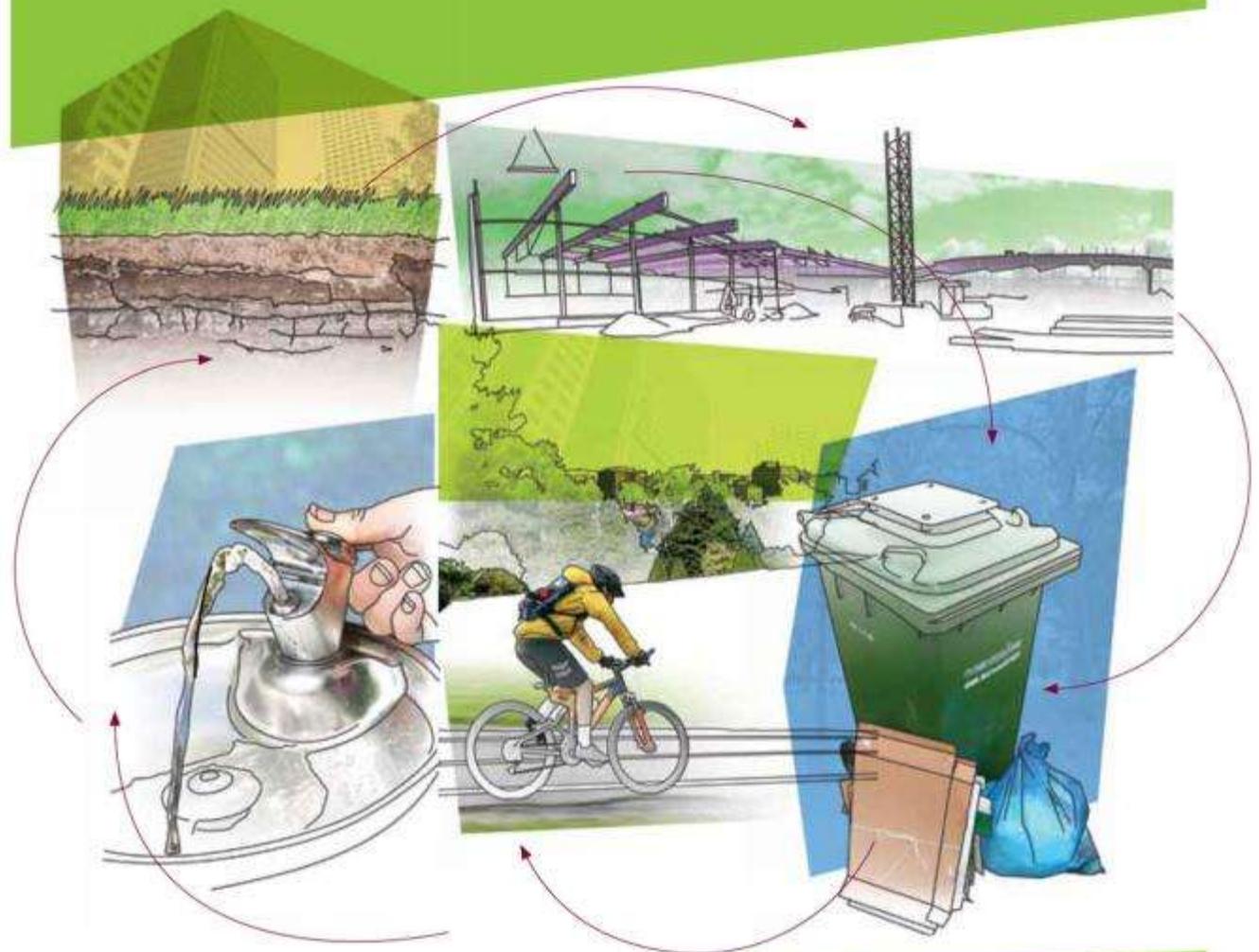


# GREEN MUNICIPAL FUND

ANNUAL REPORT  
2013-2014



*Green Municipal Fund Annual Report 2013–2014*  
(April 1, 2013, to March 31, 2014)

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Ottawa, Ontario K1N 5P3  
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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 Greg Rickford, P.C., M.P.

Dear Ministers:

We are pleased to submit the *Green Municipal Fund Annual Report 2013–2014*, covering the period from April 1, 2013, to March 31, 2014.

The Government of Canada endowed the Federation of Canadian Municipalities (FCM) with \$550 million to establish the Green Municipal Fund™ (GMF). Through GMF, FCM is enabling leading municipalities — of all sizes and in all parts of the country — to deliver more value for Canadians by becoming more environmentally, economically and socially sustainable.

In 2013–2014, FCM awarded GMF loans and grants to support 60 initiatives representing \$3.7 million in grants for 49 plans, feasibility studies and field tests, and more than \$48 million in below-market loans and \$5.4 million in grants for 11 capital projects. The capital projects approved this year alone have the potential to:

- Reduce annual greenhouse gas (GHG) emissions by more than 75,000 tonnes per year.
- Reduce air contaminant (criteria air contaminants or CACs) emissions by nearly 100,000 kilograms per year.
- Treat close to 1.2 million cubic metres of water per year.
- Reduce water consumption by almost 17,000 cubic metres annually.

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.

The environmental benefits of these GMF-supported initiatives often go hand-in-hand with economic and social benefits such as improved financial health for municipalities due to reduced operating and maintenance costs; an increased sense of civic pride; greater appeal for business investment, local economic stimulus and support for job creation; better community services; and improved public health.

Since 2000, FCM has committed to provide \$735 million to support 1,040 green initiatives in 495 communities across Canada. Of the 1,000-plus initiatives funded to date, 180 have been capital projects, which are expected to generate over \$3.7 billion in economic activity in 134 communities.

FCM merges the unique GMF program structure with a public policy mandate to support innovation in communities — a priority it shares with the federal government. Because GMF is delivered through FCM, the Fund is uniquely tailored to suit municipal sector needs. Working creatively with municipalities and their partners, FCM positions GMF to fill crucial funding gaps that often make the difference between a project proceeding or not.

This year also saw a greater focus on meeting private-sector funding needs, working in partnership with municipal governments, with the dual aim of addressing inherent financing gaps in the private sector and of meeting the Funding Agreement requirement that at least 15 per cent of outstanding loans are held by borrowers other than municipal governments.

As well, GMF is the only infrastructure fund that is specifically mandated to incorporate knowledge-sharing and capacity-building activities so that municipalities are well equipped to undertake sustainability initiatives. This integrated approach ensures that best practices and lessons learned from innovative sustainability projects are shared broadly across the municipal sector; inspiring greater uptake of proven ideas, technologies and systems.

Complementing these funding commitments and priorities is FCM's wide range of GMF capacity building and knowledge services. For example, the 2014 FCM Sustainable Communities Conference engaged more than 400 national and international experts and decision makers in historic Charlottetown, PE; the Sustainable Communities Awards Program offered national recognition for nine projects (selected from dozens of applicants) that achieve environmental, economical, and social benefits; the Partners for Climate Protection Program now supports over 250 members, including 20 municipalities that have worked through the five-milestone program to build a more sustainable future; and FCM has published over 950 GMF resources to date.

The municipal sector is the heart of FCM's business. As part of this mandate, FCM ensures that GMF remains relevant and in tune with needs on the ground. This year in particular, FCM has conducted extensive consultation activities and the message from Canadian municipalities is that they want to think bigger. Through this successful partnership between FCM and the federal government, GMF stands alone in Canada as a revolving, evergreen fund that is uniquely positioned to help them achieve their goals.

Yours sincerely,



Brad Woodside  
President, Federation of Canadian Municipalities



Raymond Louie  
Chair, Green Municipal Fund Council

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## FCM's GREEN MUNICIPAL FUND

### Our mandate

The Government of Canada endowed the Federation of Canadian Municipalities (FCM) with \$550 million to establish the Green Municipal Fund™ (GMF). Created in 2000, this unique program supports partnerships and leveraging of both public and private-sector funding to reach higher standards of air, water and soil quality, and climate protection.

Through GMF, FCM is enabling leading municipalities to deliver more value for Canadians by minimizing environmental costs and maximizing the environmental and operational performance of assets. This long-term, sustainable source of financing and knowledge continues to help local governments — of all sizes, in all parts of the country — to become more environmentally, economically and socially sustainable. And FCM has sustained this success with no new federal investments since 2005.

Representing more than 90 per cent of Canada's population, and with more than 2,000 member municipalities, FCM is uniquely positioned to deliver GMF. FCM serves as the "eyes and ears on the ground", working with tremendous knowledge of the municipal sector. It connects directly with community leaders and elected officials, helps them to discover sustainability options that could work locally, and inspires them with compelling case studies from across the country. It collaborates with decision-makers, municipal staff and their project partners to support planning initiatives, assess opportunities, help resolve local, site-specific challenges, and implement projects.

#### WHO WE ARE

The Federation of Canadian Municipalities has been the national voice of municipal governments since 1901. With our broad membership network, we foster the development of sustainable communities to improve quality of life by promoting strong, effective, and accountable municipal government.

# Our impact

Supported by GMF, municipalities have constructed energy-efficient and resilient buildings that are better equipped to withstand the challenges of a changing climate. They have diverted waste from landfills; built better transportation assets; 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.



Each year, GMF provides grants and low-interest loans for municipal plans, studies, tests and capital projects; as well as knowledge services so that municipal staff and partners can strengthen their capacity to undertake environmental initiatives.

The environmental benefits of these GMF-supported initiatives, including infrastructure projects, often come hand-in-hand with economic and social benefits. The most common non-environmental project outcomes reported in recent years include:

- Improved financial health for municipalities due to reduced operating and maintenance costs
- Increased sense of civic pride
- Greater appeal for business investment, local economic stimulus and support for job creation
- Better community services
- Improved public health

Since 2000, GMF has funded 180 capital projects in the brownfield, energy, transportation, waste and water sectors. Fifty-three of these projects have reported annual energy savings of about 360,000 gigajoules — enough energy to heat 3,900 homes for a year. This represents energy cost savings of approximately \$10.2 million per year.

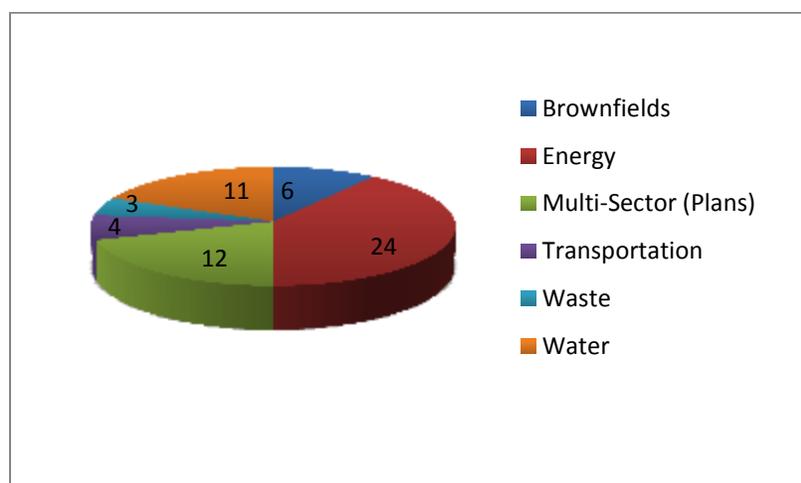
## 2013–2014 highlights

In 2013–2014, FCM awarded GMF loans and grants to support 60 initiatives; representing \$3.7 million in grants for 49 plans, feasibility studies and field tests, and more than \$48 million in below-market loans and \$5.4 million in grants for 11 capital projects. These initiatives cut across all environmental sectors as illustrated in Figure 1-1.

The capital projects approved this year alone have the potential to:

- Reduce annual greenhouse gas (GHG) emissions by more than 75,000 tonnes per year.
- Reduce air contaminant (criteria air contaminants or CACs) emissions by nearly 100,000 kilograms per year.
- Treat close to 1.2 million cubic metres of water per year.
- Reduce water consumption by almost 17,000 cubic metres annually.

**Figure 1-1. All initiatives approved in 2013–2014 by funding sector**



The extensive GMF project portfolio also shows that rural and remote communities can be just as innovative as larger urban centres. Among the capital projects approved in 2013–2014, approximately half are from communities with populations under 10,000. Nearly one third of all approvals this year for plans, studies and tests, were granted to municipalities of less than 10,000. Refer to Section 2: Funding for more details on GMF funding, targets and processes.

Complementing these funding commitments are FCM’s wide range of capacity building activities. In 2013–2014, FCM held many learning events, including the annual FCM Sustainable Communities Conference, training workshops, interactive webinars and peer learning sessions. Knowledge gained through GMF-funded projects has also been shared through publications, including case studies, videos, newsletters, website materials, and through FCM’s social media networks.

## Raising the bar on sustainable development

All developments and all infrastructure can be more environmentally high-performing; enhanced to deliver social value at lower overall cost. In many respects, the most important contribution FCM



With GMF support, the municipal sector is demonstrating that on-the-ground green innovations are part of the solution for fighting Canada’s infrastructure deficit. GMF projects aren’t simply “patching the sink holes” but improving projects and changing practices at the local level, as applicants have reported:

*“Working with the GMF made us raise the bar on our project — it forced us to consider aspects of the (district energy) system that were not part of the initial design. Implementing these improvements made our project stronger overall, whether or not we received funding.”*

— **Pat Deakin, City of Port Alberni, BC**

makes through GMF is support for municipalities as they push their limits to strive for greater sustainability. Competition for GMF capital project funding encourages cities and communities to innovate, while spurring them to aim higher on environmental objectives. Communities whose individual projects succeed are well positioned to pursue larger, more integrated environmental initiatives. These successful projects also change the perception of what is possible and establish the business case for bigger thinking as local governments plan into the future.



The Town of Picton's new wastewater treatment plant meets a range of environmental performance objectives  
Photo: Town of Picton

The Town of Picton, ON, and the City of Cranbrook, BC, which both reported results of their GMF-funded wastewater projects<sup>1</sup> in 2013–2014, are great examples of this. These municipalities not only achieved their wastewater objectives but leveraged GMF support to meet several other related objectives: reduced water consumption; reduced demand on the facility due to inflow and infiltration; and, ultimately, extended system life. Both communities created triple-bottom-line results: environmental value, through new treatment facilities that discharge cleaner effluent; economic value, through operational efficiencies and delayed future capital spending; and social value, through community education on water conservation.

*“Working with FCM’s Green Municipal Fund was a terrific experience and we learned a great deal along the way. From helping us to prepare our funding application, getting it ready for peer review, and throughout the application and review process we benefited from staff expertise and guidance every step of the way. The process was so thorough that it allowed the City of Cranbrook not only to make a successful application to GMF, but to apply what we learned in developing other successful grant applications.”*

— **Maryse Leroux, City of Cranbrook, BC**

The Partners for Climate Protection (PCP) program, a partnership between FCM (through GMF) and ICLEI – Local Governments for Sustainability, is another example of how GMF is helping communities reach new heights. The PCP program, now in its 20<sup>th</sup> year, counts over 250 member municipalities, and serves as a network for sharing knowledge and tools that enable leadership on climate change mitigation and adaptation. Communities seeking to become climate change leaders have accomplished their goals using PCP’s milestone framework — a five-step process to reduce GHG emissions generated from corporate and community activities. Through PCP, FCM has delivered workshops and training on assessing climate-related infrastructure risks — a key priority for municipalities. The PCP National Measures Report database (created in 2008) has grown to contain over 800 GHG reduction projects, more than \$2.3 billion in investments by local governments, and over 1.8 million tonnes in GHG reductions. Many communities have received GMF funding for plans, studies or projects that align with their PCP goals.

<sup>1</sup> The City of Cranbrook and the Town of Picton projects were approved in 2010.

With guidance acquired through PCP and GMF:

- The City of Yellowknife, NT, exceeded its corporate GHG reduction goal (20 per cent) by 18 per cent.
- The Corporation of Delta, BC, is halfway to meeting its target to reduce GHG emissions by 20 per cent by 2015 (relative to 2007 levels).
- The City of Calgary, AB, has a green power contract that will avoid 6.5 million tonnes of GHG emissions annually.



The City of Yellowknife's Ruth Inch Memorial Pool is heated with biomass-powered district heating.  
Photo: City of Yellowknife

Canadians across the country reap the benefits of innovation that GMF is able to catalyze through both its funding and knowledge activities.

In 2013–2014, FCM approved funding for two new municipal green building projects:



The City of Varennes is constructing a new library designed to produce as much energy as it consumes.  
Photo: City of Varennes

- The City of Varennes, QC: a new library building will reduce energy use by 78 per cent compared to the model national energy code for buildings (1997), and aims to achieve net-zero energy consumption.
- The City of Iqaluit, NU: a new Aquatic Centre has been designed to reduce energy use by 72 per cent compared to the building code and will incorporate features to adapt to variations in the permafrost resulting from a changing climate.

## Supporting plans and studies geared for future prosperity

GMF support for early-stage phases of green initiatives allows municipalities to explore and assess innovative ideas, and build their business cases so that their plans and studies can eventually blossom into larger capital projects.

An example of this early-stage support is a field test by the City of Sainte-Julie, QC. According to current municipal regulations, parking lots must be paved with impermeable materials; however, this puts severe pressure on the storm sewer system and receiving environments. This field test will assess materials and designs for a system to maximize stormwater infiltration in a parking lot and a driveway in the city's downtown. Sainte-Julie hopes to show the benefits of permeable paving, with the goal of amending municipal bylaws to support this approach.

The GMF peer review of this project application in 2013–2014 noted: "Even though the project seems small and local in scope, the resulting information will have sweeping consequences. The results will be useful for guiding municipal parking regulations and will be worthwhile for any green runoff management project in Quebec and Canada because the components tested are not often considered in larger projects, even though they are key elements for success."

# Our unique model

GMF stands alone in Canada as a revolving, evergreen fund; providing loans and grants on a continuous basis without the need for budgetary replenishment from the federal government. FCM merges its unique GMF program structure with a public policy mandate to support innovation in communities — a priority it shares with the federal government. Because GMF is delivered through FCM, the Fund is uniquely tailored to suit municipal sector needs.

The Fund also offers a much needed source of flexible financial partnering, supporting communities and their stakeholders from the earliest stage of development, to project completion and follow-up, sharing successes and lessons learned. In short, FCM bridges and reconciles the divergent agendas of municipalities and other sustainability stakeholders. This uniqueness gives rise to significant and enduring benefits for both municipal and the federal government, helping them achieve — and even exceed — common objectives for sustainable municipal infrastructure. Through GMF, FCM delivers programming that aligns with federal, provincial and territorial priorities for public-private partnering, capital leveraging and risk sharing.

*“As a result of GMF financing, the Town of Sackville will save about \$1.65 million over 20 years (or about \$76,000 per year) on construction of its Town Hall and Emergency Response Services Building. That \$76,000 translates into a tax rate savings to taxpayers of \$0.015 per \$100 of assessment each year. These savings are attributed to a couple of factors, one being that under the GMF loan scenario, the town is paying off more principal in the earlier years and less in the later years, so interest payments on outstanding debt are lower than if borrowed from the New Brunswick Municipal Finance Corporation.”*

— **Michael Beal, Town of Sackville, NB**

## Filling a critical gap

GMF is a small fund with big impacts. While GMF has relatively limited resources compared to other infrastructure funding programs, FCM understands that an important part of the value of GMF lies in its ability to leverage funding to increase the risk appetite among other public and private-sector players; from provincial and federal funding agencies to equity investors and commercial banks. Working creatively with municipalities and their partners, FCM positions GMF to fill crucial funding gaps that often make the difference between a project proceeding or not.

An area where this has proved particularly beneficial is in funding brownfield remediation projects, which are challenging to finance but key to revitalization in many communities across Canada that have industrial legacies.

## Mobilizing knowledge

GMF is the only infrastructure fund that is specifically mandated to incorporate knowledge sharing and capacity building activities so that municipalities are equipped to undertake sustainability initiatives. As per the Funding Agreement, FCM shares knowledge from GMF-funded initiatives to encourage broad application and uptake across the municipal sector. This commitment to mobilizing knowledge is realized through a range of program activities, publications and events.

For example, FCM recently created the Brownfield Bootcamp Peer Learning Pilot Program for municipal staff members who have demonstrated leadership in the brownfield sector. It helps them acquire the knowledge and develop the skills to become effective facilitators of brownfield redevelopment in their municipalities. Participants from 10 municipalities worked together to pinpoint barriers to redevelopment and, with the help of experts and FCM staff, identify appropriate solutions. The 10-month pilot phase ran from June 2013 until March 2014 and a second, expanded phase is planned for 2014–2015.



Participants at a FCM's brownfield peer learning session held in Toronto in October 2013

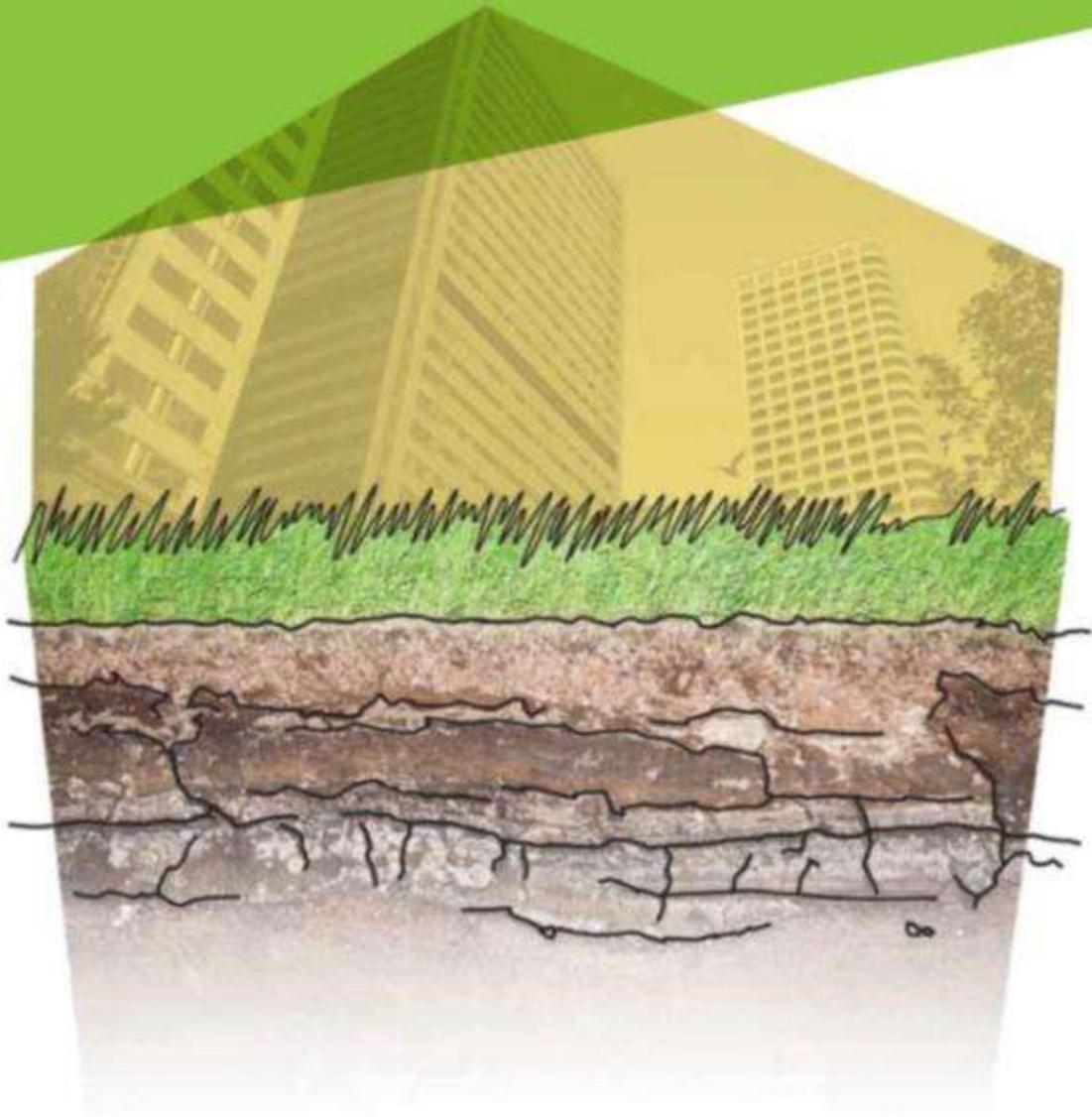
## Understanding the municipal sector

The municipal sector is the heart of FCM's business. As part of this mandate, FCM ensures that GMF remains relevant and in tune with needs on the ground. This year in particular, FCM has conducted extensive GMF consultation activities, involving more than 100 municipal practitioners. Consultations took place in dedicated sessions at the 2013 FCM Annual Conference and the 2014 Sustainable Communities Conference (SCC), as well as two full-day in-person consultations in Ottawa, and a special web-based consultation with municipal sustainability coordinators and directors from Ontario. This research informed the development of the GMF Three-Year Plan 2014–2017, and provided recommendations to lay the foundation for future knowledge and funding services.

The message from Canadian municipalities over the past year is that they want to think bigger. They want triple-bottom-line outcomes that respond to citizens' concerns, that deliver value for money and protect the environment. They want help to make core infrastructure better in terms of environmental performance, and they want to work with other leading Canadian municipalities through peer networks to make this happen.

The next step is to help them achieve these things, and FCM will make certain that GMF is positioned to do so, through the successful launch of its new funding and knowledge programming in 2014–2015.

# FUNDING



# Funding for municipalities and their partners

Through GMF, FCM provides below-market loans and grants 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 projects. GMF funding is allocated in five sectors of municipal activity: brownfields, energy, transportation, waste and water.

As set out in the Annual Statement of Plans and Objectives (ASPO) 2013–2014, FCM sought to achieve the following GMF funding commitment targets:

- Plans, studies and tests — \$6 million in grants
- Capital projects — \$65 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
  - \$20 million in loans for the brownfield sector

## Funding overview

INITIATIVE		ELIGIBILITY	FUNDING	APPROVED FUNDING IN 2013–2014
GRANTS	PLANS	<ul style="list-style-type: none"> <li>• GHG reduction plans</li> <li>• Sustainable neighbourhood action plans</li> <li>• Community brownfield action plans</li> </ul>	<ul style="list-style-type: none"> <li>• Up to 50% of eligible costs to a maximum \$175,000</li> </ul>	 <b>49 initiatives</b> <b>\$ 3.7 million</b>
	STUDIES AND TESTS	<ul style="list-style-type: none"> <li>• Feasibility studies aligned with eligible capital projects</li> <li>• Field tests aligned with eligible capital projects</li> </ul>	<ul style="list-style-type: none"> <li>• Up to 50% of eligible costs to a maximum of \$175,000</li> </ul>	
LOANS and GRANTS	CAPITAL PROJECTS Energy	<ul style="list-style-type: none"> <li>• Energy-efficient municipal facilities (new or retrofit)</li> <li>• Energy recovery or district energy</li> <li>• Net zero municipal systems</li> </ul>	<ul style="list-style-type: none"> <li>• Loans: up to 80% of eligible costs to a maximum of \$10 million</li> <li>• Grants: Up to 20% of the loan amount to a maximum of \$1 million</li> </ul>	 <b>10 capital projects</b> <b>\$45 million</b> in loans <b>\$5.4 million</b> in grants
	CAPITAL PROJECTS Transportation	<ul style="list-style-type: none"> <li>• Modal shift</li> <li>• Fleet fossil fuel reduction</li> <li>• Fleet GHG emissions reduction</li> </ul>		
	CAPITAL PROJECTS Waste	<ul style="list-style-type: none"> <li>• Projects aimed at 50% diversion rate</li> <li>• If 50% diversion already achieved, projects result in incremental improvement above 50%</li> </ul>		
	CAPITAL PROJECTS Water	<ul style="list-style-type: none"> <li>• Potable water conservation</li> <li>• Stormwater management</li> <li>• Wastewater systems</li> <li>• Septic systems</li> </ul>		
LOANS	CAPITAL PROJECTS Brownfields	<ul style="list-style-type: none"> <li>• Site remediation or risk management</li> <li>• Renewable energy production on a brownfield site</li> <li>• Redevelopment</li> </ul>	<ul style="list-style-type: none"> <li>• Up to 80% of eligible costs (no loan limit)<sup>2</sup></li> </ul>	 <b>1 project</b> <b>\$3.8 million</b>

<sup>2</sup> Subject to various conditions and approval.

## Funding highlights

### Capital projects

Capital project applications in the energy, transportation, waste and water sectors are assessed through a competitive funding approval process. This process allows FCM to manage a high volume of capital project applications in these sectors compared to the limited funds available annually, while supporting projects that demonstrate the highest environmental benefits and above-average innovation. Applications are accepted year-round, and are reviewed by GMF Council on a bimonthly basis.

In 2013–2014, GMF Council approved funding for 10 applications, meeting the loan target of \$45 million and exceeding the \$5 million grant target by about \$400,000. As demand continued to exceed available funds in 2013–2014, five applications were denied and 11 applications with a total funding request of more than \$50 million remained as of March 31, 2014, for consideration in the coming fiscal year.

FCM has seen growing demand for GMF funding in the brownfields sector. As of March 31, 2014, six brownfield capital project applications were under review with a total funding request of \$34 million, well exceeding the annual target of \$20 million. Despite this demand, FCM approved only one brownfield capital project application (for a \$3.8 million loan) in 2013–2014, reflecting the challenges in this sector. See page 13 for more information on barriers to approving brownfield projects. The single approved application met the eligibility requirements for the new brownfield redevelopment project type. This allows projects that qualify for the competitive process in the energy, transportation, waste and water sectors, and which are located on a recently or soon-to-be remediated brownfield, to be considered for a loan in the non-competitive brownfields review process.

### Plans, studies and tests

In 2013–2014, FCM approved 49 applications to support plans, studies and field tests for a total of \$3.7 million in grants. Demand for grants temporarily slowed after significant funding criteria changes came into effect in 2012; changes that were implemented to address excess demand in the previous year. However, based on the demand in the last quarter of 2013–2014, when FCM received more than two dozen new applications, with a total funding request of more than half of the annual funding allocation of \$6 million, FCM expects to meet the funding target in the coming year .

## Strategic funding priorities

While the ASPO sets FCM's course toward supporting the very best energy, transportation, waste, water, brownfield and neighborhood planning initiatives through GMF funding, it also prescribes certain priorities aimed at meeting Funding Agreement requirements, including an urban-rural and regional balance of funding across Canada, and minimum lending targets for brownfield projects and for partners of municipal governments.

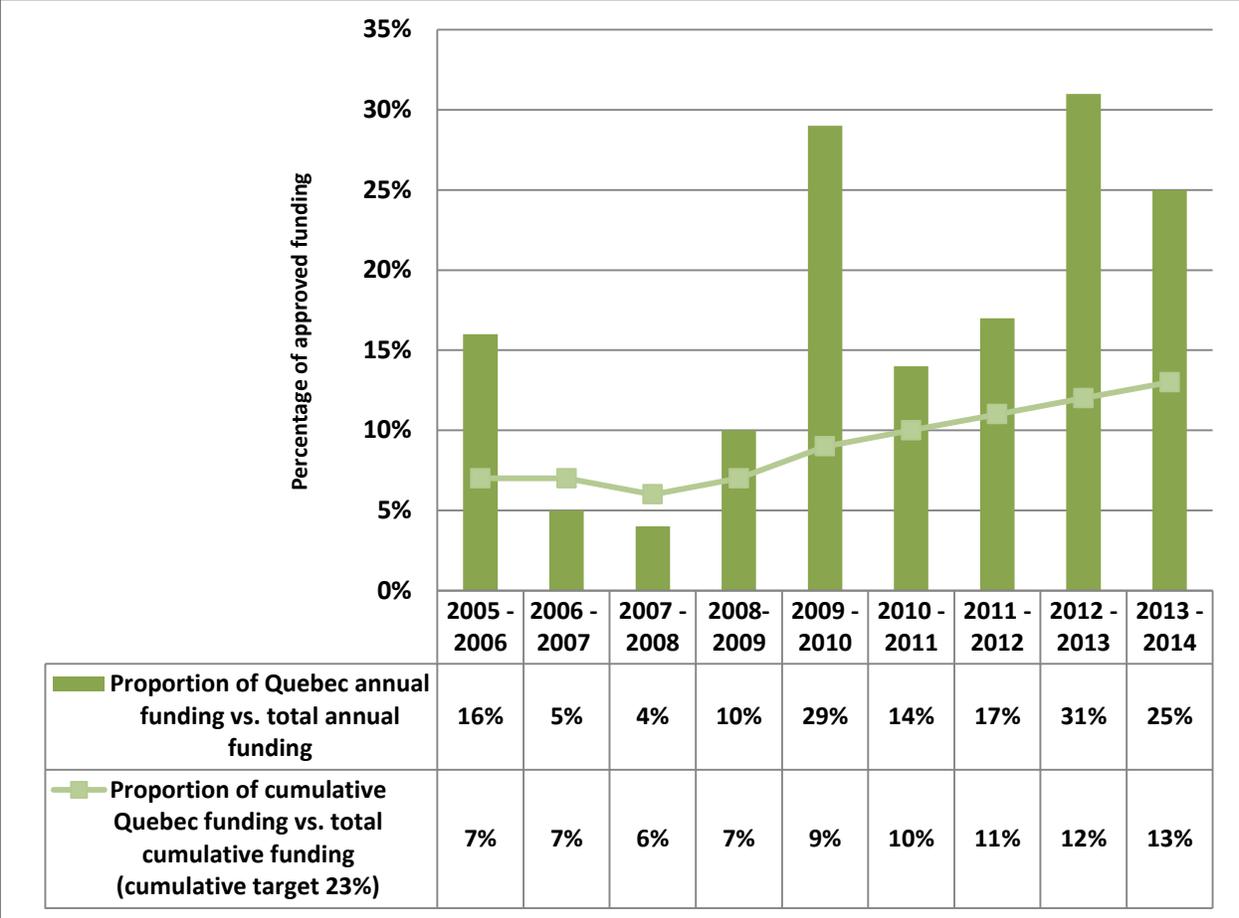
### Regional balance: Strengthening green initiatives in Quebec

FCM monitors the GMF funding balance among six defined regions — Atlantic, Quebec, Ontario, Prairies, British Columbia and Northern Territories. While FCM works with five regions at a corporate level — the Northwest Territories, Yukon and Nunavut are included with the Prairies — GMF Council recommended tracking the three territories as a separate, sixth region.

Historically, FCM has maintained an appropriate proportion of approved funding relative to the populations in most regions, except Quebec, which represents 23 per cent of Canada’s population<sup>3</sup>. For this reason, FCM is focused on long-term, targeted marketing and communications efforts to encourage greater uptake of GMF funding in Quebec.

In 2013–2014, GMF funding approved for Quebec initiatives was slightly higher than the province’s proportional population, at 24.5 per cent for plans, studies and tests and 25.3 per cent for capital projects. Overall, the total cumulative funding for Quebec since inception increased to 13.4 per cent, as illustrated in Figure 2-1. FCM has achieved a steady improvement in the Quebec funding percentage over time, and anticipates reaching the appropriate proportion following several more years of sustained efforts. Therefore, FCM will continue its targeted marketing and communications activities to increase the number of Quebec funding applications.

**Figure 2-1: Grant and loan funding approved in Quebec vs. total approved**



<sup>3</sup> Source: Statistics Canada.

## Balancing funding among urban and rural communities

FCM considers all municipalities with a population of less than 10,000 to be rural<sup>4</sup>. Based on this definition and according to the 2011 census, the urban-to-rural ratio of Canada's population is 81.1 to 18.9. In 2013–2014, FCM allocated 51.1 per cent of approved funding for capital projects and 29 per cent of approved funding for plans, studies and tests in rural communities. These results demonstrate that rural municipalities are performing well against their urban neighbours with respect to sustainable stewardship and innovation. Cumulatively, the ratio of urban-to-rural funding approved since inception is 78 per cent to 22 per cent — very close to the funding target.

## 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 in recent years have found that Canada's brownfield industry faces a range of complex barriers that hinder progress on redevelopment projects. Due to these barriers, approvals for brownfield funding remain low, making it difficult for FCM to reach the Funding Agreement target — that 30 per cent of Fund assets be committed for brownfield loans.

In 2013–2014, FCM approved one brownfields capital project application for a total loan amount of \$3.8 million. As in previous years, this year's funding commitment was well below the \$20 million target.

To date FCM has approved \$68 million in GMF funding for brownfield projects; however, due to the complexity of these initiatives, about 59 per cent of these approved projects (16 of 27 initiatives, most of which were approved before 2008) were 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, 2014, after accounting for withdrawn projects, \$35 million has been allocated for brownfield projects, of which \$17 million has been disbursed. Approximately \$12 million remains in contract negotiation and \$6 million is pending disbursement. See Table 2-1 below.

**Table 2-1: Brownfield funding allocations overview**

Brownfield funding	Since inception	
	Number	Amount (in millions)
Approved brownfield loans	27	\$68
Withdrawn files, closed files and cancelled amounts	16 <sup>5</sup>	(32.8)
Net approved brownfield loans	11	\$35.20
Disbursed brownfield loans	6	(17.0)
Committed brownfield loans	5	18.2

<sup>4</sup> In the case of regional municipal governments, to be considered rural, each member municipality must have a population less than 10,000.

<sup>5</sup> Twelve of these files were approved in the first year GMF provided funding for brownfields, in 2005–2006.

## Challenges in the brownfield industry

As described in last year's annual report, 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 never be completed.

FCM has conducted research to identify a comprehensive list of barriers — both internal weaknesses and external threats — that have had an impact on brownfield remediation and redevelopment in Canada generally, and the uptake of GMF brownfields funding, specifically. Some of the key barriers are described below.

### Internal barriers

- GMF Funding Agreement restrictions, including the absence of grants associated with brownfields sector loans.
- Limited understanding among FCM staff of the complex financial risks posed by non-municipal brownfield projects.
- Financial risks inherent within the project.
- Approval process timeline requirements that don't align with private-sector needs.
- Lack of clarity about the application, approval and contract negotiation process, and concerns that the process is too onerous.

### External barriers

- Low risk tolerance and liability concerns among municipal governments. Although many provincial governments have developed regulations, policies and guidance to support brownfield remediation and redevelopment, there are still risks or perception of risks associated with brownfields.
- Lack of knowledge about how to implement brownfield projects.
- Lack of internal resources within municipalities to take on a brownfield project.
- Changes in municipal priorities.

FCM's research over the last several years shows that most brownfield properties are privately owned and the market is mainly driven by municipally owned corporations and the private sector. Therefore, FCM seeks to build strong and effective partnerships, and to identify and overcome barriers. The Funding Agreement permits FCM to lend directly to a non-municipal 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.

In marketing designed for prospective applicants, FCM highlights the many GMF advantages early in the application process, emphasizing that:

- Loans are provided for the remediation stage
- GMF offers innovative financing methods
- Funding can be combined with other funding programs
- Applications are accepted year-round
- Funded projects receive national recognition

## Boosting demand in the brownfields sector

FCM officially adopted a comprehensive GMF Brownfield Strategy in November 2013 that lays out plans, tactics, and activities to support efforts to meet Funding Agreement requirements. Based on the research and analysis completed during strategy development, FCM has taken the following actions to help achieve the annual brownfields funding target:

- Developed a broader brownfields funding offer in response to industry needs in terms of eligible projects and project costs.
- Offered clearer, improved and streamlined application, approval, and contracting processes along the GMF project pipeline.
- Established innovative loan structure options and financing mechanisms for GMF brownfields transactions.
- Implemented a targeted, personalized marketing and communication approach.
- Launched targeted knowledge brokering and capacity building initiatives for municipalities and their partners.

## Responding to private-sector funding needs

The Funding Agreement also requires FCM to use its best efforts to ensure that at least 15 per cent of outstanding loans are held by borrowers other than municipal governments, in order to obtain higher interest earning loans. Making these partners of municipal governments a priority will also 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.

This year, FCM worked with an array of private-sector municipal partners and municipally owned corporations to structure loans in support of environmentally beneficial projects for municipalities. For example, FCM disbursed approximately \$1.3 million to Icon Fox Developments Inc. for a Phase 1 remediation of a prime lot in downtown Edmonton, which is being developed as a commercial and residential tower. The City of Edmonton had identified this site as a priority in its brownfield remediation and redevelopment strategy to reduce soil contamination, and to reverse negative social and economic impacts associated with vacant sites. While Icon Fox was able to obtain construction financing through a conventional lender, such lenders are often uncomfortable with or even unwilling to finance the remediation stage. This is where FCM, through GMF, stepped in to support the project.

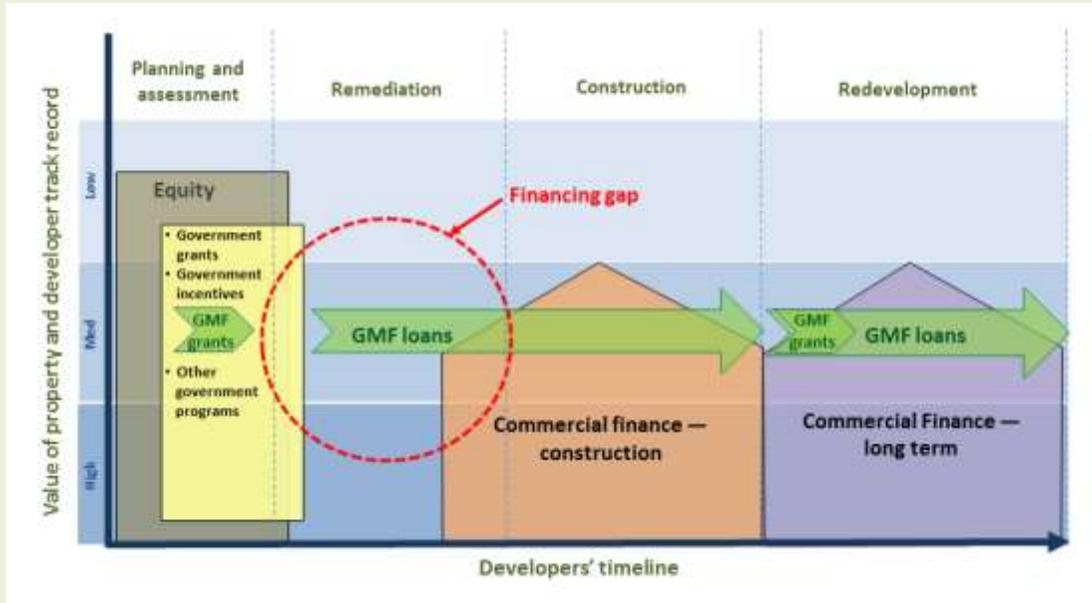
By the end of 2013–2014, 5.5 per cent of outstanding loans were provided to private-sector borrowers and municipally owned corporations.

FCM's experience with these types of projects, and the inherent financing gaps, are depicted in Figures 2-2 and 2-3. [Figure 2-2](#) 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 2-3](#) 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.

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

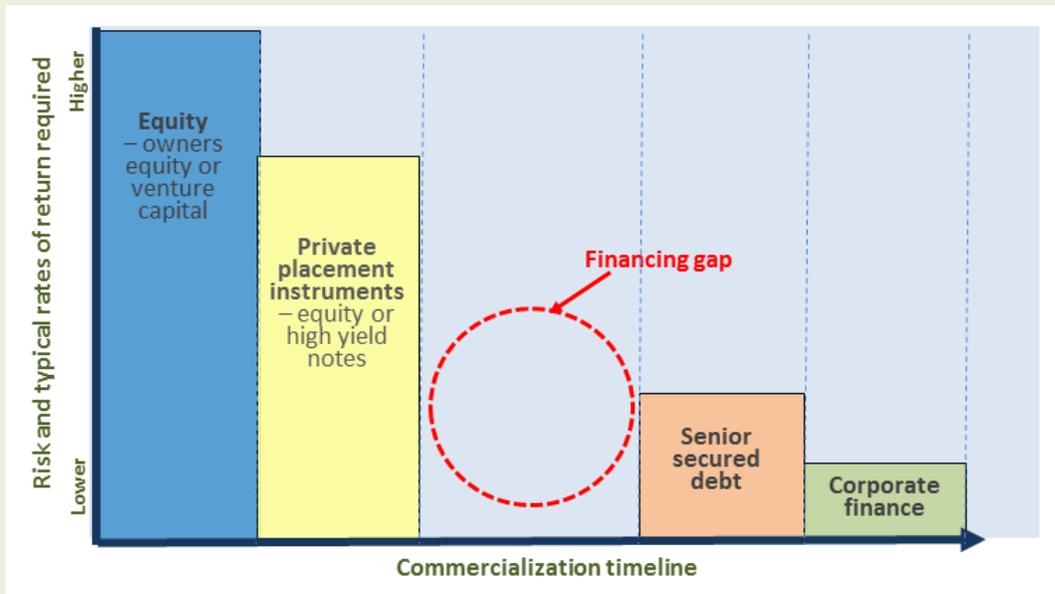
**Figure 2-2: Private-sector brownfield financing gap**

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 2-3: Environmentally important private-sector projects**

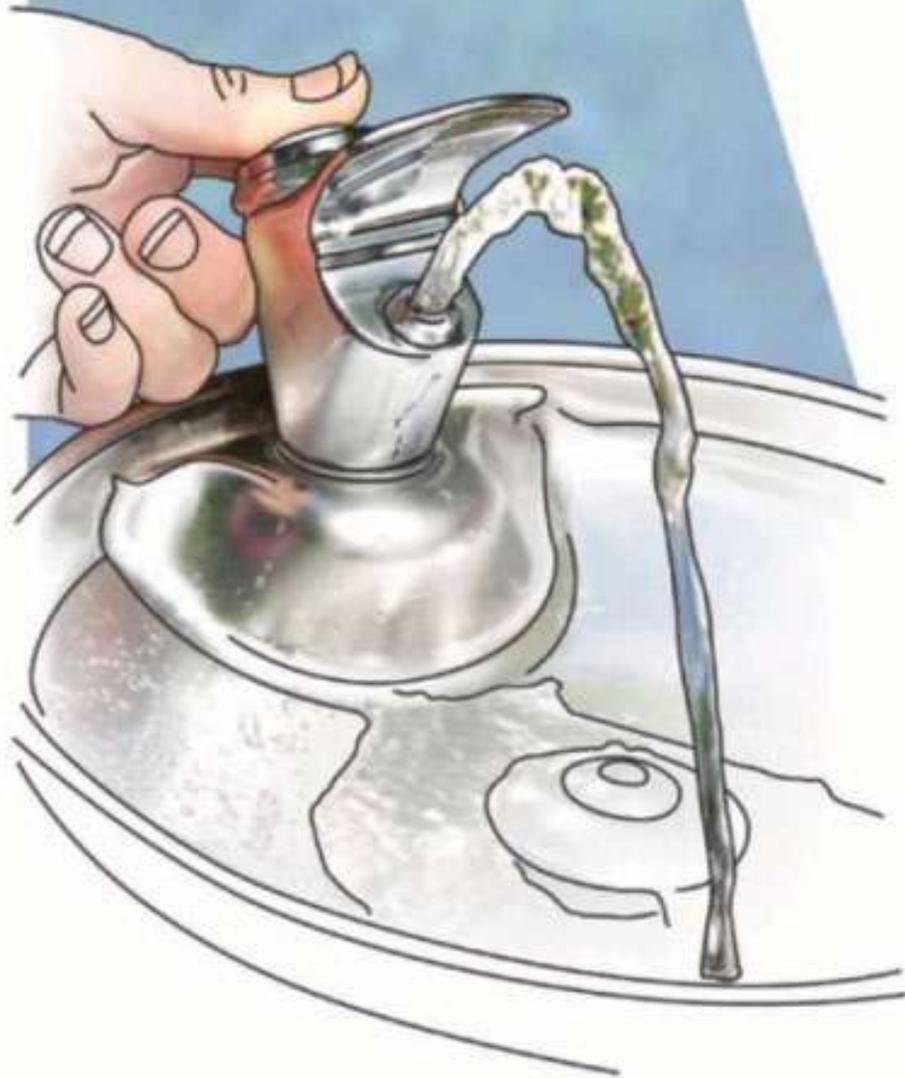
FCM’s experience indicates there is a significant gap in funding availability, at sufficient levels, between earlier stage equity and later stage commercial finance.



With its innovative lending successes in areas like brownfield remediation and early-stage technology commercialization, FCM now strives to develop creative risk-appropriate funding solutions 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.

Often working with newer companies that have limited borrowing capacity, experience or expertise, as well as insufficient revenue streams or security to borrow from conventional commercial lenders, FCM is also able to provide a capacity building role through non-conventional lending and credit approaches. During the credit analysis stage, FCM staff work with clients to identify lending structures that can create a suitable risk profile for FCM and other non-traditional lenders. Working together through this complex process leaves clients better prepared to develop financing structures for future projects, and addresses a critical barrier to brownfield redevelopment in Canada.

# KNOWLEDGE



## Building municipal capacity

FCM's commitment to GMF capacity building and knowledge services ensures that best practices and lessons learned from innovative sustainability projects are shared broadly across the municipal sector, inspiring more widespread uptake of proven ideas, technologies and systems. This dedication is central to FCM's mandate to build stronger cities and communities.

Since GMF was created in 2000, FCM has gradually shifted from sharing sustainability knowledge via broad and general methods to adopting a more targeted capacity building approach. Drawing on research and feedback from municipalities, FCM tailors its knowledge services, products and publications to support the changing needs of communities. In 2013–2014, FCM continued improving the structure and accessibility of its website, and prepared for the summer 2014 launch of a new database of GMF-funded projects.

### Integrated knowledge and funding services

In 2013–2014, the Knowledge Services unit produced a series of learning events and publications to support overarching GMF funding priorities, particularly those related to the brownfields sector and initiatives in Quebec.

In preparation for the April 2015 launch of the new GMF offer, FCM completed research and consultations to make certain that future knowledge services integrate more directly with funding services. To this end, FCM created a new knowledge services framework that aligns with the recently adopted GMF Three-Year Plan 2014–2017 and responds to findings from recent market studies.



FCM publications such as those pictured here help support progress toward GMF funding priorities



Sharing the knowledge gained through GMF-funded initiatives is top priority for FCM, and this is accomplished through workshops, webinars, conference events, publications and a range of outreach strategies. Since 2000, FCM's library of GMF knowledge products has grown to more than 950 items, including:

- **737 case studies**
- **99 other publications/ collections**
- **78 award-winning project videos**
- **68 webinar podcasts**
- **32 GMF newsletters**
- **4 Sector research reports**
- **4 Sustainability Solutions**

## Brownfield Bootcamp: a peer learning pilot program



Municipal representatives at a brownfield peer learning session

FCM pilot-tested a new peer learning program from June 2013 to March 2014. The “Brownfield Bootcamp” supports communities in understanding, navigating and reducing barriers to brownfield redevelopment. Participants from 10 municipalities convened at meetings and teleconferences to discuss barriers in their communities and, with the help of experts and FCM staff, determine appropriate solutions. FCM engaged municipal staff members who demonstrated leadership in the brownfield sector through policies, incentives or administrative contributions. An external evaluation showed most

participants had a strong overall appreciation for the program and felt that activities were of high quality, well planned and professionally conducted by FCM staff. Participants reported that program benefits included networking, learning from and connecting with their peers, exposure to new ideas and access to tools and resources. Many expressed an interest in future brownfield-focused peer learning exchanges. FCM staff is currently planning a second, expanded phase of the program.

## 2014 FCM Sustainable Communities Conference

More than 440 delegates attended FCM’s 2014 Sustainable Communities Conference and Trade Show (SCC) in February to hear from renowned speakers, network with counterparts, participate in training workshops, study tours and industry exchanges, and attend a dynamic trade show. The SCC showcases the most innovative GMF-funded initiatives, and achieves FCM’s key knowledge sharing and mobilization objectives. The SCC offers training and networking opportunities through seminars, workshops and plenary sessions; showcases the most innovative and replicable municipal sustainability solutions across the country; and builds awareness of GMF’s relevance in local sustainable development.



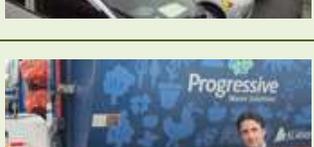
Delegates hear from municipal experts at the 2014 FCM Sustainable Communities Conference

Held for the first time in the Atlantic region, the conference took place in Charlottetown, PE, home to some of Canada’s most remarkable sustainability initiatives. FCM worked with two Atlantic advisory committees to develop an action-packed three-day program under the theme Sink or Swim: New Approaches to Adaptation and Resilience. Sessions were delivered along three content streams: collaboration and innovation; optimizing our assets and infrastructure; and resilient, adaptive communities. FCM also convened a smaller francophone advisory group with members from Quebec and from the Atlantic region to help ensure optimal attendance. Delegate feedback on the program was extremely positive, with 91 per cent of respondents rating their overall satisfaction with the conference as very satisfied or satisfied. FCM produced an array of [post-conference resources](#) and distributed them throughout its broad networks.

## 2014 FCM Sustainable Communities Awards

FCM’s Sustainable Communities Awards showcase initiatives that bring a holistic, systems perspective to sustainable development, integrating economic, social and environmental factors. The 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 800 applications and provided national recognition to 139 winners from across Canada. The [2014 winners](#) were announced at a special awards ceremony during the 2014 SCC. Nine winners (including two honourable mentions) were selected from over 55 applicants. Two of the winning projects received GMF funding.

## 2014 FCM SUSTAINABLE COMMUNITIES AWARDS: CATEGORIES AND WINNERS

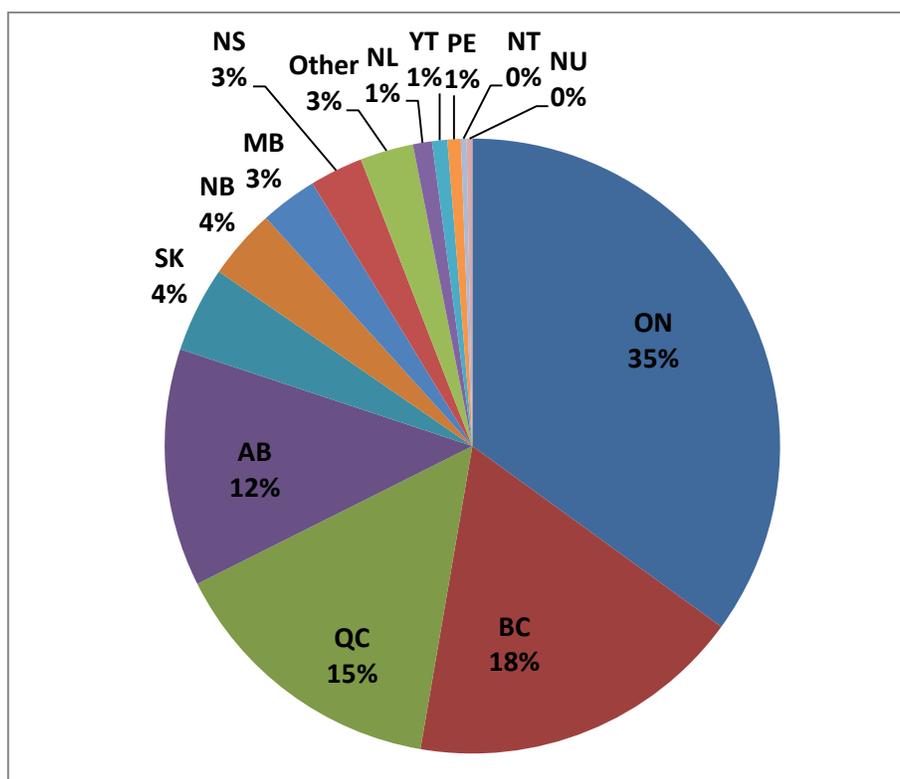
	<p>BROWNFIELDS — PLAN Town of Smithers, BC <a href="#">Main Street Smithers: Brownfield to Public Squares</a></p>
	<p>ENERGY City of Guelph, ON <a href="#">The City of Guelph Community Energy Initiative</a></p>
	<p>ENERGY — HONOURABLE MENTION Borough of Saint-Laurent, QC <a href="#">LED Street Lighting Project</a></p>
	<p>NEIGHBOURHOOD DEVELOPMENT PLAN City of Iqaluit, NU <a href="#">Iqaluit Sustainable Community Plan</a></p>
	<p>NEIGHBOURHOOD DEVELOPMENT PROJECT City of Toronto, ON, and Waterfront Toronto <a href="#">Corktown Common</a></p>
	<p>NEIGHBOURHOOD DEVELOPMENT PROJECT — HONOURABLE MENTION City of Dieppe, NB <a href="#">Sustainable Community Design for Le Village en Haut du Ruisseau</a></p>
	<p>TRANSPORTATION City of Vancouver, BC <a href="#">Electric Vehicle Charging Infrastructure Pilot Program</a></p>
	<p>WASTE City of Surrey, BC <a href="#">Rethink Waste Collection Program</a></p>
	<p>WATER City of Mississauga, ON, and Credit Valley Conservation <a href="#">Elm Drive Right-of-way Retrofit</a></p>

## Engaging communities through webinars

This year, FCM hosted nine free, interactive [webinars](#), attracting more than 700 participants. This year's Sustainability in Action webinar series featured topics such as land use planning, performance tracking and measurement, infrastructure planning, water management, and asset management. Three additional webinars on energy and climate change were presented through FCM's Partners for Climate Protection program. FCM showcased several GMF-funded projects during the webinars and featured presentations from sector experts, including municipal practitioners, private consultants and academics. One of the two French-language webinars on sustainable initiatives in Quebec was presented in collaboration with the Association québécoise pour la maîtrise de l'énergie.

FCM's webinar audience is mainly comprised of staff from the municipal sector, with the majority coming from Ontario (35 per cent), British Columbia (18 per cent) and Quebec (15 per cent), as shown in Figure 3-1. Approximately 96 per cent of webinar participants said that the webinars met or exceeded their expectations. Visit our website for [webinar details](#), including background materials and multimedia recordings. A complete list of 2013–2014 webinars is also included in [Appendix G](#).

**Figure 3-1: GMF webinar participation across Canada (total of 711 participants)**



## Partners for Climate Protection program

The Partners for Climate Protection (PCP) program celebrates its 20th year in 2014–2015 as a network of Canadian municipal governments committed to taking local action on climate change by reducing GHG emissions. More than 250 municipalities have joined PCP since the program's inception in 1994; 24 joined this past year. PCP has members from all provinces and territories and, as a group, they account for more than 80 per cent of the Canadian population.

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

Specifically, the PCP program supports municipalities through a five-milestone climate action framework (see table below) — a step-by-step process that guides communities through creating GHG inventories, setting reduction targets, and developing local action plans. PCP member municipalities benefit from a series of practical tools and resources that help them design GHG reduction activities and evaluate success along the way. In 2013–2014, PCP members reached 94 milestones in total, and five members reached Milestone Five, a significant achievement and one of the top program distinctions.

Milestone Five success stories were featured in a special edition of the PCP National Measures Report, produced this year to commemorate the program's 20-year anniversary. This compendium of 18 case studies tells the stories and lessons learned from many municipal plans and projects implemented in the years leading up to the completion of Milestone Five. The report will be available in spring 2014, and each case study will be released as a web-based feature article to encourage knowledge sharing via online networks. Milestone achievements are formally recognized in other program publications as well, such as newsletters and presentations.



Municipal representatives at PCP Milestone 5 Recognition Ceremony

### PCP Milestone Framework:

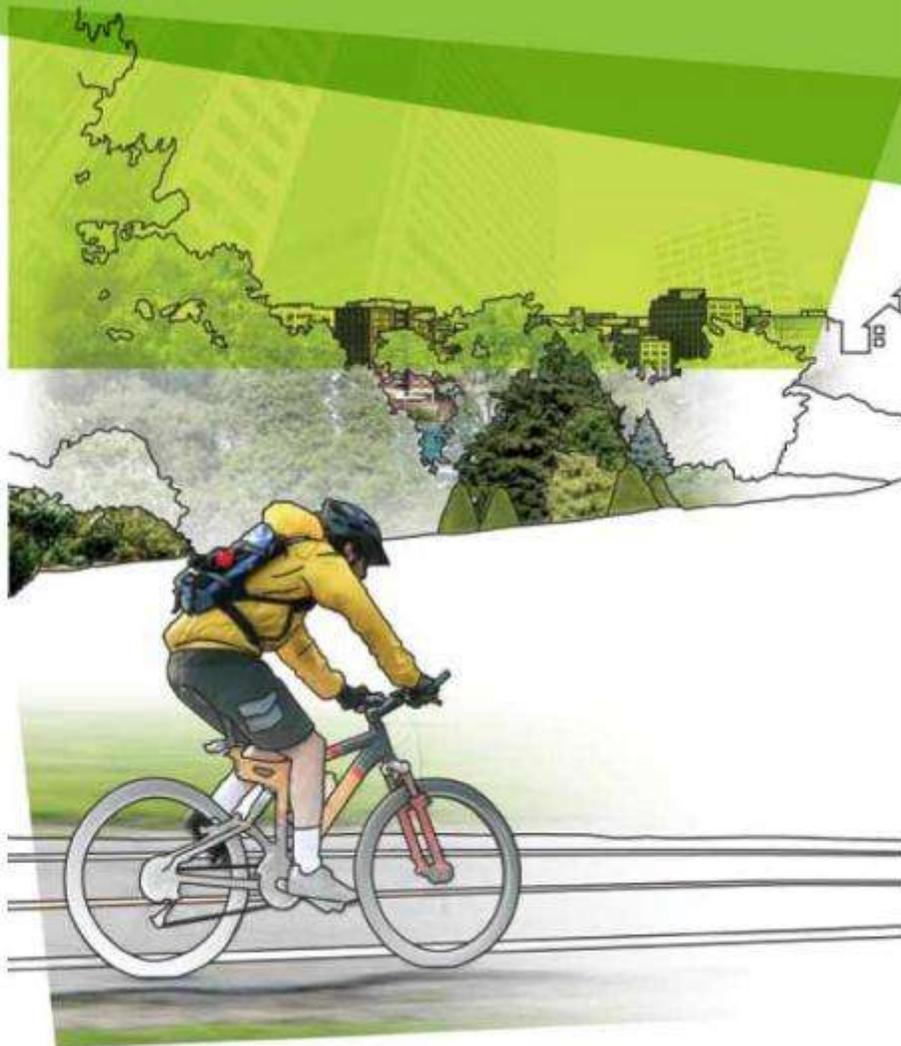
Progress among municipalities using PCP's five-milestone framework — reflecting GHG reduction efforts in both municipal corporate operations and community-wide activities.

Milestone Description	Number of PCP milestones achieved in 2013–2014
<b>Milestone One:</b> Create a GHG emissions inventory and forecast.	Corporate: 21 Community: 23
<b>Milestone Two:</b> Set an emissions reductions target.	Corporate: 6 Community: 10
<b>Milestone Three:</b> Develop a local action plan.	Corporate: 8 Community: 12
<b>Milestone Four:</b> Implement the local action plan or a set of activities.	Corporate: 8 Community: 6
<b>Milestone Five:</b> Monitor progress and report results.	Corporate: 5 Community: 4

In 2013–2014, FCM held several PCP workshops and webinars, and continued offering technical support for members using the PCP Milestone Tool, a web-based resource that helps local governments develop GHG emission inventories, and monitor and manage local emissions.

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

# GOVERNANCE AND MANAGEMENT



# Strengthening GMF governance

As required by the Funding Agreement, FCM has a robust GMF governance structure and management systems in place that ensure the efficient delivery of funding and knowledge to municipal governments and their partners, and the effective management of Fund assets.

GMF is a unique model of collaboration between FCM and the federal government. The 15-member [GMF Council](#) plays a key governance role for GMF, and an advisory role for the FCM Board of Directors. 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 environmental sectors. The Ministry of the Environment, the Ministry of Natural Resources, and Infrastructure Canada are all represented on the GMF Council. 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.

With support from three committees (the Investment, Audit and Governance committees), GMF Council provides strategic direction and leadership of the Fund. The council reviews policies and practices, engages in developing program strategies, and oversees annual planning, monitoring and reporting processes. Priorities in recent years have included strengthening GMF governance, improving organizational effectiveness, and maintaining the Fund's long-term financial sustainability.

Each month, the GMF Council discusses reports on peer-reviewed assessments of funding applications and makes funding recommendations to the FCM Executive Committee. Face-to-face meetings are held in Ottawa on a quarterly basis and the remaining meetings occur via web conference.



GMF COUNCIL MEMBERS 2013–2014, left to right (with representation): **Nirmalendu Bhattacharya** (private sector), **Eric Gagné**, (federal government), **Lise Burcher** (municipal sector), **Andrew Bowerbank** (private sector), **Mark Heyck**, vice-chair (municipal sector), **Raymond Louie**, chair (municipal sector), **Alexander S. Wood** (private sector), **Karen Nasmith** (private sector), **Sonya Read** (federal government), **Martin Dampousse** (municipal sector), **Philippe Morel**, (federal government), *Absent:* Carol Buckley (federal government), Don Downe (municipal sector), Dr. Gilles Jean (federal government), Emilio Imbriglio (private sector).



### STRATEGIC PLAN

In 2013–2014, FCM completed the last year of implementing program activities under the GMF Strategic Plan 2011–2014. This plan established the GMF mission, vision and goals, and served as the foundation of programming for six key result areas:

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

## 2013–2014 highlights

Among key governance priorities this year has been the continued implementation of recommendations from a governance review completed in 2011. Overseen by the GMF Governance Committee, FCM staff carried out activities to strengthen governance tools to allow for more effective decision-making processes. The GMF Governance Manual — a repository of policies and guidelines pertaining to the work and functioning of the GMF Council — was reviewed and updated to ensure it remains current and relevant.

FCM developed two new tools this year to support the GMF policy development process. The first tool, an annotated version of the Funding Agreement, documents how key items in the agreement have been interpreted by staff and by GMF Council. This is important because the Funding Agreement serves as the legal document governing the Fund and the first point of reference within the policy development process. Maintaining an annotated version ensures continuity in the way staff members from all departments interpret key components of the agreement. The second tool is a compendium of projects and policy decisions endorsed by GMF Council and approved by the FCM Board since program inception. An historical and incremental overview of existing GMF policies and practices supports policy development and allows FCM to build on past decisions.

The GMF Peer Review Committee, comprised of 75 technical experts in specific environmental fields, continued work this past year to provide independent technical and financial assessments of project applications based on mandatory GMF funding criteria (Appendix D). In addition, some peer reviewers supported FCM's market research and participated in consultations to guide the development of a new GMF offer. FCM held orientation sessions throughout the year for new committee members and offered training to communicate changes in the application process.

This year, FCM recruited two new GMF Council municipal members to replace outgoing members. These new members, representing the municipal sectors in Quebec and Atlantic Canada, were nominated by the FCM Board for their leadership qualities and their experience as champions of environmental sustainability. A new member representing the Government of Canada was also nominated to council this year. FCM provided one-on-one training to each of the new members prior to the start of their term. See Appendix F for a complete list of current and former GMF Council members.

## Consolidating planning and monitoring

Additional priorities for 2013–2014 included strengthening FCM's approach to planning, and putting new foundations in place for better results monitoring. Although not required under the Funding Agreement, FCM developed the third GMF Three-Year Plan to guide program activities for the 2014–2017 period. FCM began the plan development process by creating a new outcome-based logic model that reaffirms, at a glance, what the Fund does and why it exists. Unlike the previous three-year plan, which was largely activity-based, the new plan is outcome-oriented and articulates FCM's desired results for the medium term.

Over the summer and early fall, FCM staff and GMF Council members worked diligently to ensure that the plan's priorities reflected the current program operating context. Staff and council collaboratively assessed the internal and external factors that have an impact on GMF — factors such as current demand for GMF funding (and demand among project types), resources available through other federal and provincial funding initiatives, requests for more peer-to-peer learning and mentoring, and opportunities and limitations specified in the Funding Agreement. Through these discussions, they articulated seven key areas of focus, or key result areas (KRAs), for the Fund for 2014–2017. Annual activities in support of these KRAs are described in the [2014–2015 ASPO](#).

FCM has also invested in developing a performance measurement framework that identifies measures of progress in each KRA. Performance against these measures will be assessed annually to ensure that FCM is reporting on achievements linked directly to expected program outcomes.

With a new logic model, a new three-year plan, and a draft performance measurement framework, all the necessary foundations are being put in place to better demonstrate the value and impact of the Fund.

## **Improving organizational effectiveness**

### **Internal communications**

FCM strives for continuous improvements in the way it organizes itself and delivers the GMF program. This year, FCM developed and implemented a GMF internal communications strategy. It follows a decentralized approach that generates a shared sense of responsibility among FCM staff involved with GMF program. The strategy ensures that information is shared internally through many voices and many channels and that all staff are abreast of important issues, major events, and key milestones.

### **Organizational structure**

To better support an increased focus on private-sector lending activities, FCM has created a new Corporate Lending team within its current Funding Services unit. Established with internal resources, the new team consists of a manager and a senior advisor. It oversees FCM's GMF private-sector lending activities, including loans and project financing and supports FCM's brownfield lending business, in keeping with targets set to maintain the Fund's long-term sustainability.

### **Five-year review and performance audit**

As required in the Funding Agreement, FCM has been preparing for the next GMF five-year review and performance audit, covering the period April 1, 2009 to March 31, 2014, which will take place in early 2014–2015. The overall objective of the review is to assess various aspects of the Fund's success and relevance. It will examine a number of program elements, emphasizing the effectiveness of FCM's program delivery and whether it remains on track to meet its objectives. The performance audit will provide an independent assessment of FCM's program operations to help ensure that GMF resources are used in the most economic, efficient, and effective means possible.

## **Maintaining long-term Fund sustainability**

In keeping with the Funding Agreement, GMF investments are overseen by the GMF Investment Committee. 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 Funding Agreement was developed in a period of relatively high interest rates. The recent period of protracted low interest rates necessitated the development of measures to ensure that the Fund remains financially sustainable. Key measures implemented in 2013–2014 — including revised loan pricing, appropriate risk allocation, and repayment tenor rebalancing — are aimed at raising the average interest rate on the loan portfolio and achieving an appropriate balance of loan tenors between 10 and 20 years to help foster appropriate liquidity management.

These new measures are already having a positive impact on the GMF loan portfolio. By ensuring that the combined income generated on the loan portfolio and the investment portfolio is sufficient to preserve the Fund's long-term financial sustainability, FCM is ensuring that GMF is strongly positioned to continue to support worthy environmental initiatives.

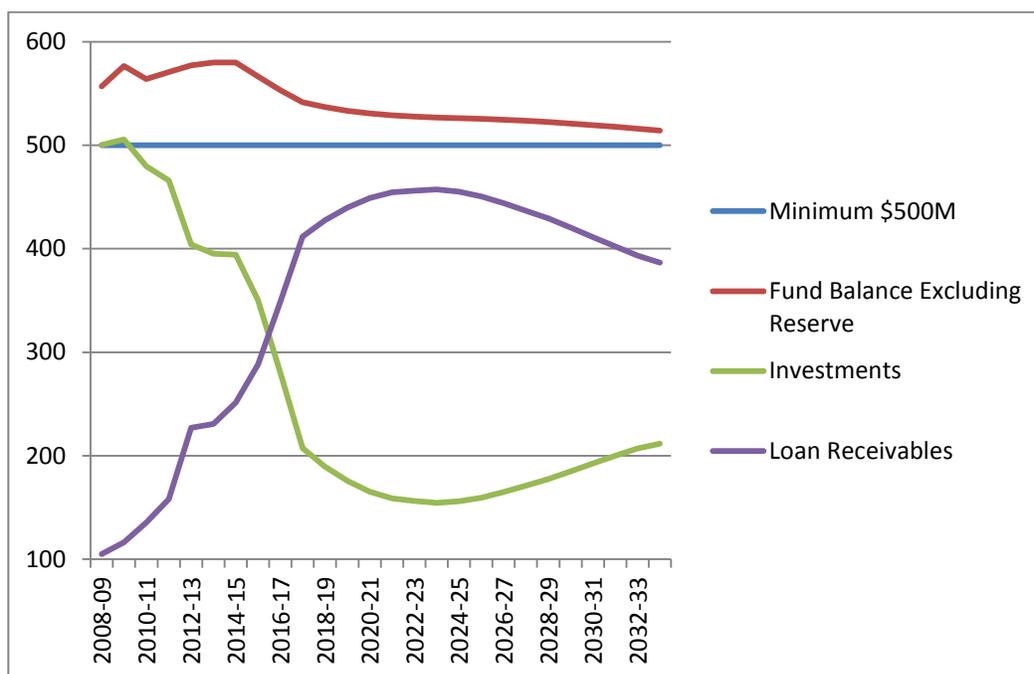
## Monitoring Fund performance

As expected, the investment portfolio is gradually decreasing as approved loans are disbursed to applicants. In 2013–2014, the investments portfolio decreased from \$404 million to \$395 million and will continue to decrease quickly over the next five years as loans continue to be disbursed (see Figure 4-1). The 1.96 per cent yield on investments is lower, compared to 3.71 per cent for last year. As investments with higher yields come to maturity and funds will be 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 4-1 presents 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 revolving GMF 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 4-1: 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 continue to support leading municipal environmental projects — while considering related risks. The framework accommodates the growth and complexity of funding applications from municipal partner borrowers while also addressing the financial sustainability measures noted earlier in this section.

Over the past fiscal year, FCM has developed and updated policies and procedures to make certain that key risk areas (credit, market, operational) are monitored, managed, and reported on regularly in the course of GMF business activities. As well, various structure and process enhancements were introduced this past year, including the creation of a Risk Committee, led by senior managers, which is now fully operational.

Together, these enhancements improve FCM's capacity to address increasingly challenging client needs, such as options for new and innovative financial structures. They also reflect the Fund's catalytic role in supporting ground-breaking environmental initiatives and they facilitate consistent engagement on risk strategies between FCM staff, GMF Council and the FCM Board. These enhancements will continue to evolve, reflecting the growing demands and complexities of the GMF business environment.

## ENVIRONMENTAL RESULTS



## Measuring success

To date, FCM has approved GMF funding for 180 capital projects, which are expected to generate over \$3.7 billion of economic activity in 134 communities. Of these 180 projects, 100 have been completed and have reported environmental results. When all 180 projects are complete, they are expected to save municipalities over \$96.8 million per year in addition to providing direct environmental benefits.

FCM tracks both the anticipated environmental performance and the actual environmental results of GMF-funded capital projects. Results are measured against a set of mandatory, sector-specific indicators as well as optional, project-specific indicators selected for reporting by the funding recipient. In addition, FCM reports on any other unselected indicators that are included in final reports in order to tell as complete a story as possible of the environmental results generated by GMF-funded capital projects.

Together, the 100 completed capital projects have produced these actual results:

- Reduced annual GHG emissions by more than 358,000 tonnes per year.
- Reduced air contaminant (criteria air contaminants or CACs)<sup>6</sup> emissions by over 453,000 kilograms per year.
- Diverted over 143,000 tonnes of waste per year from landfill.
- Made over 74 hectares<sup>7</sup> of previously unusable land available for use.
- Improved the quality of over 56,000 cubic metres of soil.
- Treated over 144 million cubic metres of water per year.
- Reduced water consumption by almost 325,000 cubic metres annually.

The anticipated impacts are also provided by applicants and revised as needed based on FCM's internal assessment. Following project completion, FCM requires funding recipients to report on actual project results after one to three years of operation. This information is used to analyze the impact of GMF funding in each sector and to report on the results municipalities and their partners have achieved.

Economic and social outcomes are also part of GMF-funded project reporting requirements. Over the last year, FCM has been developing a system to categorize and document these outcomes so that staff can prepare a comprehensive and cumulative analysis of overall impacts in these areas as well. The social and economic outcomes of completed projects will be presented in next year's annual report

<sup>6</sup> CACs include nitrogen oxides (NO<sub>x</sub>), sulphur oxides (SO<sub>x</sub>), volatile organic compounds (VOC), and particulate matter (PM<sub>10</sub>).

<sup>7</sup> This environmental benefit is calculated according to the total area of land made available, not the portion actively remediated.

## Methodology

Communities that undertake GMF-funded capital projects 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 projects set the stage for municipalities to capitalize on an emerging green economy while boosting quality of life and building sustainable infrastructure.

Anticipated environmental results data are obtained through an internal FCM staff validation of the information provided in funding applications; this internal assessment has been gradually implemented since 2010. FCM staff have observed at the verification stage that there is a lack of rigour in how proponents develop anticipated results and in some cases there are significant gaps between anticipated and reported results. The anticipated results represent the difference between the project baseline (i.e. a business-as-usual or status quo approach where the project is not undertaken) and what the completed project is expected to achieve.

Cumulative anticipated environmental results since Fund inception include projects approved this year and projects that were approved in previous years, but have not yet reported on environmental results.

Actual environmental results are determined 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 project's performance relative to the baseline. The mandatory indicators for each sector reflect the most important environmental measure for that sector.

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 that has undertaken a green building project may report only on energy savings, but FCM may also identify and report on reduced potable water consumption and increased waste diversion from landfill based on project documentation.

## Environmental reporting

The tables on pages 35-37 show the aggregated anticipated and actual results of GMF-funded capital projects. [Table 5-1](#) contains anticipated environmental benefits of 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 5-2](#) (projects for which results were reported in 2013–2014) and [Table 5-3](#) (projects for which results have been reported since 2000).

*“GMF environmental reporting helped bring the Municipality of Red Lake to the realization that our new Airport Terminal Building used much more energy than anticipated. With the assistance of the project's engineers we identified the sources contributing to high energy use and found that the geo-thermal system wasn't performing to commissioned specifications, that the building's automated control system wasn't optimized for the extremes of our hot summers and cold winters, and that the hydro metering included devices/facilities other than the Airport Terminal Building, increasing the metered energy use beyond what the facility should have been using. After consulting with project engineers and Hydro One, our energy performance expectations were adjusted accordingly.”*

— **Bill Greenway,**  
**Municipality of RedLake, ON**

## Anticipated results: capital projects approved in 2013–2014

This year, FCM approved a range of innovative projects<sup>8</sup> that demonstrate municipal leadership in sustainability and have the potential for replication by other municipalities. These include:

- The conversion of an old church in Lachute, QC, into an energy and water-efficient library.
- Energy efficiency retrofits of seven public housing units financed through the use of an energy savings performance agreement in Toronto, ON.
- A district energy system using waste biomass to supply 11 buildings, with potential for more connections, as well as active transit project elements in Port Alberni, BC.
- The first Leadership in Energy and Environmental Design (LEED®) Silver building to be constructed in Iqaluit, NU.
- A new state-of-the-art wastewater treatment facility designed to achieve LEED Gold certification which will incorporate tertiary treatment systems with an organic plant-enhanced batch reactor in Sechelt, BC.
- The construction of a district energy system fueled by methane gas captured from the city landfill and serving the city's water and wastewater treatment plants in Grande Prairie, AB.

During 2013–2014, GMF Council recommended funding for a pilot approach to expand brownfields funding to include redevelopment on remediated brownfields. To be considered eligible as part of the brownfields funding envelope and as approved by FCM, redevelopment projects are required to meet GMF environmental eligibility criteria for non-brownfields projects (energy, transportation, water and waste sectors). In this way, FCM is funding projects that address the GMF brownfields mandate and deliver other direct environmental results, such as energy savings. The anticipated environmental results from these projects, our first brownfield redevelopment project, as well as other capital projects approved by FCM in 2013–2014, are shown in Table 5-1. As noted earlier in this section, these environmental results are provided by the applicant as part of the application process and will be validated again following submission of the Environmental Results Report.

## Actual environmental results: capital projects reporting in 2013–2014

In 2013–2014, Environmental Results Reports were submitted for 12 completed projects. Highlights include:

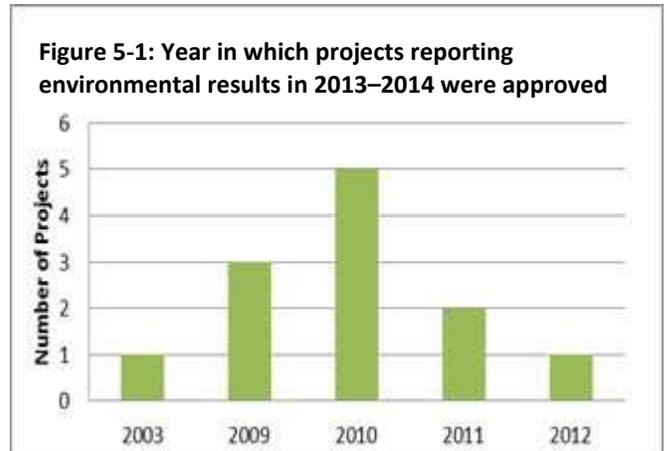
- Two energy-efficient fire stations in Quebec (Gatineau and Sorel-Tracy) which are located to provide better services to the citizens in the municipality while also using less energy for operations.
- A waste treatment plant in the Prince Edward County, ON, that is reducing the amount of phosphorous being released into the Bay of Quinte (an “area of concern” in Lake Ontario) and contributing to meeting targets under The Bay of Quinte Remedial Action Plan.
- A community centre and library in Markham, ON, that is integrated into a district energy system.
- A project to protect the health and safety of urban residents by reducing the risks associated with biogas buildup by removing waste and contaminated soil in an area adjacent to a park in Lévis, QC.

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<sup>8</sup> While these projects are approved for funding, due diligence and contract negotiations are still in progress.

Eleven of the 12 projects were approved for GMF funding in 2009 or later, and one was approved in 2003. The distribution is shown in Figure 5-1. These 12 capital projects carried a total project value of \$160 million. FCM supported these projects with \$40.6 million in GMF loans and \$4.6 million in grants, meaning that \$115 million was leveraged from other funding sources.

For the second year, FCM has tracked the energy related cost savings from GMF-funded capital projects. Four municipal capital projects (two fire stations, one library and one combined town hall/emergency response centre) reported environmental results that reduced annual fossil fuel and electricity consumption by about 15,000 GJ per year; corresponding to savings of \$180,000 and a reduction in annual operating costs<sup>9</sup>. This represents about a 50 per cent reduction in energy use compared to buildings that would most likely have been built without GMF funding.



As shown in Table 5-2, all 12 projects performed well for their primary environmental indicator: four better than anticipated, four as anticipated, and four very close to (within 15 per cent) anticipated levels. For water sector projects, FCM determined actual GHG emission reductions of 4,504 tonnes as compared to an anticipated reduction of 15 tonnes. This large difference is because one wastewater treatment project reported on GHG emission reductions as a part of its actual project results even though it was not required to, and these reductions were not included in the project’s anticipated results. Therefore, GHG emission reductions and wastewater treatment efficiencies are shown to be much higher than anticipated.

Of note is that the environmental results reported for an energy project disbursed in 2013–2014 have not been included in the environmental reporting for the year. This project, which was approved in 2011, involved implementing a heat recovery system and specialized HVAC design. The system would allow for waste heat recovery from an arena refrigeration system as part of a new multi-purpose recreation centre that was being built at the same time.

In this particular project, and as has been observed in other projects from time to time, errors in the construction or commissioning phase led to poor building operation and performance. FCM is communicating with the municipality and will include the environmental results in future reporting once all the identified deficiencies have been dealt with and building performance has improved.

For more detailed information on the environmental results of the projects highlighted here, please see Appendix F.

<sup>9</sup> Based on 2013 provincial energy costs for electricity and 2012 prices for natural gas from Quebec Hydro and Statistics Canada for a medium sized commercial customer.

**Table 5-1: Anticipated environmental benefits of capital projects (approved projects for which results have not yet been reported)**

GMF Sector	Loan and grant funding (in millions)		Number of projects		Anticipated environmental benefits	
	2013–2014	Since inception	2013–2014	Since inception	2013–2014	Since inception
<b>Brownfields</b>	\$3.8	\$27.1	1	5	1 ha of land recovered and put into productive use 440 tonnes CO <sub>2</sub> e/year of GHG emissions avoided <sup>10</sup> 926 kg/year of CACs avoided <sup>11</sup>	43 ha of land recovered 243,179 m <sup>3</sup> of contaminated soil managed 486 tonnes CO <sub>2</sub> e/year of GHG emissions avoided 1122 kg/year of CACs avoided
<b>Energy</b>	\$33.2	\$174.7	6	39	75,925 tonnes CO <sub>2</sub> e/year of GHG emissions avoided 97,597 kg/year of CACs avoided 2800 tonnes/year of waste diverted from landfills	201,379 tonnes CO <sub>2</sub> e/year of GHG emissions avoided 507,894 kg/year of CACs avoided 4323 tonnes/year of waste diverted from landfills 15,119 m <sup>3</sup> /year reduction in water consumption
<b>Transportation</b>	\$0	\$6.6	0	1	No projects approved	1878 tonnes CO <sub>2</sub> e/year GHG emissions avoided 8,326 kg/year of CACs avoided
<b>Waste</b>	\$0	\$39.5	0	9	No projects approved	287,726 tonnes CO <sub>2</sub> e/year of GHG emissions avoided 146,473 kg/year of CACs avoided 233,751 tonnes/year of waste diverted from landfills
<b>Water</b>	\$17.2	\$125.2	4	26	26 tonnes CO <sub>2</sub> e/year of GHG emissions avoided 63 kg/year of CACs avoided 1,175,300 m <sup>3</sup> /year of water and wastewater treated to Canadian Council of Ministers of the Environment (CCME) or Canadian Drinking Water Quality (CDWQ) Guidelines 17,450 m <sup>3</sup> /year reduction in water consumption	4,088 tonnes CO <sub>2</sub> e/year of GHG emissions avoided 29,172 kg/year of CACs avoided 114,147,508 m <sup>3</sup> /year of water and wastewater treated to CCME or CDWQ Guidelines 204,114 m <sup>3</sup> /year reduction in water consumption
<b>TOTAL</b>	<b>\$54.2</b>	<b>\$374.1</b>	<b>11</b>	<b>80</b>		

<sup>10</sup> GHG emissions for energy projects are calculated based on provincial average electrical emissions intensities.

<sup>11</sup> CAC emissions were not reported for all projects and include: nitrogen oxides (NO<sub>x</sub>), sulphur oxides (SO<sub>x</sub>), volatile organic compounds (VOC), and particulate matter (PM<sub>10</sub>).

**Table 5-2: Anticipated vs. actual environmental benefits of capital projects reported in 2013–2014 <sup>12</sup>**

GMF sector	Loan and grant funding (in millions)	Number of projects	Anticipated benefits	Actual benefits	Variance
<b>Brownfields</b>	\$4.7	3	2.7 ha of land recovered 19,400 m <sup>3</sup> of contaminated soil managed	3.0 ha of land recovered 15,450 m <sup>3</sup> of contaminated soil managed	Projects performed as expected. The actual amount of soil remediated and risk managed was slightly less than anticipated. This is likely due to inaccurate estimates of contaminated soil from the site assessments –It is difficult to know exactly the quantity of soil that requires remediation until the site is actually dug up.
<b>Energy</b>	\$22.9	4	851 tonnes CO <sub>2</sub> e/year of GHG emissions avoided 2371 kg/year of CACs avoided 391 m <sup>3</sup> /year reduction in water consumption	776 tonnes CO <sub>2</sub> e/year of GHG emissions avoided <sup>13</sup> 2791 kg/year of CACs avoided <sup>14</sup> 30 m <sup>3</sup> /year increase in water consumption	Projects performed as expected and energy reductions were achieved. More reductions of energy use occurred in electricity in provinces with clean sources of electricity (i.e. Quebec) rather than natural gas. The anticipated results were based on higher reductions in natural gas and as a result there were less GHG emissions avoided than anticipated. One green building project whose primary environmental result was to decrease energy use, increased water consumption by a small amount and that accounts for the small increase in water consumption.
<b>Transportation</b>	0	0	No projects reported	No projects reported	
<b>Waste</b>	0	0	No projects reported	No projects reported	
<b>Water</b>	\$17.6	5	15 tonnes CO <sub>2</sub> e/year of GHG emissions avoided 36 kg/year of CACs avoided 6,370,214 m <sup>3</sup> /year of water and wastewater treated to CCME or CDWQ Guidelines	4,504 tonnes CO <sub>2</sub> e/year of GHG emissions avoided 323 kg/year of CACs avoided 7,007,697 m <sup>3</sup> /year of water and wastewater treated to CCME or CDWQ Guidelines	Projects performed well. More reductions of GHG emissions were achieved because a project voluntarily reported decreases in GHG emissions associated with a change in the wastewater treatment process. As well, more wastewater was treated as there was a higher demand than anticipated in two projects. At the same time, two projects undertook a number of measures to reduce inflows and infiltration reducing the need for wastewater treatment in those communities.
<b>TOTAL</b>	<b>\$45.2</b>	<b>12</b>			

<sup>12</sup> 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.

<sup>13</sup> GHG emissions for energy projects are calculated based on provincial average emissions intensities.

<sup>14</sup> CAC emissions were not reported for all projects and include nitrogen oxides (NO<sub>x</sub>), sulphur oxides (SO<sub>x</sub>), volatile organic compounds (VOC), and particulate matter (PM<sub>10</sub>).

**Table 5-3: Cumulative anticipated vs. actual environmental benefits of capital projects completed since GMF inception<sup>15</sup> (updated for 2013–2014)**

GMF sector	Loan and grant funding (in millions)	Number of projects	Anticipated benefits	Actual benefits
<b>Brownfields</b>	\$8.5	6	74 ha of land recovered 52,800 m <sup>3</sup> of contaminated soil managed	74 ha of land recovered <sup>16</sup> 56,628 m <sup>3</sup> of contaminated soil managed 11,863 m <sup>3</sup> of water treated to CCME or CWDQ Guidelines
<b>Energy</b>	\$144.0	53	232,968 tonnes CO <sub>2</sub> e/year of GHG emissions avoided 492,355 kg/year of CACs avoided 7,394 m <sup>3</sup> /year reduction in water consumption	192,393 tonnes CO <sub>2</sub> e/year of GHG emissions avoided <sup>17</sup> 299,734 kg/year of CACs avoided <sup>18</sup> 40,904 m <sup>3</sup> /year reduction in water consumption 479 tonnes/year of waste diverted from landfills
<b>Transportation</b>	27.3	5	27,249 tonnes CO <sub>2</sub> e/year GHG emissions avoided 133,822 kg/year of CACs avoided	28,390 tonnes CO <sub>2</sub> e/year GHG emissions avoided 141,065 kg/year of CACs avoided
<b>Waste</b>	\$17.0	11	349,798 tonnes CO <sub>2</sub> 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 <sub>2</sub> e/year of GHG emissions avoided 8,073 kg/year of CACs avoided 143,176 tonnes/year of waste diverted from landfills
<b>Water</b>	\$74.9	25	5,888 tonnes CO <sub>2</sub> e/year of GHG emissions avoided 4,444 kg/year of CACs avoided 164,163,989 m <sup>3</sup> /year of water and wastewater treated to CCME or CDWQ Guidelines 304,252 m <sup>3</sup> /year reduction in water consumption	8,888 tonnes CO <sub>2</sub> e/year of GHG emissions avoided 4,279 kg/year of CACs avoided 144,048,325 m <sup>3</sup> /year of water and wastewater treated to CCME or CDWQ Guidelines 284,068 m <sup>3</sup> /year reduction in water consumption
<b>TOTAL</b>	<b>\$271.6</b>	<b>100</b>		

<sup>15</sup> 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.

<sup>16</sup> This environmental benefit is calculated according to the total area of land made available, not the portion actively remediated.

<sup>17</sup> GHG emissions for energy projects are calculated based on provincial average emissions intensities.

<sup>18</sup> CAC emissions were not reported for all projects and include: nitrogen oxides (NO<sub>x</sub>), sulphur oxides (SO<sub>x</sub>), volatile organic compounds (VOC), and particulate matter (PM<sub>10</sub>).

## Cumulative environmental results: observations

GMF has been reporting environmental results since 2008 comparing anticipated to the actual results of projects. Each annual report discusses any divergences between the projects that reported the environmental results for that year in comparison to their anticipated results. There are a number of results areas where the cumulative actual results are less than the cumulative anticipated results as seen in Table 5-3 including:

- GHG emission reductions from energy and waste projects
- CAC emission reductions from energy projects
- The amount of waste diverted from waste projects
- The amount of wastewater treated in water projects

There can be a number of reasons why the actual results can be less than the anticipated results including:

- The project does not perform well and does not achieve the anticipated results.
- The anticipated results were incorrect, done poorly or had incorrect assumptions.
- Methodologies for reconciling and comparing actuals vs anticipated are still evolving.

The difference between cumulative actual and anticipated GHG emission reductions, as seen in Table 5-3, can be largely attributed to two projects (out of 53 reported) that did not perform well and contributed about 90 per cent of the difference (about 37,000 tonnes of GHGs) between actual and anticipated results. One of these projects reported in 2012–2013 and the other reported in 2009–2010. These two projects also contributed to the gap between actual and anticipated results for CAC emission reductions. Likewise, a waste project that was completed in 2011–2012 had a shortfall in collection rates. This shortfall is responsible for the discrepancy in anticipated vs. actual benefits in the waste sector (for both amount of waste diverted and GHG emission reductions).

The difference in cumulative actual and anticipated amount of wastewater treated can also be attributed to two projects (out of 25 reported) where the actual results did not meet anticipated levels. Both projects reported results in 2011–2012 and were in large Canadian municipalities. For one project, the difference between actual and anticipated was related to an incorrect estimate for the amount of wastewater that would be treated. The anticipated results estimate is done at the time of the funding application, but it was not revised to reflect the updated information that was available when the environmental results were reported. The rationale for when and how FCM would revise anticipated results had not yet been developed at that time.

Overall, most GMF-funded projects perform at or close to anticipated results, and the changes and updates that FCM is making to improve verification, internal processes and methodologies will ensure technical competence, consistent application of methodologies, transparency and confidence in the results of funded projects.

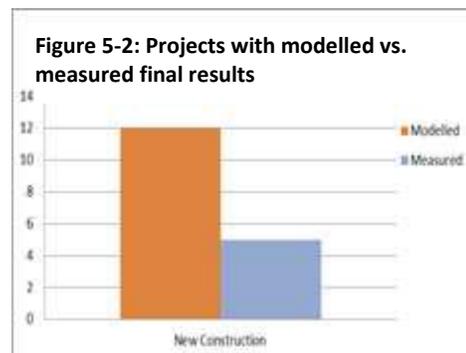
## Ongoing improvements to reporting systems

FCM continues to improve how information on GMF-funded projects is collected, how it is reported and how it is analysed (e.g. internal verification, quality assurance and control procedures) while at the same time improving communication on reporting expectations with GMF clients.

For new building energy projects, FCM allows applicants to report on the project's performance based on either energy modelling or actual measured energy use. FCM accepts energy modelling for project performance as this aligns with accepted practice (e.g. LEED) for new buildings. Modelled results are

used more often than actual measured energy use as the latter requires the proponent to install multiple metering systems for both the process load and the building envelope to understand the actual energy savings. However, applicants commonly install only one metering system as the cost of installing multiple systems may be prohibitive.

Over the last three years, as shown in Figure 5-2, 12 of 17 energy projects reported their final results using energy models. The energy modelling is based on the “as-built” building, using assumptions for building use and other factors such as weather. This is compared to the modelled anticipated building performance, which is generally revised after the funding application was approved, based on the detailed design.



FCM’s experience is that there is very little difference between the results from revised anticipated energy modelling of the building and the modelled actual energy results. In addition, energy modelling may not indicate the actual performance of the building. It may assume that all equipment is installed and operating correctly, and that the building use is as expected in the model. However, none of these may be true and the actual building performance may not be as anticipated.

For those cases where the project has reported on measured energy use, not just modelled energy, FCM has noticed that in some cases municipalities have detected errors in construction or improper commissioning, resulting in lower energy savings or a poorly performing building. Poor building performance may not have been detected without the GMF requirement to report on the new building’s energy use. Similar observations have been made by municipalities in preparing their reporting to GMF. Once municipalities have determined that a building is under-performing based on actual measured energy use, they take action to address the identified deficiencies and to understand the reasons behind the poor performance.

Consequently, FCM is exploring a requirement for GMF-funded projects to report on the actual measured energy use to determine if projects are operating successfully. This may require other changes, including accepting final reporting only when facilities are fully operational.

## Verification methodologies

The framework for monitoring and determining environmental benefits also shows continual improvement. During 2013–2014, peer reviewers assessed internal methodologies for determining energy, water, and brownfields environmental results against accepted sector practices with good results.

In the coming year, FCM will work again with peer reviewers to validate the approach to determining environmental results from waste projects; particularly with respect to estimating GHG emission reductions associated with waste diversion from landfills. FCM will also be developing a methodology for verifying the environmental results from stormwater management.

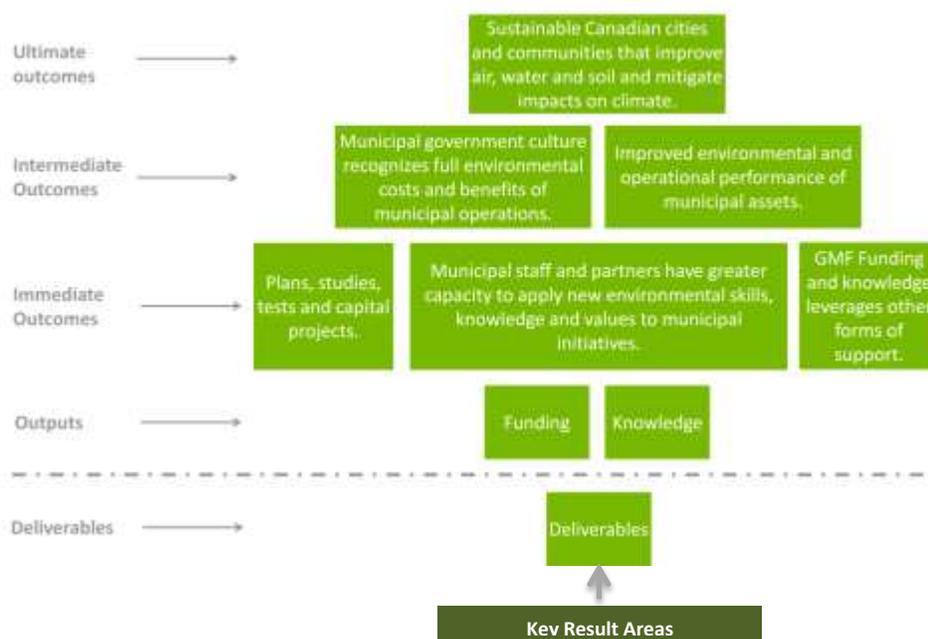
## Looking ahead

As the national voice of municipal governments in Canada, FCM brings in-depth knowledge of municipal needs and priorities to help build stronger, safer and greener communities. This intrinsic understanding of the municipal context underpins FCM’s accomplishments through GMF to date, and sets the stage for future success.

As described earlier in this report, a three-year plan was developed for GMF that identifies seven key areas of focus, or key result areas (KRAs), to guide the Fund from 2014–2017. By focusing on these KRAs, FCM will increase the Fund’s impact; better leverage program resources; and improve the measurement of results, which will in turn support evidence-based decision making and enhance how FCM “tells the GMF story” to share knowledge gained from projects across the country.

Unlike the previous three-year plan, which was largely activity-based, the new plan is outcome-oriented. See the GMF Logic Model below for an at-a-glance view of projected program outcomes for the short, medium and long term. FCM’s work over the next three years toward these desired outcomes will be carried out through the KRAs listed below. These KRAs also inform the GMF [ASPO 2014–2015](#) and form the foundation of the new GMF service offer, to be launched in 2015.

### GMF Logic Model



### GMF Three-Year Plan: Key Result Areas

1. Long-term impact on municipal sector
2. Enabling innovation and replication
3. Increased access to funding for municipalities and their partners through innovative financing
4. Sustainable municipal infrastructure investments
5. Responding to different client groups
6. Value demonstration
7. Fund sustainability and risk management

## Improving environmental reporting

Building on its research findings, FCM will introduce a number of changes to the GMF environmental reporting process in the coming years. Designed to increase the success of GMF-funded projects and create more opportunities for knowledge sharing, these changes include:

- Working with lead applicants to ensure that their project results are reported at the optimal time; to get a clear understanding of their project outcomes.
- Establishing a new internal process for reviewing projects that significantly underperform compared to anticipated results.
- Considering options to develop or provide resources on best practices to successful capital funding applicants. These resources may include specialized webinars, best practice documents in energy modelling or operating new buildings, resources on performance-based energy contracting, etc.
- Clarifying the requirement that the submitted Environmental Results Reports are based on full project operation (i.e. not based on partial use in the first year of operation). This could mean, for example, requiring results over 12 months from the second or third year of operation.

## In closing

Municipalities are core drivers of our economy, and their resilience and long-term sustainability are key to maintaining Canada's competitive edge. Given the continued high demand for GMF funding and high quality of funding applications from every corner of the country, FCM will continue to optimize its support for innovative municipal initiatives, while prudently ensuring the Fund's sustainability over time.

## APPENDIX A: FUNDING ALLOCATIONS

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

	2013–2014	2012–2013	Since inception
Applications submitted <sup>19</sup>	64	63	1426
Approvals <sup>20</sup>	<b>49</b>	<b>47</b>	<b>939</b>

**Table A2: Number of applications and approvals for capital projects**

	2013–2014	2012–2013	Since inception
Applications submitted <sup>21</sup>	22	27	565
Approvals <sup>22</sup>	<b>11</b>	<b>12</b>	<b>274</b>

<sup>19</sup> Number of applications submitted to FCM for GMF funding. Submission year is based on the date FCM received the application.

<sup>20</sup> Number of applications approved by FCM Board, based on the Board approved date. Applications approved in a given fiscal year may have been submitted in a previous fiscal year.

<sup>21</sup> Number of applications submitted to FCM for GMF funding. Submission year is based on the date FCM received the application.

<sup>22</sup> Number of applications approved by FCM Board, based on the Board approved date. Applications approved in a given fiscal year may have been submitted in a previous fiscal year.

**Table A3A: Total approved sustainable community plans, feasibility studies and field tests by region** (dollar figures presented in \$1000s)

Region/Province	Population <sup>24</sup>	% of pop.	2013–2014							2012–2013						TOTAL APPROVED SINCE INCEPTION <sup>23</sup>					
			#	Grant (\$)	TPV <sup>25</sup>	Add'l Grant <sup>26</sup> (\$)	Total Grant	% (#)	% (\$)	#	Grant (\$)	TPV <sup>25</sup>	Add'l Grant (\$)	Total Grant	% (#)	% (\$)	#	Total Grant (\$)	TPV <sup>25</sup> (\$)	% (#)	% (\$)
<b>Atlantic</b>	<b>2,327,638</b>	<b>6.95%</b>	<b>4</b>	<b>\$73</b>	<b>\$417</b>	<b>\$3</b>	<b>\$76</b>	<b>8.16%</b>	<b>2.06%</b>	<b>3</b>	<b>\$62</b>	<b>\$141</b>	<b>\$0</b>	<b>\$62</b>	<b>6.38%</b>	<b>1.70%</b>	<b>99</b>	<b>\$5,675</b>	<b>\$13,037</b>	<b>10.54%</b>	<b>6.59%</b>
New Brunswick	751,171	2.24%	1	\$23	\$315	\$0	\$23	2.04%	0.62%	1	\$39	\$95	\$0	\$39	2.13%	1.07%	40	\$1,772	\$4,184	4.26%	2.06%
Newfoundland and Labrador <sup>27</sup>	514,536	1.54%	0	\$0	\$0	\$0	\$0	0.00%	0.00%	0	\$0	\$0	\$0	\$0	0.00%	0.00%	0	\$0	\$0	0.00%	0.00%
Nova Scotia	921,727	2.75%	1	\$17	\$35	\$3	\$20	2.04%	0.54%	2	\$23	\$46	\$0	\$23	4.26%	0.63%	38	\$2,387	\$5,316	4.05%	2.77%
Prince Edward Island	140,204	0.42%	0	\$0	\$0	\$0	\$0	0.00%	0.00%	0	\$0	\$0	\$0	\$0	0.00%	0.00%	5	\$495	\$1,290	0.53%	0.57%
<b>British Columbia</b>	<b>4,400,057</b>	<b>13.14%</b>	<b>11</b>	<b>\$819</b>	<b>\$1,919</b>	<b>\$0</b>	<b>\$819</b>	<b>22.45%</b>	<b>22.12%</b>	<b>7</b>	<b>\$366</b>	<b>\$856</b>	<b>\$46</b>	<b>\$412</b>	<b>14.89%</b>	<b>11.38%</b>	<b>175</b>	<b>\$14,688</b>	<b>\$37,725</b>	<b>18.64%</b>	<b>17.06%</b>
<b>Northern Territories</b>	<b>107,265</b>	<b>0.32%</b>	<b>0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00%</b>	<b>0.00%</b>	<b>1</b>	<b>\$26</b>	<b>\$75</b>	<b>\$0</b>	<b>\$26</b>	<b>2.13%</b>	<b>0.71%</b>	<b>22</b>	<b>\$1,841</b>	<b>\$4,400</b>	<b>2.34%</b>	<b>2.14%</b>
Northwest Territories	41,462	0.12%	0	\$0	\$0	\$0	\$0	0.00%	0.00%	0	\$0	\$0	\$0	\$0	0.00%	0.00%	9	\$999	\$2,144	0.96%	1.16%
Nunavut	31,906	0.10%	0	\$0	\$0	\$0	\$0	0.00%	0.00%	0	\$0	\$0	\$0	\$0	0.00%	0.00%	4	\$340	\$912	0.43%	0.39%
Yukon	33,897	0.10%	0	\$0	\$0	\$0	\$0	0.00%	0.00%	1	\$26	\$75	\$0	\$26	2.13%	0.71%	9	\$503	\$1,345	0.96%	0.58%
<b>Ontario</b>	<b>12,851,821</b>	<b>38.39%</b>	<b>15</b>	<b>\$1,299</b>	<b>\$3,774</b>	<b>\$0</b>	<b>\$1,299</b>	<b>30.61%</b>	<b>35.09%</b>	<b>14</b>	<b>\$1,536</b>	<b>\$4,767</b>	<b>\$0</b>	<b>\$1,536</b>	<b>29.79%</b>	<b>42.44%</b>	<b>307</b>	<b>\$30,279</b>	<b>\$74,368</b>	<b>32.69%</b>	<b>35.17%</b>
<b>Prairies</b>	<b>5,886,906</b>	<b>17.59%</b>	<b>7</b>	<b>\$613</b>	<b>\$2,015</b>	<b>\$0</b>	<b>\$613</b>	<b>14.29%</b>	<b>16.56%</b>	<b>5</b>	<b>\$243</b>	<b>\$518</b>	<b>\$0</b>	<b>\$243</b>	<b>10.64%</b>	<b>6.72%</b>	<b>169</b>	<b>\$16,212</b>	<b>\$48,024</b>	<b>18.00%</b>	<b>18.83%</b>
Alberta	3,645,257	10.89%	2	\$125	\$249	\$0	\$125	4.08%	3.37%	4	\$220	\$466	\$0	\$220	8.51%	6.07%	99	\$9,959	\$24,944	10.54%	11.57%
Manitoba	1,208,268	3.61%	3	\$408	\$1,594	\$0	\$408	6.12%	11.03%	0	\$0	\$0	\$0	\$0	0.00%	0.00%	33	\$2,635	\$12,058	3.51%	3.06%
Saskatchewan <sup>27</sup>	1,033,381	3.09%	0	\$0	\$0	\$0	\$0	0.00%	0.00%	0	\$0	\$0	\$0	\$0	0.00%	0.00%	0	\$0	\$0	0.00%	0.00%
<b>Quebec</b>	<b>7,903,001</b>	<b>23.61%</b>	<b>12</b>	<b>\$895</b>	<b>\$2,133</b>	<b>\$0</b>	<b>\$895</b>	<b>24.49%</b>	<b>24.17%</b>	<b>17</b>	<b>\$1,341</b>	<b>\$5,470</b>	<b>\$0</b>	<b>\$1,341</b>	<b>36.17%</b>	<b>37.05%</b>	<b>167</b>	<b>\$17,403</b>	<b>\$53,899</b>	<b>17.78%</b>	<b>20.21%</b>
<b>Total</b>	<b>33,476,688</b>	<b>100.00%</b>	<b>49</b>	<b>\$3,699</b>	<b>\$10,258</b>	<b>\$3</b>	<b>\$3,702</b>	<b>100%</b>	<b>100%</b>	<b>47</b>	<b>\$3,574</b>	<b>\$11,826</b>	<b>\$46</b>	<b>\$3,620</b>	<b>100%</b>	<b>100%</b>	<b>939</b>	<b>\$86,099</b>	<b>\$231,453</b>	<b>100.00%</b>	<b>100.00%</b>

<sup>23</sup> Total Approved Since Inception includes original Board approved amount plus any additional approved amount.

<sup>24</sup> Source: Statistics Canada 2011 Census

<sup>25</sup> TPV = Total project value reported by applicant

<sup>26</sup> Add'l = Funding approved by FCM Board in addition to previously approved amounts. This does not affect the number of approved initiatives. Additional amounts most often occur later than the fiscal year within which the funding was originally approved.

<sup>27</sup> A review of the GMF database pertaining to 2012–2013 identified that one approved initiative in 2012–2013 was mistakenly allocated to Newfoundland and Labrador rather than Saskatchewan in last year's annual report. The appropriate adjustments have been made and are reflected here.

**Table A3B: Net approved sustainable community plans, feasibility studies and field tests by region since inception** (dollar figures presented in \$1000s)

Region/Province	Population <sup>32</sup>	% of pop.	TOTAL APPROVED SINCE INCEPTION <sup>28</sup>					WITHDRAWN/CLOSED <sup>29</sup>			CANCELLATIONS <sup>30</sup>	TOTAL NET APPROVED <sup>31</sup>				
			#	Total Grant (\$)	TPV <sup>33</sup> (\$)	% (#)	% (\$)	#	Grant (\$)	TPV <sup>33</sup> (\$)	Grants (\$)	#	Grant (\$)	TPV <sup>2</sup> (\$)	% (#)	% (\$)
<b>Atlantic</b>	<b>2,327,638</b>	<b>6.95%</b>	<b>99</b>	<b>\$5,675</b>	<b>\$13,037</b>	<b>10.54%</b>	<b>6.59%</b>	<b>(6)</b>	<b>\$(694)</b>	<b>\$(1,469)</b>	<b>\$(320)</b>	<b>93</b>	<b>\$4,661</b>	<b>\$11,568</b>	<b>10.81%</b>	<b>6.49%</b>
New Brunswick	751,171	2.24%	40	\$1,772	\$4,184	4.26%	2.06%	(3)	\$(78)	\$(171)	\$(147)	37	\$1,547	\$4,013	4.30%	2.16%
Newfoundland and Labrador	514,536	1.54%	16	\$1,021	\$2,247	1.70%	1.19%	(1)	\$(350)	\$(700)	\$(20)	15	\$651	\$1,547	1.74%	0.91%
Nova Scotia	921,727	2.75%	38	\$2,387	\$5,316	4.05%	2.77%	(2)	\$(267)	\$(598)	\$(152)	36	\$1,969	\$4,718	4.19%	2.74%
Prince Edward Island	140,204	0.42%	5	\$495	\$1,290	0.53%	0.57%	-	-	-	\$(1)	5	\$494	\$1,290	0.58%	0.69%
<b>British Columbia</b>	<b>4,400,057</b>	<b>13.14%</b>	<b>175</b>	<b>\$14,688</b>	<b>\$37,725</b>	<b>18.64%</b>	<b>17.06%</b>	<b>(9)</b>	<b>\$(656)</b>	<b>\$(1,799)</b>	<b>\$(1,503)</b>	<b>166</b>	<b>\$12,530</b>	<b>\$35,926</b>	<b>19.30%</b>	<b>17.45%</b>
<b>Northern Territories</b>	<b>107,265</b>	<b>0.32%</b>	<b>22</b>	<b>\$1,841</b>	<b>\$4,400</b>	<b>2.34%</b>	<b>2.14%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$(288)</b>	<b>22</b>	<b>\$1,553</b>	<b>\$4,400</b>	<b>2.56%</b>	<b>2.16%</b>
Northwest Territories	41,462	0.12%	9	\$999	\$2,144	0.96%	1.16%	-	-	-	\$(170)	9	\$828	\$2,144	1.05%	1.15%
Nunavut	31,906	0.10%	4	\$340	\$912	0.43%	0.39%	-	-	-	\$(30)	4	\$310	\$912	0.47%	0.43%
Yukon	33,897	0.10%	9	\$503	\$1,345	0.96%	0.58%	-	-	-	\$(88)	9	\$415	\$1,345	1.05%	0.58%
<b>Ontario</b>	<b>12,851,821</b>	<b>38.39%</b>	<b>307</b>	<b>\$30,279</b>	<b>\$74,368</b>	<b>32.69%</b>	<b>35.17%</b>	<b>(31)</b>	<b>\$(3,383)</b>	<b>\$(7,640)</b>	<b>\$(2,166)</b>	<b>276</b>	<b>\$24,730</b>	<b>\$66,727</b>	<b>32.09%</b>	<b>34.45%</b>
<b>Prairies</b>	<b>5,886,906</b>	<b>17.59%</b>	<b>169</b>	<b>\$16,212</b>	<b>\$48,024</b>	<b>18.00%</b>	<b>18.83%</b>	<b>(17)</b>	<b>\$(1,119)</b>	<b>\$(2,519)</b>	<b>\$(1,674)</b>	<b>152</b>	<b>\$13,419</b>	<b>\$45,505</b>	<b>17.67%</b>	<b>18.69%</b>
Alberta	3,645,257	10.89%	99	\$9,959	\$24,944	10.54%	11.57%	(8)	\$(397)	\$(836)	\$(1,143)	91	\$8,420	\$24,108	10.58%	11.73%

<sup>28</sup> Total Approved Since Inception includes original Board approved amount plus any additional approved amount. This does not impact the number of approved initiatives. Additional amounts most often occur later than the fiscal year within which the funding was originally approved.

<sup>29</sup> Withdrawn/Closed = number of initiatives and amounts previously approved and subsequently withdrawn by applicant or closed by FCM. Withdrawals and closures most often occur later than the fiscal year within which the initiative was originally approved.

<sup>30</sup> Cancellations = partial cancellation of an approved amount due to a reduction in eligible costs (as determined by FCM); partial cancellation by applicant due to reduced funding need; or reduced amount disbursed on completed initiative(s). This does not affect the number of approved initiatives. Cancelled amounts most often occur later than the fiscal year within which the funding was originally approved.

<sup>31</sup> Total Net Approved = Total approved (original Board approved plus additional approved) less Withdrawn/Closed and Cancelled.

<sup>32</sup> Source: Statistics Canada 2011 Census

<sup>33</sup> TPV = Total project value reported by applicant

Region/Province	Population <sup>32</sup>	% of pop.	TOTAL APPROVED SINCE INCEPTION <sup>28</sup>					WITHDRAWN/CLOSED <sup>29</sup>			CANCELLATIONS <sup>30</sup>	TOTAL NET APPROVED <sup>31</sup>				
			#	Total Grant (\$)	TPV <sup>33</sup> (\$)	% (#)	% (\$)	#	Grant (\$)	TPV <sup>33</sup> (\$)	Grants (\$)	#	Grant (\$)	TPV <sup>2</sup> (\$)	% (#)	% (\$)
Manitoba	1,208,268	3.61%	33	\$2,635	\$12,058	3.51%	3.06%	(5)	\$(466)	\$(1,160)	\$(142)	28	\$2,027	\$10,898	3.26%	2.82%
Saskatchewan	1,033,381	3.09%	37	\$3,619	\$11,023	3.94%	4.20%	(4)	\$(257)	\$(524)	\$(390)	33	\$2,973	\$10,499	3.84%	4.14%
Quebec	7,903,001	23.61%	167	\$17,403	\$53,899	17.78%	20.21%	(16)	\$(1,157)	\$(2,574)	\$(1,346)	151	\$14,899	\$51,325	17.56%	20.75%
<b>Total</b>	<b>33,476,688</b>	<b>100.00%</b>	<b>939</b>	<b>\$86,099</b>	<b>\$231,453</b>	<b>100.00%</b>	<b>100.00%</b>	<b>(79)</b>	<b>\$(7,010)</b>	<b>\$(16,001)</b>	<b>\$(7,297)</b>	<b>860</b>	<b>\$71,792</b>	<b>\$215,452</b>	<b>100.00%</b>	<b>100.00%</b>

**Table A4A: Total approved capital projects by region** (dollar figures presented in \$1000s)

Region/ Province	Population <sup>35</sup>	% of pop.	2013–2014										2012–2013								TOTAL APPROVED SINCE INCEPTION <sup>34</sup>							
			#	Grant (\$)	Loan (\$)	TPV <sup>36</sup>	Add'l <sup>37</sup> Grant (\$)	Add'l <sup>37</sup> Loan (\$)	Total Grant	Total Loan	% (#)	% (\$)	#	Grant (\$)	Loan (\$)	TPV <sup>36</sup>	Add'l <sup>37</sup> Grant (\$)	Add'l <sup>37</sup> Loan (\$)	Total Grant	Total Loan	% (#)	% (\$)	#	Total Grant <sup>34</sup> (\$)	Total Loan <sup>34</sup> (\$)	TPV <sup>36</sup> (\$)	% (#)	% (\$)
<b>Atlantic</b>	<b>2,327,638</b>	<b>6.95%</b>	<b>1</b>	<b>\$0</b>	<b>\$3,800</b>	<b>\$22,219</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,800</b>	<b>9.09%</b>	<b>7.01%</b>	<b>1</b>	<b>\$545</b>	<b>\$5,455</b>	<b>\$8,779</b>	<b>\$0</b>	<b>\$0</b>	<b>\$545</b>	<b>\$5,455</b>	<b>8.33%</b>	<b>10.52%</b>	<b>30</b>	<b>\$12,340</b>	<b>\$103,518</b>	<b>\$705,980</b>	<b>10.95%</b>	<b>13.86%</b>
New Brunswick	751,171	2.24%	1	\$0	\$3,800	\$22,219	\$0	\$0	\$0	\$3,800	9.09%	7.01%	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%	0.00%	10	\$3,778	\$37,967	\$131,660	3.65%	4.99%
Newfoundland and Labrador <sup>38</sup>	514,536	1.54%	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%	0.00%	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%	0.00%	0	\$0	\$0	\$0	0.00%	0.00%
Nova Scotia	921,727	2.75%	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%	0.00%	1	\$545	\$5,455	\$8,779	\$0	\$0	\$545	\$5,455	8.33%	10.52%	12	\$4,085	\$39,398	\$454,281	4.38%	5.20%
Prince Edward Island	140,204	0.42%	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%	0.00%	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%	0.00%	1	\$881	\$0	\$1,723	0.36%	0.11%
<b>British Columbia</b>	<b>4,400,057</b>	<b>13.14%</b>	<b>2</b>	<b>\$1,436</b>	<b>\$11,771</b>	<b>\$35,635</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,436</b>	<b>\$11,771</b>	<b>18.18%</b>	<b>24.37%</b>	<b>3</b>	<b>\$1,500</b>	<b>\$16,600</b>	<b>\$80,638</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,500</b>	<b>\$16,600</b>	<b>25.00%</b>	<b>31.72%</b>	<b>47</b>	<b>\$17,518</b>	<b>\$147,001</b>	<b>\$785,075</b>	<b>17.15%</b>	<b>19.69%</b>
<b>Northern Territories</b>	<b>107,265</b>	<b>0.32%</b>	<b>1</b>	<b>\$750</b>	<b>\$7,500</b>	<b>\$37,508</b>	<b>\$0</b>	<b>\$0</b>	<b>\$750</b>	<b>\$7,500</b>	<b>9.09%</b>	<b>15.22%</b>	<b>0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00%</b>	<b>0.00%</b>	<b>4</b>	<b>\$1,108</b>	<b>\$8,462</b>	<b>\$39,380</b>	<b>1.46%</b>	<b>1.15%</b>
Northwest Territories	41,462	0.12%	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%	0.00%	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%	0.00%	0	\$0	\$0	\$0	0.00%	0.00%
Nunavut	31,906	0.10%	1	\$750	\$7,500	\$37,508	\$0	\$0	\$750	\$7,500	9.09%	15.22%	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%	0.00%	2	\$828	\$7,578	\$37,818	0.73%	1.01%
Yukon	33,897	0.10%	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%	0.00%	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%	0.00%	2	\$280	\$885	\$1,562	0.73%	0.14%
<b>Ontario</b>	<b>12,851,821</b>	<b>38.39%</b>	<b>1</b>	<b>\$511</b>	<b>\$2,557</b>	<b>\$3,906</b>	<b>\$0</b>	<b>\$0</b>	<b>\$511</b>	<b>\$2,557</b>	<b>9.09%</b>	<b>5.66%</b>	<b>1</b>	<b>\$0</b>	<b>\$2,000</b>	<b>\$3,102</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,000</b>	<b>8.33%</b>	<b>3.51%</b>	<b>101</b>	<b>\$28,888</b>	<b>\$283,419</b>	<b>\$1,815,299</b>	<b>36.86%</b>	<b>37.37%</b>
<b>Prairies</b>	<b>5,886,906</b>	<b>17.59%</b>	<b>2</b>	<b>\$1,106</b>	<b>\$11,061</b>	<b>\$24,494</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,106</b>	<b>\$11,061</b>	<b>18.18%</b>	<b>22.45%</b>	<b>2</b>	<b>\$1,000</b>	<b>\$12,525</b>	<b>\$132,173</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,000</b>	<b>\$12,525</b>	<b>16.67%</b>	<b>23.71%</b>	<b>46</b>	<b>\$20,641</b>	<b>\$106,623</b>	<b>\$493,395</b>	<b>16.79%</b>	<b>15.23%</b>
Alberta	3,645,257	10.89%	1	\$500	\$5,000	\$8,433	\$0	\$0	\$500	\$5,000	9.09%	10.15%	2	\$1,000	\$12,525	\$132,173	\$0	\$0	\$1,000	\$12,525	16.67%	23.71%	24	\$11,671	\$59,168	\$367,013	8.76%	8.48%
Manitoba	1,208,268	3.61%	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%	0.00%	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%	0.00%	11	\$7,040	\$34,887	\$87,787	4.01%	5.02%
Saskatchewan <sup>38</sup>	1,033,381	3.09%	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%	0.00%	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%	0.00%	0	\$0	\$0	\$0	0.00%	0.00%
<b>Quebec</b>	<b>7,903,001</b>	<b>23.61%</b>	<b>4</b>	<b>\$1,623</b>	<b>\$12,079</b>	<b>\$20,140</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,623</b>	<b>\$12,079</b>	<b>36.36%</b>	<b>25.28%</b>	<b>5</b>	<b>\$1,972</b>	<b>\$15,458</b>	<b>\$52,131</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,972</b>	<b>\$15,458</b>	<b>41.67%</b>	<b>30.55%</b>	<b>46</b>	<b>\$18,851</b>	<b>\$87,379</b>	<b>\$418,205</b>	<b>16.79%</b>	<b>12.71%</b>
<b>Total</b>	<b>33,476,688</b>	<b>100.00%</b>	<b>11</b>	<b>\$5,427</b>	<b>\$48,769</b>	<b>\$143,901</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,427</b>	<b>\$48,769</b>	<b>100%</b>	<b>100%</b>	<b>12</b>	<b>\$5,017</b>	<b>\$52,038</b>	<b>\$276,824</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,017</b>	<b>\$52,038</b>	<b>100%</b>	<b>100%</b>	<b>274</b>	<b>\$99,347</b>	<b>\$736,402</b>	<b>\$4,257,333</b>	<b>100.00%</b>	<b>100.00%</b>

<sup>34</sup> Total Approved Since Inception includes original Board approved amount plus any additional approved amount.

<sup>35</sup> Source: Statistics Canada 2011 Census

<sup>36</sup> TPV = Total project value reported by applicant

<sup>37</sup> Add'l = Funding approved by FCM Board in addition to previously approved amounts. This does not affect the number of approved initiatives. Additional amounts most often occur later than the fiscal year within which the funding was originally approved.

<sup>38</sup> A review of the GMF database pertaining to 2012–2013 identified that one approved initiative in 2012–2013 was mistakenly allocated to Newfoundland and Labrador rather than Saskatchewan in last year's annual report. The appropriate adjustments have been made and are reflected here.

**Table A4B: Net approved capital projects by region since inception** (dollar figures presented in \$1000s)

Region / Province	% of pop. <sup>43</sup>	TOTAL APPROVED SINCE INCEPTION <sup>39</sup>						WITHDRAWN/CLOSED <sup>40</sup>				CANCELLATIONS <sup>41</sup>		TOTAL NET APPROVED <sup>42</sup>						
		#	Total Grant (\$)	Total Loan (\$)	TPV <sup>44</sup> (\$)	% (#)	% (\$)	#	Grant (\$)	Loan (\$)	TPV <sup>44</sup> (\$)	Grants (\$)	Loans (\$)	#	Grant (\$)	Loan (\$)	TPV <sup>44</sup> (\$)	% (#)	% (\$)	
<b>Atlantic</b>	<b>2,327,638</b>	<b>6.95%</b>	<b>30</b>	<b>\$12,340</b>	<b>\$103,518</b>	<b>\$705,980</b>	<b>10.95%</b>	<b>13.86%</b>	<b>(4)</b>	<b>\$(415)</b>	<b>\$(4,048)</b>	<b>\$(13,677)</b>	<b>\$(397)</b>	<b>\$(968)</b>	<b>26</b>	<b>\$11,528</b>	<b>\$98,503</b>	<b>\$692,302</b>	<b>14.44%</b>	<b>17.16%</b>
New Brunswick	751,171	2.24%	10	\$3,778	\$37,967	\$131,660	3.65%	4.99%	(1)	-	\$(798)	\$(2,247)	\$(2)	\$(496)	9	\$3,776	\$36,673	\$129,412	5.00%	6.31%
Newfoundland and Labrador	514,536	1.54%	7	\$3,595	\$26,153	\$118,317	2.55%	3.56%	(1)	\$(355)	\$(50)	\$(755)	\$(91)	\$(256)	6	\$3,150	\$25,847	\$117,562	3.33%	4.52%
Nova Scotia	921,727	2.75%	12	\$4,085	\$39,398	\$454,281	4.38%	5.20%	(2)	\$(60)	\$(3,200)	\$(10,675)	\$(304)	\$(215)	10	\$3,721	\$35,983	\$443,606	5.56%	6.19%
Prince Edward Island	140,204	0.42%	1	\$881	\$0	\$1,723	0.36%	0.11%	-	-	-	-	-	-	1	\$881	\$0	\$1,723	0.56%	0.14%
<b>British Columbia</b>	<b>4,400,057</b>	<b>13.14%</b>	<b>47</b>	<b>\$17,518</b>	<b>\$147,001</b>	<b>\$785,075</b>	<b>17.15%</b>	<b>19.69%</b>	<b>(19)</b>	<b>\$(2,787)</b>	<b>\$(34,280)</b>	<b>\$(159,386)</b>	<b>\$(197)</b>	<b>\$(6,680)</b>	<b>28</b>	<b>\$14,535</b>	<b>\$106,042</b>	<b>\$625,690</b>	<b>15.56%</b>	<b>18.80%</b>
<b>Northern Territories</b>	<b>107,265</b>	<b>0.32%</b>	<b>4</b>	<b>\$1,108</b>	<b>\$8,462</b>	<b>\$39,380</b>	<b>1.46%</b>	<b>1.15%</b>	<b>(3)</b>	<b>\$(358)</b>	<b>\$(962)</b>	<b>\$(1,872)</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>\$750</b>	<b>\$7,500</b>	<b>\$37,508</b>	<b>0.56%</b>	<b>1.29%</b>
Northwest Territories	41,462	0.12%	0	\$0	\$0	\$0	-	-	-	-	-	-	-	-	0	\$0	\$0	\$0	-	-
Nunavut	31,906	0.10%	2	\$828	\$7,578	\$37,818	0.73%	1.01%	(1)	\$(78)	\$(78)	\$(310)	-	-	1	\$750	\$7,500	\$37,508	0.56%	1.29%
Yukon	33,897	0.10%	2	\$280	\$885	\$1,562	0.73%	0.14%	(2)	\$(280)	\$(885)	\$(1,562)	-	-	0	\$0	\$0	\$0	0.00%	0.00%
<b>Ontario</b>	<b>12,851,821</b>	<b>38.39%</b>	<b>101</b>	<b>\$28,888</b>	<b>\$283,419</b>	<b>\$1,815,299</b>	<b>36.86%</b>	<b>37.37%</b>	<b>(38)</b>	<b>\$(5,674)</b>	<b>\$(69,587)</b>	<b>\$(308,322)</b>	<b>\$(2,451)</b>	<b>\$(3,234)</b>	<b>63</b>	<b>\$20,763</b>	<b>\$210,598</b>	<b>\$1,506,977</b>	<b>35.00%</b>	<b>36.07%</b>
<b>Prairies</b>	<b>5,886,906</b>	<b>17.59%</b>	<b>46</b>	<b>\$20,641</b>	<b>\$106,623</b>	<b>\$493,395</b>	<b>16.79%</b>	<b>15.23%</b>	<b>(17)</b>	<b>\$(4,320)</b>	<b>\$(42,099)</b>	<b>\$(156,574)</b>	<b>\$(381)</b>	<b>\$(3,420)</b>	<b>29</b>	<b>\$15,941</b>	<b>\$61,104</b>	<b>\$336,820</b>	<b>16.11%</b>	<b>12.01%</b>
Alberta	3,645,257	10.89%	24	\$11,671	\$59,168	\$367,013	8.76%	8.48%	(9)	\$(1,050)	\$(26,330)	\$(113,805)	\$(49)	\$(2,675)	15	\$10,572	\$30,163	\$253,208	8.33%	6.35%
Manitoba	1,208,268	3.61%	11	\$7,040	\$34,887	\$87,787	4.01%	5.02%	(4)	\$(3,179)	\$(13,964)	\$(36,823)	\$(17)	\$(340)	7	\$3,843	\$20,583	\$50,964	3.89%	3.81%
Saskatchewan	1,033,381	3.09%	11	\$1,931	\$12,568	\$38,595	4.01%	1.73%	(4)	\$(90)	\$(1,805)	\$(5,946)	\$(315)	\$(404)	7	\$1,526	\$10,358	\$32,648	3.89%	1.85%
<b>Quebec</b>	<b>7,903,001</b>	<b>23.61%</b>	<b>46</b>	<b>\$18,851</b>	<b>\$87,379</b>	<b>\$418,205</b>	<b>16.79%</b>	<b>12.71%</b>	<b>(13)</b>	<b>\$(1,338)</b>	<b>\$(8,303)</b>	<b>\$(117,291)</b>	<b>\$(684)</b>	<b>\$(1,834)</b>	<b>33</b>	<b>\$16,829</b>	<b>\$77,243</b>	<b>\$300,915</b>	<b>18.33%</b>	<b>14.67%</b>
<b>Total</b>	<b>33,476,688</b>	<b>100.00%</b>	<b>274</b>	<b>\$99,347</b>	<b>\$736,402</b>	<b>\$4,257,333</b>	<b>100.00%</b>	<b>100.00%</b>	<b>(94)</b>	<b>\$(14,891)</b>	<b>\$(159,278)</b>	<b>\$(757,122)</b>	<b>\$(4,109)</b>	<b>\$(16,134)</b>	<b>180</b>	<b>\$80,346</b>	<b>\$560,990</b>	<b>\$3,500,211</b>	<b>100.00%</b>	<b>100.00%</b>

<sup>39</sup> Total Approved Since Inception includes original Board approved amount plus any additional approved amount. This does not impact the number of approved initiatives. Additional amounts most often occur later than the fiscal year within which the funding was originally approved.

<sup>40</sup> Withdrawn/Closed = number of initiatives and amounts previously approved and subsequently withdrawn by applicant or closed by FCM. Withdrawals and closures most often occur later than the fiscal year within which the initiative was originally approved.

<sup>41</sup> Cancellations = partial cancellation of an approved amount due to a reduction in eligible costs (as determined by FCM); partial cancellation by applicant due to reduced funding need; or reduced disbursed amount on completed initiative(s). This does not affect the number of approved initiatives. Cancelled amounts most often occur later than the fiscal year within which the funding was originally approved.

<sup>42</sup> Total Net Approved = Total approved (original Board approved plus additional approved) less Withdrawn/Closed and Cancelled.

<sup>43</sup> Source: Statistics Canada 2011 Census

<sup>44</sup> TPV = Total project value reported by applicant

**Table A5: Urban–rural balance of approved sustainable community plans, feasibility studies and field tests** (dollar figures presented in \$1000s)

Municipality Type <sup>48</sup>	Population <sup>49</sup>	% of pop.	APPROVED AMOUNTS <sup>45</sup>															NET APPROVED SINCE INCEPTION										
			2013–2014			2012–2013			SINCE INCEPTION									WITHDRAWN/CLOSED <sup>46</sup>			ADJUSTMENTS <sup>47</sup>		NET TOTAL					
			#	% of #	\$	% of \$	TPV	#	% of #	\$	% of \$	TPV	#	% of #	\$	% of \$	TPV	per 1,000,000 inhabitants (\$)	#	\$	TPV	\$	#	% of #	\$	% of \$	TPV	per 1,000,000 inhabitants (\$)
Small, rural and remote	6,329,414	18.9%	17	34.7%	\$1,073	29.0%	\$3,118	16	34.0%	\$965	27.0%	\$2,176	254	27.1%	\$15,179	17.7%	\$39,040	\$2,398	(25)	\$(1,760)	\$(3,990)	\$(1,503)	229	26.6%	\$11,917	16.6%	\$35,050	\$1,883
Towns and cities	27,147,274	81.1%	32	65.3%	\$2,626	71.0%	\$7,140	31	66.0%	\$2,609	73.0%	\$9,650	685	72.9%	\$70,363	82.3%	\$192,412	\$2,592	(54)	\$(5,234)	\$(12,011)	\$(5,255)	631	73.4%	\$59,875	83.4%	\$180,401	\$2,206
<b>TOTAL</b>	<b>33,476,688</b>	<b>100.0%</b>	<b>49</b>	<b>100.0%</b>	<b>\$3,699</b>	<b>100.0%</b>	<b>\$10,258</b>	<b>47</b>	<b>100.0%</b>	<b>\$3,574</b>	<b>100.0%</b>	<b>\$11,826</b>	<b>939</b>	<b>100.0%</b>	<b>\$85,543</b>	<b>100.0%</b>	<b>\$231,453</b>	<b>\$2,555</b>	<b>(79)</b>	<b>\$(6,993)</b>	<b>\$(16,001)</b>	<b>\$(6,758)</b>	<b>860</b>	<b>100.0%</b>	<b>\$71,792</b>	<b>100.0%</b>	<b>\$215,452</b>	<b>\$2,145</b>

<sup>45</sup> Approved Amounts: all figures include only originally approved initiatives and amounts.

<sup>46</sup> Withdrawn/Closed = number of initiatives and amounts previously approved and subsequently withdrawn by applicant or closed by FCM. Withdrawals and closures most often occur later than the fiscal year within which the initiative was originally approved.

<sup>47</sup> Adjustments = Additional less cancelled amounts. This reflects any funding approved by FCM Board in addition to previously approved amounts; partial cancellation of an approved amount due to reduced eligible costs (as determined by FCM); partial cancellation by applicant due to reduced funding need; or reduced amount disbursed on completed initiative(s). Adjustments do not affect the number of approved initiatives. Additional amounts most often occur later than the fiscal year within which the funding was originally approved.

<sup>48</sup> In November 2012, FCM adjusted its definition of urban and rural for GMF, whereby urban municipalities are those having a population 10,000 or more and urban regional municipalities are those where at least one member municipality has a population of 10,000 or more. The new definition is reflected for the first time in this annual report.

<sup>49</sup> Source: Statistics Canada 2011 Census

**Table A6: Urban–rural balance of approved capital projects** (dollar figures presented in \$1000s)

Municipality Type <sup>53</sup>	Population <sup>54</sup>	% of pop.	APPROVED AMOUNTS <sup>50</sup>													NET APPROVED SINCE INCEPTION												
			2013–2014			2012–2013			SINCE INCEPTION			per 1,000,000 inhabitants (\$)	WITHDRAWN/CLOSED <sup>51</sup>			ADJUSTMENTS <sup>52</sup>	NET TOTAL											
			#	% of #	\$ % of \$	TPV	#	% of #	\$ % of \$	TPV	#		% of #	\$ % of \$	TPV		\$	#	% of #	\$ % of \$	TPV	per 1,000,000 inhabitants (\$)						
Small, rural and remote	6,329,414	18.9%	5	45.5%	\$27,719	51.1%	\$102,429	4	33.3%	\$15,176	26.6%	\$26,652	85	31.0%	\$177,554	22.3%	\$711,887	\$28,052	(23)	\$(29,425)	\$(185,028)	\$(4,275)	62	34.4%	\$143,854	22.4%	\$526,859	\$22,728
Towns and cities	27,147,274	81.1%	6	54.5%	\$26,477	48.9%	\$41,473	8	66.7%	\$41,879	73.4%	\$250,172	189	69.0%	\$618,756	77.7%	\$3,545,446	\$22,793	(71)	\$(144,144)	\$(572,094)	\$22,870	118	65.6%	\$497,482	77.6%	\$2,973,352	\$18,325
<b>TOTAL</b>	<b>33,476,688</b>	<b>100.0%</b>	<b>11</b>	<b>100.0%</b>	<b>\$54,196</b>	<b>100.0%</b>	<b>\$143,901</b>	<b>12</b>	<b>100.0%</b>	<b>\$57,055</b>	<b>100.0%</b>	<b>\$276,824</b>	<b>274</b>	<b>100.0%</b>	<b>\$796,310</b>	<b>100.0%</b>	<b>\$4,257,333</b>	<b>\$23,787</b>	<b>(94)</b>	<b>\$(173,569)</b>	<b>\$(757,122)</b>	<b>\$18,594</b>	<b>180</b>	<b>100.0%</b>	<b>\$641,335</b>	<b>100.0%</b>	<b>\$3,500,211</b>	<b>\$19,158</b>

**Table A7: Number of applications and approvals for capital projects, plans, studies and tests**

	2013–2014	2012–2013	SINCE INCEPTION
Applications submitted <sup>55</sup>	86	90	1991
Approvals <sup>56</sup>	60	59	1213

<sup>50</sup> Approved Amounts: all figures include only originally approved initiatives and amounts.

<sup>51</sup> Withdrawn/Closed = number of initiatives and amounts previously approved and subsequently withdrawn by applicant or closed by FCM. Withdrawals and closures most often occur later than the fiscal year within which the initiative was originally approved.

<sup>52</sup> Adjustments = Additional less cancelled amounts, where additional indicated additional funding approved by FCM Board to previously approved initiatives, and cancelled indicates partial cancellation of an approved amount by GMF due to reduced eligible costs or by applicant due to reduced GMF funding need, OR reduced disbursed amount on completed initiative(s). Adjustments do not affect the number of approved initiatives. Additional amounts most often occur later than the fiscal year within which the funding was originally approved.

<sup>53</sup> In November 2012, FCM adjusted its definition of urban and rural for GMF, whereby urban municipalities are those having a population 10,000 or more and urban regional municipalities are those where at least one member municipality has a population of 10,000 or more. The new definition is reflected for the first time in this annual report.

<sup>54</sup> Source: Statistics Canada 2011 Census

<sup>55</sup> Number of applications submitted to FCM for GMF funding. Submission year is based on the date FCM received the application.

<sup>56</sup> Number of applications approved by FCM Board, based on the Board approved date. Applications approved in a given fiscal year may have been submitted in a previous fiscal year.

**Table A8A: Total approved GMF initiatives by region — capital projects, plans, studies and tests** (dollar figures presented in \$1000s)

Region/Province	Population <sup>58</sup>	% of pop.	2013–2014						2012–2013						SINCE INCEPTION <sup>57</sup>													
			#	Grant (\$)	Loan (\$)	TPV <sup>59</sup>	Add'l <sup>60</sup> Grant (\$)	Add'l <sup>60</sup> Loan (\$)	Total Grant	Total Loan	% (#)	% (\$)	#	Grant (\$)	Loan (\$)	TPV <sup>59</sup>	Add'l <sup>60</sup> Grant (\$)	Add'l <sup>60</sup> Loan (\$)	Total Grant	Total Loan	% (#)	% (\$)	#	Total Grant (\$)	Total Loan (\$)	TPV <sup>60</sup> (\$)	% (#)	% (\$)
<b>Atlantic</b>	<b>2,327,638</b>	<b>6.95%</b>	<b>5</b>	<b>\$73</b>	<b>\$3,800</b>	<b>\$22,636</b>	<b>\$3</b>	<b>\$0</b>	<b>\$76</b>	<b>\$3,800</b>	<b>8.33%</b>	<b>6.69%</b>	<b>4</b>	<b>\$607</b>	<b>\$5,455</b>	<b>\$8,920</b>	<b>\$0</b>	<b>\$0</b>	<b>\$607</b>	<b>\$5,455</b>	<b>6.78%</b>	<b>9.99%</b>	<b>129</b>	<b>\$18,015</b>	<b>\$103,518</b>	<b>\$719,017</b>	<b>10.63%</b>	<b>13.18%</b>
New Brunswick	751,171	2.24%	2	\$23	\$3,800	\$22,534	\$0	\$0	\$23	\$3,800	3.33%	6.60%	1	\$39	\$0	\$95	\$0	\$0	\$39	\$0	1.69%	0.06%	50	\$5,550	\$37,967	\$135,844	4.12%	4.72%
Newfoundland and Labrador <sup>61</sup>	514,536	1.54%	2	\$33	\$0	\$67	\$0	\$0	\$33	\$0	3.33%	0.06%	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%	0.00%	23	\$4,616	\$26,153	\$120,564	1.90%	3.34%
Nova Scotia	921,727	2.75%	1	\$17	\$0	\$35	\$3	\$0	\$20	\$0	1.67%	0.03%	3	\$568	\$5,455	\$8,825	\$0	\$0	\$568	\$5,455	5.08%	9.93%	50	\$6,472	\$39,398	\$459,596	4.12%	4.98%
Prince Edward Island	140,204	0.42%	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%	0.00%	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%	0.00%	6	\$1,376	\$0	\$3,012	0.49%	0.15%
<b>British Columbia</b>	<b>4,400,057</b>	<b>13.14%</b>	<b>13</b>	<b>\$2,255</b>	<b>\$11,771</b>	<b>\$37,553</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,255</b>	<b>\$11,771</b>	<b>21.67%</b>	<b>24.23%</b>	<b>10</b>	<b>\$1,866</b>	<b>\$16,600</b>	<b>\$81,494</b>	<b>\$46</b>	<b>\$0</b>	<b>\$1,912</b>	<b>\$16,600</b>	<b>16.95%</b>	<b>30.51%</b>	<b>222</b>	<b>\$32,207</b>	<b>\$147,001</b>	<b>\$822,800</b>	<b>18.30%</b>	<b>19.44%</b>
<b>Northern Territories</b>	<b>107,265</b>	<b>0.32%</b>	<b>1</b>	<b>\$750</b>	<b>\$7,500</b>	<b>\$37,508</b>	<b>\$0</b>	<b>\$0</b>	<b>\$750</b>	<b>\$7,500</b>	<b>1.67%</b>	<b>14.25%</b>	<b>1</b>	<b>\$26</b>	<b>\$0</b>	<b>\$75</b>	<b>\$0</b>	<b>\$0</b>	<b>\$26</b>	<b>\$0</b>	<b>1.69%</b>	<b>0.04%</b>	<b>26</b>	<b>\$2,949</b>	<b>\$8,462</b>	<b>\$43,780</b>	<b>2.14%</b>	<b>1.24%</b>
Northwest Territories	41,462	0.12%	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%	0.00%	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%	0.00%	9	\$999	\$0	\$2,144	0.74%	0.11%
Nunavut	31,906	0.10%	1	\$750	\$7,500	\$37,508	\$0	\$0	\$750	\$7,500	1.67%	14.25%	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%	0.00%	6	\$1,167	\$7,578	\$38,729	0.49%	0.95%
Yukon	33,897	0.10%	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%	0.00%	1	\$26	\$0	\$75	\$0	\$0	\$26	\$0	1.69%	0.04%	11	\$783	\$885	\$2,907	0.91%	0.18%
<b>Ontario</b>	<b>12,851,821</b>	<b>38.39%</b>	<b>16</b>	<b>\$1,811</b>	<b>\$2,557</b>	<b>\$7,680</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,811</b>	<b>\$2,557</b>	<b>26.67%</b>	<b>7.54%</b>	<b>15</b>	<b>\$1,536</b>	<b>\$2,000</b>	<b>\$7,869</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,536</b>	<b>\$2,000</b>	<b>25.42%</b>	<b>5.83%</b>	<b>408</b>	<b>\$59,167</b>	<b>\$283,419</b>	<b>\$1,889,667</b>	<b>33.64%</b>	<b>37.16%</b>
<b>Prairies</b>	<b>5,886,906</b>	<b>17.59%</b>	<b>9</b>	<b>\$1,719</b>	<b>\$11,061</b>	<b>\$26,509</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,719</b>	<b>\$11,061</b>	<b>15.00%</b>	<b>22.07%</b>	<b>7</b>	<b>\$1,243</b>	<b>\$12,525</b>	<b>\$132,691</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,243</b>	<b>\$12,525</b>	<b>11.86%</b>	<b>22.69%</b>	<b>215</b>	<b>\$36,854</b>	<b>\$106,623</b>	<b>\$541,419</b>	<b>17.72%</b>	<b>15.56%</b>
Alberta	3,645,257	10.89%	3	\$625	\$5,000	\$8,683	\$0	\$0	\$625	\$5,000	5.00%	9.71%	6	\$1,220	\$12,525	\$132,639	\$0	\$0	\$1,220	\$12,525	10.17%	22.65%	123	\$21,630	\$59,168	\$391,956	10.14%	8.76%
Manitoba	1,208,268	3.61%	3	\$408	\$0	\$1,594	\$0	\$0	\$408	\$0	5.00%	0.71%	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%	0.00%	44	\$9,674	\$34,887	\$99,845	3.63%	4.83%
Saskatchewan <sup>61</sup>	1,033,381	3.09%	3	\$686	\$6,061	\$16,233	\$0	\$0	\$686	\$6,061	5.00%	11.65%	1	\$23	\$0	\$52	\$0	\$0	\$23	\$0	1.69%	0.04%	48	\$5,550	\$12,568	\$49,618	3.96%	1.97%
<b>Quebec</b>	<b>7,903,001</b>	<b>23.61%</b>	<b>16</b>	<b>\$2,517</b>	<b>\$12,079</b>	<b>\$22,273</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,517</b>	<b>\$12,079</b>	<b>26.67%</b>	<b>25.21%</b>	<b>22</b>	<b>\$3,313</b>	<b>\$15,458</b>	<b>\$57,601</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,313</b>	<b>\$15,458</b>	<b>37.29%</b>	<b>30.94%</b>	<b>213</b>	<b>\$36,254</b>	<b>\$87,379</b>	<b>\$472,104</b>	<b>17.56%</b>	<b>13.41%</b>
<b>Total</b>	<b>33,476,688</b>	<b>100.00%</b>	<b>60</b>	<b>\$9,126</b>	<b>\$48,769</b>	<b>\$154,159</b>	<b>\$3</b>	<b>\$0</b>	<b>\$9,128</b>	<b>\$48,769</b>	<b>100%</b>	<b>100%</b>	<b>59</b>	<b>\$8,590</b>	<b>\$52,038</b>	<b>\$288,650</b>	<b>\$46</b>	<b>\$0</b>	<b>\$8,637</b>	<b>\$52,038</b>	<b>100%</b>	<b>100%</b>	<b>1,213</b>	<b>\$185,445</b>	<b>\$736,402</b>	<b>\$4,488,786</b>	<b>100.00%</b>	<b>100.00%</b>

<sup>57</sup> Total Approved Since Inception includes original Board approved amount plus any additional approved amount.

<sup>58</sup> Source: Statistics Canada 2011 Census

<sup>59</sup> TPV = Total project value reported by applicant

<sup>60</sup> Add'l = Additional funding approved by FCM Board to previously approved initiatives. This does not affect the number of approved initiatives. Additional amounts most often occur later than the fiscal year within which the funding was originally approved.

<sup>61</sup> A review of the GMF database pertaining to 2012-13 identified that one approved initiative in 2012-13 was mistakenly allocated to Newfoundland and Labrador rather than Saskatchewan in last year's annual report. The appropriate adjustments have been made and are reflected here.

**Table A8B: Net approved initiatives by region since inception — capital projects, plans, studies and tests** (dollar figures presented in \$1000s)

Region / Province	Population <sup>65</sup>	% of pop.	TOTAL APPROVED SINCE INCEPTION <sup>62</sup>						WITHDRAWN/CLOSED <sup>63</sup>			CANCELLATIONS <sup>64</sup>		NET TOTAL						% OF NET VERSUS APPROVED		
			#	Total Grant (\$)	Total Loan (\$)	TPV <sup>66</sup> (\$)	% (#)	% (\$)	#	Grant (\$)	Loan (\$)	TPV <sup>66</sup> (\$)	Grants (\$)	Loans (\$)	#	Grant (\$)	Loan (\$)	TPV <sup>66</sup> (\$)	% (#)	% (\$)	# (%)	\$ (%)
<b>Atlantic</b>	<b>2,327,638</b>	<b>6.95%</b>	<b>129</b>	<b>\$18,015</b>	<b>\$103,518</b>	<b>\$719,017</b>	<b>10.63%</b>	<b>13.18%</b>	<b>(10)</b>	<b>\$(2,937)</b>	<b>\$(15,949)</b>	<b>\$(15,146)</b>	<b>\$(717)</b>	<b>\$(968)</b>	<b>119</b>	<b>\$14,362</b>	<b>\$86,602</b>	<b>\$703,870</b>	<b>11.44%</b>	<b>14.99%</b>	<b>92.25%</b>	<b>83.07%</b>
New Brunswick	751,171	2.24%	50	\$5,550	\$37,967	\$135,844	4.12%	4.72%	(4)	\$(1,798)	\$(12,699)	\$(2,418)	\$(149)	\$(496)	46	\$3,603	\$24,772	\$133,425	4.42%	4.21%	92.00%	65.20%
Newfoundland and Labrador <sup>67</sup>	514,536	1.54%	23	\$4,616	\$26,153	\$120,564	1.90%	3.34%	(2)	\$(705)	\$(50)	\$(1,455)	\$(110)	\$(256)	21	\$3,801	\$25,847	\$119,109	2.02%	4.40%	91.30%	96.36%
Nova Scotia	921,727	2.75%	50	\$6,472	\$39,398	\$459,596	4.12%	4.98%	(4)	\$(397)	\$(3,200)	\$(11,273)	\$(456)	\$(215)	46	\$5,619	\$35,983	\$448,323	4.42%	6.17%	92.00%	90.69%
Prince Edward Island	140,204	0.42%	6	\$1,376	\$0	\$3,012	0.49%	0.15%	-	\$(37)	-	-	\$(1)	-	6	\$1,338	\$0	\$3,012	0.58%	0.20%	100.00%	97.24%
<b>British Columbia</b>	<b>4,400,057</b>	<b>13.14%</b>	<b>222</b>	<b>\$32,207</b>	<b>\$147,001</b>	<b>\$822,800</b>	<b>18.30%</b>	<b>19.44%</b>	<b>(28)</b>	<b>\$(5,345)</b>	<b>\$(34,636)</b>	<b>\$(161,185)</b>	<b>\$(1,699)</b>	<b>\$(6,680)</b>	<b>194</b>	<b>\$25,162</b>	<b>\$105,686</b>	<b>\$661,616</b>	<b>18.65%</b>	<b>19.42%</b>	<b>87.39%</b>	<b>73.01%</b>
<b>Northern Territories</b>	<b>107,265</b>	<b>0.32%</b>	<b>26</b>	<b>\$2,949</b>	<b>\$8,462</b>	<b>\$43,780</b>	<b>2.14%</b>	<b>1.24%</b>	<b>(3)</b>	<b>\$(367)</b>	<b>\$(962)</b>	<b>\$(1,872)</b>	<b>\$(288)</b>	<b>-</b>	<b>23</b>	<b>\$2,294</b>	<b>\$7,500</b>	<b>\$41,908</b>	<b>2.21%</b>	<b>1.45%</b>	<b>88.46%</b>	<b>85.83%</b>
Northwest Territories	41,462	0.12%	9	\$999	\$0	\$2,144			-	\$(9)	-	-	\$(170)	-	9	\$819	\$0	\$2,144	0.87%	0.12%	100.00%	82.02%
Nunavut	31,906	0.10%	6	\$1,167	\$7,578	\$38,729	0.49%	0.95%	(1)	\$(78)	\$(78)	\$(310)	\$(30)	-	5	\$1,060	\$7,500	\$38,419	0.48%	1.27%	83.33%	97.89%
Yukon	33,897	0.10%	11	\$783	\$885	\$2,907	0.91%	0.18%	(2)	\$(280)	\$(885)	\$(1,562)	\$(88)	-	9	\$415	\$0	\$1,345	0.87%	0.06%	81.82%	24.88%
<b>Ontario</b>	<b>12,851,821</b>	<b>38.39%</b>	<b>408</b>	<b>\$59,167</b>	<b>\$283,419</b>	<b>\$1,889,667</b>	<b>33.64%</b>	<b>37.16%</b>	<b>(69)</b>	<b>\$(10,653)</b>	<b>\$(86,788)</b>	<b>\$(315,962)</b>	<b>\$(4,618)</b>	<b>\$(3,234)</b>	<b>339</b>	<b>\$43,897</b>	<b>\$193,397</b>	<b>\$1,573,704</b>	<b>32.60%</b>	<b>35.22%</b>	<b>83.09%</b>	<b>69.27%</b>
<b>Prairies</b>	<b>5,886,906</b>	<b>17.59%</b>	<b>215</b>	<b>\$36,854</b>	<b>\$106,623</b>	<b>\$541,419</b>	<b>17.72%</b>	<b>15.56%</b>	<b>(34)</b>	<b>\$(5,584)</b>	<b>\$(42,099)</b>	<b>\$(159,093)</b>	<b>\$(2,055)</b>	<b>\$(3,420)</b>	<b>181</b>	<b>\$29,215</b>	<b>\$61,104</b>	<b>\$382,326</b>	<b>17.40%</b>	<b>13.41%</b>	<b>84.19%</b>	<b>62.95%</b>
Alberta	3,645,257	10.89%	123	\$21,630	\$59,168	\$391,956	10.14%	8.76%	(17)	\$(1,592)	\$(26,330)	\$(114,640)	\$(1,191)	\$(2,675)	106	\$18,846	\$30,163	\$277,316	10.19%	7.27%	86.18%	60.66%
Manitoba	1,208,268	3.61%	44	\$9,674	\$34,887	\$99,845	3.63%	4.83%	(9)	\$(3,645)	\$(13,964)	\$(37,983)	\$(159)	\$(340)	35	\$5,870	\$20,583	\$61,862	3.37%	3.93%	79.55%	59.36%
Saskatchewan <sup>67</sup>	1,033,381	3.09%	48	\$5,550	\$12,568	\$49,618	3.96%	1.97%	(8)	\$(347)	\$(1,805)	\$(6,470)	\$(704)	\$(404)	40	\$4,499	\$10,358	\$43,148	3.85%	2.21%	83.33%	82.00%
<b>Quebec</b>	<b>7,903,001</b>	<b>23.61%</b>	<b>213</b>	<b>\$36,254</b>	<b>\$87,379</b>	<b>\$472,104</b>	<b>17.56%</b>	<b>13.41%</b>	<b>(29)</b>	<b>\$(3,168)</b>	<b>\$(12,071)</b>	<b>\$(119,865)</b>	<b>\$(2,030)</b>	<b>\$(1,834)</b>	<b>184</b>	<b>\$31,056</b>	<b>\$73,474</b>	<b>\$352,239</b>	<b>17.69%</b>	<b>15.51%</b>	<b>86.38%</b>	<b>84.55%</b>
<b>Total</b>	<b>33,476,688</b>	<b>100.00%</b>	<b>1,213</b>	<b>\$185,445</b>	<b>\$736,402</b>	<b>\$4,488,786</b>	<b>100.00%</b>	<b>100.00%</b>	<b>(173)</b>	<b>\$(28,053)</b>	<b>\$(192,505)</b>	<b>\$(773,123)</b>	<b>\$(11,407)</b>	<b>\$(16,134)</b>	<b>1,040</b>	<b>\$145,986</b>	<b>\$527,763</b>	<b>\$3,715,663</b>	<b>100.00%</b>	<b>100.00%</b>	<b>85.74%</b>	<b>73.09%</b>

<sup>62</sup> Total Approved Since Inception includes original Board approved amount plus any additional approved amount. This does not impact the number of approved initiatives. Additional amounts most often occur later than the fiscal year within which the funding was originally approved.

<sup>63</sup> Withdrawn/Closed = number of initiatives and amounts previously approved and subsequently withdrawn by applicant or closed by FCM. Withdrawals and closures most often occur later than the fiscal year within which the initiative was originally approved.

<sup>64</sup> Cancelled = partial cancellation of an approved amount by GMF due to reduced eligible costs or by applicant due to reduced GMF funding need, OR reduced disbursed amount on completed initiative(s). This does not impact the number of approved initiatives. Cancelled amounts most often occur later than the fiscal year within which the funding was originally approved.

<sup>65</sup> Source: Statistics Canada 2011 Census

<sup>66</sup> TPV = Total project value reported by applicant.

<sup>67</sup> A review of the GMF database pertaining to 2012-13 identified that one approved initiative in 2012-13 was mistakenly allocated to Newfoundland and Labrador rather than Saskatchewan in last year's annual report. The appropriate adjustments have been made and are reflected here.

**Table A9: Urban–rural balance of all approved projects** (dollar figures presented in \$1000s)

			APPROVED AMOUNTS <sup>68</sup>														NET APPROVED SINCE INCEPTION											
			2013-2014			2012-2013			SINCE INCEPTION								WITHDRAWN / CLOSED <sup>69</sup>			ADJUSTMENTS <sup>70</sup>	NET TOTAL							
Municipality Type <sup>71</sup>	Population <sup>72</sup>	% of pop.	#	% of #	\$	% of \$	TPV	#	% of #	\$	% of \$	TPV	#	% of #	\$	% of \$	TPV	per 1,000,000 inhabitants (\$)	#	\$	TPV	\$	#	% of #	\$	% of \$	TPV	per 1,000,000 inhabitants (\$)
Small, rural and remote	6,329,414	18.9%	22	36.7%	\$28,791	49.7%	\$105,546	20	33.9%	\$16,140	26.6%	\$28,828	339	27.9%	\$192,733	21.9%	\$750,927	\$30,450	(48)	\$(31,185)	\$(189,018)	\$(5,778)	291	28.0%	\$155,770	21.8%	\$561,910	\$24,611
Towns and cities	27,147,274	81.1%	38	63.3%	\$29,103	50.3%	\$48,613	39	66.1%	\$44,488	73.4%	\$259,822	874	72.1%	\$689,120	78.1%	\$3,737,859	\$25,384	(125)	\$(149,378)	\$(584,106)	\$17,615	749	72.0%	\$557,357	78.2%	\$3,153,753	\$20,531
<b>TOTAL</b>	<b>33,476,688</b>	<b>100.0%</b>	<b>60</b>	<b>100.0%</b>	<b>\$57,895</b>	<b>100.0%</b>	<b>\$154,159</b>	<b>59</b>	<b>100.0%</b>	<b>\$60,629</b>	<b>100.0%</b>	<b>\$288,650</b>	<b>1,213</b>	<b>100.0%</b>	<b>\$881,853</b>	<b>100.0%</b>	<b>\$4,488,786</b>	<b>\$26,342</b>	<b>(173)</b>	<b>\$(180,563)</b>	<b>\$(773,123)</b>	<b>\$11,837</b>	<b>1,040</b>	<b>100.0%</b>	<b>\$713,127</b>	<b>100.0%</b>	<b>\$3,715,663</b>	<b>\$21,302</b>

<sup>68</sup> Approved Amounts: all figures include only originally approved initiatives and amounts.

<sup>69</sup> Withdrawn/Closed = number of initiatives and amounts previously approved and subsequently withdrawn by applicant or closed by FCM. Withdrawals and closures most often occur later than the fiscal year within which the initiative was originally approved.

<sup>70</sup> Adjustments = Additional less cancelled amounts, where additional indicated additional funding approved by FCM Board to previously approved initiatives, and cancelled indicates partial cancellation of an approved amount by GMF due to reduced eligible costs or by applicant due to reduced GMF funding need, OR reduced disbursed amount on completed initiative(s). Adjustments do not affect the number of approved initiatives. Additional amounts most often occur later than the fiscal year within which the funding was originally approved.

<sup>71</sup> In November 2012, FCM adjusted its definition of urban and rural for GMF, whereby urban municipalities are those having a population 10,000 or more and urban regional municipalities are those where at least one member municipality has a population of 10,000 or more. The new definition is reflected for the first time in this annual report.

<sup>72</sup> Source: Statistics Canada 2011 Census

## APPENDIX B: FUND MANAGEMENT

**Table B1: Amount and type of funding disbursed**

	Since inception	2013–2014 (\$)	2012–2013 (\$)
Grants for plans, feasibility studies and field tests	60,836,215	2,473,069	6,395,630
Grants for capital projects	48,557,137	4,122,040	7,939,910
Project Performance Reporting Grant Agreement (PPRGA) grants for capital projects	1,159,394	62,983	82,288
Loans for capital projects	321,842,030	23,314,990	82,402,789
<b>Total</b>	<b>432,394,776</b>	<b>29,973,082</b>	<b>96,820,617</b>

**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	2013–2014	2012–2013
<b>Return on investment (%)</b>	5.59	1.96	3.71

### 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, Knowledge Services, and Governance.

Their remuneration for the fiscal year 2013–2014 was based on the salary ranges listed below.

#### From April 1, 2013, to March 31, 2014

Director	\$105,000 to \$162,000
Senior managers	\$97,000 to \$125,000

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.

In 2013, FCM was advised by external legal counsel and by Canada Revenue Agency auditors that its practice of remunerating certain members of the FCM Board of Directors was not legally compliant. The Ontario Office of the Public Guardian and Trustee requires that directors of a charity operating in Ontario – which FCM is – cannot receive remuneration. Further, documentation issued by CRA states “CRA does not permit the remuneration of directors merely for acting as directors.” The FCM Board of Directors adopted a motion at its November 2013 meeting, that FCM Board members can no longer receive compensation for the performance of board duties. This means that FCM Board members, who represent the municipal sector on the GMF Council, will no longer be remunerated for the time they spend on council-related work.

GMF peer reviewers may claim fees of \$800 per day (based on a seven-hour work day). A maximum of 10 hours per application is the set benchmark; however, for more complex files, additional review time may be granted if requested prior to assessment. While the Funding Agreement permits compensation for peer reviewers appointed by the federal government, none of these reviewers have made any claims since GMF inception.

## APPENDIX C: GMF COUNCIL MEMBERS

Current members

\*as of March 31, 2014

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

Mayor Don Downe  
Town of Lunenburg, Nova Scotia  
*Appointed October 2013*

Mayor Martin Dampousse  
City of Varennes, Quebec  
*Appointed January 2014*

### 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*

Eric Gagné, Director General  
Science and Technology Strategies Directorate  
Environment Canada  
*Appointed November 2013*

**Alternate**  
Dr. Charles Lin (Alternate), 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, Principal  
The Innovation Fund  
*Appointed January 2012*

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

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

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

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

## Former members

### Former members appointed by the FCM Board of Directors

Warden Lloyd Hines  
Union of Nova Scotia Municipalities  
*Served December 2008–2013*

Mayor Michel Morin, Vice-Chair  
City of Rivière-du-Loup, Quebec  
*Served 2009–2013*

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

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

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

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

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

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

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

Councillor Ann Bourget  
City of Quebec, Quebec  
*Served 2003–2006*

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

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

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

Alderman Bob Charters  
City of Hamilton, Ontario  
*Served in 2000*

Mayor Doug Archer  
City of Regina, Saskatchewan  
*Served in 2000*

## Former members representing the federal government

Dr. Javier Gracia-Garza, Director General  
Science and Technology Strategies  
Environment Canada  
*Served 2007–2013*

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*

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

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

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  
Quebec 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 D: 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 D1–D3](#), 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 D1: Assessment criteria for plans**

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

**Table D2: Assessment criteria for feasibility studies and field tests**

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

## Capital projects

**Table D3: Assessment criteria for capital projects**

RATED CRITERIA	MAXIMUM SCORE
<b>Potential benefits</b>	
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
<b>Total potential benefits</b>	<b>60</b>
<b>Knowledge value</b>	
Innovation — beyond business as usual	10
Replication and knowledge sharing	10
<b>Total knowledge value</b>	<b>20</b>
<b>Project management, public engagement and commitment</b>	
Management	5
Risk management and timelines	10
Financing	5
<b>Total project management potential</b>	<b>20</b>
<b>TOTAL</b>	<b>100</b>

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 E: GMF INITIATIVES APPROVED IN 2013–2014

Funding for the following initiatives was approved by the FCM Executive Committee in 2013–2014. 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

#### **Sorrento Blind Bay Community Wastewater Study (GMF 13012)**

Lead applicant: Columbia-Shuswap Regional District

GMF grant: \$55,000

Total project value: \$111,000

#### **Scotch Creek Community Sewer System Study (GMF 13013)**

Lead applicant: Columbia-Shuswap Regional District

GMF grant: \$63,140

Total project value: \$126,280

#### **Creston Valley Millennium Park Brownfield Feasibility Study (GMF 13051)**

Lead applicant: Creston Valley Community Housing Society

GMF grant: \$17,650

Total project value: \$38,600

#### **Lions Gate Wastewater Treatment Plant Upgrade (GMF 12107)**

Lead applicant: Greater Vancouver Sewerage and Drainage District

GMF grant: \$75,000

Total project value: \$485,000

#### **Nelson's Railtown District Sustainable Neighbourhood Plan (GMF 12079)**

Lead applicant: City of Nelson

GMF grant: \$25,190

Total project value: \$51,580

#### **University Village Local Area Plan (GMF 13037)**

Lead applicant: District of North Cowichan

GMF grant: \$60,300

Total project value: \$165,700

#### **Northern Rockies Regional Municipality Community Energy Management Plan (GMF 13025)**

Lead applicant: Northern Rockies Regional Municipality

GMF grant: \$18,000

Total project value: \$36,000

#### **Regional District of Okanagan-Similkameen Organic Management Feasibility Study (GMF 13046)**

Lead applicant: Regional District of Okanagan-Similkameen

GMF grant: \$175,000

Total project value: \$433,300

**Port Alberni Integrated Municipal District Energy System (GMF 13003)**

Lead applicant: City of Port Alberni

GMF grant: \$436,363

GMF loan: \$4,363,637

Total project value: \$9,977,000

**Marine Avenue Brownfield Study (GMF 13054)**

Lead applicant: Powell River Regional District

GMF grant: \$116,392

Total project value: \$239,983

**City of Surrey Electric Vehicle Fleet Pilot (GMF 12116)**

Lead applicant: City of Surrey

GMF grant: \$75,400

Total project value: \$150,800

**District of Sechelt Innovative Wastewater Treatment Facility (GMF 13005)**

Lead applicant: District of Sechelt

GMF grant: \$1,000,000

GMF loan: \$7,407,702

Total project value: \$25,657,720

**Vision to Action: Tofino's Sustainable Community Action Plan (GMF 13050)**

Lead applicant: District of Tofino

GMF grant: \$37,750

Total project value: \$80,500

**ALBERTA**

**Aquatera / City of Grande Prairie Landfill Gas-to-Energy and District Heat Project (GMF 13004)**

Lead applicant: AQUATERA Utilities Inc.

GMF grant: \$500,000

GMF loan: \$5,000,000

Total project value: \$8,433,200

**SW Brooks Sanitary Servicing Study (GMF 12100)**

Lead applicant: City of Brooks

GMF grant: \$40,400

Total project value: \$80,800

**Feasibility Study and Development of a Wastewater Reclamation System in Support of Agricultural Diversification in Wheatland County (GMF 13020)**

Lead applicant: Sustainability Resources Ltd.

GMF grant: \$84,250

Total project value: \$168,500

## **SASKATCHEWAN**

### **Town of Lumsden Tertiary Wastewater Treatment Facility (GMF 12111)**

Lead applicant: Town of Lumsden

GMF grant: \$606,111

GMF loan: \$6,061,106

Total project value: \$16,060,700

### **Feasibility Study of an Improved Service for the Handivan in Nipawin (GMF 13029)**

Lead applicant: Town of Nipawin

GMF grant: \$22,000

Total project value: \$45,000

### **City of Saskatoon North Downtown District Energy Feasibility Study (GMF 13006)**

Lead applicant: City of Saskatoon

GMF grant: \$58,150

Total project value: \$126,800

## **MANITOBA**

### **Sixteen Local Climate Change Action Plans from the Association of Manitoba's Bilingual Municipalities (GMF 12032)**

Lead applicant: Association des municipalités bilingues du Manitoba

GMF grant: \$175,000

Total project value: \$501,940

### **Field Test for Organic Waste Collection and Municipal Composting in St-Pierre-Jolys and De Salaberry (GMF 13008)**

Lead applicant: Rural Municipality of De Salaberry

GMF grant: \$138,490

Total project value: \$808,780

### **Winnipeg's Community-Wide Climate Change Action Plan (GMF 12113)**

Lead applicant: City of Winnipeg

GMF grant: \$94,875

Total project value: \$283,250

## **ONTARIO**

### **Mayor's Community Energy Plan for the Town of Halton Hills (GMF 13014)**

Lead applicant: Town of Halton Hills

GMF grant: \$73,020

Total project value: \$176,000

### **The Ottawa Centre EcoDistrict Sustainable Neighborhood Action Plan (GMF 13045)**

Lead applicant: Invest Ottawa

GMF grant: \$97,625

Total project value: \$195,250

**Brownfield Remediation Feasibility Study, Davis Tannery Property (GMF 12106)**

Lead applicant: City of Kingston

GMF grant: \$38,100

Total project value: \$76,200

**Rideau Heights Regeneration Strategy (GMF 13017)**

Lead applicant: City of Kingston

GMF grant: \$175,000

Total project value: \$501,000

**Kingston PCP Climate Action Plan: Corporate and Community Plans (GMF 13031)**

Lead applicant: City of Kingston

GMF grant: \$89,400

Total project value: \$178,800

**Niagara Region's 1st Social Housing LEED Building and Retrofit Study (GMF 12096)**

Lead applicant: Niagara Regional Housing

GMF grant: \$175,000

Total project value: \$555,994

**Improving Organic Waste Diversion through a Field Test of Greenbin-Derived Compost (GMF 12117)**

Lead applicant: Region of Peel

GMF grant: \$131,150

Total project value: \$650,600

**Ojibwa Landing Phase II ESA Site Investigation (GMF 13001)**

Lead applicant: Town of Penetanguishene

GMF grant: \$62,535

Total project value: \$125,070

**Prescott Energy Conservation and Greenhouse Gas Emissions Reduction Plan (GMF 12101)**

Lead applicant: Town of Prescott

GMF grant: \$23,320

Total project value: \$46,640

**Feasibility Study for the Larose Forest Interpretative Ecology Centre in Clarence-Rockland/La Nation (GMF 12114)**

Lead applicant: United Counties of Prescott and Russell

GMF grant: \$170,200

Total project value: \$438,300

**Green Energy Retrofit of Seven Social Housing Buildings (GMF 12110)**

Lead applicant: Toronto Atmospheric Fund

GMF grant: \$511,466

GMF loan: \$2,557,333

Total project value: \$3,906,000

**Toronto's Alexandra Park Revitalization — Energy Retrofit Feasibility Study (GMF 12109)**

Lead applicant: Toronto Community Housing Corporation

GMF grant: \$50,600

Total project value: \$114,400

**Burnhamthorpe Sustainable Neighbourhood Retrofit Action Plan (SNAP) (GMF 13028)**

Lead applicant: Toronto and Region Conservation Authority

GMF grant: \$78,800

Total project value: \$410,800

**PCP Greenhouse Gas Emissions Community and Corporate Reduction Plans (GMF 13030)**

Lead applicant: City of Vaughan

GMF grant: \$24,750

Total project value: \$49,500

**City of Waterloo Corporate Energy and GHG Action Plan (GMF 12119)**

Lead applicant: City of Waterloo

GMF grant: \$33,055

Total project value: \$94,110

**Feasibility Study of Energy-Efficient Recommissioning and Retrofits in City of Waterloo Facilities (GMF 13002)**

Lead applicant: City of Waterloo

GMF grant: \$76,600

Total project value: \$161,200

**QUEBEC**

**Sustainable Land Management Action Plan for the Rural Municipality of Austin (GMF 13011)**

Lead applicant: Municipality of Austin

GMF grant: \$43,900

Total project value: \$107,200

**City of Beloeil Eco-District Project: Redeveloping the Municipal Public Works Property (GMF 12105)**

City of Beloeil

GMF grant: \$50,655

Total project value: \$134,310

**Action Plan for the Development of Sustainable Neighbourhoods on Vacant Lots in Downtown Bromont (GMF 13049)**

Lead applicant: City of Bromont

GMF grant: \$55,000

Total project value: \$150,000

**Feasibility study for Improving Energy Performance of Three Municipal Buildings in Clermont (GMF 12066)**

Lead applicant: City of Clermont

GMF grant: \$8,150

Total project value: \$18,800

**Characterization of the Contaminated La Fonderie and Hanson Sites (GMF 12068)**

Lead applicant: City of Gatineau

GMF grant: \$172,050

Total project value: \$368,700

**Stormwater Management – Saint-André East (GMF 13023)**

Lead applicant: City of Granby  
GMF grant: \$140,000  
GMF loan: \$1,400,000  
Total project value: \$3,776,038

**Collective Septic Systems Network of Baie des Maher(GMF 12045)**

Lead applicant: Municipality of Lac-Saint-Joseph  
GMF grant: \$54,000  
GMF loan: \$539,999  
Total project value: \$983,510

**Restoration and Conversion of the Lachute United Church for the Redeployment of the Jean-Marc-Belzile Library in Lachute (GMF 12039)**

Lead applicant: City of Lachute  
GMF grant: \$829,458  
GMF loan: \$4,147,293  
Total project value: \$6,771,840

**Sustainable Development Action Plan for the Urbanized Area of Malartic (GMF 13018)**

Lead applicant: City of Malartic  
GMF grant: \$78,750  
Total project value: \$179,800

**Sustainable Neighbourhood Action Plan for Île Bourdon in Repentigny (GMF 13007)**

Lead applicant: City of Repentigny  
GMF grant: \$46,585  
Total project value: \$93,170

**Green Parking Lot Field Test in Sainte-Julie: a Decentralized Approach to Stormwater Management (GMF 13042)**

Lead applicant: Savaria Experts-Conseils Inc.  
GMF grant: \$32,450  
Total project value: \$64,900

**Sustainable Neighbourhood Development Master Plan: Downtown Sherbrooke (GMF 13034)**

Lead applicant: Commerce Sherbrooke  
GMF grant: \$72,875  
Total project value: \$153,450

**Technical and Financial Study of Acquisition of Electric Vehicles — Centre national de transport avancé and the Municipalities of Plessisville, Nicolet, Amqui and Deux-Montagnes (GMF 13039)**

Lead applicant: CNTA (National Advanced Transportation Center)  
GMF grant: \$91,685  
Total project value: \$208,370

**Feasibility Study for the PERL “Green” Convention Centre/Hotel/Arena Complex in Témiscouata-sur-le-Lac (GMF 13015)**

Lead applicant: City of Témiscouata-sur-le-Lac  
GMF grant: \$175,000  
Total project value: \$519,500

**Study on Improving the Energy Performance of Complexes Sportifs Terrebonne (GMF 13036)**

Lead applicant: Les Complexes Sportifs Terrebonne inc.

GMF grant: \$67,500

Total project value: \$135,000

**New Multifunctional, Net Zero Energy Library in Varennes (GMF 12112)**

Lead applicant: City of Varennes

GMF grant: \$599,192

GMF loan: \$5,991,928

Total project value: \$8,608,900

**NEW BRUNSWICK**

**Study of New Energy-Efficient Fire Hall (LEED) in Dieppe (GMF 12115)**

Lead applicant: City of Dieppe

GMF grant: \$23,000

Total project value: \$315,150

**Town of St. Stephen's Garcelon Civic Center (GMF 13019)**

Lead applicant: Town of St. Stephen

GMF loan: \$3,800,000

Total project value: \$22,219,000

**NEWFOUNDLAND**

**Pepsi Centre Energy Reduction Feasibility Study (GMF 13048)**

Lead applicant: City of Corner Brook

GMF Grant: \$17,150

Total project value: \$35,700

**Town of Irishtown-Summerside Wastewater Treatment Feasibility Study (GMF 12044)**

Lead applicant: Town of Irishtown-Summerside

GMF grant: \$15,840

Total project value: \$31,680

**NOVA SCOTIA**

**County of Kings' Feasibility Study of Rural-Urban Bus Rapid Transit (BRT) between Annapolis Valley and Halifax (GMF 12118)**

Lead applicant: County of Kings

GMF grant: \$17,250

Total project value: \$34,500

**NUNAVUT**

**City of Iqaluit's New LEED Silver Aquatic Centre (GMF 13040)**

Lead applicant: City of Iqaluit

GMF grant: \$750,000

GMF loan: \$7,500,000

Total project value: \$37,507,579

## APPENDIX F: DETAILS ON PROJECTS THAT REPORTED ENVIRONMENTAL RESULTS IN 2013–2014

Project Title	Prov.	Sector and Approval Year	Anticipated Results	Actual Results	Comments
Town of St. Andrews Wastewater Treatment Plant Upgrading	NB	Water 2010	766,500 m3 of water treated to CCME water quality standards	898,265 m3 of water treated to CCME water quality standards	The project performed as expected. The project treated more wastewater than expected because the flow during the first years of operation was greater than the anticipated flow as estimated in the application form. The project also used 26% less energy than in the baseline reducing electricity use by about 364 GJ per year and GHG emissions by about 52 tonnes per year. This reduction in energy use was not anticipated by the client.
Firestation 8 LEED silver, Buckingham	QC	Energy 2009	A decrease in GHG emissions of 50 tonnes; A decrease in energy use of 1018 GJ (a decrease in electricity use of 10 GJ and a decrease in natural gas use of 1008 GJ).	A decrease in GHG emissions of 9 tonnes; A decrease in energy use of 1167 GJ (A decrease in electricity of 989 GJ and a decrease in natural gas of 178 GJ).	Energy use reductions were met. Because more of the reductions in energy use occurred in electricity (which is very close to zero emitting in Quebec), rather than natural gas and this is not what was anticipated, the GHG reductions were not met.
Construction d'un quartier général pour le service de sécurité incendie de la Ville de Sorel-Tracy	QC	Energy 2010	A decrease in GHG emissions of 52 tonnes; A decrease in energy use of 1126 GJ (a decrease in electricity use of 80 GJ and a decrease in natural gas use of 1046 GJ).	A decrease in GHG emissions of 43 tonnes; A decrease in energy use of 1047 GJ (A decrease in electricity of 187 GJ and a decrease in natural gas of 860 GJ).	The project performed well. There were less reductions in natural gas and higher reductions in electricity and this accounted for fewer actual GHG emission reductions as compared to what was anticipated.
Ville de Lévis - Parc du Rigolet - Confinement des biogaz et excavation des matières résiduelles	QC	Brownfields 2011	0.50 hectares of land made available for re-use; 2040 m3 of soils and sediment treated or risk managed	0.893 hectares of land made available for reuse; 1347 m3 of soils and sediment treated or risk managed	The actual amount of land made available for reuse is larger in the actual results because the size of the parcel of land at the site was poorly estimated at the time of the application.

Project Title	Prov.	Sector and Approval Year	Anticipated Results	Actual Results	Comments
City of Cranbrook Wastewater Capacity Improvements	BC	Water 2010	4,438,400 m3 of water treated to CCME water quality standards	2,912,409 m3 of water treated to CCME water quality standards	This project performed well. Cranbrook instituted a number of actions to conserve water and reduce leaks and inflows and that is why the actual amount of water treated is significantly less. The city is providing better service to its citizens at less cost and the wastewater now meets regulatory standards.
Sackville Town Hall & Emergency Response Services Building	NB	Energy 2010	A decrease in GHG emissions of 290 tonnes; A decrease in energy use of 1900 GJ, with 99% of this being electricity from the grid.	A decrease in GHG emissions of 282 tonnes; A decrease in energy use of 2300 GJ, with 99% of this being electricity from the grid.	This project performed as expected. The project reduced energy more than anticipated (2306 GJ to 1913 GJ) as revised energy modeling increased the total amount of energy used by the project and this also increased the absolute amount of energy savings. The actual reduction in GHG emissions was slightly less than anticipated. (281 tonnes as compared to 290 tonnes) because the GHG emission factor for electricity from the grid decreased by about 30% from the time of the application to when the project reported.
Icon Fox Brownfield	AB	Brownfield 2010	0.2 hectares of land made available for re-use; 6250 m3 of soils and sediment treated or risk managed	0.2 hectares of land made available for re-use; 8700 m3 of soils and sediment treated or risk managed	The project successfully remediated the soil and groundwater on this property. The project remediated or risk managed slightly more soil than was anticipated and less groundwater was needed to be treated as anticipated. During the project, there was an increase in the mass and volume of contaminated soil onsite as well as extra moisture from wet weather. In addition less groundwater was encountered than anticipated which led to less treatment of groundwater.
East Markham Community Centre & Library	ON	Energy 2010	A decrease in GHG emissions of 461 tonnes; A decrease in energy use of 9000 GJ (1500 GJ of natural gas and 7500 GJ of electricity)	A decrease in GHG emissions of 441 tonnes; A decrease in energy use of 10000 GJ (2800 GJ of natural gas and 7300 GJ of electricity)	The project performed as expected. The final GHG emission results of 400 tonnes are less than anticipated even though more energy was reduced in the project because the emission factor for GHGs for electricity from the grid decreased by about 40% from the time of the application to the time of the project reporting.

Project Title	Prov.	Sector and Approval Year	Anticipated Results	Actual Results	Comments
Decontamination Project for Drummondville's New Library	QC	Brownfield 2011	2.0 hectares of land made available for re-use; 11,110 m3 of soils and sediment treated or risk managed	2.0 hectares of land made available for re-use; 5400 m3 of soils and sediment treated or risk managed	The project was successfully completed. The amount of soil and water remediation and risk managed was slightly less than anticipated as compared to the anticipated. This is likely due to inaccurate estimates of contaminated soil from the site assessments –It is difficult to know exactly the quantity of soil that requires remediation until the site is actually dug up.
Picton Wastewater Treatment Plant Replacement	ON	Wastewater 2009	1,050,000 m3 of water treated to CCME water quality standards	1,050,000 m3 of water treated to CCME water quality standards	The project performed well. Like Cranbrook, since the time that the project was approved, the County has undertaken numerous inflow and infiltration overhauls of the infrastructure system over the past few years, which has resulted in significant reductions in the amount of ground and rainwater that is now carried to treatment.
Sustainable Streetscapes and Fish Habitat Enhancement Program	BC	Water 2003	N/A	N/A	The project performed well. At the time of the project being awarded there were no anticipated benefits determined and the reporting expectations and requirements were not detailed enough to determine environmental results in a quantitative manner from the project.
City of Wetaskiwin Wastewater Treatment Facility Upgrade Project	AB	Wastewater 2009	1,642,500 m3 of water treated to CCME water quality standards	2,150,000 m3 of water treated to CCME water quality standards	The project performed well. The anticipated results for this project were revised to 1,642,500m <sup>3</sup> (from 219,000 m <sup>3</sup> ) because of an error at the time of the application. The project was built successfully despite wet weather delays and contractor bankruptcy. The upgraded wastewater treatment plant has a larger treatment capacity, better manages peak loads, and supports a reliable service delivery for an estimated 20-year period.

## APPENDIX G: KNOWLEDGE RESOURCES

FCM developed over 74 GMF case studies, nine webinars and a number of other educational resources in 2013–2014. 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 developed in 2013–2014:

#### ALBERTA

Community plan meets international GHG reduction commitments City of Calgary (GMF 10005)	City of Kelowna develops corporate and community energy plans City of Kelowna (GMF 10282)
Gas station clean-up clears way for new development City of Edmonton (GMF 11018)	Ladysmith Waterfront Brownfield Study Town of Ladysmith (GMF 10194)
Fox Towers Phase 2 Environmental Site Assessment and Remediation Plan City of Edmonton (GMF 12038)	Community Sustainability Plan Town of Ladysmith (GMF 10393)
Imagining a people-oriented street City of Grande Prairie (GMF 10126)	ICI Zero Waste Feasibility Study District of Mission (GMF 12055)
Reducing landfill gases in Fort McMurray Regional Municipality of Wood Buffalo (GMF 9259)	City uses mini-plants for district energy system City of North Vancouver (GMF 1717)
A plan for managing explosive growth sustainably Regional Municipality of Wood Buffalo (GMF 9678)	Plan Parksville: A Vision for our Future City of Parksville (GMF 10403)
	Prince George looks to groundwater to beat summer heat City of Prince George (GMF 10274)
	Soil Vapour Assessment and Detailed Site Investigation Town of Princeton (GMF 12026)
	Jones Street District Energy Feasibility Study Town of Qualicum Beach (GMF 12029)
	Sustainability Plans Town of Smithers (GMF 10295)
	Zero Waste Strategy — Electoral Area C and the Village of Pemberton Squamish-Lillooet Regional District (GMF 12103)
	Sunshine Coast completes regional energy and sustainability plan Regional District of Sunshine Coast (GMF 10164)
	District energy system is viable for city centre City of Surrey (GMF 11001)

Vancouver becoming world's greenest city  
City of Vancouver (GMF 10376)

Small town sets big goals for climate action  
Town of View Royal (GMF 10161)

District moves to revitalize downtown neighbourhood  
District of West Kelowna (GMF 11027)

## **MANITOBA**

Energy-efficient community centre uses geothermal heat  
Rural Municipality of Ritchot (GMF 11006)

Sustainable future for a riverside village  
Rural Municipality of St. François Xavier (GMF 10380)

Growth plan will guide sustainable development of  
expanding suburb  
Rural Municipality of West St. Paul (GMF 10163)

## **NEW BRUNSWICK**

New Energy-Efficient Fire Station Will Improve Safety in  
Dieppe  
City of Dieppe (GMF 12115)

A sustainable vision for Grand Falls  
Town of Grand Falls (GMF 10263)

Town Hall & Emergency Services Building  
Town of Sackville (GMF 10346)

Bill Johnstone Memorial Park and Fire Hall Brownfield  
Site Assessment  
Town of Sackville (GMF 12001)

Wastewater Treatment Plant Upgrading  
Town of St. Andrews (GMF 10353)

## **NEWFOUNDLAND AND LABRADOR**

Gander seeks to address growth  
Town of Gander (GMF 10239)

Sewage-fed plants purify wastewater and sludge  
The Towns of Glenwood and Appleton  
(GMF 5376)

## **NOVA SCOTIA**

Sydney-Westmount Passenger Ferry Feasibility Study  
Cape Breton Regional Municipality  
(GMF 12048)

Petite Riviere Community Park – Remedial Action Plan  
District of Lunenburg (GMF 12030)

Waste transfer station feasible only if five municipalities  
participate  
Municipality of the District of Shelburne (GMF 10427)

Waste heat warms new recreation centre  
Region of Queens Municipality (GMF 11023)

## **ONTARIO**

New water mains for the village of Wendover  
Township of Alfred and Plantagenet (GMF 9451)

Expansion of the Water Pollution Control Centre  
City of Barrie (GMF 10133)

Phase 2 ESA — Former Bakelite Property  
City of Belleville (GMF 12023)

Town hall flourishes on former brownfield site  
Town of The Blue Mountains (GMF 10325)

County studies creating electricity from waste  
County of Dufferin (GMF 10266)

Guelph tests home grey water recycling systems  
City of Guelph (GMF 10186)

A plan with a difference  
City of Kingston (GMF 10200)

New city maintenance building reduces energy costs  
City of Kitchener (GMF 10306)

County of Lambton Integrated Community Sustainability  
Plan  
County of Lambton (GMF 10166)

Town doubles recycling from highrise homes  
Town of Markham (GMF 9327)

Small municipality faces its challenges head-on  
Town of Minto (GMF 10055)

Mississauga puts green in its DNA  
City of Mississauga (GMF 10199)

Region integrates community and corporate goals in climate action strategy

Regional Municipality of Niagara (GMF 10388)

Municipalities cooperate to improve recycling-program efficiency

Municipality of North Glengarry/City of London/Regional Municipality of Waterloo/Essex Windsor Solid Waste Authority/City of Kingston (GMF 7119)

John Street Apartments and Municipal Garage Project  
Region of Peel (GMF 10093)

Sustainable Neighbourhood Retrofit Action Plan  
Town of Richmond Hill (GMF 10341)

Integrated Sustainable Community Plan for the Corporation of the City of Sarnia  
City of Sarnia (GMF 10123)

Environmental assessments help Toronto consolidate a fragmented yards system  
City of Toronto (GMF 9065)

Renewable energy would lower housing costs, GHG emissions  
City of Toronto (GMF 9704)

Toronto asks: do solar energy projects deliver as promised?  
City of Toronto (GMF 10026)

Soil-recycling study demonstrates clear benefits  
City of Toronto (GMF 11005)

Former Wickes Manufacturing Facility, Risk Assessment and Site Specific Remedial Action Plan  
City of Windsor (GMF 10413)

## QUEBEC

Five MRC des Basques Municipalities Test Composting in a Pilot Project  
Basques Regional County Municipality (GMF 10435)

Côte-de-Beaupré Adopts an Integrated, Practical, Inclusive Development Plan  
Côte-de-Beaupré Regional County Municipality (GMF 10228)

A new LEED Silver firehall for full-time firefighters in Buckingham  
City of Gatineau (GMF 10330)

Lac-Sainte-Marie devises a custom development plan  
Municipality of Lac-Sainte-Marie (GMF 10424)

Lévis Refurbishes Rigolet Park, Builds an Engineered Landfill  
City of Lévis (GMF 11055)

Quebec City launches innovative in situ project for managing sediment-derived phosphorus  
Quebec City (GMF 10168)

Saint-Jérôme tests a new energy-efficient street sweeper  
City of Saint-Jérôme (GMF 10418)

Construction of headquarters for Sorel-Tracy's fire department  
City of Sorel-Tracy (GMF 10343)

Trois-Rivières Reduces its Environmental Footprint by Improving Its Vehicle Fleet  
City of Trois-Rivières (GMF 11035)

## YUKON

Former Motorways Property Remediation and Revitalization Study  
City of Whitehorse (GMF 12062)

## **2014 FCM Sustainable Communities Awards case studies**

\*Funded by GMF

### **BROWNFIELDS — Plans**

Town of Smithers, BC

[Main Street Smithers: Brownfield to Public Squares](#)

### **ENERGY**

City of Guelph, ON

[The City of Guelph Community Energy Initiative](#)

### **ENERGY — Honourable Mention**

Borough of Saint-Laurent, QC

[LED Street Lighting Project](#)

### **NEIGHBOURHOOD DEVELOPMENT PLAN**

City of Iqaluit, NU

[Iqaluit Sustainable Community Plan\\*](#)

### **NEIGHBOURHOOD DEVELOPMENT PROJECT**

City of Toronto, ON, and Waterfront Toronto

[Corktown Common](#)

### **NEIGHBOURHOOD DEVELOPMENT PROJECT — Honourable Mention**

City of Dieppe, NB

[Sustainable Community Design for Le Village en Haut du Ruisseau](#)

### **TRANSPORTATION**

City of Vancouver, BC

[Electric Vehicle Charging Infrastructure Pilot Program\\*](#)

### **WASTE**

City of Surrey, BC

[Rethink Waste Collection Program](#)

### **WATER**

City of Mississauga, ON, and Credit Valley Conservation

[Elm Drive Right-of-way Retrofit](#)

## **Webinars**

\*\*Offered in French

### **IN PARTNERSHIP WITH FQM**

[The Electric Circuit: Powering Sustainable Transportation](#) \*\*

Wednesday, December 11, 2013

[Sustainable Housing — Victoriaville's Grant and Certification Program](#)\*\*

Thursday, March 20, 2014

### **SUSTAINABILITY IN ACTION — WEBINAR SERIES**

[Land Use](#)

Thursday, October 31, 2013

[Performance Measurement](#)

Thursday, December 5, 2013

[Leadership in Water Management](#)

Wednesday, February 12, 2014

[Infrastructure Costing and Asset Management](#)

Friday, March 28, 2014

### **BROWNFIELD BOOTCAMP**

[Brownfield Revitalization through Multi-Stakeholder Partnerships](#)

Wednesday, February 12, 2014

### **Other GMF resources**

[Provincial and Territorial Brownfield Roadmaps](#) (updated annually)

*FCM Green* E-newsletter (four editions)

## **PARTNERS FOR CLIMATE PROTECTION PROGRAM RESOURCES**

### **Webinars**

[Showcasing Results — the 2012 National Measures Report](#)

Thursday, June 27, 2013

[Engaging the commercial sector to reduce GHGs](#)

Tuesday, September 24, 2013

[FIME — Innovative financing mechanism for residential energy retrofits](#)

Tuesday, February 4, 2014

[Tools and Resources for Assessing District Energy Opportunities](#)

Monday, March 31, 2014

### **PCP Milestone 5 Success Stories**

[City of London, ON](#)

[City of Guelph, ON](#)

[City of Hamilton, ON](#)

[District of Saanich, BC](#)

### **Other PCP resources**

[National Measures Report 2012](#)

[Reaching Milestone 5: Monitoring and Reporting Guidelines](#)

## APPENDIX H: AUDITED FINANCIAL STATEMENTS

Financial Statements of the  
**FEDERATION OF CANADIAN MUNICIPALITIES — GREEN MUNICIPAL FUND**  
Year ended March 31, 2014

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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 statement of financial position as at March 31, 2014, the statements of operations, changes in fund balance and cash flows for the year then ended, 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 audit. We conducted our audit 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 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, 2014, and its results of operations, changes in fund balance and its cash flows for the year then ended 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.

Handwritten signature of KPMG LLP in black ink, with a horizontal line underneath.

Chartered Professional Accountants,  
Licensed Public Accountants

June 1, 2014  
Ottawa, Canada

**FEDERATION OF CANADIAN MUNICIPALITIES — GREEN MUNICIPAL FUND**

Statement of Financial Position

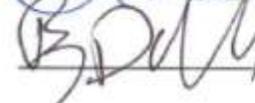
March 31, 2014, with comparative information for 2013

	2014	2013
<b>Assets</b>		
Current assets:		
Cash	\$ 5,345,600	\$ 3,127,300
Short-term investments (note 3)	60,233,000	82,230,600
Interest receivable	3,409,700	3,413,300
Other receivables	2,127,400	114,100
Interfund receivable (note 4)	80,700	—
Current portion of loans receivable (note 5)	49,440,200	18,716,800
Prepaid expenses	26,200	16,600
	<u>120,662,800</u>	<u>107,618,700</u>
Long-term investments (note 3)	335,018,600	321,764,600
Loans receivable (note 5)	181,291,400	208,224,100
Tangible capital and intangible assets (note 6)	911,200	1,046,600
	<u>\$ 637,884,000</u>	<u>\$ 638,654,000</u>
<b>Liabilities and Fund Balance</b>		
Current liabilities:		
Accounts payable and accrued liabilities (note 7)	\$ 4,297,900	\$ 9,180,200
Interfund payable (note 4)	—	45,000
Grants payable (note 8)	41,585,300	40,865,500
	<u>45,883,200</u>	<u>50,090,700</u>
Fund balance:		
Invested in tangible capital and intangible assets	911,200	1,046,600
Reserve for non-performing loans (note 9)	12,154,800	11,469,600
Externally restricted	578,934,800	576,047,100
	<u>592,000,800</u>	<u>588,563,300</u>
Commitments (note 11)	<u>\$ 637,884,000</u>	<u>\$ 638,654,000</u>

See accompanying notes to financial statements.

Se reporter aux notes afférentes aux états financiers.

On behalf of the Board: / Au nom du conseil.

  
Claude Dauphin, President/Président  
Ben Henderson, Vice-President at Large/Vice-président hors cadre

## FEDERATION OF CANADIAN MUNICIPALITIES — GREEN MUNICIPAL FUND

### Statement of Operations

Year ended March 31, 2014, with comparative information for 2013

	2014	2013
Revenue:		
Investments	\$ 13,703,000	\$ 18,426,500
Interest on loans	5,659,100	4,397,200
Other	36,100	43,700
	<u>19,398,200</u>	<u>22,867,400</u>
Operating expenses:		
Personnel costs	4,413,100	4,499,100
Other operating expenses	3,457,200	3,717,400
Amortization of tangible capital and intangible assets	218,400	204,400
Occupancy costs	494,100	562,300
	<u>8,582,800</u>	<u>8,983,200</u>
Excess of revenue over expenses before grants	10,815,400	13,884,200
Grants (note 8)	7,377,900	6,728,400
	<u>Excess of revenue over expenses</u>	<u>Excess of revenue over expenses</u>
	\$ 3,437,500	\$ 7,155,800

See accompanying notes to financial statements.

## FEDERATION OF CANADIAN MUNICIPALITIES — GREEN MUNICIPAL FUND

### Statement of Changes in Fund Balance

Year ended March 31, 2014, with comparative information for 2013

	Invested in tangible capital and intangible assets	Reserve for non- performing loans	Externally restricted	Total 2014	Total 2013
Balance, beginning of year	\$1,046,600	\$ 11,469,600	\$576,047,100	\$588,563,300	\$581,407,500
Excess of revenue over expenses	–	–	3,437,500	3,437,500	7,155,800
Amortization of tangible capital and intangible assets	(218,400)	–	218,400	–	–
Purchase of tangible capital and intangible assets	83,000	–	(83,000)	–	–
Transfer to Reserve for non-performing loans (note 9)	–	685,200	(685,200)	–	–
Balance, end of year	\$ 911,200	\$ 12,154,800	\$ 578,934,800	\$ 592,000,800	\$ 588,563,300

See accompanying notes to financial statements.

## FEDERATION OF CANADIAN MUNICIPALITIES — GREEN MUNICIPAL FUND

### Statement of Cash Flows

Year ended March 31, 2014, with comparative information for 2013

	2014	2013
Cash provided by (used in):		
Operating activities:		
Excess of revenue over expenses	\$ 3,437,500	\$ 7,155,800
Items not affecting cash:		
Amortization of premium/discount on investments	(5,607,700)	(6,875,900)
Net realized loss (gain) on sales of investments	634,800	(2,005,800)
Amortization of tangible capital and intangible assets	218,400	204,400
Changes in non-cash operating working capital items	(6,307,500)	(54,300)
	(7,624,500)	(1,575,800)
Investing activities:		
Purchase of investments	(255,367,800)	(308,984,500)
Sale of investments	269,084,300	379,540,800
Net increase in loans receivable	(3,790,700)	(68,790,500)
Purchase of tangible capital and intangible assets	(83,000)	(98,800)
	9,842,800	1,667,000
Increase in cash	2,218,300	91,200
Cash, beginning of year	3,127,300	3,036,100
Cash, end of year	\$ 5,345,600	\$ 3,127,300

See accompanying notes to financial statements.

# FEDERATION OF CANADIAN MUNICIPALITIES — GREEN MUNICIPAL FUND

Notes to Financial Statements

Year ended March 31, 2014

## 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.

## 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.

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.

## FEDERATION OF CANADIAN MUNICIPALITIES — GREEN MUNICIPAL FUND

Notes to Financial Statements

Year ended March 31, 2014

### 2. Significant accounting policies (continued):

#### (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 9.

#### (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.

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

Asset	Term
Tangible capital:	
Furniture and equipment	5 years
Leasehold improvements	period of lease
Computer hardware	3 to 5 years
Intangible assets:	
Computer software	3 to 5 years
Customer Relations Management	10 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.

## FEDERATION OF CANADIAN MUNICIPALITIES — GREEN MUNICIPAL FUND

Notes to Financial Statements

Year ended March 31, 2014

### 3. Investments:

*Short-term investments:*

	2014	2013
Short-term bonds	\$ 60,233,000	\$ 82,230,600

*Long-term investments:*

Supranational bonds	\$ 78,023,100	\$ 75,201,600
Federal bonds	5,375,400	21,027,300
Provincial bonds	73,207,900	91,415,700
Corporate bonds	162,806,400	124,413,500
Municipal bonds	15,605,800	9,706,500
Long-term investments	\$ 335,018,600	\$ 321,764,600

GMF's fixed income notes have interest rates ranging from 0.0% to 10.05% and maturity dates ranging from April 14, 2014 to December 31, 2108.

### 4. Interfund receivable and payable:

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

### 5. Loans receivable:

	2014	2013
Municipalities and Municipal Corporations	\$ 218,121,600	\$ 215,463,300
Corporations	12,610,000	11,477,600
	230,731,600	226,940,900
Less current portion	49,440,200	18,716,800
	\$ 181,291,400	\$ 208,224,100

*Maturities and interest rates/Maturités et taux d'intérêts*

	1 to 5 years	Rate	Greater than 5 years	Rate
Municipalities and Municipal Corporations		0.06% to 5.8%	\$ 149,824,400	0.3% to 4.2%
Corporations	\$ 68,297,200	6%	11,250,000	7.5%
	\$ 69,657,200		\$ 161,074,400	

## FEDERATION OF CANADIAN MUNICIPALITIES — GREEN MUNICIPAL FUND

Notes to Financial Statements

Year ended March 31, 2014

### 5. Loans receivable (continued):

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

2015	\$	49,440,200
2016		28,249,900
2017		15,933,300
2018		14,322,700
2019		11,890,500
	\$	119,836,600

### 6. Tangible capital and intangible assets:

	2014		2013	
	Cost	Accumulated amortization	Net book value	Net book value
Tangible capital assets:				
Furniture and equipment	\$ 496,200	\$311,600	\$184,600	\$275,800
Leasehold improvements	900,900	313,100	587,800	678,500
Computer hardware	52,300	45,500	6,800	19,200
Intangible assets:				
Computer software	60,500	47,000	13,500	73,100
Customer Relations Management	129,200	10,700	118,500	—
	\$1,639,100	\$727,900	\$911,200	\$1,046,600

GMF's cost and accumulated amortization at March 31, 2013 amounted to \$1,556,100 and \$509,500 respectively.

During the year, GMF had no disposals (2013 - \$314,400) of fully amortized assets.

### 7. Accounts payable and accrued liabilities:

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

### 8. Grants payable:

	2014		2013	
Balance, beginning of year	\$	40,865,500	\$	48,554,900
Approvals		7,377,900		6,728,400
Disbursements		(6,658,100)		(14,417,800)
Balance, end of year	\$	41,585,300	\$	40,865,500

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

## FEDERATION OF CANADIAN MUNICIPALITIES — GREEN MUNICIPAL FUND

Notes to Financial Statements

Year ended March 31, 2014

### 9. 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.

### 10. 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, 2014 this balance was equal to \$579,846,000 (2013 - \$577,093,700). 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.

### 11. Commitments:

#### (a) GMF loans:

As at March 31, 2014, GMF had loans approved by the Board but undisbursed for a total amount of \$239,147,600 (2013 - \$224,387,100).

#### (b) Leases:

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

	Office Space	Office equipment	Total	
2015	\$ 510,400	\$ 4,400	\$ 514,800	2015
2016	525,400	2,900	528,300	2016
2017	544,000	—	544,000	2017
2018	552,200	—	552,200	2018
2019	560,500	—	560,500	2019
2020	569,000	—	569,000	2020
2021	285,900	—	285,900	2021
	\$ 3,547,400	\$ 7,300	\$ 3,554,700	

#### (c) Services:

In connection with its operations, GMF regularly enters into agreements for the purchase of services. Certain of these agreements extend beyond the end of the 2014 fiscal year. In the opinion of management, these agreements are in the normal course of GMF's operations, are not abnormal in amount or nature and do not include a high degree of speculative risk. The total commitment at March 31, 2014 is \$32,600.

## FEDERATION OF CANADIAN MUNICIPALITIES — GREEN MUNICIPAL FUND

Notes to Financial Statements

Year ended March 31, 2014

### 12. Retirement benefits:

FCM matches employee RRSP contributions up to 5% of their salaries. Total employer contributions for the year were \$200,700 (2013 - \$176,600), which are recorded in personnel expenses.

### 13. Allocation of expenses:

During the year, a total amount of \$69,900 (2013 - \$69,300) 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.

FCM allocated administrative overhead costs as follows:

	2014			2013		
	General Fund	Green Municipal Fund	Total	General Fund	Green Municipal Fund	Total
Administrative overhead	\$ 2,836,700	\$ 1,381,700	\$ 4,218,400	\$ 2,580,100	\$ 1,333,500	\$ 3,913,600
	67%	33%	100%	66%	34%	100%

### 14. 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 3.

(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.