



A Regular Meeting of
the Richmond Hill Public Library Board
will be held in the boardroom at Central Branch
on Thursday, October 19, 2023 at 4:00pm

AGENDA

1.0 Call to Order

2.0 Land Acknowledgement read by Board Chair

We are gathering on lands that have been home to First Nations Peoples from time immemorial. We acknowledge that what we now call Richmond Hill is on the Treaty Lands and Territory of the Mississaugas of the Credit First Nation and the Mississauga and Chippewa Nations of the Williams Treaty. We also recognize that we are on part of the traditional territories of the Haudenosaunee and the Huron Wendat.

We would also like to acknowledge all First Nation, Inuit and Métis peoples from across North America, also known as Turtle Island, who now reside in the City of Richmond Hill. We are committed to rebuilding constructive and cooperative relationships.

3.0 Regrets

4.0 Adoption of Agenda

4.1 Opening Remarks Board Chair

4.2 Adoption of Agenda

5.0 Disclosure of Pecuniary Interest and the General Nature Thereof

6.0 Delegations

None

Approval of Consent Agenda Items

All Consent Agenda Items (*) are considered to be routine, which require no discussion or debate, and are recommended for approval by the Chair. They may be enacted in one motion or any item may be held for discussion.

7.0 Minutes

7.1 *Library Board Draft Minutes – September 21, 2023

8.0 Resolution to Move Into Closed Session to consider matters relating to:

8.1 Personal matters about an identifiable individual

9.0 Resolution to Reconvene in Open Session

10.0 Adoption of Recommendations Arising from Closed Session (if any)

11.0 Presentations

11.1 RHPL 2024 Draft Operating and Capital Budgets

Darren Solomon, CEO

12.0 Reports

12.1 RHPL 2024 Draft Operating and Capital Budgets Report SRLIB23.19

12.2 *RHPL Fund Development Policy Report SRLIB23.20

13.0 New Business

13.1 New Motions

None

13.2 *Correspondence

13.2.1 *Overdue: *The Case for Canada's Public Libraries* - new report by Canadian Urban Institute - https://canurb.org/wp-content/uploads/CUI_Overdue_report_10.04.23.pdf

13.3 Member Announcements

13.3.1 Truth and Reconciliation Day Event / J. Dyer

13.3.2 2022 Annual Report / J. Dyer

14.0 Date of Next Meetings

The next Regular Meeting of the Library Board will be held on:

Thursday, January 18, 2024 @ 4:00 p.m. at Central Branch

15.0 Adjournment

Please advise Darren Solomon and Susan Quinn of regrets for attendance, by noon of the day of the meeting at e-mail: dsolomon@rhpl.ca and squinn@rhpl.ca



The Richmond Hill Public Library Board

Thursday, September 21, 2023

MINUTES

The Richmond Hill Public Library Board held a regular meeting on Thursday, September 21, 2023 at 4:00 p.m. in the boardroom at Central Branch, 1 Atkinson Street, Richmond Hill, Ontario.

Present: Stephen Chait, Chair
Jason Cherniak
Councillor Carol Davidson
Councillor Castro Liu
Sadra Nasser
Sugantha Raj, Vice Chair
Mona Shahnazari

Staff: Darren Solomon, Chief Executive Officer
Joshua Dyer, Director, Content and Community Engagement
Robin Fribance, Director, Strategy and Service Innovation
Yunmi Hwang, Director, Branch and Customer Experiences
Shawn Dillon, Finance and Administrative Assistant

1.0 Call to Order

The Chair called the meeting to order at 4:01 p.m.

2.0 Land Acknowledgement read by Board Vice-Chair

3.0 Regrets

Councillor Scott Thompson

Sofia Ma

4.0 Adoption of Agenda

Motion:

23:54

Moved by:

S. Chait

Seconded by:

Councillor C. Davidson

THAT the Agenda of September 21, 2023 be adopted with the following amendments:

- S. Chait to remove items 8.1 and 9.1 at the request of a Library Board Councillor and Mayor West, with Library staff to come back to a future Board meeting after further consultation with City staff; and
- Councillor C. Davidson to add item 12.1.1 Timing of Board Packages.

CARRIED UNANIMOUSLY

5.0 Disclosure of Pecuniary Interest and the General Nature Thereof

There were no disclosures of pecuniary interest.

6.0 Approval of Consent Agenda Items

Motion:

23:55

Moved by:

J. Cherniak

Seconded by:

S. Raj

THAT the Richmond Hill Public Library Board approves the consent agenda, as amended by J. Cherniak to pull item 7.3 for discussion.

CARRIED UNANIMOUSLY

7.0 Minutes

7.1 *Library Board Draft Minutes – June 15, 2023 (Adopted by Consent)

Motion:

23:56

Moved by:

J. Cherniak

Seconded by:

S. Raj

THAT the Minutes of June 15, 2023 be adopted.

CARRIED UNANIMOUSLY

7.2 RHPL Board Finance Steering Committee Approved Minutes – July 27, 2023 (Receipt by Consent)

7.3 RHPL Board Intellectual Freedom Steering Committee Draft Minutes – August 8, 2023

7.4 RHPL Board Master Plan Steering Committee Draft Minutes – August 29, 2023 (Receipt by Consent)

7.5 RHPL Board Finance Committee Draft Minutes – September 15, 2023 (Receipt by Consent)

Motion:

23:57

Moved by:

J. Cherniak

Seconded by:

S. Raj

THAT the Minutes of Items 7.2, 7.4 and 7.5 be received; and Item 7.3 be received as amended by J. Cherniak to include working with York Regional Police.

CARRIED UNANIMOUSLY

8.0 Presentations

8.1 RHPL 2024-2039 Master Plan Update – presentation pulled in Item 4.0

Yunmi Hwang, Director, Branch and Customer Experiences

9.0 Reports

9.1 RHPL 2024-2039 Master Plan Update Report SRLIB23.14 – report pulled in Item 4.0

9.2 New RHPL Alcohol Policy Report SRLIB23.15

Motion:

23:58

Moved by:

S. Nasseri

Seconded by:

J. Cherniak

That the Richmond Hill Public Library Board:

1. Approve the attached *RHPL Alcohol Policy*, with update to Guidelines as per J. Cherniak; and
2. Recommend to City Council that the Library be included in the City's list of Facilities for Special Occasion Permits

A recorded vote was requested:

Yes: S. Nasseri, J. Cherniak, M. Shahnazari and S. Chait

No: Councillor C. Davidson and S. Raj

CARRIED

9.3 RHPL Board Governance Steering Committee Report SRLIB23.16

Motion:

23:59

Moved by:

S. Nasserri

Seconded by:

S. Raj

That the Richmond Hill Public Library Board:

1. Approve the formation and Terms of Reference for the RHPL Board Governance Committee; and
2. Appoint the following Board members:
Stephen Chait (ex officio), Councillor Carol Davidson, Sadra Nasserri and Jason Cherniak.

CARRIED UNANIMOUSLY

9.4 2023 Q2 Financial Report SRLIB23.17 (Received by Consent)

Motion:

23:60

Moved by:

J. Cherniak

Seconded by:

S. Raj

That the Richmond Hill Public Library Board receive the 2023 Q2 Financial Report for information.

CARRIED UNANIMOUSLY

9.5 2023 Q2 Strategic Plan Progress Report SRLIB23.18 (Received by Consent)

Motion:

23:61

Moved by:

J. Cherniak

Seconded by:

S. Raj

That the Richmond Hill Public Library Board receive the 2023 Q2 Strategic Plan Progress Report for information.

CARRIED UNANIMOUSLY

10.0 Resolution to Move Into Closed Session to consider matters relating to:

10.1 Personal matters about an identifiable individual

Motion:

23:62

Moved by:

S. Chait

Seconded by:

S. Nasser

That the Board move into Closed Session to consider personal matters about an identifiable individual.

CARRIED UNANIMOUSLY

At 4:46 p.m. the Board moved into Closed Session.

11.0 Resolution to Reconvene in Open Session

Motion:

23:63

Moved by:

S. Chait

Seconded by:

S. Nasser

That the Board reconvene into Open Session.

CARRIED UNANIMOUSLY

At 4:49 p.m. the Board returned to Open Session.

12.0 New Business

12.1 New Motions

12.1.1 Timing of Board Packages – C. Davidson

Motion:

23:64

Moved by:

Councillor C. Davidson

Seconded by:

J. Cherniak

That the Richmond Hill Public Library Board approve having Board packages and Board Committee packages delivered one week before the meetings.

CARRIED UNANIMOUSLY

12.2 Correspondence (Received by Consent)

12.2.1 Article The Walrus, dated June 12, 2023 - Re: Have you been to the Library lately? <https://thewalrus.ca/future-of-libraries/>

12.2.2 Article The Liberal, dated June 29, 2023 - Re: RH-Library unveils art installation with YRDSB students indigenous artist
https://www.yorkregion.com/news/richmond-hill-library-unveils-art-installation-with-yrdsb-students-indigenous-artist/article_7d245785-443c-52bb-aed8-b5d4413cf00a.html

12.2.3 Article The Washington Post, dated June 29, 2023 - Re: Rooftops, Cafes and Zoom rooms: Libraries evolve to serve remote workers
<https://www.washingtonpost.com/technology/2023/06/29/libraries-remote-hybrid-work-offices-rto/>

12.2.4 Article The Liberal, dated July 5, 2023 - Re: RHPL's new brand reflects modern community hub for all
<https://www.yorkregion.com/news/richmond-hill-public-library->

[s-new-brand-reflects-modern-community-hub-for-all/article_39fbca7d-2302-5ff0-994b-be54ff457600.html](https://www.yorkregion.com/news/richmond-hill-public-librarians-central-branch-hosts-first-indigenous-artist-vendor-market/article_39fbca7d-2302-5ff0-994b-be54ff457600.html)

12.2.5 Article The Liberal, dated July 6, 2023 - Re: RHPL's central branch hosts first indigenous artist vendor market

https://www.yorkregion.com/news/richmond-hill-public-librarians-central-branch-hosts-first-indigenous-artist-vendor-market/article_6721f888-4dec-58ba-8376-d1a6e77ddb7e.html

12.2.6 Twitter Post, dated July 17, 2023 - Re: Barack Obama letter to librarians of America

<https://twitter.com/BarackObama/status/1680927869021696005>

12.2.7 Article The Liberal, dated July 18, 2023 - Re: 'Everybody's story is special: Richmond Hill exhibit shares immigration tale s'

https://www.yorkregion.com/news/everybody-s-story-is-special-richmond-hill-exhibit-shares-immigration-ales/article_9e91ab44-ccb0-5c8d-a5d3-eb29a3b387dc.html

12.2.8 Letter from Prime Minister, dated July 31, 2023 Re: RHPL Commemoration of Emancipation Day

Motion:

23:65

Moved by:

J. Cherniak

Seconded by:

S. Raj

That the Correspondence be received for information.

CARRIED UNANIMOUSLY

12.3 Member Announcements

- 12.3.1 Hillcrest Mall – Summer Reading Club Kick-Off & Wrap-Up (verbal J. Dyer)
- 12.3.2 Industry Conferences – Canadian Urban Libraries Council and Urban Libraries Council events in October (verbal D. Solomon)
- 12.3.3 2024 Budget Timing – A special Board Meeting will be called after the October 19th Board Meeting for the 2024 Operating and Capital Budgets (verbal D. Solomon)

Councillor C. Liu arrived to the meeting.

13.0 Date of Next Meetings

The next Regular Meeting of the Library Board will be held on:

Thursday, October 19, 2023 @ 4:00 p.m. at Central Branch.

14.0 Adjournment

Motion:

23:66

Moved by:

M. Shahnazari

Seconded by:

Councillor C. Liu

THAT the meeting be adjourned at 5:06 p.m.

CARRIED UNANIMOUSLY

Approved by:

Stephen Chait
Chair

Darren Solomon
Chief Executive Officer



Subject: 2024 RHPL Draft Operating and Capital Budgets – **REVISED**

For: Approval

Date: October 19, 2023

Report #: SRLIB23.19

To: Richmond Hill Public Library Board

From: Darren Solomon, RHPL CEO and Andrew Li, Supervisor, City Operating Budgets

SUMMARY

In light of new information since the package was distributed on October 12th we have now revised the report accordingly.

This report presents to the RHPL Board the draft 2024 Library Operating and Capital budgets. The budgets aim to balance progress on the Library’s strategic roadmap and the impact that our changing community, and the uncertain economic landscape, have on our residents against the fiscal pressures facing the City and the targets that Council has set out for the 2024 budget cycle.

City Council’s target tax rate increase for the 2024 Operating Budget is up to 3%. The draft 2024 RHPL Operating Budget increase is at **\$398,000 (4.7%)**, which, put into the broader perspective, represents approximately a **0.1%** increase to the City’s overall tax rate impact. Library staff faced difficult decisions even getting to **4.7%**.

There are five main drivers of the proposed budget, categorized between maintaining existing core business and growth/service enhancements:

Maintain Existing Core Business

1. Base adjustments to personnel, which include **union rate adjustments, standard cost of living**, benefit changes and other adjustments, as well as the first phase of a compensation adjustment to non-union staff resulting from an overdue consultant review in line with the RHPL Personnel Policy – **\$310,600 (3.7%)** increase;
2. Additional security guard expenses to cover more operating hours at Central and Oak Ridges branches to reflect the rise in incidents we have experienced and ensure the safety of our staff and visitors – **\$59,000 (0.7%)** increase;
3. Escalating supplier costs from inflationary pressures (eg. IT software, courier, postage, etc.) – **\$55,700 (0.7%)** increase;
4. Variety of reductions, efficiencies (eg. office supplies) and revenue adjustments (eg. funding from YRDSB) that we have found from the 2023 budget to try to minimize the impact of budget increases – **\$156,100 (1.8%)** decrease to the budget.

Growth/Service Enhancements

5. Converting a Digital Product Manager contract that was previously funded for the last two years through the capital budget to the operating budget, which ensures the continuity of digital projects and the main connection point into City IT; and the addition of three part-time Pages to support the growth in library usage and the Covid rebound, for a combined total of **\$128,800 (1.5%)**;

For the Capital Budget, the City has placed a cap of \$31M on tax-supported projects, which resulted in two Library projects being deferred to 2025. Details on the 2024 Capital Budget project requests are within this report.

The RHPL 2024 draft budgets were developed in close collaboration with the City's Finance team to ensure alignment with the City's overall budget and forecasts.

RECOMMENDATION

That the Richmond Hill Public Library Board:

1. Approve the draft RHPL 2024 Operating Budget and recommend it to City Council for funding consideration; and
2. Approve the draft RHPL 2024 Capital Budget and recommend it to City Council for funding consideration.

RATIONALE

Richmond Hill Public Library is an essential social service for our community. We are a dynamic gathering place for innovation, equity, and opportunity, which enriches and improves the lives of everyone in our community. Residents continue to rely on our indispensable and free materials, spaces and services to more confidently navigate a complicated world, including learning literacy skills ranging from reading to finances to cooking; supporting digital equity; fostering a sense of belonging and social inclusion; facilitating community connections; supporting academic and career success; and more. The value we provide makes our city culturally richer, socially more connected, and economically stronger.

As a new report by the Canadian Urban Institute says libraries are an "...underfunded asset that supports governments in delivering on their obligations to individuals and

their families, neighbourhoods, communities, and cities.” People in Richmond Hill value their library and highly use the resources we offer. According to 2022 data from the Ministry of Tourism, Culture and Sport, Richmond Hill Public Library has the fewest service points per capita among libraries our size in Ontario – yet, we have the highest rate of digital collections usage and second highest rate of physical collection usage among that same group, our programs have an 83% registration rate, and our branches are regularly filled to capacity with people needing our spaces.

2023 Review

Library staff have done a lot of work over the last two to three years on modernizing the organization, creating more growth opportunities and improving the working culture for our employees, expanding the breadth of our offerings to be more relevant to more people in the community, and improving the customer experience.

A key theme in 2023 was the increase we experienced in circulation, visits and program participation. While some of it may be attributed to a Covid rebound, we can also look to the economy and intensification across the City as important influencers on Library demand.

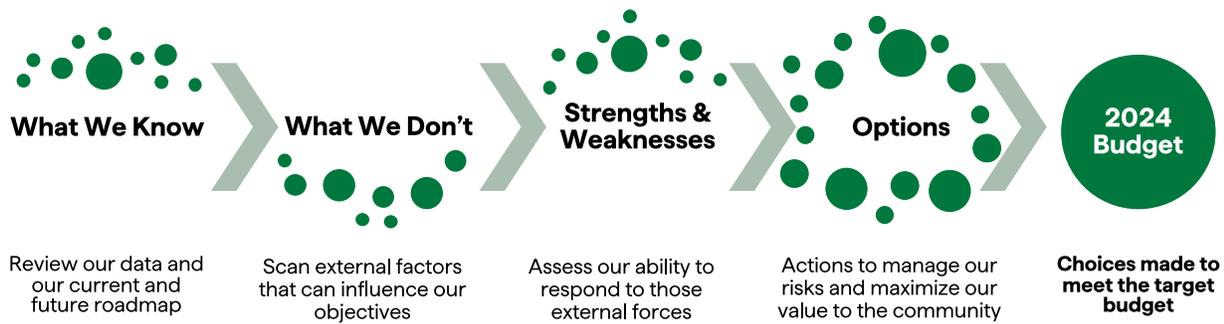
Our achievements and the ways we supported our community this past year span all of the Library’s strategic priorities, including:

Strategic Priority 1 Customer	Strategic Priority 2 Innovation & Insights	Strategic Priority 3 Enablement
<ul style="list-style-type: none"> • Space enhancements (outdoor seating, service desks, sorters, carpets, furniture) • Hillcrest Mall and CBC partnerships and events • Launched phase 1 of new website • Reconciliation activities (Indigenous programs, medicine garden, sacred fire, RG mural) • Emancipation Day event • Community exhibits, including Women Life Freedom and Immigrant Stories • Indie Author Day, Artist in Residence, Futurist in Residence • New resources – NYT Cooking and Gaming, G1.ca, LifeSpeak • Added Chinese, Persian, Russian, Ukrainian language collections • Return of extended study hours • New Wifi hotspots for loan 	<ul style="list-style-type: none"> • Data strategy • In-house service design practice • Canadian Urban Libraries Council's Futures & Innovation Lab • Featured as case study on culture change at global conference • OLA Building Award for Oak Ridges • 1 of 8 libraries across North America to win ULC Innovation award among almost 200 submissions 	<ul style="list-style-type: none"> • New brand identity and strategy • Reconciliation and DEI strategies • Realigned structure and capabilities • Improved workplace culture • Services-based budget view • Fundraising strategy • Shared services evaluation • MP and MPP library tours and events

As noted above, our work has not gone unnoticed. Richmond Hill Public Library was only one of eight libraries across North America recognized this past year with an Urban Libraries Council Innovation Award; we were a finalist for an Ontario Ministry Innovation Award; and our work on organizational change was a featured case study at a global conference. We also saw positive media attention on our evolution, which included front page stories in The Liberal, plus radio and podcast interviews. After two to three years of transformational work, RHPL has become a more adaptable and customer-centric organization, and is beginning to realize its potential as a transformative community hub and beacon of hope and belonging in the city.

Our Budgeting Process

RHPL staff took a strategic approach to its budgeting process, going through several purposeful steps of research and deliberation to land on the proposed budgets.



A central tension emerged: the social impacts from the urbanization of our City combined with our challenging economic landscape creates an environment where library services and resources are needed by more people and more often, yet the economy also puts fiscal pressures on municipalities which limits the library’s access to funding to fully support those community needs.

The vital role of a library in times of uncertainty is well-documented. During the pandemic, an article in The Globe & Mail said, “As life gets more difficult for people who’ve become unemployed or homeless, equal access to library spaces and resources is taking on a more profound meaning.” Even in the immediate aftermath of hurricanes in the southern US in 2004, “...the public library network along the Gulf Coast provided a vital first-line digital infrastructure, supporting communities to get online and carry out key activities including locating missing relatives, accessing federal aid and obtaining up-to-date information.” The library’s role during an economic downturn is no different. During the 2007-2009 Great Recession, articles recognized record numbers at libraries with headlines like CNN’s, “Hard economic times a boon for libraries”. When times get tough and when cities grow, more people and more businesses depend on the library’s free services and resources to help them reduce their costs, learn new skills, access basic technologies, support their mental health, and more.

Our analysis also exposed that the tension between growing needs and resource constraints stem from more than the economy and the city’s growth – in fact, a series of converging external forces in a time of change are and will continue to put pressure on the Library to respond.

Library services needed by more people more often...	...but we are constrained to meet those needs
<ul style="list-style-type: none"> • Affordability issues and risk of prolonged high inflation and economic downturn. • High levels of household income inequality. • Big city social issues from urbanization and intensification. • 65+ is fastest-growing demo in the city. • Heightened need for belonging among marginalized people amidst challenges to personal values and freedoms. • Existing capacity issues compounded by post-Covid flexibilities to work and study remotely and high-density growth. • Rise of disruptive digital technologies increases divide. • Refugee crisis is growing and unpredictable. 	<ul style="list-style-type: none"> • Escalating supplier costs in a specialized market. • Not enough capacity to cover post-Covid rebound, impacting customer service levels. • Shared services MOU model biases more expensive enterprise solutions. • Challenging retention and recruitment market. • 0% tax rate increases in 2021 and 2022 and modest increases in 2023 and 2024. • Existing space deficits and fewest service points per capita among comparators. • Changes to Development Charges limit ability to expand service points. • Reliance on limited Library reserves to meet needs. • Fundraising is a key opportunity, but it takes time to grow the pipeline.

Given this tension, Library staff weighed its opportunities and risks to build its 2024 Operating and Capital Budgets. Some of the ways we will respond in 2024 include:

Strategic Priority 1 Customer	Strategic Priority 2 Innovation & Insights	Strategic Priority 3 Enablement
<ul style="list-style-type: none"> • Modernizing meeting rooms • Enhanced security at Central and Oak Ridges • Customer Reconciliation and DEI action plan • Website Phase 2 (catalogue, self-serve tools, calendar, registration) • Explore value adds for library membership • Proof-points of library value for customers 	<ul style="list-style-type: none"> • Maker space user experience • Wait times improvements project • Digital product strategy and pilots • Explore AI impacts and opportunities • Enhanced analytics (eg. collections diversity, self-serve data dashboards) • Social Return on Investment study • Stakeholder and participant in York Region’s Homelessness Service Systems Plan 	<ul style="list-style-type: none"> • Land line telephone assessment • Performance management system • Fundraising initiatives • Surplus and Reserves policy review • Internal Reconciliation and DEI action plan • Facilities Master Plan action items • Optimize shared services operating model

These 2024 initiatives won’t require additional operating funds; they will generally be continuations of projects already in progress or leverage capital funding. In order to achieve the proposed Operating Budget of 4.7%, decisions had to be made – these

included a combination of reductions and deferrals to base expenses, initiatives on our roadmap, and new opportunities to respond to needs. So for visibility, below are the choices and actions that were taken to bring the proposed budget in with a 4.7% increase:

Service / Expense	Mitigation	Budget Deferrals
Cost of living adjustment to non-union group	Removed	\$56,800
Collection development	Reduced	\$21,700
Expanding security guards to cover all operating hours at Central and Oak Ridges	Reduced coverage	\$85,400
3 part-time Pages	Start later in year	\$17,100
Conversion of Digital Product Manager	Start later in year	\$77,500
Compensation adjustment	Phased over 2 years	\$108,800
Governance review consultant	Deferred to 2025	\$10,000
Literacy strategy	Deferred to 2025	\$10,000
Small business and entrepreneur initiative	Deferred to 2025	\$10,000
Single point of service project	Deferred to 2025	\$25,000
Environmental Sustainability strategy	Deferred to 2025	\$25,000
PT Coordinator (to establish community volunteering program)	Deferred to 2025	\$35,000
Reducing the draw from Library Special Purpose Reserve	Deferred to 2025	\$50,000
2 PT Library Technicians (digital maker space and customer experience)	Deferred to 2025	\$100,000
Total Reductions		\$632,300

2024 Draft Operating Budget

City Council’s target tax rate increase for the 2024 Operating Budget is up to 3%. The draft 2024 RHPL Operating Budget increase is \$398,000 before the inclusion of any further mitigating measures that may result in significant service reductions. This represents a 4.7% increase to the Library’s budget, which amounts to only a 0.1% increase to the City’s tax rate impact as a whole.

	2022 Actuals	Preliminary Actuals 31-Aug-23	2023 Approved Budget	2024 Draft Budget	Variance (Fav)/Unfav	% Change
Expenditures						
Personnel	6,703,479	5,078,105	7,454,700	7,894,100	439,400	
Personnel Expenditures	6,703,479	5,078,105	7,454,700	7,894,100	439,400	5.9%
Collection Development	969,284	743,561	1,164,200	1,119,300	(44,900)	
Contracts/Services	1,382,169	930,689	1,540,800	1,579,200	38,400	
Materials/Supplies	247,407	132,281	140,400	119,500	(20,900)	
Transfer to Reserve	349,909	-	-	-	-	
Transfer to R&R Reserve Fund	300,000	378,467	567,700	535,600	(32,100)	
Non-Personnel Expenditures	3,248,769	2,184,998	3,413,100	3,353,600	(59,500)	(1.7%)
Total Expenditures	9,952,248	7,263,104	10,867,800	11,247,700	379,900	3.5%
Revenues						
Provincial/Other Grants	(158,199)	(122,935)	(122,200)	(122,200)	-	
Library Generated Revenue	(90,834)	(89,284)	(359,000)	(322,800)	36,200	
YRDSB Funding	(297,200)	(300,900)	(242,800)	(316,200)	(73,400)	
Transfer from Reserve	(536,615)	-	(516,200)	(516,200)	-	
Transfer from R&R Reserve Fund	(900,000)	(751,067)	(1,126,600)	(1,071,300)	55,300	
Total Revenues	(1,982,848)	(1,264,186)	(2,366,800)	(2,348,700)	18,100	0.8%
Net Library Budget	7,969,400	5,998,917	8,501,000	8,899,000	398,000	4.7%

	2023 Approved BUDGET	Base	Legislated	Annualization	New/Growth Staff & Programs	2024 Draft BUDGET
Expenditures						
Personnel	7,454,700	310,600	-	-	128,800	7,894,100
Personnel Expenditures	7,454,700	310,600	-	-	128,800	7,894,100
Collection Development	1,164,200	(44,900)	-	-	-	1,119,300
Contracts/Services	1,540,800	38,400	-	-	-	1,579,200
Materials/Supplies	140,400	(20,900)	-	-	-	119,500
Transfer to R&R Reserve Fund	567,700	(32,100)	-	-	-	535,600
Non-Personnel Expenditures	3,413,100	(59,500)	-	-	-	3,353,600
Total Expenditures	10,867,800	251,100	-	-	128,800	11,247,700
Revenues						
Provincial/Other Grants	(122,200)	-	-	-	-	(122,200)
Library Generated Revenue	(359,000)	36,200	-	-	-	(322,800)
YRDSB Funding	(242,800)	(73,400)	-	-	-	(316,200)
Transfer from Reserve	(516,200)	-	-	-	-	(516,200)
Transfer from R&R Reserve Fund	(1,126,600)	55,300	-	-	-	(1,071,300)
Total Revenues	(2,366,800)	18,100	-	-	-	(2,348,700)
Net Budget	8,501,000	269,200	-	-	128,800	8,899,000
		3.2%			1.5%	

There are five main drivers of the proposed operating budget:

1. Base adjustments to personnel:
 - a. ~~Union rate adjustments, Standard cost of living~~, benefit changes and other adjustments;
 - b. Adjustments from a non-union compensation review that was more than two years overdue according to the Library's Personnel Policy – we have planned to phase-in the adjustments over the next two years;
2. Staffing requirements:
 - a. A conversion of a Digital Product Manager from a 2-yr contract that was funded through a Capital project into a permanent role starting July 2024. This is the only role in the organization focused on development of the website and other digital programs and is our primary connection point into City IT;
 - b. 3 part-time Page roles starting April 2024 to help manage the rise in circulation. Their work keeps customer wait lists at standard levels and keeps materials on shelves in order, both of which are already pain points for many library users. We have been attempting to fill this gap with short-term contracts through gapping dollars, but that is an inefficient and unreliable process. Even with these added roles, our 2024 levels would still result in 32% more productivity than our 2019 pre-pandemic levels because of other organizational efficiencies we have created;
3. Additional security guard expenses to cover more operating hours at Central and Oak Ridges branches to reflect the rise in incidents we have experienced and ensure the safety of our staff and visitors. Tests in 2023 have shown the increase presence of security guards reduces the number and scale of incidents that put people at risk;
4. Escalating supplier costs from inflationary pressures;

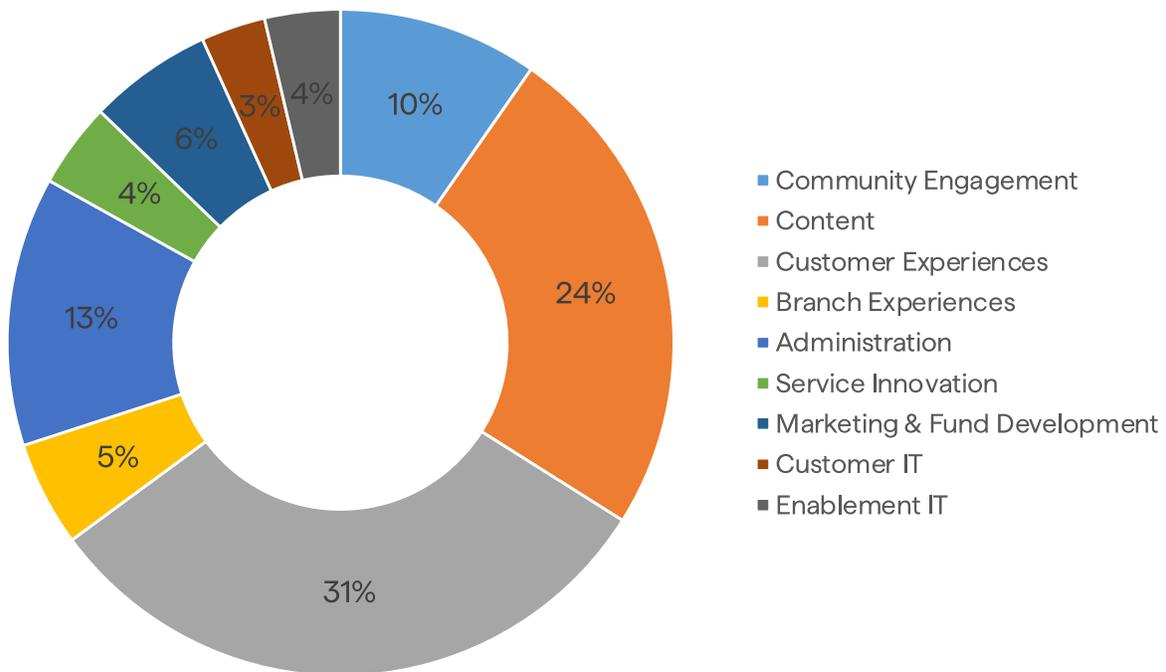
- General reductions, efficiencies and revenue adjustments that we have achieved from the 2023 budget which help offset the impact of budget increases.

Further details of these key changes are in the following budget bridge:

Category	Item	Budget Change	Budget Change %	Explanation
Personnel	Base Personnel	\$201,900	2.4%	union rate adjustments, benefits changes for existing personnel (ex COLA)
Personnel	Non-Union Salary Adjustment	\$108,700	1.3%	Market rate adjustment for non-union salaries after consultant review
Personnel	Digital Product Manager	\$77,500	0.9%	Convert existing contract - July 1 start date (Capital Funded contingent on 2024 capital request)
Personnel	3 Pages	\$51,300	0.6%	Convert short-term contracts - April 1 start date
Contract/Services	Additional security	\$59,000	0.7%	Extended hours due to increased health & safety incidents
Contract/Services	Vendor pricing inflationary pressures	\$55,700	0.7%	Inflationary pressures from IT software, courier, postage and library supplies
Contract/Services	Efficiencies	(\$53,800)	(0.6%)	discontinued digital product and reduced contingencies
Materials/Supplies	Efficiencies	(\$22,600)	(0.3%)	reduced PPE's and supplies
Library Generated Revenue	Reduction in Library Generated Revenues	\$36,200	0.4%	Reduction in coffee shop commissions, fines and other revenues
YRDSB Funding	YRDSB Funding	(\$73,400)	(0.9%)	Right-size recovery from YRDSB based on actual allocation of resources
Collection Dev + Transfers	Collection Development (including funding)	(\$21,700)	(0.3%)	Reduced collection development requests by leveraging available capital budget
Other	Other	(\$20,800)	(0.2%)	Other general efficiencies
Total		\$398,000	4.7%	

To help the Board and the community understand how our money is spent, in the proposed budget:

- 73% of expenses go straight into activities and resources for the library users;
- 10% supports awareness and improving the experience of those activities;
- 17% is spent on IT and administration that support library operations.



2024 Draft Capital Budget

Library-related capital funding requests come from Library staff and from each of the City’s shared service areas that support the Library, primarily Information Technology and Facilities. The IT and Facilities requests go directly through the City approval process, whereas Library staff requests go through the Board first.

There are two types of funding for capital projects: (1) Tax Supported, which include State of Good Repair maintenance projects and some Growth projects, and these are weighted against requests from departments across the City; and (2) Non Tax Supported projects, which are generally Growth projects funded through dedicated development charges and other funding sources.

The Library’s 2024 Capital project requests are below. The City has instituted a \$31M cap on its tax-supported capital budget for 2024, so any projects that are sitting below that cut-off are noted as “Deferred” and are included in the forecast for 2025.

Tax Supported Projects

Project	Summary	Budget
General Collection Development for Library Materials (SOGR)	Recurring annual budget for the continued maintenance and development of our core loaned materials. Requested through Capital process, reflected in Operating.	\$1,071,300
OR Window Film Installation (Growth)	Window film at the Oak Ridges branch to help preserve the library’s book collection and prevent further sun damage.	\$130,000
Strategic Planning (Growth)	For research and consultancy services to guide the development of the Library’s next strategic plan, which will take a new approach to be grounded in outcomes.	\$100,000
Digital Strategy Pilots and Implementation (Growth)	To pilot and roll out new initiatives from the digital product strategy and the resources to do so. Examples may include replacing outdated kiosks, adding digital wayfinding, etc. Piloting projects is a responsible use of funds that lowers risk.	\$175,000
Express Branch Pilot (Growth)	Pilot the concept of expanding service into the community through less expensive mobile/express options, such as installing kiosks with convenient access to library collections, holds and returns.	\$150,000
Deferred RG Public Furniture (SOGR)	Richmond Green branch has a number of study tables and chairs that are at the end of life and need replacement. The new furniture will include the requirement for power and USB outlets for mobile devices and laptops that students and other customers need to use at the tables.	\$50,000

Deferred CE Library Walkway Wiring (Growth)	Adding outlets to the space along the south side of the first floor of Central branch to enable people in that seating area the ability to access power for laptops and other devices.	\$20,000
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Non-Tax Supported Projects

Project	Summary	Budget
General Collection Development (Growth)	Recurring annual budget for the growth of our core loaned materials, including a Library of Things.	\$389,000
OR Library Public Furniture (Growth)	Add furniture for studying to indoor and outdoor spaces at Oak Ridges Branch to address immediate need for more study space.	\$80,000

Finally, for your information, below are the 2024 Capital project requests related to the Library from the City departments that provide us shared services. These requests will go straight to City Council as opposed to the Library Board.

Project	City Department	Summary	Budget
RHPL Foundational Project	Information Technology	SOGR	\$130,000
Library Application Evolution	Information Technology	SOGR	\$320,000
CE Library – Flooring Replacement	Facilities Management	SOGR	\$300,000
CE Library Mechanical Electrical Phase I Construction	Facilities Management	SOGR	\$1,500,000
CCTV Systems – Wave Pool, DDO & CE Library	Facilities Management	SOGR	\$310,000

Key Software Mgmt – Database Development & Integration – all City facilities	Facilities Management	SOGR	\$82,500
Facility Condition Audits – all City facilities	Facilities Management	SOGR	\$150,000
Facility Assets Enhancement Project – all City facilities	Facilities Management	SOGR	\$100,000



Subject: Richmond Hill Public Library Fund Development Policy

For: Approval

Date: October 19, 2023

Report #: SRLIB23.20

To: Richmond Hill Public Library Board

From: Darren Solomon, CEO

SUMMARY

RHPL currently has three independent policies related to gifting: the *Donations Policy*, the *Sponsorship Policy*, and the *Naming Rights Policy*.

As part of the Library's Financial Sustainability Strategy and its new efforts in fundraising, existing policies were reviewed, and it was determined they are interrelated yet disconnected; there are terms in each that require further definition and distinction; and they need to better reflect the laws that govern charities and charitable giving.

We engaged Aird & Berlis LLP to consolidate and update the policies into a single new *Richmond Hill Public Library Fund Development Policy* for completeness, comprehension, and convenience. These updates provide the legal and organizational framework necessary to successfully support our fund development efforts.

RECOMMENDATION

That the Richmond Hill Public Library Board:

1. Approve the Fund Development Policy, which includes updates to and consolidation of the *Donations Policy*, *Sponsorship Policy*, and *Naming Rights Policy*.

RATIONALE

The updated and consolidated *RHPL Fund Development Policy* provides consistent and transparent guidelines on how gifts to the Library will be managed, and covers financial and non-financial gifts to the Library, including donations, sponsorships, naming rights and recognition, and gifts-in-kind. Key updates to the policies include:

- More detailed guidelines on what constitutes a gift and how to administer a broad range of gifts, such as securities, real estate and life insurance;
- Clear and distinct definitions for commonly confused terms, such as “naming rights” and “sponsorships”, and adding “naming recognition” as a new term;
- Better alignment with the Canada Revenue Agency and the Income Tax Act to ensure our policies are fairly and accurately applied;
- Details on eligibility for official donation receipts;
- Making clear the Library has no authority to grant naming rights on buildings and other exterior components that belong to the City;
- Added guidelines on how different kinds of gifts are to be approved; and
- Reducing redundancy by having common governing language for all policies.

These changes create a solid policy foundation that will safeguard the Library and donors as the Library pursues fund development opportunities. All policy information will also now be in one single integrated document rather than spread among several

disconnected policies. The updated policy was developed with the advice of Aird & Berlis LLP, a legal firm that has a focus on tax law and charitable work.

ATTACHMENTS

1. *New RHPL Fund Development Policy*



RICHMOND HILL PUBLIC LIBRARY FUND DEVELOPMENT POLICY

This Policy has been established to consolidate the Richmond Hill Public Library’s policies that govern and guide the acceptance and administration of various types of opportunities that may generate additional funding for the Library, including gifts, naming rights, and sponsorships.

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1.0 Core Principles

The Library's acceptance of opportunities must not undermine the policies, mission, values and priorities of the Library. The Policy is subject to the following core principles:

- (a) Opportunities must not compromise or influence the priorities of the Library, diminish the Library's public image or reputation, or undermine the Library's integrity.
- (b) Opportunities must be in the best interests of the Library.
- (c) Opportunities must not violate federal and/or provincial laws or regulations, the City by-laws or internal policies of the Library.
- (d) Opportunities must not compromise the confidentiality of user records.
- (e) Opportunities undertaken by the Library and any of its sponsors, donors or other partners must respect the Library's commitment to intellectual freedom and equity of access to its programs, services, and collections.
- (f) Opportunities must be considered in accordance with the Library's conflict of interest guidelines.
- (g) The CEO and Board have the right to not pursue, accept or recommend any opportunities in any circumstance and for any reason, including the following reasons:
 - (1) The opportunities promote alcohol, cannabis, tobacco, vaping products or addictive substances;
 - (2) The opportunities promote pornography;
 - (3) The opportunities promote the support or involvement in the production, distribution and sale of weapons and other life-threatening products;
 - (4) The opportunities present demeaning or derogatory portrayals of individuals or groups or contain any message that is likely to cause deep or widespread offence;

- (5) The opportunities promote religious or political messages that might be deemed prejudicial to other religious or political groups; or
 - (6) The opportunities convey a religious or political message; promote a political party or election candidate.
- (h) The acceptance or granting of any opportunities will not entitle any donor or organization to any preferential treatment by the Library beyond the details of any agreements.
- (i) The acceptance or granting of any opportunities will not permit donors, organizations or sponsors to have any undue impact on the policies and practices of the Library or information provided by the Library (e.g. materials selection, purchasing or content) or to influence or alter the basic goals and objectives of Library programs.

2.0 Definitions

- (a) **Agreement** – A legal contract between the Library and an external donor, person, company or organization. Agreements are generally used to outline the terms of value being exchanged or being offered to the Library.
- (b) **Board** – The Richmond Hill Public Library Board.
- (c) **CEO** – The Chief Executive Officer of the Library, appointed by the Library Board to administer these policies, unless otherwise noted within.
- (d) **City** – The City of Richmond Hill.
- (e) **CRA** – The Canada Revenue Agency.
- (f) **Donor** – An individual, business, community service or other organization that donates funds to the Library.
- (g) **Exterior Components** – All exterior components of a Library building that are visibly accessible from the public realm including, but not limited to, building façade, plazas, gardens and courtyards, etc., which are generally owned or managed by the City.
- (h) **Fair market value** – The highest price, expressed in dollars, that property would bring in an open and unrestricted market, between a willing buyer

and a willing seller who are both knowledgeable, informed, and prudent, and who are acting independently of each other.

- (i) **Gift** – A voluntary transfer of property with donative intent. Accepted gifts to the Library may be eligible for an official donation tax receipt.
- (j) **Interior Components** – Individual rooms, spaces, etc. within a Library building, which are physical assets within the building including, but not limited to, meeting rooms, local history rooms, lounge areas, maker spaces, study zones, materials and collections, etc.; or digital structural assets on the Library’s website or other digital channels, such as sections or modules.
- (k) **ITA** – *Income Tax Act* (R.S.C., 1985, c. 1 (5th Supp.)), as amended from time to time.
- (l) **Library** – The operating entity of the Richmond Hill Public Library Board, established by the City of Richmond Hill, and a Canadian registered charity (registration no. 119118982 RR 0001).
- (m) **Naming Entity** – The Prospect to whom Naming Rights are granted pursuant to a naming rights agreement.
- (n) **Naming Rights** – A mutually beneficial agreement between the Library and a Naming Entity wherein the Naming Entity pays funds to the Library in return for the right to name Exterior Components or Interior Components of the Library, along with any negotiated associated elements, or programs, for a specified period of time.
- (o) **Non-Gifts** – Transactions that do not constitute a gift and are not eligible for official donation tax receipts.
- (p) **Person or Company** – Any entity that has the legal capacity to enter into an agreement with the Library and includes any individual, partnership, company or corporation.
- (q) **Policy** – The Fund Development Policies provided for herein, as may be amended from time to time.
- (r) **Proposal** – The opportunity for an agreement or partnership put forward by a designated staff member to a Prospect on behalf of the Library.

- (s) **Prospect** – Any person or company who approaches the Library or is approached by designated Library staff with the objective of securing an agreement or partnership.
- (t) **Sponsorship** – A quid-pro-quo arrangement where a business or organization makes a financial, service or product, or gift-in-kind donation to support the cost or success of a Library activity or event and, in return, the Library advertises or promotes the business’s brand, products or services as part of the arrangement. A sponsorship is of a commercial nature, where a sponsoring organization receives recognition above the minimal recognition received for a donation in the ordinary course, and where the organization is intending to receive a commercial advantage for the arrangement, such as advertising or promotion, more so than offering a gift to the Library.

3.0 Gift Policy

3.1 Purpose

- (a) The Library welcomes and encourages donations and other gifts from individuals, groups, foundations and corporations for the purpose of enhancing the services that the Library provides for the residents of the City.
- (b) This Section has been established to govern the acceptance and administration of various types of gifts.

3.2 Scope

- (a) This Section applies to all donors seeking to support the Library through the provision of gifts.

3.3 Acceptance of Gifts

- (a) To expedite the opportunity for fund development and receipt of gifts from donors, final approval of donations is as follows:
 - (1) The CEO or their delegate may accept gifts which:
 - (i) are valued at \$250,000 or less; and
 - (ii) are compliant with this Policy.
 - (2) The Board must approve all gifts which do not meet the above criteria.

- (3) Once the gift agreement is completed by all parties, the general terms of gifts valued at \$10,000 or more will be included in a Board update, which may be delivered in closed session should the donor wish to not be publicly identified.
- (b) Decisions as to whether a gift will be accepted must be made in the context of the Library’s charitable purpose.
- (c) The Library reserves the right to decline a gift in any circumstance and for any reason, including the following reasons:
- (1) The gift has benefits that are directed to a specific individual or individuals related to the donor;
 - (2) The gift is outside of the purposes of the Library;
 - (3) The gift is too narrowly restricted to be effectively used;
 - (4) The gift exposes the Library to liability or unacceptable risk;
 - (5) The gift may create an undesired financial or administrative burden;
 - (6) The gift could compromise the reputation of the Library;
 - (7) The gift is from an individual or organization whose philosophy and values are inconsistent with the purposes of the Library;
 - (8) The gift is perceived to come from illegal or unethical activities;
 - (9) The gift violates federal and/or provincial laws or regulations, the City by-laws or internal policies of the Library; or
 - (10) The gift will be difficult to administer.
- (d) The Library may accept the types of gifts as set out in Subsection 3.4 and other gifts acceptable to the Library from time to time.
- (e) The Library will not accept the following Non-Gifts:
- (1) A donation that does not meet the definition of “gift” as set out in Paragraph 2.0(i);
 - (2) Pledged amounts which are not received by the Library;

- (3) A donation of services;
 - (4) The purchase of an item or service by the Library;
 - (5) The payment of sponsorship fees, which are governed by Section 5.0;
 - (6) A loan to the Library; and
 - (7) The provision of free use of property.
- (f) The Library will encourage undesignated gifts (i.e., gifts for which the donor has made no designation as to the timing or purpose of expenditure). The Library reserves the right to use undesignated gifts in the best interest of the Library, and will make decisions regarding the investment, disposition and/or eventual disposal of undesignated gifts.
- (g) The Library may accept or decline designated gifts (i.e., gifts for which the donor has given specific directions on how or when the gift is to be used). The Library will direct accepted designated gifts to a specific purpose as outlined by the donor. Designated gifts must be compatible with the Library's purposes.
- (h) Where applicable, the Library may require the donor to have their property appraised at their own expense before the Library will make a decision as to whether or not to accept the donor's property as a donation.
- (i) The Library may require a donor to enter into a gift agreement in the following circumstances:
- (1) The fair market value of the gift exceeds \$25,000;
 - (2) The gift is subject to a restriction imposed by the donor;
 - (3) The gift is to be paid over a period of time;
 - (4) The gift is a gift of residual interest, a charitable remainder trust or real estate; or
 - (5) Other circumstances as set out in Subsection 3.4.
- (j) All gift agreements for designated gifts will include an amendment clause and a variation clause so that, in the event that the Library is unable to use

the gift for the specific purpose identified, it is able to redirect the contribution to a purpose that is most similar to that designated, while making every effort to ensure that the donor’s philanthropic objectives are achieved.

- (k) The ownership of all accepted gifts vests in the Library, whether such gifts are designated or undesignated. The Library reserves the right to decide the disposition of all gifts received, including artwork.
- (l) This Policy is designed to comply with current laws and regulations. In cases of inconsistency, federal and provincial laws as well as CRA guidance will supersede this Policy.
- (m) Donors will not be recognized, either internally or publicly, without their consent. Any naming rights of the Library buildings or other Exterior Components and/or significant Interior Components of those buildings will be governed by Section 4.0.

3.4 Types of Gifts

- (a) **Cash and near cash** – Outright gifts of cash, credit card payments, online donations, money orders, electronic transfers, or cheques. The following terms apply to the Library’s acceptance of gifts of cash and near cash:
 - (1) Following receipt of the gift, the Library will issue an official donation tax receipt, if applicable, for the amount of the gift.
 - (2) A gift by credit card is considered to have been made on the date the donor authorized the charge to the credit card.
 - (3) A gift by bank transfer is considered to have been made on the date the Library receives the gift.
 - (4) Gifts received after the end of the calendar year may not be added to the previous year’s donations unless the gift was postmarked in the previous year (for example, a gift made by way of a cheque that was mailed and posted marked in December but not received by the Library until January).
- (b) **Gifts-in-kind** – A gift of property (other than cash or near cash) such as artwork, computer equipment, cultural property, audio visual equipment, furniture and other items as may be used by the Library. The following terms

apply to gifts-in-kind (other than publicly-listed securities, real estate and life insurance):

- (1) Gifts-in-kind may be acceptable as a gift but because of the difficulty of valuation, the Library will generally not provide an official donation tax receipt.
- (2) The Library may accept gifts-in-kind that are in reasonable condition and meet other criteria set out in this Policy. The Library reserves the right to display or store the gifted property, use the property for fundraising purposes, or sell it and apply the proceeds towards the charitable purposes of the Library.
- (3) The ready marketability of the property, utility, and the carrying costs will be considered by the Library before accepting a gift. The Library reserves the right to secure its own appraisal and issue an official donation tax receipt based on it.
- (4) Before accepting a gift-in-kind, the Library will undertake such due diligence steps as it determines necessary.
- (5) Costs such as legal fees and appraisals will be the responsibility of the donor.
- (6) An official donation tax receipt may be issued for the eligible amount of the gift on the date the donation was received, based on the fair market value of the property. Determining fair market value of in-kind donations can be a complex undertaking and will likely require independent valuation appraisals.
- (7) In-kind donations such as gifts of artwork, jewellery, or items of a unique nature, that appear to be valued at greater than \$1,000, must have an independent appraisal of value by a reputable expert if the donor is to be provided with an official donation tax receipt. If the donor does not require an official donation tax receipt, an appraisal is not required. Except in agreed upon circumstances, the in-kind donor is responsible for the professional appraisal fees required to determine the fair market value of the gift. Fair market value does not include amounts payable to others, such as commissions to sales agents or sales taxes such as GST or HST. The Library reserves the right to issue an official donation tax receipt in the amount of the assessed value of the in-kind donation as

determined by a recognized expert in the field chosen by the Library in its sole discretion.

- (c) **Publicly-listed securities** – The securities of a publicly-listed corporation, including shares, stock options, bonds and mutual funds may be accepted as gifts. Donors must donate publicly-listed securities directly to the Library rather than selling them and donating the proceeds in order to receive an exemption for capital gains tax. The following terms apply to the Library’s acceptance of gifts of publicly-listed securities:
- (1) The Library generally accepts gifts of publicly-listed securities that have an active secondary market, are not subject to a volatile market, and can be readily converted into cash within a reasonable period of time after having received the gift. Donors will bear transfer costs when transferring securities to the Library. A gift of publicly-listed securities must be received by the Library before the end of the calendar year if a donor wishes to receive an official donation tax receipt in the calendar year.
 - (2) Donations of public securities are normally transferred electronically. Electronic transfers can take several days to complete depending on the procedures used by the brokerages involved. The date of a gift of electronically transferred shares is the date the shares are received in the Library’s account. The fair market value of the shares may have dropped between the date of transfer and the date the shares are received in the Library’s account. Any such loss is borne by the donor.
 - (3) A donation of public securities may also be made by transfer of the share certificate. Share certificates should be hand-delivered to the Library or sent by registered mail or courier. The date of the gift will be the date the share certificates are delivered to the Library and accepted by the Library.
 - (4) In general, the value of the securities will be the closing bid price of the share on the date of the gift as set out above. The Library reserves the right to obtain an independent appraisal to determine the fair market value. A gift agreement with the donor may be required to set out the method of valuation used, a price adjustment clause should an issue arise with CRA with respect to

the valuation, and that the donor will be responsible for the cost of the appraisal.

- (5) In general, the Library’s policy is to liquidate gifts of securities as soon as possible after receipt unless otherwise restricted from doing so as part of a fund agreement.
 - (6) Upon confirmation of the receipt of a gift of publicly-listed securities, the Library will issue an official donation tax receipt for the eligible amount of the gift based on the fair market value of the securities on the date they were received by the Library. The value of the securities will be the closing bid of the share on that date.
- (d) **Real estate** – Real property including single family dwellings, condominiums, apartment buildings, office buildings, land and farms. The following terms apply to the Library’s acceptance of gifts of real estate:
- (1) The ready marketability of the property and the carrying costs will be considered by the Library before accepting the gift. Various factors, including zoning restrictions, environmental factors, marketability, current use, potential future uses, ongoing maintenance costs, and cash flow will be taken into account to ascertain that acceptance of the offered gift is in the best interests of the Library.
 - (2) Before accepting a gift of real estate, the Library will undertake such due diligence steps as it determines necessary, including but not limited to securing a qualified appraisal of the property from a reputable valuator, determining that the donor has clear title to the property, and environmental assessment.
 - (3) Costs such as legal fees, appraisals, environmental assessments, and real estate fees will be the responsibility of the donor.
 - (4) The Library reserves the right to retain the property or sell it and apply the proceeds towards the charitable purpose of the gift. In general, it is the Library’s policy to sell real estate as soon as possible after having received title.
 - (5) An official donation tax receipt may be issued for the eligible amount of the gift based on the appraised fair market value of the property at the date of donation.

- (e) **Life insurance** – A gift of life insurance by way of an absolute and irrevocable transfer of ownership of a life insurance policy and/or a direct designation of the Library as a beneficiary a life insurance policy. The following terms apply to the Library’s acceptance of gifts of life insurance:
- (1) When a life insurance policy is irrevocably and absolutely assigned to the Library, the Library becomes the legal owner of the gifted life insurance policy. All consents required under provincial regulations to be signed to change a beneficiary must also be signed before it is a completed gift.
 - (2) If an assigned policy is not yet fully paid-up, the acceptance of the assigned policy will be conditional upon the Library not having any liability to the insurance company or to the donor with respect to the payment of future premiums, unless otherwise agreed to by the Library in advance.
 - (3) If an assigned policy is not yet fully paid-up, the Library will require written assurance from the donor that the donor will continue to make donations towards paying future premiums (for which the donor would be entitled to official donation tax receipts as provided below), unless otherwise agreed to by the Library in advance.
 - (4) Where the assigned life insurance policy fair market value can be determined, the Library may issue an official donation tax receipt for the eligible amount of the policy’s value based on the fair market value and in accordance with any CRA guidance. If the policy is not yet fully paid-up, the Library may issue an official donation tax receipt for the eligible amount of the premium paid at the time of donation or for premiums paid subsequent to the donation of the policy.
 - (5) Where the Library is named as a beneficiary of a life insurance policy, the Library may issue an official donation tax receipt when the Library receives the insurance proceeds upon the death of the insured. No official donation tax receipt may be issued upon naming the Library as the beneficiary or for premiums paid for such a policy.

- (f) **Bequests** – A provision in a Will, directing a gift of property from an estate to the Library. Donors are invited and encouraged to provide information to the Library about their bequest and, if they so choose, to send to the Library a copy of the relevant section of their will. Following receipt of the bequest, the Library will issue an official donation tax receipt, if applicable, for the amount of the bequest.
- (g) **Registered retirement plans and tax-free savings accounts** – The direct designation of the Library as a beneficiary to receive the proceeds of registered retirement plans and tax free savings accounts. Following receipt of the funds, the Library will issue an official donation tax receipt, if applicable, for the amount of the gift.
- (h) **Residual interests or charitable remainder trusts** – A gift of a residual interest in a testamentary or *inter vivos* trust. The following terms apply to such gifts:
- (1) Various factors, including marketability, current use, and cash flow will be taken into account to ascertain that acceptance of the offered gift is in the best interests of the Library.
 - (2) The Library’s legal advisor must participate in an examination of the terms of any will, trust, or other document(s).
 - (3) Costs such as legal fees, appraisals and other fees will be the responsibility of the donor.
 - (4) The Library will generally not serve as a trustee for a charitable remainder trust or a residual interest, but may refer the donor to trust institutions that may agree to do so.
 - (5) The Library reserves the right to retain the property or sell it and apply the proceeds towards the charitable purpose of the gift. In general, it is the Library’s policy to sell property as soon as possible after the termination of the donor’s interest in the property in situations involving gifts of residual interest.
 - (6) An official donation tax receipt may be issued for the eligible amount of the gift, based on the fair market value of the property on the date of donation, taking into consideration the interest retained by the donor and other factors, such as the fair market value of the property itself, the current interest rates, the life

expectancy of any life tenants and any other factors relevant to the specific case, in accordance with CRA guidance for such donations.

3.5 Donation Tax Receipts

- (a) Subject to Subsection 3.4, the Library will issue an official donation tax receipt based on the fair market value of the gift for gifts greater than \$20.
- (b) Official donation tax receipts may only be issued in accordance with the ITA and CRA guidelines.

4.0 Naming Rights Policy

4.1 Purpose

- (a) The Library welcomes and encourages the business community, other organizations, and donors to support the Library through naming opportunities that will provide the Library with additional funding to enhance Library services provided to the community.
- (b) The Library may provide donors with naming opportunities in recognition of donations, including gifts-in-kind, to the Library.

4.2 Scope

- (a) This Section provides guidance regarding the naming of Exterior Components and Interior Components of Library branches and the naming of programs.
- (b) The City owns the Library's buildings and its Exterior Components including land, gardens, parking areas, etc. The Library cannot grant Naming Rights on any Exterior Components that are owned and/or managed by the City, and any such proposals require final approvals from the City and must comply with all City by-laws, policies and procedures.

4.3 Acceptance of Naming Rights

- (a) To expedite the opportunity for fund development, prior to the solicitation of or acceptance of interest by a party for a Naming Rights Proposal the project must receive concept approval from the CEO for Interior Components, or from the CEO and the City Manager or their delegate for Exterior Components.

- (b) A Proposal for Interior Components will be evaluated by the CEO using the following criteria, where applicable:
 - (1) The compatibility of the Prospect’s brand, values, products, customers and promotional goals with those of the Library’s;
 - (2) The record of involvement in community and/or other charitable projects, events and activities;
 - (3) The timeliness or readiness to make an agreement;
 - (4) The actual value in cash of the Proposal and all related costs associated with the naming rights agreement;
 - (5) The proposed term of the naming rights agreement; and
 - (6) The impact of changing existing signage, rebuilding community recognition, updating records and ongoing maintenance.
- (c) A Proposal for Exterior Components will be considered using the criteria in this Section in addition to those in City By-laws and policies.
- (d) The CEO must present any approved Naming Rights Proposals to the Board. The final approval of Naming Rights is as follows:
 - (1) The Board must approve Naming Rights of Interior Components; and
 - (2) The Board must recommend Naming Rights of Exterior Components to City Council for approval.
- (e) While in proposal or negotiation stages, any updates to the Board may be delivered in closed session to not identify the Prospect.
- (f) The CEO and Board have the right to refuse any Naming Rights Proposal in any circumstance and for any reason.
- (g) Any approved Naming Entity will be required to enter into a Naming Rights Agreement with the City for Exterior Components or with the Library for Interior Components or programs, to set out the roles and responsibilities of the parties, the applicable fees, the duration of the arrangement, and any other negotiated terms and conditions. All Naming Rights Agreements for

Interior Components will contain language that allows for early termination by the Library without penalty in cases where warranted.

- (h) Once a Naming Rights Agreement is completed by all parties, the general terms of the agreement will be included in a Board update and made available for public information at the appropriate time.
- (i) The Library staff who manage the assets that are part of the Naming Rights Agreement will ensure that any Naming Entity and the Library are adhering to the terms of a Naming Rights Agreement.
- (j) The Naming Entity will:
 - (1) Undertake due diligence to ensure all Proposals meet the spirit, intent, guidelines and procedures outlined in this Section;
 - (2) Provide designated staff with the necessary documentation as outlined in this Section;
 - (3) Execute a Naming Rights Agreement as outlined in this Section;
 - (4) Maintain regular communication with designated Library staff throughout the process; and
 - (5) Assume any costs associated with the Naming Rights, as negotiated.
- (k) Where Naming Rights include physical components, the following will apply in addition to other requirements as outlined in this Section:
 - (1) Where applicable, display of Naming Rights on any Exterior and/or Interior Components must not incur any safety risk.
 - (2) The manner in which Naming Rights of Exterior Components and/or Interior Components are displayed will be determined through each Proposal process. All efforts will be made to create standardization in branding and, in any case, the execution of a Naming Rights Agreement will maintain or enhance the functional purpose of the Library's signage and be consistent with the Library's brand identity.

- (3) Where possible, Naming Rights recognition will endeavour to be complementary to the purpose or attributes of the Exterior Components, Interior Components or programs to be named.
- (4) The costs incurred with Naming Rights signage and other associated items will be the responsibility of the Naming Entity, as negotiated in each Naming Rights Agreement; and
- (5) Signage, logos and other forms of acknowledgment associated with Naming Rights must comply with all applicable laws and by-laws, policies and procedures.

4.4 Donation Tax Receipts

- (a) An official donation tax receipt may be issued for the eligible amount of the Naming Rights. It is the Library's responsibility to identify the eligible amount of the Naming Rights, if any. The eligible amount, if any, will be determined as follows:
 - (1) The eligible amount of the Naming Rights is the amount by which the fair market value of the gift exceeds the amount of the advantage, if any, in respect of the gift.
 - (2) If there is no prospective economic benefit associated with the Naming Rights, the amount of the advantage is nil. For example, the amount of the advantage may be nil where the donor is not associated with a business or corporation. For clarity, where there is no advantage, such as a simple naming recognition, the value is considered the full amount of the gift.
 - (3) If there is a prospective economic benefit associated with the Naming Rights, the fair market value of such advantage would reduce the eligible amount of the gift. For example, if the donor pays or transfers property to the Library for the purpose of gaining or producing income from a business or property rather than as a gift to the Library, such amount will reduce the eligible amount of the gift.
- (b) The Library reserves the right to refuse to issue an official donation tax receipt if the value of the advantage of the Naming Rights cannot reasonably be determined.

- (c) Official donation tax receipts may only be issued in accordance with the ITA and CRA guidelines.

5.0 Sponsorship Policy

5.1 Purpose

- (a) The Library welcomes and encourages the business community and other organizations to support the Library through the establishment of Sponsorships that will provide the Library with resources, including revenue and/or in-kind contributions, to enhance events, programs, activities and services provided to the community.
- (b) The Board endorses the Canadian Library Associations *Position Statement on Corporate Sponsorship Agreement in Libraries* approved in June, 1997. (Appendix A)

5.2 Scope

- (a) This Section applies to all arrangements whereby an organization sponsors or contributes to Library programs, events, activities, and services, as defined in Paragraph 1.0(t). For clarity, a sponsorship applies where a business or organization is receiving a commercial advantage in return, other than their name on the sponsored asset or event (for example, advertising and promotion are commercial advantages).
- (b) This Section does not apply to:
 - (1) Philanthropic gifts or donations;
 - (2) Grants or funds obtained from other levels of government;
 - (3) Arrangements where the Library sponsors or contributes to external projects of other organizations; or
 - (4) Naming Rights.
- (c) The partner organization has marketing rights to promote their involvement with the Library for the duration of the Sponsorship Agreement subject to the provisions of this Section and the applicable Sponsorship Agreement.

5.3 Acceptance of Sponsorships

- (a) Prior to the solicitation of or acceptance of interest by sponsors for a Library project, the sponsorship component of the project must receive concept approval from the CEO. To expedite the opportunity for fund development, final approval of Sponsorships is as follows:
 - (1) The CEO may approve Sponsorships which:
 - (i) are valued individually, or cumulatively by the same sponsor, at \$250,000 or less per year;
 - (ii) have a term of three years or less; and
 - (iii) are compliant with this Policy.
 - (2) The Board must approve all Sponsorships which do not meet all of the above criteria, or which involve the naming of a Library program or service, in accordance with Section 4.3.
 - (3) Once a Sponsorship is accepted and all parties have executed a Sponsorship Agreement in accordance with Subsection 5.3(c), the general terms of Sponsorships valued at \$10,000 or more will be included in a Board update and will be made available for public information at the appropriate time.
- (b) The CEO and Board have the right to refuse any Sponsorships in any circumstance and for any reason.
- (c) Any approved sponsor will be required to enter into a Sponsorship Agreement with the Library to set out the responsibilities and deliverables for all parties involved including the terms of the Sponsorship, a set time period, any recognition to be provided to the sponsor, the Library's right to terminate the agreement and any other negotiated terms and conditions.
- (d) All obligations on the part of the Library and the sponsor will end upon termination of the Sponsorship Agreement, unless otherwise specified in the agreement.
- (e) The Library will not:
 - (1) Allow corporate names and/or logos to have prominence over the Library name and/or logo, unless with CEO or Board approval;

- (2) Seek or accept Sponsorships for programs, events, services or activities involving or targeted to children from companies whose products cannot legally be sold or distributed to children or from companies whose products are inappropriate for use by children; or
- (3) Allow direct marketing of products to children, except where relevant educational material is promoted in conjunction with programs.

5.4 Donation Tax Receipt

- (a) The Library will not issue an official donation tax receipt for the value of any Sponsorship.
- (b) If a sponsor makes a gift to the Library in addition to the Sponsorship, the gift may be eligible for a donation tax receipt if the eligible amount of the gift can be determined by the Library. The eligible amount of the gift is the amount by which the fair market value of the gift exceeds the amount of the advantage, if any, in respect of the gift. For example, a donation tax receipt may be issued by the Library for the eligible amount of a participation fee paid by a sponsor in a fundraising event.
- (c) The Library reserves the right to refuse to issue an official donation tax receipt if the value of the advantage of the gift cannot reasonably be determined.
- (d) Official donation tax receipts may only be issued in accordance with the ITA and CRA guidelines.

Approval Date: October 19, 2023	Motion # 23:XX
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APPENDIX A

Canadian Library Association Statement on Corporate Sponsorship Agreement in Libraries

Libraries enrich lives, provide information needed for work and daily living, and foster informed communities which are essential to a democratic society. In recognition of this important function, communities support libraries through public funding. The library's first priority is to ensure the continuation and growth of this primary relationship -- public funding for the public good.

CLA encourages and supports advocacy to maintain and develop public funding as the principal source of support for public, school, academic and government libraries.

Publicly funded libraries can and do explore other sources of funding, such as grants, gifts, donations, partnerships and sponsorships, to ensure that they provide the best possible services to their communities. Corporate sponsorships are one source of additional support that allows libraries to enhance the level, extend the range, or improve the quality of library service.

To ensure that partnerships enhance the library's image and add value to library services, libraries need to develop policies and sponsorship agreements that outline the conditions and the benefits of the sponsorship arrangement.

CLA believes that the following principles are important in developing sponsorship policies and agreements. Libraries have a responsibility to:

1. demonstrate that sponsors further the library's mission, goals, objectives and priorities, but do not drive the library's agenda or priorities.
2. safeguard equity of access to library services and not allow sponsorship agreements to give unfair advantage to, or cause discrimination against, sectors of the community.
3. protect the principle of intellectual freedom and not permit sponsors to influence the selection of collections, or staff advice and recommendations about library materials, nor require endorsement of products or services.
4. ensure the confidentiality of user records by not selling or providing access to library records.
5. be sensitive to the local political and social climate and select partners who will enhance the library's image in the community.

Approved by the Canadian
Library Association June 21, 1997

Endorsed by the Richmond Hill Public
Library Board March 20, 2014

APPENDIX B

CRA Guidance

Given the nuances between sponsorships and naming rights, examples of application may be found in CRA guidelines at:

- <https://www.canada.ca/en/revenue-agency/services/charities-giving/charities/operating-a-registered-charity/receiving-gifts/sponsorship.html>
- <https://www.canada.ca/en/revenue-agency/services/charities-giving/charities/operating-a-registered-charity/issuing-receipts/split-receipting.html>