

**MUNICIPAL DISTRICT OF BIGHORN No. 8**

**POLICY**

**Name:** MD of Bighorn Community Organization Insurance Program      **Number:** CS-7

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**PURPOSE AND INTENT**

This policy sets out the parameters and conditions under which the MD of Bighorn will provide funding support to community organizations within the MD of Bighorn so that the associations can purchase their own liability insurance. (Note: this does not include insurance for building or other facilities that may be owned by the associations).

Community organizations provide a valuable service in the enhancement and enrichment of their community through voluntary effort. In order to operate and provide service, these organizations require, at the very least, general liability, directors and officers, and administrative liability insurance. This typically generates a substantial operational cost and may be financially prohibitive for community volunteer groups. Bighorn recognizes the benefit of the service that these organizations provide to the community as a whole and wishes to ensure that these community organizations, which have wide ranging social benefits, are able to function without their volunteers being exposed to personal financial risk.

**POLICY**

The MD of Bighorn Community Organization Insurance Program will provide community organizations with annual funding to help offset the cost of general liability and directors and officers insurance under the following parameters and conditions:

**COMMUNITY ORGANIZATION DEFINITION:**

1. A community organization shall be defined as a non-profit community group registered under the Societies Act whose physical location and primary focus is the MD of Bighorn and its community members.
2. A community organization is further defined by its service and support to a general population within a defined geographic region. Membership in these organizations may only be qualified by the geography and not by interest, ability, age, race or sex.
2. The organization's annual return must be in good standing with the Alberta Registrar.
3. The mandate of the organization must be to provide services and programs that benefit the general community rather than a specific group or interest.



4. Organizations that provide a specific service or narrow focus for a specific membership will not be considered under this program. This includes, but is not limited to: sports organizations, hobby or craft groups, environmental groups, religious organizations, etc.

#### **QUALIFYING BIGHORN ORGANIZATIONS**

1. For the purposes of this program, the following organizations have been identified as meeting the definition of a community organization as described above:  
Benchlands Community Association  
Dead Man's Flats Community Association \*  
Exshaw Community Association  
Harvie Heights Community Association  
Lac des Arcs Community Association
2. Additional organizations may be added by Council in the future by amendment to this policy.

#### **FUNDING:**

1. Funding will only be provided to support the costs of general liability, and officers and directors liability insurance. All other types of insurance are the responsibility of the organization.
2. A qualifying organization will be eligible for a maximum of 75% of their general liability and director's and officer's insurance premium.
3. A maximum allocation for this insurance funding will be established annually by Council through the budgeting process, and qualifying organizations will be eligible for support on a proportional basis, to a maximum of 75% funding of the insurance premium, based on Council's budget allocation.
4. The organization may apply through other grant programs for support of other operational, program or capital needs, including other insurance obligations.

#### **INSURANCE DEFINED:**

1. For the purposes of this policy, General Liability Insurance which may also be referred to as Comprehensive General Liability, Commercial Liability or CGL, is defined as coverage to protect the organization against third party legal liability related to property damage or bodily harm.



2. For the purposes of this policy, Directors and Officers Insurance, which is sometimes referred to as Errors or Omissions Insurance, shall be defined as coverage that protects against risks that are not included under an organization's general liability insurance, such as claims arising out of Board decision or omissions, or out of actions or activities performed directly under the auspices of the Board of Directors.

**APPLICATION/ACCOUNTING PROCESS:**

1. The program will be administered by the MD of Bighorn's Community Services Coordinator.
2. The organization must submit an application for annual insurance funding, by September 30<sup>th</sup> of each year, which includes proof that the organization is registered and in good standing under the Societies Act, the most recent financial statements, a list of the current Board of Directors, an annual operating budget, and a copy of the organization's bylaws.
3. If the organization has received insurance funding in the previous year, it must also submit an annual accounting report for the previous year, including a copy of the insurance invoice, with the application.
4. Bighorn may withhold or limit financial support for organizations whose insurance premiums are, for whatever reason, overly high as compared to other groups.
5. Should an organization cease to meet the criteria set out in this policy or otherwise contravenes of the spirit of this policy, the coordinator may determine that organization will not be eligible for funding in a particular year.
6. Questionable applications that do not clearly fall within this policy may be referred to Council.

**DISCLAIMER:**

1. The MD of Bighorn does not assume any additional costs or risks resulting from a funded organization's operation.

**Date Approved:** May 14, 2013

**Motion No.:** 141/13

**Date Amended:** December 12, 2017

**Motion No.:** 321/17

**Manager**  **Reeve**

**Rescinds Policy No.**

**\* - Denotes change**

**Motion No.**