MANAGEMENT REPORT

Date: May XX 2023
To: Community Services Sub-committee
From: Joan Thomson, Chief Administrative officer
Report#: Click here to enter text.
Attachments: Draft Memorandum of Understanding

Title: Draft Memorandum of Understanding with the Stratford Public Library Board

Objective: To consider entering into a Memorandum of Understanding [MOU] with the Stratford Public Library Board to provide clarity and continuity of the relationship between the Stratford Public Library Board and the City of Stratford.

Background: The MOU is constructed to respect the provisions of the *Municipal Act* and the *Public Libraries Act.*

The overall objective of the MOU is to provide the most efficient and effective administration of municipal and public library services and to eliminate duplication of resources where feasible. The City of Stratford provides significant support to the Library and it is important to ensure that these processes are documented and agreed-upon. Likewise, the Library Board is committed to supporting the City's smooth operations and in providing high-quality public service and values the working relationship with the City.

The draft MOU clarifies the roles of the City and Board and the continued partnership in serving residents.

Analysis: This document represents a combination of the current operating relationship, as well as some changes that aim to enhance the relationship through clarity around building and fleet maintenance, financial processes, sharing of spaces, strategic alignment, reporting, MFIPPA, human resources, information technology, and administrative relationships.

Financial Implications:

Financial impact to current year operating budget:
This MOU would make one significant change to the Library and City's relationship with respect to budget. Currently, any annual surplus or deficit at the Library is rolled into

the City's end-of-year calculations, and the Library does not retain any surplus, nor is it ultimately responsible for any deficits. This MOU proposes that the Library would retain any annual surplus for its own use, and likewise be responsible for covering any deficits incurred by the end of the fiscal year.

Financial impact on future year operating budget:
As above.

Legal considerations:
No new considerations. The *Public Libraries Act* is fairly permissive with respect to the structures that a Library Board and Municipality may construct to provide library services. The main legal consideration is that staff employed by the Library Board are its own employees and as such must be treated as separate and distinct from Municipal employees.

Insurance considerations:
No new considerations. The Library partners with the City of Stratford to achieve economies of scale in purchasing insurance and this MOU retains that practice.

Alignment with Strategic Priorities:

Strengthening our Plans, Strategies and Partnerships
Partnering with the community to make plans for our collective priorities in arts, culture, heritage and more. Communicating clearly with the public around our plans and activities.

Alignment with One Planet Principles:

Not applicable: This MOU is administrative only and does not represent any substantive changes to the current processes.

Staff Recommendation: THAT the report Draft Memorandum of Understanding with the Stratford Public Library Board be received;

THAT City Council authorize the entering into of a Memorandum of Understanding with the Stratford Public Library Board to outline the services and supports to be provided by both Parties;

AND THAT the Mayor and Clerk be authorized to sign the Memorandum of Understanding on behalf of the City.

Recommended by: [insert name and title of Director following approval]
[insert name and title of CAO following approval]

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MEMORANDUM OF UNDERSTANDING

BETWEEN:

THE CORPORATION OF THE CITY OF STRATFORD
(hereinafter referred to as the "City")

-and-

STRATFORD PUBLIC LIBRARY BOARD
(hereinafter referred to as the **"**Board**")**

WHEREAS the Board is a Public Library Board that has been established pursuant to the provisions of the Public Libraries Act, R.S.O., 1990, c. P.44 (hereinafter referred to as "the PLA") as amended and which operates the Stratford Public Library (hereinafter referred to as the "Library") within the geographic boundaries of the City of Stratford in accordance with the provisions of that Act;

AND WHEREAS the City is a separated City and is a local municipality under the Municipal Act, 2001, c.25 as amended;

AND WHEREAS the Council of The Corporation of the City of Stratford adopted By-law 160-85 in place of By-law 664 with respect to the establishment of a public library board and the appointment of the Board;

AND WHEREAS the City employs staff who have developed expertise in areas that include administration, human resources, financial services, building and facilities management and information systems support;

AND WHEREAS it is important to the City and the Board to improve efficiency in delivering municipal services, including public library services, to the residents of the City;

AND WHEREAS the City and Board wish to enter into a Memorandum of Understanding (MOU) to outline the services and supports the City is prepared to provide to the Board and the Board to the City in providing public library services;

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NOW THEREFORE THE CITY AND THE BOARD HEREBY STATE AS FOLLOWS:

1. The City and the Board hereby acknowledge:

   (a) The Board is an independent entity and separate from the City, subject to the provisions of the PLA, and has been established to provide public library services to the residents of the City;
   (b) The City is an independent entity and separate from the Board and provides municipal services to the residents of the City pursuant to the provisions of the Municipal Act, 2001 and other applicable legislation; and,
   (c) The City annually reviews and approves budgetary estimates received from the Board for the operation of the Library in accordance with section 24 of the PLA.

2. The City agrees that it will provide and make available to the Board during the term of this Memorandum of Understanding, those services that are listed and more particularly described in Schedule A attached hereto and forming part of this Memorandum of Understanding.

3. The Board agrees that it will provide and make available to the City during the term of this Memorandum of Understanding, those services that are listed and more particularly described in Schedule B attached hereto and forming part of this Memorandum of Understanding.

4. The City and the Board acknowledge that this Memorandum of Understanding applies only to those services listed and described in the Schedules attached hereto.

5. The City and the Board agree to provide services as listed in Schedule A and Schedule B, the Board may establish its own policies, procedures and management directives. Services provided by the City to the Board for the Library will be in accordance with City policies and directives.

6. The City and the Board acknowledge that the City is able to provide those services as set out in Schedule A attached hereto with existing City staff and equipment. In the event the City requires additional staff, equipment, or software to provide the services to the Library as set out in the Schedules attached hereto, the cost of engaging staff or acquiring the equipment or software shall be borne by the Board. The Parties agree that no new costs will

be charged to the Board unless the cost has been approved in writing by the Board prior to any expenditure by the City, or where mandated by legislation enacted by the Province of Ontario.

7. The City and the Board agree that the Chief Administrative Officer (CAO) for the City and the Chief Executive Officer (CEO) for the Board shall each designate members of their respective staffs to address any issues that may arise out of the operation of this Memorandum of Understanding. If designated staff cannot resolve operational issues, then the CAO and CEO will discuss the issue and will make best efforts to reach a consensus.

8. City Council annually reviews and approves a monetary allocation of the Board for the provision of public library services to the City. The Board will provide to the City an estimate of all sums required during the year for the purposes of the Board in accordance with section 24 of the Public Libraries Act, R.S.O., 1990. The Board will present its annual estimate to Council in accordance with the City's Budget Procedures Manual within prescribed timelines and in the format requested by the City. The Board acknowledges and agrees that Council has unfettered discretion to amend the budget estimates presented to it by the Board prior to Council approval. Throughout an operating year, the Council may further amend the Library budget originally approved for library services for that year, only at the request of the Board.

   Notwithstanding the above, when there is/are extenuating circumstances such as an emergency declared by the City lasting more than 8 weeks, City Council may further amend the Library budget after first consulting with the Board.

   Once the allocation is approved by Council, the monetary allocation then comes under the control of the Library Board in accordance with the Public Libraries Act, R.S.O. 1990, section 24.

9. The Board will provide its Capital Cost estimates on an annual basis to the City's Director of Corporate Services in accordance with the City's Budget Procedures Manual within the prescribed timelines.

10. The City is not responsible for any costs incurred by the Board in excess of its approved, as may be amended, Budget for a particular year. The Board will be responsible for costs incurred in excess of the approved budget. At the end of every year any surplus of the Board shall be held by the City in a reserve and

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directed, managed and controlled by the Board, and any year-end deficit shall be drawn from this reserve. In the event that the reserve goes into deficit, the amount of the deficit shall be withdrawn from the following year's Board budget. A resulting annual operating surplus for 2023 and following years of the Board, will be placed in a Reserve under the control of the City, and may be used to cover any potential future Library deficits or future Council approved Library operating or capital budget needs, at the request of the Board.

11. The City and the Board agree that ownership of all real and personal property managed by the Board as identified in PIN 53141-0011 (LT), PIN 53141-0012 (LT) and PIN 53141-0013 (LT) is shown in the name of The Stratford Public Library Board. This includes the Library location as may be changed from time to time, and all chattels within that location. The Board owns all library collections and shelving. Cash and Bank accounts are managed by the City.

12. The City and the Board agree that the Library Board is the Employer of all staff who work at the Stratford Public Library and that the Board bears all responsibilities for the management and oversight of all staff-related matters including but not limited to, terms of employment, compensation, benefits, management, discipline, and termination.

13. The City and the Board agree that ownership of all intellectual property used, managed or created by or for the Board's purposes in operating public library services is the property of the Board, including but not limited to the following: patron database, bibliographic records, electronic resources and licenses.

14. The City and the Board shall indemnify, hold harmless and defend the other party, including the other party's officers, directors, mayor and councillors, employees and agents (the "indemnified party") from and against any and all claims, actions, causes of action, suits, demands, debts, dues, accounts, contracts, demands, costs, expenses, damages, administrative actions, applications, liabilities or other obligations whatsoever which may be brought against or made upon the indemnified party or which may be incurred, sustained or paid by the indemnified party (the "Claims") in consequence of the performance or non-performance by the indemnified party of the indemnified's obligations pursuant to this Memorandum of Understanding inducing but not limited to any of its maintenance, repair, services, programs and operation obligations, except to the extend that the claims are caused by or contributed to by the negligent act(s) or omission(s) of the indemnified party. This indemnification in respect to any breach, violation, non-performance, damage to

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property or injury or death occurring during the Term of the Memorandum of Understanding shall survive any termination of this Memorandum of Understanding so long as actions are undertaken.

15. The City and the Board hereby agree that this Memorandum of Understanding will come into effect on the first day of , 2023 and shall continue until December 31, 2028. The City and the Board shall have the option to renew this Memorandum of Understanding at the end of the Term by providing written notice to the other Party for one (1) additional five (5) year period in accordance with the provisions of paragraphs 16 and 17 below.

16. This is the entire Memorandum of Understanding between the City and the Board. Any amendments to this Memorandum of Understanding will be provided in writing and agreed upon and signed by the approved signing officers noted below.

17. The City and the Board hereby agree that either party to this Memorandum of Understanding may terminate the Memorandum of Understanding upon providing to the other party no less than six months prior written notice of its intention to terminate this Memorandum of Understanding.

18. Any matters in dispute between the parties in relation to this Memorandum of Understanding (and amendments thereto) may be referred by either party to binding mediation by a mutually agreed-upon mediator.

19. The City and the Board acknowledge that they each have the authority to execute this Memorandum of Understanding on behalf of the City and the Board respectively and that they also have the authority to make such amendments to this Memorandum of Understanding as may be necessary including the authority to terminate this Memorandum of Understanding in accordance with the provisions of paragraph 17.

20. Any notice or other communication to be given in connection with this Memorandum of Understanding shall be given in writing and may be given by personal delivery, email or by registered mail addressed to the recipient as follows:

    TO THE CITY: The Corporation of the City of Stratford
    1 Wellington Street, P.O. Box 818, Stratford ON N5A 6W1
    Attention: City Clerk

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TO THE BOARD: City of Stratford Public Library Board
19 St. Andrew Street, Stratford ON N5A 1A2
Attention: Chief Executive Officer

or such other address or individual as may be designated by written notice by either party to the other. Any notice given by personal delivery or email shall be conclusively deemed to have been given on the day of actual delivery or transmission thereof and if made or given by mail, on the third day not counting Saturday, Sunday or statutory holiday in Ontario, following the deposit thereof in the mail.

21. This Memorandum of Understanding shall be governed by and construed in accordance with the laws of the Province of Ontario.

22. Neither this Memorandum of Understanding nor any of the rights or obligations of either of the parties hereunder may be assigned without the prior written consent of the other party to this Memorandum of Understanding.

IN WITNESS WHEREOF the parties have executed this Memorandum of Understanding

SIGNED, SEALED AND DELIVERED
in the presence of

THE CORPORATION OF THE CITY OF STRATFORD

Mayor –
Clerk -

THE CITY OF STRATFORD PUBLIC LIBRARY BOARD

Board Chair -
Chief Executive Officer -

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SCHEDULE A

Services Provided by the City to the Board

In addition to the annual monetary allocation provided by the City, the City agrees to provide an in-kind contribution to the Board in the form of the following services:

Accounting Services

The City will provide accounting services with respect to the recording and external reporting of all financial transactions for the Library. These services will include:

- Accounts Payable
- Accounts Receivable
- Deposit record and reconciliation
- Annual Budget administration
- Development of budget guidelines and sharing the guidelines with the Library to guide its operating and capital budgets
- Annual Audit requirements
- Liability Insurance exceeding the deductible limits, currently $10,000, for property, $2,500 for vehicles, and $50,000 for liability
- Access to the Development Charge Annual Reporting and currently available and forecasted reserves and reserve funds related to the Library
- Development Charges will be used for the funding of capital projects identified by the Board and outlined in the most recent Development Charges Background Study in accordance with the applicable legislation
- Purchase/Credit Card administration
- Revenue Management
- HST/GST remittance and reconciliation
- Asset Management, including providing long-term financing strategies and updating the asset management register for assets acquired and disposed of as identified by the Board and updated from time to time
- Access to the City's accounting system (Great Plains and Management Reporter or any successor systems as determined by the City). The means of access will be determined by the City and is to permit designated Library employees to access the accounting system for budget monitoring and report generation.

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Human Resources Related Services

- The City agrees that, when requested, it will assist the Board with human resources services related to the CEO including but not limited to CEO selection and recruitment.
- The CEO may, from time to time, approach the City's Human Resources Director for general advice and procedures related to the human resources function.
- The CEO may, from time to time, approach the City's Diversity, Equity and Inclusion Division for general advice and procedures related to inclusion, diversity and accessibility.
- The Board acknowledges that Library employees are employed by the Board and therefore the City does not provide human resource service assistance to Library employees related to Board or CEO management decisions.

Payroll Services

The City will provide the following Payroll services to the Library:

- To administer the bi-weekly payroll [or as otherwise determined by the City] for Board employees and provide direct deposit payments to a valid bank of the Board employee's choice, including all payroll related activities and benefit administration, including pension requirements.
- To determine the schedule for payroll processing each year for the following year and to provide a copy of the schedule to the Library.
- To prepare all T4 slips and records of employment, indicating that the employee was employed by the Board. The Board agrees to furnish the City's Payroll coordinator with any required information relating to any taxable benefits that may apply as defined by the Canada Revenue Agency.
- To include Library benefits within the City's benefit carrier but said Library benefits will remain as separate distinct groups within the agreement.
- To execute pay and benefit changes for Library employees upon receipt of a Board resolution approving such pay and benefit changes.
- To execute salary and benefit changes for the CEO upon receipt of a Board resolution approving such salary and benefit changes.

Insurance Services

The City agrees that the Library is a named insured on the City's public entity policies which includes the following coverage:

- General liability
- Directors' liability

- Errors and omissions liability
- Non-owned automobile and PLOW and PCIN automobile
- Comprehensive crime

The City agrees to include all property, including buildings, structures and contents used by the Library with the City's listings of property provided to the City's insurer.

Fleet Management Services
The City agrees to provide the following services to the Board:

- PLOW and PCIN vehicle maintenance
- Vehicle accident repair services that are minor in nature
- Vehicle licensing
- Vehicle refueling access same as provided for municipal vehicles
- Vehicle tendering
- Surplus vehicle disposal
- Inclusion of vehicles in City's GPS monitoring systems for municipal vehicles

Building Facilities and Infrastructure
The City agrees to provide the following services to the Board:

- Procurement and administration of life safety service contracts
- Oversight of Library Capital Projects – roof, brick envelope, windows, building envelope, stairs, life systems, parking, fire, lighting systems, parking lot
- Energy management

Capital Planning Services
In consultation with the Library Board, the City's Chief Building Official or the City's Manager of Facilities will plan and schedule major capital investments, including financial planning for the investments in consultation with the Director of Corporate Services. The Board acknowledges that this provision refers to the property at 19 St Andrew Street, Stratford.

City and Library Interaction
The City CAO and Library CEO agree to meet as required to discuss matters of common interest and concern between the City and Library.

The City agrees that while it is understood that the Library CEO does not have the authority to direct City Staff, the Library CEO may directly approach City Directors, Managers and other staff for assistance and support as necessary to coordinate those in-kind services identified in Schedule "A" and Schedule "B" attached to this

Memorandum of Understanding.

The Library CEO will ensure that City Directors are contacted directly in regards to matters involving City policies or directives, budgets or City staff workloads. The Library CEO or their designate may directly contact City managers or staff in regards to day-to-day operational matters.

Administrative Services

Other services that the City agrees to provide to the Board are:

- Board Member recruitment and appointment
- Advice on risk management support
- Advice on accessibility legislation, requirements and compliance
- Advice on records management of Library corporate documents
- Asset management support
- Use of municipal space and meeting rooms, and park lands, when available, to conduct Library business at no charge to the Board
- One parking space (including overnight parking) at no cost for the PLOW vehicle, with the location of the parking space to be determined by the City.

Summary

The in-kind contributions provided by the City may change annually with the mutual agreement of the City and the Board as noted in this Memorandum of Understanding.

This Schedule does not document the total dollar value of the contributions but merely identifies the types of administrative services that are provided by the City to the Board in addition to the annual monetary grant provided during the annual budget process.

Notwithstanding that the City includes insurance costs, corporate overhead, and administrative support charges to support the Library in its City Budget, a calculation may be performed annually by the City's Director of Corporate Services to determine what these costs would be if they were charged directly to the Library. This annual calculation, if conducted, will be shared by the City with the Board. At this time, this calculation is for information purposes only.

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SCHEDULE B
Services Provided by the Board to the City

The Board agrees to provide the following services to the City:

- Provide a comprehensive and efficient public library service that reflects the community's unique needs (PLA)
- Provide leadership in Stratford in matters associated with public libraries including advocacy for libraries, intellectual freedom and issues identified by the Board
- Develop and continue working relationships with the City and partner community organizations to support public libraries in Stratford
- Host Municipal Candidate campaign information during a municipal election or bi-election year
- Distribution of City publications, surveys and information flyers
- Provide use of the Stratford Public Library as a cooling or warming centre during regular business hours or as agreed upon by the Parties to this Memorandum of Understanding
- Assistance to the City during an emergency declared by the City of Stratford.

The Board further agrees:

Reporting and Governance

- To report its financial results to the Province and other funding agencies in accordance with its legislative requirements
- To report at least annually to City Council through the appropriate meeting structure identified by the City Clerk with respect to its progress
- To adopt Codes of Conduct for its Board Members and Employees that are in keeping with and reflects the City's policies, objectives and Code of Conduct
- To adhere to MFIPPA when releasing information to the public
- To follow the City's Financial Control Policy and to ensure that appropriate internal controls are in place at the Library.

Budgeting

- To work cooperatively with the City in preparation of year-end audit working papers and draft financial statements
- To utilize the City's external auditors and be included in any request for proposals for audit services issued by the City
- To complete and submit all grant applications and reports
- To review its budget to ensure that the budget line requests reflect the actual

amounts required to deliver that portion of operations
- To ensure expenditures and revenues are being consistently recorded
- To complete, using the City's budget software and any related forms, all budget documentation needed for the annual budget process
- To be responsible for authorizing expenditures, purchasing, approving invoices, receiving against purchase orders and coding to appropriate accounts in a timely manner and in accordance with the budget approved by the Board and City Council.

Strategic Planning

- To ensure that the Board's Strategic Plan is not in conflict with the Strategic Plan | Priorities adopted by City Council

Human Resources

- To acknowledge that the Board shall be the direct employer of its own human resources with an organizational structure, staff complement, salaries and benefits, and employee recognition, determined by the Board in accordance with all applicable legislation including but not limited to Employment Standards Act and all Health and Safety legislation
- To acknowledge that the Board shall have exclusive jurisdiction and shall take the lead on all issues pertaining to Code of Conduct, employee training, health and safety, pay equity, employee negotiations, accessibility, diversity, equity, inclusiveness and Indigenous affairs in accordance with all applicable legislation.

Purchasing

- To follow the City's Purchasing Policy, unless the Board adopts its own Purchasing Policy.
- To advise the City Director of Corporate Services of any Purchasing or other Financial Policies adopted by the Board and to provide a copy of same to the Director of Corporate Services.
- To be responsible for day-to-day purchasing for the Library and preparing and issuing requests for quotations, proposals, tenders related to the Library. Notwithstanding this, the City agrees that the library may piggyback on City office supply contracts in accordance to the Library's Purchasing Policy.

Information Technology

The Board will administer the Library's computer network and systems. The administration of the Library's specialized library automation software and public WIFI network are the responsibility of the Library.

The Board will be responsible for providing the following services:

- Provide installation, configuration and support for computer hardware, printers, copiers, scanners, multifunctional devices, telecommunications, telephones, cell phones or any technology-based purchases in order to support Library operations in its location. Notwithstanding this, the City agrees that the Library may piggyback on City information technology and telecommunications contracts in accordance with the Library's Purchasing Policy.
- Manage the Library's virus protection, cyber security and firewall for all library locations. Access to the Internet and filtering will be in accordance with the Board's Internet Access policy.
- It is acknowledged that the Library's fibre connection is the same line as the City's connection and that the City's IT Division manages the connection. The Library shall work cooperatively with the City's IT Division as directed by the City's Chief Technology and Security Officer to maintain the Library's internet access
- Provide Cyber Security Measures, including an incident response plan for the Library systems
- Provide end-user training and security training to Library Employees
- Provide email services and spam filtering
- Manage software installation, configuration, licensing and update patches.
- Provide software and hardware to support the Library operations
- Provide the Library with disaster recovery and business continuity planning services.

Building Facilities and Infrastructure

The Board will provide the services listed below to the Library:

- Day-to-day facilities management operations
- Cleaning and cleaning supplies
- Repair, maintenance, and health and safety inspection routines
- Procurement of facility-related furniture
- Facility-related furnishings and equipment
- Trouble call response and management
- In consultation with the City CBO and Manager of Facilities or other designated City employee, assist with the planning and scheduling of capital investments
- Security and Video Surveillance

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- Energy management
- Physical security and regulatory compliance
- Room set-up
- Landscaping and grounds care
- Requirement analysis and program development, and other building-related consulting.

Winter Control

- To maintain snow shovelling and snow removal services at the Library. Notwithstanding this, the City agrees that the library may piggyback on City service contracts in accordance to the Library's Purchasing Policy.

Key Metrics

The Board shall report to the City on key metrics, activities and programmes for the Library. The following metrics will be reported in the Board's annual report to the City. The City in its discretion may request amendments to these key metrics reported from time to time:

- total circulation – physical and digital
- in-person visits
- electronic visits
- social media engagements
- programme attendance
- public computer usage
- WIFI access
- database searches
- active user/patron counts

Cyber Insurance

- To be responsible for obtaining and maintaining its own Cyber insurance coverage, mitigation strategies for cyber risks and for Library business continuity planning.
- To notify immediately the CAO and the City Chief Technology and Security Officer should a cyber incident occur with the Library's IT network and/or devices.

Municipal Freedom of Information and Protection of Privacy Act (MFIPPA) Requests

The Board is covered by MFIPPA and delegated its powers and duties of "head of

institution" to the Board Chair.

The Board acknowledges that Library is subject to MFIPPA and that the Board will be responsible for processing formal requests submitted to the Library or transferred to the Library by another institution, for information held by the Board.

The Board acknowledges that the Library may consult with the City Clerk for advice, from time to time.

Insurance

- To be responsible for paying the City's insurance deductible in the event of a claim.
- To agree to promptly report all Library claims and incidents to the City Director of Corporate Services on the forms provided.
- To provide an annual inventory of all property and estimated replacement costs to the City Director of Corporate Services on the forms provided by the City and/or the insurer.

Other Services

- To sell City products and services from the Library location as mutually agreed upon by the City CAO and Library CEO.
- To share research, data and information, where available, to support City reviews, programs, services, plans and studies.
- To use of Library space and meeting rooms, when available, to conduct City business at no charge to the City
- To use of space and Library staff resources, where available and mutually agreed upon by the City CAO and Library CEO, to assist with municipal elections
- To provide its own Board services to facilitate the operation of Library Board meetings in accordance with legislative requirements.

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