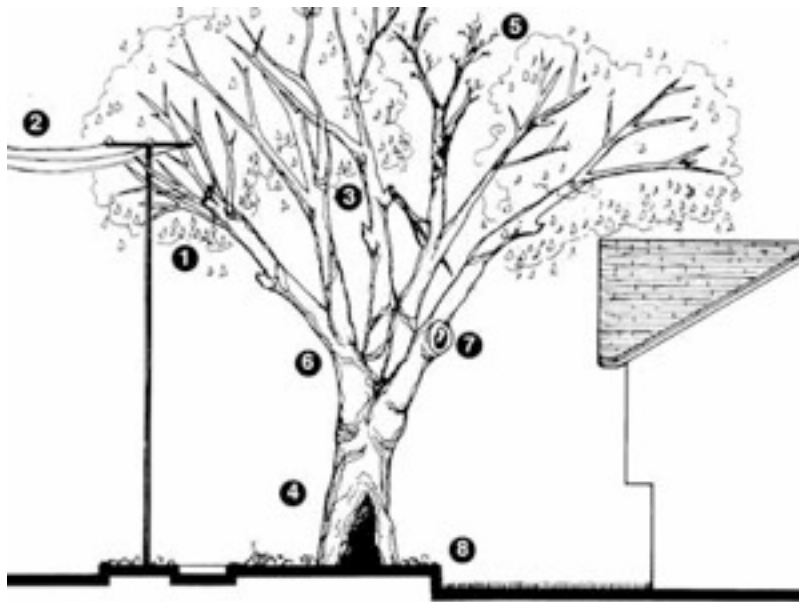
Hazardous Trees and Utility Lines

Trees that are near utility lines are especially hazardous. If they fall, they not only injure people and property near the line, but a fallen tree that hits and

downs a power line may cause power outages, surges, fires, electrocution and other damage.

Defects in Urban Trees

The following are defect or signs of possible defects in urban trees (see figure):



1. regrowth from topping, line clearance, or other pruning
2. electrical line adjacent to tree
3. broken or partially attached branch
4. open cavity in trunk or branch
5. dead or dying branches
6. branches arising from a single point on the trunk
7. decay and rot present in old wounds
8. recent change in grade or soil level, or other construction

Tree Hazard Checklist

Consider these questions:

- Are there large dead branches in the tree?
- Are there detached branches hanging in the tree?
- Does the tree have cavities or rotten wood along the trunk or in major branches?
- Are mushrooms present at the base of the tree?
- Are there cracks or splits in the trunk or where branches are attached?
- Have any branches fallen from the tree?

- Have adjacent trees fallen over or died?
- Has the trunk developed a strong lean?
- Do many of the major branches arise from one point on the trunk?
- Have the roots broken off, been injured, or damaged by lowering the soil level, installing pavement, repairing sidewalks, or digging trenches?
- Has the site recently been changed by construction, raising the soil level, or installing lawns?
- Have the leaves prematurely developed an unusual color or size?
- Have trees in adjacent wooded areas been removed?
- Has the tree been topped or otherwise heavily pruned?

Managing Tree Hazards

An arborist can help you manage the trees on your property and can provide treatments that may help make your tree safer, reducing the risk associated with hazardous trees. An arborist familiar with hazard tree evaluation may suggest one or more of the following:

Remove the target. While a home or a nearby power line cannot be removed, it is possible to move picnic tables, cars, landscape features, or other possible targets to prevent them from being hit by a falling tree.

Prune the tree. Remove the defective branches of the tree. Because inappropriate pruning may weaken a tree, pruning work is best done by an ISA Certified Arborist.

Cable and brace the tree. Provide physical support for weak branches and stems to increase their strength and stability.

Provide routine care. Mature trees need routine care in the form of water, fertilizer (in some cases), mulch, and pruning as dictated by the season and their structure.

Remove the tree. Some hazardous trees are best removed. If possible, plant a new tree in an appropriate place as a replacement.

Recognizing and reducing tree hazards not only increases the safety of your property and that of your neighbors but also improves the tree's health and may increase its longevity! And safer trees mean safer properties and fewer claims.

For further information, please contact Deborah Aschheim at [212.509.6762](tel:212.509.6762) or daschheim@neighborhoodrisk.org

* * * * *

As we prepare for Renewal 2014, we will update you on developments. So far 2013 has been a good year for NRMC, and we hope this trend and our good performance in 2012 will translate into a favorable renewal for our program. We

will be contacting NRMC members shortly to begin the underwriting for the NRMC 2014 Renewal and asking you to update your portfolio information.

In conclusion, NRMC members are reminded to install their StoveTop FireStops as soon as possible and to keep us posted on their success.

Cordially,

Patrick

Patrick Madden
President, NRMC Board

Troy Rehabilitation Improvement Program
(TRIP)
415 River Street
Troy, NY 12180
Patrick@trionline.org
T: 518.272.8289 x206

Deb

Deborah S. Aschheim
Executive Director

Neighborhood Risk Management Corp.
110 Wall Street, 11th Floor
New York, NY 10005-3817
daschheim@neighborhoodrisk.org
T: 212.509.6762 (NRMC)
M: 917.882.9949