



FEDERATION  
OF CANADIAN  
MUNICIPALITIES

FÉDÉRATION  
CANADIENNE DES  
MUNICIPALITÉS

**GreenMunicipalFund**

# **Delivering results. Building capacity.**

**Annual Report 2017-2018**



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## Canada

The Green Municipal Fund™ (GMF) supports initiatives that advance innovative solutions to environmental challenges. These projects improve air, water and land quality, reduce greenhouse gas emissions, and generate economic and social benefits to local communities. Through GMF, municipalities share lessons learned and successful new models for advancing sustainability in communities of all sizes in all regions across Canada. GMF is a \$625 million<sup>1</sup> program, delivered by the Federation of Canadian Municipalities and funded by the Government of Canada.

<sup>1</sup> As per Appendix H, the additional \$125 million was received in April 2018 and is excluded from the amounts mentioned in this annual report.

# Letter to stakeholders

We are pleased to present the 2017–2018 Green Municipal Fund™ (GMF) annual report. A unique program of the Federation of Canadian Municipalities (FCM), GMF builds the capacity of communities to plan, design and implement sustainability initiatives, such as those involving waste, water conservation, transportation and energy efficiency. These innovative municipal initiatives generate valuable environmental, economic and social benefits for residents, along with tangible, enduring impacts for Canada.

During 2017–2018, the FCM Board approved nearly \$60 million worth of investment in capital projects, pilots, plans and studies. This year's report presents examples of funded initiatives and describes how they benefit the community. A district heating system fuelled by wood waste improves air quality and reduces greenhouse gas (GHG) emissions for residents of the City of Revelstoke, BC. In the Town of Wainwright, AB, an innovative stormwater management initiative will help reduce flooding and erosion with the re-establishment of natural wetlands using a gravity-powered drainage system. A wastewater treatment project in the Region of Waterloo, ON, promises to reduce both GHG emissions and electricity consumption while accommodating rapid population growth.

Of perhaps greater importance than the success of individual initiatives, however, is the increased capacity of Canada's municipalities to develop and implement sustainable solutions to difficult challenges such as aging and inadequate infrastructure, and brownfields. GMF helps to build this capacity by sharing the best practices and lessons learned needed to improve initiatives and replicate them successfully in other municipalities.

Few investments deliver better returns than those the Government of Canada has made in GMF. The original endowment of \$500 million has enabled GMF to commit a total of \$862 million in more than 1,250 sustainability initiatives led by municipalities across the country, while fully preserving the original capital. These initiatives are estimated to have attracted additional investment worth \$3 billion, and have triggered a host of economic, social and environmental benefits.

FCM's tried-and-true approach to sustainability continues to attract more and more municipalities. A clear indication of this growing demand was the exceptionally high number of applications to the Municipal Asset Management Program and the Municipalities for Climate Innovation Program — new FCM initiatives that are essentially expanded versions of their GMF precursors. As awareness of the impacts of climate change, population growth and environmental degradation increases, so too will the need for successful, scalable programs that empower local communities. The Government of Canada's additional endowment of \$125 million and the new Funding Agreement, along with GMF's Five-Year Strategic Plan 2018–2023, ensure that the program will enable greater numbers of municipalities to deliver the benefits of sustainability to their communities.

In its 18<sup>th</sup> year, GMF remains a scalable, flexible and responsive solution.

Sincerely,

**Vicki-May Hamm**  
Mayor, City of Magog, QC  
FCM President

**Ben Henderson**  
Councillor, City of Edmonton, AB  
Chair, GMF Council

# Overview

The sustainability initiatives supported by the Green Municipal Fund (GMF) benefit more and more Canadians each year. GMF supports municipal initiatives that lead to cleaner air and water, energy-efficient buildings and energy systems, and stronger local capacity to plan and implement successful infrastructure projects. Municipalities own and operate much of the infrastructure essential to our quality of life: drinking water and wastewater systems, transportation networks and recreation facilities. Yet a significant portion of this infrastructure is at or beyond the end of its intended life cycle, and faces additional pressures due to shifting climate patterns and population growth. GMF's support enables municipalities to overcome these challenges with effective, sustainable solutions.

To advance municipal sustainability in communities across Canada, GMF has followed a carefully crafted four-part strategy during the past four years where it:

- ▶ inspires innovative practices
- ▶ connects networks of sustainability leaders
- ▶ builds local capacity
- ▶ financially supports municipal initiatives

This combination of financial and capacity-building support helps municipalities to secure funding from other sources — both public and private — and to design and implement sustainability initiatives tailored to the particular circumstances of their communities.

Thanks to this approach, GMF — a relatively small fund — delivers sizable impacts. During 2017–2018, for example, the FCM Board approved investments totalling

nearly \$60 million in capital projects, pilots, plans and studies. This brings the total net amount committed by GMF since inception to \$862 million. Municipalities have leveraged this support and secured additional investments worth a total of \$3 billion to fund some 1,250 projects that deliver a host of long-term economic, social and environmental benefits.

GMF's 2013–2017 strategic plan, which ran through the 2017–2018 fiscal year, identified seven key result areas. For five of the seven key result areas, this report presents an example of a funded initiative. The remaining two areas involve strengthening internal capacity. Perhaps the strongest indication of GMF's progress in these two areas was the Government of Canada's Budget 2016 decision to provide an additional \$125 million to

its original \$500 million endowment and to negotiate the new Funding Agreement.

▶ *This combination of financial and capacity-building support helps municipalities to secure funding from other sources — both public and private — and to design and implement sustainability initiatives tailored to the particular circumstances of their communities.*

GMF is a remarkably effective endowment fund. The Government of Canada provided FCM with a total of \$500 million. GMF extends loans to municipalities at competitive interest rates, invests wisely and follows a sound risk-management strategy. As a result, the value of the original \$500 million<sup>2</sup> endowment stood at \$599 million<sup>3</sup> as of March 31, 2018 — despite a total investment of \$862 million in municipal sustainability initiatives across the country since GMF was established in 2000. Two other measures of GMF's value are its impacts on employment — funded projects have created approximately 9,905 person-years

2 As per Appendix H, the additional \$125 million was received in April 2018 and is excluded from the amounts mentioned in this annual report.

3 Ibid.

of national employment — and greenhouse gas (GHG) emissions — funded projects have enabled, since the inception of the Fund, GHG reductions of 2.5 million tonnes (the equivalent of taking 571,000 cars off the road).

GMF's approach to building capacity follows a similarly cumulative strategy. Staff

continually develop new and more effective ways to support municipal sustainability initiatives, in part by gathering and analyzing relevant information and transforming this information into practical, accessible products, networks and learning opportunities. As a result, ever-larger numbers of municipalities are able to realize their sustainability goals.

During 2017–2018, GMF consulted extensively with stakeholders to develop and adopt a new five-year strategic plan for 2018–2023. The new plan will further increase GMF's impact and reach, and to ensure that municipalities can expand and replicate the solutions that GMF supports and inspires, for the benefit of all Canadians.

## By the numbers

▶ **\$500**  
million<sup>4</sup>  
endowment

Total Government of Canada investments since inception

▶ **\$3**  
billion

Total additional, outside investment leveraged by municipalities for GMF-funded initiatives, since inception

▶ **\$862**  
million

Total amount of net approved investments in municipal sustainability initiatives by GMF since inception

▶ **\$599**  
million<sup>5</sup>

Value of Fund (as of March 31, 2018)

## Key result areas

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

4 Ibid.

5 Ibid.

# Year in review

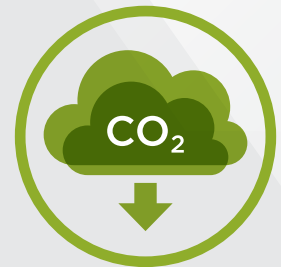
# Environmental impacts since the inception of the Fund

## Cumulative GHG reductions

2.5 million tonnes of GHG emissions avoided



equivalent to taking  
**571,000**  
cars off the road<sup>6</sup>



## Energy savings

715,047 GJ of energy savings per year



equivalent to one year of power for  
**7,330**  
households



## Wastewater and drinking water treated

243,478,559 cubic metres of water treated



equivalent to  
**97,400**  
Olympic-size swimming pools



<sup>6</sup> Source of equivalency ratio: <http://www.nrcan.gc.ca/energy/efficiency/communities-infrastructure/transportation/cars-light-trucks/idling/4415>



## Water saved

323,303 cubic metres  
of water saved per year



equivalent to the amount  
of potable water  
consumed in the City of  
**Charlottetown**  
in one month



## Waste diverted from landfill

173,596 tonnes of  
waste diverted per year



equivalent to  
**24,800**  
garbage trucks



## Media managed<sup>7</sup>

191,768 cubic metres of  
media (soil, groundwater  
and sediment) managed



equivalent to  
**4,900**  
shipping containers



## Land reclaimed

94 hectares of  
land reclaimed



equivalent to  
**158**  
football fields



<sup>7</sup> The soil and groundwater contamination is remediated or contained.

## Economic impact of GMF investment

GMF's investments in sustainable initiatives create multiple economic benefits at both the local and national levels. GMF investments stimulate local economic activity and contribute to municipal prosperity. The Local Economic Development (LED) model is used to calculate the economic impact of GMF investment in plans, studies, pilots and capital projects.

### Since inception

▶ **1,054**  
Total number of initiatives completed

▶ **899**  
Plans, studies and pilots completed

▶ **155**  
Capital projects completed

## National GDP created from all completed plans, studies, pilots and capital projects<sup>8</sup>

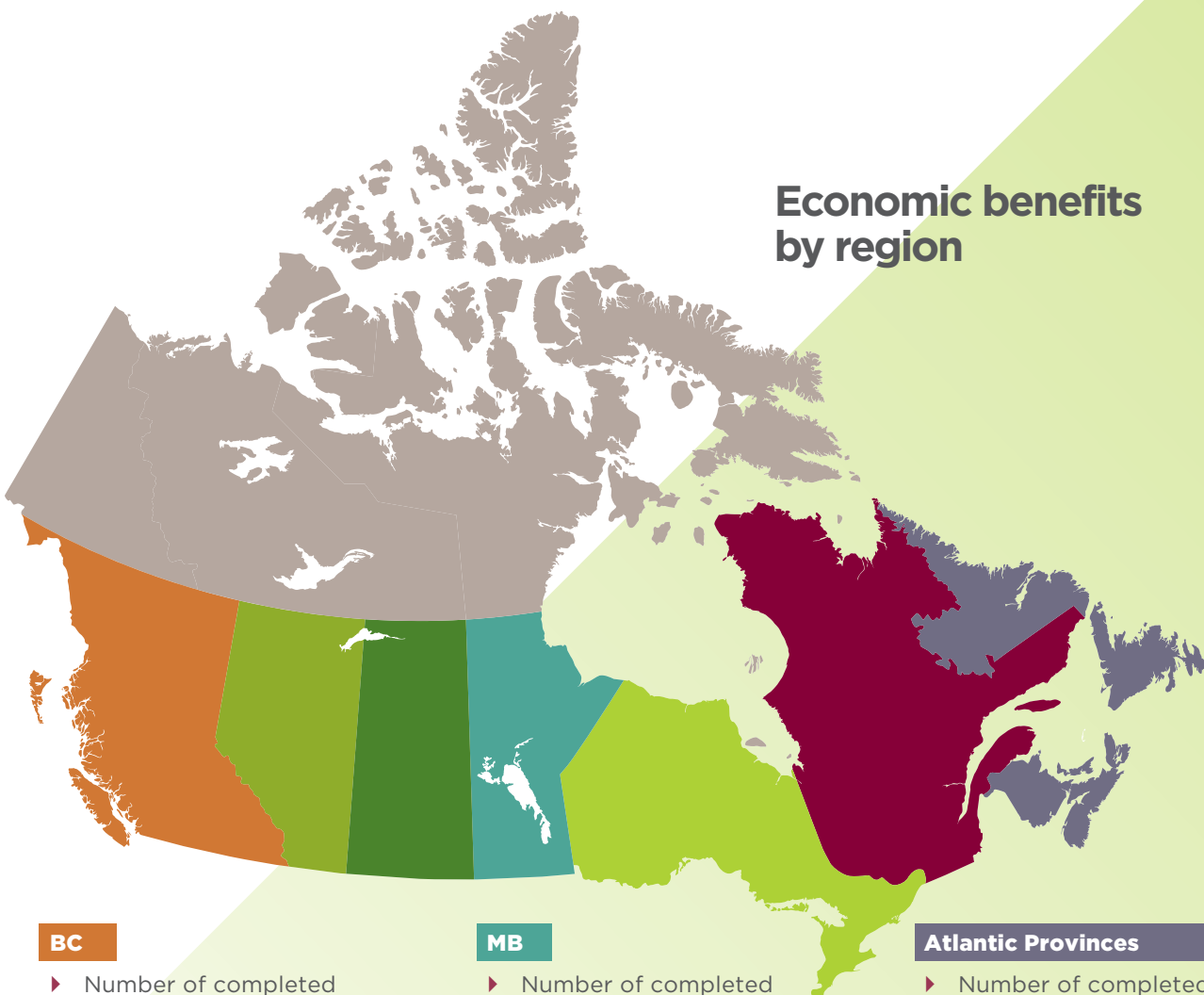
▶ **\$823,096,636**  
of national GDP (direct and indirect, induced effects not included)

▶ **9,905**  
person-years of national employment  
(direct and indirect, induced effects not included)

▶ **\$476,275,029**  
contribution to Canadian household income  
(direct and indirect, induced effects not included)

<sup>8</sup> The national GDP created is calculated for the 718 initiatives where GMF's investment was at least 30 per cent of total project value.

## Economic benefits by region



### BC

- ▶ Number of completed initiatives: **197**
- ▶ Rural portion of approved value: **18%**
- ▶ **\$168,994,887** GDP\*
- ▶ **1,842** person-years of national employment\*

### AB

- ▶ Number of completed initiatives: **106**
- ▶ Rural portion of approved value: **49%**
- ▶ **\$48,848,144** GDP\*
- ▶ **474** person-years of national employment\*

### SK

- ▶ Number of completed initiatives: **39**
- ▶ Rural portion of approved value: **26%**
- ▶ **\$13,622,798** GDP\*
- ▶ **144** person-years of national employment\*

### MB

- ▶ Number of completed initiatives: **32**
- ▶ Rural portion of approved value: **61%**
- ▶ **\$21,324,946** GDP\*
- ▶ **259** person-years of national employment\*

### ON

- ▶ Number of completed initiatives: **351**
- ▶ Rural portion of approved value: **8%**
- ▶ **\$298,513,925** GDP\*
- ▶ **3,521** person-years of national employment\*

### QC

- ▶ Number of completed initiatives: **186**
- ▶ Rural portion of approved value: **13%**
- ▶ **\$124,026,698** GDP\*
- ▶ **1,519** person-years of national employment\*

### Atlantic Provinces

- ▶ Number of completed initiatives: **120**
- ▶ **\$144,743,774** GDP\*
- ▶ **2,112** person-years of national employment\*

### YT, NU, NWT

- ▶ Number of completed initiatives: **23**
- ▶ **\$3,021,465** GDP\*
- ▶ **34** person-years of national employment\*

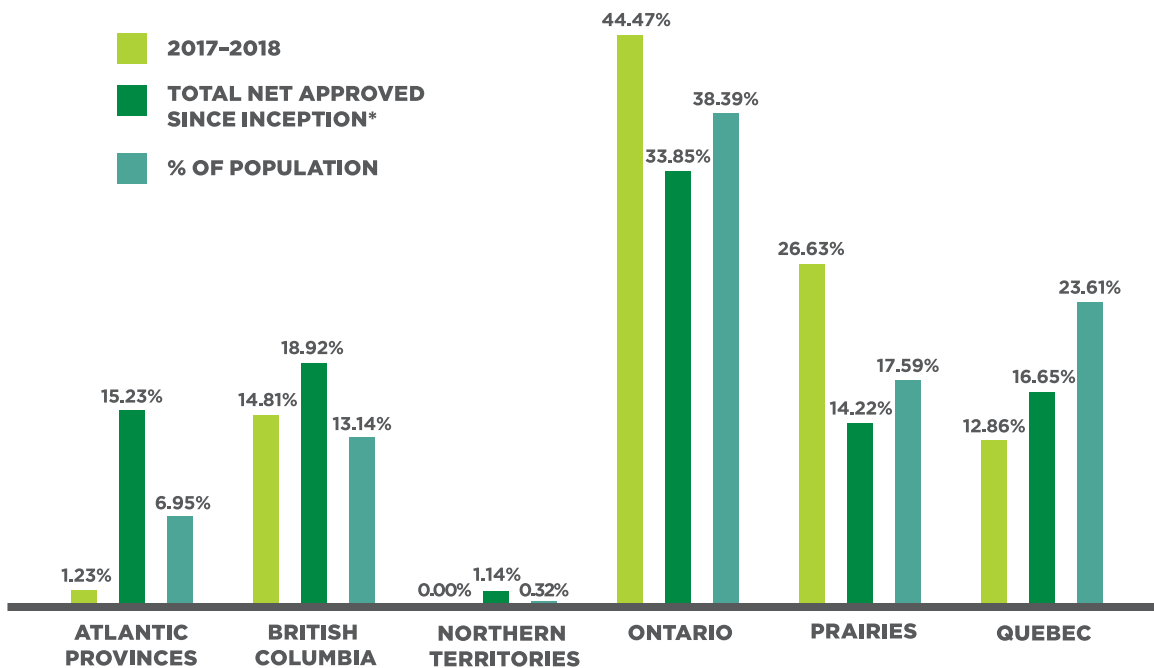
\* Direct and indirect, induced effects not included

# By the numbers

## Funding support

In 2017–2018, FCM’s Green Municipal Fund approved more than \$52 million in loans and grants for 13 capital projects, and close to \$7 million in grants for 53 plans, studies and pilot projects across the country. This is the largest number of projects approved by GMF in five years.

**Approved initiatives by region (sustainable community plans, feasibility studies, pilot projects and capital projects). For additional details, refer to Appendix A, Table A5.**



\* Total net approved since inception includes original Board-approved amount plus any additional approved amount, less the amounts withdrawn, closed or cancelled.

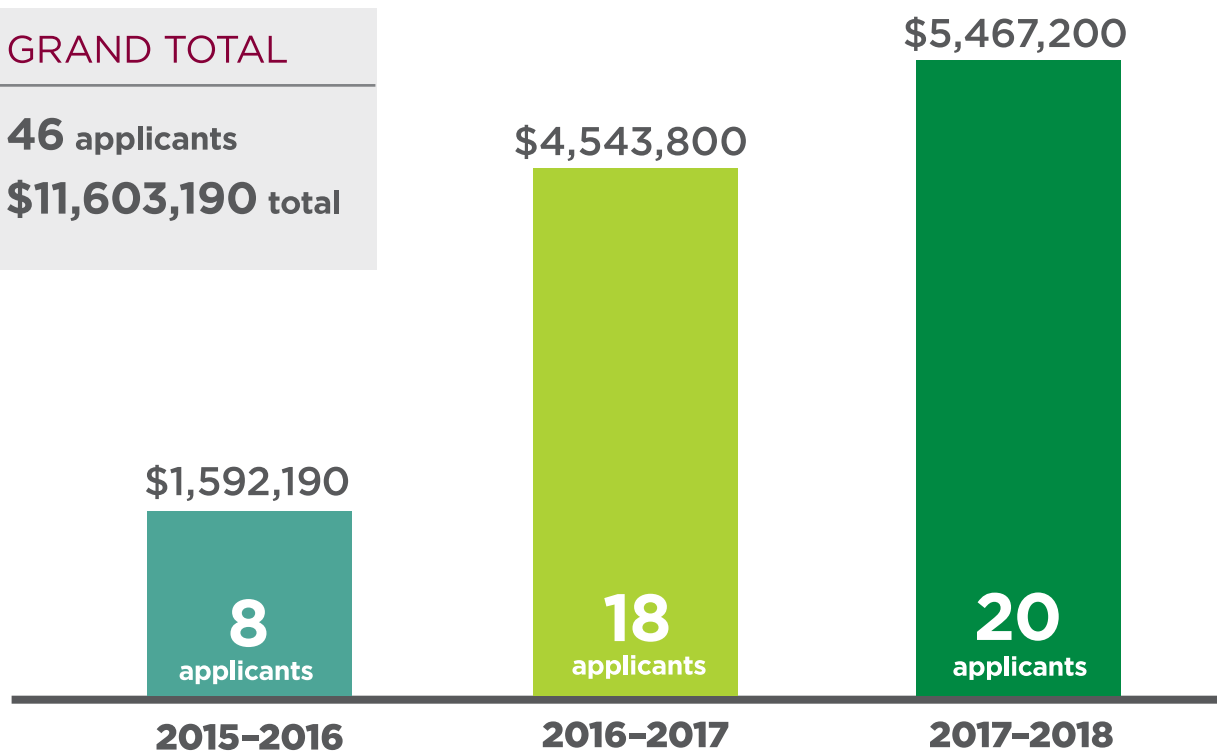
**Urban-rural balance of all approved initiatives (sustainable community plans, feasibility studies, pilot projects and capital projects). For additional details, refer to Appendix A, Table A6.**

(Dollar figures presented in \$1,000s)		2017-2018		TOTAL NET APPROVED SINCE INCEPTION*	
LOCATION	% OF POPULATION	TOTAL (GRANTS AND LOANS)	% OF TOTAL \$	TOTAL (GRANTS AND LOANS)	% OF TOTAL \$
Small, rural and remote (rural)†	18.90%	\$18,021	30.56%	\$176,365	20.45%
Towns and cities (urban)	81.10%	\$40,952	69.44%	\$685,912	79.55%

\* Total net approved since inception includes original Board-approved amount plus any additional approved amount, less the amounts withdrawn, closed or cancelled.

† Municipalities with a population of less than 10,000 are classified as rural. In the case of regional municipal governments, to be considered rural, each member municipality must have a population of less than 10,000. Urban regional municipalities are those where at least one member municipality has a population of 10,000 or more.

**Increasing demand for pilot funding: A trend towards implementation**



# Knowledge services Highlights

## Initiatives

- 1 **Webinar:** Optimizing your wastewater treatment plant
- 2 **Sustainable Communities Awards:** Call for applications
- 3 **Meeting:** Leadership in Brownfield Renewal Program (LiBRé)
- 4 **Guidebooks:** *Building partnerships to support brownfield redevelopment*  
*Running effective tendering processes for brownfield initiatives*  
*Evaluate, improve, celebrate: A guide to enhancing your brownfield programs*
- 5 **Webinar:** Best practices in wastewater management
- 6 **Sustainable Communities Awards:** Winners announced and launch of case studies
- 7 **Guidebook:** *Building sustainable and resilient communities with asset management: An introduction for municipal leaders*
- 8 **FCM Sustainable Communities Conference**
- 9 **Sustainable Communities Awards:** Inspire Award Winner
- 10 **Guidebook:** *How to develop an asset management policy, strategy and governance framework: Set up a consistent approach to asset management in your municipality*



MAY

1

**Webinar:**  
Optimizing your wastewater treatment plant  
**Date:** May 25, 2017  
**Statistics:**  
67 participants  
**Description:** The webinar focused on how Canadian cities and communities can optimize existing wastewater treatment resources, and helped municipal staff and elected officials meet the federal Wastewater Systems Effluent Regulations.



JUN

JUN

2

**Sustainable Communities Awards:**  
Call for applications  
**Date:** June 5, 2017  
**Statistics:**  
▶ Total unique page views (“apply” page only): 1,100<sup>9</sup>  
▶ Total applications: 48

**Description:** FCM’s Sustainable Communities Awards celebrate the most innovative environmental initiatives in Canadian cities and communities of all sizes, by recognizing sustainability leaders and trailblazers across the country. The awards highlight municipal projects in asset management, brownfields, climate change, energy, transportation, waste, water and sustainable neighbourhood revitalization and design.

JUL

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AUG

*“I really learned a lot at the workshop, and it was a great networking opportunity. I’m really looking forward to future opportunities to learn from the roundtable of expertise you have brought together with your program. Participation in LiBRé has been a great investment in overall knowledge of brownfield issues.”*

—Amanda Burke  
City of Calgary, AB  
June 2017



<sup>9</sup> Data collected during the application period (June 5 to September 25, 2017) on the “apply” page only.

3

**Meeting:**

Leadership in Brownfield Renewal Program (LiBRe)

**Members:** 31 participating municipalities

**Date:** June 14, 2017

**Description:** Held in Brantford, ON, this face-to-face meeting of 61 LiBRe members was organized in partnership with the City of Brantford and the Intermunicipal Brownfield Coordinators Network of Ontario.

The meeting:

- ▶ Encouraged networking and knowledge-sharing
- ▶ Increased awareness of innovative brownfield initiatives
- ▶ Explained how to integrate brownfield prevention into planning and policy
- ▶ Motivated participants to implement or facilitate interim uses of underutilized sites

Participants included 48 municipal representatives, seven provincial-government representatives, two university/college representatives, and three private-sector representatives.

In addition, quarterly web meetings, of both the anglophone and francophone LiBRe cohorts, encourage participants to share their brownfield challenges, ideas and potential solutions.



4

**Guidebooks:**

*Building partnerships to support brownfield redevelopment*

*Running effective tendering processes for brownfield initiatives*

*Evaluate, improve, celebrate: A guide to enhancing your brownfield programs*

**Date:** November 9, 2017

**Statistics:** Total PDF downloads: 772<sup>10</sup>

This marks the publication of the final three of the series of seven guidebooks outlining the Leadership in Brownfield Renewal Program (LiBRe) framework. The complete suite of seven guidebooks is available online.

5

**Webinar:**

Best practices in wastewater management

**Date:** November 16, 2017

**Statistics:** 42 participants

**Description:** Designed to help small to medium-sized Quebec municipalities learn how to comply with provincial and federal wastewater regulations, the webinar highlighted successful strategies and solutions, as well as lessons learned and best practices from projects in cities and communities across the province. Speakers included a water technician from Quebec City, a project officer from Réseau Environnement, as well as the executive director of Régie intermunicipale de traitement des matières résiduelles de la Gaspésie, City of Grande-Rivière, QC.

6

**Sustainable Communities Awards:**

Winners announced and launch of case studies

**Date:** February 1, 2018

**Statistics:**

- ▶ Total number of unique page views for all case studies: 2,918<sup>11</sup>

7

**Guidebook:** *Building sustainable and resilient communities with asset management: An introduction for municipal leaders*

**Date:** February 2, 2018

**Description:** This guidebook was developed for staff and elected officials, in medium- and large-sized municipalities, who are responsible for green projects or who are interested in municipal sustainable development. It explains the importance of incorporating sustainable practices into asset management plans, and how to start.

<sup>10</sup> Data collected from November 9, 2017, to March 31, 2018.

<sup>11</sup> Data collected from February 1 to March 31, 2018.

8

### FCM Sustainable Communities Conference

**Date:** February 6 to 8, 2018

**Statistics:**

- ▶ 347 delegates attended from 145 municipalities across Canada
- ▶ Of those who completed the post-conference survey, 95% were “satisfied” or “very satisfied”

**Description:** This biennial FCM event focuses on best practices in municipal sustainability and attracts participants from across the country. FCM’s knowledge services team designs and delivers the conference program. This year, the program focused on adult-learning design and participant engagement. Under the theme “Where innovation meets action”, the conference offered workshops, study tours and plenary sessions that showcased the latest in municipal green innovation and best practices. Examples of workshops included:

- ▶ Green affordable housing: Successes and challenges
- ▶ Sustainable and resilient small towns: Cost effective solutions
- ▶ Using “Design Thinking” for sustainability challenges
- ▶ Kick-starting creative green investment

9

### Sustainable Communities Awards: Inspire Award Winner

**Date:** February 8, 2018

**Description:**

At this year’s Sustainable Communities Conference, award winners delivered presentations in the style of TED talks. The audience of more than 300 responded enthusiastically to the new format and all award winners fielded many questions about their initiatives.

The City of Kingston, ON, a co-winner in the Transportation category, received FCM’s inaugural Inspire Award as decided by a live vote at the Sustainable Communities Conference. The city, along with local school boards, introduced a transit-orientation program that included free bus passes for high school students, increasing transit trips from 30,000 to 600,000. Videos of the presentations and case studies are available on [FCM’s website](#).

10

**Guidebook:** *How to develop an asset management policy, strategy and governance framework: Set up a consistent approach to asset management in your municipality*

**Date:** March 23, 2018

**Description:** A detailed guidebook was developed to help municipalities develop an asset-management policy, strategy and governance framework. The content includes the best practices and lessons learned by the 17 municipalities across Canada that participated in FCM’s Leadership in Asset Management Program (2015–2017).



JAN

FEB

MAR

8



## SUSTAINABLE COMMUNITIES CONFERENCE

Seven of the nine award representatives for the 2018 Sustainable Communities Awards  
 Source: Federation of Canadian Municipalities

*“Loved this. You could tell [the speakers] all benefited from the training. I heard many people say they would like the ‘ted talk style’ training for storytelling. Being good at spreading sustainability messages increases our success as a sector.”*

—SCC attendee



The background features a vibrant green color palette with various shades and geometric patterns. Diagonal lines and overlapping shapes create a sense of movement and depth. In the lower half, there are detailed images of green leaves, some in sharp focus and others blurred, suggesting a natural, organic theme.

# **Spotlight:** Our initiatives across Canada

# A strategic approach to community infrastructure



Two of the many factors that threaten the ability of municipalities across Canada to deliver services over the long term are: community infrastructure that is at or near the end of its life cycle; and planning decisions based on short-term priorities. To help municipalities address these challenges, GMF provides support for a strategic approach to planning known as asset management. GMF has developed and delivered relevant guidebooks and webinars, along with the peer-learning initiative, Leadership in Asset Management Program (LAMP). Among the dozens of participants to benefit from LAMP are the municipalities of Kings County, NS, and Plessisville, QC.

### Key Result Area 1:

Long-term impact on the municipal sector

The Municipality of the County of Kings, population 48,000, stretches along the Bay of Fundy. Much of the community's 200-kilometre network of sewer piping is at or near the end of its life span. Other infrastructure vital to municipal services includes eight wastewater treatment plants, numerous pumping stations, and the network of 120 kilometres of subdivision roads the municipality co-manages.

"For many years, decisions about what infrastructure to repair or replace were pretty subjective," says Scott Quinn, director of engineering, public works, land and parks services.

To improve its strategic planning capacity, in 2015 the municipality enrolled in the Leadership in Asset Management Program (LAMP), an FCM peer-learning initiative. Participants share best practices and lessons learned, and develop local solutions to local challenges.

“LAMP saved us at least two years of stumbling around in the dark,” says Scott Quinn. “By partnering with other municipalities, we learned how to take a strategic, long-term approach to managing our infrastructure.”

A key accomplishment for the municipality was the adoption of a paving policy for subdivision roads. To help prioritize which roads to pave, the policy includes criteria for economic, environmental, social and cultural factors.



▶ *“Asset management is really about leaving a better legacy for future generations.”*

**Justine Fecteau-Fortin**  
Director of Sustainable Development  
and Division Head of Land Management  
City of Plessisville, QC

Source: Justine Fecteau-Fortin

Another municipality to benefit from LAMP is Plessisville, QC, a community of 6,700 people midway between Sherbrooke and Quebec City. Since joining LAMP, Plessisville has established an asset management policy and created a working group comprised of an elected councillor and staff from multiple municipal departments.

“LAMP helps us to raise awareness of how we can overcome the poor planning decisions made in the past,” says Justine Fecteau-Fortin, director of sustainable development. “Asset management is really about leaving a better legacy for future generations.”

In 2017, FCM expanded its support for municipal asset management, thanks to a five-year \$50 million grant from the Government of Canada. Along with a peer-learning component, the Municipal Asset Management Program (MAMP) includes funding for communities and partner organizations. During 2017-2018, MAMP funded 227 community-level projects, along with 23 partner organizations that delivered technical assistance to some 286 municipalities.



# Wastewater project to deliver economic and environmental benefits



With the population expected to increase by more than 27 per cent by 2031<sup>12</sup>, the Region of Waterloo, ON, faces significant challenges related to growth. Strict new standards for water quality and rising utility costs make it particularly difficult to provide basic services without significant hikes in taxes and user fees. A \$17 million wastewater project promises not only to help meet these challenges, but also to generate enough savings to pay for itself.

### Key Result Area 2: Enabling innovation and replication

“What I like about this project is how it integrates long-term sustainability into a basic community service that citizens use every day,” says Tony Maas, a ratepayer in the region and director of the Forum for Leadership on Water (FLOW), an independent research and policy group. “The project will help the region reach its 2019 target of reducing GHG emissions by 10 per cent below 2009 levels.<sup>13</sup> And the region can invest the savings generated by the project into other sustainability initiatives.”

<sup>12</sup> Source: <https://www.regionofwaterloo.ca/en/doing-business/demographics.aspx>

<sup>13</sup> Source: <http://sustainabilityprogress.regionofwaterloo.ca/air-quality-and-energy/corporate/regions-corporate-greenhouse-gas-emissions.html>

The project involves improving the use of biogas, a by-product of wastewater treatment, at three facilities serving a total of nearly 500,000 citizens. The region's wastewater facilities have long burned biogas to provide heat for buildings and treatment processes. While advantageous, this approach is far from ideal. Since buildings aren't heated during the summer, excess biogas is flared off, which wastes a potential source of energy. And because waste digestion produces inconsistent amounts of biogas, equipment wears out more quickly and the facilities must rely occasionally on electricity. Wastewater facilities are already among the region's largest consumers of electricity.

To take advantage of the excess gas, the project will use a mix of biogas and natural gas to generate both heat energy and electricity on a more consistent basis. Once the new system is up and running —



Source: Region of Waterloo, ON

sometime in 2020 — the region will closely monitor all aspects of its performance. FCM supported the project with a \$750,000 grant and a \$5 million loan, and will share lessons learned with municipalities across the country.

The ability to use a mix of natural gas and biogas provides

an interesting lesson on how municipalities can build in infrastructure that is flexible enough to allow them to realize immediate savings, while also enabling them to further decrease their GHGs as more sustainable sources of fuel (like biogas) become available.

## Expected outcomes

▶ **80%**  
Reduce electricity consumption by up to 80%

▶ **1,180 tonnes**  
Anticipated GHG reduction per year at project completion in 2024

▶ **\$16.6 million**  
Save the Region of Waterloo an estimated \$16.6 million during the project's life cycle

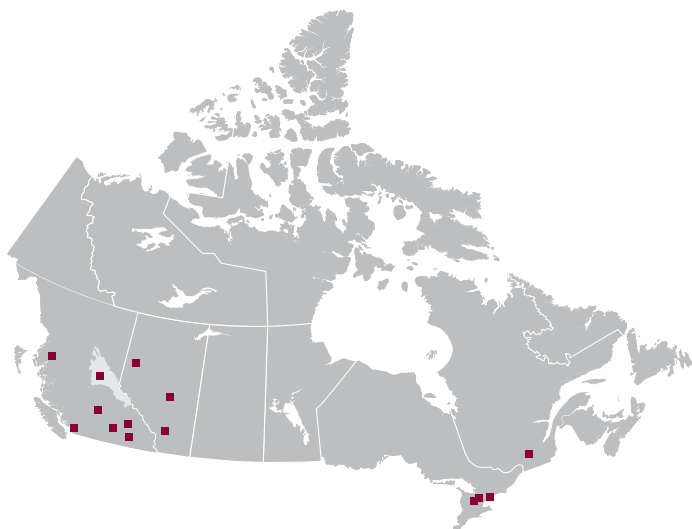


▶ *“What I like about this project is how it integrates long-term sustainability into a basic community service that citizens use every day.”*

Tony Maas, a ratepayer in the Region and the Director of the Forum for Leadership on Water (FLOW)

Source: Tony Maas

# GMF funded initiatives lever more investments from alternative sources



GMF's investments in pilots and studies related to proposed energy projects continue to yield valuable results. Since inception, the \$7.8 million in grants (all figures in 2016 dollars) invested by GMF has triggered approximately \$1.8 billion in total expenditures on capital projects. These projects — energy-efficient buildings, district energy systems and renewable-energy systems — generate valuable ongoing economic, environmental and social benefits in communities across Canada.

A review of GMF-funded pilots and studies in the energy sub-sector of buildings found that 80 per cent of feasible

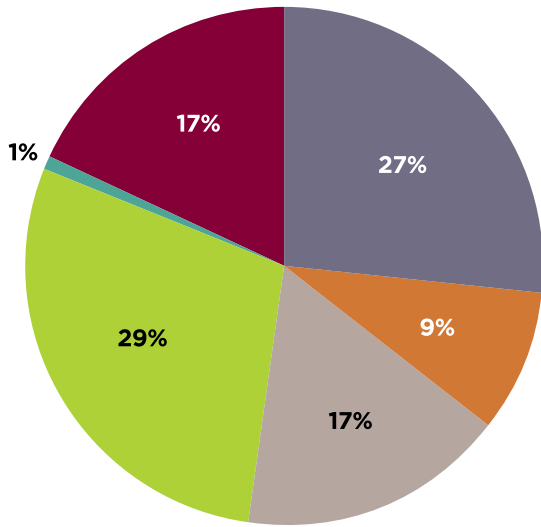
initiatives had resulted in capital projects, and that FCM loans and grants had supported approximately one-in-five of these completed capital projects.

### Key Result Area 3:

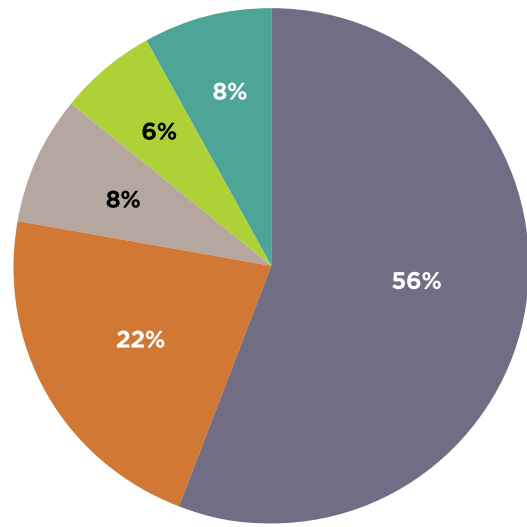
Increased access to funding for municipalities and their private-sector partners through innovative financing

To gain a better understanding of other funding sources, FCM conducted the following analysis. For feasibility studies and pilot projects that converted to capital projects using GMF loans and grants, staff referred to 18 project completion reports submitted by applicants. For projects that converted without GMF support, staff compared information from 22 feasibility studies and pilots that converted to capital projects across all energy sub-sectors.

**Figure 1:** Sources of funding for converted capital projects with GMF funding in the energy sector



**Figure 2:** Sources of funding for converted capital projects without GMF funding in the energy sector



**MUNICIPAL**
 **FEDERAL**
 **PROVINCIAL**
 **PRIVATE AND OTHER**
 **MUNICIPAL CORPORATION**
 **GMF**



Source: City of Prince George, BC

GMF was only one source of funding for the City of Prince George, BC's, first LEED® Silver facility to house its RCMP police services. The city also received funding from the Municipal Finance Authority of British Columbia, complementing GMF's \$10 million loan and \$500,000 grant, for a total project value of nearly \$39 million. The building itself has many features to help decrease energy consumption and greenhouse gas emissions, including improved envelope insulation, high performance fenestration, a heat recovery wheel, a solar wall, and more.

# Sustainability is business as usual in Revelstoke



Cleaner air, fewer GHG emissions and more money for municipal services are just a few of the benefits of the community-owned district energy system in the City of Revelstoke, BC. Built in 2005 and expanded in 2010, the \$7.8<sup>14</sup> million system is fuelled by wood waste from a local sawmill, heats eight buildings — including two schools, an aquatic centre and an arena — and provides saturated steam to the mill’s drying kiln. The district energy system reduces GHG emissions by 146 tonnes per year.

### Key Result Area 4: Sustainable municipal infrastructure investments

“The system is now a reliable component of community infrastructure,” says Larry Marchand, manager of Revelstoke Community Energy Corporation, the municipal body that owns and operates the system. “And it generates economic, social and environmental benefits for the community every day.”

FCM funded a feasibility study for both the original project and the expansion, and extended a loan of approximately \$1.3 million to help fund construction.

<sup>14</sup> Figure taken from FCM publication *Energy Sector: Conversion study of GMF Feasibility Studies and Pilot Projects*.



“Financing the project was challenging,” says Larry Marchand. “However, FCM’s initial investment provided the impetus for local capital investment and financing.”

The local economic development case study FCM completed in 2018 determined that the project adds \$39.5 million worth in value to the municipality over the assumed 25-year life of the plant.



▶ *“The system is now a reliable component of community infrastructure. And it generates economic, social and environmental benefits for the community every day.”*

**Larry Marchand**  
Manager, Revelstoke Community Energy Corporation

Source: Larry Marchand



# An innovative solution to a long-standing problem

Source: Federation of Canadian Municipalities



The new draining system in the Town of Wainwright, AB, promises to eliminate flooding problems, reduce GHG emissions and expand wetland habitats for migrating birds and other wildlife.

“We’ve struggled with flooding for years,” says Brian Bethune, mayor of the town of approximately 6,000 people in east-central Alberta. “About four years ago, council resolved to fix our drainage problems once and for all. The engineers we contracted came up with a design that meets our specific needs.”

For decades, Wainwright’s stormwater system drained into a terminal lake — one with no outflow. The growth of the last decade, however (the town’s population is up 30 per cent and its built-up areas by 40 per cent) has led to regular flooding for many residents and a host of other problems.

**Key Result Area 5:**  
Responding to different client groups

▶ *“About four years ago, Council resolved to fix our drainage problems once and for all. The engineers we contracted came up with a design that meets our specific needs.”*

**Brian Bethune**  
Mayor  
Town of Wainwright, AB

The solution involves one of North America's longest siphon-assisted pipeline projects: a 10-kilometre network of pipes, aqueducts and wetlands flowing approximately 100 metres down into the Battle River. The flow turns a turbine that generates more electricity than the pumps consume, with surplus electricity sold to the provincial utility.

Along the way, a huge new pond provides additional wetlands for migrating waterfowl and local wildlife. Another benefit is that the wildlife observation tower, originally built on the lakeshore and made inaccessible by rising water levels, will be accessible once again. The project is also expected to increase water levels in the Battle River, benefitting water licencees downstream. This initiative is a good example of an innovative solution implemented by a rural municipality, an important segment of GMF's client groups.

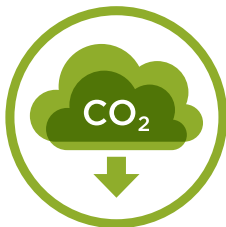


Source: Town of Wainwright, AB

The project's integration of both engineered and natural assets, along with an energy-efficient pumping system, can provide valuable lessons to other communities looking for ways to implement stormwater

management projects and reduce flooding events.

FCM supported the \$17 million project with a \$750,000 grant and a \$5 million loan, and will share lessons learned with municipalities across the country.



**258**  
tonnes  
(the equivalent<sup>15</sup>  
of taking 55 cars  
off the road)  
Estimated annual  
reductions in GHG  
emissions



**330**  
megawatt hours  
Estimated  
annual savings  
in electricity



**75**  
years  
Estimated  
life cycle

<sup>15</sup> Source of equivalency ratio: <http://www.nrcan.gc.ca/energy/efficiency/communities-infrastructure/transportation/cars-light-trucks/idling/4415>

## Spotlight

# Brandon making progress on brownfields



In 2017, the City of Brandon, MB, showed its leadership in addressing brownfields by implementing Manitoba’s first dedicated brownfield strategy and establishing incentives for remediation and redevelopment. The accomplishment will help make the city more vibrant by supporting the revitalization of former industrial sites.

“In recent years, Brandon’s downtown has experienced a bit of a revival with the preservation of several neglected character properties,” says Elisabeth Saftiuk,

executive director of the Brandon Downtown Development Corporation. “Brownfield sites in prime locations, however, represent a significant challenge.

### Key Result Area 6: Value demonstration

Any initiative that makes it easier to redevelop these sites benefits the entire city.”

For most Canadian municipalities, the redevelopment of brownfields is a complex challenge due to factors such as the potential expense of remediating environmental contamination. The resulting vacant lots — particularly those in prime locations — often hinder the redevelopment of entire neighbourhoods and deny municipalities potential tax revenues.



Source: City of Brandon, MB

“We’ve identified more than 100 brownfield sites — most of them former gas stations,” says Lindsay Hargreaves, the City of Brandon’s environmental initiatives coordinator. “Many are in high-traffic areas ripe for redevelopment.”

To develop solutions, Brandon joined FCM’s Leadership in Brownfield Renewal Program (LiBRe), a peer-learning program, in 2014. LiBRe is a network of municipal officials and brownfield practitioners who work and train together, review best practices and share lessons learned.

“With LiBRe’s guidance, I set up a working group of colleagues from various departments, including planning and property, finance, legal and economic development,” says Lindsay Hargreaves. “Together, we devised a strategy and an incentive program, and city council adopted them unanimously.”

The incentive program involves municipal tax credits: eligible remediation costs are offset by future tax credits. It is a great

example of a development incentive easily replicated by other municipalities.

“We’ve still got a long way to go,” says Lindsay Hargreaves. “But LiBRe has connected us with other municipalities working on brownfields. By continuing to work together, I’m confident that we’ll make further progress.”



▶ *“We’ve identified more than 100 brownfield sites — most of them former gas stations.”*

**Lindsay Hargreaves**  
**Environmental Initiatives**  
**Coordinator**  
**City of Brandon, MB**

Source: Lindsay Hargreaves



LiBRe members at a meeting in the City of Brantford, ON, in June 2017.

Source: Federation of Canadian Municipalities

# Conclusion



Since its inception in 2000, GMF has continually increased its contribution to Canada’s municipal sector by fostering innovation and by improving the capacity of local leaders to successfully plan, implement and measure the impacts of sustainability initiatives. GMF regularly reviews its operations and adjusts its offerings to better support innovation and meet the needs of municipalities of all sizes and in all regions of the country.

During 2017–2018, GMF developed a new five-year strategic plan. To develop the plan, FCM, in conjunction with the GMF Council, analyzed both the current offering and the sustainability sector to identify gaps and potential opportunities.

The process included stakeholder consultations, reviews of program results and a study of the broader market context. This led to an updated logic model and GMF’s new Five-Year Strategic Plan 2018–2023. The plan, while addressing the Auditor General’s

Report, will also strengthen GMF’s performance in three key areas: enabling innovation; replicating sustainable solutions; and providing the sector with innovative financing options.

The plan, in conjunction with the new GMF Funding Agreement, also inspired several improvements in internal processes. The end result will be a stronger and more effective GMF — one that will enable ever-larger numbers of municipalities to plan and implement sustainability solutions that deliver tangible benefits to Canadians.

# Appendices





The appendices of FCM's Green Municipal Fund (GMF) Annual Report for 2017-2018 give a detailed account of GMF's efforts throughout the fiscal year. From funding allocations, to the reach of our activities, to details on initiatives that were approved, you'll gain knowledge on GMF's impacts.



## Appendix A: Funding allocations

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

	2017–2018	Since inception
Applications submitted <sup>1</sup>	50	1,713
Approvals <sup>2</sup>	53	1,169

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

	2017–2018	Since inception
Applications submitted	25	627
Approvals	13	320

<sup>1</sup> Number of applications submitted to FCM for GMF funding. The submission year is based on the date FCM received the application.

<sup>2</sup> Number of applications approved by the 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 A3: Approved sustainable community plans, feasibility studies and pilot projects by region since inception<sup>3</sup>** (Dollar figures presented in \$1000s, with the exception of per capita)

Region / province	Population <sup>5</sup>	% of pop. (%)	2017-2018					Total net approved since inception <sup>4</sup>					
			#	TPV <sup>6</sup> (\$)	Total grant (\$)	% of total (#) (%)	% of total (\$) (%)	#	Grant (\$)	TPV (\$)	% of total (#) (%)	% of total (\$) (%)	Per capita (\$)
<b>Atlantic</b>	<b>2,327,638</b>	<b>6.95</b>	<b>4</b>	<b>1,081</b>	<b>409</b>	<b>7.55</b>	<b>5.93</b>	<b>109</b>	<b>5,888</b>	<b>14,490</b>	<b>10.30</b>	<b>6.30</b>	<b>3</b>
New Brunswick	751,171	2.24	3	905	335	5.66	4.85	48	2,551	6,366	4.54	2.73	3
Newfoundland and Labrador	514,536	1.54	0	-	-	0.00	0.00	15	650	1,547	1.42	0.70	1
Nova Scotia	921,727	2.75	1	175	75	1.89	1.08	40	2,163	5,223	3.78	2.31	2
Prince Edward Island	140,204	0.42	0	-	-	0.00	0.00	6	524	1,353	0.57	0.56	4
<b>British Columbia</b>	<b>4,400,057</b>	<b>13.14</b>	<b>6</b>	<b>2,798</b>	<b>682</b>	<b>11.32</b>	<b>9.87</b>	<b>195</b>	<b>15,457</b>	<b>44,906</b>	<b>18.43</b>	<b>16.54</b>	<b>4</b>
<b>Northern Territories</b>	<b>107,265</b>	<b>0.32</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>	<b>23</b>	<b>1,538</b>	<b>4,610</b>	<b>2.17</b>	<b>1.65</b>	<b>14</b>
Northwest Territories	41,462	0.12	0	-	-	0.00	0.00	10	891	2,354	0.95	0.95	21
Nunavut	31,906	0.10	0	-	-	0.00	0.00	4	232	912	0.38	0.25	7
Yukon	33,897	0.10	0	-	-	0.00	0.00	9	415	1,345	0.85	0.44	12
<b>Ontario</b>	<b>12,851,821</b>	<b>38.39</b>	<b>19</b>	<b>10,179</b>	<b>3,228</b>	<b>35.85</b>	<b>46.76</b>	<b>345</b>	<b>33,742</b>	<b>94,189</b>	<b>32.61</b>	<b>36.11</b>	<b>3</b>
<b>Prairies</b>	<b>5,886,906</b>	<b>17.59</b>	<b>12</b>	<b>3,215</b>	<b>1,342</b>	<b>22.64</b>	<b>19.43</b>	<b>179</b>	<b>16,642</b>	<b>56,791</b>	<b>16.92</b>	<b>17.81</b>	<b>3</b>
Alberta	3,645,257	10.89	6	1,662	604	11.32	8.75	104	9,867	29,076	9.83	10.56	3
Manitoba	1,208,268	3.61	3	1,068	495	5.66	7.17	36	3,158	15,012	3.40	3.38	3
Saskatchewan	1,033,381	3.09	3	485	243	5.66	3.51	39	3,617	12,703	3.69	3.87	4
<b>Quebec</b>	<b>7,903,001</b>	<b>23.61</b>	<b>12</b>	<b>3,504</b>	<b>1,243</b>	<b>22.64</b>	<b>18.00</b>	<b>207</b>	<b>20,164</b>	<b>74,179</b>	<b>19.57</b>	<b>21.58</b>	<b>3</b>
<b>Total</b>	<b>33,476,688</b>	<b>100.00</b>	<b>53</b>	<b>20,776</b>	<b>6,904</b>	<b>100.00</b>	<b>100.00</b>	<b>1,058</b>	<b>93,431</b>	<b>289,165</b>	<b>100.00</b>	<b>100.00</b>	<b>3</b>

<sup>3</sup> Due to rounding, some totals may not correspond with the sum of the individual figures.

<sup>4</sup> "Total net approved since inception" includes original Board-approved amount plus any additional approved amount, less the amounts that were withdrawn, closed or cancelled.

<sup>5</sup> Source: Statistics Canada 2011 Census

<sup>6</sup> TPV = Total project value reported by applicant

**Table A4: Approved capital projects by region<sup>7</sup>** (Dollar figures presented in \$1000s, with the exception of per capita)

Region / province	Population <sup>9</sup>	% of pop. (%)	2017-2018						Total net approved since inception <sup>8</sup>						
			#	TPV <sup>10</sup> (\$)	Total grant (\$)	Total loan (\$)	% of total (#) (%)	% of total (\$) (%)	#	Grant (\$)	Loan (\$)	TPV (\$)	% of total (#) (%)	% of total (\$) (%)	Per capita (\$)
<b>Atlantic</b>	<b>2,327,638</b>	<b>6.95</b>	<b>1</b>	<b>2,896</b>	<b>41</b>	<b>275</b>	<b>7.69</b>	<b>0.61</b>	<b>30</b>	<b>11,452</b>	<b>113,947</b>	<b>777,935</b>	<b>14.78</b>	<b>16.31</b>	<b>54</b>
New Brunswick	751,171	2.24	0	-	-	-	0.00	0.00	10	3,834	53,448	208,707	4.93	7.45	76
Newfoundland and Labrador	514,536	1.54	0	-	-	-	0.00	0.00	6	3,120	25,847	117,562	2.96	3.77	56
Nova Scotia	921,727	2.75	1	2,896	41	275	7.69	0.61	12	3,572	34,345	449,502	5.91	4.93	41
Prince Edward Island	140,204	0.42	0	-	-	-	0.00	0.00	2	927	307	2,164	0.99	0.16	9
<b>British Columbia</b>	<b>4,400,057</b>	<b>13.14</b>	<b>2</b>	<b>59,400</b>	<b>1,050</b>	<b>7,000</b>	<b>15.38</b>	<b>15.46</b>	<b>34</b>	<b>18,156</b>	<b>129,518</b>	<b>780,231</b>	<b>16.75</b>	<b>19.21</b>	<b>34</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>0.00</b>	<b>0.00</b>	<b>1</b>	<b>750</b>	<b>7,500</b>	<b>37,508</b>	<b>0.49</b>	<b>1.07</b>	<b>77</b>
Northwest Territories	41,462	0.12	0	-	-	-	0.00	0.00	0	-	-	-	0.00	0.00	0
Nunavut	31,906	0.10	0	-	-	-	0.00	0.00	1	750	7,500	37,508	0.49	1.07	259
Yukon	33,897	0.10	0	-	-	-	0.00	0.00	0	-	-	-	0.00	0.00	0
<b>Ontario</b>	<b>12,851,821</b>	<b>38.39</b>	<b>4</b>	<b>55,554</b>	<b>3,000</b>	<b>20,000</b>	<b>30.77</b>	<b>44.17</b>	<b>66</b>	<b>21,874</b>	<b>236,299</b>	<b>1,328,193</b>	<b>32.51</b>	<b>33.58</b>	<b>20</b>
<b>Prairies</b>	<b>5,886,906</b>	<b>17.59</b>	<b>4</b>	<b>61,542</b>	<b>1,872</b>	<b>12,492</b>	<b>30.77</b>	<b>27.59</b>	<b>34</b>	<b>19,511</b>	<b>86,464</b>	<b>495,126</b>	<b>16.75</b>	<b>13.78</b>	<b>18</b>
Alberta	3,645,257	10.89	2	19,258	1,060	7,079	15.38	15.63	19	13,465	51,597	351,331	9.36	8.46	18
Manitoba	1,208,268	3.61	2	42,284	812	5,413	15.38	11.95	9	5,133	30,570	127,208	4.43	4.64	30
Saskatchewan	1,033,381	3.09	0	-	-	-	0.00	0.00	6	913	4,297	16,588	2.96	0.68	5
<b>Quebec</b>	<b>7,903,001</b>	<b>23.61</b>	<b>2</b>	<b>26,141</b>	<b>827</b>	<b>5,511</b>	<b>15.38</b>	<b>12.17</b>	<b>38</b>	<b>19,026</b>	<b>104,348</b>	<b>422,952</b>	<b>18.72</b>	<b>16.05</b>	<b>16</b>
<b>Total</b>	<b>33,476,688</b>	<b>100.00</b>	<b>13</b>	<b>205,533</b>	<b>6,790</b>	<b>45,279</b>	<b>100.00</b>	<b>100.00</b>	<b>203</b>	<b>90,770</b>	<b>678,076</b>	<b>3,841,945</b>	<b>100.00</b>	<b>100.00</b>	<b>23</b>

<sup>7</sup> Due to rounding, some totals may not correspond with the sum of the individual figures.

<sup>8</sup> "Total net approved since inception" includes original Board-approved amount plus any additional approved amount, less the amounts that were withdrawn, closed or cancelled.

<sup>9</sup> Source: Statistics Canada 2011 Census

<sup>10</sup> TPV = Total project value reported by applicant

**Table A5: Approved initiatives by region (sustainable community plans, feasibility studies, pilot projects and capital projects)<sup>11</sup>** (Dollar figures presented in \$1000s, with the exception of per capita)

Region / province	Population <sup>13</sup>	% of pop. (%)	2017–2018						Total net approved since inception <sup>12</sup>						
			#	TPV <sup>14</sup> (\$)	Total grant (\$)	Total loan (\$)	% of total (#) (%)	% of total (\$) (%)	#	Grant (\$)	Loan (\$)	TPV (\$)	% of total (#) (%)	% of total (\$) (%)	Per capita (\$)
<b>Atlantic</b>	<b>2,327,638</b>	<b>6.95</b>	<b>5</b>	<b>3,977</b>	<b>451</b>	<b>275</b>	<b>7.58</b>	<b>1.23</b>	<b>139</b>	<b>17,340</b>	<b>113,947</b>	<b>792,425</b>	<b>11.02</b>	<b>15.23</b>	<b>56</b>
New Brunswick	751,171	2.24	3	905	335	-	4.55	0.57	58	6,384	53,448	215,074	4.60	6.94	80
Newfoundland and Labrador	514,536	1.54	0	-	-	-	0.00	0.00	21	3,770	25,847	119,109	1.67	3.43	58
Nova Scotia	921,727	2.75	2	3,071	116	275	3.03	0.66	52	5,735	34,345	454,725	4.12	4.65	43
Prince Edward Island	140,204	0.42	0	-	-	-	0.00	0.00	8	1,451	307	3,518	0.63	0.20	13
<b>British Columbia</b>	<b>4,400,057</b>	<b>13.14</b>	<b>8</b>	<b>62,198</b>	<b>1,732</b>	<b>7,000</b>	<b>12.12</b>	<b>14.81</b>	<b>229</b>	<b>33,613</b>	<b>129,518</b>	<b>825,137</b>	<b>18.16</b>	<b>18.92</b>	<b>37</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>0.00</b>	<b>0.00</b>	<b>24</b>	<b>2,288</b>	<b>7,500</b>	<b>42,117</b>	<b>1.90</b>	<b>1.14</b>	<b>91</b>
Northwest Territories	41,462	0.12	0	-	-	-	0.00	0.00	10	891	-	2,354	0.79	0.10	21
Nunavut	31,906	0.10	0	-	-	-	0.00	0.00	5	982	7,500	38,419	0.40	0.98	266
Yukon	33,897	0.10	0	-	-	-	0.00	0.00	9	415	-	1,345	0.71	0.05	12
<b>Ontario</b>	<b>12,851,821</b>	<b>38.39</b>	<b>23</b>	<b>65,733</b>	<b>6,228</b>	<b>20,000</b>	<b>34.85</b>	<b>44.47</b>	<b>411</b>	<b>55,617</b>	<b>236,299</b>	<b>1,422,382</b>	<b>32.59</b>	<b>33.85</b>	<b>23</b>
<b>Prairies</b>	<b>5,886,906</b>	<b>17.59</b>	<b>16</b>	<b>64,757</b>	<b>3,214</b>	<b>12,492</b>	<b>24.24</b>	<b>26.63</b>	<b>213</b>	<b>36,153</b>	<b>86,464</b>	<b>551,918</b>	<b>16.89</b>	<b>14.22</b>	<b>21</b>
Alberta	3,645,257	10.89	8	20,919	1,664	7,079	12.12	14.83	123	23,331	51,597	380,407	9.75	8.69	21
Manitoba	1,208,268	3.61	5	43,352	1,307	5,413	7.58	11.39	45	8,292	30,570	142,220	3.57	4.51	32
Saskatchewan	1,033,381	3.09	3	485	243	-	4.55	0.41	45	4,530	4,297	29,291	3.57	1.02	9
<b>Quebec</b>	<b>7,903,001</b>	<b>23.61</b>	<b>14</b>	<b>29,645</b>	<b>2,070</b>	<b>5,511</b>	<b>21.21</b>	<b>12.86</b>	<b>245</b>	<b>39,190</b>	<b>104,348</b>	<b>497,131</b>	<b>19.43</b>	<b>16.65</b>	<b>18</b>
<b>Total</b>	<b>33,476,688</b>	<b>100.00</b>	<b>66</b>	<b>226,309</b>	<b>13,694</b>	<b>45,279</b>	<b>100.00</b>	<b>100.00</b>	<b>1,261</b>	<b>184,201</b>	<b>678,076</b>	<b>4,131,110</b>	<b>100.00</b>	<b>100.00</b>	<b>26</b>

<sup>11</sup> Due to rounding, some totals may not correspond with the sum of the individual figures.

<sup>12</sup> "Total net approved since inception" includes original Board-approved amount plus any additional approved amount, less the amounts that were withdrawn, closed or cancelled.

<sup>13</sup> Source: Statistics Canada 2011 Census

<sup>14</sup> TPV = Total project value reported by applicant

**Table A6: Urban–rural balance of all approved initiatives (sustainable community plans, feasibility studies, pilot projects and capital projects)<sup>15</sup>** (Dollar figures presented in \$1000s, with the exception of per capita)

Municipality type	Population <sup>17</sup>	% of pop. (%)	2017-2018					Total net approved since inception <sup>16</sup>					
			#	TPV <sup>18</sup> (\$)	Total (grant & loan) (\$)	% of total (#) (%)	% of total (\$) (%)	#	TPV (\$)	Total (grant & loan) (\$)	% of total (#) (%)	% of total (\$) (%)	Per capita (\$)
Small, rural and remote (rural) <sup>19</sup>	6,329,414	18.90	30	70,856	18,021	45.45	30.56	370	584,264	176,365	29.34	20.45	28
Towns and cities (urban)	27,147,274	81.10	36	155,453	40,952	54.55	69.44	891	3,546,846	685,912	70.66	79.55	25
<b>Total</b>	<b>33,476,688</b>	<b>100.00</b>	<b>66</b>	<b>226,309</b>	<b>58,973</b>	<b>100.00</b>	<b>100.00</b>	<b>1,261</b>	<b>4,131,110</b>	<b>862,277</b>	<b>100.00</b>	<b>100.00</b>	<b>26</b>

<sup>15</sup> Due to rounding, some totals may not correspond with the sum of the individual figures.

<sup>16</sup> "Total net approved since inception" includes original Board-approved amount plus any additional approved amount, less the amounts that were withdrawn, closed or cancelled.

<sup>17</sup> Source: Statistics Canada 2011 Census

<sup>18</sup> TPV = Total project value reported by applicant

<sup>19</sup> Municipalities with a population of less than 10,000 are classified as rural. In the case of regional municipal governments, to be considered rural, each member municipality must have a population less than 10,000. Urban regional municipalities are those where at least one member municipality has a population of 10,000 or more

## Appendix B: Fund management

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

	2017–2018 (\$)	Since inception (\$)
Grants for plans, feasibility studies and pilot projects	5,305,235	77,192,206
Grants for capital projects	3,064,694	68,203,756
Project Performance Reporting Grant Agreement (PPRGA) grants for capital projects <sup>20</sup>	0	1,295,002
Loans for capital projects	34,598,416	517,853,874
<b>Total</b>	<b>42,968,345</b>	<b>664,544,838</b>

**Table B2: Performance of unallocated funds**

Fiera Capital manages the portion of FCM's Green Municipal Fund (GMF) that has not yet been disbursed to initiatives. Directives for investments of these unallocated funds are contained in the GMF Investment Policy and Strategy to ensure that the Fund generates adequate returns in line with GMF's objectives and financial sustainability. This policy is reviewed annually and was last updated in November 2016.

The following table illustrates the rate of return on unallocated funds in 2017–2018 and since inception.

	2017–2018	Since inception
<b>Return on investment</b>	1.46%	4.89%

<sup>20</sup> Approvals under Project Performance Reporting Grant Agreement (PPRGA) grants for capital projects ended in August 2016.

### Table B3: Senior management compensation

GMF senior management consists of one managing director and six senior managers — one for each of the following business units: Funding Services, Knowledge Services, Research and Development, Marketing and Communications, Risk Management, and Governance and Performance Measurement.

Their remuneration for the fiscal year 2017–2018 was based on the salary ranges listed below.

#### From April 1, 2017, to March 31, 2018

Managing director	\$130,200 to \$181,700
Senior managers	\$102,300 to \$135,500

In addition to a salary, employees receive a contribution to a group RRSP (five per cent of their annual salary) and group benefits.

### Compensation for GMF Council members and peer reviewers

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

GMF peer reviewers may claim fees of \$114.28 per hour, for a maximum of \$30,000 per reviewer every two years. A maximum of 10 hours per application, per reviewer 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 have made any claims since GMF's inception.



## Appendix C: GMF Council members

### Members representing the municipal sector

Councillor Ben Henderson, Chair  
City of Edmonton, AB  
*Appointed February 2015*

Mayor Berry Vrbanovic  
City of Kitchener, ON  
*Appointed April 2015*

Councillor Andrea Reimer, Vice Chair  
City of Vancouver, BC  
*Appointed April 2015*

Mayor Sheila Fitzgerald  
Town of Roddickton-Bide Arm, NL  
*Appointed April 2017*

Mayor Martin Damphousse  
City of Varennes, QC  
*Appointed January 2014*

### Members representing the private and academic sectors

Andrew Bowerbank, Director  
Sustainable Business Services  
EllisDon Corporation  
*Appointed January 2012*

Marco Perron, CPA, CA, CRMA  
Partner, Raymond Chabot Grant Thornton  
CEO, RCGT Consulting Inc.  
*Appointed September 2015*

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

Dr. Arne Elias  
Principal, Elias Consulting  
*Appointed April 2016*

Guy Burry, Chairman  
Craigellachie Corporation  
*Appointed September 2015*

## Members representing the federal government

Permanent seat	Alternate
<p>Patricia Fuller, Director General Office of Energy Efficiency, Natural Resources Canada <i>Appointed April 2016</i> <i>Resigned<sup>21</sup> August 2017</i></p> <p>Joyce Henry, Director General Office of Energy Efficiency, Natural Resources Canada <i>Appointed February 2018</i></p>	<p>Claude Lefrançois, Senior Chief Communities, Housing Division Office of Energy Efficiency, Energy Sector Natural Resources Canada <i>Appointed September 2012</i></p>
<p>Judith Bossé, Director General CanmetENERGY–Varenes Innovation and Energy Technology Sector Natural Resources Canada <i>Appointed September 2017</i></p>	<p>Dr. Lisa Dignard, Director Integration of Renewable and Distributed Energy Resources, CanmetENERGY–Varenes Innovation and Energy Technology Sector Natural Resources Canada <i>Appointed September 2012</i> <i>Resigned<sup>21</sup> November 2017</i></p>
<p>Eric Gagné, Director General Science and Technology Strategies Directorate Environment and Climate Change Canada <i>Appointed November 2013</i> <i>Resigned<sup>21</sup> August 2017</i></p>	<p>Vacant</p>
<p>Matt Parry, Director General Strategic Policy Directorate Environment and Climate Change Canada <i>Appointed July 2016</i></p>	<p>Matt Jones, Director General Policy Development, Strategic Policy Directorate Environment and Climate Change Canada <i>Appointed July 2016</i></p>
<p>Laura Di Paolo, Director General Program Operations, Program Integration Infrastructure Canada <i>Appointed September 2017</i></p>	<p>George Claydon, Principal Advisor Policy and Communications, Strategic Policy and Priority Initiatives Infrastructure Canada <i>Appointed April 2016</i> <i>Resigned<sup>21</sup> September 2017</i></p>

<sup>21</sup> Resigned from GMF Advisory Council

## Appendix D: Assessment and approval process

Eligible GMF funding applications are assessed by the GMF Peer Review Committee against a set of criteria established by GMF Council and approved by the FCM Board of Directors. The criteria, shown in tables D1–D4, are used to assess the expected sustainability performance, knowledge value and management approach of each initiative, with an emphasis on anticipated environmental benefits.

The GMF Peer Review Committee is comprised of approximately 60 independent experts with specific environmental, project management 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 and Climate Change Canada) of qualified candidates representing federal departments. The remaining members are selected through a call for applications. Of the other peer reviewers, 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 applications for plans, studies and pilots and a minimum of three peer reviewers assess applications for capital projects. Lead peer reviewers for capital projects undertake an additional ranking exercise to help advise staff on the relative benefits of the submitted proposals.

After peer review assessment, applications are submitted to GMF Council for consideration. 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, level of innovation, and available funding. GMF Council recommends only the most exceptional projects for funding and submits these recommendations to the FCM Board of Directors.

### Funding sectors and objectives

FCM offers GMF funding for five sectors: brownfield, energy, transportation, water and waste. Following are the overall objectives for each sector:

- ▶ Promote the redevelopment of brownfield sites and avoid “greenfield” development.
- ▶ Reduce energy consumption and GHG emissions through measures such as efficiency, conservation, demand management and energy recovery, and by promoting renewable or waste energy use.
- ▶ 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.
- ▶ Reduce potable water use and loss, or protect local water bodies through measures such as demand management, water efficiency, water recovery, or stormwater or wastewater treatment.
- ▶ Reduce, reuse or recycle material that would otherwise enter the waste stream (also reducing GHG emissions from landfills).

## Plans, feasibility studies and pilots

Table D1: Assessment criteria for plans

Rated criteria	Maximum score
Sustainability considerations	15
Linkages to existing plans and policies	15
Systems approach	20
Innovative practices and technologies — beyond business as usual	10
Potential for replication and lessons learned	10
Management capacity (project management)	10
Work plan	10
Budget	10
<b>Total</b>	<b>100</b>

Table D2: Assessment criteria for feasibility studies and pilots

Rated criteria	Maximum score
Expected environmental benefits	25
Links to existing plans and policies	10
Systems approach	10
Community Benefits	5
Innovative practices and technologies — beyond business as usual	10
Replication potential and lessons learned	10
Project management	10
Work plan	10
Budget	10
<b>Total</b>	<b>100</b>

## Capital projects

Table D3: Assessment criteria for capital projects — energy, transportation, water, waste

Rated criteria	Maximum score
<b>Environmental performance</b>	
Primary sector: Water or energy performance or waste reduction	20
Secondary sector: Water or energy performance or waste reduction	5
Secondary sector: Water or energy performance or waste reduction	5
Sustainable design, procurement and construction	10
<b>Total (environmental performance)</b>	<b>40</b>
<b>Other benefits</b>	
Financial performance and sustainability	10
Community benefits	10
Community engagement	5
Alignment with supportive plans, policies, programs and investment	10
Measurement systems	10
Replication potential	15
<b>Total (other benefits)</b>	<b>60</b>
<b>Total score</b>	<b>100</b>

Project management	“Traffic light” rating system <sup>22</sup>
Project team	red, yellow, green
Risk management and timelines	red, yellow, green
Finance	red, yellow, green

<sup>22</sup> Project management is scored according to three ratings — red, yellow and green — similar to traffic lights. A **red light** means the peer reviewers identified serious issues, such as inadequacies in planning, project team or budget, or major gaps in the design that could prevent the project from being successfully completed on time and within budget or from delivering expected benefits. A **yellow light** means the reviewers identified some weaknesses or minor issues. The applicant would benefit from addressing them, but they should not prevent the project from being completed or delivering the expected benefits. A **green light** means the peer reviewers identified no notable concerns.

Table D4: Assessment criteria for capital projects — brownfields

Rated criteria	Maximum score
<b>Environmental performance</b>	
Brownfield remediation, risk management and brightfields — direct environmental benefits	30
Sustainable practices	10
<b>Total (environmental performance)</b>	<b>40</b>
<b>Other benefits</b>	
Financial performance and sustainability	10
Community benefits	10
Community engagement	10
Alignment with supportive plans, policies, programs and investment	10
Measurement systems	10
Potential for replication by other municipalities	10
<b>Total (other benefits)</b>	<b>60</b>
<b>Total score</b>	<b>100</b>

Project management	“Traffic light” rating system <sup>23</sup>
Project team	red, yellow, green
Risk management and timelines	red, yellow, green
Finance	red, yellow, green

<sup>23</sup> Project management is scored according to three ratings — red, yellow and green — similar to traffic lights. A **red light** means the peer reviewers identified serious issues, such as inadequacies in the planning, project team or budget, or major gaps in the design that could prevent the project from being successfully completed on time and within budget or from delivering expected benefits. A **yellow light** means the reviewers identified some weaknesses or minor issues. The applicant would benefit from addressing them, but they should not prevent the project from being completed or delivering the expected benefits. A **green light** means the peer reviewers identified no notable concerns.

## Appendix E: GMF initiatives approved in 2017–2018

The FCM Executive Committee approved the following initiatives in 2017–2018. 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.

Project information	Lead applicant	GMF grant	GMF loan	Total project value <sup>24</sup>
<b>Alberta</b>				
Town of Devon Administration Building: Net Zero-Energy Upgrade (GMF 15220)	Town of Devon	310,200	2,079,400	2,989,200
Town of Devon: Building Upgrade Energy Audit Net Zero Analysis Feasibility Study (GMF 15199)	Town of Devon	9,000		33,300
Phase II Environmental Site Assessment – 5001-52 St., Mayerthorpe, Alberta (GMF 15185)	Town of Mayerthorpe	79,600		159,100
Mountain View County Former Operational Services Yard Environmental Rehabilitation Program (GMF 15156)	Mountain View County	21,500		42,900
Waskatenau Nuisance Grounds Site Assessment (GMF 15388)	Smoky Lake County	42,500		84,900
Sylvan Lake Sustainable Waterfront Area Redevelopment Plan (SWARP) (GMF 15228)	Town of Sylvan Lake	101,300		225,200
Wainwright Siphon Assisted and Green Power Stormwater Management Project (GMF 15219)	Town of Wainwright	750,000	5,000,000	16,268,400
Rosebud Hamlet Algae Cultivation Biofield for Wastewater Treatment Pilot (GMF 15164)	Symbiotic EnviroTek Inc.	350,000		1,116,400

<sup>24</sup> Total project value reported by applicant

Project information	Lead applicant	GMF grant	GMF loan	Total project value <sup>24</sup>
<b>British Columbia</b>				
Capital Regional District Zero Emissions Fleet Initiative Pilot Project (GMF 15201)	Capital Regional District	350,000		1,102,000
Organic Waste & Recyclable Diversion in Commercial and Multi-Family Properties, Technical Assistance & Outreach (GMF 15206)	District of Squamish	20,000		40,000
Clayton Community Hub (Capital Project) (GMF 15496)	City of Surrey	750,000	5,000,000	41,800,000
Community Hub in Clayton (Feasibility Study) (GMF 15368)	City of Surrey	175,000		1,375,700
Newton Sustainability in Action (GMF 15192)	City of Surrey	44,700		95,900
Detailed Site Investigation and Final Environmental Works for Terrace Former Co-op Site (GMF 15167)	City of Terrace	61,900		123,700
Stage 2 Preliminary Site Investigation at the Historic Sawmill Complex (GMF 15403)	Valemount Community Forest Company Limited	30,100		60,200
Canada's First "Passive House" Fire Hall: Vancouver's Fire Hall #17 (GMF 15226)	City of Vancouver	300,000	2,000,000	17,600,000
<b>Manitoba</b>				
Village of Dunnottar Sustainable Neighbourhood Action Plan (GMF 15196)	Village of Dunnottar	38,200		87,300
Southwestern Manitoba Zero Waste System (GMF 15187)	Rural Municipality of Minto-Odanah	350,000		767,000
City of Selkirk New Wastewater Treatment Plant (GMF 15494)	City of Selkirk	750,000	5,000,000	39,473,800
Village of St-Pierre-Jolys Wastewater Stabilization Pond Expansion (GMF 15223)	Village of St-Pierre-Jolys	61,900	412,600	2,810,300
Site Assessment and Remedial Action Plan for Park City Commons Brownfield Redevelopment (GMF 15139)	Park City Commons Joint Venture	106,900		213,800



Project information	Lead applicant	GMF grant	GMF loan	Total project value <sup>24</sup>
<b>New Brunswick</b>				
Greater Miramichi Enviro-Centre (GMF 15208)	Greater Miramichi Regional Service Commission	27,500		55,000
A Study for Petit-Rocher's Net Zero Energy Complex (GMF 15118)	Village de Petit-Rocher	175,000		428,000
Central Peninsula Sustainable Neighbourhood Action Plan (GMF 15183)	City of Saint John	132,200		422,200
<b>Nova Scotia</b>				
Achieving Net Zero Energy for the Town of Berwick's New Administration Building – Creating a Multi-Municipality and Multi-Use Net Zero Building (GMF 15490)	Town of Berwick	41,322	275,478	2,896,000
Downtown Sydney Low-carbon District Energy System (GMF 15507)	Enwave Energy Corporation	74,700		175,400
<b>Ontario</b>				
Amherstburg Riverfront Civic Centre Plaza Redevelopment (GMF 15239)	Town of Amherstburg	142,900		285,800
Phase II ESA - 25 Daniel Street North (GMF 15314)	Town of Arnprior	23,000		46,000
Protecting our Environment by Upgrading Brockton's Wastewater System (GMF 15467)	Municipality of Brockton	17,900		35,800
Collingwood Stormwater Technology Pilot (GMF 15207)	Town of Collingwood	350,000		921,800
New Central Public Works Depot & Fire Station (GMF 15194)	Township of Douro-Dummer	49,200		98,400
Blackstock Landfill Reclamation (GMF 15213)	Regional Municipality of Durham	350,000		1,068,000
Environmental Remediation Pilot Project - Former St. Theresa School Site - Corbeil and Adjacent Cenotaph Park (GMF 15329)	Municipality of East Ferris	350,000		937,900
Demonstrating the Potential for Fuel Switching in the Town of Georgina (GMF 15211)	Ontario Water Centre	350,000		1,207,000

Project information	Lead applicant	GMF grant	GMF loan	Total project value <sup>24</sup>
Environmental Works for Fuel Storage Tank Decommissioning (GMF 15552)	City of Guelph	150,700		301,400
Ken Soble Tower Transformation (GMF 15225)	CityHousing Hamilton	750,000	5,000,000	17,221,600
City of Kawartha Lakes -- Innovative Net-Zero Energy Mixed Use Development Building (GMF 15491)	City of Kawartha Lakes	750,000	5,000,000	12,279,479
The Bailey Broom Factory Redevelopment Project (GMF 15313)	RAW Factory Inc.	174,800		416,000
Former Cohen Properties Testing and Risk Assessment (GMF 15141)	PNHD Developments Inc.	190,000		496,300
Kingston - Phase II ESA, 1100Montreal Street (GMF 15151)	City of Kingston	26,200		52,300
Midland Bay Landing (GMF 15363)	Town of Midland	136,100		272,600
Ojibwa Landing Ecological and Human Health Risk Assessment (GMF 15188)	Town of Penetanguishene	50,100		100,100
Wastewater Lagoon Effluent Optimization (GMF 15478)	Township of Russell	50,400		100,800
Dundalk Wastewater Treatment Capacity Class Environmental Assessment Feasibility Study (GMF 15184)	Township of Southgate	87,700		192,900
Accelerating Deep Energy Retrofits across Multi-Residential Buildings (GMF 15497)	Toronto Atmospheric Fund	750,000	5,000,000	8,770,164
Port Lands Pilot Test Program for Don River Renaturalization and Land Redevelopment (GMF 15504)	Waterfront Toronto	350,000		2,202,609
City of Waterloo Pond 53 Stormwater Management Pilot (GMF 15179)	City of Waterloo	350,000		1,385,500
Cogeneration at the Kitchener, Waterloo and Galt Wastewater Treatment Plants (GMF 15498)	Regional Municipality of Waterloo	750,000	5,000,000	17,282,500
Welland Brownfield Community Improvement Plan (CIP) Update (GMF 15202)	City of Welland	29,000		58,000

Project information	Lead applicant	GMF grant	GMF loan	Total project value <sup>24</sup>
<b>Quebec</b>				
Rehabilitation of Roy Site – Hotel Complex and Public Market (GMF 15371)	Ville d'Asbestos	59,400		118,800
Mechanical Biological Treatment Demonstration Pilot Project for Composting Organic Material found in Municipal Household Waste (GMF 15214)	Régie intermunicipale de gestion intégrée des déchets Bécancour-Nicolet-Yamaska	349,900		1,515,000
Phase II Environmental Assessment for the Development of a Multi-use Trail on the Municipality of Chelsea Rail Line as well as Geotechnical Studies to Minimize Risks and Ensure Safe Trail Use (GMF 15218)	Municipalité de Chelsea	155,900		311,700
Pilot Project for Smart Waste Collection in Comparison with Reduced Frequency Collection, in Drummondville (GMF 15209)	Ville de Drummondville	73,600		147,200
Le Colibri - New Net-Zero Marina Office - Lac-Mégantic (GMF 15205)	Le Colibri - Lac-Mégantic	175,000		360,400
Revitalizing old districts in the City of Lévis (GMF 15148)	Ville de Lévis	175,000		496,400
Major Transformation Work – Verdun Auditorium and Denis-Savard Arena (GMF 15501)	Ville de Montréal	750,000	5,000,000	25,394,200
Brownfield Characterization (Environmental Site Assessments - Phase II) (GMF 15384)	Ville de Plessisville	92,200		191,900
Feasibility Study for Rehabilitating the Old Stanley Plant in Roxton Pond: Characterization, Analysis of Optimal Decontamination Method and Remediation Plan (GMF 15197)	9034-8673 Québec inc.	60,200		124,000
Replacement of Two Ten-Wheel Trucks with Two New Biodiesel Trucks and Two Gas Trucks with Two Hybrid Vehicles (GMF 15222)	Municipalité de Saint-Antonin	76,700	511,400	747,200

Project information	Lead applicant	GMF grant	GMF loan	Total project value <sup>24</sup>
Special Urban Planning Program for 20th Street in Saint-Zotique (GMF 15245)	Municipalité de Saint-Zotique	18,400		37,700
City of Sherbrooke Greenhouse Gas Reduction Plan (GMF 15190)	Ville de Sherbrooke	45,900		123,600
Strategic Sustainability Plan, Stoke, QC (GMF 15186)	Municipalité de Stoke	17,700		37,600
Replacement of No. 2 Fuel Oil with Locally-sourced Pellets (GMF 15203)	Municipalité de Taschereau	19,800		39,600
<b>Saskatchewan</b>				
Humboldt Wastewater Treatment Expansion Feasibility Study and Engineering (GMF 15433)	City of Humboldt	151,000		301,900
Prince Albert 15th Street Site Brownfield Redevelopment (GMF 15316)	City of Prince Albert	67,400		134,700
Prince Albert Brownfield Priority and Action Plan (GMF 15366)	City of Prince Albert	24,200		48,400
<b>Total</b>		<b>\$13,693,822</b>	<b>\$45,278,878</b>	<b>\$226,308,952</b>

## Appendix F: Environmental results

**Table F1: Anticipated environmental benefits of approved capital projects that have not yet reported results, from inception to 2017–2018<sup>25</sup>**

Sector		Indicators							
		# of projects	Land recovered <sup>26</sup> (ha)	Contaminated media <sup>27</sup> managed (m <sup>3</sup> )	GHG <sup>28</sup> emissions avoided (tonnes CO <sub>2</sub> e/yr) <sup>29</sup>	CAC <sup>30</sup> emissions avoided (kg/yr) <sup>30</sup>	Waste diverted (tonnes/yr)	Water <sup>31</sup> treated (m <sup>3</sup> /yr)	Reductions in water use (m <sup>3</sup> /yr)
Brownfields	Approved in 2017–2018	0	0	0	0	0	0	0	0
	Since inception <sup>32</sup>	2	25	144,734	741	3,847	0	0	0
Energy	Approved in 2017–2018	8	0	0	3,280	21,777	121	0	47,401
	Since inception	26	4	0	212,752	370,044	121	0	106,034
Transportation	Approved in 2017–2018	1	0	0	46	118	0	0	0
	Since inception	4	0	0	3,628	19,190	0	0	0
Waste	Approved in 2017–2018	0	0	0	0	0	0	0	0
	Since inception	6	0	0	326,771	149,962	213,768	0	0
Water	Approved in 2017–2018	2	0	0	454	1,418	0	1,679,000	0
	Since inception	10	0	0	1,124	1,450	15	8,167,193	5,707
Total	Approved in 2017–2018	11 <sup>33</sup>	0	0	3,780	23,313	121	1,679,000	47,401
	Since inception	48	29	144,734	545,017	544,493	213,904	8,167,193	111,741

Please note that one project is missing from the above table. The Town of Wainwright, AB (GMF 15219) was approved in 2017-18 for a capital project under the GMF stormwater quality Offer given that it demonstrates the potential to remove 80% of total suspended solids (TSS) from stormwater runoff. Previous stormwater projects

<sup>25</sup> As mentioned in the 2016-2017 Annual Report the values for water treated, GHG and CAC emissions avoided were reconciled. Additionally, the amount of contaminated media managed was also adjusted.

<sup>26</sup> Includes land brought back into productive use without remediation.

<sup>27</sup> Includes contaminated soil and groundwater.

<sup>28</sup> Refer to the list of abbreviated terms at the end of this section for acronyms.

<sup>29</sup> GHG emissions for energy projects are calculated based on average provincial/territorial electrical emissions intensities. GMF supports energy efficiency and conservation projects which do not always result in significant GHG emission changes given the differences in provincial/territorial electricity sources, some of which have a higher carbon intensity than others.

<sup>30</sup> CAC emissions include nitrogen oxides (NO<sub>x</sub>), sulphur oxides (SO<sub>x</sub>), volatile organic compounds (VOCs), and particulate matter (PM<sub>10</sub>).

<sup>31</sup> Includes treated drinking water and wastewater.

<sup>32</sup> Please note that the brownfield project GMF 15127 approved in 2016-17 was the first brownfield project that includes an energy efficiency component.

<sup>33</sup> In 2017-18, 13 applications for capital funding were approved. However, 2 applications were subsequently withdrawn by the applicants in this same fiscal year.

were reported on the basis of stormwater managed. Staff are currently developing a methodology to be able to report on the reduction of TSS in a meaningful way and this will be captured in the next Annual Report.

**Table F2: Anticipated vs. actual environmental benefits reported for capital projects in 2017–2018<sup>34,35</sup>**

Sector		Indicators							
		# of projects	Land recovered (ha)	Contaminated media managed (m <sup>3</sup> )	GHG emissions avoided (tonnes CO <sub>2</sub> e/yr)	CAC emissions avoided (kg/yr)	Waste diverted (tonnes/yr)	Water treated (m <sup>3</sup> /yr)	Reductions in water use (m <sup>3</sup> /yr)
Brownfields	Approved in 2017–2018	0	0	0	0	0	0	0	0
	Since inception	2	25	144,734	741	3,847	0	0	0
Energy	Approved in 2017–2018	8	0	0	3,280	21,777	121	0	47,401
	Since inception	26	4	0	212,752	370,044	121	0	106,034
Transportation	Approved in 2017–2018	1	0	0	46	118	0	0	0
	Since inception	4	0	0	3,628	19,190	0	0	0
Waste	Approved in 2017–2018	0	0	0	0	0	0	0	0
	Since inception	6	0	0	326,771	149,962	213,768	0	0
Water	Approved in 2017–2018	2	0	0	454	1,418	0	1,679,000	0
	Since inception	10	0	0	1,124	1,450	15	8,167,193	5,707
Total	Approved in 2017–2018	11	0	0	3,780	23,313	121	1,679,000	47,401
	Since inception	48	29	144,734	545,017	544,493	213,904	8,167,193	111,741

<sup>34</sup> See Table F4 for details on projects that reported environmental results in 2017–2018.

<sup>35</sup> Refer to the list of abbreviated terms at the end of this section for acronyms.

### Table F3: Anticipated vs. actual environmental benefits reported for capital projects since inception (updated for 2017–2018)<sup>36, 37</sup>

It should be noted that some projects do not achieve their expected performance after one year of operation. This is reflected in the differences between actual and anticipated results in Table F2. In most cases, however, projects have achieved or exceeded their anticipated performance. Since inception, eleven (11) capital projects (seven in the water sector, three in the energy sector and one in the brownfield sector) have been completed for which no environmental results were reported. See below:

- One project was cancelled after partial disbursement. Although the municipality completed the project, the environmental results report (ERR) was not submitted to FCM's Green Municipal Fund (GMF).
- The brownfield component of the Fort Rouge project in Winnipeg, MB, was disbursed in 2015–2016. However, no ERR was submitted at that time. Actual results will be submitted at the time of completion of the energy and transportation components of the project.
- One project was completed (loan fully disbursed) for which GMF didn't received the ERR. GMF Council's decision was to close the project in May 2014. The grant was not disbursed.
- One project was completed (loan fully disbursed) for which GMF didn't received the ERR (the applicant withdrew before the ERR was received).
- Because of reporting requirements at the time, six projects didn't provide sufficient information to report on the actual environmental benefits.
- One project approved in 2002 reported on an environmental impact that does not fit within any of our existing environmental indicators (the project's objective was to improve sludge quality only).

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<sup>36</sup> Two capital projects (one in wastewater and one in the energy sector) reported some environmental results through progress reports, but were unable to complete the project or the final reporting, or both. These projects were cancelled after partial disbursement, but some of the environmental results are reported here.

<sup>37</sup> Refer to the list of abbreviated terms at the end of this section for acronyms.

The total number of capital projects completed since inception is 155; of these completed projects, 144 have reported on their environmental performance.

		Sectors						
		Brownfields	Energy	Transportation	Waste	Water	Total	
<b>Number of projects</b>		9	76	5	16	38	144	
<b>Indicators</b>	Land recovered (ha)	Anticipated	94	0	0	0	0	94
		Actual	94	0	0	0	0	94
	Contaminated media managed (m <sup>3</sup> )	Anticipated	193,272	0	0	0	0	193,272
		Actual	191,768	0	0	0	0	191,768
	GHG emissions avoided (tonnes CO <sub>2</sub> e/yr)	Anticipated	0	215,532	27,249	406,748	7,424	656,953
		Actual	0	177,203	28,390	171,920	12,967	390,480
	CAC emissions avoided (kg/yr)	Anticipated	0	470,367	133,822	8,137	18,545	630,871
		Actual	0	297,654	141,065	8,073	7,077	453,869
	Waste diverted (tonnes/yr)	Anticipated	0	178	0	253,836	0	254,014
		Actual	0	1,722	0	171,874	0	173,596
	Water treated (m <sup>3</sup> /yr)	Anticipated	0	0	0	0	271,963,328	271,963,328
		Actual	0	0	0	0	243,478,559	243,478,559
	Reductions in water use (m <sup>3</sup> /yr)	Anticipated	0	8,949	0	0	490,322	499,272
		Actual	0	41,764	0	0	281,539	323,303
	Solid waste treated (m <sup>3</sup> )	Anticipated	0	0	0	0	7,000	7,000
		Actual	0	0	0	0	34,675	34,675
Stormwater managed (m <sup>3</sup> /yr)	Anticipated	0	0	0	0	1,552	1,552	
	Actual	0	0	0	0	1,552	1,552	

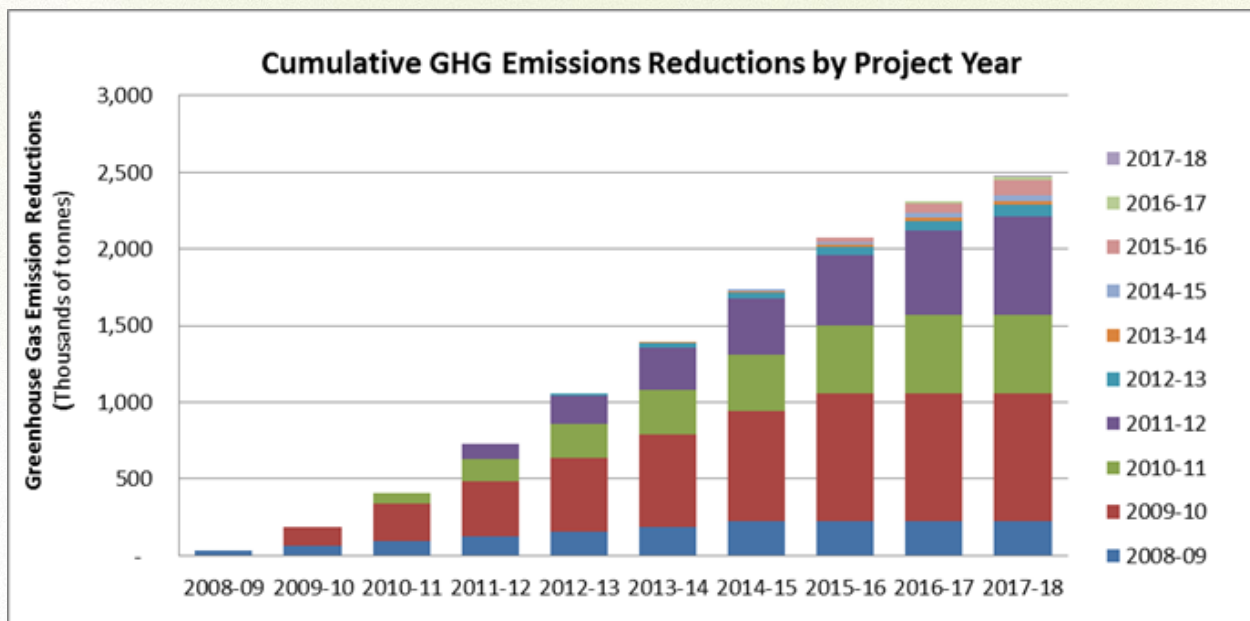


## GHG reporting

GMF’s approach to reporting on GHG emissions avoided from funded initiatives includes two components. One element of the reporting is the cumulative annual (one time only) GHG emissions reduction benefits presented in Table F3. The second element is based on internationally accepted standards for reporting GHG emissions which assumes that GMF funds projects that are better than business as usual (BAU) even after the first year of operation. Based on this assumption, GMF will determine the cumulative GHG emissions avoided based on these better than BAU benefits, continuing for seven years — the same length of time as the crediting period of the United Nations’ Clean Development Mechanism. On an annual basis, any changes to the carbon profile of electricity consumed from the grid will be incorporated into the reduction for that given year. This approach provides a more accurate picture of the overall positive GHG impacts generated by GMF-funded projects. As is shown in Figure F1, based on this approach, the total cumulative GHG emission reductions from all GMF projects that have reported to date is **2.5 million tonnes**. This is several times larger than the cumulative annual (onetime only) figure, shown in Table F3, of **390,480 tonnes**.

As seen in Figure F1, the cumulative GHG emission reductions since 2012–2013 are less than in previous years. One reason for this is that fewer capital projects have been funded, fewer have reached completion during this time frame and final environmental reporting is pending. The graph may also reflect the influence of other factors, such as an increased proportion of wastewater-focused projects in recent years, a cleaner electricity grid in Ontario, and an increased number of projects from Quebec where hydropower is prevalent.

Figure F1: Cumulative GHG emissions reductions by project year



**Table F4: Details on capital projects that reported environmental results in 2017–2018**

Project information	Anticipated results	Actual results	Comments
(1) Ville de Varennes, QC  Year approved: 2013–2014 Sector: Energy  <b>Nouvelle bibliothèque multifonctionnelle écoénergétique</b> <i>GMF 12112</i>	GHG emissions reduced by 1.24 tonnes per year	GHG emissions reduced by 1.25 tonnes per year	Although the energy performance of the building is as modelled, the energy consumption of the electrical vehicle recharge stations and the lighting requirements were higher than expected (due to changes in operating conditions, such as free charging, longer opening hours, exterior lighting throughout the night), and as such, the building is not yet reaching Net Zero. The applicant is currently working towards fixing the issues and still aim at achieving a net zero energy profile.  Although not yet net-zero, the building still performed extremely well and achieved an energy reduction of 94% as compared to reference building MNECB 1997. The building also optimized water usage, reducing water consumption by 27 %.
	Energy use (electricity) reduced by 2,134 GJ per year	Energy use (electricity) reduced by 2,159 GJ per year	
	507 GJ per year in renewable energy generated	488 GJ per year in renewable energy generated	
	Domestic water consumption reduced by 125 m <sup>3</sup> per year	Domestic water consumption reduced by 127 m <sup>3</sup> per year	
(2) MRC de Kamouraska, QC  Year approved: 2012–2013 Sector: Energy  <b>Édifice Claude-Bécharde: bâtiment supramunicipal issu d'un système écoénergétique mixte</b> <i>GMF 12041</i>	GHG emissions reduced by 0.34 tonnes per year	GHG emissions reduced by 0.36 tonnes per year	The MRC of Kamouraska built a high-energy-performance building for the administrative requirements of the MRC and five other public organizations. The building incorporates vertical and horizontal geothermal wells, and active and passive solar heating. The project initially included an innovative technology that recovers heat from municipal wastewater. The heat recovery system was removed from the project at design stage, as the piping was located under the road and the implementation cost was prohibitive. The loss of the heat recovery system was compensated with the geothermal wells. All renewable energy is used on-site, and the remaining energy requirements are met by drawing electricity from the grid. Regardless of the adjustments, the project performed well and achieved a reduction in energy consumption of 48%.
	Energy use (electricity) reduced by 584 GJ per year	Energy use (electricity) reduced by 616 GJ per year	
	94 GJ per year in renewable energy generated	98 GJ per year in renewable energy generated	

Project information	Anticipated results	Actual results	Comments
(3) District of Sechelt, BC  Year approved: 2013–2014 Sector: Water  <b>District of Sechelt Innovative Wastewater Treatment Facility</b> <i>GMF 13005</i>	949,000 m <sup>3</sup> /yr of wastewater treated to CCME water quality standards	839,849 m <sup>3</sup> /yr of wastewater treated to CCME water quality standards	The District of Sechelt built a new wastewater treatment facility that achieved LEED Gold certification. The facility incorporates tertiary treatment systems and features a new type of treatment that uses an organic plant-enhanced batch reactor called Organica.
	GHG emissions reduced by 26 tonnes per year	GHG emissions reduced by 11 tonnes per year	The project met the requirements of the contract. The energy consumption was higher than anticipated, which is, according to the third party report, due to energy modelling inaccuracy (typical with most energy models). The water savings were less than anticipated at approval stage, due to an error made in completing the application form. The final anticipated results were adjusted to correct this error.
	Energy use (electricity) reduced by 3,797 GJ per year	Energy use (electricity) reduced by 2,817 GJ per year	
	Water consumption reduced by 12,525 m <sup>3</sup> per year	Water consumption reduced by 13,674 m <sup>3</sup> per year	
(4) Municipalité de Saint Ubalde, QC  Year approved: 2012–2013 Sector: Energy  <b>District Heating System and Wood Pellet Plant</b> <i>GMF 12057</i>	GHG emissions reduced by 131 tonnes per year	GHG emissions reduced by 132 tonnes per year	Originally, the municipality of Saint-Ubalde was planning to build a district energy (DE) heating system fired by waste biomass from the forest industry to reduce costs, particulate emissions and greenhouse gas emissions generated by heating eight municipal and institutional buildings.
	Energy use reduced by 3,164 GJ per year (a decrease in electricity of 1,327 GJ and a decrease in light fuel oil of 1,837 GJ)	Energy use reduced by 3,132 GJ per year (a decrease in electricity of 1,283 GJ and a decrease in light fuel oil of 1,850 GJ)	Over the course of the project, the applicant divided the district heating system into two distinct systems, due to higher costs and lower profitability of a single system. Three of the eight original buildings were removed from the project. Instead, the second DE system was connected to the offices, garage and workshop of the firm Groupe Savard et Fils. The anticipated results were adjusted accordingly.
	178 tonnes of waste wood diverted from the landfill per year, which is equivalent to 3,421 GJ of energy generated from residual biomass	179 tonnes of waste wood diverted from the landfill per year, which is equivalent to 3,442 GJ of energy generated from residual biomass	Given the revisions, the project still performed well under the revised anticipated results. The reduction in energy from the biomass project amounted to approximately 3,132 GJ/year, which results in a roughly 99% reduction in fossil fuel and grid electricity use.

Project information	Anticipated results	Actual results	Comments
(5) City of Thorold, ON/Thorold Park Redevelopment Inc.  Year approved: 2010–2011 Sector: Brownfield  <b>Thorold Park Redevelopment</b> <i>GMF 11002</i>	17 hectares of land reclaimed for productive use	17 hectares of land reclaimed for productive use	<p>Thorold Park Redevelopment project resulted in the redevelopment of 17 hectares of industrial land for residential use. The site is located on the former Exolon land, which included an old factory and a landfill. Three records of site conditions (RSC) have been successfully filed with the Ontario Ministry of the Environment, while the fourth RSC will be filed in the coming months.</p> <p>Remediation to provincial standards focused on cleaning up the licensed industrial landfill where approximately 265,340 tonnes of waste has been recycled and put back to productive use as cement additives, smelting catalysts and recycled graphite. Techniques used included an innovative on-site screening/recycling operation, as well as demolition and salvage or reuse of on-site structures. The development side of the project is progressing on schedule, with site servicing being implemented and residential dwellings construction scheduled to start in summer of 2018. Although initially part of the project, the landfill of the former chemical factory was not included in this project. Thorold Park Redevelopment Inc. expects to conclude the purchase of this property in 2018.</p>
	122,000 cubic meters of industrial waste recycled and removed from site.	13,120 cubic meters of industrial waste recycled and removed from site.	

## List of abbreviated terms

- CAC: Criteria air contaminant
- GHG: Greenhouse gas
- GJ: Gigajoules
- ICI: Industrial, commercial and institutional
- NECB: National Energy Code for Buildings
- RCM: Regional county municipality

## Appendix G: Knowledge resources and activities

FCM's Green Municipal Fund (GMF) delivered workshops, webinars, case studies and other educational resources in 2017–2018. While a key focus in this year was on the program design and delivery of the FCM Sustainable Communities Conference (SCC) in February 2018, activities continued in the three focus areas of asset management, brownfield renewal and climate change. Efforts this year also included an evaluation of Knowledge Services (KS) programming over the 2015-2018 period and the development of a new KS five-year plan (2018-2023) to coincide with the deliverables and work packages identified in the new GMF five-year plan.

The SCC programming is led by the GMF KS team and takes a considerable amount of resource (both staff time and budget) to deliver. Post-conference evaluation survey responses from delegates indicated that the 2018 SCC left delegates very satisfied or satisfied (97%), thought the level of content was appropriate (88%) and left ready to apply the knowledge they gained at the conference to their everyday work (84%). Though the post-conference resources for the SCC were only published in late February, it is notable that there were 533 unique page views between February 16<sup>th</sup> and April 12<sup>th</sup>. There were a further 1,354 clicks on the Facebook photo gallery from the conference between these dates. SCC programming complements other efforts to mobilize GMF project knowledge and enable broader replication.

GMF has also been tracking the reach of activities and knowledge resources developed and mobilized in its three areas of focus: asset management, brownfields renewal and climate change. These knowledge resources were disseminated through e-bulletins and at presentations during key events. They were also used as learning tools at workshops throughout the year. See [our knowledge resources](#) on FCM's website.

### Replication-focused activities

This year, GMF continued to develop and mobilize knowledge in the area of wastewater management and treatment. FCM has targeted this area as a priority for disseminating knowledge to support the replication of innovative and promising initiatives with the potential to transform the sector. GMF selected wastewater as a priority because recent federal regulations have made improving treatment system performance and effluent quality a national priority.

A series of 4 wastewater articles were published in June and July 2017. This series provides a framework to help municipalities develop innovative and sustainable wastewater system projects. The articles draw on proven lessons from a dozen of the successful wastewater treatment studies and projects that GMF has funded. Webinars were produced to help promote these articles and also to link back to the online workshop series that ran in February and March 2017. The webinars were designed to help municipalities learn about how to comply with the provincial and federal wastewater regulations, discover successful strategies and solutions to implement wastewater projects in their municipality and hear about the lessons learned and best practices from wastewater projects from municipalities in Quebec and other parts of Canada.

GMF knowledge continues to be mobilized through the Approved Projects Database (APD), an online tool making information accessible to municipalities and the general public on GMF-funded initiatives over the past 16 years (pilot projects, feasibility studies, action plans and capital projects). It provides useful information, including the scope of the project (a brief overview, financial information, timelines, etc.), contact information and lessons learned (as summarized in the final reports submitted to GMF by the municipalities).

### Knowledge resources

- ▶ [Best practices for scoping a wastewater upgrade project](#)  
(mobilized beginning of June 2017; 229 unique page views)
- ▶ [Lessons in planning and designing a wastewater plant upgrade](#)  
(mobilized beginning of June 2017; 117 unique page views)
- ▶ [Tips for the building phase of a wastewater plant upgrade](#)  
(mobilized beginning of July 2017; 99 unique page views)
- ▶ [Checklist for a successful wastewater treatment plant upgrade](#)  
(mobilized beginning of June 2017; 36 unique page views)

### Webinars

- ▶ [Optimizing your wastewater treatment plant](#) (May 25, 2017; 67 participants; 549 unique page views)
- ▶ [Best practices in wastewater management](#) (November 16, 2017; 42 participants; 364 unique page views)

## Focus area: asset management

This year, GMF capacity building in the area of asset management focused on supporting peer learning for two cohorts of municipalities participating in FCM's Leadership in Asset Management Program (LAMP). An anglophone cohort of 12 municipalities and a francophone cohort of five municipalities completed projects to develop or refresh their asset management strategies and create policy and governance frameworks that are well-integrated with the municipalities' sustainability goals and strategies. In addition, GMF reached about 100 people in two workshops aimed at building awareness of asset management and its linkages to sustainability. The workshops were delivered at the 2017 Canadian Network of Asset Managers conference and at the 2018 FCM Sustainable Communities Conference (SCC).

GMF also developed two new resources that share lessons learned from LAMP that will help municipalities build long-term thinking into decisions about infrastructure and services, and better integrate economic, social and environmental goals. The first is a guide for municipal practitioners on how to develop an asset management policy, strategy and governance framework; and there is a shorter, companion guide on asset management, geared toward elected officials and senior staff.

### Knowledge resources

- ▶ [Building sustainable and resilient communities with asset management](#)  
(mobilized beginning of February 2018; 677 unique page views and a further 717 unique PDF downloads)
- ▶ [How to develop an asset management strategy, policy and governance framework](#)  
(to be mobilized beginning of April 2018)

## Focus area: brownfield renewal

Overall, GMF reached about 200 people through activities geared to increasing municipal capacity to renew brownfields sites. This year, GMF capacity building in the area of brownfield renewal focused primarily on supporting peer learning amongst the 31 municipalities that are members of the Leadership in Brownfield Renewal Program (LiBRe). The anglophone and francophone cohorts benefited from three online learning activities and one face-to-face meeting each. GMF also delivered a workshop hosted by an external organization (the Canadian Brownfields Network). In addition, the following brownfield resources were developed, mobilized and posted on FCM's website.

### Knowledge resources

- [Guidebook: Building partnerships to support brownfield redevelopment](#)  
(mobilized beginning of November 2017; 503 unique PDF downloads)
- [Guidebook: Running effective tendering processes for brownfield initiatives](#)  
(mobilized beginning of November 2017; 99 unique PDF downloads)
- [Guidebook: Evaluate, improve, celebrate: A guide to enhancing your brownfield programs](#)  
(mobilized beginning of November 2017; 170 unique PDF downloads)

## Focus area: climate change

This year, working through the Partners for Climate Protection (PCP) Program, GMF continued to deliver several activities and developed a new resource called the PCP Hub to support municipalities undertaking climate action through an online networking tool. The hub is available exclusively to members of the FCM-ICLEI PCP program and reached over 1,500 users in 2,780 sessions in this fiscal year. Other FCM climate change activities now fall under the Municipalities for Climate Innovation Program (MCIP), including webinars, workshops and knowledge resources. While the Milestone 5 case studies, National Measures Report, PCP videos and brochures are also GMF funded, they were only in production in this fiscal and are not yet online, therefore no analytics are available.

## 2018 FCM Sustainable Communities Awards case studies

In 2017–2018, FCM developed case studies, guidebooks and videos to profile the winners of its 2018 Sustainable Communities Awards, listed below by category (\* Indicates initiatives supported through GMF):

### Asset Management

Village of Salmo, BC

[Small BC community gets big benefits from asset management](#)

*(410 case study unique page views)*

### Brownfields

City of Port Coquitlam, BC

[Community-minded brownfield plan gives new life to Port Coquitlam site](#)

*(239 case study unique page views)*

### Climate Change

Durham Region, ON

[Unique approach helps Durham Region, ON, plan effectively for climate change](#)

*(342 case study unique page views)*

### Energy

City of Yellowknife, NWT

[Switch to biomass cuts costs and GHG emissions in Yellowknife](#)

*(227 case study unique page views)*

### Neighbourhood Design\*

City of Guelph, ON

[Guelph plans an innovative new carbon neutral community](#)

*(315 case study unique page views)*

### Transportation (co-winner)

City of Kingston, ON

[Kingston gets more youth riding public transit](#)

*(466 case study unique page views)*

### Transportation (co-winner)

City of Montreal, QC

[Local road-sharing projects enable active transportation in Montreal](#)

*(472 case study unique page views)*

### Waste

Regional District of Kitimat-Stikine, BC

[Community-backed waste project supports Terrace, BC, economy](#)

*(223 case study unique page views)*

### Water

Town of Okotoks, AB

[Okotoks proves natural stormwater management works](#)

*(244 case study unique page views)*

Definitions used by Google Analytics:

1. *Users*: The count of how many users engaged with your website during the referenced date range. For additional insight, users can be segmented and compared by segments such as desktop vs mobile.
2. *Sessions*: A session is the period of time a user is actively engaged (as measured by page views or PDF downloads or video starts, or form completions, etc.) with your website. Sessions are counted as the total number of Sessions within the referenced date range.
3. *Page Views*: Page views is the total number of web pages viewed during the referenced date range. Repeated views of a single web page by the same user will increment the count.
4. *Unique Page Views*: The unique page view number consolidates multiple views of single web pages into a single session. Thus, whether the web page was viewed once or multiple times during a session, the number of unique page views will be recorded as 1.



## **Appendix H: Financial Statements**

Following, in bilingual format, are the financial statements for 2017–2018, as prepared by Deloitte.

Financial Statements of the  
États financiers de la

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

**FÉDÉRATION CANADIENNE DES MUNICIPALITÉS -  
FONDS MUNICIPAL VERT**

Year ended March 31, 2018  
Exercice clos le 31 mars 2018

**Federation of Canadian  
Municipalities –  
Green Municipal Fund**  
March 31, 2018

**Fédération canadienne  
des municipalités –  
Fonds municipal vert**  
31 mars 2018

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## Independent Auditor's 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, 2018, and the statements of operations, changes in fund balance and cash flows for the year then ended, and 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.

### Auditor's 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 the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers 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.

## Rapport de l'auditeur indépendant

Au Conseil national d'administration et aux membres de la Fédération canadienne des municipalités

### Rapport sur les états financiers

Nous avons effectué l'audit des états financiers ci-joints de la Fédération canadienne des municipalités - Fonds municipal vert, qui comprennent l'état de la situation financière au 31 mars 2018 et les états des résultats, de l'évolution du solde du fonds et des flux de trésorerie de l'exercice clos à cette date ainsi qu'un résumé des principales méthodes comptables et d'autres informations explicatives.

### Responsabilité de la direction pour les états financiers

La direction est responsable de la préparation et de la présentation fidèle de ces états financiers conformément aux Normes comptables canadiennes pour les organismes sans but lucratif, ainsi que du contrôle interne qu'elle considère comme nécessaire pour permettre la préparation d'états financiers exempts d'anomalies significatives, que celles-ci résultent de fraudes ou d'erreurs.

### Responsabilité de l'auditeur

Notre responsabilité consiste à exprimer une opinion sur les états financiers, sur la base de notre audit. Nous avons effectué notre audit selon les normes d'audit généralement reconnues du Canada. Ces normes requièrent que nous nous conformions aux règles de déontologie et que nous planifions et réalisons l'audit de façon à obtenir l'assurance raisonnable que les états financiers ne comportent pas d'anomalies significatives.

Un audit implique la mise en œuvre de procédures en vue de recueillir des éléments probants concernant les montants et les informations fournis dans les états financiers. Le choix des procédures relève du jugement de l'auditeur, et notamment de son évaluation des risques que les états financiers comportent des anomalies significatives, que celles-ci résultent de fraudes ou d'erreurs. Dans l'évaluation de ces risques, l'auditeur prend en considération le contrôle interne de l'entité portant sur la préparation et la présentation fidèle des états financiers afin de concevoir des procédures d'audit appropriées aux circonstances, et non dans le but d'exprimer une opinion sur l'efficacité du contrôle interne de l'entité. Un audit comporte également l'appréciation du caractère approprié des méthodes comptables retenues et du caractère raisonnable des estimations comptables faites par la direction, de même que l'appréciation de la présentation d'ensemble des états financiers.

Nous estimons que les éléments probants que nous avons obtenus sont suffisants et appropriés pour fonder notre opinion d'audit.

## 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, 2018, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

## Report on Other Legal and Regulatory Requirements

As required by the Ontario *Corporations Act*, we report that, in our opinion, Canadian accounting standards for not-for-profit organizations have been applied on a basis consistent with that of the preceding year.

## Opinion

À notre avis, les états financiers donnent, dans tous leurs aspects significatifs, une image fidèle de la situation financière de la Fédération canadienne des municipalités - Fonds municipal vert au 31 mars 2018, ainsi que des résultats de son exploitation et de ses flux de trésorerie pour l'exercice clos à cette date, conformément aux Normes comptables canadiennes pour les organismes sans but lucratif.

## Rapport sur les autres exigences légales et réglementaires

Conformément à la *Loi sur les personnes morales* de l'Ontario, nous déclarons que, selon nous, les Normes comptables canadiennes pour les organismes sans but lucratif ont été appliquées de la même manière qu'au cours de l'exercice précédent.

*Deloitte* LLP/S.E.N.C.R.L./s.c.l.

Chartered Professional Accountants  
Licensed Public Accountants

Comptables professionnels agréés  
Experts-comptables autorisés

June 3, 2018

3 juin 2018

# Federation of Canadian Municipalities

Statement of financial position -  
Green Municipal Fund  
as at March 31, 2018


# Fédération canadienne des municipalités

État de la situation financière -  
Fonds municipal vert  
au 31 mars 2018

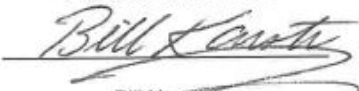
	2018	2017	
	\$	\$	
<b>Assets</b>			<b>Actif</b>
Current assets			À court terme
Cash	4,166,800	1,921,700	Encaisse
Short-term investments (Note 3)	51,090,700	68,616,100	Placements à court terme (note 3)
Interest receivable	4,433,500	4,082,500	Intérêts à recevoir
Other receivables (Note 1)	125,261,700	57,300	Autres débiteurs (note 1)
Current portion of loans receivable (Note 5)	26,398,800	25,052,500	Tranche à court terme des prêts à recevoir (note 5)
Interfund receivable (Note 4)	-	121,800	Débiteurs interfonds (note 4)
Prepaid expenses	14,700	78,200	Frais payés d'avance
	<b>211,366,200</b>	<b>99,930,100</b>	
Long-term investments (Note 3)	286,378,000	274,345,100	Placements à long terme (note 3)
Loans receivable (Note 5)	263,850,600	260,649,900	Prêts à recevoir (note 5)
Tangible capital and intangible assets (Note 6)	489,900	466,500	Immobilisations corporelles et actifs incorporels (note 6)
	<b>762,084,700</b>	<b>635,391,600</b>	
<b>Liabilities</b>			<b>Passif</b>
Current liabilities			À court terme
Accounts payable and accrued liabilities	912,700	699,900	Créditeurs et charges à payer
Interfund payable (Note 4)	3,700	-	Créditeurs interfonds (note 4)
Grants payable (Note 7)	37,510,200	37,822,900	Subventions à payer (note 7)
	<b>38,426,600</b>	<b>38,522,800</b>	
<b>Fund balance</b>			<b>Solde du fonds</b>
Invested in tangible capital and intangible assets	489,900	466,500	Investi en immobilisations corporelles et actifs incorporels
Reserve for non-performing loans (Note 8)	20,548,900	14,018,600	Réserve pour prêts délinquants (note 8)
Externally restricted (Note 9)	702,619,300	582,383,700	Affecté d'origine externe (note 9)
	<b>723,658,100</b>	<b>596,868,800</b>	
Commitments (Note 10)	<b>762,084,700</b>	<b>635,391,600</b>	Engagements (note 10)

On behalf of the Board

Au nom du Conseil



Jenny Gerbasi  
President - Présidente



Bill Karsten  
First Vice-President - Premier Vice-Président

The accompanying notes are an integral part of the financial statements.  
Les notes complémentaires font partie intégrante des états financiers.

# Federation of Canadian Municipalities

Statement of operations -  
Green Municipal Fund  
year ended March 31, 2018

# Fédération canadienne des municipalités

État des résultats -  
Fonds municipal vert  
de l'exercice clos le 31 mars 2018

	2018	2017	
	\$	\$	
<b>Revenues</b>			<b>Revenus</b>
Investments	10,604,500	10,768,800	Placements
Interest on loans	7,211,100	6,810,100	Intérêts sur les prêts
Additional contribution (Note 1)	125,000,000	-	Apport additionnel (note 1)
Other revenue	8,200	41,300	Autres revenus
	<b>142,823,800</b>	<b>17,620,200</b>	
<b>Operating expenses</b>			<b>Dépenses de fonctionnement</b>
Personnel costs	4,360,900	4,805,700	Frais de personnel
Other operating expenses	3,214,000	2,763,200	Autres dépenses de fonctionnement
Amortization of tangible capital and intangible assets	111,000	192,200	Amortissement des immobilisations corporelles et actifs incorporels
Occupancy costs	291,400	612,400	Frais d'occupation
	<b>7,977,300</b>	<b>8,373,500</b>	
Excess of revenue over expenses before grants	134,846,500	9,246,700	Excédent des revenus sur les dépenses avant les subventions
Grants (Note 7)	8,057,200	11,912,200	Subventions (note 7)
<b>Excess (deficiency) of revenue over expenses</b>	<b>126,789,300</b>	<b>(2,665,500)</b>	<b>Excédent (insuffisance) des revenus sur les dépenses</b>

The accompanying notes are an integral part of the financial statements.  
Les notes complémentaires font partie intégrante des états financiers.

# Federation of Canadian Municipalities

Statement of changes in fund balance -  
Green Municipal Fund  
year ended March 31, 2018

# Fédération canadienne des municipalités

État de l'évolution du solde du fonds -  
Fonds municipal vert  
de l'exercice clos le 31 mars 2018

	Invested in tangible capital and intangible assets	Reserve for non- performing loans	Externally restricted	Total		
	Investi en immobilisations corporelles et actifs incorporels	Réserve pour prêts délinquants	Affecté d'origine externe	2018	2017	
	\$	\$	\$	\$	\$	
<b>Balance, beginning of year</b>	<b>466,500</b>	<b>14,018,600</b>	<b>582,383,700</b>	<b>596,868,800</b>	599,534,300	<b>Solde au début</b>
Excess (deficiency) of revenue over expenses	-	-	<b>126,789,300</b>	<b>126,789,300</b>	(2,665,500)	Excédent (insuffisance) des revenus sur les dépenses
Amortization of tangible capital and intangible assets	<b>(111,000)</b>	-	<b>111,000</b>	-	-	Amortissement des immobilisations corporelles et actifs incorporels
Net purchase of tangible capital and intangible assets	<b>134,400</b>	-	<b>(134,400)</b>	-	-	Acquisitions nettes d'immobilisations corporelles et actifs incorporels
Transfer to Reserve for non-performing loans (Note 8)	-	<b>6,530,300</b>	<b>(6,530,300)</b>	-	-	Transfert à la Réserve pour prêts délinquants (note 8)
<b>Balance, end of year</b>	<b>489,900</b>	<b>20,548,900</b>	<b>702,619,300</b>	<b>723,658,100</b>	596,868,800	<b>Solde à la fin</b>

The accompanying notes are an integral part of the financial statements.  
Les notes complémentaires font partie intégrante des états financiers.

# Federation of Canadian Municipalities

Statement of cash flows -  
Green Municipal Fund  
year ended March 31, 2018

# Fédération canadienne des municipalités

État des flux de trésorerie -  
Fonds municipal vert  
de l'exercice clos le 31 mars 2018

	2018	2017	
	\$	\$	
<b>Operating activities</b>			<b>Activités de fonctionnement</b>
Excess (deficiency) of revenue over expenses	126,789,300	(2,665,500)	Excédent (insuffisance) des revenus sur les dépenses
Amortization of premium/discount on investments	249,400	(429,600)	Amortissement des primes/escomptes sur les placements
(Gain) loss on sale of investments	(207,300)	137,400	(Gain) perte à la cession de placements
Amortization of tangible capital and intangible assets	111,000	192,200	Amortissement des immobilisations corporelles et actifs incorporels
Changes in non-cash operating working capital items	(125,466,300)	4,658,200	Variation des éléments hors caisse du fonds de roulement de fonctionnement
	<b>1,476,100</b>	<b>1,892,700</b>	
<b>Investing activities</b>			<b>Activités d'investissement</b>
Purchase of investments	(166,841,000)	(279,062,000)	Acquisition de placements
Sale of investments	172,291,400	291,999,800	Cession de placements
Net increase in loans receivable	(4,547,000)	(20,862,800)	Augmentation nette des prêts à recevoir
Purchase of tangible capital and intangible assets	(134,400)	(80,900)	Acquisitions d'immobilisations corporelles
	<b>769,000</b>	<b>(8,005,900)</b>	Solde du fonds
Net increase (decrease) in cash	2,245,100	(6,113,200)	Augmentation (diminution) nette de l'encaisse
Cash, beginning of year	1,921,700	8,034,900	Encaisse au début
<b>Cash, end of year</b>	<b>4,166,800</b>	<b>1,921,700</b>	<b>Encaisse à la fin</b>

The accompanying notes are an integral part of the financial statements.  
Les notes complémentaires font partie intégrante des états financiers.



# Federation of Canadian Municipalities – Green Municipal Fund

Notes to the financial statements  
March 31, 2018

# Fédération canadienne des municipalités – Fonds municipal vert

Notes complémentaires  
31 mars 2018

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## 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. August 6, 2014, FCM continued its incorporation to the *Canada Not-for-Profit Corporations Act*.

As at January 1, 2017, FCM's charitable status was annulled by the Canada Revenue Agency. As a result, starting January 1, 2017, FCM is now a not-for-profit organization and is still exempt from income taxes. Additionally, the Green Municipal Fund (GMF) had its charitable status reinstated April 1, 2017, and continues to be deemed a trust for tax purposes.

FCM is the national voice of municipal governments. FCM is dedicated to improving the quality of life in all communities by promoting strong, effective and accountable municipal government. FCM membership includes Canada's largest cities, the major provincial and territorial municipal associations, and rural and urban communities.

## 1. Nature des opérations et mission

La Fédération canadienne des maires et des municipalités (FCMM) a été créée le 18 mars 1937 à la suite de la fusion de l'Union canadienne des municipalités, datant de 36 ans, et de la Conférence des maires du dominion, créée deux ans auparavant. Le 2 février 1967, la FCMM a été incorporée par lettres patentes en vertu de la partie II de la *Loi sur les corporations canadiennes*. À ce moment-là, la FCMM a demandé et obtenu le statut d'organisme de charité de l'Agence du revenu du Canada. Le 9 août 1976, des lettres patentes supplémentaires ont été obtenues afin de changer le nom de l'organisme pour la Fédération canadienne des municipalités (FCM). À compter du 6 août 2014, la FCM a poursuivi son incorporation à la *Loi canadienne sur les organisations à but non lucratif*.

Au 1<sup>er</sup> janvier 2017, le statut d'organisme de bienfaisance de la FCM a été annulé par l'Agence du revenu du Canada. En conséquence, à compter du 1<sup>er</sup> janvier 2017, la FCM est maintenant un organisme à but non lucratif et continue d'être exonérée de l'impôt sur le revenu. De plus, le statut d'organisme de bienfaisance du Fonds municipal vert (FMV) a été rétabli le 1<sup>er</sup> avril 2017 et continue d'être réputé être une fiducie pour fins de taxes.

La FCM est le porte-parole national des gouvernements municipaux. La FCM consacre ses efforts à l'amélioration de la vie dans toutes les communautés et encourage un gouvernement municipal fort, efficace et responsable. La FCM se compose de représentants des plus grandes villes du Canada, des associations municipales provinciales et territoriales, et des communautés rurales et urbaines.

# Federation of Canadian Municipalities – Green Municipal Fund

Notes to the financial statements  
March 31, 2018

# Fédération canadienne des municipalités – Fonds municipal vert

Notes complémentaires  
31 mars 2018

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## 1. Purpose of the organization (continued)

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 GMF. In July 2005, FCM received another \$300,000,000. In March 2018, FCM entered into a new agreement with the government of Canada, to received an additional \$125,000,000. These funds were received in April 2018.

## 2. Significant accounting policies

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

### *Basis of presentation*

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

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

### *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. These financial statements report the GMF only.

## 1. Nature des opérations et mission (suite)

La FCM a reçu 100 000 000 \$ du gouvernement du Canada en avril 2000 pour l'établissement du Fonds d'investissement municipal vert (FIMV) et 25 000 000 \$ pour l'établissement du Fonds d'habilitation municipal vert (FHMV). Ces fonds ont été créés afin de stimuler l'investissement dans des projets et des pratiques municipaux novateurs dans le but d'améliorer l'efficacité environnementale des municipalités canadiennes. La FCM a reçu en avril 2002 des montants supplémentaires de 100 000 000 \$ pour le FIMV et 25 000 000 \$ pour le FHMV. Le 31 mars 2005, le FIMV et le FHMV ont été fusionnés pour former le FMV. La FCM a reçu un montant supplémentaire de 300 000 000 \$ en juillet 2005. En mars 2018, la FCM a conclu un nouvel accord avec le gouvernement du Canada pour recevoir un montant supplémentaire de 125 000 000 \$ pour le FMV. Ces fonds ont été reçus en avril 2018.

## 2. Principales méthodes comptables

Les états financiers ont été dressés selon les Normes comptables canadiennes pour les organismes sans but lucratif et tiennent compte des principales méthodes comptables suivantes :

### *Mode de présentation*

Le FMV comptabilise les contributions selon la méthode de la comptabilité par fonds affectés s'appliquant aux organismes sans but lucratif.

Ces états financiers présentent les activités du FMV seulement. Ils ne rendent pas compte des autres fonds de la FCM.

### *Comptabilité par fonds*

Conformément aux usages de la comptabilité par fonds, la FCM tient ses registres comptables afin d'assurer que les limites et les restrictions qui s'appliquent aux ressources disponibles soient respectées. Selon cette méthode, toutes les ressources sont présentées dans des fonds distincts selon l'activité ou les objectifs poursuivis. Ces états financiers présentent le FMV seulement.

# Federation of Canadian Municipalities –

## Green Municipal Fund

Notes to the financial statements

March 31, 2018

# Fédération canadienne des municipalités –

## Fonds municipal vert

Notes complémentaires

31 mars 2018

### 2. Significant accounting policies (continued)

#### Green Municipal Fund

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

#### *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. GMF 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.

### 2. Principales méthodes comptables (suite)

#### Fonds municipal vert

Le FMV permet la réalisation de projets environnementaux innovateurs par le biais de subventions et prêts aux municipalités canadiennes ou de leurs partenaires publics ou privés.

#### *Instruments financiers*

Les instruments financiers sont comptabilisés à leur juste valeur au moment de la comptabilisation initiale. Les instruments de capitaux propres cotés sur un marché actif sont ultérieurement évalués à la juste valeur. Tous les autres instruments financiers sont ultérieurement comptabilisés au coût ou au coût après amortissement, sauf si la direction a décidé de comptabiliser les instruments à la juste valeur. Le FMV n'a pas choisi de comptabiliser ces instruments financiers à leur juste valeur.

Les coûts de transaction engagés dans le cadre de l'acquisition d'instruments financiers évalués ultérieurement à la juste valeur sont imputés aux résultats à mesure qu'ils sont engagés. Tous les autres instruments financiers sont ajustés en fonction des coûts de transaction engagés au moment de l'acquisition et des frais de financement, qui sont amortis selon la méthode de l'amortissement linéaire.

Les actifs financiers sont soumis à un test de dépréciation à la fin de chaque exercice lorsque des faits ou des circonstances l'indiquent. Le cas échéant, la FCM détermine s'il y a un changement défavorable important dans le calendrier ou le montant prévu des flux de trésorerie futurs de l'actif. Si tel est le cas, la valeur comptable de l'actif est réduite à la valeur la plus élevée entre la valeur actualisée des flux de trésorerie prévus, la somme pouvant être obtenue de la vente de l'actif, et la somme qu'elle prévoit d'obtenir si elle exerce son droit à l'égard d'une garantie financière. Ultérieurement, en cas de renversement des faits ou des circonstances, la FCM comptabilise une reprise de perte de valeur dans la mesure de l'amélioration, qui n'excède pas la charge de dépréciation initiale.

**Federation of Canadian  
Municipalities –  
Green Municipal Fund**  
Notes to the financial statements  
March 31, 2018

**Fédération canadienne  
des municipalités –  
Fonds municipal vert**  
Notes complémentaires  
31 mars 2018

**2. Significant accounting policies (continued)**

*Revenue recognition*

Receipts are recognized as revenue in the GMF when received or receivable.

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

*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 8.

*Tangible capital and intangible assets*

Tangible capital and intangible assets are recorded at cost. Repairs and maintenance costs are charged to expense. Betterments which extend the estimated life of an asset are capitalized. When a capital asset no longer contributes to the 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 and terms:

Tangible capital assets:

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

**2. Principales méthodes comptables (suite)**

*Constatation des revenus*

Les rentrées de trésorerie sont constatées comme revenus dans le FMV lorsque reçues ou à recevoir.

Les revenus d'intérêts sont constatés dans le fonds auquel ils se rapportent selon la comptabilité d'exercice.

*Prêts à recevoir*

Un prêt est jugé douteux lorsque, selon l'accord contractuel, les paiements sont en retard ou lorsque la direction de la FCM est d'avis que le prêt devrait être considéré douteux. Une exception peut être faite lorsque la direction détermine que le prêt est bien garanti et qu'on peut raisonnablement prévoir que les efforts de recouvrement permettront le remboursement du prêt ou sa restauration selon les termes contractuels.

Les radiations de l'exercice, nettes des recouvrements, sont passées en charges et ensuite appliquées à la réserve affectée d'origine interne pour prêts délinquants. La réserve pour prêts délinquants est décrite à la note 8.

*Immobilisations corporelles et actifs incorporels*

Les immobilisations corporelles et les actifs incorporels sont comptabilisés au prix coûtant. Les coûts de réparation et d'entretien sont passés en charges. Les améliorations qui prolongent la durée estimative d'un bien sont capitalisées. Lorsqu'une immobilisation ne contribue plus aux activités de la FCM, sa valeur comptable nette est amortie à sa valeur résiduelle.

Les immobilisations corporelles et les actifs incorporels sont amortis selon la méthode linéaire aux taux et durées annuels suivants :

Immobilisations corporelles :

Mobilier et équipement	5 ans
Améliorations locatives	durée du bail
Matériel informatique	3 à 5 ans

Actifs incorporels :

Logiciels	3 à 5 ans
Gestion des relations-clients	10 ans

# Federation of Canadian Municipalities – Green Municipal Fund

Notes to the financial statements  
March 31, 2018

# Fédération canadienne des municipalités – Fonds municipal vert

Notes complémentaires  
31 mars 2018

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## 2. Significant accounting policies (continued)

### *Grants*

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

### *Allocation of expenses*

FCM allocates the administrative overhead costs between its strategic programs and projects based on the proportion of actual salaries and benefits incurred. Administrative overhead is primarily composed of building, information technology, human resources, finance, payroll and other common administrative expenses.

### *Use of estimates*

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures 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 these estimates. These estimates are reviewed annually and, as adjustments become necessary, they are recognized in the financial statements in the period they become known.

Significant areas requiring the use of management's estimates include the collectible amounts of receivables and loans receivable, the amount of accounts payable and accrued liabilities and the useful lives of capital assets.

## 2. Principales méthodes comptables (suite)

### *Subventions*

Les subventions sont constatées comme dépense dans l'exercice au cours duquel le processus d'approbation a été complété par le Conseil.

### *Ventilation des dépenses*

Les coûts indirects de la FCM sont ventilés au sein de ses programmes et de ses projets stratégiques en fonction de la proportion des salaires et avantages sociaux engagés sur ces programmes et projets. Les coûts indirects se composent principalement des dépenses reliées à l'immeuble, des services de technologie de l'information, des ressources humaines, des finances, de la paye et d'autres services administratifs communs.

### *Utilisation d'estimations*

Dans le cadre de la préparation des états financiers, conformément aux Normes comptables canadiennes pour les organismes sans but lucratif, la direction doit établir des estimations et des hypothèses qui ont une incidence sur les montants des actifs et des passifs présentés et sur la présentation des actifs et des passifs éventuels à la date des états financiers, ainsi que sur les montants des produits d'exploitation et des charges constatés au cours de la période visée par les états financiers. Les résultats réels pourraient varier par rapport à ces estimations. Ces estimations font l'objet d'une révision annuelle et si des rajustements sont nécessaires, ceux-ci sont inscrits aux états financiers dans la période au cours de laquelle ils deviennent connus.

Les éléments importants nécessitant l'utilisation d'estimations par la direction incluent les montants recouvrables des débiteurs et prêts à recevoir, le montant des créditeurs et des charges à payer et la durée de vie utile des immobilisations corporelles.

# Federation of Canadian Municipalities –

## Green Municipal Fund

Notes to the financial statements

March 31, 2018

# Fédération canadienne des municipalités –

## Fonds municipal vert

Notes complémentaires

31 mars 2018

### 3. Investments

Short-term investments:

	2018	2017	
	\$	\$	
Short-term bonds	<b>51,090,700</b>	68,616,100	Obligations à court terme

Long-term investments:

	2018	2017	
	\$	\$	
Supranational bonds	<b>1,997,100</b>	998,500	Obligations supranationales
Federal bonds	<b>6,720,200</b>	5,481,100	Obligations fédérales
Provincial bonds	<b>78,417,400</b>	56,291,600	Obligations provinciales
Corporate bonds	<b>184,493,000</b>	201,678,600	Obligations de société
Municipal bonds	<b>14,750,300</b>	9,895,300	Obligations municipales
	<b>286,378,000</b>	274,345,100	

GMF's fixed income bonds have interest rates ranging from 0.0% to 9.0% and maturity dates ranging from April 5, 2018, to December 31, 2018.

Les obligations à revenu fixe du FMV ont des taux d'intérêt qui varient entre 0,0 % et 9,0 % avec des dates d'échéance qui vont du 5 avril 2018 au 31 décembre 2018.

### 4. Interfund receivable and payable

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

### 4. Soldes interfonds à recevoir/à payer

Ces soldes sont sans modalités de remboursement et sans intérêt.

**Federation of Canadian  
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**Fédération canadienne  
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5. Loans receivable	2018		2017	
	\$		\$	
Municipalities and municipal corporations	265,944,300		260,569,700	Municipalités et sociétés municipales
Corporations	24,305,100		25,132,700	Sociétés
	<b>290,249,400</b>		<b>285,702,400</b>	
Less: current portion	26,398,800		25,052,500	Moins : tranche à court terme
	<b>263,850,600</b>		<b>260,649,900</b>	

*Maturities and interest rates*

*Maturités et taux d'intérêt*

	1 to 5 years	Rate	Greater than 5 years	Rate	
	1 à 5 ans	Taux	Plus de 5 ans	Taux	
	\$	%	\$	%	
Municipalities and municipal corporations	13,699,300	0.30% to/ à 2.77%	252,245,000	0.94% to/ à 4.35%	Municipalités et sociétés municipales
Corporations	4,685,400	3.85% to/ à 6.50%	19,619,700	1.85% to/ à 6.95%	Sociétés
	<b>18,384,700</b>		<b>271,864,700</b>		

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

Les remboursements en capital prévus au cours des cinq prochains exercices selon les mêmes termes et conditions sont les suivants :

\$

2019	26,398,900
2020	24,448,400
2021	20,799,300
2022	20,796,700
2023	21,889,200
	<b>114,332,500</b>

# Federation of Canadian Municipalities – Green Municipal Fund

Notes to the financial statements  
March 31, 2018

# Fédération canadienne des municipalités – Fonds municipal vert

Notes complémentaires  
31 mars 2018

## 6. Tangible capital and intangible assets

	Cost	Accumulated amortization	2018 Net book value	2017 Net book value	
	Coût	Amortissement cumulé	Valeur comptable nette	Valeur comptable nette	
	\$	\$	\$	\$	
<b>Tangible capital assets:</b>					<b>Immobilisations corporelles :</b>
Furniture and equipment	516,000	499,600	16,400	7,800	Mobilier et équipement
Leasehold improvements	924,600	686,100	238,500	333,600	Améliorations locatives
Computer hardware	87,300	74,300	13,000	22,100	Matériel informatique
<b>Intangible assets:</b>					<b>Actifs incorporels :</b>
Computer software	316,400	154,700	161,700	103,000	Logiciels
Customer relations management	199,000	138,700	60,300	-	Gestion des relations-clients
	<b>2,043,300</b>	<b>1,553,400</b>	<b>489,900</b>	<b>466,500</b>	

GMF's cost and accumulated amortization at March 31, 2017, amounted to \$1,909,000 and \$1,442,500, respectively.

Le coût et l'amortissement cumulé du FMV au 31 mars 2017 s'élevaient respectivement à 1 909 000 \$ et 1 442 500 \$.

## 7. Grants payable

	2018	2017	
	\$	\$	
Balance, beginning of year	37,822,900	32,990,100	Solde au début
Approvals	8,057,200	11,912,200	Approbations
Disbursements	(8,369,900)	(7,079,400)	Décaissements
Balance, end of year	<b>37,510,200</b>	<b>37,822,900</b>	Solde à la fin

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

La direction ne peut déterminer raisonnablement le montant qui sera décaissé au cours du prochain exercice; ainsi, le solde total est présenté à court terme.



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## 8. Reserve for non-performing loans

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

## 9. Externally restricted 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 \$625,000,000 excluding the value of the reserve for non-performing loans and the reserve for guarantees. As of March 31, 2018, this balance was equal to \$709,149,600 (2017 - \$582,850,200).

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

## 10. Commitments

### *GMF loans*

As at March 31, 2018, GMF had loans approved by the Board but undisbursed for a total amount of \$160,222,300 (2017 - \$187,281,800).

## 8. Réserve pour prêts délinquants

En vertu de l'accord de financement, le FMV verse annuellement à cette réserve un montant équivalant à un minimum de cinq pour cent de ses revenus annuels de placement afin de pourvoir aux prêts qui pourraient devenir délinquants.

## 9. Solde du fonds affecté d'origine externe

L'objectif du FMV quant à la gestion de son capital est de continuer à se soumettre aux exigences en matière de capital d'origine externe spécifiées dans l'entente avec le gouvernement du Canada. Le capital du FMV se compose du solde de fonds. Les fonds tenus ne sont disponibles que pour les opérations du FMV.

Le FMV maintiendra la valeur nominale de ses actifs à au moins 625 000 000 \$, excluant la valeur de la réserve pour prêts délinquants et de la provision pour garanties. Au 31 mars 2018, ce solde était égal à 709 149 600 \$ (582 850 200 \$ en 2017).

Il n'y a pas eu de changement aux exigences en matière de capital du FMV et sa stratégie générale relative à son capital n'a pas changé par rapport à l'exercice précédent.

## 10. Engagements

### *Prêts du FMV*

Au 31 mars 2018, le FMV avait des prêts approuvés par le Conseil mais non encore déboursés pour un montant total de 160 222 300 \$ (187 281 800 \$ en 2017).

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## 10. Commitments (continued)

### Leases

GMF is committed under operating leases for the office space over the next four years as follows:

	Office space	Office equipment	Total	
	Locaux pour bureaux	Matériel de bureau		
	\$	\$	\$	
2019	275,727	1,450	277,177	2019
2020	279,867	1,450	281,317	2020
2021	140,642	1,450	142,092	2021
2022	-	845	845	2022
	696,236	5,195	701,431	

### 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 2018 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, 2018, is \$ 79,400 (2017 - \$147,600).

## 11. Retirement benefits

FCM matches employee RRSP contributions up to 5% of their salary. Total employer contributions for the year were \$189,500 (2017 - \$216,300). The contributions are recorded in personnel expenses.

## 10. Engagements (suite)

### Contrats de location-exploitation

Le FMV s'est engagé en vertu de contrats de location-exploitation pour des locaux pour bureaux pour les quatre prochains exercices de la façon suivante :

### Services

Dans l'exercice de ses activités, le FMV conclut périodiquement des accords pour l'achat de services. Certains de ces accords s'étendent au-delà de la fin de l'exercice 2018. De l'avis de la direction, ces accords s'inscrivent dans le cours normal des activités du FMV, leur montant et leur nature ne sortent pas de la normale et ils ne posent pas un risque spéculatif élevé. L'engagement total au 31 mars 2018 est de 79 400 \$ (147 600 \$ en 2017).

## 11. Avantages de retraite

La FCM effectue des contributions aux REER des employés égales aux contributions de ceux-ci jusqu'à un maximum de 5 % du total du salaire annuel. Le total des contributions de l'employeur pour l'exercice s'élève à 189 500 \$ (216 300 \$ en 2017). Ces contributions sont comptabilisées en frais de personnel.

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**12. Allocation of expenses**

These expenses were allocated as follows:

	2018			2017			
	General Fund	Green Municipal Fund	Total	General Fund	Green Municipal Fund	Total	
	Fonds général	Fonds municipal vert		Fonds général	Fonds municipal vert		
	\$	\$	\$	\$	\$	\$	
Administrative expenses	6,851,000	1,436,200	8,287,200	5,319,100	1,255,200	6,574,300	Frais administratifs
	83%	17%	100%	81%	19%	100%	

**13. Financial risks**

*Currency risk*

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

*Interest rate risk*

GMF is exposed to interest rate risk with respect to its interest-bearing investments, as disclosed in Note 3.

*Credit risk*

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. GMF is exposed to credit risk with respect to the loans receivable and other receivables. GMF assesses, on a continuous basis, loans receivable 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.

**13. Instruments financiers**

*Risque de change*

Le FMV estime ne pas courir de risque de change ou de liquidité important relativement à ses instruments financiers.

*Risque de taux d'intérêt*

Le FMV est exposé à un risque de taux d'intérêt relativement à ses placements porteurs d'intérêt, comme il est indiqué à la note 3.

*Risque de crédit*

Le risque de crédit est le risque qu'une contrepartie ne respecte pas ses obligations contractuelles, entraînant une perte financière. Le FMV s'expose à un risque de crédit sur ses prêts à recevoir et autres débiteurs. Le FMV évalue continuellement ses prêts à recevoir et autres débiteurs et tient compte des montants irrécouvrables dans la provision pour créances douteuses. À la fin de l'exercice, les débiteurs ne comportaient aucune provision pour créances douteuses.

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## 13. Financial risks (continued)

### *Fair value*

GMF's financial instruments consist of investments, receivables and accounts payable and accrued liabilities.

The fair value of accounts receivable and accounts payable and accrued liabilities approximates their carrying value due to the short-term nature of these items.

Investments are recorded at amortized cost which mitigates the risk of fair value volatility.

## 13. Instruments financiers (suite)

### *Juste valeur*

Les instruments financiers du FMV sont composés de placements, de débiteurs et de créditeurs et charges à payer.

La juste valeur des débiteurs et des créditeurs et charges à payer se rapproche de la valeur comptable compte tenu du caractère à court terme de ces éléments.

Les placements sont enregistrés au coût amorti ce qui atténue le risque de volatilité de la juste valeur.