

Fundraising Committee - Minutes
Jan 16, 2024 5pm via Zoom

Invited: Carol Anne Deneka, Dave Burkett, Marilyn Bird, Kayla Millar, Tamara Derkzen, Ross Dickson, Brian Peters, Joellen McHard

Absent: Kayla, Brian, Ross, Tamara

1. Welcome and check in – CA welcomed participants and we enjoyed a brief check-in
2. Approval of the Agenda and previous minutes – discussion about the Strategic and Operational Plan were deferred to the Feb agenda.
3. Giving Tuesday November 28th – CA reported that although two email blasts, social media posts, along with a substantial CanadaHelps social media and email campaign – our results were merely similar to the 2022 campaign – minus a sizable donation from one key donor – we did not receive this donation in 2023.
4. Fundraising Events updates:
 - a. Fall Concerts Proposal – the Committee supported the concert proposal (attached) as presented by CA. She will start the process to secure the venue, dates, radio, print and social media promotion in the coming weeks. It will be very important that Board members, committee members and facilitators share the social media posts and email blasts with their contacts. We will need all the reach we can get to publicize these events.
 - b. Restorative justice play – there was no update on this item.
 - c. Art Competition/auction – there was no update on this item.
 - d. Online fundraising – CA provided an update on her research on how LCCJ might begin to do fundraising via online lotteries. Notes are attached. CA recommended that LCCJ focus on enlarging its email list, and social media followers in the meantime. CA and JE spoke more about this subject further and will suggest that LCCJ identify a grant opportunity to explore this further.
5. LCCJ Policy on Issuing Official Tax Receipts – The Committee discussed some recommendations drafted by CA (Attached) with comments from Barry, Marilyn, Kayla and Tamara. Next steps will be to revise the draft as per feedback rec'd today and then send to Finance Committee for final comment re content, then to Governance Committee for review re style/format prior to presenting to the Board for final approval. CA will check with Joellen about finding the appropriate format for this policy.
6. New Business – Marilyn brought forward an exciting fundraising opportunity. David Bird read the Christmas Carol at the Perth Studio Theatre as a fundraiser this last season. Perhaps we could have a similar reading at the Table? Marilyn will investigate.
7. Next meeting – due to conflicts in scheduling in Feb, the next Fundraising Committee will be Wednesday, Feb 21, 5pm. We should return to 3rd Tuesday of the month in March.
8. Round table and close

Notes from Nov 19, 2023 Fundraising Committee meeting

The Chair provided an update on our fundraising budget and mentioned that the following outstanding fundraising event budget items:

Concert \$3K

Online auction \$4K

Email campaign \$2.5K

CA reported that preparations for Giving Tuesday, Nov 28th were underway. Some concerns about potential hiccups in CanadaHelps' ability to send out our emails. Stephen is working on resolving these issues.

Some potential venue options were discussed for the fundraising concert. CA to revise our proposal for discussion at next meeting.

No updates on the proposed Restorative Justice play.

Some discussion re a fundraising Art event. The committee supported merging a play with an art event.

Some discussion re online lotteries. The committee agreed in principle to explore our options. CA to prepare notes for next meeting.

The Perth Fair was proposed as a potential fundraiser – Tamara will pursue this potential event.

CA will prepare a discussion paper on how LCCJ might make formal policy on issuing official tax receipts.

Chair closed the meeting at 6pm.

LCCJ Concert Series Proposal Ferguson Falls Community Centre

The Fundraising Committee is proposing a series of 3 fundraising concerts to be held once a month from March to May 2024.

Artists:

- End of March: Doug Barr is a local singer/songwriter. Hear his music on iTunes, YouTube, and Bandcamp.com, and on his CD Too Far from the Water. Doug has years of experience performing for all ages and a following that we may tap into.
- Mid-April: Ali McCormick – Local singer/songwriter with several music videos on YouTube and CD's available on iTunes. Ali is known as the Lioness of Lanark. She recently did a fundraiser concert at the Rugby Club in Perth that I attended. She is a terrific performer.
- early-May: Long Sault Trio – experienced local performers. Blues, folk, jazz, celtic and traditional music. Linda Marie Grenier is a member of the trio and a LCCJ facilitator. These are very talented musicians. I've heard them perform a few times – very well received by their audiences!

Venue:

- Ferguson Falls Community Centre (1362 Ferguson Falls Road, Lanark, Ontario) has been recently renovated. It offers free parking, accessible washrooms, and fairly central location to Carleton Place, Lanark Village, and Perth.

Ticket price: \$25 - Sold *through Tickets Please* and at the door

Table for musicians to sell cd's

Performance time 2 x 45 minute sets

Doug Barr has offered one of his CD's as 2nd prize for 50/50

Public awareness and promotion opportunities:

- 10 minutes presentation by Joellen to audience of each event
- Facebook ads, Facebook and Instagram posts by LCCJ
- Sharing of social media ads by Board and committee members, staff, performers, and volunteers
- On-air interview on Lake 88 radio throughout 4 week period – mid-March to mid-April

Potential Revenue:

- Ticket sales 80 tickets at \$25 = \$2,000 x 3 nights = \$6,000
- Soft drink, water, and snack sales \$150 x 3 nights = \$450
- 50/50 draw \$150 x 3 nights = \$450

Total \$6,900

Expenses

- performer fee \$375 per night \$1125
- venue fee - \$100 per night
- Lake 88 ads, online calendar, online interview, ad creation \$550 for one month
- The HUMM – 3 months ads, calendar, news release, ad creation \$700
- TicketsPlease fees approx. \$5 per ticket \$240 TBD
- Soc/can fee \$20 x 3 = \$60
- facebook ad mid-March and mid-April \$600
- poster printing \$50
- Snacks \$200

Total \$3,825

Fundraising potential \$3,075

Note – the key differences between the prior proposal and this one:

1. Location – instead of the recreation room in our shared space with YAK, the concerts will be held in the Ferguson Falls Community Centre
2. Liquor sales – at the Ferguson Falls location, no liquor will be sold.

**For Approval to Contact Online Lottery Providers
Lanark County Community Justice**

Context:

- As part of its Long-Term Strategic Planning exercise, LCCJ is identifying new opportunities to raise funds.
- The LCCJ recognizes the importance of minimizing volunteer and staff time on new initiatives.
- The Fundraising Committee has endorsed an exploration of fundraising through online lotteries.

Considerations:

- In Ontario, the Alcohol and Gaming Commission of Ontario (AGCO) is responsible for administering the **Gaming Control Act, 1992** (GCA) and, as such, regulates gaming in the province.
- The Canada Revenue Agency states that charities should not issue official tax receipts to purchasers of lottery tickets even when some of the proceeds/profits will go to the charity.
- Officially certified software is required to sell online lottery tickets. A list of the companies offering this software is available at [iAGCO Information | Alcohol and Gaming Commission of Ontario](#)
- There is a \$700 annual fee and 3% of winnings payable to AGCO for charities to receive a license. Maximum of \$165 per event (Municipal Authorization Fee) and 0.78% of gross wager on all lotteries (Provincial Licence Fee)

Certified software providers providing a full range of online lottery offerings, including Catch the Ace:

1. **Ascendfs Canada, Ltd.**
2. **Bump Worldwide Inc. (owned by CBN)**
3. **Canadian Bank Note Company, Limited**

Recommendation

Gather data: CA will make contact with these three suppliers via zoom to get more information on their services, timelines, requirements, fee structures and overall cost.

- While the upfront development and marketing costs are covered by the certified software vendors, feedback has confirmed that LCCJ's email list and followers on social are much too small to be of interest.
- CA recommends that LCCJ focus on growing our databases of email and social media followers.
- There are two vendors who offer certified software for less grand online lotteries such as 50/50. CA will reach out to those vendors and report back to the committee.
- At the suggestion of Marilyn, CA will investigate how we might automate the sale of 50/50 tickets at events. 'Square', an App that Marilyn's husband has used at other events would allow us to accept debit payments for 50/50 tickets and other onsite sales such as drinks and candy, and of course donations.

CA will report progress on the planning of the concert series to Fundraising Committee and Board.

**For Review and Discussion - Official Tax Receipt Guidelines
Lanark County Community Justice**

Context:

- The LCCJ raises funds in various ways and donors may expect to receive an official tax receipt. The Fundraising Committee recommends that the LCCJ develop a clear position on when it will issue such a tax receipt.
- This guideline will cover several typical fundraising scenarios and help staff, volunteers, donors and corporate sponsors understand under what circumstances LCCJ will issue an official tax receipt.
- As part of its Long-Term Strategic Planning exercise, LCCJ is identifying areas where staff workload may be automated or otherwise reduced.
- Following review and approval by the Board of Directors, this guideline will be posted on the LCCJ website.

Considerations:

- Official tax receipts are issued automatically by CanadaHelps for all donations processed online. LCCJ staff does not have to enter data or tabulate the amount of the tax receipts.
- LCCJ can set a minimum donation amount through CanadaHelps. For example, \$10 or \$20 as a minimum for an official tax receipt to be issued.
- All other donations whether cash, gifts, auction items, event fees, etc must be processed by our staff. Frequently, donor names and contact information, fair market value of gifts, etc are missing. Therefore this task can be extremely time-consuming.

Canada Revenue Agency (CRA) Policy

A charity does not have to give a receipt when it receives a donation. However, the CRA advises charities to tell potential donors when they will or will not give a receipt. For example, a charity may decide to give receipts only for donations over \$10 or \$20.

Examples of donations that **do** usually qualify for charitable tax credits include:

- money;
- securities;
- gift cards purchased by the donor;
- ecologically sensitive land; certified cultural property; capital property;
- personal-use property (such as paintings, sculptures, jewellery, stamps, and coins); and
- inventory (such as art, antiques, rare books).

Examples of donations that **do not** usually qualify for charitable tax credits include:

- contributions of services, such as time, skills, or effort;
- the payment of a basic fee for admission to an event or program (for example, seminar or course, dinner, concert ticket, or golf green-fees);
- the purchase price of a lottery ticket or other chance to win a prize, even though the lottery proceeds benefit one or more charities;
- gift certificates donated by the issuer (Spa, restaurant, hotel, etc)

When a charity gives the donor something of value in return for their donation, it is considered an 'advantage'. The charity has to subtract the value of the advantage from the amount of the donation to figure out the eligible amount to put on the tax receipt. Examples of advantages include:

- a ticket to an event
- the use of property
- a dinner or performance at a fundraising event

To figure out the eligible amount of the gift, a charity has to subtract the fair market value (FMV) of the advantage from the FMV of the gift. When the FMV of an advantage received for a gift is more than 80% of the FMV of the gift itself, the Canada Revenue Agency (CRA) generally considers that there is no true intention to make a gift. Therefore, a charity cannot issue a receipt.

Using the LCCJ Nine and Dine as an example:

Nine and Dine Registration fees: Members \$65, non-Members \$100 (including dinner)
minus

Regular Golf Club green fees and dinner: Member \$45, non-Member \$73

For members: $\$65 - \$45 = \$20$

In this case the FMV of the advantage for members is \$45 and is 69% of the gift – so an official tax receipt could be issued for the \$20.

For non-Members: $\$100 - \$73 = \$27$

In this case the FMV of the advantage for non-Members is \$73 and is 73% of the gift – so an official tax receipt could be issued for the \$27.

Dinner only: \$40 (LCCL paid golf club \$28 per meal) – therefore FMV is 70% of the gift and an official receipt could be issued for the \$12.

Note: For tax receipts to be issued – staff must have the name and contact information for each golfer and or diner. This has proven a challenge.

Using Fundraising Auctions as an example:

A vase is donated to the auction – with a FMV of \$125.

Someone bids on and wins the vase – and pays \$50.

The winning bidder did not pay the FMV and therefore – therefore no tax receipt would be issued.

To be eligible for a tax receipt, the bidder must have paid over \$125.

Note: Although volunteers attempt to get contact information for the people who have donated items for our auction – this remains a challenge. As well, often we don't have the contact information of the winners of auction items.

Note: Rarely do donors provide a validated fair market value for items donated to an auction.

Corporate Sponsors

- If a business receives the same level of recognition as all other donors, with no special treatment, and the recognition is minimal (for example, a simple acknowledgment), the charity can issue the business a receipt for the full amount of the donation.
- If a business receives special recognition for its donation, or if it receives more than minimal recognition (for example, banners or advertising of products), this is considered sponsorship. Sponsorship is an [advantage](#) and its [fair market value](#) is generally deducted from the amount of the donation for receipting purposes.
- It is difficult, if not impossible, to calculate the value for sponsorship. When the value cannot be calculated, the charity **cannot** issue the business an official donation receipt. However, the business may be able to include the sponsorship costs in its **advertising expenses**, but only if this sponsorship is considered reasonable and was given with the intent of generating income.

Recommendations

1. While donations made through CanadaHelps may be tallied and are eligible for an official tax receipt, LCCJ will set \$50 as a minimum donation to receive an official tax receipt for those donations received outside of CanadaHelps.
2. Corporate donors of auction items and corporate sponsors of fundraising events will not be eligible for official tax receipts.
3. Only personal items (not donated by a business), such as art, coins, etc donated to an auction that provide a Fair Market Value (established by a reputable appraiser) and are \$50 at minimum will be eligible for an official tax receipt.
4. Winning bidders of donated auction items will not be eligible for an official tax receipt.
5. Individual registrants and ticket purchases for fundraising events will not be eligible for official tax receipts.
6. At the discretion of the Executive Director, an official tax receipt may be issued upon request to major individual sponsors and corporate sponsors of fundraising events.
7. The LCCJ tax receipt policy (text to be written up) will be posted on the Commjustice.org website.
8. The LCCJ approach re issuing official tax receipts will be clearly stated in the marketing material for each event.