



Public Entities Pool Of Ohio

# UPDATE

FALL 2019

## New Coverage: Active Assailant and Hostage Events

Unfortunately, throughout the world, active assailant and hostage events are occurring at an alarming rate. These events are happening in a broad variety of settings, including schools, churches, businesses, entertainment venues, sporting events and public properties. The impact from these events has been widespread and devastating, from property damage to bodily injury, emotional trauma and death.

In response to the increasing frequency, severity and unpredictability of these events, the PEP Board of Directors has recently implemented Active Assailant and Hostage Events Coverage for its members.



For purposes of this coverage, an “active assailant event” means a premeditated attack carried out by an active assailant, using a handheld weapon, vehicle or explosive device. A “hostage event” is a premeditated incident, by which a hostage taker holds a person or group of persons under duress, with a handheld weapon, for more than one hour.

Highlights of this new coverage, with some exceptions and limitations, include the following when they are caused by an active assailant or hostage event:

- **Property Damage** - Loss of or damage to a member’s real and/or personal property.
- **Business Revenue** - Loss of a member’s earnings.
- **Extra Expenses** - Reasonable and necessary extra expenses incurred by a member to continue normal operations.

Cont’d on pg. 3

### PEP Board of Directors

**Wayne Barfels**

Chair  
Representing City of Moraine

**David Christy**

Vice Chair  
Representing Mill Creek Metropolitan Park District

**James Caplinger**

Secretary  
Representing Village of Mechanicsburg

**Greg Dixon**

Treasurer  
Representing City of Middletown

**Howard Poston**

Representing Greene County Park District

**Sal Talarico**

City of Oberlin

**Beth Bickford**

Association of Ohio Health Commissioners

**Kent Scarrett**

Ohio Municipal League

*The PEP Board of Directors looks forward to continuing to provide its members with the most responsive and easy-to-use risk management program for public entities throughout the State of Ohio!*

Every effort has been made to ensure the accuracy of the information in this newsletter. Professional counsel should be sought before any action is taken or decision is made based on this material.

[www.pepohio.org](http://www.pepohio.org)

Photo courtesy of Columbus and Franklin County Metro Parks.

# HALLOWEEN FESTIVITY SAFETY

Halloween can be one of the biggest and most enjoyable events of the year. Many public entities may host parades, costume parties, hayrides, haunted houses and more. In doing so, public entities may not be thinking about the all-too-frightening consequences they could face if someone were to get injured while attending these events.

One such event occurred at an adventure park when eight people perished in a haunted castle attraction, due to their inability to immediately exit the structure during a fire. The structure was comprised of 17 joined commercial trailers attached by plywood. The interior consisted of plywood partitions that resulted in a 450-foot-long path without an exit. The fire was started when a patron, while using a cigarette lighter to navigate in the dark, bumped into a sharp corner padded with flammable polyurethane foam. Additional flammable materials in the structure, including synthetic foam, fabrics, plastics and tar paper, combined to allow the fire to develop quickly and move aggressively.

These types of accidents can be prevented with good preparation and risk management. A safe and fun Halloween-themed event can be enjoyed by all when safety tips are followed:

## Haunted Houses

- Choose a location that is safe. Determine how many people will be present in an event space in relation to the square footage of the building or event space. Be familiar with their local fire and safety codes and utilize the assistance of the local fire marshal. Only facilities that are compliant with building, fire and Americans with Disabilities Act (ADA) codes should be used.



Other important factors to consider when choosing a location include:

- Functioning smoke detectors
- Automatic and manual fire alarm systems
- Certified sprinkler systems
- Fire extinguishers placed at least every 75 feet
- Parking lots with accessible fire lanes
- Parking lots with sufficient vehicle access and egress routes
- Audible/visual alarm systems
- Emergency back-up lighting
- Design your event, parking lot and surrounding areas so that the event can handle a large volume of patrons. Public areas should be well lit and free from any obstacles or trip hazards.
- All exit signs should be clearly identified and egress routes should be unobstructed. There should be at least two different exits on opposite ends of the building. Directional exit signs should be placed throughout your attraction, pointing to the nearest exit. The signs should be placed six to eight feet off of the ground so they can be seen should the ceiling be filled with smoke.
- First-aid kits, including automatic external defibrillators (AED), should be placed in visible locations.
- Smoking, open flames and temporary heating sources should be prohibited.
- Highly flammable materials, such as cotton batting, straw, dried plant material and certain plastics, should not be used for decoration or construction. However, if used, they should be treated with an appropriate flame retardant.
- Extension cords, multi-plug adapters and unfused plug strips should not be used. Only circuit breaker strips or code-approved wiring should be permitted.

Wiring should be placed so that it does not create trip hazards for guests.

- Consider establishing a rule that younger children must be accompanied by an adult to visit haunted houses.
- Limit the number of visitors for escorted groups to a fixed amount. For example, every group has 15 visitors with an escort, regardless of the age of the group. The escort, or guide, should be at least 18 and carrying a working flashlight and be completely familiar with the facility.
- If needed, public entities should request the assistance of the local police department to ensure safety is the top priority. A sketch of the floor plan should be provided to the servicing fire department in advance of the event.
- Public entities should have a written emergency evacuation and fire safety plan that covers potential emergency situations, such as inclement weather, equipment failure or fire or medical emergencies. This plan should be thoroughly reviewed so that all employees and volunteers are on the same page for the event.

## Hayrides

In addition to haunted houses, many public entities choose to provide their community with hayrides during the fall. For this type of activity, it is important that tractors and wagons be thoroughly inspected each day to ensure safe operation. Hay wagons can be subjected to great stress and overloading must be avoided. Public entities should calculate how many people can safely fit on each wagon and never exceed that limit. The wagons should be checked for any sharp edges or splinters and repaired as necessary. Side railings should be high enough to keep patrons contained inside the trailer and the steps should be off the back of the trailer; the wagon should also have reflective tape around all sides with appropriate signage. Drivers for this activity should be both experienced and qualified to operate the tractor or horses.

Autumn flies by in a flash, so take advantage of the crisp weather and beautiful foliage with fun fall activities that everyone will enjoy. For questions or more information on how to prepare for your fall-themed event, please contact one of your Risk Control Specialists, Mike Boyd ([mboyd@persopool.com](mailto:mboyd@persopool.com)) or Dave Tiller ([david.tiller@persopool.com](mailto:david.tiller@persopool.com)).

## New Coverage

*Cont'd from pg. 1*

- **Business Relocation Costs** - Extra costs of temporarily relocating a member's operations or business.
- **Third-Party Liability** - Damages and expenses the member becomes legally obligated to pay because of bodily injury or property damage sustained by a third-party at a covered location.
- **Medical & Dental Expenses** - Medical and dental expenses necessary to mitigate bodily injury sustained by a member's employees or patrons.
- **Counseling Costs** - Counseling costs for a member's employees or patrons injured by or physically present at a covered location.



- **Funeral Costs** - Funeral costs for persons killed by an active assailant or hostage taker.
- **Crisis Management Services** - Costs for a crisis management consultant to assist the member in responding to and managing the situation after an active assailant or hostage event.
- **Employee Retraining Costs** - Job retraining costs for the member's employees who are physically present and physically injured.
- **Replacement Employee Recruitment Costs** - Recruitment costs to replace a member's employees who are physically present and physically injured.

In addition to this comprehensive and responsive coverage following an active assailant or hostage event, PEP's Risk Control Team has resources available to assist your entity with preparing for and responding to such an event. To learn more about proactive steps you and your entity can take, log into the Resource eLibrary at [www.pepohio.org](http://www.pepohio.org).

If you have an active assailant or hostage event, please immediately contact your claims office, PERSO, at (866) 907-3776.

## MEMBER PROFILE: LORAIN COUNTY AGRICULTURAL SOCIETY/ LORAIN COUNTY FAIR

Nestled a short distance between Cleveland to the east and Sandusky to the west, and Lake Erie's shoreline providing the northern border, is Lorain County, Ohio. This is an area that was once described as a "dairying and general farming region" and remains loyal to its heritage.

Lorain County, specifically, the Village of Wellington, is home to the Lorain County Agricultural Society whose purpose is, "The promotion and improvement of Agriculture, Home Economics, and the Arts and Industries of the County." To achieve this goal, the Lorain County Fair was introduced to the public in 1846.

The Lorain County Fair is Ohio's second-largest county fair. This popular, much anticipated week-long event is held every August, two Mondays before Labor Day. The Fair offers national-level grandstand entertainment and all the great things you expect in a county fair and maybe a few you don't, like a kids' joke-telling contest! And there are the ever-popular events such as the truck derby, fiddle contest, tractor pull and demolition derby. Big-name entertainers of past fairs include Kenny

Rogers, Blake Shelton, Charlie Daniels Band, Kenny Loggins and Brad Paisley.

The Lorain County Fair's mission statement is, "To enhance Lorain County through an annual celebration promoting agriculture, education, entertainment, and encouraging positive youth development and leadership skills."

John Piwinski has served as a Director on the Lorain County Fair Board for 24 years, a position that his father held when John was a child. Prior to becoming a Fair Board Member, John was actively involved with the Fair's committees as a volunteer.

John says, after all these years, he continues to experience great satisfaction and pride in the annual Fair. "It's rewarding to witness the results of our hard work, to feel the enthusiasm from the exhibitors and watch the public enjoy all that the Fair has to offer," John states.

From online posts, the public appears enthusiastic and in agreement that the Fair is achieving its mission.

*"We need Lorain County Fair; it helps show city children animals they've never seen. It helps the community come together. It helps the 4-H Club. I will go every year."*



*"Great County Fair! One of the best! Seems to have something for everyone."*



*"Love the Lorain County Fair, we always have loads of fun. My daughter loves all of the animals and the food is always great!"*

*"LOVE this place! I've been going here many, many years and I will continue going as long as I can! So much to see and lots of places to shop at. Great for family and friends."*

As a result of his extensive knowledge and history, John maintains the Fair's property and casualty coverage. When asked why the Fair selected PEP, he replied, "The private industry wasn't competitive to what PEP could offer us for the services, benefits and cost."

*“ The PEP Representatives are there every time we need help or simply have a question. And the risk management personnel stop by to conduct on-site visits, which is always appreciated. ”*

John Piwinski, Director, Lorain County Fair Board

Twenty years later, John and his fellow Board Members remain pleased with their decision to select, and remain with, PEP. He explains, "The PEP Representatives are there every time we need help or simply have a question. And the risk management personnel stop by to conduct on-site visits, which is always appreciated."

John says other public entities who are not already PEP members might want to consider PEP. He thinks they'll discover that PEP is cost competitive and the representatives are responsive, supportive and easy to work with.

And lastly, when asked if there is anything else he would like to say about the Lorain County Fair, John enthusiastically replied, "Come on out and see for yourself why we have one of the best fairs in the state of Ohio!"

For more information about the Lorain County Fair – <https://www.loraincountyfair.com/>.

If your public entity is interested in learning more about PEP, we invite you to visit [www.pepohio.org](http://www.pepohio.org) or call (800) 367-4818 and ask to speak with a PEP Representative.

## PEP WELCOMES IT RISK CONTROL SPECIALIST, JUSTIN BAILEY



Justin Bailey

Justin Bailey has joined the risk control team as the PEP IT Risk Control Specialist. He comes to PEP with 22 years of IT experience working

for JP Morgan. Mr. Bailey has several certifications including: Certified Risk & Information Systems Controls (CRISC), Certified Information Systems Security Professional (CISSP), Cisco Certified Network Associate (CCNA), and Computer Technology Industry Association as a Computer Technician and a Network Technician (CompTIA A+ and N+). He has experience in various software programs such as Microsoft platforms, Windows and Outlook.

Cyber breaches are real threats today for public entities. Mr. Bailey will assist PEP members with cyber security. He will conduct systems and network security evaluations and provide helpful risk control suggestions. Also, he will conduct technology equipment valuations to ensure proper identification and coverage. Mr. Bailey has been meeting with several PEP members during his first few months. He will continue to schedule IT risk control visits with all PEP members throughout the next several years.

### PEP Announces New Comprehensive Cyber Package

PEP has created a comprehensive cyber package especially for PEP members, which consists of:

**Cyber Coverage** - \$250,000 in cyber breach coverage is available to all PEP members which includes coverage for identity theft, public relations expenses, restoration expenses, loss of income and more. PEP members can increase their cyber breach coverage limit to \$1,000,000 at renewal.

**Cyber eRisk Hub** - Access to a cyber portal, called eRisk Hub, which provides access to tools and resources necessary to help prevent and combat a data breach. Key features of the portal include breach response planning, incidence response training and risk management tools.

**Cyber Specialist** - Consultation with IT Risk Control Specialist Justin Bailey. Mr. Bailey helps identify potential cyber breach vulnerabilities as well as hardware and software security issues. He conducts systems and network security evaluations and provides risk control recommendations related to cyber security.

# PEP+ GRANT APPLICATIONS ACCEPTED THROUGH DECEMBER 31

PEP introduced the PEP+ Grant program in 2017, the year of PEP's 30th Anniversary, as a benefit available to all members. As a result of the program's success, the PEP Board of Directors has renewed this grant opportunity for members every year. And, in 2019, the PEP Board increased the annual eligibility amount per member from \$500 to \$1,000 and added loss control training as a qualified expense!

The objective of the PEP+ Grant is to allow members to apply for grant money to fund or partially fund safety items that will aid in loss control or risk management efforts.

Whether PEP members are already familiar with the PEP+ Grant or have not yet participated, PEP encourages all members to apply for up to \$1,000 in grant money before the year-end deadline.

The funds are available for purchases or expenses incurred during the application period of January 1 through December 31, 2019. Applicants must be a PEP member when they apply and when they receive the grant funds. Examples of qualified expenses include, but are not limited to:

- Automated External Defibrillators
- Safety signage
- Salt spreaders
- Fire extinguishers
- Warning sirens
- Playground surface materials
- Safety cones
- Security systems
- Surveillance cameras
- Firefighter training
- Sexual harassment training



## Why Not Do It Now? It's Easy!

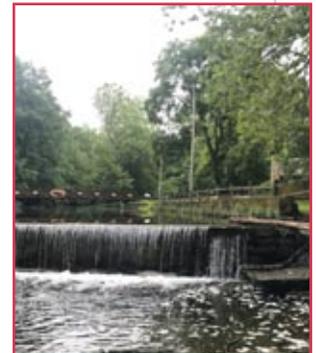
The one-page grant application is easy to complete and available on the PEP website at [www.pepohio.org](http://www.pepohio.org). Apply now for \$1,000 in grant money!



*Darke County Agricultural Society - Brian Rismiller (left), President; and Craig Hibner, PEP Representative.*

## FIRST REGIONAL EDUCATIONAL WORKSHOP HELD

**Thank You, Mill Creek MetroParks!**



PEP recently hosted its first Regional Educational Workshop at Mill Creek MetroParks' Yellow Creek Lodge. It was well received by members who attended the informational sessions.



The next Regional Educational Workshop is being planned in the Dayton area on September 12. Make plans to attend. This is a great opportunity to learn the benefits of being a PEP member.



# EMPLOYEE DISHONESTY AND FAITHFUL PERFORMANCE OF DUTY COVERAGE

House Bill 291 was signed into law on December 20, 2018, and became effective March 20, 2019, as O.R.C. 3.061. The passage of this law allows a "political subdivision," meaning a county, township, a "municipal corporation," which includes villages and cities, as well as a school district, community school, or a library or library district, to obtain an "employee dishonesty and faithful performance of duty policy," in place of the surety bonds that are required for the political subdivision's officers, employees and appointees. Under O.R.C. 3.061, an "employee dishonesty and faithful performance of duty policy," such as a coverage document issued by a joint self-insurance pool, like PEP, can protect a political subdivision from financial or property loss.

In an effort to provide additional coverage options for the PEP membership, the PEP Board of Directors, during its August 2019 meeting, passed a motion to allow PEP members the option to elect coverage for their public officials under the PEP Governmental Property Agreement, in place of a traditional surety bond for those public officials that are required to be bonded under O.R.C. 3.061. PEP's Governmental Property Agreement will provide coverage for a loss of funds or property while the public officials are performing their duties in office. This is an advantage over surety bonds, in which private assets of the public official will be pursued by the bonding company to satisfy any payment made under the surety bond.

If a PEP member elects to have coverage provided under the PEP Governmental Property Agreement, the PEP member must, pursuant to O.R.C. 3.061, elect by ordinance or resolution to use PEP's coverage document as a, "employee dishonesty and faithful performance of duty policy," in lieu of surety bonds, for

various positions within the political subdivision, including, but not limited to, the following: Trustee, Fiscal Officer, Assistant Fiscal Officers, Deputy Fiscal Officer, Zoning Inspector, Assistant Zoning Inspector, Road Superintendent, Constable, Fire Chief, Police Chief and Administrator.

*“ PEP's Governmental Property Agreement will provide coverage for a loss of funds or property while the public officials are performing their duties in office. ”*

It is important to note that the coverage provided by the PEP Governmental Property Agreement should be in effect prior to taking the oath of office and before the commencement of the individual's term of office or an employee's employment commences. Current officeholders,

employees and appointees should maintain their surety bonds until the end of their current term of office or employment. A lack of coverage when the discharge of duties is commenced by the individual shall render the office vacant under O.R.C. 3.061.

Please contact the PEP Service Team regarding the process to elect PEP coverage in lieu of acquiring a surety bond, including a sample resolution required to be passed by each public entity opting for this coverage.





PEP  
31555 W. Fourteen Mile Rd., Suite 310  
Farmington Hills, MI 48334

PRESORTED  
STANDARD  
U.S. POSTAGE  
PAID  
SOUTHFIELD, MI  
PERMIT #63

If our mailing records need to be updated, please contact the PEP Administrator at (800) 367-4818.

## PEP WELCOMES NEW MEMBERS

### Village of New Concord, Muskingum County

PEP welcomed the Village of New Concord in March of 2019. The Village of New Concord has a population of 2,400. John Glenn, the first American to orbit the Earth and served as an Ohio U.S. Senator, lived in New Concord. His boyhood home has been registered as a nationally-recognized historic site.



### Knox County Agricultural Society

In April, PEP welcomed Knox County Agricultural Society to its membership. The agricultural society is often referred to as the Knox County Fair, an annual event described as “still around and growing after 150 years!” “PEP was selected to provide coverage based on cost savings and the support of their local agent,” stated Craig Hibner, PEP Representative.



### Village of Pleasantville, Fairfield County

The Village of Pleasantville located in Fairfield County joined PEP in April of 2019. The population of the village is 877. It is reported that after Pleasantville was officially named, there was an issue with the mail. The U.S. Postal Service discovered that Ohio had two villages named Pleasantville. Being younger, the other town had to change their name.



### Southwestern Hancock Joint Fire District

Congratulations to the Southwestern Hancock Joint Fire District for beginning operations on April 1, 2019! PEP is proud to be of service to this new entity and welcomes SHJFD as a new PEP member.



### Village of Mount Cory, Hancock County

The Village of Mount Cory has a population of approximately 200. “The Village of Mount Cory became a PEP member for better coverage, higher limits and lower cost,” stated Craig Hibner, PEP Representative. Craig continued, “We’re very pleased the village, the agricultural society and the new fire district joined the PEP program.”



### City of Eaton, Preble County

The City of Eaton located in Preble County joined PEP in May of 2019. The population of the city is 8,133, and it was founded in 1806 by William Bruce. Eaton is the county seat of Preble County and is the center of activity associated with agriculture and manufacturing.



PEP’s new members join over 540 Ohio public entities that benefit from PEP’s coverage, educational programs and risk management services. PEP members include

cities, counties, fire and ambulance districts, villages, health districts, agricultural societies, and park and recreation districts. Programs and benefits

are specifically tailored to meet the unique needs of Ohio public entities. Welcome, new PEP members!