

INSURANCE REPORT
Presented to the
2007 BC Athletics Annual General Meeting - January 19, 20, 21

The insurance coverage carried by BC Athletics is:

1. Liability - **\$5 million** - Covers all BC Athletics annual members (individuals and registered clubs) 365 days per year, for approved or sanctioned activities related to the sport of Athletics. Coverage is also provided for: sponsors, corporations, cities, etc. that are associated/involved with a BC Athletics sanctioned event; and school club (individual school, school district club for the September to June 30 time period) when involved in Athletics (Track & Field, Road and Cross Country Running) outside the school program. (See the insurance brochure). **The premium increase for this year is 9%. Premium per club \$240/yr**
2. Liability - Day of Event Member: Is also covered through the Association's liability policy at an additional charge over the premium for the annual members. The premium per person while small because of the numbers in events and the group rate provided to BC Athletics through Sport BC Insurance, **has increased for this year by 6%. Premium per Day of Event Mbr/Participant - \$.16**
3. Sport Injury/Accident: is in place for annual members of BC Athletics and assists in the costs (with limitations and exclusions) that exceed the coverage provided through the BC Medical Services Plan. (See the insurance brochure). Note: Physiotherapy – limit of \$30/visit, \$300.00 maximum per accident. The premium per person, while low because of a group rate, **has increased by 6.67% for 2007. Premium per eligible member is now \$.80/yr.** We have had several discussions with Sport BC Insurance with respect to Sport Injury and Accident Insurance, looking to enhance coverage wherever possible and to explore other coverage opportunities.
4. Equipment Insurance: is in place for equipment owned and located in the BC Athletics office; located external to the office; and the Legacy Equipment owned by BC Athletics. Premiums have dropped by 10% for 2007.
5. Equipment coverage is also available to clubs at a rate of \$2.00 per \$100.00 value of equipment directly from Sport BC Insurance. Coverage begins upon receipt of payment and an itemized list of equipment. Coverage is replacement cost, with a deductible of \$500.00.

Summary of Insurance Premiums for the period August 14/06 to Aug 14/07:

1. Club insurance - \$240 per club. Up from \$220 per club – **9% increase. 3 yr increase 53.39%**
2. Day of Event Mbrs - \$.15/DOE Member. Up from \$.14 per DOE Mbr – **7% increase. 3 yr increase 44%**
3. Office Contents - \$850. Contents Valued at \$85,000 – **Reduction in premium cost of 10%**
4. Miscellaneous Property Floater - \$2,080. Up from \$1,700 – **22.35% increase.** Property value \$59,500
Miscellaneous property floater is equipment that is managed by volunteers **outside of:** the BC Athletics office or in controlled storage areas e.g. U Victoria Stadium or Swangard Stadium.
5. Legacy Equipment (T&F from '94 Commonwealth Games – located in Victoria and Burnaby) - \$3,000.
Equipment value - \$200,000 – **No increase**
6. Accident/Sport Injury - \$.75 per eligible member – **No increase.**

Liability coverage is \$5 million per occurrence.

Estimated cost per 12 month period:	<u>2006/07</u>	<u>2005/06</u>
Clubs: 69 x \$220 =	\$16,560	\$15,180
DOE Mbr: Estimated 76,000 x .16 =	\$12,160	\$12,000
Office Contents =	\$ 850	\$ 950
Miscellaneous Property Floater =	\$ 2,080	\$ 2,080
Legacy Equipment =	\$ 3,000	\$ 3,000
Accident/Sport Injury 3842 x .80 =	<u>\$ 3,074</u>	<u>\$ 2,408</u>
Total estimates:	\$37,724	\$35,618

Membership Requirement for Insurance Coverage

Each year we receive a number of inquiries regarding the need to have all club members registered with BC Athletics. The Associations Rules and the Liability Insurance Premium (rate per club) – are the two main reasons why all individuals who are members of BC Athletics member clubs are required to be individual members of BC Athletics. The rate per club (\$240.00 new rate) is based on having all members of clubs members of BC Athletics. The insurance company insures BC Athletics and all its members (clubs and individuals). If members of clubs are not registered

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members of BC Athletics then the club could be in jeopardy of not being provided coverage should they be liable for any damages. Furthermore, the insurance company in providing clarification on this matter, has stated that they would consider clubs who do not insure that their members are registered annual members with BC Athletics as having deliberately misrepresented themselves and could be denied coverage under the policy. This as well could have a very negative effect on the BC Athletics premium.

Claims (Liability & Accident) in 2006:

- At the time of this report we are aware of the following:
 - o Individual (non member) struck by a hammer – Claim was settled
 - Payment - \$11,500
 - Expenses – \$3,014 (legal and other fees)
 - Recovery (deductible) - \$500
 - Total payout through Sport BC Insurance: \$14,014.00

Total Liability Claim payout:

- 1996 to 2004
 - o Claims payout - \$60,796
 - o Expenses - \$20,276 (legal and other fees)
 - o Recovery (deductible) - \$1000
 - Total payout through Sport BC Insurance: \$80,072

Total Equipment Insurance payout:

- 1998 to 2003
 - o Claims payout - \$16,490
 - o Expenses - \$733 (legal and other fees)
 - Total payout through Sport BC Insurance: \$17,223

Out of Province Insurance

Liability - world wide coverage

Accident - out of province but within Canada

- will pay additional expenses such as hospital charges, cost of x-rays, etc that are not paid by BC Med
- only accidental injury while participating in a sanctioned/approved practice or competition
- up to a limit of \$10,000.

Trip/travel - specific coverage needs be arranged for each trip

- premium cost is \$1.50 per day per person
- will pay expenses incurred such as hospital and physician costs due to injury or sickness
- excess of any coverage by BC Med
- 24 hour coverage for length of trip
- up to a limit of \$100,000. (\$5,000. dental)

All coverage would only apply to activities sanctioned/approved by BC Athletics.

COVERAGE FOR NON CANADIANS: Foreign athletes taking part in BC Athletics sanctioned competitions are not covered under either the liability or sport injury/accident policies. Unless the individual sued or laid a claim against the organizing committee and BC Athletics then the policy does not respond or cover the medical costs. This applies to any and all athletes. If the individual is a Canadian Citizen then coverage is provided through the Provincial Medical Services Plan. If the injured party is a BC Athletics Annual Member, then costs as per the policy would be covered by the BC Athletics Accident and Sport Injury Insurance Policy. In the case of a foreign athlete they should have medical insurance coverage for foreign countries, which would have to be purchase before entering Canada. An alternative to buying the coverage would be for the organizing committee(s) of the competition(s) the athlete(s) are entering to purchase what is known as “Visitor’s to Canada Hospital Medical Coverage”. The cost of such coverage is approximately \$2.19 (up to 24 yrs) to 2.95 (25 to 39 yrs), etc per person per day for up to \$25,000.00 in coverage for an individual. Rates are different for various ages, which if in the future was an option for competition organizers, would have to be clarified. With this kind of coverage (Visitor to Canada) the insurance company must be provided with the name(s) of the individual(s) being covered, their year of birth, the date of arrival to Canada and their date of departure from Canada. This coverage is not available through Sport BC Insurance.

Note: Rates and conditions are subject to change.

Respectfully submitted,
Brian McCaldler, President/CEO