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Dear Mr. Brett Christopher:

I hope this letter finds you well. I am writing to follow up on our recent discussion at the latest City of Kingston Arts Advisory Committee meeting on Thursday, April 13th regarding liability insurance increases to arts organizations applying for project and operating funds from the City of Kingston Arts Fund. At this meeting, I spoke to the committee about my concerns over new stipulations required by the City of Kingston in order for successful grant applicants to receive their funding; namely that an organization or collective must hold \$5 million in commercial liability insurance up from \$2 million that was required in years past.

I am hoping that as the Chairperson of the City of Kingston Arts Advisory Committee, a delegate of the 2014 CKAF Working group and as the Artistic Director of Theatre Kingston, an arts organization that will be affected by these changes, that you can actively ensure that the repercussions of this administrative change in policy do not in fact hinder rather than benefit Kingston's arts community.

As you know, acting as a committee member of the City of Kingston Arts Advisory Committee and as the Director of the Reelout Arts Project, an organization that will be financially effected by these changes, I sent out an email to the arts organizations that receive annual operating funding and a few organizations that routinely receive project grants each year. I have attached a copy of my original correspondence. In this email, I invited the administrative/artistic heads of these organizations to share their current annual cost for liability insurance, their current insurance carrier, and if known, how much it will cost to increase their insurance coverage to \$5 million. Organizations like The Grand Theatre and the Kingston Symphony operate under the City of Kingston's insurance carrier and The Agnes Etherington and Union Galleries operate under Queen's University's insurance carrier. Of the independent arts organizations (not operating under an umbrella insurance policy) that responded thus far, only the Kingston Canadian Film Festival currently has \$5 million in liability insurance at a cost of \$1800 a year. Modern Fuel Artist-Run Centre (\$400 a year) and Reelout Arts Project (\$486) pay a modest price for their insurance at the \$2 million level. However, to increase Reelout's insurance premium to \$5 million would cost our organization \$1200 a year an increase of over \$750. Keep in mind, that this is a dramatic increase for an organization that currently pays little in comparison to say for example, your organization Theatre Kingston that currently pays \$1,318 for your \$2million insurance policy. How much more money will Theatre Kingston or organizations that are already paying close to \$2,000 in insurance each year going to have to pay?

The other less obvious problem with increasing insurance premiums is how it will affect collectives of emerging artists and grassroots organizations. The CKAF Working group went to great lengths I'm sure to provide a more accessible process for these groups to apply for project funding without a sponsored organization. This increase in insurance will no doubt make it next to impossible for these collectives to obtain should they be granted financial support. Even with a Sponsor, the organizations eligible to sponsor these project applicants may think twice before taking on an outside group under their increased liability insurance.

This is a substantial change in the CKAF process and should have been highlighted under the changes that were noted in the report presented to the Arts Advisory Committee in December 2012 for approval not just as a matter of fact in the back of the report. Despite your queries recorded in those minutes as to any other substantial changes, neither City of Kingston nor

Kingston Arts Council staff reported the matter of raising insurance. This change was also not recorded in the minutes of the Arts and Recreation Committee and the report was approved without discussion. Now that the committees and City Council has approved this report I do not wish to appear “out of order” by bringing these issues into the spotlight and therefore I am hoping that Brian McCurdy and Colin Wiginton will follow up with the city’s legal department for clarification on this new policy and that if a solution isn’t found at that time that the CKAF Working group with the assistance of the Arts Advisory Committee can work to remedy this problem.

I thank you for your time and input on this matter Brett and I sincerely hope that something can be done so as not to jeopardize the financial damage this policy could cause to our artistic community.

Sincerely,

Matt Salton