

# Insurance Coverage for Construction Risk

[By Patrick Chamberlin](#)

As a contractor, you work hard every day – for your customers and to grow your business. [Specifically designed insurance solutions](#) can protect those efforts.

You start with General Liability, which covers you for claims involving bodily injuries and property damage resulting from your products, services or operations, resulting from your negligence. Then we recommend you build a more complete policy from there.

Among the coverages you should consider:

- **Builders Risk:** Carried by either the property owner or the contractor, this insures a project (property) during construction.
- **Workers Compensation:** A state-mandated coverage in Maine, designed to cover costs when a worker is injured on the job. Subcontractors need their own coverage or an approved predetermination of independent contractor status form.
- **Commercial Property:** This coverage pays to replace or repair the insured value of tools and equipment that are owned or have been borrowed or leased in the event of damage due to a covered peril, such as a fire or theft.
- **Errors & Omissions:** This coverage can protect the value of your work if it is damaged due to unintentional faulty workmanship.
- **Commercial Auto:** This coverage is designed for vehicles used for business purposes. Coverage for hired and non-owned vehicles should also be considered.



# Vacation Investment with Trip Insurance

For many, a family vacation is a special occasion – and never more so in 2021, when such trips are investments which need protection.

A trip insurance policy covers the non-refundable costs of your trip if you're unable to take your vacation or have to interrupt your trip and come home early. The coverage automatically embeds some extras like medical coverage, lost baggage, and missed connection benefits.

Many people are asking about travel during the COVID-19 pandemic and the "Cancel for Any Reason" benefit.

A "Cancel for Any Reason" benefit is an upgrade which requires purchase of a Preferred-level plan and carries additional cost. It is important to note that this benefit must be purchased within 10 days of making your initial trip deposit for any aspect of your trip, be it lodging, a car rental or reservations for travel.

A "Cancel for any Reason" benefit allows you to cancel for any reason not listed on the Certificate of Coverage and you'd receive a 75% refund of your insured amount. Cancellation due to travel restrictions or other circumstances related to the Coronavirus are not a covered reason to cancel under these plans unless you have the "Cancel for Any Reason" benefit. However, illness, as certified by a doctor, may be a covered reason for cancellation.

It is also important to read your plan documents carefully and be aware that this benefit is not available to residents of New

Hampshire, New York and Washington.

For more information, click over to [AllenIF.com/trip](https://www.AllenIF.com/trip)

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# Insurance for Your Private Vacation Home Rental

Growth in private vacation home rentals has been explosive and Maine is a top vacation destination. With short-term private home rentals in high demand, homeowners are contemplating renting their properties to generate additional income.

This is where rental property insurance, also sometimes called landlord insurance, comes in, to help cover the unique risks taken in renting out your home or condo for long periods of time.

This coverage includes property damage, liability costs and loss of rental income for landlords renting their property. Whether you are renting your house, a vacation home or an investment property, **rental property insurance is an important safeguard against the financial risk associated with tenants living on your property.**

Before you rent your property, give your account executive a call. We're here to help.

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# **HCR: Employer Reporting of Health Coverage – Code Sections 6055 & 6056**

The ACA created reporting requirements under Code Sections 6055 and 6056, which took effect in 2015. Under these rules, certain employers must provide information to the IRS about the health coverage they offer to their employees. Employers will use Forms 1094-B & 1095-B for Section 6055 reporting, and Forms 1094-C & 1095-C for Section 6056 reporting. This ACA Overview summarizes these reporting rules. [Read more in this bulletin.](#)

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# **Benefits Buzz from Allen Insurance and Financial – February 2021**

This month's Benefits Buzz discusses the employee benefits provisions contained in the Consolidated Appropriations Act and the 2020 calendar year ACA reporting deadlines in early 2021. [Benefits Buzz Newsletter – February 2021](#)

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# Fill the Strand Success!

From AIO Food and Energy Assistance  
Rockland, Maine

On Monday, January 18, 2021 [AIO Food and Energy Assistance](#) hosted its first FILL THE STRAND food and funds drive to benefit AIO's Food Assistance, Energy Assistance and Weekend Meal Programs. The day was significant as a national day of service, honoring Martin Luther King Jr. The goal was to fill every seat in the theater with a bag of food or funds for food; with the overwhelming support from the community AIO was able to fill the theater three times!

[See photos from the event.](#)

The event was a wonderful collaboration with the [Strand Theatre](#) and Allen Insurance and Financial, which provided an opportunity for the community to connect and participate, in a meaningful, but safe way. The Strand Theatre had the door open and the lights turned on for one of only a few times in the last ten months. "While the pandemic has temporarily closed the doors to the theater, the work of the Strand carries on in new and creative ways—and this effort was no exception," shares Jessie Davis, Executive Director of the Strand. "As a community mainstay, it made absolute sense for the Strand to partner with other deeply-rooted community institutions, AIO & Allen Insurance and Financial, to provide an extra lift to our friends and neighbors in these difficult times!"

Allen Insurance and Financial employees were on hand to help greet, collect, and sort incoming food donations. The goal The generosity of the community has been remarkable- with more than 2000 pounds of food collected, sorted and integrated into AIO's market by the end of the day. More than \$27,000 in financial

donations were raised, which together with the food collected will go directly to AIO's programs that support Knox County families. All together more than 245 people or organizations contributed to Fill the Strand's success.

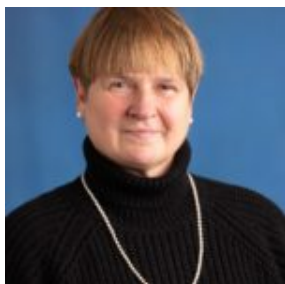
Liz Jenkins, AIO Board President shares, "We are amazed by the day and the show of support from all corners of the community, especially our partners. I think that we have all been craving an opportunity to "do" something, something meaningful and joyful outside of our own walls, during a year when we've been at home so much. Leila Murphy brought this idea to me a year ago, and while we had to pause plans last spring, when Wendy Bryd from Allen Insurance and Financial contacted me in the late fall about a team project, the stars aligned. Our AIO Weekend Meal program manager, Molly O'Rourke, is a professional events planner so she rounded out our planning team beautifully.

I'm grateful to Leila and Molly for coordinating the event, and to everyone who supported the event-whether donor, volunteer or cheerleader. Thank you. The good energy and the excitement around the event was infectious. We certainly hope to do it again!"

"We're grateful we could play a part in a very special day - one that showed our community at its best," said Mike Pierce, president of Allen Insurance and Financial. Allen Insurance and Financial, was a collection site in the weeks leading up to the event, in addition to having a team of volunteers on the day of the event. Main Street Market also served as a collection site.

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# 2021 Has Finally Arrived...Now What?



Sarah Ruef-Lindquist, JD, CTFA

By [Sarah Ruef-Lindquist, JD, CTFA](#)  
Originally submitted to [PenBayPilot.com](https://penbaypilot.com)

I don't personally know anyone who wanted 2020 to last longer than it did. It was like riding a roller-coaster. But as thrilling as any ride can be, you can only take so much. Especially with the markets.

The year started out with the fall election looming large on the horizon...the outlooks for the economy and financial markets were positive as the year began and then...well, we all know what happened. A force outside the market (deadly pandemic) resulted in a recession and sky-rocketing unemployment and devastation of life as we knew it and sent the markets into a downward spiral...but then, the last 9 months of the year resulted in returns that surprised even the experts in the markets. The S&P returned 18%, the NASDAQ more than a whopping 44% and the Dow Jones Industrial Average a comparatively "modest" 9%.

Markets thus far in 2021 have responded fairly positively to the



rollout of a vaccine and a new administration in Washington. Concerns about radical changes to the tax code have receded and there is a perception of pent-up consumer demand that, once it is safe to shop, dine and travel without the threat of Covid-19, could lead to an economic recovery and continued positive market performance as we move through 2021.

So, as we think about our financial lives in the wake of all this turbulence, are there areas of focus we might be wise to consider?

First, the wisdom of having a reserve fund of 3 to 6 months of living expenses is a timeless piece of advice. 2020 might have made it obvious, and we should all consider this as a goal for 2021. No need to elaborate on that.

If 2020 taught us a second lesson, it is that missing even part of a year of market activity can come at a high opportunity cost. So long as debt is managed and you can afford to, you should take maximum advantage of pre-tax IRA contributions (\$6,000 a year or \$7,000 if you are 50 or older) and/or retirement plan (401(k), 403(b) and SIMPLE IRA) contributions. Again, this can shelter as much as \$26,000 from tax while adding to a retirement account that grows tax-free. Similarly for the self-employed, SEP plans can allow up to 25% of income to be sheltered in the plan (up to \$58,000) and is often used by high-earners.

Also, if available to you through work, take advantage of employer matching contributions to your employer-sponsored retirement plan. Even if it's a small amount, it's worth having the additional funds to build your retirement.

We also learned that the SECURE Act passed in late 2019 brought a positive change for people working into their 70's. People over age 70  $\frac{1}{2}$  can contribute earned income to IRA's, up to

\$7,000 a year, which was not possible before the legislation was enacted. There is no longer an age limitation on contributions as long as you have at least as much earned income as you want to add to your IRA.

For many years, 70  $\frac{1}{2}$  was also the age at which people had to begin taking funds out of their retirement plans. The “Required Beginning Date” or RBD triggered the need to take a “Required Minimum Distribution” or RMD. To the extent you did not withdraw the full amount, you risked as much as 50% in tax of the undistributed amount. Now, that RMD doesn’t begin until age 72. In other words, age 72 is the RBD for RMD. This recognizes not only that people live longer, but are working longer and not need to withdraw funds so soon.

So while we’re all ready for a quiet, stable and peaceful year, let’s remember some of the simple, basic things we can do to help ourselves have a productive year and plan for a prosperous future.

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## **A Day of Service in the Community: Doing Things That Need to be Done**

Allen Insurance and Financial encouraged employees to use a paid community service day on Jan. 18. Amy Bowen and Sally Miles, members of the business insurance team in our Belfast office, put in some real elbow grease, volunteering for [Waldo Community Action Partners](#) in Belfast, assembling 20 conference room chairs

and deep cleaning two of the organization's transport vans.  
Says Sally: "It was a great day – we did things that needed to be done!"

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## MLK Day Food and Funds Drive an Incredible Demonstration of Community Spirit!



How do you find the words to describe an event where teamwork, generosity and community all come together to exceed a goal three times over? That's what happened on Monday, Jan. 18, when a group of Allen employee-owners from our Camden and Rockland offices joined AIO Food and Energy Assistance's team of volunteers at The Strand Theatre in Rockland, which hosted the event. Together we assisted in collecting food and funds in support of AIO's Food Assistance, Energy Assistance and Weekend

Meal programs.

In all, 2,219 pounds of food and \$24,502 were collected. AIO's original goal of filling the seats in the Strand was exceeded by three times, with a total of 1,128 seats filled – each with a bag of food. (And the original funds goal of \$10,000 was shattered, too!)

It was a day of community, connection and joy and a great way to celebrate Martin Luther King Day in Rockland.

We're truly grateful for

- All who donated food and funds.
- Our fellow volunteers from AIO and The Strand.
- AIO for stellar event organization and for the opportunity to participate in this special event.
- The Strand for a warm, welcoming venue.
- Main Street Markets in Rockland, for being a food collection site and rolling a huge cart of donations down Main Street from the market to the Strand.
- Photographers Tara Rice, Leila Murphy and Dan Bookham for these photos we can share with you.