

CCLS Professional Liability Insurance Committee
Report to The Annual Meeting of the Board of Directors
Wolfville, Nova Scotia
October 15th, 16th, 2006

The PLIC had another busy and successful year. They continue to be a very active Committee of CCLS. Committee membership remained the same over the last year, which makes Committee meetings and initiatives work smoothly. There are two terms on the Committee which are scheduled to expire at the spring 2007 meeting of the PLIC. Present Committee membership and the expiry date of their present terms are as follows:

Sarah Cornett	Secretary-Treasurer	- on going
Lester Berrigan		- spring 2008
Greg Browne		- spring 2007
Monroe Kinloch		- spring 2007
Gordon Webster	Chairman	- spring 2009

The Committee continues to meet face-to-face twice annually. These meetings are held in conjunction with our regular meetings with the broker and insurer where we discuss claims and underwriting issues. We also communicate regularly via email, fax or telephone and when necessary hold teleconference meetings.

The PLIC broker, with the Committee’s input, successfully negotiated a new option with our insurers, for the June 1st, 2006 renewal. This option guaranteed the premium level for the June 1st, 2006 and June 1st, 2007 renewals, if the two-year option was selected by insureds at their 2005 renewal. This means that premium levels are frozen for three consecutive years, which should be good news for the insureds. The advantage to insureds is that they are aware what premiums they will have for a three year period. There may be a slight disadvantage, because of the length of time premiums will have been frozen, in that there is no annual increase for inflationary or cost of living factors. At renewal in 2008 our insurer will probably be looking for premium increases to catch up on these factors. At the present time it appears that premium levels are sufficient to maintain the program at a healthy level. The only possible reason for the need of a further premium increase, other than to cover a catastrophic loss, would be a natural or man made disaster which would affect all insurance markets.

In 2005 the PLIC completed an actuarial analysis of the CCLS Professional Liability Insurance Program. A summary of that analysis was distributed to the Board of Directors and was also discussed at the CCLS Director’s March teleconference meeting. In summary, the report indicated that now was probably not the time to pursue a self-funded option. The analysis also indicated that existing premium levels should be adequate to maintain the CCLS endorsed program in a healthy state.

Loss control continues to be an important initiative of the PLIC, our insurers and broker. In the past year a seminar has been held in Saskatchewan, with another scheduled for the Nova Scotia Annual Meeting. In addition the PLIC, with Encon's assistance, arranged for a presentation on "Warrantees, Guarantees and Contracts", which was held at the ACLS Annual Meeting in Kelowna. The PLIC have received a request from the ANLS to have a seminar at their 2007 Annual Meeting and we will be discussing our options for this seminar in Newfoundland at our upcoming fall meeting. Any Association wishing to hold a Loss Control Seminar should contact the PLIC. In addition to the seminars we continue to assist our insurers by the preparation of Loss Control Bulletins.

The PLIC would again like to remind Associations and insureds that the "Loss Prevention and Practice Management Guide" is available on the CCLS web site and can be accessed at www.ccls.ccag.ca/profliability.htm. The "Guide" is also available in hard copy for the cost of printing and shipping should anyone desire a hard copy. During the past year the PLIC has also redesigned its brochure, updating it and incorporating the new CCLS logo. The PLIC has developed a power point presentation which is being used in conjunction with the CCLS presentation at most Association Annual Meetings.

The PLIC would also like to make Associations' and their members, aware that we are not only a CCLS program committee. While the PLIC specifically endorses the CCLS program, because we believe it is the best option, we are available to any surveyor or Association who has a question regarding professional liability insurance, even if they are insured outside of the CCLS program. The PLIC is available to answer questions whenever we can, or we will point surveyors in the direction of the right answers if expert advice is required.

The Committee continues to work with our broker and insurer to provide a viable professional liability insurance program for surveyors across Canada. We presently issue approximately 450 policies insuring about 800 land surveyors, doing about \$400,000,000.00 worth of work in eight provinces and the territories. The PLIC feel the program is among the best available for professionals anywhere and that under existing market conditions the CCLS program is the most viable option available. As previously indicated, the recently completed actuarial analysis, made the same conclusion.

The PLIC will be holding its fall face-to-face meeting in conjunction with the Loss Control Seminar at the Nova Scotia Annual Meeting in October of 2006. Some members of the PLIC will be remaining in Wolfville to attend the CCLS Annual Meeting. Should the Board of Directors or any insured have any concerns, questions or comments regarding the CCLS Professional Liability Insurance Program, please do not hesitate to contact any member of the Committee.

The combined number of years of member experience on this Committee, to fall 2006 is in excess of 45 years. We believe this represents value to CCLS as well as the Committee itself, our insured and participating association members. We continue to get excellent cooperation from the broker and the insurer on the Committee input toward the closing of claim files.

Respectfully submitted on behalf of the PLIC

Gordon A. Webster
Chairman, PLIC