

USMS CONVENTION – San Diego, CA – 2003

Committee Name: **Insurance** Session # (if more than one meeting): 1 Cmte. report #: **11**

Minutes recorded by: **Cheryl Gettelfinger** Date/time of this meeting: **Thursday, Sept 11, 2003, 10:15 am**

ACTION ITEMS PROPOSED EXPENDITURES

None.

ACTION ITEMS

1. **MSA for rejection of Terrorism coverage for 2004.**
2. **MSA to accept a premium amount of no more than \$119,000 for both General Liability and Excess Liability for 2004.**
3. **MSA to accept the coverage and premium amount of .675 per swimmer for both Secondary Personal Accident and Travel Assistance for 2004.**
4. **MSA to accept a premium amount of no more than \$2,000 for Directors and Officers Liability coverage for 2004.**
5. **MSA to accept a premium of \$3,786 for Crime coverage per the quotation provided for 2004.**
6. **MSA to accept a premium of no more than \$600 for Business Owners Package Policy for 2004.**
7. **MSA to accept a premium of \$800 for Workers' Compensation for 2004.**
9. **MSA to accept a flat broker's fee of \$20,000 for the 2004 term for General Liability and Excess Liability.**

Committee Chair: **Colleen Ann Driscoll**

Vice Chair(s): **Jack Kangas**

Number of committee members present: 6

Absent: 2

Number of other delegates at this meeting: 14

Committee members present (list all): Colleen Ann Driscoll, Frank Tillotson, Joan Campbell, Mike Laux, Cheryl Gettelfinger, Jack Buchannan

MINUTES

The meeting was called to order at: 10:15am

1. Introduction of committee members and Risk Managers Insurance.
2. Appoint Recorder
Cheryl Gettelfinger volunteered to record the minutes.
3. Roll Call
4. Discuss and Vote on 2004 Insurance Programs
 - A. The Insurance Summary was provided to attendees for review of the current insurance programs. The coverages and highlights were reviewed.
 - B. The Insurance Summary Proposal for 2004 was distributed to the attendees and discussed.
 1. The General Liability and Excess Liability indication from K&K was discussed. The indication is not a formal quotation as the effective date is more than 30 days from inception. The increase in premium over 2003 is approximately 30%. Risk Management Services (RMS) is working to have this amount decreased by 10%. RMS has approached other markets for quotations, however, as of this date, none have been received. RMS has had discussions with another market and they have expressed an interest in quoting. RMS will continue to follow up and when received, the information will be provided to the committee members via e-mail for a vote.
 2. The proposed Terrorism coverage was discussed, for an additional charge of 2.5%. The coverage is extremely limiting and discussed as not having value for an additional charge.
 3. **MSA for rejection of Terrorism coverage for 2004.**
 4. **MSA to accept a premium amount of no more than \$119,000 for both General Liability and Excess Liability for 2004.**
 5. The Secondary Personal Accident and Travel Assistance quotes were discussed. The rates per swimmer will remain unchanged.

6. **MSA to accept the coverage and premium amount of a total of .675 per swimmer for Secondary Personal Accident and Travel Assistance was approved for 2004.**
 7. The Directors and Officers coverage quotation has not been received as we have not yet received the USMS 2002 financials, which the insurer needs for evaluation.
 8. **MSA to accept a premium amount of no more than \$2,000 for Directors and Officers Liability coverage for 2004.**
 9. Upon receipt of the 2002 financials, they will be provided to insurer for review and a quotation. This will be distributed to the committee for final approval and vote via e-mail.
 10. **MSA to accept a premium of \$3,786 for Crime coverage per the quotation provided for 2004.**
 11. The Crime had been on a three-year pre-paid program, however, the insurer will not provide a quotation for more than a one-year policy term.
 12. **MSA to accept a premium of no more than \$600 for Business Owners Package Policy for 2004.**
 13. **MSA to accept a premium of \$800 for Workers' Compensation for 2004.**
 14. Discussion on the insurance broker's proposed fee for 2004 of a flat amount of \$20,000 was discussed. Last year RMS had requested the flat fee of \$20,000 for the 2003 term, however, our insurers would not provide indications for the GL and XS prior to Convention, which would enable a vote by the Committee and the HOD. By removing the broker's commission as a percent of premium, it will enable a fair fee amount to be paid, versus an amount based on the insurance market conditions. While our membership has significantly increased over the past ten years, which has resulted in much more work for RMS, the commission amounts paid have not increased commensurate with the amount of work performed by RMS. Other coverages will remain on commission basis, as the insurers will not provide quotations on a net basis.
 15. **MSA to accept a flat broker's fee of \$20,000 for the 2004 term for General Liability and Excess Liability.**
5. Review of Loss History and current reserves
 - A. Loss information including the type of incident and number of incidents were distributed and reviewed.
 6. Discussion of Legislation that affect Insurance
 - A. Wording is proposed for the inclusion of "other" events at a sanctioned meet. RMS advised that since the event was sanctioned, then current coverages and exclusions would still apply.
 7. Discussion of 2003 Project
 - A. The project is to provide USMS members guidance if they have been requested to sign a contract or other document by a facility, vendor, etc. We are working on having this information on the USMS website. We are looking for examples of wording from our members. It was discussed that this project will continue for the upcoming year working with Patty Powis and RMS.
 8. Old Business
 - A. None.
 9. New Business
 - A. At the Block Party on Wednesday evening, it was discussed by members in attendance that at both open water and pool sanctioned events, members were being required to sign additional waivers or other documents prior to competing. These documents were provided by facilities, municipalities, meet directors, etc. Only the current USMS waiver is to be used with no changes. If there are requested changes the meet director must obtain the approval of Legal and Insurance. Legal and Insurance will send an e-mail, via the National Office, to the LMSC chais and LMSC Sanctions chair, to request a copy of any and all documents which may be requested to be signed by USMS members at any sanctioned event, prior to the meet director receiving a sanction.
 - B. The premium indication for the 2006 World Championships was discussed. The indication was provided by our insurer at the request of the Executive Committee. Since the event will not be held for several years, the amount is an estimate. Coverage may not be added to the current USMS insurance program, as the disciplines to compete are currently not a part of our program.
 - C. The current insurance grid, which is on the USMS website was distributed and the committee members were requested to review the document and advise of any amendments.

The meeting was adjourned at: 11:25 am.

TASKS FOR THE UPCOMING YEAR

1. The 2003 project will be continued in 2004 to provide guidance to members when confronted with signing a contract or legal document by a facility, etc.
2. Legal and Insurance will work with the LMSC chairs and the LMSC Sanction chairs to receive and review any and all additional waivers or documents which may be required to be signed prior to providing a sanction for an event.