

Frequently Asked Questions *for Committees of Council*

What Constitutes a Committee of Council?

The Frank Cowan Municipal Liability Policy provides coverage to Committees of Council. They are included in our definition of “Insured”. This extension of coverage often brings with it misconceptions of what constitutes a Committee of Council. In order for a Committee to qualify as a Committee of Council, under our policy, the following criteria must be met.

1. Council must pass a resolution stating that a group of individuals will be acting as a Committee of Council;
2. The Committee must be accountable to Council for all their actions and activities;
3. All finances are directed by Council, or at least approved by Council;
4. Typically, one or two Council Members are appointed to sit on the Committee.

Where all the above conditions apply, the Municipal Liability Insurance protection for these committees is automatic and no endorsement to the policy is required. Volunteers to these Committees of Council are also included in the definition of “Insured”.

It is not our intent to extend the Municipal Liability coverage to any and all committees formed to provide service or benefit to the community. Where a committee acts completely independent of the municipality, no coverage under the Municipal Liability Policy exists.

If you need further clarification or are in doubt as to whether a committee qualifies, please call us.

Frank Cowan Company Limited regularly researches and writes about issues that could affect our clients. These documents provide an opinion on key risk management issues but are not meant to provide any form of legal opinion or official interpretation. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation. All rights reserved. ©2012 Frank Cowan Company Limited.