

## USMS CONVENTION – DALLAS, TEXAS - 2002

Committee Name: Insurance Committee

Session #: 1

Agenda item #: 21

### ACTION ITEMS

**It has been MSA by the Insurance Committee to accept the Property/Office coverage quotation provided by Zurich Insurance for the premium of \$434.00.**

**It has been MSA by the Insurance Committee to request Budget line item 5010 be amended to \$150K, reducing from \$175K.**

**It has been MSA by the Insurance Committee to accept the indication from Philadelphia Indemnity for Directors and Officers liability renewal if the quotation comes in at the estimated premium of \$2,400.**

**It has been MSA by the Insurance Committee to have Sandi Blumit investigate Media Professional liability coverage which would provide coverage for libel, slander, copyright infringement, in addition to other coverages. Sandi Blumit will report back to the committee with the coverages, limits, carriers and premium.**

Committee Chair: Colleen Driscoll

Vice Chair(s): n/a

Number of committee members present: 7

Absent: 6

Total delegates attending this meeting: 25

Committee Members present: Colleen Driscoll, Cheryl Gettlefinger, Mike Laux, Jack Buchanan, George Simon, Hill Carrow; Exec. Committee Liaison – Jack Geogheghan

### MINUTES

Time Meeting Called to Order: 2:10 p.m.

1. Introduction
2. Appoint Recorder – George Simon
3. Roll Call
4. Block Question discussion
5. Vote on 2003 Insurance programs

*Discussion:* Our liability insurance carriers will not provide a quote more than 30 days in prior to our policy expiration date of 1/1/03 due to climate of the insurance industry. Two liability indications which we have received offer the following: Indications are that the premium may be in the order of \$120,000. One of the carriers is Lexington, which has an A.M. Best rating of A++ XV, and Virginia Surety which has a rating of A-XV. We have received declinations from some carriers. During the course of this Convention, Sandi Blumit has received information that two other carriers may be interested in providing indications.

Question was why was our insurance premium was not affected last year after 9/11/01. Sandi advised that we had received quotations in August 2001, which the insurance carriers had to honor since they were bindable quotations.

We are looking to maintain our coverages and limits that are comparable to what we have had in the past. The indications received by Virginia Surety provides combined limits of \$5M, due to their reinsurance constants. The deductible for Virginia is \$10K including expenses for Virginia. Lexington indicates combined limits of \$10M with a \$25K deductible including expenses. We have had a \$10K deductible including expenses and \$10M in limits for years.

It was discussed to retain a combined total of \$10M in liability insurance due to some clubs requirements. The current indicators are that we may be able to have this amount with reasonable increases with the \$25k deductible.

It was discussed that the Lexington indication for the primary general liability was on an adjustable basis. This means that our premium is based on a cost per swimmer and the carrier may change our premium due to an increase in membership.

**It was discussed that we have only received indications for our liability insurance coverage and not any bindable quotations. Our indications are subject to change in premium, limits and coverages. We are unable to predict what events may take place between now and December 1, 2002 which may impact our insurance. Therefore, it has been MSA by the Insurance Committee to request Budget line item 5010 be amended to \$150K, reducing from \$175K.**

This committee recommends to accept to enter into contract with an acceptable carrier, limits and coverages within the budget expense.

**The Property/Office renewal coverage was discussed and MSA to accept the quote by Zurich for a premium of \$434.00. Extended coverage is provided in this policy.**

**The committee has not received a bindable quotation from our carrier yet, however, we have received an indication with acceptable premium, coverages and limits. Therefore, it has been MSA by the Insurance Committee to accept the indication from Philadelphia Indemnity for Directors and Officers liability renewal if the quotation comes in at the estimated premium of \$2,400.**

It was discussed that our Surety coverage does not expire until 1/1/2004. Therefore, no action is necessary at this time.

6. Review of loss history and current reserves.

The committee reviewed our current loss runs along with a compilation of types of losses and loss ratios for the past 15 years.

Discussion: our liability loss experience has been excellent. Losses for Secondary Personal Accident continue to come from slips and falls, and strains.

7. Discussion of rule proposals that directly affect this committee.

Discussion: none.

8. Discussion of Action Items that affect this committee:

Discussion: the recommended wording by the Coaches committee regarding safety certification of coaches. The Coaches committee will form a sub committee and investigate this issue further and advise.

9. Old business

Discussion: none

10. New Business

Discussion: **Due to the potential increase in exposure on our website, SWIM Magazine and articles from USMS, it has been MSA by the Insurance Committee to have Sandi Blumit investigate Media Professional liability coverage which would provide coverage for libel, slander, copyright infringement, in addition to other coverages. Sandi Blumit will report back to the committee with the coverages, limits, carriers and premium.**

11. Adjournment MSA

Time Meeting Was Adjourned: 3:25 p.m.

#### TASKS FOR THE UPCOMING YEAR

1. Review information provided on Media Professional insurance.
2. Review and vote on insurance programs for 2004.