## Fiscal Year 2026 Boiler Program Announcement Office of Risk Management

Dear Pastors, PLD's, Principals, Business Managers and Facility Staff:

Unfortunately, last year (FY2025) the program participation was lower than the typical. The Office of Risk Management will be having the boiler preventative maintenance program kick off at the **end of July**, **Starting Monday**, **July 28th**. Now is the time to schedule your annual boiler maintenance inspection. As a reminder, the annual boiler maintenance program is designed to encourage each location that operates pressurized vessels, such as boilers, to conduct a detailed maintenance inspection. <u>Please read this program announcement in its entirety as there has been a change to the deductible amount for non-participation in the boiler program.</u>

To participate, a location needs to first contact a licensed and insured mechanical contractor to complete the **applicable tasks** for each unit on your campus as set forth in the attached checklist. After they have completed the inspection and corrected all identified issues, the **contractor** is then to complete the attached worksheet **for each unit inspected**. **Keep in mind that a completed checklist is required for each separate unit**. In addition, for the inspected unit to be included in the program, you must have the contractor complete any needed work that is identified during the course of the inspection.

You are strongly encouraged to request that the contractor complete the form and return it to your location for submission to this Office as noted on the form. Over the past several years, a number of locations relied on their contractor to submit the forms and unfortunately there were a number of times when the forms were not completed and/or submitted by the contractor.

You may use the contractor of your choice so long as they are properly licensed and insured. If you currently do not have a contractor, you may want to consider using one of the contractors on the attached listing.

By participating in this program, you will receive the benefit of no deductible in the event your location sustains a **covered loss** on a unit that has undergone the annual maintenance checklist. For locations that elect not to conduct the maintenance checklist, should you sustain a <u>covered loss</u>, your location is responsible for 50% of the total installation cost. This percentage is considered your deductible amount.

For example, if you have a boiler failure and need replacement, and your location <u>did not participate</u> in the Preventative Maintenance Program, the cost of the new boiler unit is \$50,000.00. Your location would be responsible for \$25,000.00,50% of the cost. Other benefits are increased efficiency from the unit, a longer life for your units, and a likely reduction in the likelihood of an interruption of your heating plant during the winter months.

Preventative maintenance should be performed by your boiler service company at **least two** weeks prior to the start of the heating season. The "heating season" is defined as the time you find it is necessary to turn on the boiler for the heating of your facility. The reason behind this is that if a repair is necessary or parts need to be ordered for your boiler it leaves ample time for the repair to take place without any interruption in the heating of your facility. All checklists must be completed and submitted within **10 days of having your inspections** completed. If your location sustains a covered loss and we have no record at the time of the loss of your inspections, the unit will be considered non-compliant and therefore your location will be responsible for **50% of the total installation cost. This percentage is considered your deductible amount**.

Please note that if your location is participating in the program for FY26, all boiler preventative maintenance forms must be received by November 30th

Lastly, this program is separate from the biennial safety inspections required by the State of Maryland. Those inspections are performed for your location by our Boiler and Machinery carrier, Chubb Insurance. So, remember completion of the annual boiler inspection checklist is separate and apart from the Stated mandated biennial boiler safety inspection. In closing please be sure to submit the completed forms as directed on the form itself.

If you have questions, please contact James Dimmer at James. Dimmer@archbalt.org