

POLICY 25-03

SPONSORSHIP AND ADVERTISING

DATE OF ADOPTION:	May 20, 2025	MOTION NUMBER:	25/05/70
DATE OF AMENDMENT:		DEPARTMENT:	Corporate Services

PURPOSE

To increase the opportunities for revenue generation for the Town of Vermilion while safeguarding the Town's corporate values, image, assets and interests.

DEFINITIONS

Administration is the administrative Employees of the Town of Vermilion.

Adult Entertainment is any company or organization where live performances, the main feature of which is the nudity of partial nudity of any person, are performed.

Advertising is the sale or lease to an External Agency, or individual of advertising or signage space on Town Assets. The advertiser is not entitled to additional benefits beyond the space purchased.

Asset(s) is Town of Vermilion property that may be of worth to a Sponsor. This includes but is not limited to Town facilities, programs, promotions, print material and services.

Asset Owner is the Employee responsible for the operation of the Asset(s).

Banner is a lightweight, flexible fabric or material mounted to a pole, structure or building used to advertise an event or product.

Contra is an exchange of Goods or Services for the exchange of Goods or Services from another business.

CAO is the Chief Administrative Officer for the Town of Vermilion.

Director is a person employed by the Town of Vermilion who is in charge of an activity, department or organization, as delegated by the CAO.

Employee is an employee of the Town of Vermilion.

Event is a planned public or social occasion.

Event Marketing is a promotional strategy linking a company to an event to support corporate objectives.

External Agency is a corporation, club, society, organization, or any other entity not part of the Town of Vermilion.

Facility Authority is a Director, Manager or delegate of a Town of Vermilion facility.

Gift in Kind is a contribution, other than cash, including corporate products, services and/or other assets without charge or purchase, usually in return for published acknowledgement.

Inventory is a catalogue of all physical and non-physical Assets owned by the Town of Vermilion that may be available to sponsors.

Manager is a person employed by the Town of Vermilion who is in charge of an activity, department or organization, as delegated by the CAO.

Market Value is an estimate of the monetary and/or in-kind that a sponsor is willing to pay for the commercial rights to an asset.

Media Buyer is a third-party company that sells sponsorship and/or advertising on behalf of External Agencies.

Member of Council an individual elected to office pursuant to the Municipal Government Act (MGA) RSA 2000, c M-26, who serves as an elected official for the Town of Vermilion.

Naming Rights is a form of sponsorship that provides a sponsor the right to name a piece of a Town of Vermilion Asset, granted in exchange for cash or a Gift in Kind.

Program is a planned event or series of events.

Sponsorship is cash and/or a Gift in Kind paid by a sponsor to the Town of Vermilion in return for the commercial rights related to a Town of Vermilion owned Asset.

Town is the Town of Vermilion in the Province of Alberta.

Town Business is professional services rendered for or on behalf of the Town of Vermilion.

SCOPE

This policy applies to All Members of Council and/or all Employees of the Town of Vermilion.

TASK	TITLE OR DEPARTMENT OF PERSON RESPONSIBLE
APPROVAL OF POLICY & AMENDMENTS	Council
HANDLING INQUIRIES & COMMUNICATING POLICY	Chief Administrative Officer
MONITORING REVIEWS & IMPLEMENTATION	Manager of Economic Development & Director of Community Services

GUIDING PRINCIPLES

- The Town shall consider all ideas and Assets for potential Sponsorship.
- The Town reserves the right to decline any Sponsorship or Advertising proposal.
- All Sponsorship and Advertising shall be:
 - In both the public interest and the overall interest of the Town;
 - For a set term, Event or time period not to exceed ten (10) years unless otherwise approved by Council;
 - Documented in a written agreement;
 - Free from any expectation of preferential treatment from the Town in present or future dealings with the sponsor;
 - Monitored and reported on annually;
 - Complimentary to the Town brand;
 - Free from any perceived or real conflict of interest; and
 - Offered to the public.
- Any Sponsorship and Advertising related to tobacco, cannabis and/or alcohol advertising shall abide by all provincial and federal legislation and shall be subject to the approval of the CAO or delegate.
- All Sponsorship and Advertising shall not:
 - Condone any form of discrimination;
 - Be of religious nature;
 - Be of political nature;

- Be of Adult Entertainment;
 - Entitle any sponsor or advertiser to influence any business decision made by the Town;
 - Duplicate or sound as if they duplicate other Assets' names or are otherwise confusing.
- Banners may be permitted within Town facilities or on Town property at the discretion of the Facility Authority or designate to promote an event.
- Banners shall adhere to the provisions set forth above, and shall only be considered;
 - For booked events with written approval; or
 - If there is a sponsorship agreement in place, which allows for advertising with a Banner.
- Banners shall;
 - cover any other advertisement or sponsorship signage;
 - Not cause any damage to C infrastructure or property; and
 - Be at the sole expense of the individual requesting the Banner.
- Banners related to nonprofit facility user groups are exempt for the following:
 - Championship Banners;
 - Promoting Banners for their home facility; and
 - Any other user group signage approved in writing by the Facility Authority or designate.
- The CAO or designate shall determine prices for the Sponsorship of Town Assets based on Market Value.
- Market value shall be determined by utilizing internal and external assessments and shall include tangible and intangible benefits.
- Sponsorships that impact Town facility admission rates shall be calculated to ensure that the sponsorship amounts recoup all lost admission plus a minimum revenue of five percent (5%).
- Approvals for all Sponsorships shall be based on total value of the entire agreement, and shall be approved by the Asset Owner as follows:
 - Manager or delegate up to \$25,000;
 - Directors or delegate up to \$50,000;
 - CAO or delegate up to \$100,000;
 - Council greater than \$100,000.
- Town Council approval shall be required for any Sponsorship that is outside the scope of this Policy, is sensitive in nature and for all opportunities involving Naming Rights of Town Assets.
- Revisions to Sponsorship or Advertising agreements are subject to the same approval as the original agreement.
- Notwithstanding anything in the Procurement and Purchasing Policy, Administration may actively seek sole source Gift in Kind Sponsorship and Advertising opportunities that have a value of less than \$5,000.
- Administration may RFP Sponsorship and Advertising Gift in Kind opportunities of \$5,000 or more to help reduce overall expenses.

- Contra agreements shall not be allowed under any circumstance.
- Advertising and Sponsorship revenues for programs and events shall be allocated to the Town general revenue fund.
- Advertising and Sponsorship revenues for Town facilities owing a debenture may be allocated to the operational budget toward paying the debenture.
- Advertising and Sponsorship revenues from facilities without debentures may be allocated to a recreation and culture reserve and used to enhance recreation and culture facilities.
- The Facility Authority shall determine the allocation of revenues using the above criteria.
- Notwithstanding the above, revenues from the Sponsorship of Facility Assets shall be allocated by Council as per the terms of this policy.
- Sponsorship revenues received as lump sum capital investments shall be allocated to the designated capital project.

ELIGIBILITY

- This policy applies to all members of Administration that manage relationships between the Town and External Agencies, including individuals, that pay either by cash or by Gift in Kind towards Town Assets in return for recognition or promotional considerations.
- This policy does not apply when the Town:
 - Acts as the sponsor to an External Agency;
 - Is one of the multiple partners involved in hosting an event;
 - Considers naming Assets for commemorative, honorable, or historical purposes;
 - Leases or rents Assets to an External Agency; or
 - Is providing donor recognition as part of a donation or gift to the Town.