



FEDERATION
OF CANADIAN
MUNICIPALITIES

FÉDÉRATION
CANADIENNE DES
MUNICIPALITÉS

GREEN MUNICIPAL FUND

ANNUAL REPORT
2012–2013



www.fcm.ca/gmf

Green Municipal Fund Annual Report 2012–2013
(April 1, 2012, to March 31, 2013)

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LETTER TO THE MINISTERS

Minister of the Environment
The Honourable Leona Aglukkaq, P.C., M.P.

Minister of Natural Resources
The Honourable Joe Oliver, P.C., M.P.

Dear Ministers:

We are pleased to submit the Green Municipal Fund Annual Report 2012–2013, covering the period from April 1, 2012, to March 31, 2013.

Since the Green Municipal Fund™ (GMF) was created in 2000, the Federation of Canadian Municipalities (FCM) has worked with the Government of Canada to build the capacity of the municipal sector to invest in sustainable infrastructure, create jobs, contribute to local economies and make federal spending go further.

Supported by GMF funding and knowledge, municipalities have constructed efficient and more resilient infrastructure, diverted waste from landfill, optimized transportation systems, redeveloped previously unusable land, and improved soil and water quality. Through these projects, they have saved millions of dollars for taxpayers.

In 2012–2013:

- FCM approved GMF loans and grants to support a total of 59 innovative initiatives to help communities become more sustainable.
- FCM approved over \$3.6 million in GMF grants for 47 plans, feasibility studies and field tests.
- Over \$52 million in below-market loans and \$5 million in grants were approved for 12 leading capital projects. FCM anticipates that these projects will:
 - reduce GHG emissions by 114,698 tonnes per year
 - manage 15,950 cubic metres of contaminated soil
 - divert 89,000 tonnes per year of waste from landfills
 - treat 1,277,500 cubic metres per year of water and wastewater to Canadian Council of Ministers of the Environment (CCME) or Canadian Drinking Water Quality (CDWQ) Guidelines
- FCM publicly announced GMF funding for 20 initiatives, recognizing the important contribution of the Government of Canada and its continuing partnership with FCM through the Green Municipal Fund. These announcements were made through a combination of news releases and public announcement events to showcase innovative projects across Canada.

Since 2000:

- FCM has committed to provide \$668 million to support 987 green initiatives in more than 477 communities across Canada.
- Of the 987 initiatives funded to date, 171 have been capital projects, which are expected to generate over \$3.3 billion of economic activity in 123 communities.
- The GMF-funded capital projects completed to date have reduced greenhouse gas (GHG) emissions by about 352,000 tonnes per year, diverted over 143,000 tonnes of waste per year from landfill, and treated over 137 million cubic metres of water annually.

In 2012–2013, FCM implemented a new competitive approval process to manage an anticipated high volume of capital project applications in the energy, transportation, waste and water sectors, along with a revised set of criteria for plan, study and test applications. The new process allows FCM to approve funding for applications that demonstrate the highest environmental benefits and above-average innovation while maintaining an equitable distribution of funding across Canada’s regions and urban and rural populations.

Municipal brownfield initiatives remain a priority and carefully designed strategies have been initiated to help FCM achieve its brownfield funding objective: to provide loans that amount to 30 per cent of Fund assets. FCM also continues its focus on increasing the number of applications from Quebec municipalities and their partners. FCM’s research with both target audiences has driven ongoing efforts to foster collaboration between municipalities and private-sector partners and sparked creative solutions that strengthen the long-term sustainability of the Fund.

FCM’s library of knowledge gained from GMF-funded initiatives grew considerably this year, and education, training and capacity building services reached communities every province and territory. The 2013 FCM Sustainable Communities Conference engaged hundreds of national and international experts and decision makers; the Sustainable Communities Awards Program shined a spotlight on 12 projects that spur environmental, economical, and social benefits; the Partners for Climate Protection Program now supports over 242 members; and FCM has published over 900 GMF resources to date.

Through GMF, FCM aims to “raise the bar” of sustainable development and infrastructure innovation. In early 2013, FCM initiated proactive efforts to evaluate and refresh the GMF offer (funding and knowledge) so that it continues to meet evolving municipal needs. Research is underway to optimize program resources that are designed to help the municipal sector adopt environmentally sound practices, and plan and implement capital projects that deliver more environmental, social and economic value for Canadians.

The many advantages generated through GMF help all Canadians — from shared environmental benefits, such as better air and water quality, to regional benefits like cost savings from new efficiencies, increased municipal tax revenues and job creation. Under FCM’s stewardship and its network that connects all orders of government, the Fund is helping to secure Canada’s lead in the global green economy. We look forward to continuing our successful partnership with the federal government to strengthen municipal capacity in long-term infrastructure management and optimize our assets for a more sustainable, prosperous future.

Yours sincerely,



Claude Dauphin
President, Federation of Canadian Municipalities



Raymond Louie
Chair, Green Municipal Fund Council

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OVERVIEW

Canadian municipalities are leading the way toward a cleaner, healthier, more sustainable future. To support them, the Government of Canada endowed the Federation of Canadian Municipalities (FCM) with \$550 million to establish the Green Municipal Fund™ (GMF) as a long-term, sustainable source of loans and grants for municipal environmental initiatives.

Since 2000, GMF funding has supported some of the most innovative, cutting-edge infrastructure projects in Canada, helping to drive sustainable community development and sustainable infrastructure practices across the country. Municipalities have built better transportation assets; constructed efficient and resilient buildings; diverted waste from landfills; made previously unusable land available for development; and improved soil and water quality. GMF-funded projects have saved millions of dollars for taxpayers and produced measurable results toward achieving Canada's sustainability goals.

While GMF is a relatively small program compared to federal and provincial/territorial infrastructure programs, it stands out among national sustainable development programs due in part to its strong integration of financial resources and capacity building services. Demand for GMF funding in recent years has consistently exceeded the available supply. To prudently manage this demand, FCM incorporated a more rigorous competitive approval process in 2012. This ensures that the most innovative capital projects with the most significant environmental outcomes receive funding, while enabling FCM to continue allocating funds equitably in all regions of Canada, in communities of all sizes.

Against a fragile economic recovery and a changing climate, the future of infrastructure and other municipal assets are a top priority shared by urban and rural communities alike. In this context, FCM seeks to understand both the impacts of GMF and the evolving needs of municipalities to ensure the relevance and quality of its funding and knowledge services. Client consultation and research activities during 2012–2013 have identified some key findings, as described further in this report. For example, FCM sought to better understand the complex issues around barriers to progress in brownfield redevelopment and explored new possibilities for partnerships with the private sector.

Building on these reports and the experience gained through recent GMF-supported projects, FCM will continue its research over the next year. These efforts will help FCM freshen the GMF offer (funding and knowledge) to optimize resources, align with municipal needs, and complement recent commitments in the 2013 federal budget.

About GMF: Funding and Knowledge

Through GMF, FCM provides below-market loans and grants, as well as knowledge-sharing and capacity building activities to support municipal initiatives that improve air, water and soil quality, and protect the climate. Grants are available for plans, feasibility studies and field tests; a combination of grants and loans are available for capital projects¹. Funding is allocated in five sectors of municipal activity: brownfields, energy, transportation, waste and water. These initiatives must aim to achieve significant environmental impact and have the potential to be implemented in other communities. FCM shares the

¹ Grants are not offered for capital projects in the brownfields sector.

resulting knowledge and expertise gained, and provides training to help other communities replicate success and reach their own sustainability goals.

GMF is the largest of FCM’s national programs. It is supported by a number of departments within FCM’s corporate structure, including Corporate and Member Communications, Government and Media Relations, Policy and Research, Operations, and other departments.

Municipal activities		GMF funding
Plans	→	Grants to develop sustainable neighbourhood action plans, community brownfield action plans and greenhouse gas (GHG) reduction plans
Studies	→	Grants for studies and tests to assess the technical and financial feasibility, as well as the environmental, social and economic impacts of a potential project or new procedure.
Projects	→	Loans, usually in combination with grants, to implement capital projects

Impacts

Many of Canada’s most remarkable sustainable community development studies and capital projects are funded through GMF. In 2012–2013, FCM awarded GMF loans and grants to support 59 initiatives that will help make the transition toward greater sustainability. FCM approved over \$3.6 million in GMF grant funding for 47 plans, feasibility studies and field tests. Over \$52 million in below market loans and \$5 million in grants were approved for 12 leading capital projects.



To date, FCM has committed to disbursing \$668 million to support 987 green initiatives in more than 477 communities across Canada.²

See [Section 2: Environmental Results](#) for a detailed analysis on the impact of GMF funding.

Priorities

Expanding the reach of the Fund

To support the Fund’s vision and mission, FCM developed and launched a three-year GMF Integrated Marketing and Communications Strategy. The strategy aims to:

- Establish a strong brand and value proposition for GMF among priority audiences.
- Increase awareness and understanding of GMF’s funding and knowledge offerings.
- Leverage knowledge exchange to build engagement among key stakeholders.

The strategy tackles marketing and communications challenges — the need for a clear identity and brand, the complexity of GMF’s offerings, and team capacity — and builds on opportunities. It emphasizes FCM’s unique role as a relationship builder and its ability to leverage its profile in a relevant and compelling field. It identifies primary and secondary target audiences, articulates key messages for

² These financial figures incorporate cancelled initiatives (net data).

those audiences, and provides an evaluation framework that includes indicators and reporting mechanisms.

Increasing uptake in the brownfields sector

FCM allocated considerable resources in 2012–2013 to developing a comprehensive brownfield strategy that aligns with the funding targets outlined in the Funding Agreement. With guidance from GMF Council members and in consultation with a broad range of stakeholders, FCM undertook the first two phases of a national, multi-year effort to increase the number of funding applications in this complex sector. Details about FCM's brownfield market research and strategy are featured in [Revitalizing Canada's brownfields](#) in the Funding section of this report.

Supporting green projects in Quebec

As specified in the Funding Agreement, FCM seeks to achieve an appropriate balance of approved projects among Canada's regions. Historically, FCM has maintained a balance of approved funding relative to regional populations, except in Quebec. To address this challenge, significant efforts were undertaken in 2012–2013 to encourage more applications from Quebec. Read more about [outreach in Quebec](#) in the Funding section of this report.

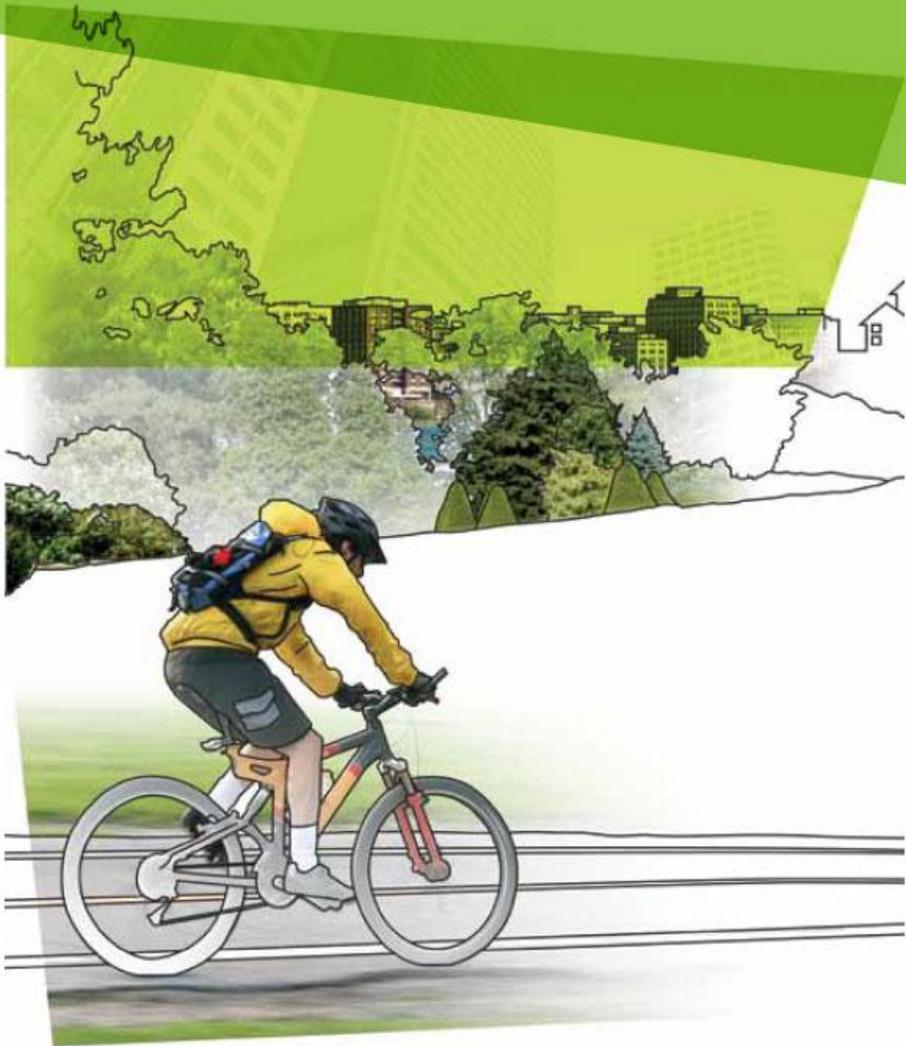
Fostering partnerships and collaboration

Strong and productive relationships across relevant sectors are integral to broadening the reach of GMF funding and knowledge. In 2012–2013, FCM directed resources toward building partnerships and collaborations that bolster the GMF brand among target audiences, especially in Quebec and in other regions and sectors where there is a historical imbalance in representation.

Collaboration offers creative solutions and new options for Fund sustainability by helping to establish links between municipal governments, the private sector and other orders of government. Partnerships are vital to reaching targets for revitalizing brownfields, achieving objectives in other sectors, and disseminating GMF knowledge products and services to a wider audience.

FCM has worked diligently with a number of private-sector partners to structure loans in support of environmentally beneficial municipal projects. Through these efforts, FCM has identified opportunities to address critical funding gaps, such as those in early-stage brownfield remediation activities. FCM continues to work with municipal and private stakeholders to complement existing funding sources, and facilitate additional risk capital for the benefit of municipalities.

GOVERNANCE AND MANAGEMENT



GOVERNANCE AND MANAGEMENT

The Government of Canada endowed FCM with \$550 million to create the Green Municipal Fund (GMF). As arranged through a Funding Agreement, FCM works through GMF to offer funding and knowledge to municipal governments and their partners for municipal environmental projects.

A 15-member [GMF Council](#) advises the FCM Board, through FCM's Executive Committee, on all GMF-related matters. One third of council members are Government of Canada representatives, one third are elected municipal officials and one third are external members representing the public, private, academic and environment sectors. All GMF Council members are appointed by the FCM Executive Committee. Council members are recognized as leaders in the federal, municipal and environmental sectors and are known as innovators and champions of environmental sustainability. A chair and two vice-chairs guide Council discussions.

Each month, the GMF Council discusses reports on peer-reviewed assessments of funding applications and makes funding recommendations to the FCM Executive Committee. With support from the GMF Investment, Audit and Governance committees, the Council also provides strategic direction to staff on priorities. This past year, these have included strengthening GMF governance, improving organizational effectiveness, and maintaining the long-term financial sustainability of the Fund.

Strengthening GMF governance

Acting on recommendations from a governance review completed last year, the Governance Committee, with the support of staff and a consultant, led GMF Council members through a self-assessment exercise. The most positive results of the survey and debriefing workshop included Council's accountability, relations with management, the quality of agendas and minutes, the organization of meetings, and Council members' commitment to attending meetings. Areas for improvement included the clarity of roles between Council and staff, ongoing Council member orientation, and Council awareness of responsibilities for fiscal management. Staff prepared an action plan in response to the report, which is reflected in their 2013–2014 work plans.

Although a draft GMF Governance Manual was presented to GMF Council in November 2011, a number of follow-up items, including revisions to the GMF Council bylaws, remained to be completed. Many of these changes were addressed by staff in 2012 and integrated in the first official GMF Governance Manual. This "evergreen" document will be adjusted or updated annually, as required.

Strategic Plan

In 2011, GMF Council members developed a mission, vision and goals as core elements of the GMF Strategic Plan 2011–2014. Now mid-way through implementation, the plan identifies six key result areas:

- capacity building
- leveraging partnerships and brokering
- performance measurement
- risk management
- marketing and communications
- integrated projects

Subsequent to the 2011 GMF Council governance review, the GMF Peer Review Committee (PRC) also underwent a review. This year, key documents such as the PRC Terms of Reference and Rules and Procedures, were updated and are now part of the PRC training manual.

New GMF Council members

This year, the minister of natural resources, on behalf of the Government of Canada, nominated a new member to the GMF Council from Infrastructure Canada. Environment Canada and National Resources Canada have been represented on the GMF Council since the Fund's inception. A representative from Transport Canada previously participated on the GMF Council, but was replaced by a representative from Infrastructure Canada when Transport Canada changed its sustainability focus.

The composition of all three GMF committees (Audit, Governance, and Investment) changed this year. GMF staff worked with the GMF Council chair to find individuals with the appropriate skills and experience to sit on each committee. New chairs have been appointed to the Governance and Audit committees and oriented on their new functions. See [Appendix F](#) for a complete list of Council members.

A more effective GMF

FCM completed an array of integrated initiatives in 2012–2013 to improve GMF operations, management and client services. These included:

- **Organizational changes:** FCM strengthened its internal capacity and interdepartmental structure to achieve greater cohesion, instilling a culture of planning and continuous improvement.
- **Modern IT systems:** FCM developed and launched a major new customer relations management (CRM) database to greatly improve client services and streamline operations across the organization. For example, the CRM is equipped with an automated tool to facilitate the work of peer reviewers when assessing funding applications.
- **Risk management framework:** FCM expanded its risk management functions to ensure that FCM can fund leading municipal environmental projects with due consideration to financial and other risks.

Improving organizational effectiveness

In late 2011–2012, FCM staff identified a range of goals and objectives to clarify roles and responsibilities, streamline internal processes in its National Programs department (within which GMF is housed) and, ultimately, serve our clients better. An organizational change project focused on eight priorities:

- Develop a clear, efficient, effective and timely **approvals** process that delegates decision-making to the levels where the work is actually being done.
- Clarify **responsibilities and accountabilities** at the senior management level and review and adjust the **organizational structure** accordingly.
- Strengthen the **planning culture** and related processes to proactively set priorities, manage workloads, anticipate and manage requests and better serve internal and external clients.
- Strengthen the **meeting culture** by encouraging a more effective approach to meetings (number, preparation, participants, etc.).
- Clarify and improve **internal communications** processes.
- Optimize the use of **technology** to drive our business processes and implement solutions quickly.
- Create and promote **innovation** through a learning culture that allows staff to dedicate time to being creative.
- Create and promote opportunities for **professional growth** by enabling staff to evolve in their jobs as well as provide for movement and advancement within the organization.

This initiative resulted in a number of changes. FCM reorganized the department to achieve greater efficiencies and enhance client service. This led to a year of transition and personnel changes for the department's leadership team. FCM is confident that the new and vacant positions will be fully staffed in 2013–2014. The institutionalization of more robust planning and monitoring processes has led to more thorough program monitoring by staff and the GMF Council, and a more informed approach to developing the Annual Statement of Plans and Objectives. The implementation of an internal communications strategy and the emergence of a new meeting culture are improving the way we approach our day-to-day work.

Maintaining the Fund's long-term financial sustainability

To date, FCM has committed to disbursing \$668 million in support of 987 leading environmental initiatives in over 477 communities across Canada. Over the past year, FCM has undertaken several important initiatives to help ensure the Fund continues to meet the evolving needs of municipalities.

In keeping with the Funding Agreement, GMF investments are overseen by the GMF Investment Committee, whose members are appointed by the FCM Board of Directors. The committee receives guidance from the Fund advisor, Normandin-Beaudry, and the Fund manager, Fiera Capital. The Funding Agreement requires that FCM maintain at least \$500 million in Fund assets at all times.

The current Funding Agreement was developed in a period of higher interest rates. During this period, the GMF loan portfolio and other investment earnings generated a surplus return and led to a stable revolving loan fund profile. Given the current prolonged period of historically low interest rates, FCM

reviewed GMF’s financial performance to ensure that the Fund remains financially sustainable into the future. FCM has taken several measures to safeguard the Fund over the medium term, such as revising the loan pricing policy, adjusting risk allocations within the loan portfolio, and balancing loan repayment terms between 10 and 20 years. These measures will be implemented in the next fiscal year and will be adjusted as needed to maintain the Fund’s long-term viability.

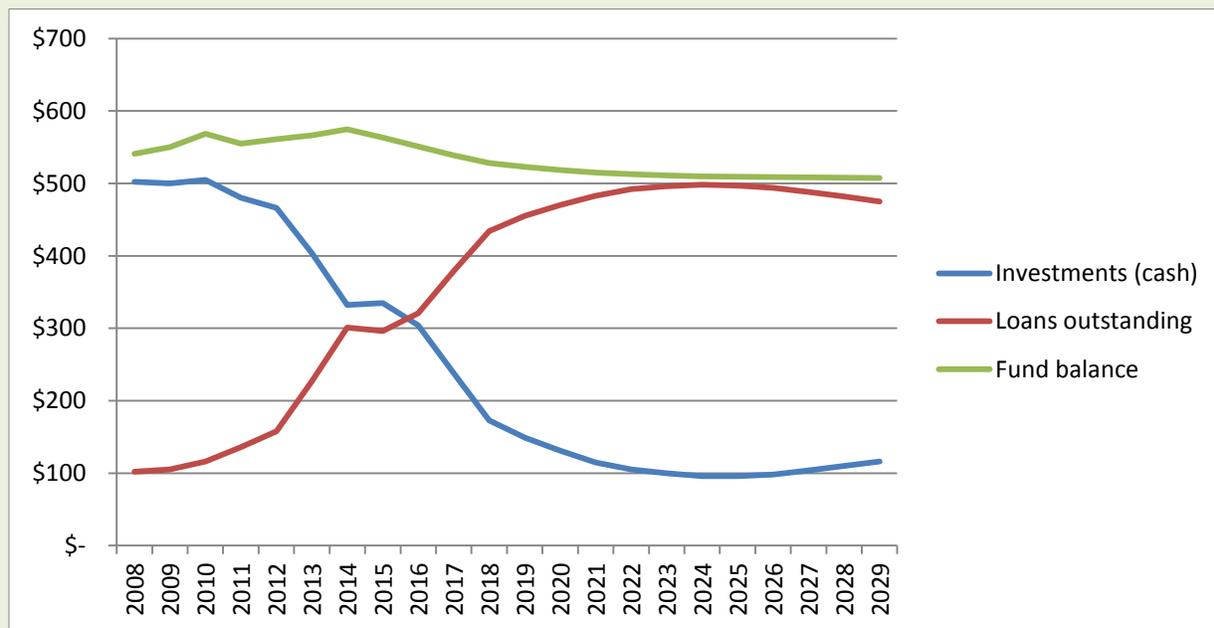
Monitoring Fund performance

As expected, the investment portfolio is gradually decreasing as approved loans are disbursed to applicants. In 2012–2013, the investments portfolio decreased from \$466 million to \$404 million and will continue to decrease quickly over the next five years as loans continue to be disbursed (see Figure 2-1). The yield on investments of 3.71 per cent is lower compared to 5.06 per cent for last year. As investments with higher yields come to maturity and funds are used for loans, the overall yield on the total portfolio is decreasing. With the current market of low interest rates, the investment portfolio yield is expected to decrease with the purchase of new investments.

[Figure 2-1](#) presents GMF’s historical and projected figures for the Fund balance, outstanding loans and cash investments. Of particular note is the expected rapid growth in outstanding loans over the next several years, as committed funding continues to be disbursed. Over the longer term, the projected figures reflect FCM’s efforts to maximize GMF’s revolving loan activity, while ensuring adequate cash balances are available to disburse grants and maintain the required Fund balance in compliance with the Funding Agreement.

Figure 2-1: Evolving Fund profile

Historical and projected figures for Fund balance, outstanding loans and cash investments (in millions)



Note: Projected figures are indicative only, and subject to change based on various factors, including market conditions and management strategy, as well as actual levels of loans outstanding and cash investments.

Enhancing FCM's risk management framework

FCM has enhanced its risk management framework for GMF activities to ensure that it continues to fund leading municipal environmental projects with due consideration to the financial risks that it must assume. An enhanced risk management function is particularly important as FCM implements financial sustainability measures, and manages a growing number of increasingly complex funding applications from private-sector borrowers. FCM has expanded the role of its Risk Management Unit (RMU), which manages credit, market and operational risks. The RMU ensures that GMF loan risks are appropriately identified, reviewed, mitigated, managed and monitored. New procedures ensure that loans are processed efficiently and that risks have been appropriately addressed. In 2012–2013, a new staff Risk Committee was established to oversee and guide GMF lending activities and other risk issues. The RMU and the Risk Committee streamline GMF's loan process by identifying issues early and enabling informed, clear and timely decisions.

ENVIRONMENTAL RESULTS



ENVIRONMENTAL RESULTS

Many of Canada's most remarkable sustainable development initiatives are capital projects funded through GMF. Of the 987 initiatives funded to date, 171 have been capital projects, which are expected to generate over \$3.3 billion of economic activity in 123 communities. Of these 171 projects, 88 have been completed and have achieved environmental results. When all are complete, these 171 capital projects are expected to save municipalities over \$82 million per year.

Together, the 88 completed capital projects have:

- Reduced annual greenhouse gas (GHG) emissions by more than 352,000 tonnes per year.
- Reduced air contaminant (criteria air contaminants or CACs)³ emissions by over 450,000 kilograms per year.
- Diverted over 143,000 tonnes of waste per year from landfill.
- Made over 71 hectares⁴ of previously unusable land available for use.
- Improved the quality of over 41,000⁵ cubic metres of soil.
- Treated over 137 million cubic metres of water per year.
- Reduced water consumption by almost 290,000 cubic metres annually.

FCM tracks both the anticipated environmental performance and the actual environmental results of GMF-funded capital projects. Results are measured against a core set of mandatory, sector-specific indicators along with optional, project-specific indicators selected for reporting by the funding recipient in the application.

The anticipated impacts of projects are calculated based on FCM's internal assessment, which also serves as an audit of applicants' claims of the environmental benefits of proposed projects. FCM then requires funding recipients to report on the actual results of their GMF-funded capital projects after one to three years of operation. This information is used to understand and report on the impact of GMF funding in each sector and to report on the outcomes municipalities and their partners have achieved.

FCM also supports municipal sustainability through the Partners for Climate Protection (PCP) program, funded through GMF. PCP's 242 member municipalities are taking action on climate change through a five-milestone framework through which they create GHG inventories, set realistic and achievable reduction targets, and develop and deliver local action plans (with measurable objectives) to reduce emissions. The results of PCP capacity building activities can be found in the [Knowledge](#) section of this report.

Methodology

Communities that undertake GMF-funded initiatives gain lasting environmental benefits along with economic benefits, such as job creation or retention, new sources of revenue, and lower operating and maintenance costs. These initiatives set the stage for municipalities to capitalize on an emerging green economy while boosting quality of life and building sustainable infrastructure.

³ CACs include nitrogen oxides (NO_x), sulphur oxides (SO_x), volatile organic compounds (VOC), and particulate matter (PM₁₀).

⁴ This environmental benefit is calculated according to the total area of land made available, not the portion actively remediated.

⁵ This figure was incorrectly reported as 122,000 cubic metres in 2010–2011.

For capital projects, the **anticipated** environmental results data are obtained through an internal FCM staff assessment of the information provided in funding applications. This internal assessment has been gradually implemented since 2010, as FCM staff observed that reported results of completed projects were in some cases significantly different from the anticipated ones cited in the application forms. The impact of this change will not be known for a few years, since environmental results are typically reported more than five years after the funding approval date.

Before an application is sent for peer review, the anticipated results are evaluated at a high level relative to what could have reasonably been expected to occur compared to the baseline (i.e. a business-as-usual approach if the project is not undertaken). This review includes an evaluation of the project's potential to achieve the anticipated environmental benefits. The GMF Application Form includes mandatory indicators for each sector, which help in aggregating anticipated benefits.

The **actual** environmental results are obtained through an internal FCM assessment of the Environmental Results Reports submitted by funding recipients, typically completed after one full year of operation. The report must be prepared or verified by an independent third party. As with the anticipated results, the actual results reflect the performance of these projects relative to the baseline.

The mandatory indicators for each sector reflect the most important environmental measure for that sector. The tables on the following pages show the aggregated anticipated and actual results. [Table 2-1](#) contains anticipated environmental benefits for all approved projects for which results have not yet been reported. The aggregated comparison of anticipated vs. actual environmental benefits of capital projects is presented in [Table 2-2](#) (for projects for which results were reported in 2012–2013) and [Table 2-3](#) (for projects for which results have been reported since inception in 2000).

FCM may also identify additional environmental results based on reported project information that is not part of the mandatory results. For example, a funding recipient who has undertaken a green building project may only report on energy savings but, based on the project documentation, FCM may also identify and report on reduced potable water consumption and increased waste diversion from landfill. These results are also included in Table 2-2 and Table 2-3 and demonstrate that projects often have additional environmental benefits beyond those shown by the mandatory indicators.

Notes

As shown in Table 2-2, for projects in the energy sector, the actual GHG emission reductions are less than anticipated (7,800 tonnes vs. 19,800 tonnes). This difference can be mainly attributed to one energy project. This energy project was approved more than five years ago, when it was assumed that GHG emissions associated with electricity from the grid would be based on coal. This inflated the anticipated emissions reductions.

In addition, in determining the anticipated environmental results, the emissions associated with the electricity generated from the project and exported to the grid were counted in both the project and the baseline. This methodological error also increased the anticipated greenhouse gas emissions from the project.

These two issues also had an impact on the actual CAC environmental results for projects that reported in 2012–2013 and the total GHG and CAC environmental results of all GMF-funded projects since inception (see Table 2-3).

Since this project was approved, FCM has introduced changes to ensure more reliable anticipated results from applications received. For example, the funding application form has been simplified and now better clarifies the information needed from the applicant to determine the anticipated environmental results. Standard emission factors are provided and the environmental reporting requirements have been improved and clarified for all projects, including these types of energy projects.

Along with these clearer reporting requirements, methodologies continue to see improvement. One such improvement has affected the amount of actual wastewater treated reported by GMF-funded capital projects this year. As shown in Table 2-2, the actual amount of wastewater treated is less than was anticipated (472,500 m³ vs. 861,500 m³). Most (75 per cent) of this difference is attributable to a change in methodology for how the environmental results from wastewater treatment projects are determined. Currently, if any treated wastewater actually meets provincially regulated requirements in the baseline, i.e. prior to the project, then the actual results do not include this flow as part of the project's environmental benefits.

This combination of improved methodologies and clearer reporting requirements will better ensure consistent approaches to determining the anticipated and actual environmental results from all projects at the application stage through to the reporting stage. Findings arising from these situations at the project verification stage are being used to benefit peer reviewers through improved peer review training. While these actions have improved the assessment and comparison of actual and anticipated environmental results, this challenge will continue, particularly for projects with long time horizons, for those that are technologically and operationally complex. Other reasons for discrepancies between actual and anticipated results are discussed later in this section.

Table 2-1: Anticipated environmental benefits of capital projects (approved projects for which results have not yet been reported)

Please note that the anticipated environmental benefits for 2012–2013 are for projects approved in this fiscal year, while projects for which actual results were reported in 2012–2013 were typically approved over five years ago.

GMF Sector	Funding (in millions)		Number of projects		Anticipated environmental benefits	
	2012–2013	Since inception	2012–2013	Since inception	2012–2013	Since inception
Brownfields	\$6.1	\$28.1	3	7	15.3 ha of land recovered 15,950 m ³ of contaminated soil managed	45.0 ha of land recovered 262,579 m ³ of contaminated soil managed
Energy	\$14.9	\$169.9	4	38	1,231 tonnes CO ₂ e/year of GHG emissions avoided ⁶ 1,537 kg/year of CACs avoided ⁷	126,449 tonnes CO ₂ e/year of GHG emissions avoided ⁸ 412,050 kg/year of CACs avoided ⁹ 1,523 tonnes/year of waste diverted from landfills 15,316 m ³ /year reduction in water consumption
Transportation	\$5.5	\$11.0	1	2	3,272 tonnes CO ₂ e/year GHG emissions avoided	5,149 tonnes CO ₂ e/year GHG emissions avoided 8,326 kg/year of CACs avoided
Waste	\$13.5	\$39.5	2	9	110,195 tonnes CO ₂ e/year of GHG emissions avoided 140,841 kg/year of CACs avoided 89,000 tonnes/year of waste diverted from landfills	287,726 tonnes CO ₂ e/year of GHG emissions avoided 146,473 kg/year of CACs avoided 233,751 tonnes/year of waste diverted from landfills
Water	\$17.0	\$125.6	2	27	1,277,500 m ³ /year of water and wastewater treated to Canadian Council of Ministers of the Environment (CCME) or Canadian Drinking Water Quality (CDWQ) Guidelines 52,000 m ³ /year reduction in water consumption	4,077 tonnes CO ₂ e/year of GHG emissions avoided 29,146 kg/year of CACs avoided 120,146,648 m ³ /year of water and wastewater treated to CCME or CDWQ Guidelines 186,664 m ³ /year reduction in water consumption
TOTAL	\$57.0	\$374.1	12	83		

⁶ GHG emissions for energy projects are calculated based on provincial average electrical emissions intensities.

⁷ CAC emissions were not reported for all projects and include: nitrogen oxides (NO_x), sulphur oxides (SO_x), volatile organic compounds (VOC), and particulate matter (PM₁₀).

⁸ GHG emissions for energy projects are calculated based on provincial average emissions intensities.

⁹ CAC emissions were not reported for all projects and include: nitrogen oxides (NO_x), sulphur oxides (SO_x), volatile organic compounds (VOC), and particulate matter (PM₁₀).

Table 2-2: Anticipated vs. actual environmental benefits of capital projects reported in 2012–2013 ¹⁰				
GMF sector	Funding (in millions)	Number of projects	Anticipated benefits	Actual benefits
Brownfields	\$2.0	1	3.2 ha of land recovered 5,300 m ³ of contaminated soil managed	3.2 ha of land recovered 7,696 m ³ of contaminated soil managed 2,700 m ³ /year of water and wastewater treated to CCME or CDWQ Guidelines
Energy	\$38.0	11	19,894 tonnes CO ₂ e/year of GHG emissions avoided 151,851 kg/year of CACs avoided	7,826 tonnes CO ₂ e/year of GHG emissions avoided ¹¹ 3,247 kg/year of CACs avoided ¹² 479 tonnes of waste diverted from landfills 16,020 m ³ /year reduction in water consumption
Transportation	0	0	No projects reported	No projects reported
Waste	\$3.1	2	8,759 tonnes CO ₂ e/year of GHG emissions avoided 7,316 tonnes/year of waste diverted from landfills	5,766 tonnes CO ₂ e/year of GHG emissions avoided 4,773 tonnes/year of waste diverted from landfills
Water	\$5.6	4	861,503 m ³ /year of water and wastewater treated to CCME or CDWQ Guidelines	29 tonnes CO ₂ e/year of GHG emissions avoided 87 kg/year of CACs avoided 472,488 m ³ /year of water and wastewater treated to CCME or CDWQ Guidelines
TOTAL	\$48.7	18		

¹⁰ Capital project funding recipients are expected to provide results based on one complete year of operation within the first three years of the project being completed. The first year of operation is often a time of learning and fine-tuning; environmental benefits suffer as a result but are expected to increase in subsequent years. This is observed across all sectors, but most notably in energy, waste and transportation projects.

¹¹ GHG emissions for energy projects are calculated based on provincial average emissions intensities.

¹² CAC emissions were not reported for all projects and include nitrogen oxides (NO_x), sulphur oxides (SO_x), volatile organic compounds (VOC), and particulate matter (PM₁₀).

Table 2-3: Cumulative anticipated vs. actual environmental benefits of capital projects completed since GMF inception¹³ (updated for 2012–2013)				
GMF sector	Funding (in millions)	Number of projects	Anticipated benefits	Actual benefits
Brownfields	\$3.8	3	71 ha of land recovered 33,400 m ³ of contaminated soil managed	71 ha of land recovered ¹⁴ 41,178 m ³ of contaminated soil managed 11,863 m ³ of water treated to CCME or CWDQ Guidelines
Energy	\$121.1	49	232,159 tonnes CO ₂ e/year of GHG emissions avoided 489,986 kg/year of CACs avoided 7,003 m ³ /year reduction in water consumption	191,618 tonnes CO ₂ e/year of GHG emissions avoided ¹⁵ 296,943 kg/year of CACs avoided ¹⁶ 40,934 m ³ /year reduction in water consumption ¹⁷ 479 tonnes of waste diverted from landfills
Transportation	27.3	5	27,249 tonnes CO ₂ e/year GHG emissions avoided 133,822 kg/year of CACs avoided	28,390 tonnes CO ₂ e/year GHG emissions avoided 141,065 kg/year of CACs avoided
Waste	\$17.0	11	349,798 tonnes CO ₂ e/year of GHG emissions avoided 8,137 kg/year of CACs avoided 219,032 tonnes/year of waste diverted from landfills	128,354 tonnes CO ₂ e/year of GHG emissions avoided 8,073 kg/year of CACs avoided 143,176 tonnes/year of waste diverted from landfills
Water	\$57.3	20	5,873 tonnes CO ₂ e/year of GHG emissions avoided 4,408 kg/year of CACs avoided 157,793,775 m ³ /year of water and wastewater treated to CCME or CDWQ Guidelines 304,252 m ³ /year reduction in water consumption	4,384 tonnes CO ₂ e/year of GHG emissions avoided 3,955 kg/year of CACs avoided 137,040,628 m ³ /year of water and wastewater treated to CCME or CDWQ Guidelines 284,068 m ³ /year reduction in water consumption
TOTAL	\$226.5	88		

¹³ Capital project funding recipients are expected to provide results based on one complete year of operation within the first three years of the project being completed. The first year of operation is often a time of learning and fine-tuning; environmental benefits suffer as a result but are expected to increase in subsequent years. This is observed across all sectors, but most notably in the energy, waste and transportation sectors.

¹⁴ This environmental benefit is calculated according to the total area of land made available, not the portion actively remediated.

¹⁵ GHG emissions for energy projects are calculated based on provincial average emissions intensities.

¹⁶ CAC emissions were not reported for all projects and include: nitrogen oxides (NO_x), sulphur oxides (SO_x), volatile organic compounds (VOC), and particulate matter (PM₁₀).

¹⁷ In the 2011–2012 Annual Report, 24,913 m³ of water and wastewater were reported as treated to CCME or CDWQ guidelines. This should have been reported as a reduction in water consumption.

Challenges

FCM's ongoing challenge is to establish a credible estimate of the anticipated environmental results at the application stage that can be consistently compared to actual environmental results at the results reporting stage. The anticipated environmental benefits were greater than the actual environmental benefits for 11 out of 18 capital projects for which results were reported in 2012–2013. There are a number of reasons for this, including:

- Capital project applications can be approved based on preliminary (as opposed to final) studies, plans and designs; particularly those approved several years ago. As a result, project performance and related environmental performance are generally not as complete at the application stage as they are at the reporting stage.
- Applicants may be overly optimistic about anticipated environmental results to meet GMF's eligibility criteria, which are not required by other funding programs.
- The project may perform as intended, but an assumption may change. For example, a project may save energy and provide the expected level of service. However, because of refinements in methodologies and changes in emission factors over the three to six years between approval and reporting, actual environmental results (e.g. reduction in GHG emissions) can be significantly lower than anticipated (see [Table 2-2](#)).
- Municipalities report their environmental results several years after the funding for their projects was approved, when measurement and reporting methodologies were less developed and defined. Eleven of the 18 projects for which results were reported this year were approved five or more years ago.

Normalizing previous measurement and reporting methodologies to understand the aggregated environmental benefits and impacts also remains a challenge. It is equally important to assess environmental benefits over time and keep reporting requirements simple without compromising data accuracy, especially for small and remote communities that may have limited specialized expertise.

Ongoing work

FCM will continue to assess and compare actual and anticipated project performance, and evaluate reasons for differences, such as the impact of selected indicators and changing external factors (e.g. local energy mix). One way that FCM is starting to do this is by tracking indicators that are both indicative of the success of the project and more independent of external factors (e.g. energy saved). The framework for monitoring and determining environmental benefits continues to be improved.

FCM is also developing techniques for assessing and analyzing when deficiencies in environmental performance are a result of the project design and operation, as opposed to external factors outside of the control of the funding recipient. The results of this work will be used to improve the peer review process and to understand and communicate to stakeholders why some projects do not achieve anticipated environmental results.

Better procedures for determining and documenting the anticipated and actual environmental results of GMF-funded projects will enable FCM to consistently analyze each project type. FCM will use individual project documents to better track the assumptions and data being used to determine the environmental results. These practices will also facilitate auditing and verification of GMF results.

Other activities to improve environmental performance measurement will include:

- Developing and refining a set of formalized methodologies for determining environmental results.
- Incorporating the environmental and other results analysis and reporting into the updated FCM-wide customer relations management and performance reporting software.
- Tracking energy use and economic savings associated with GMF-funded projects.



FUNDING

As indicated in the [Annual Statement of Plans and Objectives 2012–2013](#), FCM sought to achieve the following GMF funding targets:

- Plans, study and tests — \$6 million in grants
- Capital projects — \$85 million in loans and \$5 million in grants, allocated as:
 - \$45 million in loans and \$5 million in grants for the energy, transportation, waste and water sectors
 - \$40 million in loans for the brownfield sector

New competitive approval process and applicant resources

FCM implemented a new competitive selection process in 2012–2013 to manage an anticipated high volume of capital project applications in the energy, transportation, waste and water sectors, along with a revised set of criteria for plan, study and test applications.

The new process allows FCM to approve funding for applications that demonstrate the highest environmental benefits and above-average innovation while maintaining an equitable distribution of funding across Canada's regions and urban and rural populations. At the same time, the new process allows applicants to apply throughout the year (without restrictive deadlines) and allows funding to be available year-round, despite excess demand for funding. Feedback from applicants on this point has been positive. By allowing each application to be presented for evaluation up to three times, FCM avoids denying funding to a worthy project simply because it was reviewed at the same meeting as another exceptional project. During application review, additional consideration and weighting are given to projects that align with strategic priorities, such as innovation and regional balance of funding.

As expected, the demand for capital project funding was very strong in the energy, transportation, waste and water sectors this past fiscal year. Nine applications were approved, with a total funding commitment of \$45,913,218 in loans and \$5,016,642 in grants. As of March 31, 17 applications, with a total funding request of \$97.3 million, remained in the application pipeline.

In designing a fair and transparent review process, FCM also developed the [Project Scorecard](#) — a new evaluation system and instructions used by members of an independent Peer Review Committee. The Project Scorecard and an [Eligibility Questionnaire](#) are available online as resources for potential applicants. The results of an applicant survey in January 2013 showed that respondents found the new criteria were clearly explained and that the Project Scorecard was a useful tool that helped them prepare a better application.

Since many municipalities have already developed overarching, high-level sustainable community plans, the revised criteria for plan, study and test applications put a new focus on action-oriented implementation plans. The revised criteria also align feasibility studies and field tests to the criteria for capital projects. The maximum grant for these types of initiatives was reduced from \$350,000 to \$175,000. As anticipated, this resulted in a significant cut in the funding requested and approved. A total of \$3.6 million in grants was approved for 47 applications for plans, studies and tests.

Please refer to [Appendix E](#) for more details about the assessment and approvals process.

Approved funding details are included in [Appendix A](#).

Funding overview

INITIATIVE		ELIGIBILITY	FUNDING	APPROVED FUNDING IN 2012–2013
GRANTS¹⁸	PLANS	<ul style="list-style-type: none"> Greenhouse gas reduction plans Sustainable neighbourhood action plans Community brownfield action plans 	<ul style="list-style-type: none"> Up to 50% of eligible costs to a maximum \$175,000 (reduced from \$350,000) 	 \$3.6 million
	STUDIES AND TESTS	<ul style="list-style-type: none"> Feasibility studies aligned with eligible capital projects Field tests aligned with eligible capital projects 	<ul style="list-style-type: none"> Up to 50% of eligible costs to a maximum of \$175,000 (reduced from \$350,000) 	
LOANS and GRANTS¹⁹	CAPITAL PROJECTS Energy	<ul style="list-style-type: none"> Energy-efficient municipal facilities (new or retrofit) Energy recovery or district energy Net zero municipal systems 	<ul style="list-style-type: none"> Loans: up to 80% of eligible costs to a maximum of \$10 million Grants: Up to 20% of the loan amount to a maximum of \$1 million 	 \$45.9 million in loans \$5 million in grants
	CAPITAL PROJECTS Transportation	<ul style="list-style-type: none"> Modal shift Fleet fossil fuel reduction Fleet GHG emissions reduction 		
	CAPITAL PROJECTS Waste	<ul style="list-style-type: none"> Projects aimed at 50% diversion rate If 50% diversion already achieved, projects result in incremental improvement above 50% 		
	CAPITAL PROJECTS Water	<ul style="list-style-type: none"> Potable water conservation Stormwater management Wastewater systems Septic systems 		
LOANS	CAPITAL PROJECTS Brownfields	<ul style="list-style-type: none"> Site remediation or risk management Renewable energy production on a brownfield site 	Up to 80% of eligible costs (no loan limit) ²⁰	 \$6.1 million

¹⁸ GMF funding is no longer provided for sustainable community plans.

¹⁹ In 2012–2013, FCM implemented a new competitive selection process for projects in these sectors. An Eligibility Questionnaire and Project Scorecard help applicants to assess their eligibility for funding and the potential score of their capital project application.

²⁰ Subject to various conditions and approval.

Strengthening green initiatives in Quebec

The Funding Agreement specifies that FCM should seek an appropriate balance of approved GMF projects among Canada's regions. Historically, FCM has been able to maintain a balance of approved funding relative to the populations in each region except Quebec, which represents 23 per cent of Canada's population²¹.

Significant efforts have been made in recent years to address this challenge and, in 2012–2013, FCM intensified these measures. Early results of the newly implemented GMF Quebec Outreach Strategy, formally launched in spring 2012, show that the number of applications from Quebec municipalities is increasing and indicate that this trend is expected to continue.

Through its Quebec Outreach Strategy, FCM aims to increase the number, quality and proportion of approved project applications from Quebec municipalities. Activities fall under three streams: building close relations with key stakeholders, creating relevant content adapted for Quebec, as well as improving communications and capacity building in the province (see details in [Section 4: Knowledge](#)). FCM's priority is to build close relations with key stakeholders to enhance GMF's brand recognition and value proposition in Quebec. The plan covers a three-year period and will be modified as needed.

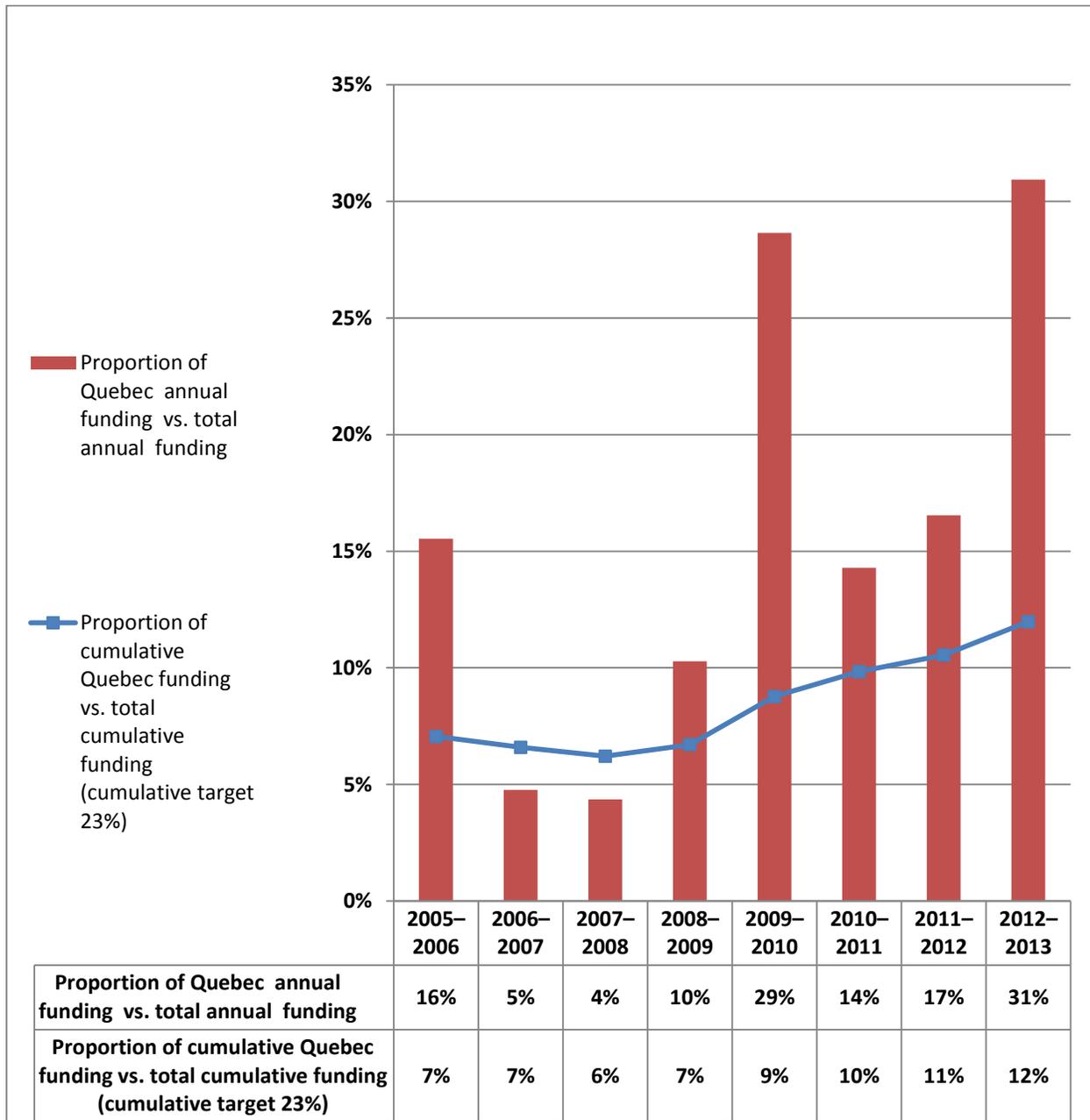
During 2012–2013, 17 of 47 approved funding applications for plans, studies and tests were from Quebec applicants. Funding for these initiatives totalled \$1.3 million, or 37 per cent of all approved grant funding. With these approvals, the cumulative funding for applications for plans, studies and tests from Quebec applicants rose from 19 per cent last year to 20 per cent. As well, five of 12 capital projects approved in 2012–2013 were from Quebec applicants, for a total of \$17.4 million, representing 30 per cent of overall approved funding for the year.

Despite this progress, and a steady rise in Quebec funding levels since GMF inception, the cumulative balance for approved grants and loans remains at 12 per cent, far below the target of 23 per cent. FCM anticipates the need for sustained efforts over several more years to reach an appropriate funding balance for this region. Please see [Figure 3-1](#) for more details.

Refer to [Appendix A](#) to view grant and loan funding allocations across Canada.

²¹ Source: Statistics Canada.

Figure 3-1: Grant and loan funding approved in Quebec vs. total approved



Balancing funding among urban and rural communities

As required in the Funding Agreement, FCM makes certain that it achieves an appropriate balance of funding among urban and rural communities. FCM considers all municipalities having a population of less than 10,000 to be rural.

Rural communities have demonstrated significant leadership in sustainability, and GMF funding for their green initiatives is on par with their representation by population. Approximately 19 per cent of Canadians live in municipalities with populations of less than 10,000, and rural communities have obtained approximately 20 per cent of approved funds since inception. Even with the competitive process implemented for capital projects this year, rural municipalities increased their share of the number of applications approved to 41.7 per cent, representing 28.9 per cent of the approved capital project funding. This year, the total percentage of funding approved for all initiatives from rural municipalities was well above their proportion of Canada's population, at 28.6 per cent. Refer to [Tables A5 and A6](#) for details.

Revitalizing Canada's brownfields

The brownfields sector remains a top priority and a challenge as FCM strives to meet the targets outlined in the Funding Agreement. FCM's experience and research have shown that a range of challenges have hindered progress in the Canadian brownfields industry. In turn, these barriers have slowed the uptake of GMF funding for brownfield projects, making it difficult for FCM to reach the 30 per cent allocation of Fund assets in brownfield loans stipulated in the Funding Agreement.

To date FCM has approved \$64.2 million in GMF funding for brownfield projects; however, due to the complexity of these initiatives, about 50 per cent of these approved projects have been withdrawn (prior to loan disbursement). There are various reasons for the withdrawals, such as significant project changes or delays, financial considerations, a preference to avoid proposing new borrowing bylaws, or a zoning conflict. As of March 31, 2013, after accounting for withdrawn projects, \$31.8 million has been allocated for brownfield projects, of which \$15 million has been disbursed. Most of these disbursements were issued in 2012–2013. Another \$9.2 million has yet to be disbursed, and \$7.6 million remains in contract negotiation. Please refer to [Table 3-1](#).

To address ongoing challenges in the brownfield market, FCM is developing a comprehensive GMF Brownfield Strategy and Implementation Plan. The first two phases of the strategy were completed in 2012–2013, focusing on the following areas:

- **Market segmentation:** FCM identified appropriate target audience groups and developed new online promotional material accordingly, including a series of educational publications and a web portal, to better engage with these groups.
- **Eligible partnerships:** FCM defined partnership eligibility requirements between municipalities and private sector organizations.
- **Capacity building approaches²²:** FCM evaluated current capacity building concepts and methodologies and identified where new approaches, tools and tactics are required.

²² See [Section 4 — Knowledge](#) for a full description of capacity building activities related to the brownfields sector.

- **Process efficiencies:** FCM revisited all stages of its funding process (concerning prospective applicants, applications submitted, credit risk/security safeguards, and contract negotiations) to ensure streamlined procedures are in place for both the applicant and FCM staff.

To obtain guidance during these phases of strategy development, FCM enlisted brownfield experts and leading municipalities to conduct research and focus group discussions. The final phase of the brownfield strategy and the accompanying marketing and communication plan, including the development of additional knowledge services, tools and products, will be completed in 2013–2014. New approaches and best practices are continuously implemented as they are approved through ongoing consultation.

Table 3-1: Brownfield funding allocations overview

Brownfield funding	2012–2013		Since inception	
	Number	Amount (in millions)	Number	Amount (in millions)
Approved brownfield loans	3	\$6.1	26	\$64.2
Withdrawn files, closed files and cancelled amounts	1	(0.9) ²³	16	(32.4)
Net approved brownfield loans	2	5.2	10	\$31.80
Disbursed brownfield loans	1	(13.2) ²⁴	4	(15.0)
Committed brownfield loans			6	\$16.8

Challenges in the brownfield industry

FCM and stakeholders in the brownfield industry recognize that brownfield projects are difficult to “get off the ground.” They may be stalled for several years, and in certain cases, may not even be completed. FCM’s experience and research to date have identified a number of barriers to progress:

- Suitable partnership models are limited and differ between provincial markets, causing confusion among municipalities and potential private sector partners.
- Financing that supports all stages of the project is difficult to acquire from lenders, particularly during early remediation.
- Many municipal brownfield incentive programs are not designed to provide funding when it is needed most. For example, many tax increment financing programs only provide developers with money after expenses have been incurred and the project is generating revenue, whereas financial support would have been most beneficial in the early development stages.
- GMF loans for brownfield capital projects are less attractive without an associated grant.
- Due to their complexity and associated risks, brownfield projects take time to plan and municipal priorities may change within this time period and especially after an election.

²³ Withdrawn, closed and cancelled files reported in 2012–2013 are related to applications that were approved in previous fiscal years.

²⁴ Disbursed loans reported in 2012–2013 are related to applications that were approved in previous fiscal years.

- New approaches and best management practices are not always understood or incorporated into projects.
- Regulatory approvals and GMF funding procedures are not always aligned with brownfield project timelines.
- Regulatory and financing processes have an inherent lack of certainty.

FCM's research over the last several years shows that most brownfield properties are privately owned and the market is mainly driven by the private sector. For this reason, FCM has focused on fostering partnerships between municipalities and private companies. FCM strives to allocate a minimum of 15 per cent of the Fund to non-municipal borrowers and invest 30 per cent of the Fund in the brownfields sector, as required by the Funding Agreement. Under the Funding Agreement, FCM is permitted to lend directly to a private sector entity as a partner, provided there is a formal partnership with the municipal government and that the project is actively endorsed by the municipal government.

The Funding Agreement requirements present challenges in attracting private sector partners and in managing client expectations generally. FCM works to overcome these challenges by clearly explaining that GMF is a unique municipal funding program and that the Funding Agreement restricts the scope and structure of the program. Common inquiries relate to:

- why FCM can't provide up-front financing (instead of reimbursing costs already incurred)
- why FCM can't provide grants for brownfield capital projects
- why GMF loans are not part of other government funding programs
- why GMF loans must be repaid along with interest charges at a rate linked with the risk of the loan.

Also, FCM must often explain why it cannot provide financing within the particular project time frames and with fewer conditions, such as those imposed by conventional bank lenders. FCM frequently lends under more complex and riskier conditions, compared to conventional bank lenders.

To promote GMF among prospective applicants, FCM highlights GMF's many advantages early in the application process. FCM emphasizes that:

- loans are provided at the remediation stage
- it offers innovative financing methods
- funding can be combined with other funding programs
- applications are accepted year-round
- funded projects receive national recognition

Responding to private sector funding needs

In 2012–2013, FCM worked diligently with an array of private-sector municipal partners to structure loans in support of environmentally beneficial projects for municipalities. Through these efforts, FCM has identified opportunities to help address critical funding gaps that may inhibit worthy projects from proceeding. These funding gaps can affect a range of important environmental projects, such as early-stage brownfield remediation activities and commercialization of early-stage clean technologies.

FCM's experience with these types of projects, and the inherent financing gaps, are depicted in Figures 3-2 and 3-3 below. [Figure 3-2](#) identifies a perceived financing gap at the crucial brownfield remediation phase, typically after private-sector equity and public-sector grants or incentives have been provided, but before most

commercial lenders are prepared to commit funding. Similarly, [Figure 3-3](#) presents the market gap for early-stage environmental technologies, which often encounter crucial funding challenges in the transitional period between high-risk/return investors and low-risk/return lenders.

Moving forward, FCM will continue to work with municipal and private partner stakeholders to complement other sources of funding, including equity investors, commercial lenders, and public sector programs, for the benefit of Canadian municipalities.

Figure 3-2: Private-sector brownfield financing gap

FCM’s experience indicates there is a significant gap in funding availability, at sufficient levels, at the remediation stage, especially where property value and the developer track record are in the medium to low range.

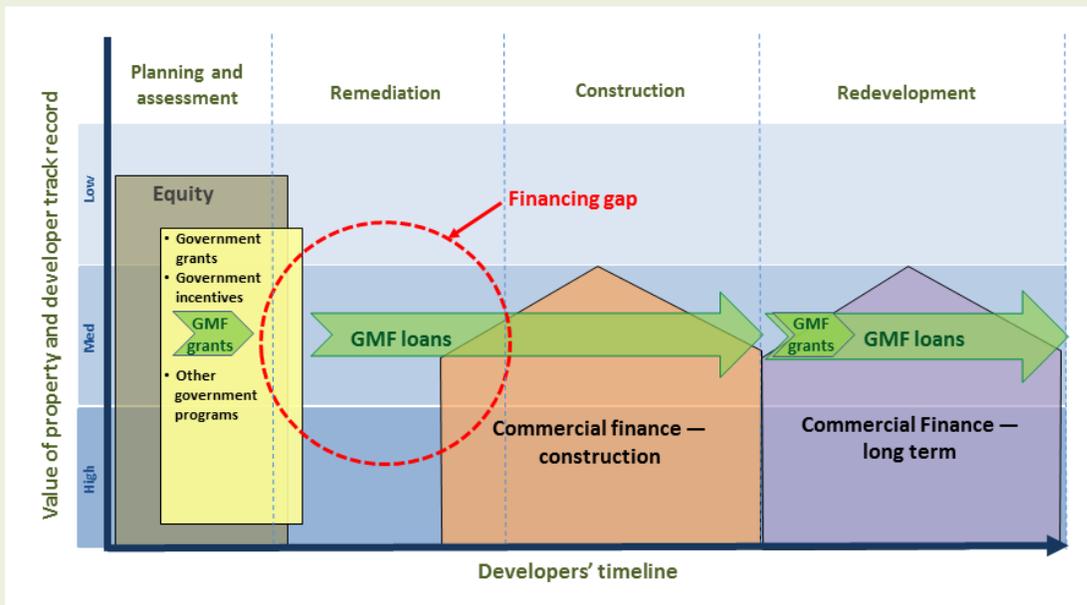
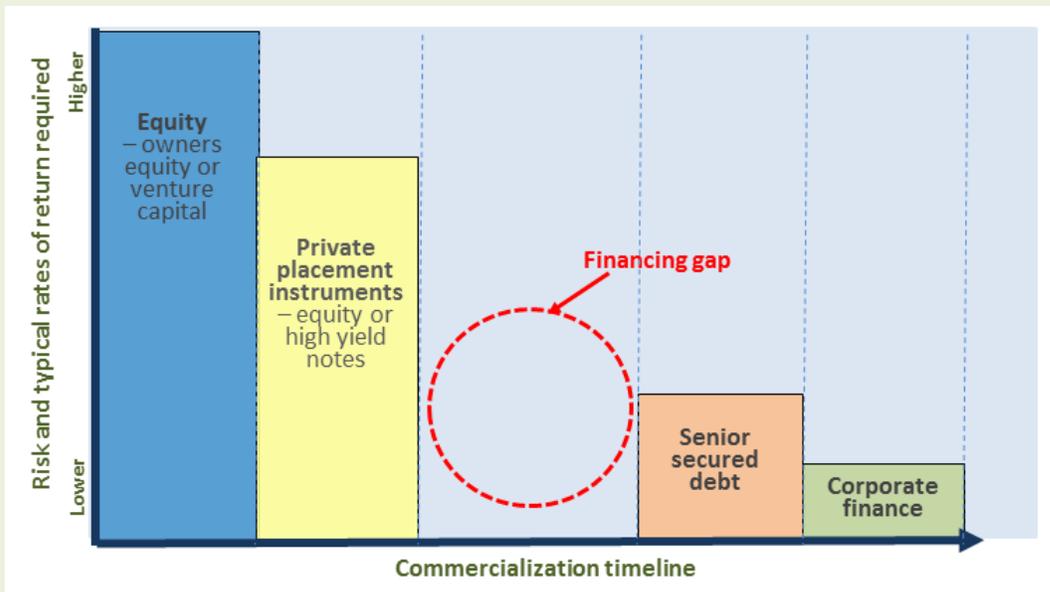


Figure 3-3: Environmentally important private-sector projects

FCM’s experience indicates there is a significant gap in funding availability, at sufficient levels, between earlier stage equity and later stage commercial finance.



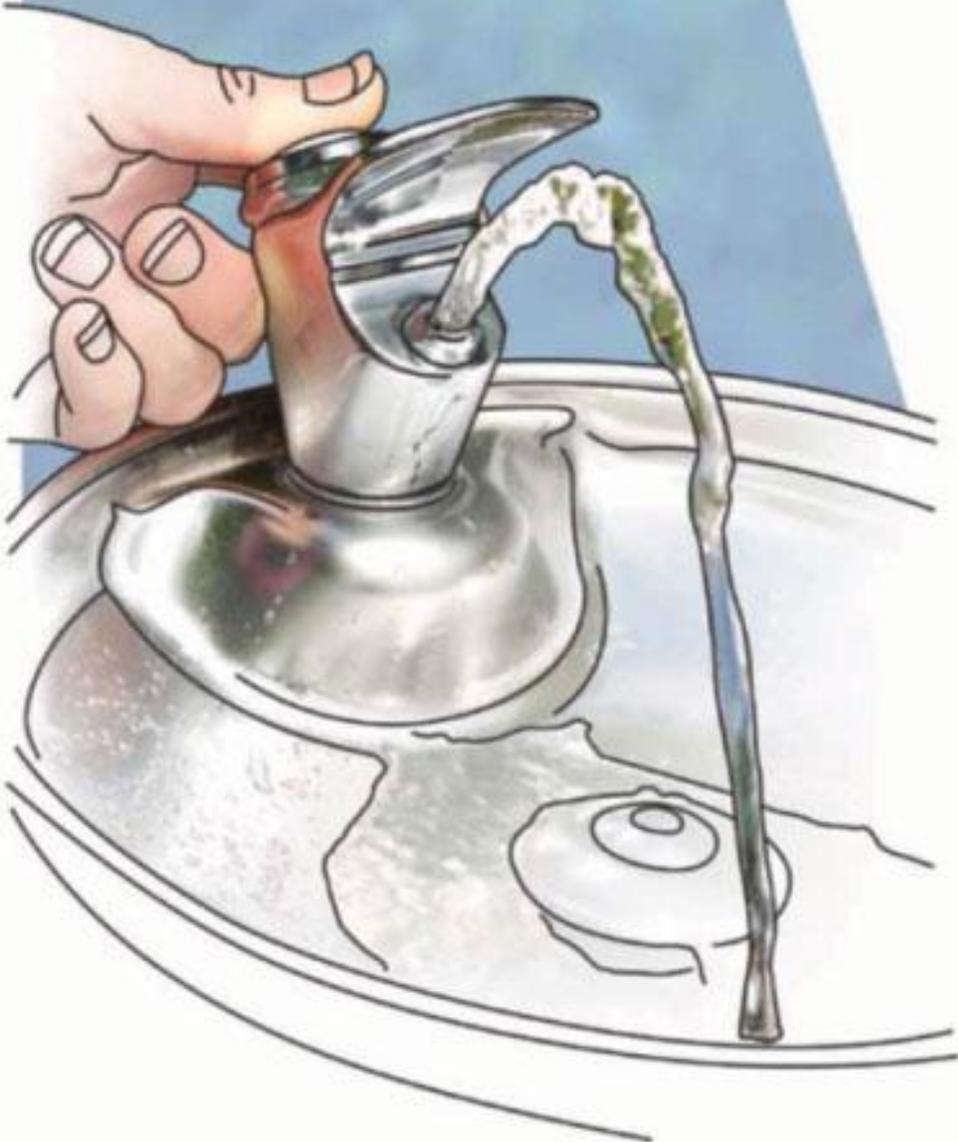
Building on innovative lending successes in areas like brownfield remediation and early-stage technology commercialization, FCM strives to develop creative funding solutions — in a risk-appropriate way — as part of an overall funding package. For example, when conventional bank lenders determine how much they are willing to lend to a brownfield developer, they generally exclude the cash value of municipal incentives, such as tax increment grants and development charge waivers. FCM recognized this important funding gap and has accepted such municipal incentives as partial security for GMF loans, thereby increasing the overall funding available. FCM is also paving the way by providing knowledge services to both municipalities and lenders to encourage more lenders to adopt FCM's innovative method of monetizing municipal incentives.

Renewing the GMF offer

GMF has been a catalyst nationally for municipal initiatives that enhance quality of life for Canadians through environmental improvements. While GMF is relatively smaller than federal and provincial infrastructure programs, FCM continually seeks new opportunities for the Fund to improve the capacity of the municipal sector in this regard. FCM aims to “raise the bar” of sustainable development in municipalities. To stay current with evolving municipal needs, FCM has undertaken pro-active efforts to evaluate and refresh the GMF offer (funding and knowledge). In early 2013, FCM initiated research to ensure program resources are optimized to help the municipal sector adopt environmentally sound policies and practices, and plan and implement capital projects that deliver more environmental, social and economic value for Canadians. Stakeholder consultations will continue throughout 2013–2014.

Leading up to and since the announcement of Budget 2013, FCM has been working with the federal government on the development of a new long-term infrastructure plan to replace the Building Canada Fund program that expires in 2014. Once in effect, this new program could have considerable impact on the Fund. FCM will work in partnership with the federal government to account for long-term federal infrastructure goals in renewing the GMF offer.

KNOWLEDGE



KNOWLEDGE

GMF knowledge resources

Knowledge sharing and capacity building activities have always been at the core of GMF. Over time, we have moved from sharing broad knowledge on sustainability to undertaking more targeted capacity building activities to respond to municipal needs. Producing quality publications, events and multimedia products that share knowledge is a top priority. To date, FCM has produced approximately 900 GMF publications and other resources. This past year, FCM has also enhanced the structure and technical capacity of its website and started work to build a new database of GMF-funded projects.

FCM has designed a range of e-publication formats to leverage sharing via the Internet and social media. These new formats — for project profiles, case studies and other publications — will broaden FCM’s reach in web-based communications. FCM also continues to share its sustainability expertise at major national and regional conferences and workshops focused on the GMF funding sectors. See [Appendix G](#) for a complete list of all knowledge resources produced in 2012–2013.

Supporting brownfield initiatives, outreach in Quebec, and other priorities

FCM coordinates and develops activities, publications and learning events that support overarching GMF priorities. In 2012–2013, these consisted largely of activities in Quebec and in the brownfields sector.

In 2012–2013, FCM continued a formal partnership with the Fédération Québécoise des Municipalités (FQM). The partnership offers promotional opportunities in FQM communications vehicles and events, and capacity building activities that help to build a network through which FCM can share GMF-related knowledge. Under the partnership, FCM and FQM co-developed four webinars and delivered a half-day workshop on sustainable development in Quebec City before the FQM annual conference. See [Appendix G](#) for details.

In 2012, FCM also continued its partnership with the Association québécoise pour la maîtrise de l'énergie (AQME), launching an online energy toolkit for Quebec municipalities. The toolkit is regularly updated. It features new chapters on subjects such as waste management, GHG reduction and energy use. It also links to resources and tools offered through the

Knowledge by the numbers

(Since inception)

663	Case studies
85	Other publications/collections
71	Award-winning project videos
57	Webinar podcasts
28	GMF newsletters
4	Sector research reports
4	Sustainability Solutions
1	Sustainability Snapshot

[Passing Go: Moving Beyond the Plan](#)

This user-friendly, in-depth resource features an analysis of five key strategies used by the City of Montréal, the City of Hamilton and the Resort Municipality of Whistler to successfully implement their award-winning sustainable community plans.

[FCM wins Brownie Award for excellence in capacity building](#)

FCM received a Canadian Urban Institute (CUI) Brownie Award in the Communications, Marketing and Public Engagement category, recognizing its innovative suite of brownfield capacity building tools and resources.

[Partners for Climate Protection \(PCP\) program](#), a joint program offered by FCM and ICLEI — Local Governments for Sustainability. AQME also provides a one-on-one mentoring service to help Quebec municipalities implement municipal energy efficiency projects. FCM is considering appropriate mechanisms for sharing the toolkits and other publications, and applying the lessons learned from the AQME initiative to broader initiatives, such as a potential peer learning pilot program on energy efficiency.

Knowledge resources and services are also central to FCM's brownfield strategy. FCM is helping to build capacity in brownfield remediation and redevelopment through a range of resources, including the provincial and territorial brownfield roadmaps, the Brownfield Bootcamp webinar series, the brownfield sustainability web portal, and the brownfield Sustainability Snapshot, as well as case studies and videos of winners in the brownfields category of the FCM Sustainable Communities Awards. A municipal peer learning pilot is also being tested in 2013–2014. These tools and resources guide municipalities and their partners through the remediation and redevelopment processes, offering information on relevant provincial and territorial legislation, available funding opportunities and sharing success stories.

Through a joint initiative with FCM on active transportation, the Montreal Urban Ecology Centre (MUEC) developed case studies and tools to help municipalities engage their communities in neighbourhood development planning and delivered more than 10 well-attended workshops. These activities generated a number of follow-up meetings with professionals in the planning field. MUEC delivered a series of Green Active and Healthy Neighbourhood pilot projects in Montréal neighbourhoods and developed a network of partners to help replicate the projects in other areas. FCM gained visibility for GMF through these successful activities, which will soon be implemented across Canada with funding support from the Public Health Agency of Canada.

FCM continues to build relationships with other organizations, such as the Canadian Association of Municipal Administrators, the Canadian Urban Institute, the Economic Developers' Association of Canada, the Environmental Services Association of Alberta, the Bloom Centre for Sustainability, Réseau Environnement, the Pacific Business & Law Institute, and many others. FCM has also collaborated with other organizations through the PCP program, including the Canadian Standards Association, Engineers Canada, the Municipal Climate Action Centre in Alberta, the BC Climate Action Secretariat, and the Union of Nova Scotia Municipalities, among others.

FCM Sustainable Communities Conference

The [2013 Sustainable Communities Conference](#) featured world-renowned speakers, such as Richard Florida and Gil Peñalosa; delivered over 25 informative plenaries, workshops, industry exchanges and study tours; and offered a dynamic trade show to more than 400 delegates. Held in Windsor, ON, from February 13–15, the conference explored best practices in sustainable development under the theme *Building Blocks for the Next Generation*. The conference featured sessions in three content streams: the culture of leadership, sustainable

Spotlight on GMF at FCM's Annual Conference

FCM delivered a GMF workshop at the 2012 FCM Annual Conference in Saskatoon, SK, a premier national event attended by more than 1,500 municipal leaders and senior staff. It showcased a series of innovative GMF-funded municipal infrastructure projects that offered real-life examples of the environmental, economic and social benefits of making sustainability a priority in infrastructure investments. Wastewater treatment, waste-to-energy projects, district energy strategies, climate adaptation projects, green buildings, green fleets and brownfield remediation and redevelopment were featured as case studies. The presentations underscored that in today's world of austerity and scarce resources, municipal investments form the foundation of a greener economy.

infrastructure, and innovation and technology. To promote knowledge-sharing among communities, FCM produced an array of [post-conference resources](#) and distributed them throughout its broad networks. Resources include session summaries, presentations, handouts, videos and a customizable PowerPoint presentation that captures highlights from all conference events and activities — a useful tool for sharing knowledge at local and regional meetings, according to delegates. Feedback continues to praise the conference for its networking and professional development opportunities.

FCM Sustainable Communities Awards

Across Canada, municipal governments have undertaken innovative projects that contribute to sustainable community development. Truly sustainable projects take a holistic, integrated approach, where economic, social and environmental factors are inextricably linked. The Sustainable Communities Awards recognize excellence in municipal sustainable development in six categories: brownfields, energy, neighbourhood development, transportation, waste and water. Since 2000, the awards program has received over 700 applications and provided national recognition to 130 winners from across Canada. In recent years, the quality of applications received has resulted in multiple winners in some categories.

The [2013 winners](#) were announced at a special awards ceremony on February 13, during the 2013 FCM Sustainable Communities Conference. Twelve winners were selected from over 55 applicants. Five of the winning projects received support from FCM’s Green Municipal Fund.

AWARD CATEGORY	WINNER
BROWNFIELDS — Plans	City of Greater Sudbury, Ontario Brownfield Strategy and Community Improvement Plan *
BROWNFIELDS — Projects	City of Kingston, Ontario Belle Park Specialty Tree Planting and Associated Landscaping Project
ENERGY — Plans	City of Kelowna, British Columbia Community Climate Action Plan and Corporate Energy and GHG Emissions Plan *
ENERGY — Projects (two winners)	Capital Regional District, British Columbia Renewable Energy Heat Recovery Project City of Summerside, Prince Edward Island Wind Farm and Smart Grid Pilot Program *
NEIGHBOURHOOD DEVELOPMENT	Town of Qualicum Beach, British Columbia Qualicum Beach Sustainability Plan *
TRANSPORTATION (two winners)	City of Red Deer, Alberta Commuter Bike Pilot Project City of Toronto, Ontario, and the Toronto Transit Commission Creating a Better Victoria Park Terminal
WASTE (two winners)	Town of Vegreville, Alberta Vegreville Residential Compost Program City of Yellowknife, Northwest Territories, and Ecology North Centralized Composting Pilot Project
WATER (two winners)	City of Yorkton, Saskatchewan Water Treatment Plant and Logan Green Water Management System * City of Waterloo, Ontario GreenLab RIM Park — Rainwater Harvesting and Reuse System

*Funded by GMF

GMF webinars

This year, FCM hosted 14 free, interactive [webinars](#), attracting over 1,000 participants. The webinars showcased several GMF-funded projects and featured presentations from sector experts, including municipal practitioners, private consultants and academics.

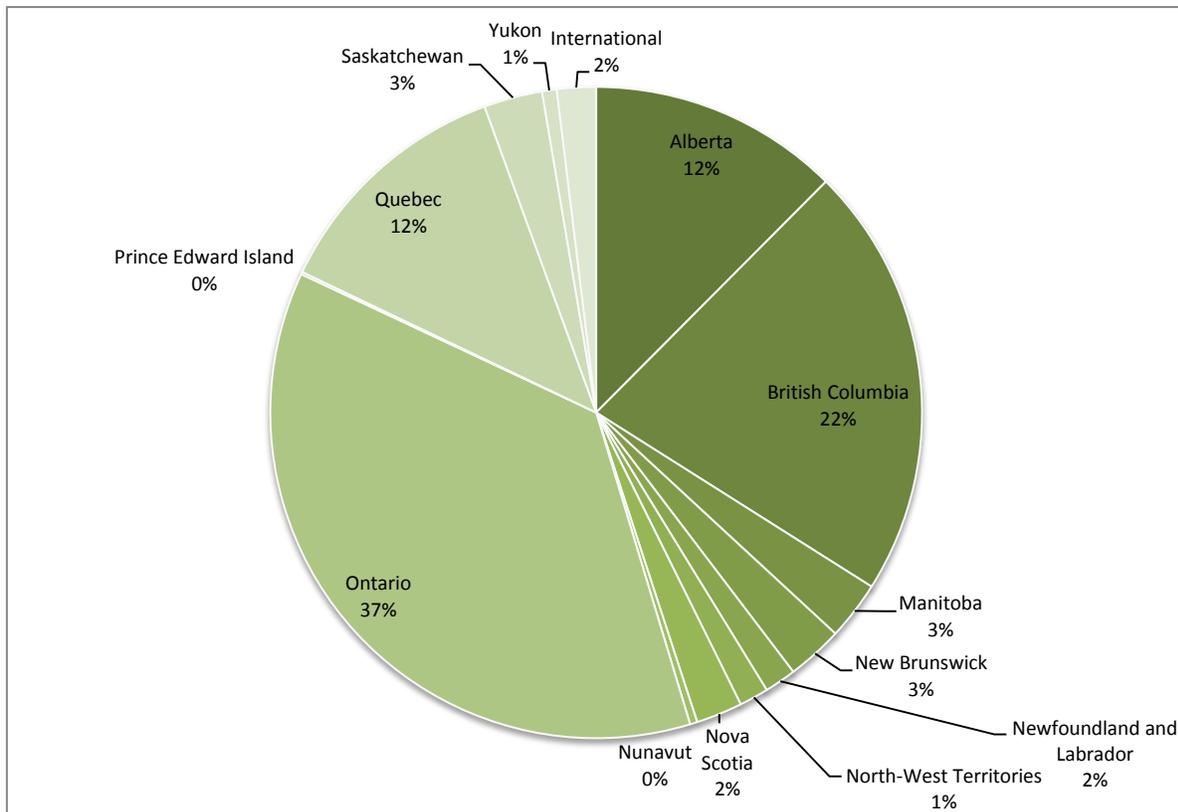
Three French-language webinars on sustainable initiatives in Quebec were presented in collaboration with FQM. Another three webinars were delivered with the Heart and Stroke Foundation as part of a series on healthy and active communities.

FCM launched a new webinar series this year: Leading Trends in Municipal Sustainability. This series featured four webinars profiling leading GMF-funded municipal projects in waste, planning, water and transportation.

FCM also continued its Brownfield Bootcamp series with two webinars, one focusing on integrated brownfield projects and the second on the economic benefits of brownfield redevelopment.

FCM’s webinar audience is primarily municipal, with the majority coming from Ontario (37%), British Columbia (22%), Alberta (12%) and Quebec (12%)²⁵. See [Figure 4-1](#) for details. Almost all participants (90.3%) said that the webinars either met (73.9%) or exceeded (16.4%) their expectations. When asked what they liked most about the webinars, participants specified the ability to learn from other communities, the topics covered, and the convenience and accessibility of the webinars. Participants also noted that the webinars increased their knowledge in the topic areas covered (92.8%); and that they would recommend FCM webinars to others (90.3%). Participants described them as “well organized,” “user-friendly,” and a “very effective method to disseminate information.” A complete list of 2012–2013 webinars is included in [Appendix G](#).

Figure 4-1: GMF webinar participation across Canada



²⁵ Note that these percentages do not include webinars organized in collaboration with the Fédération québécoise des municipalités nor the Heart and Stroke Foundation.

Partners for Climate Protection program

The [Partners for Climate Protection](#) (PCP) program is a network of Canadian municipal governments that have committed to reducing GHGs and taking action on climate change. Since the program's inception in 1994, over [240 municipalities have joined PCP](#) and made a public commitment to reduce emissions. These members are drawn from all provinces and territories, and account for more than 80 per cent of the Canadian population.

PCP is the Canadian component of ICLEI's Cities for Climate Protection network, which involves more than 1,100 communities worldwide. PCP is a partnership between FCM and ICLEI — Local Governments for Sustainability and is funded through GMF.

The program supports municipalities in taking action on climate change through a five-milestone framework (see table below) that guides them through creating GHG inventories, setting reduction targets, and developing local plans — complete with measurable actions. PCP member municipalities benefit from a series of tools and resources designed to encourage GHG reduction activities and evaluate their success along the way.

Nineteen new members joined the program in 2012–2013 and 47 new milestones were reached. Five members achieved Milestone Five, the final milestone.

These achievements are formally recognized in program publications and promotions, such as case studies, newsletters and presentations. They are also profiled in the fifth annual [PCP National Measures Report](#), which showcases municipal results in reducing GHG emissions. Since the first report in 2008, PCP member communities have reported more than 800 local initiatives, invested over \$2.3 billion locally, and reduced 1.8 million tonnes in GHGs annually.

The 2012 report includes [results](#) from 112 municipal projects. These projects represent nearly \$800 million in local investments. They have reduced GHGs by 241,285 tonnes annually and saved member communities \$1.4 million per year.

In 2012, FCM and ICLEI also delivered the PCP Milestone Tool, a web-based application to support members in developing baseline GHG inventories (Milestone One) and setting reduction targets (Milestone Two).

Throughout 2012–2013, FCM promoted the PCP program both online and in-person at conferences and community events. These events included workshops, webinars and information sessions, many of which were

held with local or regional associations, such as the Union of British Columbia Municipalities, the Toronto and Region Conservation Authority, the Fédération québécoise des municipalités and Réseau Environnement.

A complete list of PCP knowledge resources and webinars is included in [Appendix G](#).

PCP Milestone Framework for targeted GHG reductions: Progress among member municipalities	
Milestone	Number of milestones achieved
Milestone One: Create a GHG emissions inventory and forecast.	Corporate: 4 Community: 9
Milestone Two: Set an emissions reductions target.	Corporate: 3 Community: 6
Milestone Three: Develop a local action plan.	Corporate: 6 Community: 7
Milestone Four: Implement the local action plan or a set of activities.	Corporate: 1 Community: 2
Milestone Five: Monitor progress and report results.	Corporate: 7 Community: 2

APPENDIX A: FUNDING ALLOCATIONS

Table A1: Number of applications and approvals for sustainable community plans, feasibility studies and field tests²⁶

	Total	2012–2013	2011–2012	2010–2011	2009–2010	2000–2009
Completed Intent to Apply forms submitted	2103	N/A	N/A	49	110	1944
Accepted Intent to Apply forms	1613	N/A	N/A	52	100	1461
Completed applications submitted	1179	54	24	70	108	923
Approvals²⁷	890	47	47	76	66	654

Table A2: Number of applications and approvals for capital projects²⁸

	Total	2012–2013	2011–2012	2010–2011	2009–2010	2000–2009
Completed Intent to Apply forms submitted	953	N/A	N/A	N/A	N/A	953
Accepted Intent to Apply forms	591	N/A	N/A	N/A	N/A	591
Completed applications submitted	445	24	18	23	29	351
Approvals²⁹	263	12	19	16	19	197

²⁶ As of September 1, 2010, Intent to Apply forms were not required for plan, study and test applications.

²⁷ Applications may be carried over and approved in the fiscal year following the fiscal year in which the applications were submitted. As such, the number of approved projects in a given year may exceed the number of applications.

²⁸ As of January 1, 2008, Intent to Apply forms were not required for capital projects.

²⁹ Applications may be carried over and approved in the fiscal year following the fiscal year in which the applications were submitted. As such, the number of approved projects in a given year may exceed the number of applications.

Table A3: Approved sustainable community plans, feasibility studies and field tests by province (Dollar figures presented in \$1000s)

Province	Population ³⁰	% of pop.	SINCE INCEPTION					2012–2013			2011–2012			2010–2011			2009–2010			2000–2009		
			#	% of approvals	% of total Grants	Grant (\$)	TPV ³¹ (\$)	#	Grant (\$)	TPV (\$)												
Alberta	3,645,257	10.9%	98	11.0%	12.00%	9,886	25,529	4	220	466	5	652	4,049	3	265	584	4	281	643	82	8,468	19,787
British Columbia	4,400,057	13.1%	164	18.4%	16.77%	13,812	35,712	7	365	855	9	1,035	2,331	20	2,106	5,007	12	593	1,420	116	9,713	26,099
Manitoba	1,208,268	3.6%	31	3.5%	2.69%	2,214	10,471	0	0	0	1	71	147	3	132	469	4	561	3,870	23	1,450	5,985
New Brunswick	751,171	2.2%	39	4.4%	2.08%	1,714	3,769	1	39	95	1	16	32	4	101	227	2	78	157	31	1,480	3,258
Newfoundland and Labrador	514,536	1.5%	13	1.5%	1.20%	985	2,174	0	0	0	0	0	0	1	16	33	2	78	164	10	891	1,977
Nova Scotia	921,727	2.8%	37	4.2%	2.87%	2,367	5,282	2	23	46	1	18	35	4	129	264	1	17	39	29	2,180	4,898
Northwest Territories	41,462	0.1%	9	1.0%	1.21%	999	2,144	0	0	0	0	0	0	0	0	0	0	0	0	9	999	2,144
Nunavut	31,906	0.1%	4	0.4%	0.41%	340	912	0	0	0	0	0	0	1	158	464	0	0	0	3	182	448
Ontario	12,851,821	38.4%	292	32.8%	35.06%	28,880	70,595	14	1,536	4,767	8	978	3,585	26	2,275	5,563	18	1,846	4,782	226	22,245	51,898
Prince Edward Island	140,204	0.4%	5	0.6%	0.56%	459	1,216	0	0	0	0	0	0	1	350	1,000	0	0	0	4	109	216
Quebec ³²	7,903,001	23.6%	155	17.4%	19.94%	16,428	51,729	17	1,341	5,470	21	2,892	8,729	11	2,251	12,620	22	2,324	5,876	84	7,620	19,034
Saskatchewan	1,033,381	3.1%	34	3.8%	4.02%	3,314	10,292	1	24	75	1	334	722	2	460	4,296	1	51	112	29	2,445	5,087
Yukon	33,897	0.1%	9	1.0%	0.61%	504	1,297	1	26	47	0	0	0	0	0	0	0	0	0	8	478	1,250
Additional ³³			0	0%	0.57%	468			46						135			9		0	278	
Total	33,476,688	100%	890	100%	100%	82,370	221,122	47	3,620	11,821	47	5,996	19,630	76	8,378	30,527	66	5,838	17,063	654	58,538	142,081
Less ³⁴			(74)			(13,589)	(14,822)	(3)	(1,153)	(581)	0	(267)	0	(6)	(1,932)	(1,541)	(8)	(1,902)	(1,699)	(57)	(8,335)	(11,001)
Net	33,476,688		816			68,781	206,300	44	2,467	11,240	47	5,729	19,630	70	6,446	28,986	58	3,936	15,364	597	50,203	131,080

³⁰ Source: Statistics Canada 2011 Census³¹ TPV = Total Project Value³² In March 2004, the first municipal proposals were approved following the signature in 2003 of an agreement between the Government of Quebec and FCM authorizing Quebec municipalities to receive GMF funding.³³ Additional = Funding added to previously approved studies³⁴ Less = Cancelled initiatives and amounts not disbursed on completed initiatives. Note that an initiative may be cancelled after the fiscal year within which it was approved.

NOTE: A review of the GMF database and accounting records pertaining to 2009–2010 identified some minor discrepancies in the data contained in this table, compared to the data displayed in the 2009-2010 Annual Report. The appropriate adjustments have been made and are reflected here.

Table A4: Approved capital projects by province (Dollar figures presented in \$1000s)

Province	Population ³⁵	% of pop.	SINCE INCEPTION						2012–2013				2011–2012				2010–2011				2009–2010				2000–2009			
			# of applications	% of approvals	% of total grants and loans	Grant (\$)	Loan (\$)	TPV (\$) ³⁶	# of applications	Grant (\$)	Loan (\$)	TPV (\$)	# of applications	Grant (\$)	Loan (\$)	TPV (\$)	# of applications	Grant (\$)	Loan (\$)	TPV (\$)	# of applications	Grant (\$)	Loan (\$)	TPV (\$)	# of applications	Grant (\$)	Loan (\$)	TPV (\$)
Alberta	3,645,257	10.9%	23	8.7%	8.3%	10,901	54,169	358,579	2	1,000	12,525	132,173	0	0	0	0	1	400	4,000	33,026	2	111	1,112	6,359	18	9,390	36,532	187,021
British Columbia	4,400,057	13.1%	45	17.1%	18.2%	13,690	128,567	748,225	3	1,500	16,600	80,638	2	500	12,000	71,871	2	721	7,067	52,544	1	302	3,024	4,631	37	10,667	89,876	538,541
Manitoba	1,208,268	3.6%	11	4.2%	5.3%	6,889	34,886	78,014	0	0	0	0	4	1,300	16,249	29,376	0	0	0	0	1	23	235	323	6	5,566	18,402	48,315
New Brunswick	751,171	2.2%	9	3.4%	2.4%	2,093	17,043	63,512	0	0	0	0	1	500	5,474	19,462	2	496	4,961	16,104	0	0	0	0	6	1,097	6,608	27,946
Newfoundland and Labrador	514,536	1.5%	7	2.7%	3.8%	3,385	26,153	118,317	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	7	3,385	26,153	118,317	
Nova Scotia	921,727	2.8%	12	4.6%	5.5%	3,837	39,398	454,281	1	545	5,455	8,779	2	410	2,269	29,249	0	0	0	0	2	527	5,273	43,420	7	2,355	26,401	372,833
Northwest Territories	41,462	0.1%	0	0.0%	0.0%				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Nunavut	31,906	0.1%	1	0.4%	0.0%	78	78	310	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	78	78	310	
Ontario	12,851,821	38.4%	100	38.0%	37.1%	25,656	264,075	1,801,805	1	0	2,000	3,102	6	2,389	24,710	148,832	8	2,744	44,360	176,470	9	2,077	22,690	173,195	76	18,446	170,315	1,300,206
Prince Edward Island	140,204	0.4%	1	0.4%	0.1%	851		1,723	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	851	0	1,723	
Quebec ³⁷	7,903,001	23.6%	42	16.0%	11.1%	16,128	70,931	382,647	5	1,972	15,458	52,131	4	999	10,267	20,957	3	1,793	15,723	40,848	4	1,126	12,162	27,219	26	10,238	17,321	241,492
Saskatchewan	1,033,381	3.1%	10	3.8%	1.0%	1,145	6,507	22,534	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	10	1,145	6,507	22,534	
Yukon	33,897	0.1%	2	0.8%	0.1%	250	885	1,562	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2	250	885	1,562	
PPRGA ³⁸	n/a	n/a	0	n/a	0.5%	3,630		3,630	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3,630	0	3,630
Additional			0	0	6.4%	5,319	44,941		0	0	0	0	0		2,540	0	0	5,319	42,401	0	0	0	0	0	0		0	
Total	33,476,688	100%	263	100%	100%	93,852	687,633	4,035,139	12	5,017	52,038	276,823	19	6,098	73,509	319,747	16	11,473	118,512	318,992	19	4,166	44,496	255,147	197	67,098	399,078	2,864,430
Less ³⁹	0		(92)			(17,873)	(164,719)	(686,589)	(3)	(755)	(4,219)	(26,451)	(7)	(1,457)	(21,083)	(75,683)	(7)	(2,799)	(9,380)	(116,473)	(16)	(2,843)	(25,779)	(139,882)	(59)	(10,019)	(104,258)	(328,100)
Net	33,476,688		171			75,979	522,914	3,348,550	9	4,262	47,819	250,372	12	4,641	52,426	244,064	9	8,674	109,132	202,519	3	1,323	18,717	115,265	138	57,079	294,820	2,536,330

³⁵ Source: Statistics Canada 2011 Census³⁶ TPV = Total Project Value³⁷ In March 2004, the first municipal proposals were approved following the signature in 2003 of an agreement between the Government of Quebec and FCM authorizing Quebec municipalities to receive GMF funding.³⁸ Project Performance Reporting Grant Agreement (PPRGA) grants to capital projects³⁹ Less = Cancelled initiatives and amounts not disbursed on completed initiatives. Note that an initiative may be cancelled after the fiscal year within which it was approved.

NOTE: A review of the GMF database and accounting records pertaining to 2009–2010 identified some minor discrepancies in the data contained in this table, compared to the data displayed in the 2009-2010 Annual Report. The appropriate adjustments have been made and are reflected here.

Table A5: Urban–rural balance of sustainable community plans, feasibility studies and field tests

			SINCE INCEPTION			2012–2013		2011–2012		2010–2011		2009–2010		2000–2009	
Municipality Type ⁴⁰	Population ⁴¹	% of pop.	Approvals	% of approvals	Approvals per 1,000,000 inhabitants	Approvals	% of approvals	Approvals	% of approvals						
Rural	6,329,414	19.8	289	32.5	41.1	15	31.9	18	38.3	26	34.2	21	31.8	209	32.0
Towns and cities	27,147,274	80.2	601	67.5	21.3	32	68.1	29	61.7	50	65.8	45	68.2	445	68.0
TOTAL	33,476,688	100	890	100	25.2	47	100	47	100	76	100	66	100	654	100

Table A6: Urban–rural balance of capital projects

			SINCE INCEPTION			2012–2013		2011–2012		2010–2011		2009–2010		2000–2009	
Municipality Type ⁴⁰	Population ⁴¹	% of pop.	Approvals	% of approvals	Approvals per 1,000,000 inhabitants	Approvals	% of approvals	Approvals	% of approvals						
Small, rural and remote	6,329,414	18.9	81	30.8	11.4	5	41.7	4	21.1	3	18.8	5	26.3	65	32.5
Towns and cities	27,147,274	81.1	182	69.2	6.3	7	58.3	15	78.9	13	81.3	14	73.7	133	67.5
TOTAL	33,476,688	100	263	100	7.3	12	100	19	100	16	100	19	100	197	100

⁴⁰ Rural is defined as a municipality with a population of less than 10,000⁴¹ Source: Statistics Canada 2011 Census

APPENDIX B: FUND MANAGEMENT

Table B1: Amount and type of funding disbursed

	Since Inception	2012–2013 (\$)	2011–2012 (\$)	2010–2011 (\$)	2009–2010 (\$)	2008–2009 (\$)	2007–2008 (\$)	2006–2007 (\$)	2000–2006 (\$)
Grants for plans, feasibility studies and field tests	58,363,146	6,395,630	5,206,016	7,622,663	7,450,982	6,577,364	7,214,040	6,055,898	11,840,553
Grants for capital projects	44,435,097	7,939,910	4,224,526	2,080,100	3,243,219	7,144,527	3,180,527	4,443,777	12,178,511
Project Performance Reporting Grant Agreement (PPRGA) grants for capital projects	1,096,411	82,288	254,669	269,243	105,379	123,318	142,391	78,593	40,530
Loans for capital projects	298,527,040	82,402,789	32,267,172	29,036,017	18,913,476	10,790,735	21,020,474	8,918,905	95,177,472
Total	402,421,694	96,820,617	41,952,383	39,008,023	29,713,056	24,635,944	31,557,432	19,497,173	119,237,066

Table B2: Performance of unallocated funds

Fiera Sceptre Inc. manages the portion of the Fund that has not yet been disbursed to studies and projects. Directives for investments of these unallocated funds are contained in the GMF Investment Policy and Strategy. This document was revised in November 2010 to ensure sufficient returns for the Fund in line with the Fund's objectives and financial sustainability.

The following table illustrates the rate of return on unallocated funds since inception.

	Since Inception	2012–2013	2011–2012	2010–2011	2009–2010	2008–2009	2007–2008	2006–2007	2005–2006	2004–2005	2003–2004
Return on investment (%)	4.31	3.71	5.06	4.69	6.09	4.69	6.63	5.3	3.97	3.21	8.74

Table B3: Senior management compensation

GMF senior management is composed of these positions: a director and one senior manager for each business unit which includes: Funding Services, Client Services, Knowledge Services, Communications, and Governance.

Their remuneration for the fiscal year 2012–2013 was based on the salary ranges listed below.

From April 1, 2012, to March 31, 2013

Director	\$100,000 to \$158,500
Deputy director and senior managers	\$95,500 to \$123,000

In addition to their salary, employees receive group benefits including \$300 through an annual health care spending account, and a contribution to a group RRSP, which amounts to a five per cent contribution of their annual compensation by the organization.

Compensation for GMF Council members and peer reviewers

GMF Council members, except for federal government appointees, may claim an honorarium of \$350 for each day of a council meeting, plus a one-day honorarium to cover preparation time. For teleconference meetings, a half-day honorarium rate of \$175 may be claimed, plus a half-day honorarium to cover preparation time.

GMF peer reviewers may claim fees of \$800 per day (based on a seven-hour work day). While the Funding Agreement permits peer reviewers appointed by the federal government to be compensated, none have made any claims since the inception of GMF.

APPENDIX C: FINANCIAL STATEMENTS

**Financial Statements of the
FEDERATION OF CANADIAN MUNICIPALITIES — GREEN MUNICIPAL FUND
Year ended March 31, 2013**

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INDEPENDENT AUDITORS' REPORT

To the National Board of Directors and Members of the Federation of Canadian Municipalities

Report on the Financial Statements

We have audited the accompanying financial statements of the Federation of Canadian Municipalities - Green Municipal Fund, which comprise the statements of financial position as at March 31, 2013, March 31, 2012 and April 1, 2011, the statements of operations, changes in fund balances and cash flows for the years ended March 31, 2013 and March 31, 2012, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Federation of Canadian Municipalities - Green Municipal Fund as at March 31, 2013, March 31, 2012 and April 1, 2011, and its results of operations, changes in fund balances and cash flows for the years ended March 31, 2013 and March 31, 2012 in accordance with Canadian accounting standards for not-for-profit organizations.

Report on Other Legal Requirements

As required by the Canada Corporations Act, we report that, in our opinion, the accounting principles in Canadian accounting standards for not-for-profit organizations have been applied on a consistent basis.

The image shows the handwritten signature of KPMG LLP in black ink. The letters are bold and slanted, with a horizontal line underneath the signature.

Chartered Accountants, Licensed Public Accountants

June 2, 2013

Ottawa, Canada

FEDERATION OF CANADIAN MUNICIPALITIES — GREEN MUNICIPAL FUND

Statements of Financial Position

March 31, 2013, March 31, 2012 and April 1, 2011

	March 31, 2013	March 31, 2012	April 1, 2011
Assets			
Current assets:			
Cash	\$ 3,127,300	\$ 3,036,100	\$ 2,611,600
Short-term investments (note 4)	82,230,600	163,104,300	91,557,900
Interest receivable	3,413,300	3,091,700	2,707,000
Other receivables	114,100	134,200	90,100
Current portion of loans receivable (note 6)	18,716,800	14,664,100	11,247,200
Prepaid expenses	16,600	23,100	31,000
	107,618,700	184,053,500	108,244,800
Long-term investments (note 4)	321,764,600	302,565,500	388,165,400
Loans receivable (note 6)	208,224,100	143,486,300	124,428,300
Tangible capital and intangible assets (note 7)	1,046,600	1,152,200	1,353,100
	\$ 638,654,000	\$ 631,257,500	\$ 622,191,600
Liabilities and Fund Balance			
Current liabilities:			
Accounts payable and accrued liabilities (note 8)	\$ 9,180,200	\$ 931,200	\$ 736,200
Interfund payable (note 5)	45,000	363,900	300,100
Grants payable (note 9)	40,865,500	48,554,900	47,870,800
	50,090,700	49,850,000	48,907,100
Fund balance:			
Invested in tangible capital and intangible assets	1,046,600	1,152,200	1,353,100
Reserve for non-performing loans (note 10)	11,469,600	10,548,200	9,329,200
Externally restricted	576,047,100	569,707,100	562,602,200
	588,563,300	581,407,500	573,284,500
Commitments (note 12)			
	\$ 638,654,000	\$ 631,257,500	\$ 622,191,600

See accompanying notes to financial statements.

On behalf of the Board:


Karen Leibovici,
President

Berry Vrbancic
Past President

FEDERATION OF CANADIAN MUNICIPALITIES — GREEN MUNICIPAL FUND

Statements of Operations

Years ended March 31, 2013 and 2012

	2013	2012
Revenue:		
Investments	\$ 18,426,500	\$ 24,383,800
Interest on loans	4,397,200	3,629,700
Other	43,700	48,100
	<u>22,867,400</u>	<u>28,061,600</u>
Operating expenses:		
Personnel costs	4,499,100	4,532,900
Other operating expenses	3,717,400	4,291,700
Amortization of tangible capital and intangible assets	204,400	198,200
Occupancy costs	562,300	546,400
	<u>8,983,200</u>	<u>9,569,200</u>
Excess of revenue over expenses before grants	13,884,200	18,492,400
Grants (note 9)	6,728,400	10,369,400
Excess of revenue over expenses	<u>\$ 7,155,800</u>	<u>\$ 8,123,000</u>

See accompanying notes to financial statements.

FEDERATION OF CANADIAN MUNICIPALITIES — GREEN MUNICIPAL FUND

Statements of Changes in Fund Balance

Years ended March 31, 2013 and 2012

March 31, 2013	Invested in tangible capital and intangible assets	Reserve for non- performing loans	Externally restricted	Total
Balance, beginning of year	\$ 1,152,200	\$ 10,548,200	\$ 569,707,100	\$ 581,407,500
Excess of revenue over expenses	–	–	7,155,800	7,155,800
Amortization of tangible capital and intangible assets	(204,400)	–	204,400	–
Purchase of tangible capital and intangible assets	98,800	–	(98,800)	–
Transfer to Reserve for non-performing loans (note 10)	–	921,400	(921,400)	–
Balance, end of year	\$ 1,046,600	\$ 11,469,600	\$ 576,047,100	\$ 588,563,300

March 31, 2012	Invested in tangible capital and intangible assets	Reserve for non- performing loans	Externally restricted	Total
Balance, beginning of year	\$ 1,353,100	\$ 9,329,200	\$ 562,602,200	\$ 573,284,500
Excess of revenue over expenses	–	–	8,123,000	8,123,000
Amortization of tangible capital and intangible assets	(198,200)	–	198,200	–
Purchase of tangible capital and intangible assets	12,500	–	(12,500)	–
Loss on disposal of tangible capital and intangible assets	(15,200)	–	15,200	–
Transfer to Reserve for non-performing loans (note 10)	–	1,219,000	(1,219,000)	–
Balance, end of year	\$ 1,152,200	\$ 10,548,200	\$ 569,707,100	\$ 581,407,500

See accompanying notes to financial statements.

FEDERATION OF CANADIAN MUNICIPALITIES — GREEN MUNICIPAL FUND

Statement of Cash Flows

Years ended March 31, 2013 and 2012

	2013	2012
Cash provided by (used in):		
Operating activities:		
Excess of revenue over expenses	\$ 7,155,800	\$ 8,123,000
Items not affecting cash:		
Amortization of premium/discount on investments	(6,875,900)	(7,632,600)
Net realized gain on sales of investments	(2,005,800)	(7,305,900)
Amortization of tangible capital and intangible assets	204,400	198,200
Loss on disposal of tangible capital and intangible assets	–	15,200
Changes in non-cash operating working capital items	(54,300)	522,000
	(1,575,800)	(6,080,100)
Investing activities:		
Purchase of investments	(308,984,500)	(452,939,100)
Sale of investments	379,540,800	481,931,100
Net increase in loans receivable	(68,790,500)	(22,474,900)
Purchase of tangible capital and intangible assets	(98,800)	(12,500)
	1,667,000	6,504,600
Increase in cash	91,200	424,500
Cash, beginning of year	3,036,100	2,611,600
Cash, end of year	\$ 3,127,300	\$ 3,036,100

See accompanying notes to financial statements.

FEDERATION OF CANADIAN MUNICIPALITIES — GREEN MUNICIPAL FUND

Notes to Financial Statements

Years ended March 31, 2013 and 2012

1. Purpose of the organization:

On March 18, 1937, the Federation of Canadian Mayors and Municipalities (FCMM) was created from the merger of the 36-year old Union of Canadian Municipalities and the Dominion Conference of Mayors, formed two years earlier. On February 2, 1967, the FCMM was incorporated by letters patent under Part II of the Canada Corporations Act. At that time, charitable status was sought and obtained from Canada Revenue Agency. Supplementary Letters Patent changed the name of the organization to Federation of Canadian Municipalities (FCM) on August 9, 1976. Owing to its charitable status, FCM is not subject to income taxes.

FCM is the national leader and voice of local governments, shaping the national agenda and fostering strong and effective local governments. FCM membership includes Canada's largest cities, the major provincial and territorial municipal associations, and rural and urban communities.

In April 2000, FCM received from the Government of Canada \$100,000,000 to set up the Green Municipal Investment Fund (GMIF) and \$25,000,000 for the Green Municipal Enabling Fund (GMEF). Both funds were established to stimulate investment in innovative municipal projects and practices to improve the environmental performance of Canadian municipalities. In April 2002, FCM received an additional \$100,000,000 for the GMIF and \$25,000,000 for the GMEF. As of March 31, 2005, the GMIF and GMEF have been merged into one fund called Green Municipal Fund (GMF). In July 2005, FCM received another \$300,000,000.

On April 1, 2012, FCM adopted Canadian accounting standards for not-for-profit organizations in Part III of the CICA Handbook. These are the first financial statements prepared in accordance with Canadian accounting standards for not-for-profit organizations.

In accordance with the transitional provisions in not-for-profit standards, FCM has adopted the changes retrospectively, subject to certain exemptions allowed under these standards. The transition date is April 1, 2011 and all comparative information provided has been presented by applying Canadian accounting standards for not-for-profit organizations.

A summary of transitional adjustments recorded to fund balances and excess of revenue over expenditures is provided in note 3.

FEDERATION OF CANADIAN MUNICIPALITIES — GREEN MUNICIPAL FUND

Notes to Financial Statements (continued)

Years ended March 31, 2013 and 2012

2. Significant accounting policies:

The financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

(a) Basis of presentation:

FCM follows the restricted fund method of accounting for contributions for not-for-profit organizations.

These financial statements report the activities of the Green Municipal Fund only. They do not report on the other funds of the FCM.

(b) Fund accounting:

In accordance with the principles of fund accounting, FCM maintains its accounting records to ensure that limitations and restrictions placed on the use of available resources are observed. Under this method, resources are classified for accounting and reporting purposes into funds that are in accordance with specific activities or objectives. Accordingly, separate accounts are maintained for the General Fund and the externally restricted Green Municipal Fund.

Green Municipal Fund (GMF):

GMF supports through grants and loans the implementation of innovative environmental projects undertaken by Canadian municipalities and other public and private sector partners.

(c) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. FCM has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

FEDERATION OF CANADIAN MUNICIPALITIES — GREEN MUNICIPAL FUND

Notes to Financial Statements (continued)

Years ended March 31, 2013 and 2012

2. Significant accounting policies (continued):

(c) Financial instruments (continued):

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, FCM determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount FCM expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial impairment change.

(d) Revenue recognition:

Receipts in restricted funds and unrestricted receipts in other funds are recognized as revenue in the appropriate fund when received or receivable.

Interest revenue is recognized in the particular fund to which it applies on an accrual basis.

(e) Loans receivable:

Loans are determined to be impaired when payments are contractually past due or where FCM's management is of the opinion that the loan should be regarded as impaired. An exception may be made where management determines that the loan is well secured and the collection efforts are reasonably expected to result in either repayment of the loan or its restoration according to the terms of the contract.

Actual write-offs, net of recoveries, are expensed and then applied against the internally restricted Reserve for non-performing loans. The Reserve for non-performing loans is described in note 10.

(f) Tangible capital and intangible assets:

Tangible and intangible assets are recorded at cost. Repairs and maintenance costs are charged to expense. When a capital asset no longer contributes to FCM's ability to provide services, its carrying amount is written down to its residual value.

FEDERATION OF CANADIAN MUNICIPALITIES — GREEN MUNICIPAL FUND

Notes to Financial Statements (continued)

Years ended March 31, 2013 and 2012

2. Significant accounting policies (continued):

(f) Tangible capital and intangible assets (continued):

Tangible capital and intangible assets are amortized on a straight-line basis using the following annual rates:

Asset	Term
Tangible capital assets:	
Furniture and equipment	5 years
Computer hardware	3 to 5 years
Leasehold improvements	period of lease
Intangible assets:	
Computer software	3 to 5 years

(g) Grants:

Grants are recognized as an expense in the period in which the Board approval process has been completed.

(h) Use of estimates:

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimates. These estimates are reviewed annually and, as adjustments become necessary, they are recognized in the financial statements in the period they become known.

3. Transitional adjustments:

(a) Fund balances:

The following table summarizes the impact of the transition to Canadian accounting standards for not-for-profit organizations on the FCM's fund balances as of April 1, 2011:

Fund balances:	
As previously reported under Canadian generally accepted accounting principles, March 31, 2011	\$ 589,460,200
Adjustment to record investments, previously recorded at fair value, at amortized cost	(16,175,700)
Restated, April 1, 2011	\$ 573,284,500

FEDERATION OF CANADIAN MUNICIPALITIES — GREEN MUNICIPAL FUND

Notes to Financial Statements (continued)

Years ended March 31, 2013 and 2012

3. Transitional adjustments (continued):

(b) Excess of revenue over expenses:

As a result of the above noted elections and the retrospective application of Canadian accounting standards for not-for-profit organizations, FCM recorded the following adjustments to excess of revenue over expenses for the year ended March 31, 2012:

Excess of revenue over expenses:

As previously reported under Canadian generally accepted accounting principles for year ended March 31, 2012	\$	9,973,500
Decrease in investment income due to amortization of premiums on investments recorded at amortized cost		(1,850,500)
Restated for the year ended March 31, 2012	\$	8,123,000

4. Investments:

	March 31, 2013	March 31, 2012	April 1, 2011
Short-term bonds	\$ 82,230,600	\$ 163,104,300	\$ 91,557,900
Long-term investments:			
Supranational bonds	\$ 75,201,600	\$ 83,362,900	\$ 104,831,100
Federal bonds	21,027,300	5,883,300	511,400
Provincial bonds	91,415,700	119,921,900	194,969,800
Corporate bonds	124,413,500	91,351,100	85,798,000
Municipal bonds	9,706,500	2,046,300	2,055,100
	\$ 321,764,600	\$ 302,565,500	\$ 388,165,400

GMF's fixed income notes have interest rates ranging from 0.0% to 7.5% and maturity dates ranging from April 8, 2013 to December 31, 2108.

5. Interfund receivable and payable:

These balances are without defined terms of repayment and are non-interest-bearing.

FEDERATION OF CANADIAN MUNICIPALITIES — GREEN MUNICIPAL FUND

Notes to Financial Statements (continued)

Years ended March 31, 2013 and 2012

6. Loans receivable:

	March 31, 2013	March 31, 2012	April 1, 2011
Municipalities and Municipal Corporations	\$ 215,463,300	\$ 157,695,200	\$ 134,992,600
Corporations	11,477,600	455,200	682,900
	226,940,900	158,150,400	135,675,500
Less current portion	18,716,800	14,664,100	11,247,200
	\$ 208,224,100	\$ 143,486,300	\$ 124,428,300

Maturities and interest rates:

	1 to 5 years	Rate	Greater than 5 years	Rate
Municipalities and Municipal Corporations	\$ 69,867,900	1.27%	\$ 145,595,400	0.3%
Corporations	227,600	to 5.8%	11,250,000	to 3.765%
	\$ 70,095,500	6.686%	\$ 156,845,400	7.5%

Loan repayments expected over the next five years based on the same terms and conditions are as follows:

2014	\$ 18,716,800
2015	48,182,300
2016	27,092,100
2017	13,965,400
2018	12,349,600
	\$ 120,306,200

FEDERATION OF CANADIAN MUNICIPALITIES — GREEN MUNICIPAL FUND

Notes to Financial Statements (continued)

Years ended March 31, 2013 and 2012

7. Tangible capital and intangible assets:

March 31, 2013	Cost	Accumulated amortization	Net book value
Tangible capital assets:			
Furniture and equipment	\$ 493,400	\$ 217,600	\$ 275,800
Leasehold improvements	900,900	222,400	678,500
Computer hardware	52,300	33,100	19,200
Intangible assets:			
Computer software	109,500	36,400	73,100
	\$ 1,556,100	\$ 509,500	\$ 1,046,600

March 31, 2012	Cost	Accumulated amortization	Net book value
Tangible capital assets:			
Furniture and equipment	\$ 483,300	\$ 125,100	\$ 358,200
Leasehold improvements	883,500	133,700	749,800
Computer hardware	50,800	20,300	30,500
Intangible assets:			
Computer software	354,100	340,400	13,700
	\$ 1,771,700	\$ 619,500	\$ 1,152,200

April 1, 2011	Cost	Accumulated amortization	Net book value
Tangible capital assets:			
Furniture and equipment	\$ 476,500	\$ 33,900	\$ 442,600
Leasehold improvements	894,800	45,000	849,800
Computer hardware	49,000	8,000	41,000
Intangible assets:			
Computer software	354,100	334,400	19,700
	\$ 1,774,400	\$ 421,300	\$ 1,353,100

During the year, FCM disposed of \$314,400 of fully amortized assets.

8. Accounts payable and accrued liabilities:

As at year end, FCM had \$Nil payable for government remittances.

FEDERATION OF CANADIAN MUNICIPALITIES — GREEN MUNICIPAL FUND

Notes to Financial Statements (continued)

Years ended March 31, 2013 and 2012

9. Grants payable:

	March 31, 2013	March 31, 2012	April 1, 2011
Balance, beginning of year	\$ 48,554,900	\$ 47,870,800	\$ 42,720,000
Approvals	6,728,400	10,369,400	15,122,800
Disbursements	(14,417,800)	(9,685,300)	(9,972,000)
Balance, end of year	\$ 40,865,500	\$ 48,554,900	\$ 47,870,800

Management cannot reasonably estimate the amounts that will be disbursed in future years, as such the total balance is reported as current.

10. Reserve for non-performing loans:

GMF, under terms of the funding agreement, transfers to this reserve annually an amount equivalent to five per cent of its annual investment revenue for the purpose of managing risk from potentially non-performing loans.

11. Fund balance:

GMF's objectives when managing capital are to continue to comply with the external capital requirements specified in the agreement with the Government of Canada. Capital consists of fund balance. The funds held are only available for the operations of the GMF.

GMF shall maintain the nominal value of the Fund Assets of at least \$500,000,000 excluding the value of the reserve for non-performing loans and the reserve for guarantees. As of March 31, 2013 this balance was equal to \$577,093,700 (March 31, 2012 - \$570,859,300; April 1, 2011 - \$563,955,300). From the \$500,000,000 dedicated to stimulate innovative municipal projects and practices or to improve the environmental performance of Canadian municipalities, a minimum amount of \$150,000,000 is restricted for the remediation and redevelopment of brownfields. GMF complies with the requirements of these externally restricted funds.

There have been no changes to the GMF's capital requirements and its overall strategy to capital remains unchanged from the prior year.

FEDERATION OF CANADIAN MUNICIPALITIES — GREEN MUNICIPAL FUND

Notes to Financial Statements (continued)

Years ended March 31, 2013 and 2012

12. Commitments:

(a) GMF loans:

As at March 31, 2013, GMF had loans approved by the Board but undisbursed for a total amount of \$224,387,100 (March 31, 2012 - \$258,970,400; April 1, 2011 - \$238,811,700).

(b) Leases:

FCM is committed under operating leases for the office space and equipment over the next eight years as follows:

	Office Space	Office equipment	Total
2014	\$ 551,600	\$ 4,400	\$ 556,000
2015	566,800	4,400	571,200
2016	588,900	2,900	591,800
2017	614,400	–	614,400
2018	629,600	–	629,600
2019	644,700	–	644,700
2020	659,900	–	659,900
2021	333,400	–	333,400
	\$ 4,589,300	\$ 11,700	\$ 4,601,000

13. Retirement benefits:

FCM matches employee RRSP contributions up to 5% of their salaries. Total employer contributions for the year were \$176,600 (2012 - \$187,300), which are recorded in personnel expenses.

14. Allocation of expenses:

During the year, a total amount of \$69,300 (2012 - \$67,700) was charged to GMF for its participation in various FCM events. These transactions were carried out in the normal course of operations and are recorded at fair market value.

FEDERATION OF CANADIAN MUNICIPALITIES — GREEN MUNICIPAL FUND

Notes to Financial Statements (continued)

Years ended March 31, 2013 and 2012

14. Allocation of expenses (continued):

FCM allocated administrative overhead costs as follows:

	2013			2012		
	General Fund	Green Municipal Fund	Total	General Fund	Green Municipal Fund	Total
Administrative overhead	\$ 3,162,000	\$ 1,333,500	\$ 4,495,500	\$ 2,736,200	\$ 1,388,800	\$ 4,125,000
	70%	30%	100%	66%	34%	100%

15. Financial risks:

(a) Currency risk:

FCM believes that it is not exposed to significant currency and liquidity risks arising from its financial instruments.

(b) Interest rate risk:

FCM is exposed to interest rate risk with respect to its interest-bearing investments, as disclosed in note 4.

(c) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. FCM is exposed to credit risk with respect to the loans receivable and other receivables. FCM assesses, on a continuous basis, loans and other receivables and provides for any amounts that are not collectible in the allowance for doubtful accounts. At year end, there were no amounts allowed for in receivables.

APPENDIX D: GMF INITIATIVES APPROVED IN 2012–2013

Funding for the following initiatives were approved by the FCM Executive Committee in 2012–2013. These initiatives were assessed to have the potential to result in significant environmental improvements in air, water and soil quality, including reductions in GHG emissions.

BRITISH COLUMBIA

Whistler Village District Energy System — Feasibility Assessment (GMF 12002)

Lead applicant: Resort Municipality of Whistler

Total project value: \$26,100

GMF grant: \$10,500

SunMine: Kimberley's solar farm on a former Teck mine site (GMF 12008)

Lead applicant: City of Kimberley

Total project value: \$6,000,000

GMF loan: \$1,600,000

Ladysmith Wastewater Treatment Plant Upgrade (GMF 12012)

Lead applicant: Town of Ladysmith

Total project value: \$16,285,000

GMF loan: \$11,000,000

Soil Vapour Assessment and Detailed Site Investigation, 169 Bridge Street (GMF 12026)

Lead applicant: Town of Princeton

Total project value: \$119,680

GMF grant: \$59,840

Jones Street District Energy Feasibility Study, Qualicum Beach (GMF 12029)

Lead applicant: Town of Qualicum Beach

Total project value: \$32,250

GMF grant: \$15,125

Nanaimo-Vancouver Passenger-Only Ferry Service (GMF 12053)

Lead applicant: Island Ferry Services Ltd

Total project value: \$58,353,081

GMF loan: \$5,500,000

ICI Zero Waste Feasibility Study, District of Mission (GMF 12055)

Lead applicant: District of Mission

Total project value: \$65,000

GMF grant: \$17,500

City of Nelson District Energy System Feasibility Study (GMF 12077)

Lead applicant: City of Nelson

Total project value: \$170,000

GMF grant: \$85,000

Comox Valley Residential Food Waste Composting Field Test (GMF 12082)

Lead applicant: Comox Valley Regional District

Total project value: \$395,720

GMF grant: \$155,210

Zero Waste Strategy — Electoral Area C and the Village of Pemberton, Squamish-Lillooet Regional District (GMF 12103)

Lead applicant: Squamish-Lillooet Regional District

Total project value: \$47,000

GMF grant: \$22,385

ALBERTA**City of St. Albert Greenhouse Gas Emissions Local Action Plan (GMF 12022)**

Lead applicant: City of St. Albert

Total project value: \$40,000

GMF grant: \$16,500

Fox Towers Phase II Environmental Site Assessment and Remediation Plan, City of Edmonton (GMF 12038)

Lead applicant: Icon Fox Developments Ltd.

Total project value: \$36,800

GMF grant: \$16,500

Biomass Cogeneration Feasibility Study Phase III, and Detailed Engineering Design (GMF 12070)

Lead applicant: Town of High Level

Total project value: \$248,460

GMF grant: \$117,480

Icon Fox Towers Brownfield Remediation and Redevelopment, City of Edmonton (GMF 12071)

Lead applicant: Icon Fox Developments Ltd.

Total project value: \$2,970,000

GMF loan: \$2,525,000

Strathcona County PCP Greenhouse Gas Emissions Local Action Plan (GMF 12089)

Lead applicant: Strathcona County

Total project value: \$140,490

GMF grant: \$69,245

Edmonton Waste-to-Biofuels Production Facility (GMF 12056)

Lead applicant: Enerkem Alberta Biofuels LP

Total project value: \$129,203,481

GMF loan: \$11,000,000

SASKATCHEWAN**Rural Municipality of McKillop Regional Wastewater System Study (GMF 12081)**

Lead applicant: Rural Municipality of McKillop No. 220

Total project value: \$51,970

GMF grant: \$23,485

ONTARIO**Remediation and Redevelopment of the former WC Wood Company Site I Facility, City of Guelph (GMF 11014)**

Lead applicant: Arthur EMPC Four L.P. (an affiliate of the Kilmer Brownfield Equity Fund L.P.)

Total project value: \$3,102,000

GMF loan: \$2,000,000

The Waterloo Region Climate Collaborative: A Community-Wide GHG Action Plan (GMF 12005)

Lead applicant: Regional Municipality of Waterloo

Total project value: \$447,890

GMF grant: \$143,495

Brantford Soil Remediation Demonstration Project - Greenwich Mohawk Brownfield Site (GMF 12009)

Lead applicant: City of Brantford

Total project value: \$261,690

GMF grant: \$130,845

Ottawa's Bayview Garage Adaptive Re-Use Phase II ESA and Risk Assessment (GMF 12014)

Lead applicant: City of Ottawa

Total project value: \$357,050

GMF grant: \$175,000

Clarington's Supplemental Phase II ESA and Designated Substance Survey for 173 Baseline Road (GMF 12021)

Lead applicant: Municipality of Clarington

Total project value: \$31,900

GMF grant: \$15,950

Phase II ESA — Former Bakelite Property — Belleville, Ontario (GMF 12023)

Lead applicant: 2255718 Ontario Inc.

Total project value: \$530,700

GMF grant: \$106,420

Town of Caledon Coleraine West Eco-Business Park (GMF 12027)

Lead applicant: Toronto and Region Conservation Authority

Total project value: \$233,070

GMF grant: \$93,335

Mississauga's Inspiration Lakeview Master Plan (GMF 12034)

Lead applicant: City of Mississauga

Total project value: \$793,300

GMF grant: \$175,000

Region of Durham Community Climate Change Local Action Plan (GMF 12035)

Lead applicant: Regional Municipality of Durham

Total project value: \$201,900

GMF grant: \$22,550

Cambridge's Corporate Greenhouse Gas Reduction Plan (GMF 12052)

Lead applicant: City of Cambridge

Total project value: \$119,700

GMF grant: \$47,410

Phase II Environmental Site Assessment and Action Plan for 28 Bathurst Street, Toronto (GMF 12060)

Lead applicant: Build Toronto Inc.

Total project value: \$483,300

GMF grant: \$175,000

Perth's Submerged Activated Growth Reactor (SAGR) Field Test (GMF 12065)

Lead applicant: The Corporation of the Town of Perth

Total project value: \$412,500

GMF grant: \$175,000

Investigation of Eco-Station Implementation and Feasibility (GMF 12074)

Lead applicant: Regional Municipality of Durham

Total project value: \$515,890

GMF grant: \$87,395

Toronto Exhibition Place's Direct Energy Centre Retrofit & Recommissioning LEED EBOM Study (GMF 12080)

Lead applicant: Board of Governors of Exhibition Place

Total project value: \$97,500

GMF grant: \$48,750

The Clarington Sustainable Neighborhood Action Plan (GMF 12092)

Lead applicant: Municipality of Clarington

Total project value: \$280,500

GMF grant: \$140,250

QUEBEC**Waste Reduction Pilot Test (GMF 12011)**

Lead applicant: City of Beaconsfield

Total project value: \$239,700

GMF grant: \$113,850

Feasibility Study for the Construction of a Multi-Purpose Sports Centre (GMF 12013)

Lead applicant: City of Beaupré

Total project value: \$420,090

GMF grant: \$175,000

Feasibility Study for the Construction of a City Hall (GMF 12015)

Lead applicant: City of Beaupré

Total project value: \$234,500

GMF grant: \$112,475

Green and Lively Multifunctional Sports Complex, Saint-Laurent Borough (GMF 12018)

Lead applicant: City of Montréal - Saint-Laurent Borough

Total project value: \$39,842,800

GMF loan: \$11,000,000

Sai IPC Site Risk Assessment, Phase 2 Characterization Study and Concrete Analysis (GMF 12024)

Lead applicant: City of Saint-Jean-sur-Richelieu

Total project value: \$186,670

GMF grant: \$93,335

Sustainable Neighbourhood Development Project and Production of Renewable Energies (GMF 12025)

Lead applicant: City of Châteauguay

Total project value: \$2,620,150

GMF grant: \$175,000

District Energy System, Recovery of Waste Energy from an Incinerator, City of Québec (GMF 12036)

Lead applicant: City of Québec

Total project value: \$228,900

GMF grant: \$63,300

Claude-Béchar Building: Municipal Building with Multiple Sustainable Energy System, Kamouraska (GMF 12041)

Lead applicant: MRC of Kamouraska

Total project value: \$4,750,400

GMF loan: \$1,320,000

Ecocentre Development in the Gatineau Environnemental Industrial Park (GMF 12050)

Lead applicant: City of Gatineau

Total project value: \$3,170,780

GMF loan: \$2,534,223

Sustainable Development Plan of Saint-Mathieu-du-Parc (GMF 12051)

Lead applicant: Municipality of Saint-Mathieu-du-Parc

Total project value: \$50,000

GMF grant: \$15,000

Municipality of Saint-Ubalde - District Heating and Wood Pellet Plant (GMF 12057)

Lead applicant: Municipality of Saint-Ubalde

Total project value: \$1,139,600

GMF loan: \$701,000

Sustainable Water Management Study for Isolated Homes - Écoprêt Program, Township of Gore (GMF 12059)

Lead applicant: Township of Gore

Total project value: \$66,000

GMF grant: \$33,000

Study of Contaminated Site for the Construction of a Recreational Park in Malartic (GMF 12061)

Lead applicant: City of Malartic

Total project value: \$32,600

GMF grant: \$16,300

Régie Intermunicipale des Déchets de la Rouge - Studies of Waste Materials Inventory and Organic Materials Management (GMF 12063)

Lead applicant: Régie Intermunicipale des déchets de la Rouge

Total project value: \$60,390

GMF grant: \$28,845

Municipality of Sainte-Thérèse-de-la-Gatineau - Basic Sustainability Plan (GMF 12069)

Lead applicant: Municipality of Sainte-Thérèse-de-la-Gatineau

Total project value: \$18,350

GMF grant: \$7,425

Environnemental Site Assessment for the Remediation of a Municipal Site in Grenville (GMF 12072)

Lead applicant: Town of Grenville

Total project value: \$133,770

GMF grant: \$47,960

Photoremediation Field Test in an Urban Setting at the Monsabré Community Garden in Montréal (GMF 12073)

Lead applicant: Institut de recherche en biologie végétale

Total project value: \$456,680

GMF grant: \$153,340

Six Forestry Biomass District Heating Systems for the MRC of La Matapédia (GMF 12075)

Lead applicant: MRC de La Matapédia

Total project value: \$3,227,620

GMF loan: \$1,874,637

Reaching Net Zero Feasibility Study for the Maison Verte du 375e in Montréal (GMF 12085)

Lead applicant: City of Montréal - Arrondissement d'Ahuntsic-Cartierville

Total project value: \$67,000

GMF grant: \$33,000

Hubert Reeves Eco-campus: Phase 2 Environnemental Site Assessment, Surface Water Management and Community Energy Solutions (GMF 12090)

Lead applicant: Technoparc Montréal

Total project value: \$139,560

GMF grant: \$65,780

Phase 2 Environnemental Assessment of Tembec Former Sawmill in Taschereau (GMF 12091)

Lead applicant: Tembec Inc.

Total project value: \$64,900

GMF grant: \$32,450

Field Test at St-Michel Arena in Montréal: Rainwater Collection and Treatment for Ice Resurfacing (GMF 12095)

Lead applicant: City of Montréal, Villeray-Saint-Michel-Parc-Extension Borough

Total project value: \$450,880

GMF grant: \$175,000

NEW BRUNSWICK**Study of Community Recycling, Composting and District Energy Production, Kent County, NB (GMF 12047)**

Lead applicant: Regional Services Commission No. 6 (Kent)

Total project value: \$95,100

GMF grant: \$38,700

NOVA SCOTIA**Halifax Solar City (GMF 12028)**

Lead applicant: Halifax Regional Municipality

Total project value: \$8,779,250

GMF loan: \$6,000,000

Sydney-Westmount Passenger Ferry Feasibility Study (GMF 12048)

Lead applicant: Cape Breton Regional Municipality

Total project value: \$30,800

GMF grant: \$15,400

Petite Riviere Community Park - Remedial Action Plan (GMF 12030)

Lead applicant: Petite Riviere Community Park Association

Total project value: \$15,000

GMF grant: \$7,500

YUKON**Former Motorways Property Remediation and Revitalization Study, Whitehorse (GMF 12062)**

Lead applicant: City of Whitehorse

Total project value: \$75,000

GMF grant: \$25,850

APPENDIX E: ASSESSMENT AND APPROVAL PROCESS

Eligible GMF funding applications are assessed by the GMF Peer Review Committee against a set of assessment criteria established by GMF Council and approved by the FCM Board of Directors. The criteria, shown in [Tables E1–E3](#), are used to assess the expected sustainability performance, knowledge value, and management approach of each initiative, with an emphasis on anticipated environmental benefit.

The GMF Peer Review Committee is comprised of approximately 75 independent experts with specific environmental or financial expertise. The FCM Board of Directors selects all members of the committee. One-third of members are selected from a list (provided by the ministers of Natural Resources Canada and Environment Canada) of qualified candidates representing federal departments and organizations. The remaining members are selected through a call for applications. One-third are experts from municipal governments and one-third are experts from private-sector or non-governmental organizations. Members are appointed to the committee for a two-year term and may be reappointed for one or more two-year terms based on participation, turnover and the need for a balance of technical and financial expertise.

A minimum of two peer reviewers assess plan, study and test applications, for which the maximum funding available is \$175,000. A minimum of three peer reviewers assess capital project applications, where the funding request is typically greater than \$500,000.

After peer review assessment, applications are submitted for consideration at monthly GMF Council meetings. During this review, GMF Council considers a number of factors including the independent peer review score; GMF funding priorities as outlined in FCM's Funding Agreement with the Government of Canada; regional balance and innovation; and available funding.

In 2012–2013, a competitive approval process was introduced for capital project applications in the energy, transportation, waste and water sectors. These applications are compared against each other, and GMF Council recommends one or two of the most exceptional projects for funding. Applications that are not recommended through the competitive process can be deferred for future consideration for up to six months.

GMF Council recommends funding decisions to the FCM Board of Directors. The FCM Board applies due diligence in making final funding decisions.

Plans, feasibility studies and field tests

Table E1: Assessment criteria for plans

RATED CRITERIA	MAXIMUM SCORE
Sustainability approach	
Systems approach	20
Linkages to existing plans and policies	15
Sustainability considerations	15
Replication and knowledge sharing	
Innovation — beyond business as usual	10
Potential for broad application and lessons learned	10
Management and workplan	
Management capacity	10
Workplan	10
Budget	10
Total	100

Table E2: Assessment criteria for feasibility studies and field tests

RATED CRITERIA	MAXIMUM SCORE
Sustainability approach	
Environmental benefits	25
Systems approach	10
Linkages to existing plans and policies	10
Social and economic benefits	5
Replication and knowledge sharing	
Innovation — beyond business as usual	10
Potential for broad application and lessons learned	10
Management and workplan	
Management capacity	10
Workplan	10
Budget and cost-effectiveness	10
Total	100

Capital projects

Table E3: Assessment criteria for capital projects

RATED CRITERIA	MAXIMUM SCORE
Potential benefits	
Direct environmental benefits	10
Probability of environmental success	10
Other environmental considerations — impacts	10
Other environmental considerations — integration approach	10
Social benefits	10
Economic benefits	10
Total potential benefits	60
Knowledge value	
Innovation — beyond business as usual	10
Replication and knowledge sharing	10
Total knowledge value	20
Project management, public engagement and commitment	
Management	5
Risk management and timelines	10
Financing	5
Total project management potential	20
TOTAL	100

The funding objectives for the five GMF-funded sectors are to:

- Promote the redevelopment of **brownfield** sites and avoid “greenfield” development.
- Reduce **energy** consumption through projects that incorporate energy efficiency, energy production from residual or renewable sources, thermal energy transmission as well as net-zero technologies.
- Reduce fossil fuel consumption and emissions for **transportation** through projects that encourage modal shift away from single occupancy vehicles or that encourage fleet fuel efficiency or fleet fuel switching.
- Protect local **watersheds** through projects that promote water conservation, stormwater management, wastewater treatment and septic system management.
- Reduce **waste** being sent to landfill.

APPENDIX F: GMF COUNCIL MEMBERS



GMF Council members 2012–2013

Left to right: **Karen Nasmith** (private sector representative), **Lisa Dignard** (federal government representative), **Lloyd Hines** (municipal sector representative), **Alexander S. Wood** (private sector representative), **Nirmalendu Bhattacharya** (private sector member), **Lise Burcher** (municipal sector representative), **Emilio Imbriglio** (private sector representative), **Michel Morin**, vice-chair (municipal sector member), **Raymond Louie**, chair (municipal sector member) **Mark Heyck**, vice-chair (municipal sector representative), **Javier Gracia-Garza** (federal government representative), **Andrew Bowerbank** (private sector representative), **Sylvestre Fink**, (federal government representative), **Carol Buckley** (federal government representative).

Absent: Dr. Gilles Jean (federal government representative), Philippe Morel (federal government representative), Sonya Read (federal government representative).

Current members

***as of March 31, 2013**

Current members appointed by the FCM Board of Directors

Councillor Raymond Louie, Chair
City of Vancouver, British Columbia
Appointed January 2012

Councillor Lise Burcher
City of Guelph, Ontario
Appointed September 2008

Mayor Michel Morin, Vice-Chair
Ville de Rivière-du-Loup, Québec
Appointed November 2009

Warden Lloyd Hines
Union of Nova Scotia Municipalities
Appointed December 2008

Mayor Mark Heyck, Vice-Chair
City of Yellowknife, Northwest Territories
Appointed August 2007

Current members representing the federal government

Carol Buckley, Director General
Office of Energy Efficiency
Energy Sector
Natural Resources Canada
Appointed October 2006

Alternate
Claude Lefrançois, Senior Chief
Communities, Housing Division
Office of Energy Efficiency
Energy Sector
Natural Resources Canada
Appointed September 2012

Dr. Gilles Jean, Director General
Varennes Research Centre – CanmetENERGY
Innovation and Energy Technology Centre
Natural Resources Canada
Appointed September 2012
Appointed as Alternate August 2004

Alternate
Dr. Lisa Dignard, Director
Integration of Renewable and Distributed Energy
Resources Program
Varennes Research Centre – CanmetENERGY
Innovation and Energy Technology Centre
Natural Resources Canada
Appointed September 2012

Philippe Morel, Regional Director General
Atlantic and Quebec Regions
Environment Canada
Appointed March 2012
Appointed as Alternate November 2010

Alternate
Paul Kluckner, Regional Director
West and North Region
Environment Canada
Appointed March 2012

Dr. Javier Gracia-Garza, Director General
Science and Technology Strategies
Environment Canada
Appointed August 2008
Appointed as Alternate November 2007

Alternate
Dr. Charles Lin, Director General
Atmospheric Science and Technology Directorate
Environment Canada
Appointed March 2012

Sonya Read, Director
Policy and Communications
Environmental Initiatives
Infrastructure Canada
Appointed September 2012

Alternate
Sylvestre Fink, Senior Policy Analyst
Policy and Communications
Environmental Initiatives
Infrastructure Canada
Appointed September 2012

Current members representing the private and academic sectors

Andrew Bowerbank, Special Advisor
Principal, The Innovation Fund
Appointed January 2012

Karen Nasmith, Managing Director, Co-Founder
Project Neutral
Appointed January 2012

Nirmalendu Bhattacharya, P.Eng., MCIP
Professional Engineer and Planner
Appointed January 2012

Alexander Wood, Senior Director
Policy and Markets, Sustainable Prosperity
Appointed January 2012

Emilio Imbriglio, Partner and Chairman of the Board
Raymond Chabot Grant Thornton
Appointed January 2012

Former members

Former members appointed by the FCM Board of Directors

Councillor Karen Leibovici, Chair
City of Edmonton, Alberta
Served 2007–2012

Councillor Ann Bourget
City of Québec, Québec
Served 2003–2006

Mayor Jean Perras, Vice-Chair
Municipality of Chelsea, Québec
Served 2007–2010

Councillor Bill Mara
City of Windsor, Ontario
Served 2001–2003

Councillor Marguerite Ceschi-Smith, Vice-Chair
City of Brantford, Ontario
Served 2007–2008

Deputy Mayor Ken Friesen
Town of Steinbach, Manitoba
Served 2000–2002

Councillor Sheila Fougere
City of Halifax, Nova Scotia
Served 2007–2008

Mayor Gilles Vaillancourt
Vice-President and Vice-Chair
City of Laval, Québec
Served 2000–2002

Mayor Sam Synard, Chair
Town of Marystown, Newfoundland and Labrador
Served 2000–2007

Alderman Bob Charters
City of Hamilton, Ontario
Served in 2000

Councillor Patricia A. Wallace, Vice-Chair
Past President and Vice-Chair
Union of British Columbia Municipalities
Served 2000–2007

Mayor Doug Archer
City of Regina, Saskatchewan
Served in 2000

Councillor Ken Lesniak, Vice-Chair
(appointed Chair in 2007)
Strathcona County, Alberta
Served 2002–2007

Former members representing the federal government

John Marrone, Director General
Ottawa Research Centre
CanmetENERGY
Innovation and Energy Technology Sector
Natural Resources Canada
Served 2010-2012

Kevin Lee (Alternate), Director, Housing Division
Office of Energy Efficiency
Natural Resources Canada
Served 2010-2012

Randall Meades, Director General
Public and Resources Sectors
Environment Canada
Served 2009–2012

Catherine Higgins, Director General
Environmental Programs
Transport Canada
Served 2008–2011
Served as Alternate in 2007

Dr. Daniel Lebel, (Alternate) Regional Director General,
Atlantic Region, Environment Canada
Served 2010–2011

Jim Vollmershausen, Regional Director General
Environment Canada – Ontario
Served in 2010

Philip Jago, (Alternate) Director
Office of Energy Efficiency Buildings Division
Natural Resources Canada
Served 2008–2010

Linda Savoie, (Alternate)
Director, Environmental Initiatives
Environmental Affairs
Transport Canada
Served 2008–2010

Jim Abraham, Regional Director General
Environment Canada – Atlantic
Served 2007–2010

Maria Dober, (Alternate)
Manager, Sydney Tar Ponds
Environmental Protection Operations Division
Environmental Stewardship Branch
Environment Canada – Atlantic
Served 2008–2010

Anne O’Toole, Director General
Public and Resources Sectors
Environment Canada
Served 2007–2008

Guylaine Roy, Director General Special Projects
Policy Group
Transport Canada
Served in 2007

Anne Auger (Alternate), Director
Office of Energy Efficiency
Energy Technology and Programs Sector
Natural Resources Canada
Served 2005–2007

Shirley Anne Scharf (Alternate)
Technology and Industry Branch
Environment Canada
Served 2005–2007

David MacIsaac (Alternate), Acting Director
Environmental Initiatives, Transport Canada
Served in 2006

Robert Lyman, Director General
Environmental Affairs, Transport Canada
Served 2002–2006

Neil MacLeod, General Director
Office of Energy Efficiency, Energy Sector
Natural Resources Canada
Served 2000–2006

Margaret Kenny, Director General
Environmental Technology Advancement Directorate
Environment Canada
Served in 2005

Gordon Owen, Director General
Air Pollution Prevention Directorate
Environmental Protection Service, Environment Canada
Served 2003–2005

Garth Bangay, Regional Director General
Atlantic Region, Environment Canada
Served in 2002–2005

Bryan Cook, Director General
CANMET-Energy Technology Branch
Natural Resources Canada
Served 2000–2004

David Thornton, Acting Director General
Environmental Technology Advancement Directorate
Environment Canada
Served 2000–2003

Phil Kurys, Acting Director General
Environmental Affairs, Transport Canada
Served in 2002

Nancy Schepers, Director General
Environmental Affairs, Transport Canada
Served 2001–2002

Jean-Pierre Gauthier, Director General
Québec Region, Environment Canada
Served 2000–2002

John Forster, Director General
Environmental Affairs, Transport Canada
Served 2000–2001

Former members representing the private and academic sectors

Philippe Dunsky, President
Dunsky Energy Consulting
Served 2002–2012

James R. Craven, Municipal Financial Analyst
James Craven & Associates
Served 2003–2012

Eva Ligeti, L.L.B., L.L.M., Executive Director
Clean Air Partnership
Served 2005–2012

Michael Roschlau
President and Chief Executive Officer
Canadian Urban Transit Association
Served 2007–2012

Tammy Lomas-Jylhä, Vice-President
Sustainable Remediation and Brownfield Services
OCETA (now the Bloom Centre for Sustainability)
Served 2005–2011

Dave Reynolds, President
Discovery Environmental Consulting Ltd.
Served 2005–2006

Stephanie Foster, Executive Director
Centre for Environment and Sustainability, Upper Canada
College
Vice-President, CH2M HILL Canada
Served 2002–2005

Dennis Bevington
Stand Alone Energy Systems
Served 2000–2005

Beth Johnson
Beth Johnson Consulting
Served 2000–2005

Mark Gilbert, PhD, Chief Executive Officer
Nova Scotia Municipal Finance Corporation
Served 2002–2003

Professor Raymond Côté
School for Resource and Environmental Studies
Faculty of Management, Dalhousie University
Served 2000–2002

Nick Sonntag, President
CH2M Gore and Storrie Limited, and
President, CH2M HILL Canada Limited
Served 2000–2002

APPENDIX G: KNOWLEDGE RESOURCES

FCM produced over 30 GMF case studies, 14 webinars and a number of other educational resources in 2012–2013. Electronic copies of these knowledge resources were distributed by email to GMF subscribers and partner organizations. Print copies were distributed at relevant conferences and mailed on request to various municipal recipients. [See our knowledge resources](#) on the FCM website.

Case studies

The following [case studies](#) were published in 2012–2013:

BRITISH COLUMBIA

District uses its waterworks for hydroelectricity
District of Lake Country (GMF 9165)

Prince Rupert lays groundwork for sewage plan
City of Prince Rupert (GMF 9436)

Study tests two inexpensive landfill solutions
Thompson-Nicola Regional District (GMF 9690)

Door-to-door campaign spurs backyard composting
Township of Langley (GMF 10127)

ALBERTA

Genuine Wealth model aims for genuine progress
City of Leduc (GMF 5707)

Plant converts manure into energy
Town of Vegreville, Town of Two Hills, County of Two Hills (GMF 1483)

Plan sets targets for sustainable growth
City of Fort Saskatchewan (GMF 10016)

SASKATCHEWAN

Town aims to grow but preserve way of life
Town of Hafford (GMF 10021)

MANITOBA

Study clears way for sewer system improvements
Town of Ste. Anne (GMF 9696)

ONTARIO

Environmental tests clear way for green development
City of Toronto (GMF 9064)

Strategy calls for coordinated recycling plans
Regional Municipality of York (GMF 9087)

Testing the winds in Waterloo
City of Waterloo (GMF 9413)

Lakeside vision fuels tourist, economic hopes
City of Dryden (GMF 9675)

Toronto Public Library makes new moves to save energy
City of Toronto (GMF 9723)

Town examines the feasibility of wind power
Town of Richmond Hill (GMF 7200)

Library aims for LEED silver
Town of Halton Hills (GMF 10381)

Financial incentives key to cleanup plan
City of Port Colborne (GMF 9302)

Splash pad design saves on water
Town of Richmond Hill (GMF 9729)

Police college achieves LEED silver
City of Toronto (GMF 10084)

QUEBEC

River is healthy — for now, study finds
Town of Mont-Tremblant (GMF 5604)

Farm co-composting part of organic waste study
RCM of Kamouraska (GMF 7100)

Four-pronged plan diverts more waste from landfill
RCM of Rouville (GMF 7128)

New kind of eco-centre would recover industrial waste
City of Montréal (GMF 7142)

A coherent plan for a green neighbourhood
City of Terrebonne (GMF 7311)

Town evaluates cleanup for two brownfield sites
City of Malartic (GMF 9067)

Study proposes list of energy-efficiency measures
City of Sorel-Tracy (GMF 9765)

A hydrogen-powered demonstration project
City of Trois-Rivières (GMF 9772)

Town of 800 creates sustainable development plan
Municipality of St-Honoré-de-Témiscouata (GMF
10119)

Local Agenda 21 a community effort
Municipality of St-Colomban (GMF 10150)

City decontaminates Ivaco plant site
City of Trois-Rivières (GMF 10177)

Study confirms contaminants on brownfield site
Quebec City (GMF 10218)

NEW BRUNSWICK

Small town plans for the long term
Town of Hampton (GMF 10190)

NEWFOUNDLAND AND LABRADOR

City works on water quality and conversation
City of Corner Brook (GMF 9468)

YUKON

Making use of district heat in the Yukon
Town of Watson Lake (GMF 9385)

2013 SUSTAINABLE COMMUNITIES AWARDS CASE STUDIES

*Funded by GMF

BROWNFIELDS — Plans

City of Greater Sudbury, Ontario

[Brownfield Strategy and Community Improvement Plan*](#)

BROWNFIELDS — Projects

City of Kingston, Ontario

[Belle Park Specialty Tree Planting and Associated Landscaping Project](#)

ENERGY — Plans

City of Kelowna, British Columbia

[Community Climate Action Plan and Corporate Energy and GHG Emissions Plan*](#)

ENERGY — Projects (Co-winner 1)

Capital Regional District, British Columbia

[Renewable Energy Heat Recovery Project City of Montréal, Quebec](#)

ENERGY — Projects (Co-winner 2)

City of Summerside, Prince Edward Island

[Wind Farm and Smart Grid Pilot Program*](#)

NEIGHBOURHOOD DEVELOPMENT

Town of Qualicum Beach, British Columbia

[Qualicum Beach Sustainability Plan*](#)

TRANSPORTATION (Co-winner 1)

City of Red Deer, Alberta

[Commuter Bike Pilot Project](#)

TRANSPORTATION (Co-winner 2)

City of Toronto, Ontario, and the Toronto Transit Commission

[Creating a Better Victoria Park Terminal](#)

WASTE (Co-winner 1)

Town of Vegreville, Alberta

[Vegreville Residential Compost Program](#)

WASTE (Co-winner 2)

City of Yellowknife, Northwest Territories, and Ecology North

[Centralized Composting Pilot Project](#)

WATER (Co-winner 1)

City of Yorkton, Saskatchewan

[Water Treatment Plant and Logan Green Water Management System*](#)

WATER (Co-winner 2)

City of Waterloo, Ontario

[GreenLab RIM Park — Rainwater Harvesting and Reuse System](#)

Webinars

*Offered in English

**Offered in French

IN PARTNERSHIP WITH FQM

Municipal biomass valorization projects in Quebec**

June 14, 2012 – 60 participants

[Municipal Energy Efficiency and GHG Reductions with AQME and the City of Châteauguay](#)**

September 12, 2012 – 62 participants

[Urbanova — Terrebonne’s Integrated Sustainable Neighbourhood Development Project](#)**

February 20, 2013 – 80 participants

CREATING HEALTHY, SUSTAINABLE COMMUNITIES (IN PARTNERSHIP WITH THE HEART AND STROKE FOUNDATION)

[The Health Case for Active Transportation and Smart Growth](#)*

September 11, 2012 – 75 participants

[Integrating Health into Sustainable Community Planning](#)*

September 20, 2012 – 88 participants

[Fostering Healthy Communities through Active Transportation](#)*

September 27, 2012 – 76 participants

LEADING TRENDS IN MUNICIPAL SUSTAINABILITY

[Tackling Waste Diversion Challenges](#)*

October 18, 2012 – 80 participants

[Sustainability in Northern and Remote Communities](#)*

December 14, 2012 – 66 participants

[Turning the Tide — Municipal Leadership in Water Management](#)*

January 31, 2013 – 95 participants

[Shifting Gears — The Road to Sustainable Transportation](#)*

March 1, 2013 – 103 participants

BROWNFIELD BOOTCAMP

[Integrated Brownfield Projects — Sustainable Beyond Remediation](#)*

November 22, 2012 – 89 participants

[Liability or Opportunity? Strengthening Local Economies through Brownfield Redevelopment](#)

Mar. 28, 2013 – 104 participants

PARTNERS FOR CLIMATE PROTECTION PROGRAM RESOURCES**Webinars**

[And the Survey Says](#)

July 19, 2012 – 64 participants

[You Can't Manage What You Can't Measure](#)

December 6, 2012 – 51 participants

Case Study Series: Greenhouse Gas Reduction Initiative of the Month

[Laval's City Hall Retrofit](#)

[Yellowknife's Biomass boiler district energy system](#)

[Markham's Solar Photovoltaic System Municipal Profiles](#)

[Banff's Municipal Sustainable Building Policy](#)

[Kamloops Boiler Upgrades](#)

[Ritchot, Manitoba's Ile des Chenes Arena Geothermal System](#)

[Halifax's Mini-Hybrid Bus System](#)

[City of Nanaimo and Regional District of Nanaimo: Electric Vehicles](#)

[Saskatoon's Solar Hot Water Installations](#)

[District of Mission's "Rot Pot" Curbside Food-Waste Program](#)

[Halifax Streetlight-Conversion Program](#)

[Thompson's Energy-Efficient Furnace-Replacement Rebate Municipal](#)

Other PCP resources

[Creating a Change in Climate through Local Action](#))

[National Measures Report 2011](#)

PCP Milestone Tool (modules 1 and 2) and Canadian protocol supplement.

OTHER GMF RESOURCES

[Passing Go: Moving Beyond the Plan](#)

FCM Green E-newsletter (four editions)