



City of
Peterborough

To: **Members of the General Committee**

From: **Richard Freymond**
Commissioner of Corporate and Legislative Services

Meeting Date: **June 8, 2020**

Subject: **Report CLSFS20-029**
Investing Proceeds from Sale of Assets of Peterborough
Distribution Inc. Update and Creation of Review Working
Group

Purpose

A report to provide an update to Council and to recommend that an Investment Options Review Working Group be established to review the options for investing the proceeds from the sale of Assets of Peterborough Distribution Inc. to Hydro One.

Recommendations

That Council approve the recommendations outlined in Report CLSFS20-029 dated June 8, 2020, of the Commissioner of Corporate and Legislative Services, as follows:

- a) That Report CLSFS20-029 on investing the proceeds from the sale of Assets of Peterborough Distribution Inc. to Hydro One, be received for information;
- b) That 100% of the proceeds from the sale of Assets of Peterborough Distribution Inc. to Hydro One be invested to generate a return to the City of Peterborough and other spending options only be considered for the return itself; and
- c) That with respect to investing the proceeds as a result of the sale of Peterborough Distribution Inc., Council establish an Investment Options Review Working Group for purposes of making a final investment recommendation to Council, consisting of:
 - i) Deputy Mayor Beamer

- ii) Councillor Pappas – Chair of the Finance Committee
- iii) Councillor Baldwin – Vice Chair of the Finance Committee
- iv) Mrs. Sandra Clancy – Chief Administrative Officer
- v) Mr. Richard Freymond – City Treasurer
- vi) Ms. Cynthia Fletcher - Commissioner IPS
- vii) Mr. Sheldon Laidman - Commissioner CS
- viii) Additional Staff from the Finance Division

Budget and Financial Implications

There are no budget and financial implications at this time.

The negotiated sale price of Peterborough Distribution Inc. to Hydro One is \$105 million. After fees and retirement of debt obligations, the net sale proceeds are expected to be in the range of \$50 to \$55 million. How to invest the proceeds will have significant financial implications for years to come.

Background

Council, at its meeting of December 15, 2016, approved the recommendations in Report CAO16-018, City of Peterborough Holdings Inc. Recommendation to City of Peterborough – PDI Divestment to Hydro One as follows:

- e) That the Net Proceeds of the sale be placed in an interest bearing reserve account under the control of the City Treasurer with details and options available to Council for investment of the funds to be reported to Council in the second quarter of 2017, including an option to reinvest the funds in City of Peterborough Holdings Inc. to support renewable power generation projects with an interest rate of at least 6% as a point to compare all other options.

The 2017 date was set before staff had a full appreciation of just how long the process was going to take for the completion of a transaction of this size.

On November 25, 2019, in consideration of Report CLSFS19-051 Council approved the following further recommendation:

- d) That staff be directed to provide a further report on the results of all information gathered, the public consultation process and final recommendations as to how the funds should be invested, and that the report be provided no later than June 2020.

Sale of Assets of PDI - Current Status

The Agreements between Hydro One, the City and PDI were signed on July 31, 2018. On April 30, 2020, the sale transaction was approved by the Ontario Energy Board. The closing of the sale transaction is scheduled to occur on August 4, 2020.

As proposed through Report CLSFS10-051 dated November 12, 2019 Council received two presentations on February 10, 2020 to begin the consultative process:

- 1) ONE Investment - The creation of a City of Peterborough Legacy Fund, and
- 2) City of Peterborough Holdings Inc. - Investing in Renewable Energy.

While the creation of a Legacy Fund to generate revenue for capital work or a new substantial investment in renewable energy generation would set a significant long-term direction for the community, both are broad concepts with specific details to follow, either through annual budget recommendations to Council for capital spending from a Legacy Fund or decisions by the CoPHI Board on renewable energy projects.

After the presentations, the City used the information to create a survey, which was available online and in hard copy. The focus of the consultation was on how to invest the monies, not necessarily on how to spend the monies, although the two topics were often intermingled in the same conversation. If recommendation b) of this report is approved, a decision will be made to invest 100% of the proceeds on options that bring a return to the City and the immediate focus will be on how to invest the funds. Other options on how to spend money, regardless of how worthy the cause is, will be a future budget discussion.

The remainder of this report provides a summary of the feedback received to date, including:

- A synopsis of the presentations received by Council:
 - Option 1: Legacy Fund - ONE Investment
 - Option 2: Investing in Renewable Energy - City of Peterborough Holdings Inc;
- Investment ideas being put forward by the community including:
 - Option 3: A proposal for more home energy retrofits in Peterborough City - Alan Slavin, May, 2020
 - Option 4: TTP Model to build Community Resilience in Peterborough - Fred Irwin Founding Director Transition Town Peterborough Inc.
 - Option 5: BMO Nesbitt Burns - George Ripoll, Investment Advisor, BMO Nesbitt Burns

- Option 6: Investing in Community Wellbeing – John Good on behalf of the Community Foundation of Greater Peterborough
- The Online Survey Results

Option 1: ONE Investment - Legacy Fund

The basic tenet of a legacy fund is the preservation of the capital in perpetuity. This means that only the investment income would be available to be spent on an annual basis.

A key feature of the framework in support of a legacy fund idea would be to invest the funds to maximize returns with a minimum of risk to maintain and potentially grow the original proceeds. This strategy requires a portfolio composed of a mix of financial instruments with guaranteed returns which could be augmented by some higher risk instruments;

In the normal course of City operations, staff are continuously managing a portfolio of short-term investments as per the existing Investment Policy established by Council on October 24, 2016 through Report CPFS16-031. Depending on Council's direction with respect to establishing a Legacy Fund, amendments to the existing policy may be required, or a new policy created, to capture the intended purposes of the Legacy Fund.

The presentation received by Council from the ONE Investment Group in February 2020 on the Legacy Fund idea is included in Appendix A.

Option 2: City of Peterborough Holdings Inc. - Invest in Renewable Energy

The City of Peterborough has a proven track record in developing renewable energy through its investment company, City of Peterborough Holdings Inc. (CoPHI). CoPHI operates electricity (until the sale to Hydro One) and water distribution systems in the City and surrounding communities. The Company also develops and operates renewable hydro and solar generation facilities and operates a wholesale metering business. The Company and its related entities operate as the Peterborough Utilities Group.

As published in their 2018 Annual Report, the efforts of the Company over the past several years have provided a base for renewable energy equivalent to powering approximately 52% of the City's supply. The Company has been a conservation leader in providing its customers with opportunities to reduce their consumption.

Over the years, the investment returns paid to the City, as the sole shareholder, has been an important source of revenue and has been very effective in mitigating tax increases and moving important capital works forward.

From the City's perspective, the nature of the investment being proposed in this option would be in the form of common or preferred shares in CoPHI or any of its direct or indirect subsidiary companies. This is similar to the City's current investment in CoPHI

is in the form of common shares and supplemented by earnings retained in the company. A portion of the retained earnings are then reduced by the annual dividend payment to the City.

There are certain restrictions in the **Municipal Act, 2001** that would most likely preclude the investment being in the form of secured debt. That is, debt that is backed by the presence of collateral.

The presentation received by Council from CoPHI in February 2020 on investing in Renewable Energy is included in Appendix B.

Option 3: A Proposal for more home energy retrofits in Peterborough City - Alan Slavin, May 2020

This document is a proposal to increase significantly the rate of retrofits being done by using interest from money from the PDI sale. It discusses the need for home energy retrofits to meet Peterborough City's greenhouse gas (GHG) reduction targets, and the progress on retrofits to date. The proposal leverages off incentives provided from the existing Enbridge retrofit program. The program would not only cut the City's GHG emissions significantly, it would also benefit the homeowner from savings on fuel costs and increased property value, increase the tax base for the city, and provide substantial local employment all while returning the loans over time to maintain the City's capital. Several recent studies have recommended that retrofits be funded as an important way to help reboot the post-COVID19 economy, because of the many jobs this would generate.

The proposal seeks for a motion to add direction by the Finance Committee to direct any PDI sale funds into a capital fund to be used to provide loans to homeowners to fund the retrofits. Details would have to be worked out by City staff.

The complete proposal is included in Appendix C.

Option 4: Transition Town Peterborough Concept Proposal to build Community Resilience in Peterborough through the creation of a Renewable Power Generation Investment Trust Fund - from Fred Irwin Founding Director Transition Town Peterborough Inc.

The objectives of the Trust Fund would be to:

- maximize the local renewable power generation of the City and County of Peterborough.
- maximize the number of local sustainable jobs created.
- support projects that encourage local investment both large and small such as both Energy Co Ops and Farmers and Food Co Ops with Energy Co Op components.
- support projects that maximize the local Economic Multiplier effect such as those that make use of the Kawartha Loon Local Currency and other local supplier inputs and services.

- support the prioritization of projects that integrate renewable power generation with other life essentials including food, water, wellness and culture.
- integrate with projects that also lead to and support Energy Descent required to make the community even more resilient.

The Trust Fund proposal champions the view that this is the way to move the community into a robust leadership position with respect to its Climate Crisis Emergency Response.

The Trust Fund Option as recommended is for a minimum of \$50 Million into the Trust and the balance of proceeds from the sale of PDI to be held in a short term investment reserve to firstly set up the Trust Operation and Executive and operating staffing to launch within a year.

This recommendation is presented in support of the idea that a capital gain produced by long term investment by the citizens of the City and County of Peterborough such as we have with the sale of PDI needs to be invested for the long term Energy Security and the 4 E's Framework benefit of those same citizens. The 4 E's Framework is presented in the attached Appendix D3.

The Trust Fund Option would be formed at arm's length from the City of Peterborough with likely two City Councillors on the Board of Directors serving in an oversight capacity while productively removing politics from the investment decision making process for greater local energy security.

This proposal constitutes Transition Town Peterborough's contribution to put the Trust Fund Option in the most favorable position to help create a more Resilient Community in the context of the Climate Crisis Emergency as declared by the City of Peterborough

The complete proposal is included in Appendix D.

Option 5: BMO Wealth Management – from George Ripoll, Investment Advisor, BMO Nesbitt Burns

The proposal provides an alternative to the ONE Investment proposal in Option 1. The investment platform would follow the same rules and regulations as ONE Investment under the Municipal Act 418 (1) with the advantage of a strong global brand, a local Investment Advisor, a higher degree of customizable investment choices (green bonds, geographical allocation, etc.) and a local presence to talk at functions/ meetings about the progress of the funds.

The complete proposal is included in Appendix E.

Option 6: Investing in Community Wellbeing - John Good on behalf of the Community Foundation of Greater Peterborough

The proposal supports the concept of a Legacy Fund that the City is already considering, and proposes that it be established in collaboration with the Community

Foundation, with the income generated by the fund directed annually, in consultation with the City, to charitable initiatives to support community wellbeing.

The Community Foundation is proposing that a minimum of 20% of the net proceeds of sale of PDI be invested in perpetuity with the Community Foundation to create the Legacy Fund. While past performance is no indication of future results, modelling based on the Foundation's experience, shows that over 10 years (assuming an average gross investment return of 7%, annual grant disbursements of 5% and 1.5% in fees), a \$10 million Legacy Fund, will have disbursed \$5.1 million in grants and fund capital will have grown to \$10.5 million.

Advisors, appointed by the City of Peterborough, would recommend the grants to be made from the Legacy Fund. In any given year, allocations could be channeled through the City's Community Grants program; combined with the Community Foundation's Vital Community Grants; or granted directly to the City (CRA recognizes municipal governments as qualified donees) to fund priorities identified in guiding documents such as Community Wellbeing, Housing and Homelessness, Climate Change Action and, Municipal Cultural plans.

Details of the Legacy Fund's administration including the relationship between the City, its appointed representatives (Advisors) and the Community Foundation would be governed by a Trust Agreement developed in consultation with the City.

The complete proposal is included in Appendix F.

On-line Survey

Together with the engagement that occurred with residents to gather ideas, suggestions and feedback on the 2021 draft budget, staff consulted on how to invest the proceeds on the sale of PDI to Hydro One. The consultation took place as part of the Budget Roadshow as the consultations needed to occur simultaneously.

The consultation was scheduled to include a series of five informal, drop-in style sessions and was part of a community engagement approach that also included a survey and the traditional interaction between Council, City staff, and the community that takes place outside of organized consultation.

Council held the first Budget Roadshow on March 5, 2020. The World Health Organization declared the COVID-19 pandemic on March 11, 2020, which led to the cancellation of the final three drop-in sessions.

The survey was open for about seven weeks from February 25 to April 16, 2020. With the cancellation of drop-in sessions due to the pandemic, the City re-opened the online survey from May 5 to May 18, 2020 as another opportunity for public input. The survey offered broad, high-level questions as one way for residents to engage in the investment discussion. There were 519 responses to the survey (262 of the responses were received during the first period from February 25 to April 16, 2020).

Appendix G is a summary of what we heard. The complete survey results report is available on the City's website at www.peterborough.ca/budget.

Investment Options Review Working Group

The community has put forward numerous options that deserve closer scrutiny. Staff feel that members of Council should participate in the next steps of the discussion, and as such, recommend that Council establish an Investment Options Review Working Group for purposes of making a final investment recommendation to Council. The Working Group would consist of:

- i) Deputy Mayor Beamer
- ii) Councillor Pappas – Chair of the Finance Committee
- iii) Councillor Baldwin – Vice Chair of the Finance Committee
- iv) Mrs. Sandra Clancy – Chief Administrative Officer
- v) Mr. Richard Freymond – City Treasurer
- vi) Ms. Cynthia Fletcher - Commissioner IPS
- vii) Mr. Sheldon Laidman - Commissioner CS
- viii) Additional Staff from the Finance Division

Next Steps

The investment proposals appended to this Report are lengthy but are included none the less in the interest of fairness, transparency and Council reference. If Council is supportive of the creation of the Investment Options Review Working Group, the Team will critically review each.

The Working Group would interview the key principals involved in proposal Options 3 to 6, seeking clarification and further understanding about how each investment would benefit the City of Peterborough. In addition to the named Working Group members, the Group would seek out additional expertise to assist where necessary.

The sale transaction is scheduled to close August 4, 2020. If the interviews process and final recommendations are not approved by that date, the monies will be placed in a short-term investment until the investment allocations have been approved.

Summary

This report provides an update on the consultations that have taken place about what to do with the proceeds of the sale of assets of PDI. Each of the ideas being put forward by the community have the potential to benefit Peterborough for generations yet to come.

Submitted by,

Richard Freymond
Commissioner of Corporate and Legislative Services

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Attachments:

Appendix A - Legacy Fund - ONE Investment

Appendix B - Investing in Renewable Energy - City of Peterborough Holdings Inc;

Appendix C - A proposal for more home energy retrofits in Peterborough City - Alan Slavin, June 3, 2019

Appendix D - TTP Model to build Community Resilience in Peterborough - Fred Irwin
Founding Director Transition Town Peterborough Inc.

Appendix E – BMO Nesbitt Burns - George Ripoll, Investment Advisor, BMO Nesbitt Burns

Appendix F – Investing in Community Wellbeing – John Good on behalf of the
Community Foundation of Greater Peterborough

Appendix G – Online Survey Results

ONE INVESTMENT

City of Peterborough Hydro Legacy Fund Options

Keith Taylor, CFA – ONE Investment

Colin Macdonald – MFOA

February 10, 2020

AGENDA

ONE INVESTMENT OVERVIEW

- A not-for-profit organization dedicated to serving the investment needs of the Ontario municipal sector – manages over **\$ 2.2 Billion** in portfolio holdings
- Established in 1993 and jointly operated by not-for-profits:
 - Local Authority Services
 - CHUMS (*a subsidiary of MFOA*)
- Oversight provided by municipalities and investment industry experts
- 173 Ontario municipalities and Boards invest with ONE (39% of all municipalities in Ontario)



WHO INVESTS WITH ONE

Combined ONE Investment by Population at Dec 31, 2019					
Population	Municipal Participants	% Investors	Investment		% of Total Investment
			Per Municipality	Total	
N/A	16	9%	\$ 5,718,655.56	\$ 91,498,489.00	4.01%
Less than 5,000	47	27%	\$ 1,966,781.66	\$ 92,438,738.06	4.05%
5,001 to 25,000	62	35%	\$ 5,283,101.72	\$ 327,552,306.76	14.37%
25,001 to 50,000	17	10%	\$ 18,190,782.25	\$ 309,243,298.21	13.56%
50,001 to 100,000	12	7%	\$ 31,799,311.85	\$ 381,591,742.19	16.74%
100,000+	21	12%	\$ 51,308,846.45	\$ 1,077,485,775.47	47.26%
Totals	175	100%		\$2,279,810,349.70	100.00%

ONE INVESTMENT OVERVIEW

- Diversified commingled portfolios allow costs to be spread over a large asset base
- Actively managed by external investment managers
- Guaranteed compliance with the Legal List, Ontario Securities Legislation
- Reviewed by municipal peers (Peer Advisory Committee), investment industry experts (Investment Advisory Committee), external investment consultant
- **Flexibility, liquidity with no minimum investment term**
- Professional accounting, reporting

THE LEGAL LIST

- Many eligible instruments are conservative
 - Government bonds
 - Bank deposits
 - Bankers' acceptances
- Risk also controlled through allowed level of credit risk
- Time Frame:
 - <5 years Corporate Bonds = municipality
 - >5 years Corporate Bonds = ONE
- Canadian Equity – only through ONE Investment

Recent changes

- Minimum credit ratings on certain securities reduced to A-
- Can invest in deposit securities and debt securities of credit unions
- Can accept any donation (including equities)
- American dollar accounts permitted

INVESTMENT MANAGERS: MFS

- Founded in 1924, serves in more than 30 countries
- Committed to integrating ESG factors into their investment process.
- AUM: \$ 448.7 Billion USD

ONE Investment – MFS Canadian Fixed Income Offerings

Investment Process:

- Manage Risk
- Allocate Risk
- Establish Risk Budget
- Security Selection

ONE Bond Portfolio		ONE UCB Portfolio	
Provide a competitive ROR in conservatively managed ST bonds with a priority of capital preservation.		Provide a competitive ROR in portfolio of diversified corporate and government bonds that is conservatively managed	
Inception:	Oct 1, 1997	Inception:	Sept 1, 2008
Assets:	\$ 233.1 M	Assets:	\$ 275.3 M
Average Quality :	AA	Average Quality :	AA-
Corporate Exposure:	40%	Corporate Exposure:	64.1%
Yield to worst:	1.88%	Yield to worst:	2.1%
Option Adjusted Duration:	2.81 years	Option Adjusted Duration:	5.68 years

INVESTMENT MANAGERS: GUARDIAN CAPITAL

- Incorporated in 1962 – public company listed on TSX
- Investment management division manages more than \$21.4 billion in assets across variety of Equity and Fixed Income mandates.

ONE Equity Fund (Inception Date: February 3, 2007)	
Strategy is Growth-at-a-Reasonable Price (GARP) style that seeks companies with above average growth and quality.	
Investment Process:	Use bottom-up stock selection.
Size of Companies:	Mid to large cap stocks.
Portfolio Diversification:	30 to 50 stocks with sector limits.
Cash Flow & Dividend:	Portfolio favors companies with a high stable level of cash flow. Most stocks pay a dividend, however, payment of a dividend or the level is not a requirement.

ROLE OF ONE INVESTMENT

- Develop investment mandates for the managers that are in line with the legislative requirements.
- Check for compliance to the sector weighting limits if any.
- Evaluate investment manager's performance to the benchmark.

Governance

- Oversight provided by the Peer Advisory Committee (PAC) comprised of municipal representatives
- Investment Advisory Committee (IAC) - comprised of investment sector experts.
- Legal representatives assist with special issues.

Reporting

- Provide guidance to client in portfolio reporting – including sample council reports, staff reports and by-law reports.
- Provide investors with monthly performance reports and quarterly performance reports.

PROCESS OF LEGACY FUND SETUP?

- Investment Policy Statement (IPS) provides goals and objectives of the client.
- Investment strategy employed to meet the outlined objectives.
- ONE setting target allocation for various asset classes as per the original Investment beliefs.
- Municipality to rebalance periodically to the original allocations due to differing returns.
- Professional investment and Investment Policy advice available to client from ONE Investment Team for Policy Development, define targets, implement the strategy - At no additional cost.

LEGACY FUND PORTFOLIO

- **HISA**

High Interest Savings Account at CIBC

- Bank Deposits

- **Bond Portfolio**

Short-Term Government bonds managed by MFS

- Federal, provincial and municipal Bonds
- High quality bank paper
- Bank Guaranteed Debt

- **Universe Corporate Bond Portfolio**

Mid-Term Corporate and Government Bonds managed by MFS

- Canadian Corporate Bonds
- Federal, provincial and municipal bonds

- **Equity Portfolio**

Canadian Equity managed by Guardian Capital

- Energy, Material, Industrials
- Financials, IT, Communications Services
- Consumer discretionary, Consumer staples
- Utilities

CURRENT LEGACY FUND INVESTORS

- Multiple municipalities that are taking advantage of **the endowment fund model** under Legal List.
- Over \$140 Million invested in the various Municipalities' Legacy Funds
- Each fund performance return varies based on the timing, deposits, asset allocation, withdrawals and the principal amount invested.
- Legacy fund was established in 2014.
- City of Woodstock volunteered to share their fund performance.
 - One Year Return ~ 6.82%
 - Annualized Return Since Inception (December, 2015) ~ 3.01%
 - Target Allocation => Bond – 40%, UCB – 40%, Equity – 20%

ONE INVESTMENT'S BELIEFS PORTFOLIO LEVEL THINKING

DIVERSIFICATION & RISK MANAGEMENT

INVESTING = RISK MANAGEMENT

- Biggest Risk! Mismatch of investment to cash need
- Liquidity, Volatility, Inflation and Currency Risk
- Bonds - Credit & Interest Rate Risk
- Stocks - Threats to future earnings

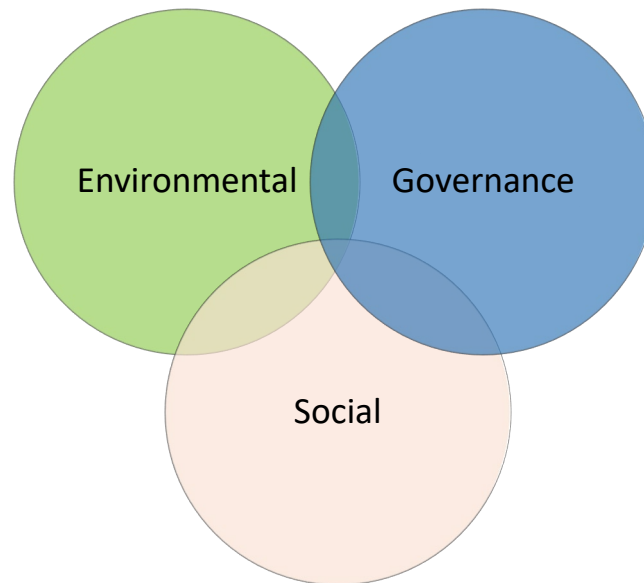
Principles of Risk Management

- Risk tolerance: Ability to assume risk depends on multiple factors.
- Over the long run, expect stocks to earn more than lower risk bonds
- Take calculated risk
- Don't let a return target drive your investment strategy

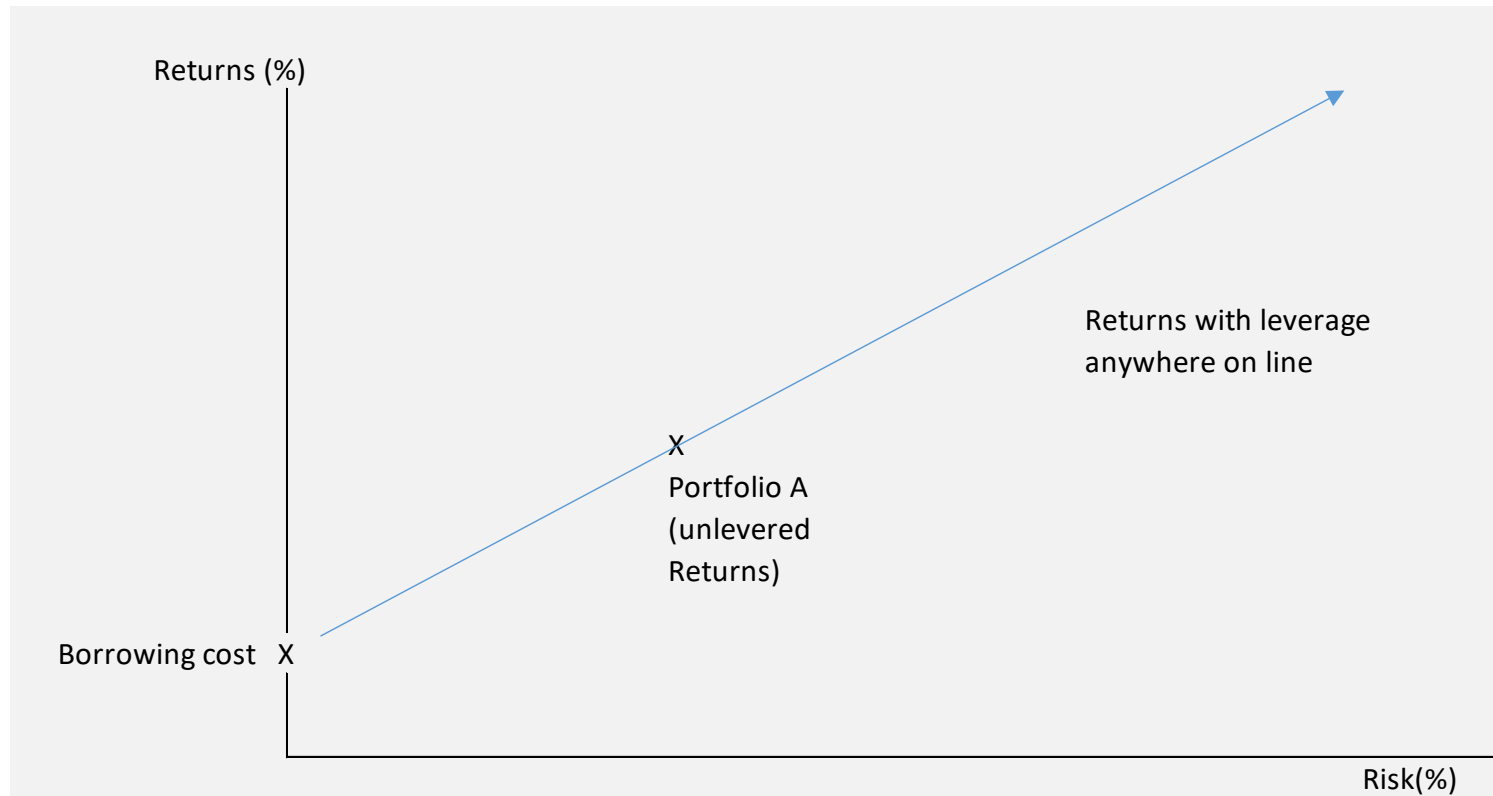
Risk Management Strategies

- Match the timeframe of the investments to the cash need
- Rebalance regularly
- Diversify among asset classes and within asset classes to reduce volatility.
- Active management of the portfolio

ESG > GREEN

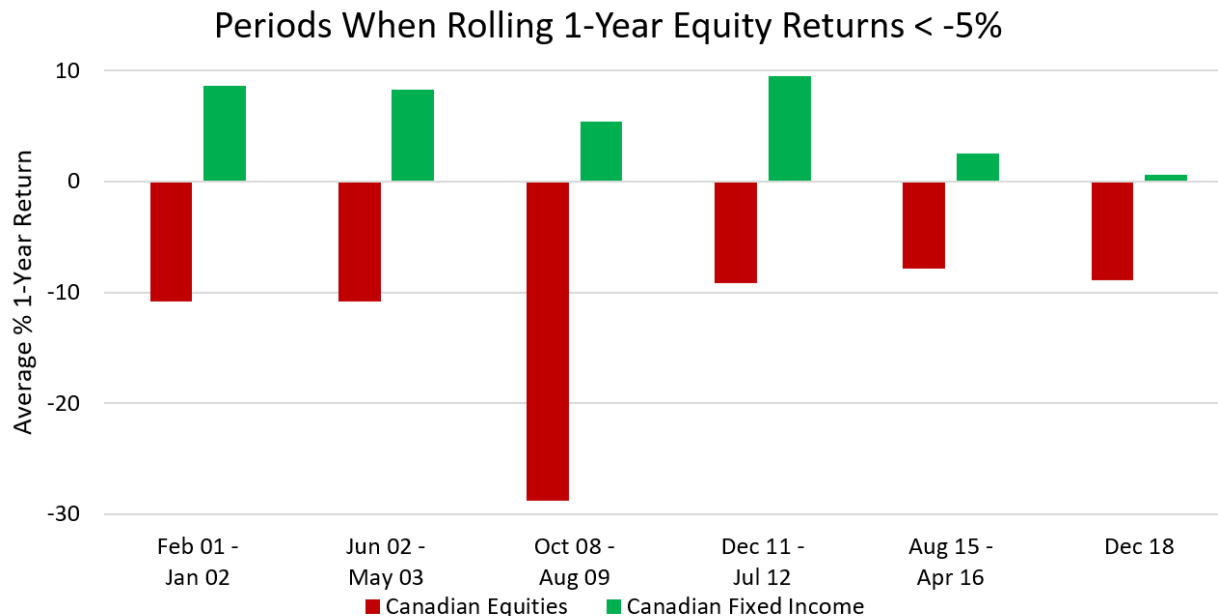


LEVERAGE & RETURNS



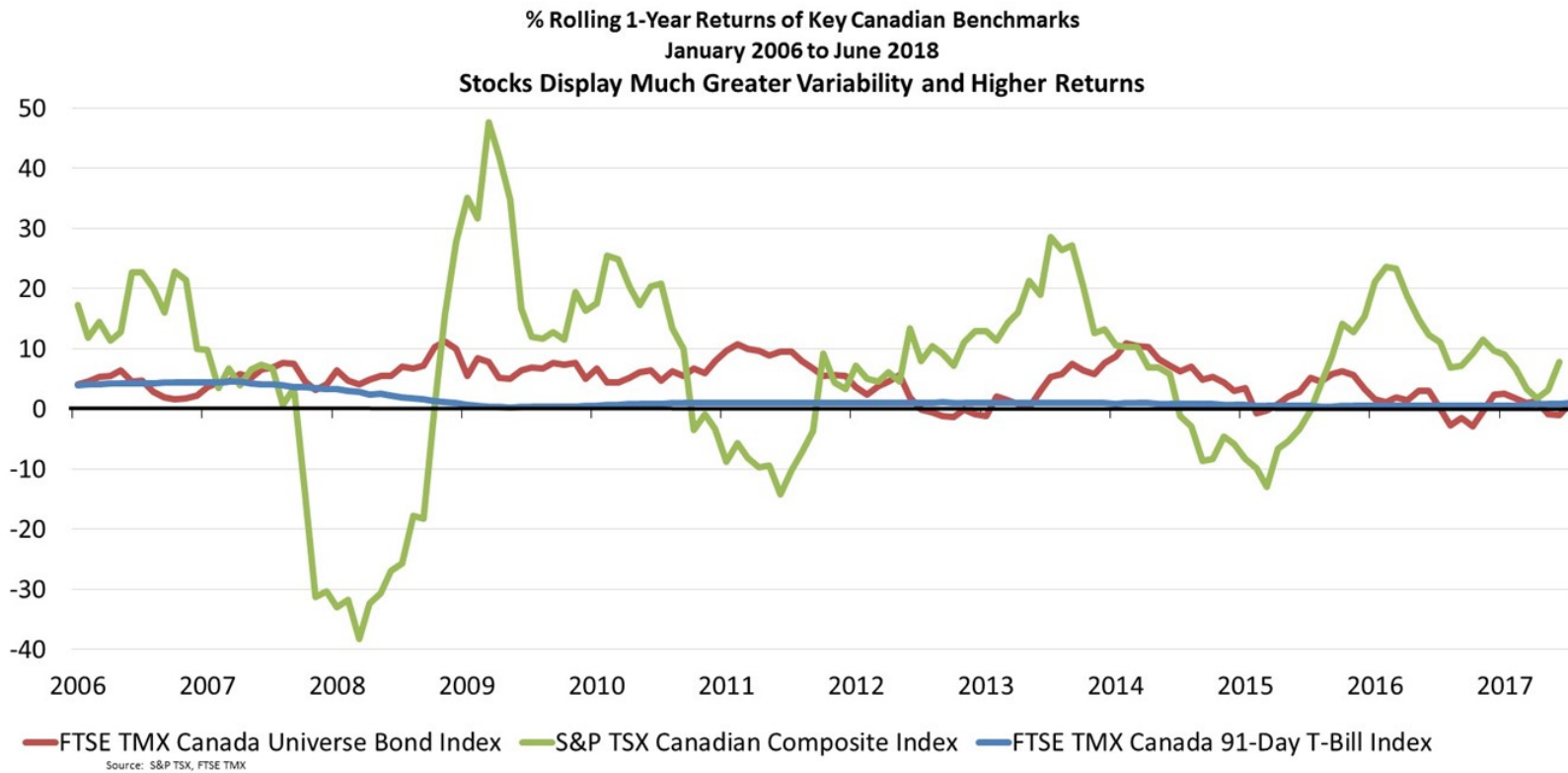
SAMPLE PORTFOLIO LEVEL THINKING

- Chart below shows periods between 2000 and 2018 when Canadian equity returns fell below -5%
- Canadian equities (red), fixed income (green)
- In every period, fixed income had an offsetting positive return
- ***Combining the two helps reduce total portfolio risk by diversification***



Source: S&P TSX Composite Index, FTSE TMX Canada Universe Bond Index

WHAT IS THE CORRELATION OF STOCKS AND BONDS?



ONE INVESTMENT FEES

- All-inclusive fees cover brokerage, legal, custodian, accounting services, as well as:
 - Professional Fund Management
 - Diversification
 - **Investment Flexibility & Liquidity**
 - Performance Reporting
 - Investment Oversight
 - Regulatory Compliance Guarantee



ONE INVESTMENT FEES

Accrued daily based on invested amount

Fee schedule:

- Money Market 19 Basis Points
- Short-Term Bonds 40 Basis Points
- Universe Corporate Bonds 45 Basis Points
- Canadian Equity Portfolio 60 Basis Points
- High Interest Savings Account – no fee paid by investor

QUESTIONS?

CONTACT INFORMATION

ONE Investment

- Keith Taylor, CFA – Investment Manager ktaylor@amo.on.ca
- Wardah Mir – Client Services Representative wmir@amo.on.ca

MFOA/CHUMS

- Colin Macdonald – Manager, Investment Services colin@mfoa.on.ca

LAS/AMO

- Eleonore Schneider, CPA,CMA – Program Manager
eschneider@amo.on.ca

City Council Update

Renewable Energy

February 10, 2020



Introductions



Nancy Brown Andison
Chair
City of Peterborough Holdings Inc.



David Bignell
Vice-Chair
City of Peterborough Holdings Inc.



John Stephenson
President & CEO
Peterborough Utilities Group



John Wynsma
Chief Operating Officer
Peterborough Utilities Inc.

Presentation Agenda

1. Climate Change and Renewable Energy
2. About Peterborough Utilities Inc. (PUI)
3. The Ontario Market
4. Our Historical Performance and Future Potential
5. Concluding Remarks
6. Questions

Objectives

Understanding Context:

1. Renewable Energy/Conservation are critical to combat Climate Change;
2. The City's Climate Change Emergency Strategy should support Renewable Energy and Conservation development;
3. The Ontario Market is evolving and Climate Change will be center stage in future energy policy;

Understanding Our Performance and Future Potential:

1. The City (through PUI) is a leader in Ontario in these areas;
2. The City and community gain significant financial benefit;
3. We are well positioned to address the future market changes in Ontario;

Climate Change and Renewable Energy

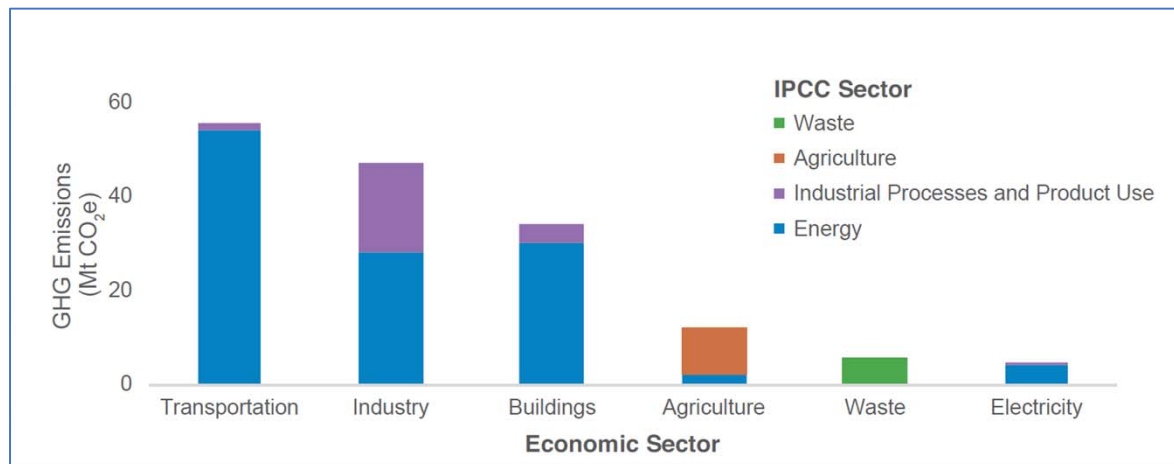


Greenhouse Gas (GHG) Mitigation



The Electricity Sector impact on GHG reductions are significant!

Future reductions in GHG emissions in non-electricity sectors will be driven by increased electrification that is enabled by renewable energy, conservation and energy efficiency.



An Example - Electric Vehicle (EV) Strategic Plan and Renewables



Toronto has recently joined several other Canadian cities and approved a plan to reach 100 per cent zero emissions from personal vehicles by 2050, through expansion of public charging networks, financial incentives, building code updates and more.

The majority of the 25 “EV capitals” of the world have introduced tax or other financial incentives to owning EVs, and many have robust public charging networks.

“Local governments have often set even bolder goals [than federal governments] and develop unique promotion actions, resulting in significantly higher uptake within specific local markets”.¹

This is only one example. Renewable energy will continue to play a significant role in enabling EV’s and helping municipalities achieve climate change goals.

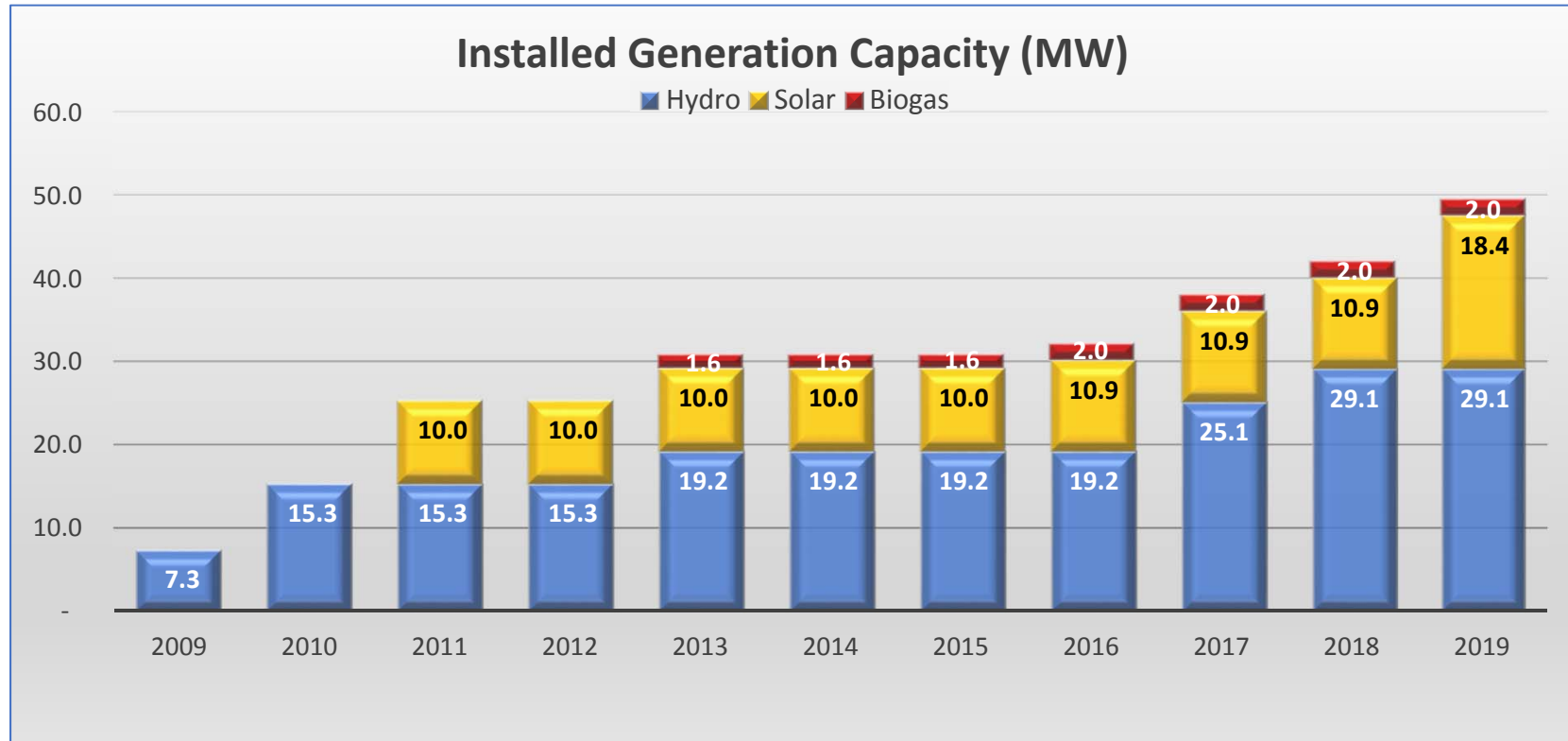
¹ International Council on Clean Transportation – November 2019

About Peterborough Utilities Inc. (PUI)

- Our principal purpose is to develop, acquire, build and operate clean renewable energy generation;
- We provide meter and other services to the renewable energy industry;
- We have taken a leadership position in the renewable sector in Ontario;
- We have created local economic gains and positive community impact;
- The City of Peterborough is the sole beneficial owner;



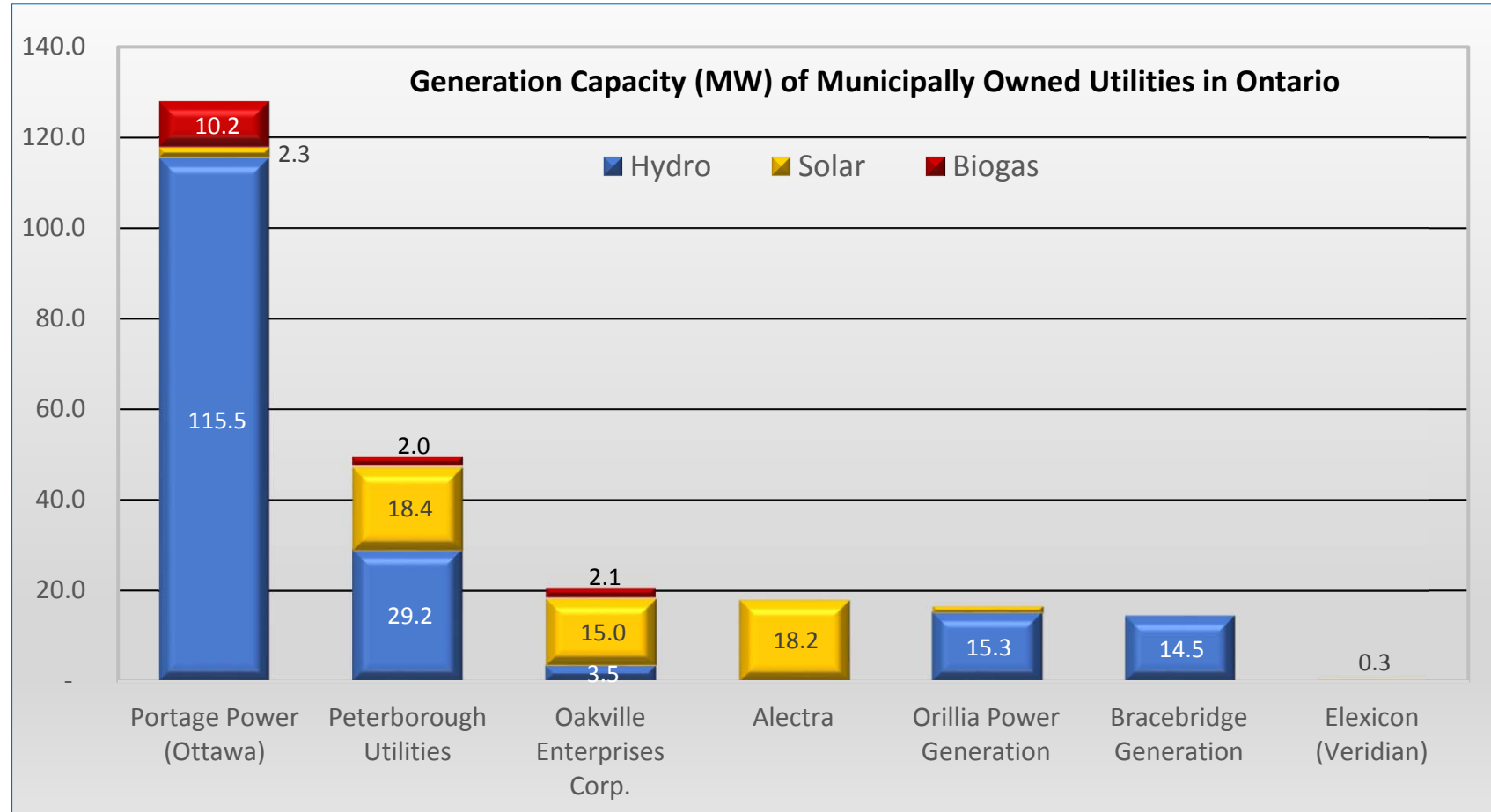
Our Renewable Generation Growth



The growth of our renewable generation business is occurring concurrently with electricity sector evolution and GHG reductions.

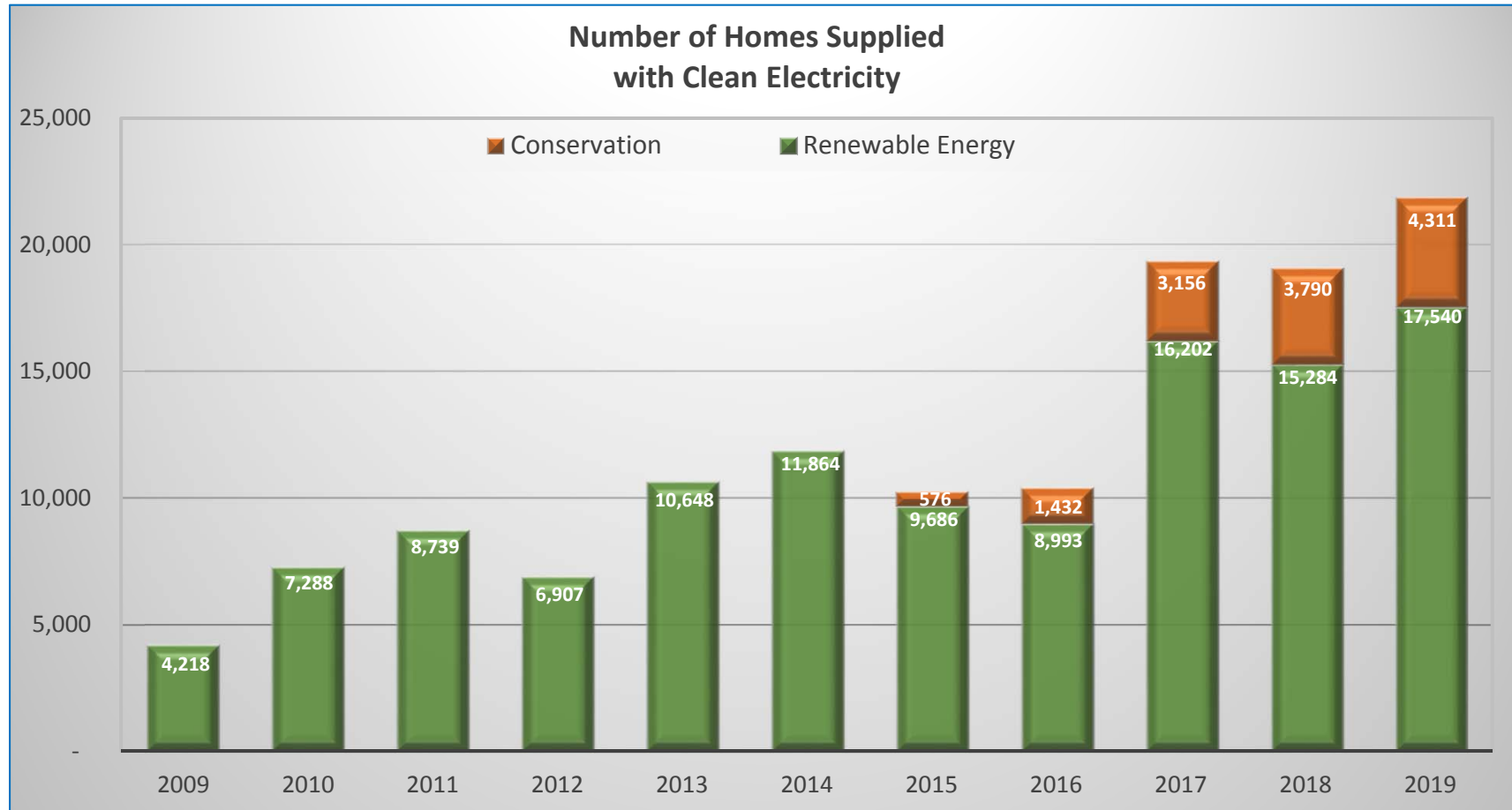
We have capitalized on past electricity sector changes and opportunities.

A Leader in the Renewable Industry



We have the most diversified renewable generation mix in Ontario and we are a leader in the development of new renewable energy projects!

Equivalent Homes We Supply with Clean Energy



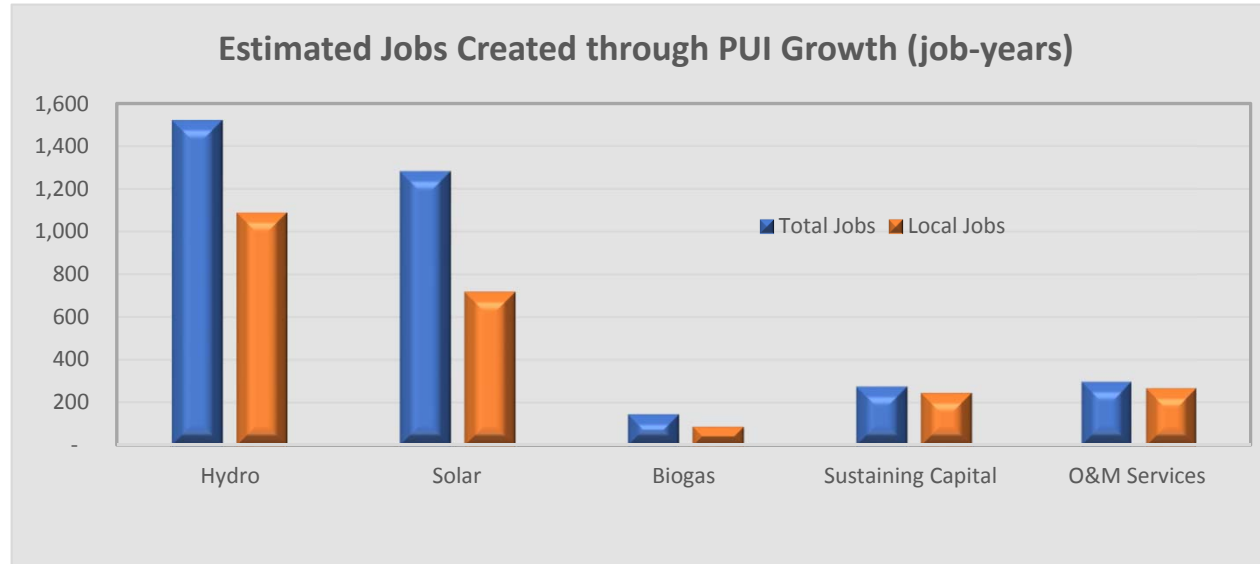
Our growth in renewable supply and conservation is equivalent to supplying 21,851 homes with clean energy. That is two-thirds of Peterborough's residential customers!

Economic Impact of Infrastructure Investment

The Ontario Chamber of Commerce has published an independent, non-partisan study on the economic impacts of investment in infrastructure projects:

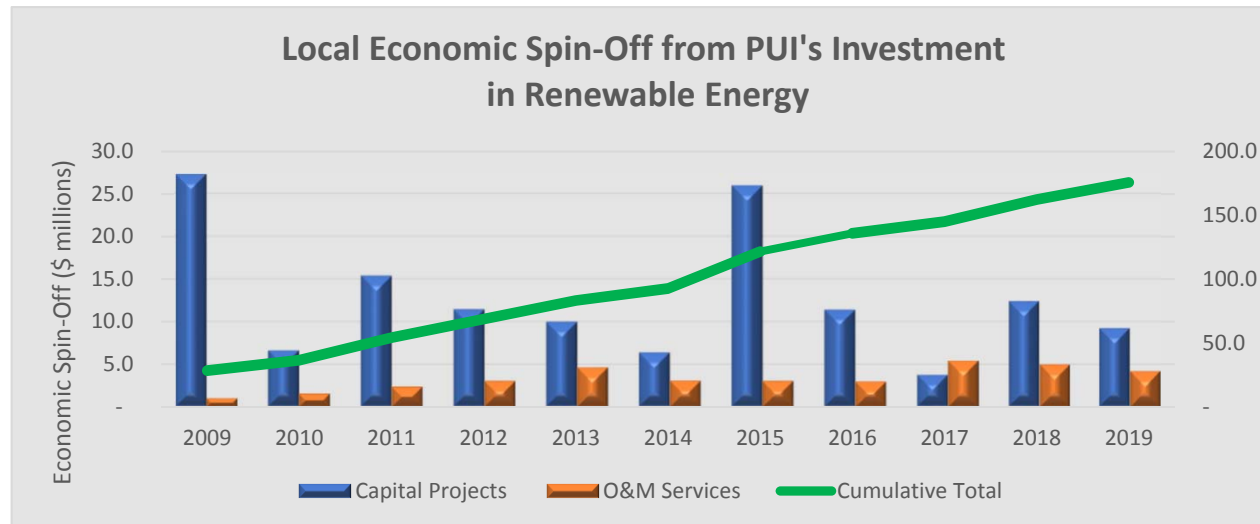
- Research demonstrates that the impact of infrastructure spending on job creation is significant. For every \$1 billion in infrastructure spending, it is estimated that 16,700 jobs are supported for one year.
- Investment in infrastructure also spreads throughout the economy via a series of multiplier effects. For every \$1 billion in infrastructure spending, studies have consistently shown an economic multiplier ranging from 1.14 to 1.78 (i.e. \$1.14 billion to \$1.78 billion increase in GDP).
- Analysis has found that only about one-fifth of the economic benefits of infrastructure investment comes from the capital spent; approximately 80% comes from long-term economic spin-off activities.
- Furthermore, infrastructure investment results in lowered business costs and increased labour productivity.

The Ten Year Economic Impact of our Growth!



Over the past decade, PUI has invested **~\$187 million** into the development of new renewable energy projects and **~\$35 million** in the O&M of these facilities.

This investment is estimated to have supported over **2,400 job-years** of local employment and over **\$175 million** in local economic spin-off to Peterborough and surrounding communities.



Community Partners, Safety and Sustainability



We are a community partner. We have developed projects in partnership with Trent University, the Trent-Severn Waterway, the Curve Lake First Nation, several neighbouring municipalities and the City of Peterborough.



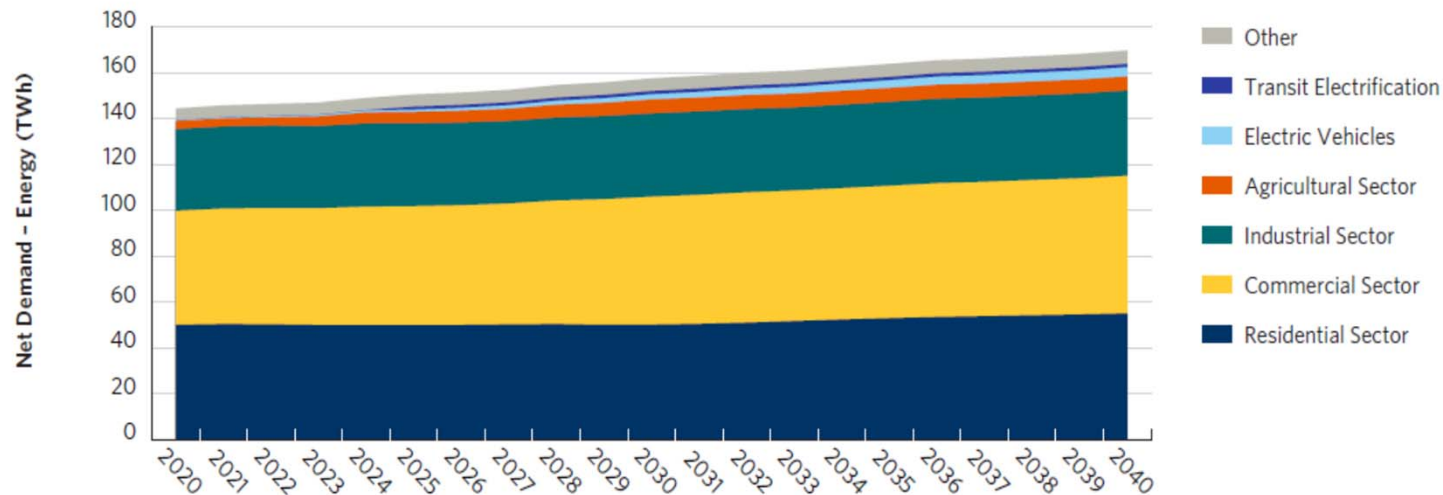
Safety and Sustainability are two of our primary goals in the development, operation and maintenance of our renewable generating stations. We are recognized for our safety leadership in the electricity sector!

The Ontario Market



Opportunities - Forecast Energy Demand Increasing and Evolving

Figure 2: Reference Case - Energy Demand

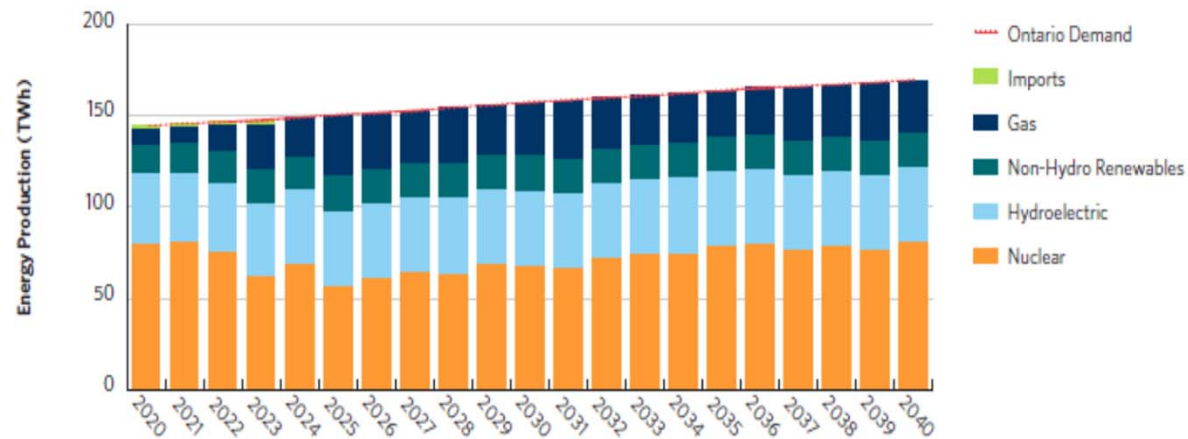


Energy Demand is forecast to grow at 0.9% per annum, primarily from growth and electrification of the commercial and residential sectors and an uptake in EV's.

Further emphasis on Climate Change will accelerate electrification of the commercial and residential sectors (geothermal, electric heat pumps, energy storage) and EV usage for both transportation and energy storage - creating opportunity!

Opportunities - Forecast Energy Supply Mix Changing

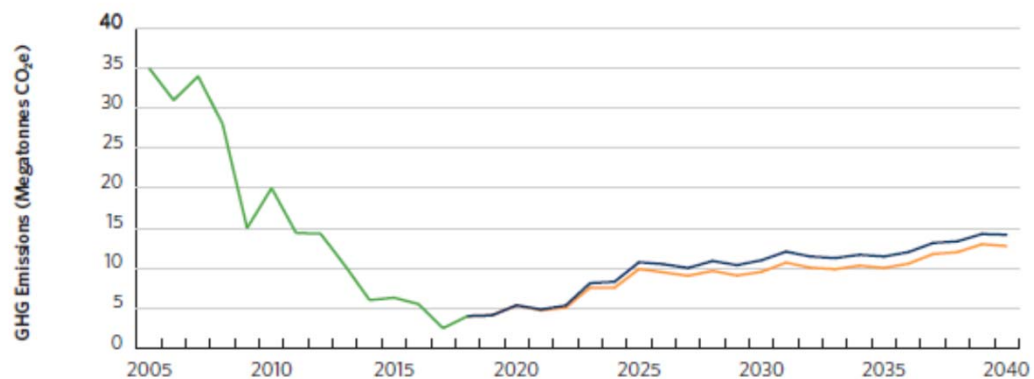
Figure 20: Reference Case - Energy Adequacy Outlook, with Continued Availability of Existing Resources



Energy demand is forecast to be met through nuclear refurbishment and increased use of our existing Natural Gas plants.

The predicted increased usage of Natural Gas plants to supply energy will come under greater scrutiny as Climate Change emphasis continues – creating opportunity!

Figure 32: Electricity Sector GHG Emissions, Historical and Forecast



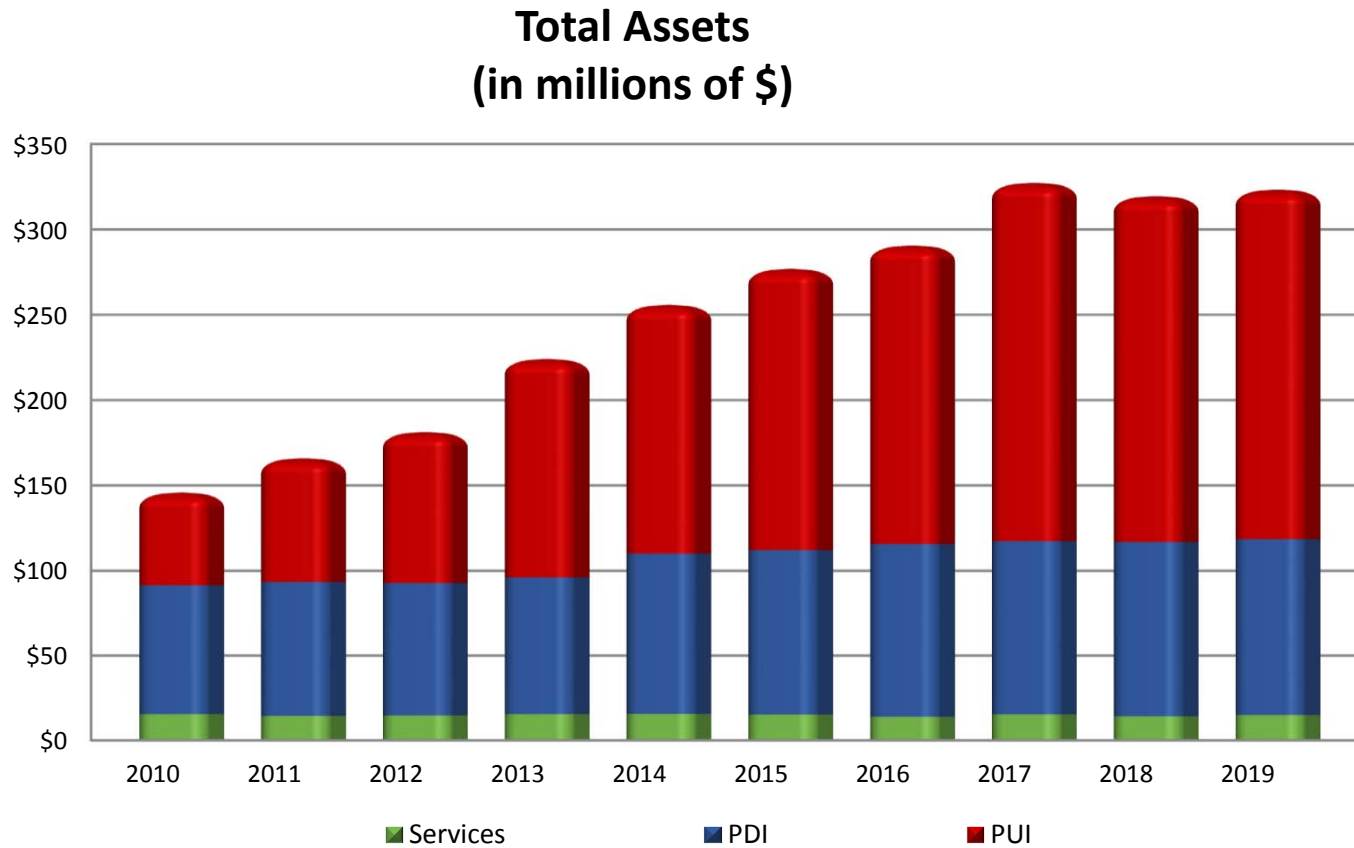
Future Opportunities in the Ontario Market

- **Climate Change** objectives will continue to drive greater integration of renewables and energy storage, and other opportunities such as the integration of geothermal heating/cooling systems and EV's.
- **Hydroelectric power** has broad support amongst all political parties and the public creating potential opportunities for future expansion or redevelopment (i.e. Water Street Pumphouse).
- **Energy storage** (battery and pump storage) is emerging as a new opportunity to meet capacity needs for industrial/commercial customers, LDC's and the grid.
- Opportunities are emerging **to acquire** existing generation assets as some developers leave Ontario to pursue opportunities in other jurisdictions.
- The IESO recognizes that a capacity auction may not be best suited for all resources and is currently reviewing **alternative programs** to enable future development of these resources (i.e. renewables).

Our Historical Performance and Future Potential

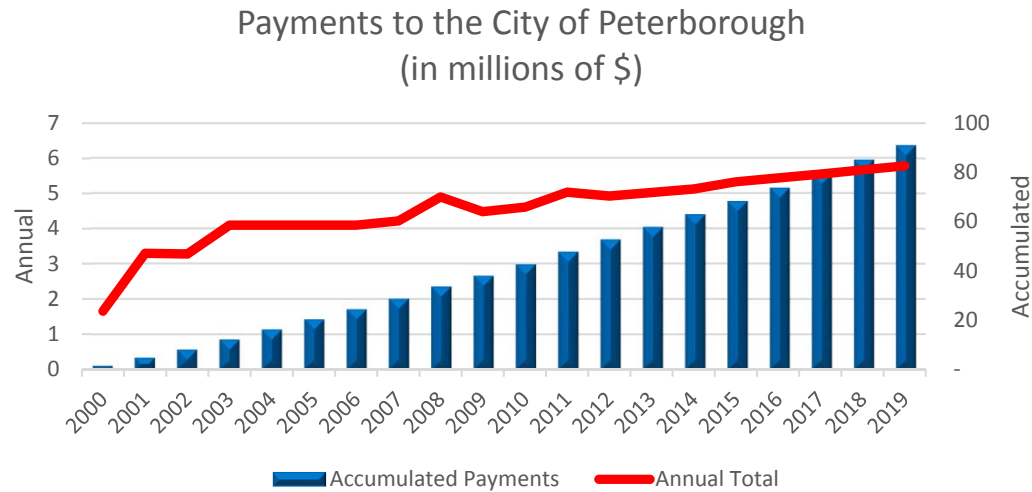


Renewable Investment Growth

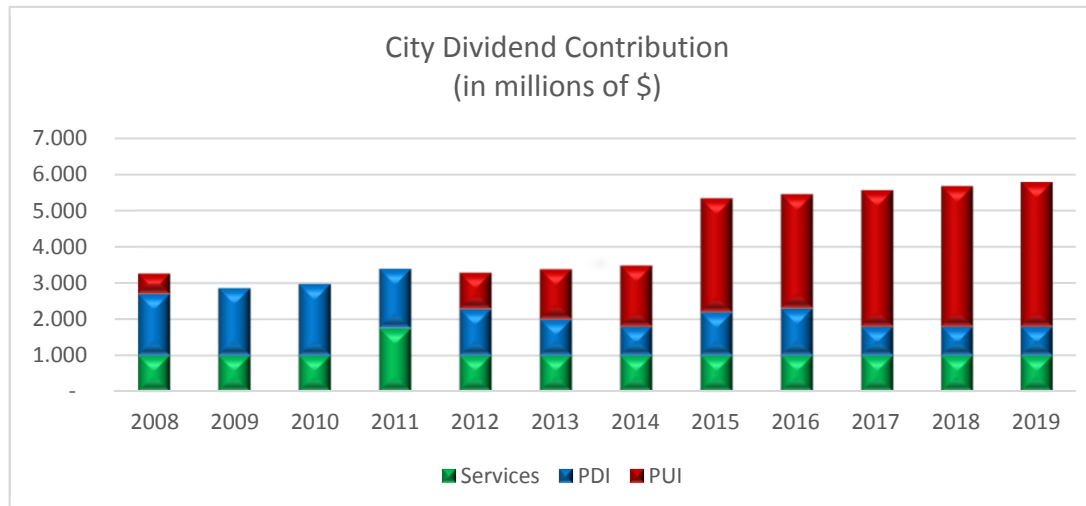


Investment in renewable generation has produced the majority of growth over the past decade.

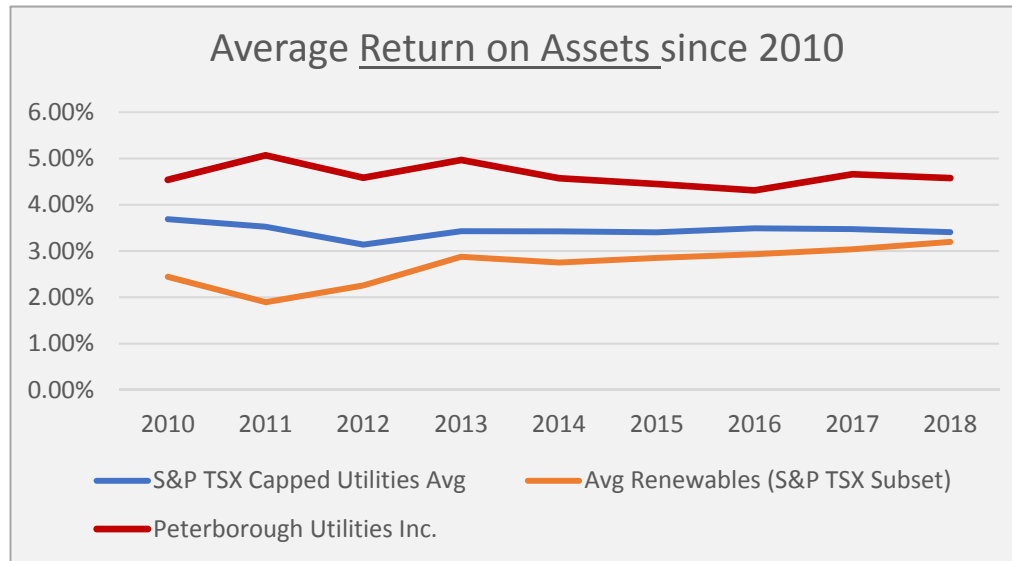
Renewable Investment Drives City Dividends



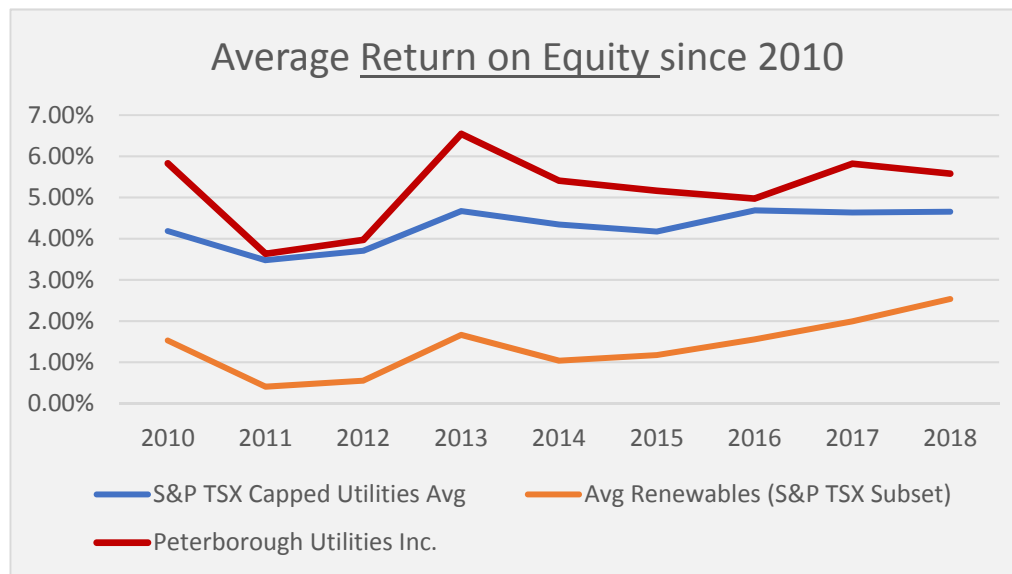
1. Distributions to the City have grown with renewable investment.
2. Created ~\$40 million in shareholder value > the amount invested.
3. Dividends are driven by renewable investment.
4. Dividends are high and continue to grow, unlike other Municipal owned utilities.



Our Performance Exceeds Industry Benchmarks!

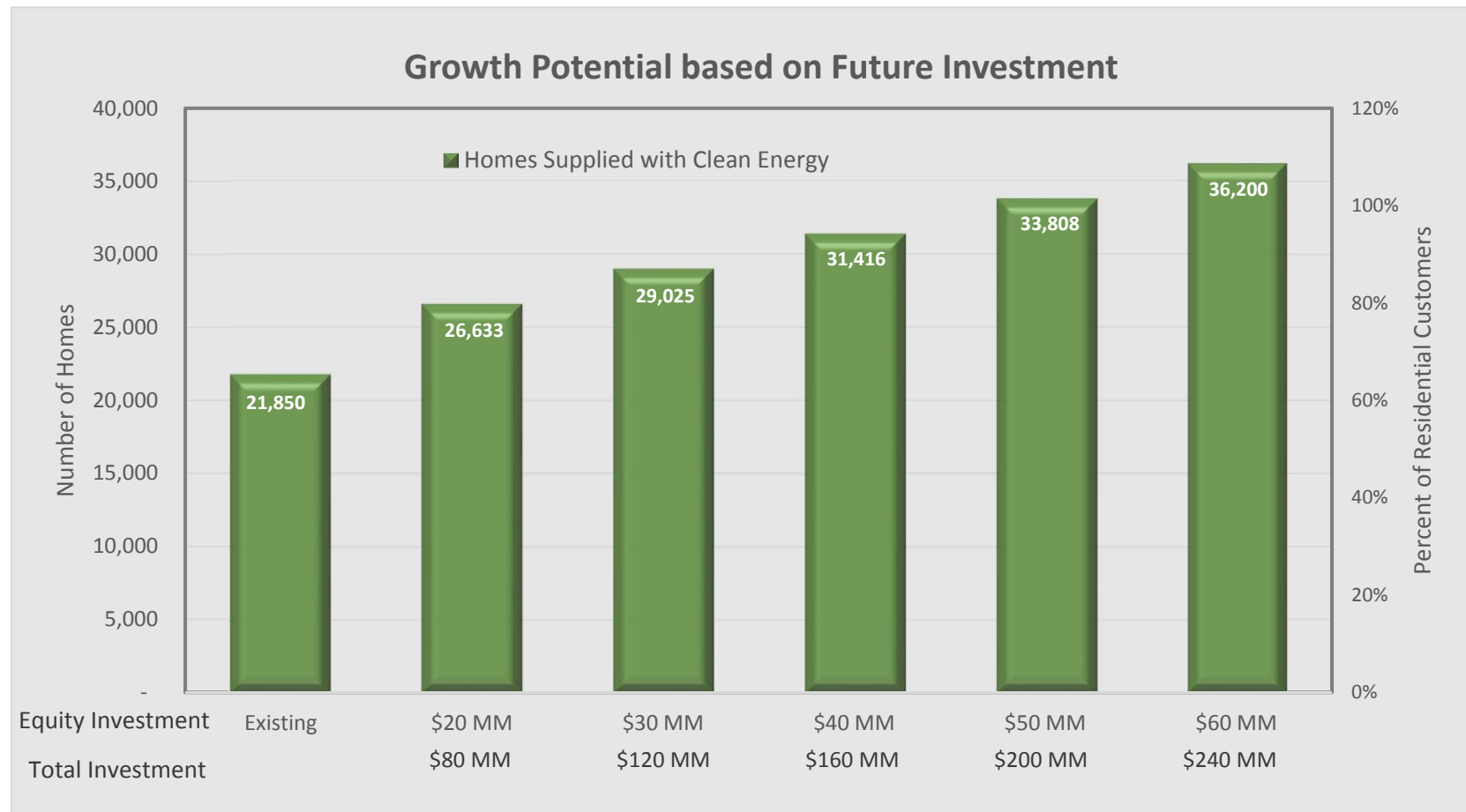


Our performance exceeds the public utility market (S&P TSX Capped Utilities Index).



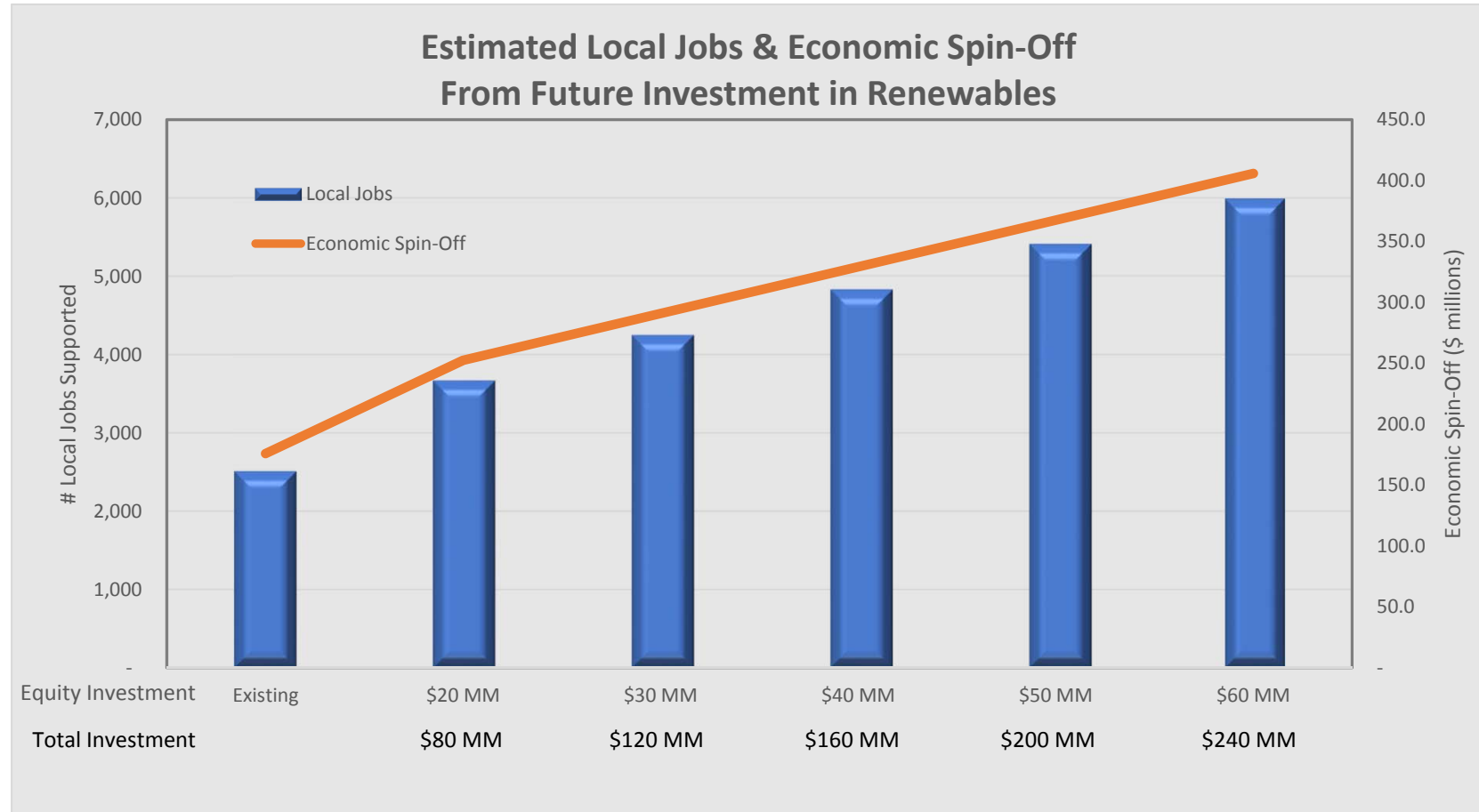
As the City invests in PUI it can do so with the comfort that it is meeting industry benchmarks and creating value.

Climate Change Impact of Future Investment



Further investment in the renewable energy business could increase production equivalent to supplying all of Peterborough's residential customers with clean electricity by 2030 !

Economic Impact of Future Investment



Further investment has the opportunity to support up to 6,000 local job-years of employment and to create economic spin-off valued at over \$230 million over the life* of the projects! (* Assumes 40 years for hydro and 20 years for solar.)

Concluding Remarks



Concluding Remarks

1. We are an industry leader in renewable development and conservation;
2. Renewable development and conservation are key past and future components to Climate Change improvement;
3. We will continue to be a key player in Climate Change Strategy;
4. Our impact extends well beyond profitability:
 1. Local employment;
 2. Positive economic impact from investment and operations;
 3. Community partnership and community contribution;
 4. A proven and sustainable climate improvement engine;
 5. Positioning to support future energy market evolution.
5. In addition, we provide:
 1. Strong cash returns to the City;
 2. Financial performance that is strong, compared to the industry;
 3. Increase in long-term value for the City of Peterborough.

Questions

Appendix C

Proposal for more home energy retrofits in Peterborough City, by Alan Slavin, May 24, 2020

Introduction

This document is a proposal to increase significantly the rate of retrofits being done by using interest from money from the PDI sale. It discusses the need for home energy retrofits to meet Peterborough City's greenhouse gas (GHG) reduction targets, and the progress on retrofits to date. The proposal leverages off incentives provided from the existing Enbridge retrofit program. The program would not only cut the City's GHG emissions significantly, it would also benefit the homeowner from savings on fuel costs and increased property value, increase the tax base for the city, and provide substantial local employment all while returning the loans over time to maintain the City's capital. Several recent studies have recommended that retrofits be funded as an important way to help reboot the post-COVID19 economy, because of the many jobs this would generate.^{i,ii}

I am asking for a motion to add direction by the Finance Committee to direct any PDI sale funds into a capital fund to be used to provide loans to homeowners to fund the retrofits. Details would have to be worked out by City staff.

The need for home retrofits

The City's Climate Change Action Planⁱⁱⁱ (CCAP) says that residential energy use (mostly heating) is responsible for 39% of the City's GHG, and calls for "a comprehensive multi-year deep energy retrofit program focused on existing households to achieve efficiency gains of at least 30% to 50% depending on the age and type of building" with "retrofits in 40% of the residential housing stock by 2031". Data from GreenUP (see below) indicates that about 25% of single detached homes^{iv} in Peterborough City have already received significant retrofits. Therefore, meeting the CCAP's targets would still require about 1000 retrofits per year for the next 11 years. With such a high percentage of GHGs coming from homes, it is obvious that Peterborough (and, indeed Canada) cannot meet its reduction targets without a successful retrofit program.

Estimating the progress of retrofits in the City

It is difficult to monitor the progress on Peterborough home retrofits, because there is no comprehensive reporting procedure in place. However, one can get an idea of this progress by looking at the number of retrofits carried out under the Enbridge retrofit programs, in place for the last three years, which includes free retrofits for low-income households^v and an incentive up to \$5000 for other households.^{vi} To qualify for these program, a pre-audit must show at least a 10% energy saving and a need for at least 2 of the retrofit components. However, the appendix below shows that these two Enbridge programs have resulted in retrofits to only about 0.6% of Peterborough homes over 2016-2018, so the total reduction in GHGs is only about a 0.06% in the City over this period. The 2019 data will not have changed this significantly.

In addition, GreenUP has coordinated the Peterborough retrofit program in the past, which included several years of federal and provincial incentives for insulation upgrades. GreenUP estimates that some 9000 private homes in the City have received substantial upgrades, or about 25% of homes, mostly before the CCAP baseline study was carried out, but this still leaves about 75% of private homes to be retrofitted.

Of course, many people who were ineligible for the Enbridge incentive or who did not take advantage of earlier incentive programs will still have improved the energy efficiency of their homes, but these improvements would unlikely change the numbers above very much, as homes requiring large retrofits

Appendix C

would normally have applied for the incentives. The overall effects of minor upgrades cannot be determined until the city gets another full energy audit as the one that they did for their baseline. The City's Climate Change Coordinator tells me that the City's natural gas consumption has risen faster between 2011 and 2018 than the rate of population growth, suggesting that we are actually still increasing our greenhouse gas emissions from home heating.

In summary, given the average age of houses in Peterborough (new builds typically account for only about 1% of housing per year), and the data above, it seems that about 75% of Ptbo houses still could use major energy retrofits. However, such retrofits can cost as much as \$25,000, and many owners do not have this much available cash even with the Enbridge incentive.

Proposal for an accelerated retrofit program

Ontario has given municipalities the right to loan homeowners money to upgrade their homes through a "local improvement charge" (LIC). The application of an LIC in Peterborough City has already received substantial study.^{vii} That report noted that "there was a local gap in service delivery agents for home audits that were knowledgeable about both adaptation and mitigation retrofits at the household level." This gap can be overcome by using the retrofit providers already approved under the Enbridge program, which has an approved stable of energy auditors and retrofit contractors. The current proposal suggests that the City piggybacks on the existing Enbridge incentive program, and uses the interest on money from the sale of PDI to fund LIC loans to cover the amount of the retrofit cost remaining after the Enbridge incentive. Once a home is approved by an Enbridge energy audit, the City would provide a loan at 2% interest for up to a 20-year payback. The 2% interest is enough to cover inflation and guarantees that the principal from the PDI sale remains in the City's coffers, over the long term, for other uses.

As an example, assume that the cost of a retrofit is \$15,000 so the homeowner would need a loan for \$10,000 after the Enbridge \$5000 incentive. The appendix shows that this 20-year loan requires an annual payment of \$707 compared to typical annual saving for fuel of \$720 forever, which covers the owner's LIC payments. However, the owner also immediately benefits from a higher property value and the City benefits from increased property taxes. Moreover, the current federal carbon charge will add about 5% to the cost of fuel per year, so the annual saving to the house owner increases by about 5% every year.

It is unlikely that, even with this plan, all the 1000 retrofits per year targeted for retrofits in the CCAP would take place. Assuming 200 houses per year were retrofitted under the example above, this would require \$2 million/year from the City. The funds could be found if the money from the sale of PDI for about \$50 million was put into a capital fund. If this fund was invested at 5% per year, it would generate \$2.5 million annually, which would more than cover the LIC loans. Of course, the repayments on the LIC loans would be slowly adding to the fund, which would be fully restored after 20 years.

The money from the PDI sale can also be used to leverage retrofit incentives from other federal programs, making the PDI funds go much further. For example, the FCM (Federation of Canadian Municipalities) has recently announced a program^{viii} to provide up to "Up to \$10 million in loans and partial loan guarantees and grants worth up to 50% of the loan amount". That is, a contribution from PDI funds could be matched by FCM funds, and the loan guarantee could allow more retrofits to be carried out early on, with the homeowner's payments covering the FCM loan interest. The FCM includes an LIC system (called PACE in the FCM document) as one of two allowed funding approaches.

Appendix C

The world has only 10 years to bring down its GHG emissions by 45% to avoid a climate catastrophe. This plan only goes a small way to solving that problem, but it would be almost 10 times faster than our current rate of home energy retrofits.

Appendix

Enbridge tells me that “Cumulatively over the 2015-2018 period, approximately 10.4% of the low-income homes in Enbridge Gas Distribution’s franchise area participated in the Home Winterproofing program”, with an average gas saving of 800 m³. Since the average house uses 2700 m³/year^{ix}, this is an energy saving of about 30% per retrofit. Peterborough has about 37,000 detached homes, so the low-income retrofits make up only about 111/37,000 ~ 0.3% of Peterborough homes. (In 2019, 61 homes participated in the Home Winterproofing Program in Peterborough, with an average saving of 832 m³.)

Enbridge has provided 2017-2018 data for non-low-income homes in the entire county, including the City, but the numbers are a reasonable estimate for the City because much of the county is not serviced with gas. In 2017 and 2018 there were 142 retrofits. “In 2017, average gas savings was 27%, while in 2018 it was 17.4%.” Again, this is about 0.3% of Peterborough homes being retrofitted. If we add this to the 0.3% of low-income homes, we get about 0.6% of homes retrofitted (over 2 years) so the total reduction in GHGs from Enbridge-program retrofits is roughly 0.006 x (~0.25 energy savings) x 0.4 (% of GHGs from homes) = .0006 or a 0.06% reduction in greenhouse gases in Peterborough from the Enbridge home retrofits. (Recent data from Enbridge shows that, in 2019, 61 homes participated in the Home Winterproofing Program in Peterborough, so this does not change the above arguments significantly.)

As an example, assume that the cost of a retrofit is \$15,000 so the homeowner would need a loan for \$10,000. Amortized over 20 years at 2% interest requires a monthly payment of \$50.55 or \$707/year. Assuming a typical annual heating bill of \$2400^x before the retrofit, and savings of 30%, means an annual saving to the homeowner of \$720 forever, which covers the owner’s LIC payments.

ⁱ <https://www.pembina.org/media-release/path-healthy-post-pandemic-economy-detailed-new-paper>

ⁱⁱ <https://www.cbc.ca/news/canada/saskatoon/renewable-energy-retrofits-touted-as-job-creating-alternative-to-oil-sector-devastation-1.5537310>

ⁱⁱⁱ <https://sustainablepeterborough.ca/wp-content/uploads/2016/11/Chapter-1-City-of-Peterborough-Climate-Action-Plans-FINAL.pdf>

^{iv} <https://www12.statcan.gc.ca/census-recensement/2016/as-sa/98-200-x/2016005/98-200-x2016005-eng.cfm>

^v <https://energy-savings-programs.ca/winterproofing-program/>

^{vi} <https://enbridgesmartsavings.com/home-efficiency-rebate/incentives> and

<https://www.thehomeinspectorsgroup.com/rebate-and-incentive-programs/enbridge/>

^{vii} <https://sustainablepeterborough.ca/wp-content/uploads/2018/03/City-of-Peterborough.pdf>

^{viii} <https://fcm.ca/en/funding/gmf/community-efficiency-financing-new-existing-residential-energy-financing-programs>

^{ix} <https://www.nrcan.gc.ca/energy/natural-gas/5641#home>

^x https://www.fao-on.org/en/Blog/Publications/home_energy

Renewable Power Generation Investment Trust Fund

**Concept Proposal to the City of Peterborough
With respect to the investment of proceeds from the sale of PDI to Hydro One**



Submitted by Transition Town Peterborough Inc.

171 A Rink St. Suite 166, Peterborough, On. K9J 2J6

www.transitiontownpeterborough.ca.

Canada's First Transition Town

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- B Trust Fund Leading Objectives**
- C Trust Fund Recommendation and Integration with the City Of Peterborough's Climate Crisis Emergency Response.**
- D Expanding the Trust
Embracing the whole of the City and County's Non Capital Response to the Climate Crisis Emergency.**
- E Appendix 1
Resiliency Imperative & Framework
Building a more Resilient Peterborough by 2030
Article by Fred Irwn as published in the Greenzine January 2020**
- F Appendix 2
Resiliency Imperative & 4 E's Framework
Centrefold as published in the Greenzine Magazine January 2020**

A Introduction

1. This Concept Proposal is presented as the first phase of a Phased Program Planning Process which includes Concept/ Feasibility/ Design/ Implementation.
2. For reference this Concept Proposal titled Local Renewable Power Generation Investment Trust Fund is referenced as the **Trust Fund** .
3. The two other Options as proposed to City Council are :-

The Creation of a Peterborough Legacy Investment Fund referred to as the **Legacy Fund**

And the City of Peterborough Holdings Inc Investing in Renewables herein referred to as **Ptbo Holdings Fund**.

4. It is recognized, that there are viable combinations of these three Options that could be explored to achieve similar outcomes.... some of these will be referenced in this proposal.
5. This concept proposal makes no attempt to quantify the financial return on investment and financial risk of any of the Fund Options versus the other.
6. This proposal refrains from the diversionary discussion of whether or not the City of Peterborough can actually set up a operational investment trust or structurally similar entity. That discussion and research would be part of the Feasability/Design Phase. However, Transition Town research indicates that a Trust of this type can be created just as the City could set up its own municipal bank and issue its own complimentary currency as Transition Town Peterborough has demonstrated. The advantages of a Trust over simply a Resilient Community Fund as an example come in to play when the long term commitment involved in the adaptation of everything to guide the City and County into the Post Carbon era of 2050 is appropriately considered .
7. *This proposal constitutes Transition Town Peterborough's contribution to put the Trust Fund Option in the most favorable position to help create a more Resilient Community in the context of the Climate Crisis Emergency as declared by the City Of Peterborough.*
8. With full disclosure Transition Town Peterborough as a not for profit social enterprise is not now nor a anticipated future candidate for funding from this Trust Fund Option as recommended.

B Trust Fund Leading Objectives.

Leading Objectives are designed to :-

- maximize the local renewable power generation of the City and County of Peterborough. The understanding is that *% of Energy Consumed that is Locally*

Generated is a critical measure of Energy Security and Community Resilience as referenced in Appendix 2

-
- maximize the number of local sustainable jobs created .
- support projects that encourage local investment both large and small such as both Energy Co Ops and Farmers and Food Co Ops with Energy Co Op components.
-
- support projects that maximize the local Economic Multiplier effect such as those that make use of the Kawartha Loon Local Currency and other local supplier inputs and services.
- support the prioritization of projects that integrate renewable power generation with other life essentials including food ,water, wellness and culture. These projects could include a downtown solar energy co- operative to increase Energy Security leading to the social and economic viability and vitality of the Ptbo Downtown Core as the heart and soul of the community. Other candidates for local renewable power generation systems would include the Regional Hospital, any local electrified public transportation system, any physical infrastructure Regional Food Hub and year round farmers' market,Trent University, Fleming College and any future replacement of the Memorial Centre.
- integrate with projects that also lead to and support Energy Descent required to make the community even more resilient.

C Trust Fund Recommendation and Integration with the City of Peterborough's Climate Crisis Emergency Response

1. The lack of integration of any of the three Options with our local Climate Crisis Emergency Response has to be considered an opportunity lost of significant magnitude.The Trust Fund Recommendation is considered the best option to help move the community into a robust leadership position with respect to its Climate Crisis Emergency Response.
2. The Trust Fund Option as recommended is for a minimum of \$50 Million into the Trust and the balance of proceeds from the sale of PDI to be held in a short term investment reserve to firstly set up the Trust Operation and Executive and operating staffing to launch within a year.
3. This recommendation is presented in support of the idea that a capital gain produced by long term investment by the citizens of the City and County of Peterborough such as we have with the sale of PDI needs to be invested for the long term Energy Security and the 4 E's Framework benefit of those same citizens. The 4 E's Framework is presented in the attached Appendix 2.
4. The Trust Fund Option would be formed at arms length from the City Of Peterborough with likely two City Councillors on the Board of Directors serving in an oversight capacity while productively removing politics from the investment decision making

process for greater local energy security.

5. The Trust Fund would be a Operational Investment Trust with some characteristics and skill sets that are inherent in both the Legacy Fund Option and the Ptbo Holdings Option. As an example The Trust Fund Option would likely use commercial risk analysis and rate of return objectives such as already exist in both of the other two options. However the Trust Fund Option would only invest in local renewable energy projects both large and small while the Legacy Fund Option would likely be shaped to maximize the return on investment (ROI) with little or no constraint on investment location or type of investment.
6. It is recognized that all or part of the return from both The Legacy Fund Option or the Ptbo Holdings Option could be re-invested in a Resilient Community Fund. However relying on future City Councils to keep that re- investment in place during the times of budgetary constraints such as now exists during the COVID 19 Pandemic supports the need for a Trust Fund committed to the long term objectives as presented in Section B.
7. The Legacy Fund represents the least desirable option with marginal opportunity to provide any more leverage against the Trust Fund objectives as outlined in Section B than the re-investment of the return as presented above.
8. Ptbo Holdings has very important and marketable skills involving the oversight if not the actual work to evaluate and engineer renewable energy projects of all types including integration with the existing local grid soon to be owned and operated by Hydro One. It also has the skill to act as Operator of large and medium size energy projects of various types, and has further demonstrated ability to work with both commercial and residential users on increasing energy efficiency.

Unfortunately the ability to advocate and promote energy efficiency without strtonng dedication to a net community-wide energy descent initiative is not likely to create the resilient community needed to flourish in the Post Carbon Era. Suggesting that Ptbo Holdings could maximize the communities Renewable Energy projects while supporting and promoting energy efficiency and then asking them to lead the drive for net community-wide Energy Descent is like asking them to shoot themselves in the foot and plan for their own demise. Its simply not a compatible mission for Ptbo Holdings .

As such the opportunity for the Ptbo Holdings Fund to achieve the Trust Fund long term objectives presented is much less than the Trust Fund Option as presented..

9. However, the Trust Fund Option policy formulation would allow Peterborough Holdings to apply for some portion of the Funds for its own renewable energy projects. These projects would likely be of lower risk and actually help to stabilize the Trust Funds income in its early start-up phase.
10. The Trust Fund's first recommendation of project plans review and evaluation and as For Fee Project Operator, would be to Ptbo Holdings in order to maximize local investment.
11. *It is this separation of the fund source at arms length from the City of Peterborough and from Ptbo Holdings that has the potential to create more projects more quickly that*

create more local small and medium investment opportunities that create more local sustainable jobs through the community building the Economic Multiplier Effect and in the end produce a higher percentage of local power as a measure of Community Resilience and as renewables lead to lower local carbon emissions .

D Expanding the Trust embracing the whole of the City and County's Non Capital Cost Response to the Climate Crisis Emergency.

1. The Trust idea has been in the Transition Town Peterborough play book since its inception in 2007.
The global transition model addresses the Energy Economic and Environmental predicament that we are in and deals with all three together at the same time as a system, and in so doing pursues absolute Energy Descent as well as Emissions Reduction from the burning of fossil fuels to create a more resilient community to prepare for whatever lies ahead.
Switching from fossil fuels to renewables is the first mitigation and adaptive step but will not on its own prepare us for the Post Carbon Economy of 2050 and beyond.
2. Transition Town Peterborough has conducted multiple Town Halls and follow up group sessions on the formation of a City and County Owned Investment Trust ..at the time it was called the Triple E Trust representing Energy, Economics, Environment and with the addition of Equity as the fourth E the Transition Town model now talks about the 4 E 's Framework.
3. The Investment Trust idea and focus on building a more Resilient Community has been left to the Non-Profit sector and to the small amount of money provided by Grants and locally-owned business sponsors.
The City and County's efforts were and are about gaining business and NFP support for the Community Sustainability Plan and Climate Change Action Plan with no project plan funding behind them. The result is a public perception of these plans as award programs with little accountability to the Citizens of the City and County of Peterborough.
4. Hopefully, the City Council will take this Trust Fund Recommendation for the management and use of the funds from the sale of PDI as a significant opportunity in its own right and to begin the process of expanding the Trust to embrace the whole of the City and County's response to the Climate Crisis Emergency.
5. As a brief outline a **4 E's Operating Investment Trust** would:
 - a) Require annual funding from both the City and County of Perborough (estimated at 1% of respective 2020 operating budgets rising to 2% by 2030)
 - b) Clearly define its Community Based 4 E Resiliency Goals and Objectives
 - c) Be composed of at least three entities at this writing including the:

Renewable Energy Fund: created with funds from the Sale of PDI
Climate Crisis Emergency Fund already started by the City of Peterborough

and where the bulk of the annual funding from the City and County would go. **Kawartha Loon Exchange** transferring the Currency Issuer from Transition Town to the 4 E's Operating Investment Trust allowing the Trust to accept the interest on the Canadian Dollar Reserve which backs the Kawartha Loon

- d) Clearly identify the beneficiaries of the Trust as the Citizens of the City and County of Peterborough.
- 6. Expanding the Trust to a City and County jointly owned and supported Investment Trust is the best way to work together and make our community whole in terms of building resilience in life essentials. This is not to say that the negotiating process and trade offs will easily be digested by either parties, but to even think that the City and County can address what lies ahead on their own is beyond comprehension.
- 7. Lastly, now is the time to face the reality that nothing much that we are doing collectively is enough for our community to fully recover from the social and economic Impact of COVID 19, let alone prepare us for the Climate Crisis Emergency that lies ahead. It therefore seems to be the time to think and act boldly in the best interest of the Citizens of the City and County of Peterborough.

Transition Town Peterborough May 2020

The Resiliency Imperative & Framework.

Building a More Resilient Peterborough by 2030

“Climate Change is creating a vicious cycle in which that change creates greater extremes in weather which create more demand for energy which is still largely generated using fossil fuels -which then release more greenhouse gases creating more extreme climate.”

Kurt Cobb Resource Insights.

The only downturn in planetary warming caused by GHG emissions was during the 2008/2009 Great Recession as global economic growth stalled. Despite our collective global efforts GHG emissions have continued to rise ever since. They are on track to exceed what scientists have identified as the 2030 tipping point of no return from the worst effects of the Climate Change Crisis.

The question before us now is how do we bring the City & County Councils, locally owned businesses and farming enterprises supplying food to the local market, Not For Profit organizations, citizen led groups and citizens at large to work together on an integrated framework to become more resilient by 2030. This is the Resiliency Imperative and likely the dominant struggle we face moving forward to 2030.

“Resilience is the capacity of a system to encounter disruption and still maintain its base structure and function.” Richard Heinberg Fellow Post Carbon Institute.

The Resiliency Imperative suggests a balanced Framework integrating everyone's work within the 4 E's of the **Economy, Energy, Environment, and Equity both social and economic.**

From years of study by the Transition Movement here in Peterborough and around the world, by the New Economy Coalition and The Post Carbon Institute some things relating to the 4 E's have become very clear.

First: Shifting to renewable sources of energy is highly desirable. However, such a shift will not be sufficient to maintain our complex lifestyles that we currently enjoy. Energy Security and community resilience requires the need for a significant per capita decrease in the usage of all forms of energy. This is called Energy Descent and is the foundation direction of the Transition Movement here and around the world.

Second: We ignore building our own community based economic localization infrastructure at our own peril. Large corporations continue to hollow out our community, because we don't recognize and support the economic models that build local resilience and security, leading to increased vitality, jobs, prosperity and community renewal through new family formation.

Third: Environmental Degradation, and Social and Economic Inequities will continue to dominate our political outrage and Climate Change Crisis attention until we re- focus to a balanced approach which addresses Energy Descent and Economic Localization Infrastructure, the lack thereof being the root causes of both.

Fourth: As a community, we can expect to get financial support from the Federal and Provincial governments, for some services, shifting energy to renewable sources and for capital projects that support physical infrastructure including low income housing. However, as the Climate Change Crisis deepens we can expect that the bulk of the job of building a more resilient and secure community will be up to us!

We can easily relate to the lack of economic localization infrastructure when we start to consider securing our food supply. There is little debate about the probable disruption of our industrial agriculture food supply within the ten years to 2030. The California fire cycle has moved from seasonal to full year and water in many countries and US states supplying us with food is getting much more scarce. Not only will food prices rise for everyone but the working poor and less fortunate are in danger of becoming even less food secure than they already are in the GPA, reportedly one of Canada's most food insecure regions.

Appendix D2

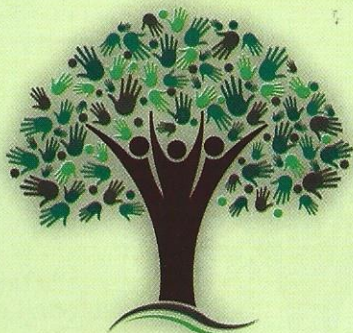
Economic localization infrastructure required to help secure our local food supply includes a local Food Hub with a year round farmers' market, storage, and interest free commercial bank loans supported by the Municipality for local farmers selling into the local market, as well as for other businesses in the local food supply chain. These few ideas are neither new nor exhaustive in terms of gaining much greater food security through building our economic localization infrastructure.

We invite our City and County Councils, every organization, business and citizen in the GPA to focus on what their contribution might be towards building a more Resilient Peterborough by 2030.

Fred Irwin Founding Director Transition Town Peterborough Inc.

Transition Town Peterborough is Canada's First Transition Town and a member of the International Transition Towns Network, the New Economy Coalition and the Post Carbon Institute

Climate Crisis Reality Check!



*Global emissions keep on rising!

*Emissions increase will be well past the 2030 tipping point of no return from the most catastrophic effects of the Climate Crisis!

*Emissions reduction we achieve in Peterborough (although highly desirable for community resilience) will not change the climate effects that we will experience.!

*The Federal Government's Carbon Tax provides some hope, but the low price it sets on carbon, and provincial political pressures will predictably prevent it from making all but a marginal impact on Canada's emissions through to 2030!

*The Economic Growth Boom since the Great Recession of 2008 /2009 is nearing its end. A global economic slow down is looming!

*Both the Federal and Provincial Governments are operating with growing Deficits with not much room to stimulate the economy or finance Climate Crisis Resilience Actions!

*The only viable strategy for the Peter Patch is to build its own Community Resilience as quickly as possible for its own citizens to thrive and prosper through the Climate Crisis!

It's up to us!

RESILIENCY IMPERATIVE

Permaculture Design Practices become the Foundation of the 4 E's Framework to integrate and work as a System approach to Building A Resilient Peterborough Community.

*Our First Responders readiness are critical components of any system to rebound after any Climate Crisis Event or long term disruption.

*The adequacy of our physical infrastructure of roads, city streets, bridges, sewers and water supply, and power grid are also facing severe challenges. One of the most important of which is the ability to redirect locally produced renewable electricity to local emergency needs enhancing our local Energy Security.

Funding 4 E Actions:

Most of the 4 E Actions to build a more resilient community will need to be funded by local Municipal Governments. Transition Town has recommended the 2% Municipal Fund for the City of Peterborough starting at 1% of its operating plan budget in 2020 rising to 2% in equal increments to 2030. This proposed fund does not address Capital Projects.

The intent in this document is to highlight some of the most important 4 E opportunities that can create the greatest increase in community resilience by 2030. Transition Town Initiatives are identified.

Energy:

Decreasing the use of all forms of energy is the No 1 requirement for building a resilient community. One Energy Descent Initiative: the Transition Neighbourhoods Project for home owners is planned to move into Pilot in Peterborough this year with full implementation starting in late 2020 with funding from the 2%

Municipal Fund. This represents Behavioural Economics in action building our local economy and creating more local jobs.

Funding From the Sale of PDI estimated at between \$50 M and \$55 M is recommended to be used to increase our Energy Security providing Kick Start Capital Funding for the formation of multiple Renewable Energy Co- Ops attracting small and large local investment, which also build the local economy and create local jobs.

Switching all Public Vehicles to Electric is an important way for local municipalities to show leadership encouraging the private sector businesses and citizens at large to do the same on a heightened time frame to 2030 ...the Ripple Effect in action reducing the net energy consumed in the GPA and lowering our Carbon Footprint..

Economy:

Rebuilding our Economic Localization Infrastructure is the No 1 opportunity to increase community economic resilience. The Transition Town model demonstrates that the community can take back a significant part of its economy by building economic localization infrastructure around the security of life essentials required to adapt to the Climate Crisis. Life essentials include Food, Water, Energy, Culture, Wellness. The added benefits are more local sustainable jobs and greater economic equity.

Economic Impact and Jobs Analysis of 50 % Local Food by 2030 needs to be funded by the 2% Municipal Fund and embraced by the City of Peterborough as a key opportunity to advance local food growth, storage and processing while producing new local jobs and advancing economic equity.

"Resilience is the capacity of a system to encounter disruption and still maintain its base structure and function."

Richard Heinberg Post Carbon Institute

- 4E'S FRAMEWORK

Local Food Supply Chain interest free loans from commercial banks are needed to support local farmers selling into the local market as well as locally owned businesses in the local food supply chain. The interest on such loans would be provided from the 2% Municipal Fund.

Converting the Kawartha Loon Local Currency, founded by Transition Town, into a Loyalty Program for locally owned businesses and farming enterprises to allow them to better compete with National and Global Corporations all of which are supported by subsidized oil and global supply chains and with their own loyalty programs. The conversion of the KL to both a digital and print fully monetized legal currency requires the financial support from the 2 % Municipal Fund. Concurrently, Transition Town is prepared, as originally conceived, to transfer the KL ownership to any entity jointly owned by the City and County of Peterborough such as a Climate Change Operating Trust or the Peterborough Kawarthas Economic Development.

Environment:

The very best thing we can do for our local environment is reduce our Carbon Footprint. That is the start and that is why this 4 E's Framework started with Energy and moved to Economic Localization Infrastructure.

If we move as quickly as we can towards *Building Our Local Living Economy* in all the life essentials our citizens will be motivated to provide much of the physical work to beautify neighbourhoods, create pollinator gardens grow more of their own food and protect their homes from flooding and to work with the City and County for the regeneration of the soil to absorb moisture and to act as a carbon sink.

The 2% Municipal Fund should be accessible to locally owned businesses, NFP and citizens at large for funding special projects to enhance environmental regeneration

The City has likely identified low traffic neighbourhood streets subject to heavy rainfall flooding.

These need to be put in a plan to return to Sponge Designed Streets in a orderly fashion to 2030 with consultation and participation with resident home owners as volunteers.

The City and County need to be responsible for environmental regeneration of all public parks, providing space for accessible community gardens and for the provision of Food Forests.

Equity: (social and economic)

With Community Leadership both social and economic equity can be enhanced by our collective focus on the economic localization infrastructure for all life essential. However, expansion of Community Gardens supported by local municipalities will also be required.

Further, recognizing the GPA as one of Canada's leading areas of food insecurity, it is recommended, that the City of Peterborough purchase multiple local farms to kick start Co- operative Farming in the area.

Two other big social and economic equity issues in a new resilient GPA are affordable energy efficient Public Transportation and affordable energy efficient Housing Solutions. The City's position and actions on both are far behind the curve of the advancing Climate Crisis. And both have an effect on our community wide Carbon Footprint.

A Resilient Community Measures:

Carbon Footprint

% of
Energy Consumed
Locally Generated

% of
Food Consumed
Locally Grown
& Processed

% of
Working Population
Working for Locally
Owned Businesses

% of
Working Population
that walk, bike,
e-bike or take public
transportation
to and from work

Community
Equity Rating



"Together we can make the Greater Peterborough Area the most Resilient Community in Canada by 2030"

Investment Proposal: The Corporation of the City of Peterborough (Reserve Fund)

BMO Nesbitt Burns

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About BMO Nesbitt Burns

- BMO Nesbitt Burns is one of North America's leading full-service investment firms. It has been committed to helping clients meet their investment objectives and goals since 1912.
- Today, BMO Nesbitt Burns is focused on meeting the needs of individual investors through a customized approach to wealth management. Backed by our industry leading research, we believe in maintaining strong relationships with our clients and providing industry leading solutions.
- As part of BMO Financial Group, BMO Nesbitt Burns also provides clients with access to one of the broadest selections of wealth management solutions and services available today.

Appendix E About Our Local Branch

Located in the heart of downtown Peterborough, our Branch is at the core of the major business centre within the Kawarthas.

Run under the leadership of a BMO Nesbitt Burns Branch Manager, our Branch includes 3 Investment Advisors and dozens of support staff.

We are proud of our team-spirited approach and open door policy to sharing ideas and, as a result, work in a highly productive environment.

We should note that we are not restricted, in that we can meet you any time and any place!

Your Investment Advisor

Appendix E

George Ripoll, CFA, CAIA, MBA, CIM, PFP



George Ripoll, CFA, CAIA, MBA, CIM, PFP has been an Investment Advisor for over 7 years, the last five have been at BMO Wealth Management as a Financial Planner, Investment & Retirement Planning.

He attended Trent University where he obtained a Bachelor's Degree in Business Administration and Economics in the Honours program (**Hons. BBA & Econ**). He later went on to attend the University of Birmingham for his Master of Business Administration (**MBA**), and recently completed a Master of Science in Economics and Finance at the University of Bath (**MSc. Econ**).

He holds various designations such as Chartered Investment Manager (**CIM®**), Personal Financial Planner (**PFP®**), Chartered Financial Analyst (**CFA®**), and Chartered Alternative Investment Analyst (**CAIA®**) allowing him to specialize in alternative investments, among others. He has also passed various courses with the Canadian Securities Institute including the Canadian Securities Course and the Conduct and Practices Handbook.

George was born and raised in Peterborough, where he still resides to this day. He has been an active member of the community through participation of local boards, such a Peterborough Community Futures Development Corporation, and sports teams, such as the Lakefield Chiefs Jr C Hockey Club, as well as Peterborough Minor Hockey and Lacrosse. He enjoys spending time with his family and playing golf with his friends.



Louis-Philippe de Sève-Bergeron

Director, Tax Planning,
BMO Private Wealth

Louis-Philippe de Sève-Bergeron aims at providing information and guidance relevant to the complex tax environment individuals and businesses live in today. To coordinate the best client-focused solutions, he often works with our clients' external lawyers and accountants. The goal is to ensure that a well-rounded team of professionals is working to improve our clients' situation. Louis-Philippe, a lawyer holding a Master of Taxation and the Tax & Estate Practitioner (TEP) Designation, has worked extensively on corporate reorganizations & restructuring, estate planning, and establishment of trusts.



Pamela Wheeler, MTI

Director, Estate & Trust Services
BMO Private Wealth

Pamela works exclusively in administering a diverse group of portfolios of Estates, Trusts, and Encircle accounts.

She has been in the trust industry for over 30 years and has successfully completed her Member Trust Institute Designation & Canadian Securities Course.



Karen Gowdy

Estate & Insurance Advisor,
BMO Private Wealth

Karen has more than 30 years of experience in the financial services and insurance industry. She works with our team to review a broad range of financial issues important to every client. She works in the disciplines of estates, insurance, and tax planning.

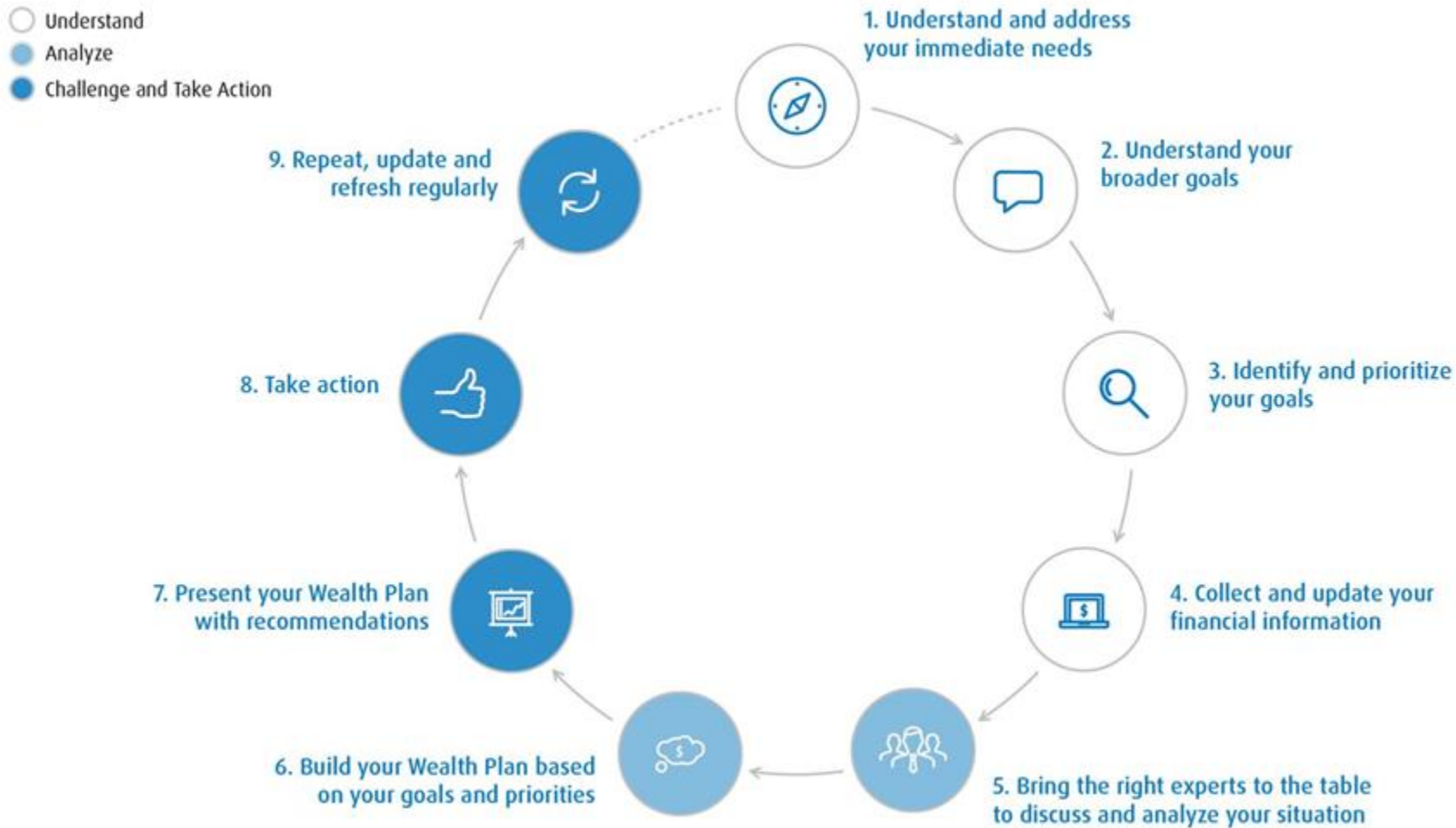


Chris Markou

Director, Will & Estate Planning,
BMO Private Wealth

Chris advises high net worth individuals and families on specialized Estate & Trust solutions as part of an integrated wealth planning team. He draws on his prior experience as an estates lawyer in private practice to assist BMO Private Wealth clients with complex estate and trust planning solutions in a variety of contexts. Chris provides support and direction on matters related to estate, gift and tax planning, succession planning for business owners, charitable giving and planning for family members with special needs.

Appendix E How We Work With You



Appendix E How Are Clients Protected?

Making certain that clients assets are as safe and secure as possible is obviously very important. As a Canadian investment dealer, BMO Nesbitt Burns is a member of and/or are governed by a number of self-regulatory bodies.

These include:

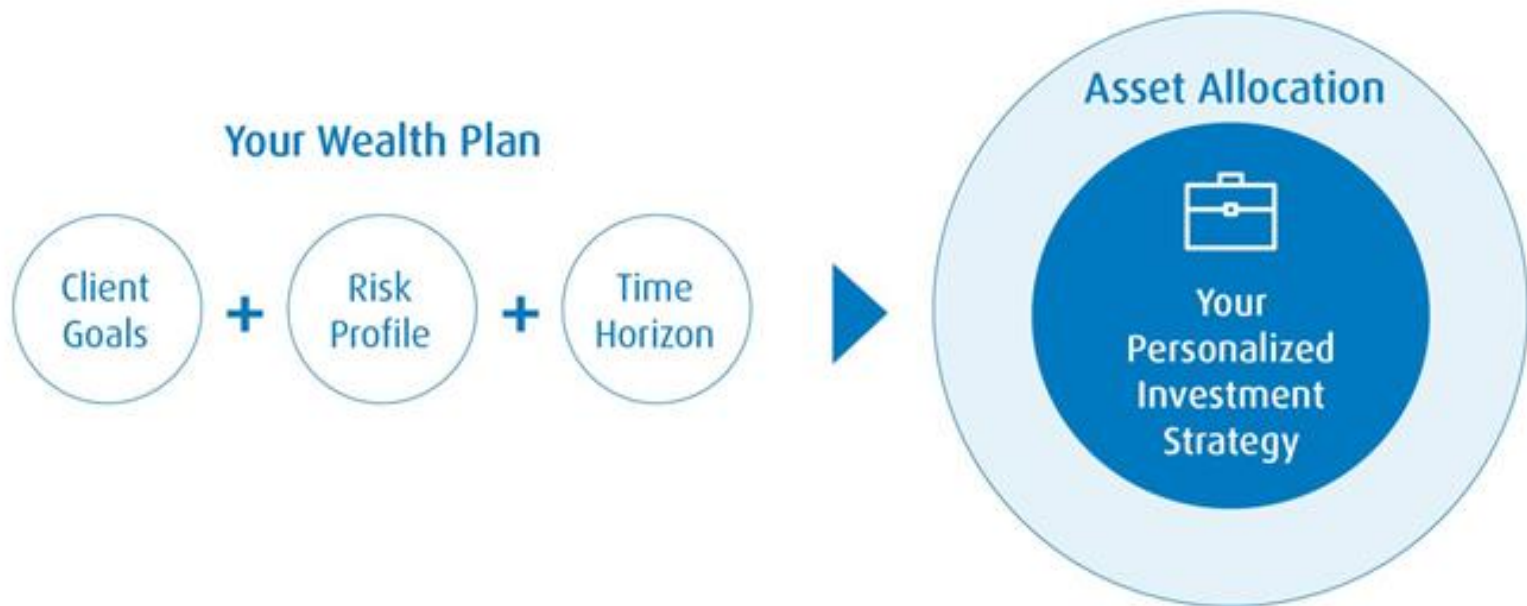
- **Investment Industry Regulatory Organization of Canada (IIROC)**
- **Toronto Stock Exchange (TSX)**
- **Bourse de Montréal (ME)**
- **TSX Venture Exchange (TSXVE)**
- **Winnipeg Commodity Exchange (WCE)**
- **Market Regulation Services Inc. (RS)**

IIROC is responsible for member regulation and investment industry standards. While the TSX, ME, TSXVE, ME and RS are responsible for market regulation, which involves monitoring and regulating members' trading activities on the exchanges. Each organization is in turn governed by the Provincial Securities Commissions or other securities regulatory authorities.



The Approach that
differentiates us

Appendix E Personalized Investment Strategy



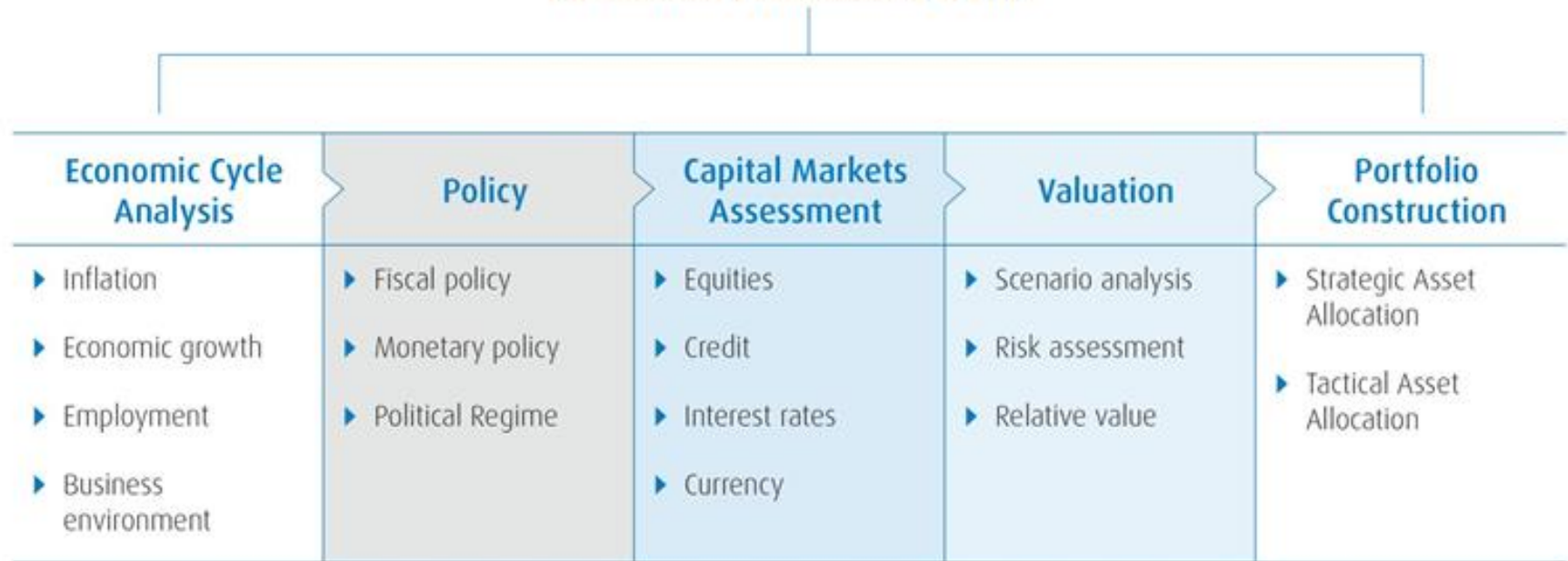
We develop an Investment Policy Statement (IPS) that outlines the goals and principles that create your investment strategy.

About Our Process

Appendix E

Asset allocation views are formed by fundamental analysis across asset classes, taking the global macro-economic backdrop, valuation metrics and policy considerations into account.

Global Asset Allocation Team



Appendix E Driving the 'Right' Results

Investment decisions are always made in the best interests of our clients. Supporting these decisions is our belief that incorporating a range of responsible investment techniques can have an important impact on the creation of long-term investor value.

Our sub-advisors use the following Responsible Investment strategies:



ESG Integration

- ▶ Incorporating environmental, social and governance (ESG) factors into investment analysis, to manage risks or exposures that are not captured in traditional financial metrics, examples include:
 - ▶ **Environmental:** climate change, waste management, water usage
 - ▶ **Social:** workforce interactions, supply chain, community impact
 - ▶ **Governance:** board practices, diversity, say on pay



Active Ownership and Engagement

- ▶ Exercising voting rights to drive results
- ▶ Engaging with senior management to influence corporate behaviour with the goal to achieve best practices and improve outcomes for shareholders

A photograph of two men in a professional setting. One man, with grey hair and wearing a white shirt, is smiling and looking at a tablet. The other man, seen from the side and wearing a blue shirt, is pointing at the tablet. They appear to be in a meeting or collaborative work environment. A large blue circle with a white border is overlaid on the left side of the image, containing the text 'Our Investment Proposal'.

Our Investment Proposal

Appendix E Your Proposal- Green Energy Plan

Drawbacks:

- Very hard to determine rate of return on these projects
- High upfront capital expenditures
- Reoccurring operating costs and maintenance costs
- Limited useful life of the project which will require replacement in future

Positives:

- Reduction of carbon footprint
- Yield generation from power generation
- Positive engagement from community members
- Further independence of power generation



Appendix E Your Proposed 'One Investment' Plan



The One Investment Program PERFORMANCE REPORT – MARCH 2020

The following are the performance statistics for all ONE portfolios as of the date noted above. This report is intended to serve only as information, providing average returns over the periods stated. Individual investor returns may vary according to investment time horizon. All returns stated are net of fees.

Money Market Portfolio: (Inception - May 1st, 1995)

Period Ending March 31, 2020:

Compounded Monthly

Annualized Return - 1 month	4.45%	= (	4.52%	Income Earned ) + (	-0.07%	Market Impact)
Annualized Return - 3 months	2.67%	= (	2.70%	Income Earned ) + (	-0.03%	Market Impact)
Annualized Return - 6 months	2.11%	= (	2.13%	Income Earned ) + (	-0.02%	Market Impact)
Annualized Return - 9 months	1.93%	= (	1.94%	Income Earned ) + (	-0.01%	Market Impact)
Annualized Return - 1 year	1.86%	= (	1.87%	Income Earned ) + (	-0.01%	Market Impact)

Bond Portfolio: (Inception - March 1st, 1993)

Period Ending March 31, 2020:

Compounded Monthly

Annualized Return - 1 year	2.77%	= (	2.29%	Income Earned ) + (	0.47%	Market Impact)
Annualized Return - 2 year	2.92%	= (	2.31%	Income Earned ) + (	0.62%	Market Impact)
Annualized Return - 3 year	1.72%	= (	2.30%	Income Earned ) + (	-0.58%	Market Impact)
Annualized Return - 5 year	1.35%	= (	2.39%	Income Earned ) + (	-1.04%	Market Impact)
Annualized Return - Inception	4.25%	= (	4.71%	Income Earned ) + (	-0.46%	Market Impact)

Non-annualized Growth
Since Inception

209.03% = (248.27% Income Earned) + (-39.24% Market Impact)

Source: <https://www.oneinvestment.ca/investment-reporting/one-monthly-performance-reports>

Appendix E Your Proposed 'One Investment' Plan

- **Poor investment performance relative to benchmarks**
- **Poor risk-reward from bond portfolios**
- **Lack of disclosure of fees from their 'Funds of Funds' approach**
- **No local presence within the community**
- **Difficult to develop open lines of communication with their firm**

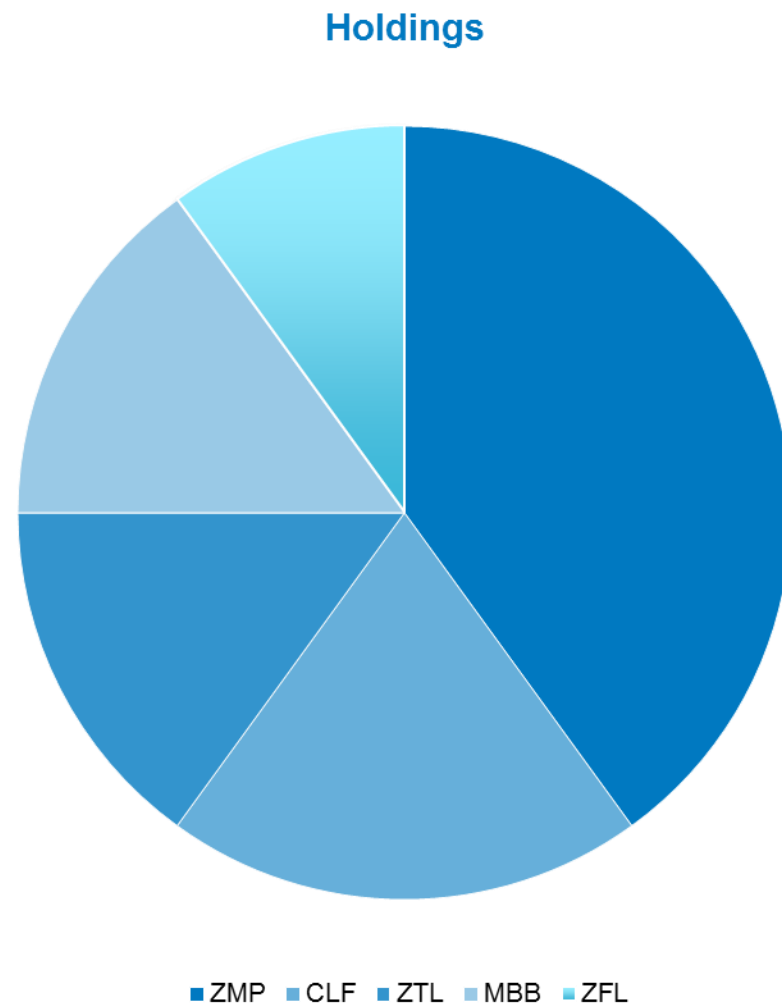


Appendix E Our Proven BMO Plan- Holdings

Holdings will vary depending on our outlook for fixed income investments.

Top 5 Holdings as of March 31, 2020

- **BMO Mid Provincial Bond ETF (ZMP)**
- **iShares 1-5 Year Ladder Govt Bond ETF (CLF)**
- **BMO Long-Term US Treasury Bond ETF (ZTL)**
- **iShares MBS ETF (MBB)**
- **BMO Long Federal Bond ETF (ZFL)**



Appendix E Our Proven BMO Plan- Returns

Annualized Compounded Returns

As of March 31, 2020

	1 Year	2 Year	3 Year	5 Year
BMO Municipal Portfolio				
Rate of Return (%)	14.15%	9.59%	5.79%	4.84%
BMO Municipal Portfolio				
Standard Deviation	4.51	5.12	6.69	4.99
One Investment Bond Portfolio				
Rate of Return (%)	2.77%	2.92%	1.72%	1.35%
One Investment Bond Portfolio				
Standard Deviation	N/A	N/A	N/A	N/A
Variance of Returns	11.38%	6.67%	4.07%	3.49%

*Since inception returns not relevant for comparison purposes given the discrepancy in launch dates for the two investment portfolios.

**The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate; thus an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please visit <http://advisor.morningstar.com/familyinfo.asp>.

Our Proven BMO Plan... What About Risk?

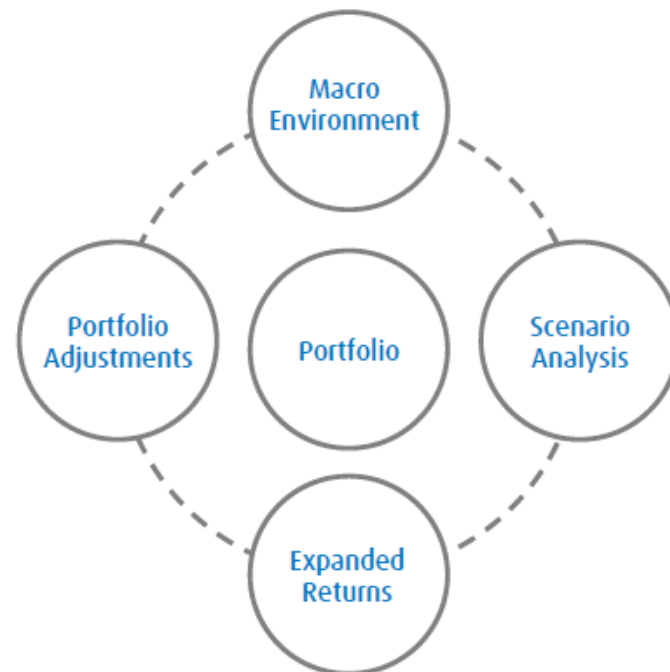
Appendix E

Our investment platform follows the same rules and regulations as One Investment, under the **Municipal Act 418 (1)**.

Given this, our portfolio risk, as measured by **standard deviation**, should be in line with the risk measures being offered by the One Investment platform. The difference in return is not generated through an increase in risk, it is done by our strategic tilts in our portfolio's based on duration and the types of bond's chosen in the portfolio.

Tactical Asset Allocation

Tactical allocation shifts are applied when we have high conviction in shorter-term changes to prevailing economic and market fundamentals.



Appendix E Investment Management Fees

Fees are based per relationship and calculated using a declining fee rate schedule as the size of the portfolio grows.

Based on the amount of \$55,000,000, the effective annual management fee would be 0.25% in our BMO Municipal Portfolio.

This investment management fee provides you with professional portfolio management in accordance with your defined investment objectives, a dedicated investment advisor, annual portfolio consultations, additional portfolio consultations as required during the year, comprehensive customized financial reporting and security custodial services.

Fees are calculated and charged monthly in arrears, based on the average of the month-end market values (including accrued income of the portfolios within the month). Fees quoted include all costs associated with custodial services. The investment management fee applied to your account will be presented in your reporting package.

The investment management fee is in addition to any applicable embedded Management Expense Ratio (MER) fees (approximately 0.20%) and any other fees that may be charged by external parties relating to investment vehicles held in your account with BMO Nesbitt Burns. Fees are subject to G.S.T./H.S.T. when services are supplied to Canadian residents and are additionally subject to Q.S.T. when supplied to Quebec residents.

For additional information, regarding fees, refer to the BMO Nesbitt Burns Account Agreement.

Appendix E Further Benefits of Our Proven BMO Plan

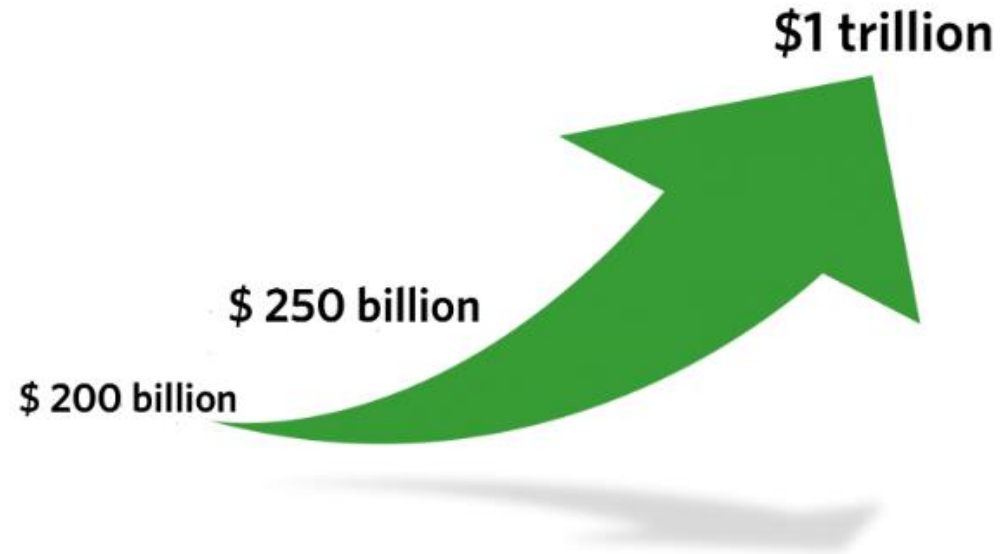
- Proven industry leading historical risk-adjusted returns
- Global scale under BMO Financial Group with local presence in downtown Peterborough, ON
- Dedicated local Investment Advisor through George Ripoll. He possess industry leading qualifications and experience unmatched by many in the region.
- Tactical asset allocation for a heightened personalized approach, not another cookie cutter approach
- Low management costs
- George Ripoll is a local resident with a vested interest in making the best decisions for his hometown



Recommendation for Option 1- Green Bonds

Now is the time to be taking advantage of ultra low interest rates in the government bond space due to:

- The City of Peterborough's well maintained "AA" Credit Rating through S&P
- Long term bond issuances yielding less than 2% per annum*
- Accommodative Bank of Canada policies and expansion of quantitative easing
- High demand for ESG related investment opportunities



Progressive green bond and loan issuance for 2019 has just passed USD200bn with Climate Bonds analysis calculating the global figure at USD202.2bn as at 22/10/19. (<https://www.climatebonds.net/2019/10/green-bond-issuance-tops-200bn-milestone-new-global-record-green-finance-latest-climate>)

*Source: Bank of Canada

Appendix E Recommendation for Option 1- Green Bonds

BMO Capital Markets- FICC: Canadian Corporate & Public Sector Debt

Experienced Team

- Growing international debt capital markets footprint across Government and Corporate underwriting
 - Consistent bookrunner on large Canadian government and corporate borrowing programs
 - Underwriting on US\$170 bln in U.S. corporate bond financings in 2017

Full Product Capabilities

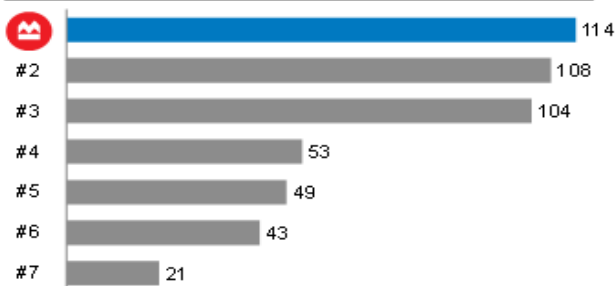
- Inaugural and follow-on offerings
- Rating advisory
- Private placements & project finance
- Capital structure advisory
- Interest rate risk solutions
- Credit research
- Bridge loans
- Differentiated AA credit rating & balance sheet support

Proven Results

- ① Fixed Income Liquidity Provider in Canada
- ① Corporate Debt Research as recognized by Greenwich
- ② In Canadian Corporate Debt League Tables

Top FICC Liquidity Provider

2016-17 TOTAL CORPORATE TRADING VOLUME (\$BN)⁽¹⁾



Source: <https://capitalmarkets.bmo.com/en/services/sustainable-finance/>

Next Meeting

- Get to know you better
- Meet our team
- Review your Investment Policy Statement

When

- (YYYY-MM-DD)

Thank you for taking the time to meet with us.

Should you have any questions in the meantime, please do not hesitate to contact your local Investment Advisor:

George Ripoll, CFA, CAIA, MBA

Investment Advisor

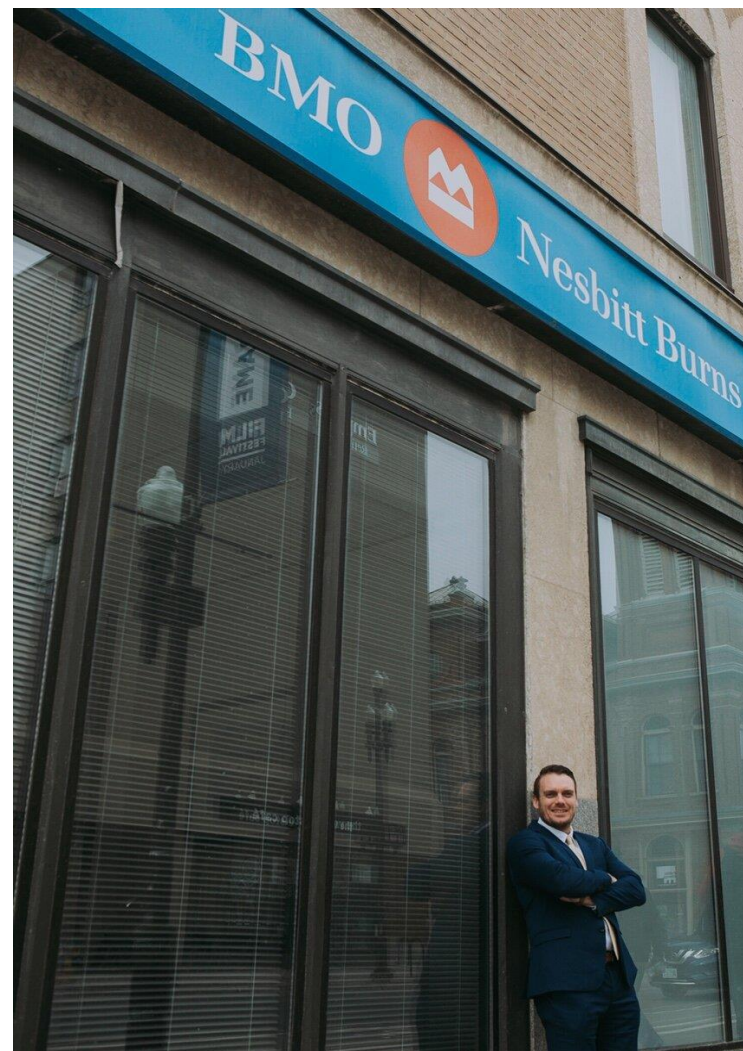
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Member-Canadian Investor Protection Fund. Member of the Investment Industry Regulatory Organization of Canada.

¹ This example is for illustrative purposes only.

² BMO Trust Company may arrange with a third party, to complete tax returns on the client's behalf. BMO Trust Company does not provide tax advice.

³ BMO Trust Company may arrange with a third party to provide access to certain wellness and concierge services. BMO Trust Company does not provide wellness services directly. Representatives of BMO Trust Company are not license to provide or arrange for medical services.

Bank of Montreal (BMO) has arranged for Morneau Shepell Ltd. (Shepell) to make Lifestyle Services available to you as part of the enCircle offering. Shepell is not part of, or affiliated with BMO Private Banking. Shepell is an independent service provider and is solely responsible for all services provided to you. BMO will not be providing any information to Shepell other than necessary to clearly identify you (name, email address and postal code) so that you may receive the services. Any information you provide to Shepell is to be kept confidential by Shepell and any service providers it uses. Shepell will not share any information you provide to them or any service provider they use, with your enCircle Advisor or anyone else at BMO, its subsidiaries or affiliates (BMO Financial Group) except (i) with your consent; (ii) as required by law; or (iii) for such statistical summaries of usage as may be appropriate to evaluate the enCircle Lifestyle Services without providing any identifying information to BMO.

Any services you obtain from or through Shepell are exclusively contractual matters between yourself, Shepell, and the service providers Shepell uses.

] BMO is making these services accessible for your private use only on the understanding that you agree that BMO Financial Group will not have any liability to you for providing you with this access, for your choice, participation or use, or the delivery or failure of delivery of any of the services, the cost or payment for these services over and above the amount set out in the enCircle Terms and Conditions booklet, or for any decisions, consequences or results arising from the services, or whether or not you use or rely on the services provided by or through Shepell. The comments contained herein do not constitute advice in the areas of legal, accounting or tax. It is your responsibility to consult with the appropriate professional in those areas either independently or in conjunction with this assessment process.

Appendix E Disclosures

- 1 Through our tax planning services, your wealth advisor will work closely with you and your chosen tax professional to incorporate tax planning into your overall Wealth Plan. Banking services are provided by Bank of Montreal.
- 2 While Platinum Banking members are encouraged to use all of these services, additional service fees may apply to certain situations as determined at our sole discretion. Additional charges may apply for services not listed. Services included may be subject to change.
- 3 Excludes the Savings Builder Account.
- 4 The Interac or Cirrus network fee charged by BMO for non-BMO ATM withdrawals is waived. Some non-BMO ATMs will apply a convenience fee. You will be provided notice and will need to consent to this fee before you can complete your transaction. This convenience fee is not a fee charged by BMO. It is added directly to your withdrawal amount by the ATM operator. You are responsible for this convenience fee when you use non-BMO ATMs.
- 5 Applies to purchases made outside of Canada on the Maestro network. Other transaction or network fees may apply.
- 6 Interac e-Transfer transactions are subject to maximum dollar amounts.
- 7 The 50,000 BMO Rewards welcome bonus points offer is limited to new BMO World Elite Mastercard accounts. Applications must be received between September 1, 2019 and October 31, 2020 ("Offer Period") to be eligible for this offer. Receive 35,000 BMO Rewards points after your first card purchase. 35,000 BMO Rewards points will be applied to your BMO Rewards Collector Account following the first statement after your first card purchase. Receive an additional 15,000 BMO Rewards points when you spend a minimum of \$25,000 (less refunds and excluding cash advances, cash-like transactions, interest charges, fees, credit or debit adjustments) within the first six (6) months from the account open date. The additional 15,000 BMO Rewards points will be credited to your Collector Account within sixty (60) business days following the qualifying \$25,000 spend. The 50,000 BMO Rewards points offer is limited to new BMO World Elite Mastercard accounts and will not be awarded to current or former cardholders who reinstate a closed account, product transfer, or who open a new account. If you cancel your card within one hundred and eighty (180) days from the date it was opened all BMO Rewards points earned within that period will be cancelled. Offer may be changed without notice.
- 8 The 4,000 AIR MILES Bonus Miles Offer is limited to new BMO AIR MILES World Elite Mastercard accounts. Applications must be received between September 1, 2019 and October 31, 2020. Receive 3,000 Bonus Miles after your first purchase using your Credit Card. Bonus Miles will be credited to the primary Credit Cardholder's AIR MILES Collector Account within forty-five (45) days of purchase. Receive an additional 1,000 Bonus Miles when you spend a minimum of \$25,000 (less refunds and excluding cash advances, cash-like transactions, interest charges, fees, credit or debit adjustments) on purchases using the Credit Card within the first three (3) months from the account open date. The additional Bonus Miles will be credited to the primary Credit Cardholder's Collector Account within sixty (60) business days following the qualifying \$25,000 spend. All Bonus Miles are credited in accordance with the set balance preference (between AIR MILES Cash and AIR MILES Dream balances) at the time of posting. The AIR MILES Bonus Miles Offer is subject to the AIR MILES Reward Program Terms and Conditions. Limit of one AIR MILES Bonus Miles Offer per Collector Number. Existing BMO AIR MILES World Elite Mastercard customers who cancel their card during the "Offer Period" and existing BMO Mastercard customers who transfer into this Credit Card product during the "Offer Period" are not eligible for the 4,000 AIR MILES Bonus Offer. If the Credit Card is cancelled within ninety (90) days from the date it was opened, all Miles earned within that period will be cancelled. Offer may be changed without notice.
- 9 The 5% Cash Back Bonus Offer is limited to new BMO CashBack World Elite Mastercard accounts. Applications must be received between September 1, 2019 and October 31, 2020. You will earn 5% cash back for every dollar spent or \$5.00 back for every \$100.00 spent (less refunds and excluding cash advances, cash-like transactions, interest charges, fees, credit or debit adjustments) in the first six (6) months from the account open date up to a maximum of \$8,000 (\$400 cash back) in eligible card purchases. After the first six (6) months or \$8,000 in card purchases (whichever comes first), you will earn 1.50% cash back or \$1.50 back for every \$100.00 on all card purchases. The 5% cash back offer is limited to new BMO CashBack World Elite Mastercard accounts and will not be awarded to current or former cardholders who reinstate a closed account, product transfer, or who open a new account. Limit of one bonus offer per account. If you cancel your card within one hundred and eighty (180) days from the date your account is opened, all CashBack rewards earned within that period will be cancelled. Offer may be changed without notice.
- 10 Ongoing interest rates, interest-free grace period, annual fees and all other applicable fees are subject to change. Cash advances include Balance Transfers, cash-like transactions and Mastercard cheques. Visit your branch, call the Customer Contact Centre at 1-866-991-4769, or visit bmo.com/creditcards for current rates and fees.
- 11 The standard annual fees of \$150 and \$50 normally charged for primary and additional BMO World Elite Mastercard cardholders respectively, will be rebated for the first year and each subsequent year that you are a BMO Platinum Banking client.
- 12 The standard annual fees of \$120 and \$50 normally charged for primary and additional BMO AIR MILES World Elite Mastercard cardholders respectively, will be rebated for the first year and each subsequent year that you are a BMO Platinum Banking client.
- 13 The standard annual fees of \$120 and \$50 normally charged for primary and additional BMO CashBackWorld Elite Mastercard cardholders respectively, will be rebated for the first year and each subsequent year that you are a BMO Platinum Banking client.
- 14 We and/or other financial institutions may charge additional fees for refunds or replacements of lost or stolen money orders or drafts. The receiving financial institution may charge associated fees. Foreign currency drafts are subject to sanctions compliance regulations and payee names are screened against persons listed under international sanctions. Depending on the result of that screening, a payee might not be able to cash a foreign currency draft.
- 15 Discount is equivalent to cost of small Safety Deposit Box (\$55.00) and can be applied to cost of larger one.
- 16 You can view, print and save from the previous three (3) months through BMO Online and BMO Tablet Banking. In the future, if you require any copies of cheques that are no longer available online, you may request a copy at a BMO branch or by calling 1-877-225-5266. A per-item fee may apply. Cheques made payable to yourself or to cash, and cashed at any BMO branch, may not be displayed but are described on your statement.

- ¹⁹ Cheque images are not available with eStatements.
- ²⁰ Interest will be calculated on the daily overdraft balance at prevailing overdraft interest rates and charged to the account on the last business day of the month.
- ²¹ Plan, transaction, service and product fees may still apply. You're eligible for OnGuard*** if you are a BMO customer who has a lead account* with one of the following Bank Plans: Performance Plan, Premium Plan or Employee Plan. In addition, to qualify for OnGuard*** you must be a Canadian resident who has reached the age of majority for your province or territory and you must have a valid email address on your BMO profile and your lead account must be in good standing. Customers with an eligible Bank Plan with the Kids or Teens discounted banking program do not qualify for OnGuard***. All accountholders of a lead account with an eligible Bank Plan qualify for OnGuard*** provided they meet the above eligibility requirements. If you switch your lead account to an ineligible Bank Plan, then you will no longer qualify for the OnGuard*** service.
- ²² OnGuard*** retail value is \$179.88 annually (charged at \$14.99 per month)*. The lead account is the one you designate to pay any fees required by your Bank Plan, for example your monthly Plan fees and transaction fees. OnGuard*** is provided by Sigma Loyalty Group and Intersections Inc. Sigma Loyalty Group and Intersections Inc. terms and conditions can be viewed at www.bmo.com/onguard/SLGconditions. OnGuard*** is a registered trademark of Sigma Loyalty Group Inc. Identity Guard® is a registered trademark of Intersections Inc.
- ²³ The maximum daily spending limit is restricted to the unused portion of your daily bill payment limit.
- ²⁴ Plan, transaction, service and product fees may still apply.
- ²⁵ The \$0,000 BMO Rewards welcome bonus points offer is limited to new BMO Rewards Business Mastercard accounts. Receive 35,000 BMO Rewards points after your first card purchase. 35,000 BMO Rewards points will be applied to your BMO Rewards Collector Account following the first statement after your first card purchase. Receive an additional 15,000 BMO Rewards points when you spend a minimum of \$25,000 (less refunds and excluding cash advances, cash-like transactions, interest charges, fees, credit or debit adjustments) within the first six (6) months from the account open date. The additional 15,000 BMO Rewards points will be credited to your Collector Account within sixty (60) business days following the qualifying \$25,000 spend. This offer is not available to current or former BMO Rewards Business Mastercard cardholders who reinstate a closed account or open a new account. If a cardholder cancels their account within 30 days of being billed the annual card fee and the annual card fee is refunded to the cardholder, the welcome bonus will also be cancelled. If the card fee is waived, the welcome bonus will be cancelled if the cardholder cancels the card within 30 days of account opening. Existing BMO credit card cardholders who transfer into this product during the Offer Period are not eligible for this offer. Offer may be changed without notice.
- ²⁶ The standard annual fees of \$120 and \$50 normally charged for primary and additional Rewards Business Mastercard cardholders, respectively, will be waived for the first year and each subsequent year that you are a BMO Platinum Banking client.
- ²⁷ Overdraft and other lending products and services are subject to loan application, approval and applicable interest charges. Complex or frequent loan applications may be subject to additional fees.
- ²⁸ Registered trademarks of Bank of Montreal, used under license.
- ²⁹ Mastercard, Cirrus and Maestro are registered trademarks, and the circles design is a trademark of Mastercard International Incorporated. Used under license by Bank of Montreal.
- ³⁰ Interac and Interac e-Transfer are registered trademarks of Interac Inc. Used under license by Bank of Montreal.
- ³¹ 2017 Allpoint all rights reserved.
- ^{*} Direct Investing Services are offered by BMO InvestorLine Inc. BMO InvestorLine Inc. is a wholly owned subsidiary of Bank of Montreal Holdings Inc. BMO InvestorLine is a Member of the Canadian Investor Protection Fund and IIROC.
- [†] This example is for illustrative purposes only.
- ^{††} Banking products and services are provided by BMO Harris Bank N.A. and are subject to bank and credit approval. BMO Harris Bank N.A. Member FDIC.



22 May 2020

City of Peterborough
500 George St N
Peterborough ON K9H 3R9

Dear Mayor Therrien and City of Peterborough Councillors:

As you consider investment options for the sale proceeds of Peterborough Distribution Inc. ('PDI'), the Community Foundation has a proposal that we believe would add to Peterborough's enviable history of "community philanthropy." We support the concept of a Legacy Fund that you are already considering, and are proposing that it be established in collaboration with the Community Foundation, with the income generated by the fund directed annually, in consultation with the City, to charitable initiatives to support community wellbeing.

The Community Foundation is uniquely situated to steward such a Legacy Fund. Investment and management of long term and endowed charitable funds is at the core of our mission. We successfully manage 70 individual trusts currently valued at \$11 million and, we have a record of broad and impactful grant making with more than 100 local charities benefitting from a share of the \$3 million in grants we have made since inception.

The Community Foundation is nimble in its approach to community support and partners with many organizations – witness the recent collaboration with the United Way of Peterborough & District in setting up the Covid-19 Community Response Fund (CRF). Our affiliation with Community Foundations of Canada enables us to bring charitable funds into our community that would not otherwise be available - most recently \$320,000 from the Emergency Community Support Fund.

Charities are so important to our community, supporting everything from affordable housing, education, health and social services to arts, culture recreation and environment. Demand for these programs and services is growing and resources are needed to sustain them now and for years to come. The Community Foundation is 'a charity helping other charities'. Establishing your Legacy Fund at the Community Foundation with a portion of the PDI sale proceeds would have the added benefit of enhancing our capacity to support the charities that contribute so much to our community.

The attached proposal will provide you with further preliminary details as to how we believe the Peterborough Community Legacy Fund could work, how it can continue to grow, what the Community Foundation has to offer, examples of partnerships and collaborations and how the Peterborough Community Legacy Fund would be governed. Expressions of support for the concept from charities in our community are also included.

We know you will give our proposal serious consideration and we are here to answer any questions you have. We are 'Here for Good'.

Sincerely,

A handwritten signature in black ink, appearing to read 'Alan Thomas', written in a cursive style.

Alan Thomas
Board Chair

Peterborough Community Legacy Fund

Charities are important contributors to Peterborough's wellbeing, supporting everything from affordable housing, education, health and social services to arts, culture recreation and environment. Demand for these programs and services is growing and resources are needed to sustain them now and for years to come.

Creating a Peterborough Community Legacy Fund, with a portion of the proceeds from the sale of Peterborough Distribution Inc. (PDI) would provide a stream of non-tax based, funds to invest in programs and services that enhance the quality of life in Peterborough.

Creating this Fund in collaboration with the Community Foundation has the added benefits of drawing on the Foundation's knowledge of community needs and opportunities; our deep working relationships with charities and our ability to leverage/match Legacy Fund grants, with contributions from within and beyond our community.

How the Legacy Fund Would Work

The Community Foundation is proposing that a minimum of 20% of the net proceeds of sale of PDI be invested in perpetuity with the Community Foundation to create the Legacy Fund. While past performance is no indication of future results, modelling based on the Foundation's experience, shows that over 10 years (assuming an average gross investment return of 7%, annual grant disbursements of 5% and 1.5% in fees), a \$10 million Legacy Fund, will have disbursed \$5.1 million in grants and fund capital will have grown to \$10.5 million.

Advisors, appointed by the City of Peterborough, would recommend the grants to be made from the Legacy Fund. In any given year, allocations could be channeled through the City's Community Grants program; combined with the Community Foundation's Vital Community Grants; or granted directly to the City (CRA recognizes municipal governments as qualified donees) to fund priorities identified in guiding documents such as Community Wellbeing, Housing and Homelessness, Climate Change Action and, Municipal Cultural plans.

Details of the Legacy Fund's administration including the relationship between the City, its appointed representatives (Advisors) and the Community Foundation would be governed by a Trust Agreement developed in consultation with the City.

What the Community Foundation Offers

The Community Foundation is *Here for Good*. It has the mission, charitable tax structure and specialized expertise to build and manage and grow long term and endowed charitable funds and to carry out broad and impactful grant making. Created in 2009 with \$50,000 in residual assets of the Peterborough Affordable Housing Foundation, the Foundation now manages 70 individual trusts, with a combined value of \$11 million. Among the individual funds we manage are ones that benefit public bodies including Otonabee Conservation and the County of Peterborough.

In 2000, Campbellford/Seymour Community Foundation was established with \$6.2 million received from the sale of their public utility. Managed in two "pots" - the Municipal Fund goes to projects identified by the Municipality and the Community Fund is directed by the Community Foundation. To-date the fund has provided more than \$3 million in charitable grants.

The Foundation's roots are in affordable housing and the **Mount Community Centre**, with its focus on affordable housing, food security and social programs, is one of our highest priorities for support.

The Foundation granted \$250,000 to the first phase of the project, \$300,000 for the Fulcrum Café / Community Food Centre, and \$100,000 for other aspects of the second phase of the project.

A loan of \$305,000 from the Foundation's Social Finance Fund helped build the first 43 units of affordable housing and is now helping bridge capital pledges to the project.

Drawing on knowledge of our community, the Foundation works with donors and charities, directing grants in response to current local needs and opportunities. In 2019 the Foundation disbursed \$660,000 in grants - a record for a single year and an amount that brought the total amount shared by more than 100 local charities in our first decade of grant making to \$3 million!

The Foundation's Philanthropic Advisory Service Fee is an investment in sustaining and enhancing the Foundation's community building work. The money stays in Peterborough, supporting salaries, professional services and more. Among the services covered by the fee are investment oversight, donation receipting, grant management, and administration (including accounting, audit and government reporting).

As a Fund holder, the City would also benefit from our working relationships with charities, connections with community-minded supporters and insight into how our community is doing (Vital Signs, Vital Conversations, etc.). When working together on priority initiatives the Foundation can seek contributions from other funds we manage, and leverage funds from inside and outside our community, especially through our membership in Community Foundations of Canada.

Community Leadership

The Foundation's Board of Directors is committed to the highest level of governance, oversight and strategic direction. Directors are volunteers, appointed for three years, on recommendation of the nominating committee. Appointments are renewable for one further term.

Board of Directors

Alan Thomas (Chair & Treasurer)
Dawn Bronson
Janice Green
Martin Pick

Jenn Harrington (Vice-Chair)
Chonee Dennis
Jennie Lawson
Susan Scott

Betty Morris (Past-Chair)
Bob Graham
Hanah McFarlane

Bill Lockington (Founding Chair and Honorary Director)

Pending Appointments (June AGM)

Tom Phillips

Marie Dietrich

See attached biographies for additional background.

Investment Oversight and Management

A Finance Committee, appointed by the Board of Directors, is responsible for investment policy development and review; investment manager selection and oversight; investment performance review; financial accounting and audit; and compliance with charitable legislation and regulations.

Finance Committee

Alan Thomas, CPA	Committee Chair and Treasurer
Jenn Harrington	Director
Michele Nicholls	External Member
Chris Howden, CPA, CFP	External Member
Marie Dietrich, CPA	External Member

The Foundation's Investment Policy emphasizes the long-term. We currently work with three investment managers, one for our pooled funds and two others with responsibility for specific funds. These portfolios are professionally managed, have a moderate risk profile and are designed to deliver income for community granting, while preserving and growing fund capital, covering management fees and maintaining a cushion against market shocks.

In keeping with widespread best practice in the foundation and endowment sector, the Community Foundation has adopted an institutional investment model where discretion is given to investment managers to produce desired results within parameters set out in investment mandates. The finance committee reviews performance on a quarterly basis, and meets in person with the managers at least annually. Systematic processes are in place to assess performance against goals, and flag conditions that might require a change in manager. Professional and informed advice increases the probability of realizing investment goals.

Jarislowsky Fraser has managed the Foundation's multi-fund, pooled investments since 2010 and the following information is provided, not because they would necessarily be the manager but to give some idea of how the long term and endowed assets of many of the funds we manage are performing. The size of the proposed Legacy Fund is sufficient to warrant a separate mandate and RFP for investment services – an opportunity to articulate the fund's investment philosophy and goals and negotiate fees.

With more than \$2 billion in pension and foundation funds on its books, JF constructs diversified, high-quality portfolios that are designed to protect existing capital and achieve long-term growth. JF has a history of above-average performance built, in part, on shareholder activism and on ESG (Environmental, Social and Governance) scoring. Their investment approach has produced consistent, above average investment returns and minimized volatility through changing and challenging economic environments. In 2018, JF was acquired by Scotiabank.

Our funds are invested in JF-Global Balanced Fund, a pooled product with positions in Canadian, US and International equities and a fixed income component. Investment activities are supported by a team of analysts and account managers with extensive research resources and with sufficient assets to have ready access to senior management of the companies held in the portfolio. This arrangement has provided above-average returns and the size of the pool provides diversification that would not be achievable were our funds in a segregated (separately managed) portfolio.

Appendix F

Annualized Performance of JF Global Balanced Fund* (as at Dec 31, 2019)

	5 year	10 year	15 year
JF Global Balanced Fund	7.1%	8.6%	7.0%
Benchmark	6.4%	7.2%	8.1%

* before investment management fees

As with some other investment managers, JF offers a suite of options for socially responsible, fossil-free investing – something that would help to ensure that the underlying investment activities supporting the Legacy Fund are contributing to a transition to a sustainable future. This is something that can be included in the specific investment mandate for the Legacy Fund.

In accordance with the Foundation's Spending and Capital Preservation of Funds Policy, we will grant at a minimum the amount to meet the quota established by CRA (currently 3.5% of assets under management). As indicated in the scenario, there is every indication that the Fund would be able to sustain a granting rate of 5% without compromising fund capital over the long term.

Accessing and leveraging funds from beyond our community:

Right now, we're distributing \$320,000 - help for vulnerable people in our community in the wake of COVID-19. It is our share of Canada's [Emergency Community Response Fund](#).

In recent years, the Foundation has also successfully applied for and received funding through the Welcome Fund for Syrian Refugees (\$15,000), Community Fund for Canada's 150th (\$50,000) and the Pilot Fund for Gender Equality (\$45,000).

These are funds that our community would not have received without our affiliation with Community Foundations of Canada.

Stronger Together

Peterborough has always been a caring community. The Community Foundation builds on an enviable history of "community philanthropy." The Nicholls and Morrow families are the most prominent reminders of what "giving back" to community can mean. The Legacy Fund would be set up so that community-minded individuals, businesses and service organizations can donate to it, adding to fund capital and increasing the fund's annual granting potential.

The Community Foundation of Greater Peterborough is strengthened by its association with 190 other community foundations across Canada. Collectively these foundations manage assets in excess of \$6 billion and last year granted more than \$500 million in their communities. Bill Lockington, Founding Chair of Community Foundation of Greater Peterborough, now Chairs Community Foundations of Canada and Andrea Dicks (our first executive director) is National President.

With a proven ability to build and manage long term and endowed funds and a record of broad and impactful grant making, the Community Foundation will be an able and trustworthy steward of the Legacy Fund. Because we are a local charity, established by the people of Peterborough for the benefit of our community, entrusting the Legacy Fund to the Foundation also enhances our capacity to inspire giving and build a vital community for everyone.

Peterborough Community Legacy Fund: a “Community Asset”

1. A permanent source of non-tax based funding for investments in social infrastructure which, like investments in built infrastructure, are a necessary part of building an adaptable, resilient and prosperous community
2. Created by investing, rather than spending, proceeds from the sale of PDI
3. Governed by a Trust Agreement between the City of Peterborough and the Foundation
4. Grants made on recommendation of City-appointed Advisors
5. Able to receive additional contributions to fund capital from donors
6. Potential to leverage Legacy Fund grants with other Foundation assets and funding programs available through the national network of community foundations

Urgent Response: Within days of the declaration of the pandemic emergency, the Community Foundation and the United Way established the [COVID-19 Community Response Fund](#). Grants from this fund are helping at a time when charities face challenges in managing resources (staff, volunteers and funds) while striving to provide critical services to those who need them. On April 16, 10 charities that help our community’s most vulnerable residents agreed on how best to direct \$200,000 in grants focused on shelter and food. On May 20 another group of 10 charities allocated \$110,000 for mental health supports.

Through our association with Community Foundations of Canada we are also disbursing \$310,000 from the Government of Canada’s [Emergency Community Support Fund](#).

With EC3, we’ve established the Arts Alive Fund, specifically for arts, culture and heritage organizations in our community.

The focus of the Foundation’s Vital Community Grants program, this fall, is helping charities plan and rebuild for the future.

We don’t know the medium and long-term impacts of COVID-19 but whatever the new "normal" is, one thing is clear – as our community recovers we are going to need vibrant charities and non-profits of all types, providing services and building quality of life.

Support from Peterborough Charities

Community Counselling and Resource Centre
The Mount Community Centre
United Way of Peterborough & District
GreenUP
EC3
Kawartha Sexual Assault Centre
New Canadians Centre
YMCA
Elizabeth Fry Society
PARN
YES Shelter for Youth and Families
The Peterborough Singers

For further information about this proposal, please contact:
John Good, Director of Fund Development, john.good@cfgp.ca (705) 927-3747

Audited Financial Statements, Annual Reports and more are available on-line www.cfgp.ca
Sidebar: Investing in the Future

Appendix F

Peterborough Community Legacy Fund Scenario

Initial Capital - \$10 million

Investment return - 7% (gross)

Granting Percentage - 5%

	Investment Earnings	Investment Management Fee	Philanthropic Advisory Services (CFGF)	Grant \$ Available	Disbursements (C+D+E)	Retained Earnings	Fund Balance at year end	Grants Cumulative
Year	7%	0.50%	1.00%	5.00%				
	\$	\$	\$	\$	\$	\$	\$	\$
							10,000,000	
1	700,000	50,000	100,000	500,000	650,000	50,000	10,050,000	500,000
2	703,500	50,250	100,500	502,500	653,250	50,250	10,100,250	1,002,500
3	707,018	50,501	101,003	505,013	656,516	50,501	10,150,751	1,507,513
4	710,553	50,754	101,508	507,538	659,799	50,754	10,201,505	2,015,050
5	714,105	51,008	102,015	510,075	663,098	51,008	10,252,513	2,525,125
6	717,676	51,263	102,525	512,626	666,413	51,263	10,303,775	3,037,751
7	721,264	51,519	103,038	515,189	669,745	51,519	10,355,294	3,552,940
8	724,871	51,776	103,553	517,765	673,094	51,776	10,407,070	4,070,704
9	728,495	52,035	104,071	520,354	676,460	52,035	10,459,106	4,591,058
10	732,137	52,296	104,591	522,955	679,842	52,296	10,511,401	5,114,013
15	750,625	53,616	107,232	536,161	697,009	53,616	10,776,827	7,768,274
20	769,579	54,970	109,940	549,699	714,609	54,970	11,048,956	10,489,558
25	789,012	56,358	112,716	563,580	732,654	56,358	11,327,956	13,279,558

Scenario for illustrative purposes, only. Investment returns are not guaranteed. Fees are negotiable and relative priority placed on growth/inflation protection vs maximizing granting will influence cumulative values over time. Assuming an initial contribution of \$10 million, an investment return of 7%, a granting percentage of 5% and fees at 1.5%, approximately \$500,000/year would be available to grant. Over time, both fund capital and granting capacity can be expected to increase. After 10 years, the Legacy Fund will have provided more than \$5.1 million in grants and fund capital will have grown to \$10.5 million. After 25 years, the cumulative amount of grants generated by the fund will exceed \$13.2 million, fund capital will have grown to \$11.3 million and the amount granted that year will be \$560,000.

Community Foundation of Greater Peterborough Board of Directors & Executive Team



Board of Directors

ALAN THOMAS (Chair & Treasurer) is a CPA and former auditor and partner with Ernst & Young. He has extensive experience both as a senior officer and as a director of a number of Canadian public and private mining and natural resource companies. His past volunteer activities include time spent with the National Cancer Institute, the United Way of Ottawa Carleton and the Canadian Yachting Association. Alan is the Chair of the Foundation's Finance Committee. He lives in Ennismore.

BETTY MORRIS is a retired Chartered Accountant and has been an active volunteer in the Peterborough community since moving here with her family in 1998. Areas of involvement include: the YWCA where she is a former board member and chair, co-chair of the Safe Haven Capital Campaign; Hospice Peterborough where she is a former board member and chair and chair of the Every Moment Matters Capital Campaign; New Canadian Centre where she is a current member of the Finance Committee and Lakefield College School where she is the former president of Parent/Alumni association and a former trustee.

BILL LOCKINGTON (Honorary Director and Founding Chair) is the founding chair of the Community Foundation of Greater Peterborough and current chair of the board of Community Foundations of Canada. He has also been the Chair of Boards of St. Joseph's Hospital, the Greater Peterborough Area Economic Development Corporation, Greater Peterborough Innovation Cluster, Peterborough Regional Angel Network and Cottage Dreams Recovery Initiative, Inc. He serves as a Director of Jr. Lakers Lacrosse, Hospice Peterborough and the Canadian Canoe Museum. He is the co-founder of the SPARK Photography Festival. A Partner with LLF Lawyers, Bill's practices corporate/commercial and estate planning/administration law. In recognition of his excellent leadership and the significant contributions that he has made, and that he continues to make, Bill was made an honorary director of the Community Foundation of Greater Peterborough in 2019.

CHONEE DENNIS is the President/CEO/Founder of The Dennis Group Inc, a non-profit management consulting and fundraising firm. Chonee was awarded her Certified Fund Raising Executive (CFRE) designation in 1995. Early in her career Chonee held senior management positions in the health care, social services and the environmental sectors. In addition to her non-profit management and fundraising expertise, Chonee trained with John Carver on his Carver Governance Model. She is a member of the Peterborough Chamber of Commerce, the Association of Fundraising Professionals, Canadian Association of Gift Planners, and Imagine Canada. Chonee is a Trustee with Lakefield College School (LCS), as well as a member of the LCS Board of Directors. She also sits on the LCS Finance Committee and Capital Construction Committee. Chonee studied General Sciences at the University of Toronto and Business Administration at Brock University. She is currently completing a Masters in Leadership and Integrated Studies. Chonee and her husband Michael reside in Peterborough.

DAWN BRONSON obtained a BA (Hons) from the University of Waterloo, and spent her career in the management and conservation of National Parks and National Historic Sites with Parks Canada. During her career Dawn has had the opportunity to collaborate with other levels of governments, non-government organizations, Aboriginal communities and a range of stakeholders to achieve common goals. She is now retired and resides in Peterborough, Ontario.

Appendix F

HANAH HOWLETT MCFARLANE lives on a farm in Warsaw, on Treaty 20 Michi Saagig Anishinaabe territory. She is the Communications Coordinator for Compass Early Learning and Care, a \$14M multi-site child care organization in Central Ontario. Prior to this position, she was the Manager of Philanthropy & Fund Development at Community Counselling & Resource Centre. She has a Masters in Educational Studies from Trent University where she studied forest programming and the ongoing impacts of colonialism in the Ontario education system. Hanah is the Co-Chair of the Diversity and Inclusion Committee for the Peterborough Early Years Planning Network and has previously chaired the Peterborough Area Fundraisers Network, the Community Opportunity & Innovation Network and the Seasoned Spoon Café. Hanah supports several arts organizations including Market Hall, Showplace and Public Energy and volunteers at various community events throughout the year.

HELENE LOWRY (Recording Secretary) recently retired from management of her husband's criminal law practice. Helene has been an active volunteer in the Peterborough area for many years including with United Way (vice president), YWCA (director), Peterborough Affordable Housing Foundation (director), CCFC (president twice), member of the steering committee struck to morph Peterborough Affordable Housing Foundation into the Community Foundation, Glen Home Owners Association (director). Helene is an avid gardener and lives on Pigeon Lake.

JANICE GREEN is a founding member of the Community Foundation Board and served as Chair from 2012 to 2015. After completing her original term and taking a short hiatus, she rejoined the Board in 2018 and is currently Chair of the Foundation's Governance Committee.

Janice has been an active volunteer in the community since moving to Peterborough in 1990 and has held Board positions with the Heart & Stroke Foundation, Community Counselling and Resource Centre and Lakefield College School. Her past professional experience includes Business Manager for a local clothing designer, Vice President at the Angus Reid Group, Economist at Ontario Hydro and Special Assistant to a Federal Member of Parliament. Janice and her husband, Dave Bignell, live in Lakefield.

JENNIE LAWSON is Vice President and co-owner of Havelock Metal Co. Upon graduating from Queen's University in Economics, Jennie held various account management and business development positions in marketing as well as healthcare advertising and education. She worked in Toronto with Consumer Impact Marketing, Chicago and Kentucky with Omnicom Health Group and in Peterborough with BrandHealth before becoming co-owner of Havelock Metal in 2012 with her husband Todd.

JENNIFER HARRINGTON (Vice-Chair & Secretary) is a management consultant with experience in engineering, non-profit and the professional services sectors. Volunteer experience includes Past President of YWCA Peterborough Haliburton, and Chair of the Peterborough Immigration Partnership at the New Canadians Centre. Jenn has a degree in Mechanical Engineering from Western University and an MBA from St. Mary's University in Halifax. She lives in Peterborough with her husband Brian and her two amazing kids.

MARTIN PICK was involved in the operation of his family's multi-national seed business for over 60 years, and still takes a keen interest in the global agricultural industry. He has served as a chair of the Canadian Seed Trade Association, a director of the Peterborough Regional Health Centre Foundation Board, as President of Peterborough Golf & Country Club, and currently sits as chair of "The 20," a Lindsay-based Literary Group of 20 men and may well be the oldest literary society in Canada. Martin lives in Cavan.

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Martin's wife of 54 years, Denise is very community oriented, serving for 25 years as a volunteer at Peterborough Regional Health Centre and 10 years at York Central (now MacKenzie Health Centre).

ROBERT GRAHAM has a BSc in Physics and Mathematics, and had a long career in the high technology sector at IBM Canada where he held a variety of management positions. Today Bob is President of his own high technology company WavePoint M&A Inc. Bob is a mergers and acquisitions facilitator specializing in the high technology industry. Bob has extensive board experience including the Peterborough Symphony Orchestra and Millbrook Medical Centre. Bob lives on a hobby farm near Millbrook with his wife. He brings a lifelong passion for supporting his local community and in particular the not-for-profit sector.

SUSAN SCOTT is a communications specialist and former journalist living in Peterborough. With a degree in journalism from Ryerson University and achievement of the accredited business communicator (ABC) designation from the International Association of Business Communicators, Susan's communications and fundraising experience includes work in healthcare, post-secondary education and legal aid sectors. Susan also owned and operated her own communications consulting business. She lived in Peterborough earlier in her career and moved to the Oshawa area for work opportunities. In 2017, Susan moved back to Peterborough to retire. Recently, Susan has taken on part-time communications consulting and volunteers her time helping a Syrian refugee family in Peterborough.

Executive Team

JENNIFER DEBUES (Director, Operations and Granting) joined the Community Foundation in 2013, bringing a wealth of experience from her careers in the non-profit, education, and business sectors. Like her colleagues at the Community Foundation, Jennifer is dedicated to improving our community and is a quiet but passionate advocate of positive environmental and social change.

JOHN GOOD (Director, Fund Development) joined the Community Foundation in 2014, following graduate studies in Social Innovation that stirred up his restless impatience to address messy and complex problems. As one who cares about those facing, social, economic or environmental challenges, John appreciates the opportunity to work with individuals, businesses and organizations that seek to make our community more vital, caring and resilient. Prosperity resides in relationships and John is dedicated to building and maintaining the networks of trust and commitment to shared purpose, so fundamental to the work of the Community Foundation. If you are an existing fund holder or are considering setting up a charitable fund, contact John to discuss your plans.

Passionate about parks and the environment, John managed the heritage interpretation, visitor services and community relations programs for the Trent Severn Waterway from 1981 to 1998 and was Executive Director of the Canadian Parks Council from 2001 - 2013. Firmly rooted in the community where he has lived, worked and volunteered for more than 35 years, John has served as a municipal appointee to the Board of Otonabee Region Conservation Authority and as a director and president of the Otonabee Conservation Foundation. He has been an advisory committee member for Fleming College's Adventure Tourism and Business Marketing programs and is a former director of Kawartha Land Trust.

TODD BARR (Interim Director, Strategic Initiatives) has a vision of equity for all and permanently improved individual well-being and community health. Todd believes that it is important for everyone to have a voice

Appendix F

and when appropriate, create opportunities to share stories and foster a sense of belonging. Todd's passion is identifying the threads of complex situations and working with others to name the change we want to see and the roadmap to get there.

Todd's background is in education and community development. Todd has held senior management positions in non-profit organizations for close to 20 years. Also during that time, Todd has experimented with grassroots community organizing which involves listening before trying to serve others. Todd currently serves on the board of directors of Community Counselling and Resource Centre and Peterborough City Soccer Association. Todd has been an independent coach and consultant since 2014 - a practice that supports individuals and teams to define and achieve their goals. Current focuses include strategic planning, systems change, community facilitation/engagement, human resources, evaluation and communications.

Todd lives in Peterborough with his wife and two incredible kids.



Policy Title: Investment Policy Statement	Category: Finance – Investment
Policy #: Finance 5.0	Date Revised and Approved by Board: March 9, 2015

Preamble

The Community Foundation of Greater Peterborough (CFGP) has adopted a long-term investment objective of creating a conservatively managed portfolio with predominantly low risk characteristics, in order to preserve capital and deliver reasonable growth and income for community grant potential. This Investment Policy Statement identifies the key factors bearing upon decisions for CFGP's investment portfolio (the 'Portfolio') and highlights a set of guidelines for the management of its long-term assets.

Initially, as CFGP builds its long-term assets, funds will be invested in a balanced pooled fund managed by the Investment Manager. Pooled funds are a cost-effective manner of achieving the benefits of diversification, liquidity and professional investment management within the Portfolio as it grows. Once the long-term assets of CFGP have reached a size where they can be invested directly in a separate segregated fund CFGP's Investment Policy Guidelines will be reviewed and updated.

1. Investment Objective

1-A Return on Investments

CFGP's objective is to generate a total investment return that achieves its granting, recovers the cost of managing and administering the funds, protects the purchasing power of the capital component and establishes a reserve for future market declines. CFGP will disburse at a minimum such amount as may be required to meet its disbursement quota under the Income Tax Act.

1-B Risk Tolerance

The Portfolio is structured and managed so as to provide for the generation of its targeted rate of investment return while assuming the lowest possible risk. It is expected that using a high-quality Investment Manager will exhibit stronger performance and less risk than the market. The level of risk and volatility to which the Portfolio is exposed will be controlled by diversifying the Portfolio's holdings, not only in terms of asset class, but also in terms of holdings within each asset class, sector, and geography.

2. Asset Mix

As CFGP builds its long-term assets and is invested in the Investment Manager's Pooled Funds, it is understood that the asset mix will be that of the Investment Manager's Pooled Fund Guidelines as outlined in Schedule A.



3. Restrictions

- The Portfolio as a whole and each asset class represented in the Portfolio must be reasonably diversified.
- All assets selected for the Portfolio must be publicly traded for the purposes of liquidity and ascertaining market value. Gifts or donations consisting of marketable securities will be liquidated as soon as practicably possible.

4. Performance Standard: Investment Returns

The Portfolio's investment performance will be measured against the performance of a 'benchmark' index calculated using appropriate market indices combined in the same proportion as the Portfolio's benchmark index.

Table I: Portfolio Benchmark

Asset Class	Index
Fixed Income Instruments	DEX Universe Bond Index
US Equities	S&P 500
International Equities	MSCI EAFE
Canadian Equities	S&P / TSX Capped Composite Index

The Portfolio's investment performance is expected to:

- exceed the investment performance of the benchmark index over rolling three-seven year periods, with an emphasis on four-year and seven-year periods; and
- rank in the top 50% of comparable portfolios over rolling three-seven year periods, with an emphasis on four-year and seven-year periods.

Review

This policy will be reviewed by the Finance Committee annually at the first committee meeting following the Board's Annual General Meeting, to ensure compliance and to identify any need for amendments. Any amendments will be approved by the Board.



Schedule A: Investment Manager Pooled Fund Asset Mix

Initially, as CFGP builds its long-term assets, funds will be invested in a balanced pooled Fund managed by the Investment Manager. Funds shall be invested in fixed income and equity securities in such proportions as may be established from time to time by the Investment Manager's investment committee. Once the long-term assets of CFGP have reached a size where they can be invested directly in a separate segregated fund (estimated at a minimum of \$2 million), CFGP's Investment Policy Guidelines will be reviewed and updated.

Investment Manager: Jarislowsky Fraser Inc.

Pooled Fund: Global Balanced Fund

Asset mix ranges as follows:

	Minimum	Maximum
Canadian Equities	10%	40%
U.S. Equities	10%	50%
International Equities	0%	40%
Bonds	30%	50%
Cash or Cash Equivalents	0%	20%

Schedule B: Roles and Responsibilities

The Board of Directors of CFGP has ultimate authority over and responsibility for the Portfolio. To assist in the performance of its duties and to ensure that the Portfolio meets its objectives, the Board has appointed a Finance Committee (the 'Committee') of which a key responsibility will be the investment practices of CFGP. As a part of the Committee's responsibilities, it will formulate recommendations to the Board regarding the selection, engagement or dismissal of a professional Investment Manager (the 'Manager') and any other specialist or consultants they may wish to hire. The Manager will be available for physical meetings with the Committee on an annual basis, and will be available for telephone conference meetings on a quarterly basis, or more frequently if required by the Committee, and will be available for discussion and consultation on an ad hoc basis. In addition, the Manager will be available for meetings with the Board as requested.

Schedule C: Conflict of Interest

No fiduciary will knowingly permit his or her interest to conflict with his or her duties or powers relating to investment of the Portfolio's assets or to any other matter related to the Portfolio. Any actual or perceived conflict of interest must be reported to the Committee. Such disclosure will be made when the affected individual first becomes, or ought to have become, aware of the conflict or potential conflict. The Committee will be the sole arbiter in determining whether the conflict of interest exists and, if it determines that a conflict does exist, will take all necessary and appropriate measures to remedy the situation. Every disclosure of a conflict of interest will be recorded in the minutes of the relevant Committee meeting. The failure of a fiduciary to comply with the requirements of this Schedule will not of itself invalidate any decision, contract or other matter.

JARISLOWSKY FRASER

GLOBAL INVESTMENT MANAGEMENT



OUR COMMITMENT TO SUSTAINABLE INVESTING

For over six decades, Jarislowsky, Fraser Limited (JFL) has invested in quality, sustainable businesses and advocated for good corporate governance. We invest with a long-term perspective, adhering to a philosophy that values high-quality companies with sound business practices and enduring competitive advantages. Environmental, Social and Governance (ESG) analysis is integrated into our bottom-up fundamental analysis as a lens that helps mitigate risk and identify sustainable business models. With a history of collaborative engagement, we have held companies accountable for the fair and equal representation of all stakeholders, urged management teams to focus on long-term value creation and contributed to the founding and development of leading governance and sustainability advocacy organizations.

Key Associations:



A TRADITION OF TRUST AND INVESTMENT STEWARDSHIP

1955

The firm was founded as an investment research boutique

2003

Co-founded the CCGG to promote and advance good governance practices in Canada

100%

Of mandates with ESG Analysis and Engagement fully integrated

\$2B +

In bespoke, values-aligned mandates for clients with specific thematic or screening considerations

FULLY INTEGRATED APPROACH TO ESG ANALYSIS

We take a fully integrated approach to ESG analysis. We believe this approach enables us to overcome some of the limitations that are common in other approaches that rely solely on third-party data or separate ESG teams, and ultimately supports our ability to provide value-added investment returns.

In-house ESG Analysis

ESG analysis is performed by our in-house analysts that have deep global sector expertise and knowledge of the companies in which we invest, enabling us to focus on risks and extensive opportunities that are most likely to be material to the long-term value of the business. From an ESG perspective, our analysts' depth of analysis and historical relationships with companies allow for a more nuanced and impactful view of our holdings than is possible if they were to simply use screens or databases.

Proprietary Tools

Throughout the years, we have developed proprietary tools to reinforce our ESG analysis. Our Business Practice Scorecard summarizes relative and absolute assessments of common ESG factors, while our Materiality Database captures analyst views on the ESG issues they consider to be most material to the investment thesis. Finally, our quarterly Portfolio Carbon Footprint reports and ESG&F Heat Map, provide a summary of a variety of third party data points as a mean of provoking additional discussion and analysis.

VALUES-BASED SOLUTIONS

We incorporate ESG considerations into quality assessments across all of our mandates. For clients with specific values-based restrictions, or other non-financial objectives, Jarislowsky Fraser offers a tailored approach to meet their needs. We manage over \$2 billion on behalf of clients with a variety of unique values-based considerations.

In response to growing client interest and demand, we launched a suite of Fossil Fuel Free Funds in 2017. In addition to leveraging our firm's proven active management and company engagement to drive enhanced corporate stewardship, the JF Fossil Fuel Free Funds aim to increase stakeholder alignment, deliver a materially lower carbon footprint and provide increased exposure to green bonds as an important mechanism to finance the energy transition.



DIFFERENTIATED CORPORATE ENGAGEMENT

A Long History of Governance Advocacy

- › We have a long history of taking an engaged approach to share ownership. In 2003, we co-founded the Canadian Coalition for Good Governance to improve governance practices in Canada for the benefit of all stakeholders.
- › With an average holding period of 7+ years, companies recognize Jarislowsky Fraser as a long-term partner.
- › We maintain constructive dialogue with management, and as such we believe we are viewed as a credible shareholder with whom management teams seek counsel.

Engagements are Conducted by the Analysts

- › Engagements are conducted by the relevant analysts and portfolio managers. Analysts meet regularly with company management, and in some cases with Boards of Directors, on material business concerns including ESG issues.
- › This has two important benefits. First, it enhances our ability to influence change over time. And secondly, it leads to deeper integration of ESG factors within our investment process.

Proxy Voting and Stewardship

- › Proxy voting is fully integrated in our investment process, we do not outsource our decisions:
 - Equity research analysts are responsible for reviewing and recommending all proxy votes.
 - Each proxy is discussed with the Investment Strategy Committee (ISC).
 - Decisions are made by the investment professionals.
- › This unique and fully-integrated approach to proxy voting reflects the level of importance we place on our role as stewards of client capital.

ENHANCED ESG REPORTING AND TRANSPARENCY

Core to our approach is a belief that accountability and transparency drive high quality business practices. Consistent with that philosophy, we provide clients with the following enhancements for ESG related reporting on an annual and/or quarterly basis:

- Summary of Key ESG Considerations for new equity holdings
- Portfolio Carbon Footprint
- Update on Engagement Activity
- Proxy Voting Summary & Record
- PRI Transparency Report
- Climate Risk Disclosure

JARISLOWSKY FRASER

GLOBAL INVESTMENT MANAGEMENT

For more information, please contact your team of ESG experts:

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Director & Portfolio Manager, Institutional Management
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Jennifer Bent, CFA

Director & Portfolio Manager, Private Wealth Management
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Michele Browne

Director, Institutional Management
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Suite 1650
New York, NY
10020
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F (212) 951-1092



Policy Title: Spending and Capital Preservation of Funds	Category: Finance
Policy #: Finance 6.0	Date Revised and Approved by Board: November 18, 2019

Preamble

The Community Foundation of Greater Peterborough (the “Foundation”) is the steward of endowed and special funds that were created by gifts from a number of donors. The Foundation seeks, through its investment and spending policies, to maintain or increase the real value of the principal and related grants over the long-term while funding current needs at an appropriate level. The achievement of this goal requires not only a sound investment management program, but also a spending policy that sets an annual spending limit on the income available from capital fund earnings.

The earnings on the funds are a source of income for the granting program and the philanthropic activities of The Foundation. As these funds may be held in perpetuity, the Board of Directors recognizes that the capital in the funds should be protected against the effects of inflation to preserve as much as possible the purchasing power of the funds (i.e. maintain value of the funds on an inflation-adjusted basis).

The Board also recognizes that the earnings on the endowed funds fluctuate from year to year. In recognition of these fluctuations and the impact on the annual distribution, there is a need to maintain a reserve of undistributed earnings. *Earnings* means all income from any cash, interest, coupons, dividends, changes in market value or other interests received from the Donor or otherwise acquired for the fund. The Philanthropic Advisory Service and Investment Fees shall be disbursed from the earnings of the fund.

Policy

Earnings and fees will be calculated and allocated to each fund on a quarterly basis, commencing in the quarter following that in which the donation is received. Earnings will be allocated on a prorated basis, based on the value of the fund in relation to the total value of all invested funds.

The amount available for annual distribution will be calculated based on the closing annual market value of the fund calculated at the Foundation’s fiscal year-end.

Annually, the Board, with the advice of the Finance Committee will determine the distribution of the total annual earnings on the fund and the portions of which will be available to be:

- Spent on grants
- Reinvested back into the capital of each fund



On the advice of the Finance Committee, the Board of Directors will set the Foundation's annual granting amount that will meet or exceed disbursement quotas established by Canada Revenue Agency.

Net investment income earned in excess of grant distributions and philanthropic advisory service fees (as per the Philanthropic Advisory Service Fee Policy) will be re-invested to grow the fund and future earnings potential. If the net income in any one-year is less than the sum of the planned payout and philanthropic advisory service fee, the board may investigate if capital should be distributed to maintain the approved spending limit in the context of expected longer-term income levels.

Review

This policy will be reviewed by the Finance Committee annually at the first committee meeting following the Board's Annual General Meeting, to ensure compliance and to identify any need for amendments. Any amendments will be approved by the Board.



May 15, 2020

Alan Thomas, Chair
Community Foundation of Greater Peterborough
202-261 George St. North
Peterborough ON
K9J 3G9

Dear Mr. Thomas,

Please accept this letter as a letter of support for the establishment of a Peterborough Community Legacy Fund, invested with the Community Foundation to create a continuing stream of non-tax based, discretionary funds to support investments in community wellbeing. As a long time employee, and current Executive Director, of CCRC I have seen first-hand the positive impact the Community Foundation of Greater Peterborough has on supporting community agencies and members of our community. While we, like many charities, receive support from various levels of government, these funds are allocated to specific program areas. While this is incredibly valuable and ensures the sustainability of our organization, there is also a great need for local funding to support other initiatives and unfunded programs. For example, in our Professional Counselling program we receive funding to provide counselling to individuals with specific needs or from specific demographic groups (e.g. victims of gender based violence, older adults, caregivers), however there are many people in our community who are only able to receive service through the generous support of the United Way, community based funding, fundraising, grants and other sources of internal revenue. For example, those struggling with mild to moderate mental health issues, couples and male victims of violence or childhood trauma are not eligible for services through our government funded programs. There are also services provided in both our Housing Resource Centre and Credit Counselling programs that are not supported through government funding, including financial literacy, community engagement, outreach support and tenant education.

CCRC has been fortunate to have received support from the Community Foundation of Greater Peterborough from several streams:

- CCRC is the regular recipient of a Donor Advised Fund
- In the past we received support from the *Community Foundations of Canada's Welcome Fund for Syrian Refugees* which enabled us to help families overcome financial barriers finding and sustaining suitable, stable housing
- CCRC received a one-time grant to produce financial empowerment workbooks for clients

COMMUNITY COUNSELLING AND RESOURCE CENTRE

540 George Street North, Peterborough, ON K9H 3S2
T (705) 743-2272 • F (705) 742-3015
Credit Counselling Service • Housing Resource Centre •
Community Service Orders • Administration & Philanthropy

459 Reid Street, Peterborough, ON K9H 4G7
T (705) 742-4258 • F (705) 741-1734
Professional Counselling • Employee Assistance Program

www.ccrcc-ptbo.com
1-800-274-1611
ccrc@ccrc-ptbo.com
[@CCRC_Ptbo](https://twitter.com/CCRC_Ptbo)



- CCRC recently received support for our Housing Resource Centre in Round 1 of the *COVID-19 Community Response Fund* and have been invited to participate in Round 2 which focusses on mental health needs

Receiving these grants allows us to broaden our client base and increase the level of service to our community. However, the need for our services, and the services of the other valuable charities and not-for-profits in Peterborough is high. Our Professional Counselling program had a waitlist of 6-8 months this past year, and I know other agencies face similar pressures. In closing, I support the establishment of a Peterborough Community Legacy Fund as I know there are many worthwhile agencies that would benefit greatly from the opportunity to increase or stabilize the services they provide to the most vulnerable members of our community.

Sincerely,

A handwritten signature in black ink, appearing to read 'K. Armbrust', is positioned above the printed name.

Kirsten Armbrust, MSW, RSW
Executive Director

COMMUNITY COUNSELLING AND RESOURCE CENTRE

540 George Street North, Peterborough, ON K9H 3S2
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1-800-274-1611
ccrc@ccrc-ptbo.com
 @CCRC_Ptbo



May 14, 2020

John Good
Director of Fund Development
Community Foundation of Greater Peterborough

Re: Support for a Peterborough Community Legacy Fund from The Mount Community Centre

Almost from its beginnings as a community centre with its vision for affordable housing and food security The Mount Community Centre has benefited from its relationship with the Community Foundation of Greater Peterborough. Over the past few years the Foundation has provided grants and investments which have had significant impact on the Mount's redevelopment.


As a beneficiary, The Mount Community Centre supports the proposal from the Community Foundation of Greater Peterborough to create a Peterborough Community Legacy Fund. Investing a portion of the proceeds from the sale of Peterborough Distribution Inc to be managed by the Community Foundation of Greater Peterborough will allow the Foundation to continue its invaluable efforts in encouraging and supporting community wellbeing.

The Mount Community Centre has learned that investments in social infrastructure are as necessary to the building of an adaptable, resilient and prosperous community as investments in built infrastructure. The Community Foundation of Greater Peterborough has successfully demonstrated its ability to leverage a variety of funds such as endowments and donations from community minded individuals and businesses that will add to the capital in the proposed Peterborough Legacy Fund.

It is the belief of The Mount Community Centre that a partnership between the Community Foundation of Greater Peterborough and the City of Peterborough to create a Peterborough Community Legacy Fund will enable the municipality to direct grants to address local needs and opportunities.



Stephen Kylie, President



John Martyn, Vice President



United Way
Peterborough & District
uwpeterborough.ca

Thursday May 21, 2020

To: Alan Thomas, Chair Community Foundation of Greater Peterborough

I am happy to provide this letter of support on behalf of the United Way, for the establishment of a Community Legacy Fund, based in part on investing some of the proceeds from the sale of PDI.

United Way is uniquely positioned in the community to understand many of the issues faced by our vulnerable neighbors. Additionally, we have worked closely with the City around housing and homelessness and as the Community Entity for federal Reaching Home homelessness investment.

Our annual reports "Housing is Fundamental" and "The Living Wage" update help to broaden discussion and reflection on issues such as poverty and homelessness.

Our recent COVID sojourn has highlighted many things, and one of those is the resilience of Peterborough. I note the leadership that has emerged politically and from our charitable sector to meet the challenges with grace and aplomb.

Ensuring a steady and constant support for the sector is essential both in terms of generating GDP but equally as a service to citizens.

Finally, as you move forth in this endeavor with the City I would hope that the United Way could be partnered in bringing forth our expertise to the undertaking.

Kind regards,

Jim Russell B.S.W., M.S.W.

May 20, 2020

Alan Thomas
Chair, Board of Directors
Community Foundation of Greater Peterborough
202-261 George St. N.
Peterborough, ON
K9J 3G9



378 Aylmer St. North
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P: 705-745-3238
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info@greenup.on.ca
www.greenup.on.ca
@ptbogreenup

Re: Peterborough Community Legacy Fund

Dear Alan,

On behalf of GreenUP, I am writing to express support for the Community Foundation of Greater Peterborough's proposal to create a **Peterborough Community Legacy Fund**, with a portion of the proceeds from the sale of Peterborough Distribution Inc.

For 25 years, GreenUP has been one of central and eastern Ontario's leading organizations focused on issues of environmental education, regeneration, and stewardship. GreenUP is part of a vibrant fabric of local non-profit and charitable-sector organizations whose work strengthens and advances community wellbeing, inclusion, and sustainability.

GreenUP has an endowment fund with the Community Foundation of Greater Peterborough, which provides annual disbursements to support critical programming and infrastructure at Ecology Park. GreenUP has also been the recipient of funding through the Foundation's Vital Community Grants program. Our experience working with the Foundation – as both a fund holder and grant recipient – has been exceptional, and we're grateful for the thoughtful and conscientious ways they invest, manage, and direct their funds in response to community needs and opportunities.

We believe that the proposed Legacy Fund will establish a mechanism for making critical long-term investments in our social infrastructure, ensuring an adaptable, resilient, and prosperous future for everyone in our community.

We wish you all the best with this worthwhile project.

Sincerely,

Brianna Salmon, BSc (McMaster), MA (Trent), MPNL (Carleton)
Executive Director, GreenUP





May 21 2020

Mr. Alan Thomas,
Chair, Community Foundation of Greater Peterborough
Via Email to John Good

Dear Mr. Thomas,

I am writing on behalf of the Board of Directors of the Electric City Culture Council (EC3), and it is with great pleasure and enthusiasm that we extend our strongest support to the CFGP for its proposal to create a **Community Legacy Fund** with a portion of the proceeds from the sale of Peterborough Distribution Inc. Ensuring that a portion of the benefits of this once-in-a life-time sale is directed towards community well-being initiatives in perpetuity seems invaluable to us, and demonstrates great vision and foresight. We are so fortunate to have such an effective, well-respected, community foundation in place in Peterborough to manage such a fund, and to partner with the City in an arm's-length relationship to support crucial municipal goals and objectives.

The Electric City Culture Council has worked with the CFGP on different projects, including the Bierk Art Bursary Fund, that allows us to award bursaries every year to local students pursuing post-secondary education in the visual arts. They are presented during the Peterborough Arts Awards at the Mayor's Luncheon for the Arts. This is just a small example of the Foundation's ability to match funding with community interests and add value through community partnerships. The CFGP has demonstrated tremendous leadership in the arts sector since its conception, when it made arts, culture and heritage one of its four pillars of investment. This is an organization that understands the role the arts play in a healthy and vital community, (both its social and economic impacts) and that continuously conducts research to better understand how to deploy its assets for community development and sustainability. The CFGP is

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responsive and responsible, with an outstanding ability to pivot and adapt to changing needs and circumstances.

As a Founding Director and the first Vice Chair of the Foundation, I am acutely aware of the history in Ontario of proceeds from the sale of public utilities and the lands related to them going to community foundations across the province as start up funds. We can't imagine a better purpose for a portion of the sale of PDI than to create such a well thought out endowment. To clearly identify a specific Peterborough Community Legacy Fund, as described by the CFGP, as an outcome of the PDI sale both honours our past, and bodes well for our future.

We wish you every success in this endeavour.

Yours Sincerely,

A handwritten signature in black ink, appearing to read "Su Ditta".

Su Ditta

Executive Director
Electric City Culture Council (EC3)
su.ditta@sympatico.ca
705 749 9101
www.ecthree.org

May 12, 2020

150 King Street, 3rd Floor
Peterborough, Ontario
K7J 2R9

Tel: 705-748-5901

Fax: 705-741-0405

Crisis Support Line: 1-866-298-7778

To Alan Thomas, Chair, Community Foundation of Greater Peterborough:

RE: Proposal to Create a Peterborough Community Legacy Fund

As your community Sexual Assault Centre, we are writing to you in support of the Community Foundation of Greater Peterborough's proposal to create a Peterborough Community Legacy Fund through the proceeds of the sale of Peterborough Distribution Inc.

Our Centre has been a recipient of three Community Foundation of Peterborough grants to provide equine assisted trauma programming to Indigenous Youth and LGBTQ2+ youth leaders, as well as the development of a psychoeducation program for non-binary, trans and two spirit survivors of sexual violence. These programs are innovative pilots that have assisted us in securing additional program funding, creating additional economic benefits and trauma supports for our region.

The Government of Canada has recognized community foundations like the Community Foundation of Greater Peterborough as an important conduit for managing grants – such as the Pilot Fund for Gender Equality Fund – for regional benefit across the nation. The Community Foundation administered a rigorous yet welcoming participatory grant allocation process for this fund and for the COVID-19 Community Response Fund. The Foundation has demonstrated strong Board of Directors leadership, legacy donor investment, healthy fiscal management, and supportive relationships local community charities. I believe that investing public funds for long-term community wellbeing through our community foundation is an ethical, long-term vision.

Kawartha Sexual Assault Centre is a feminist, not-for-profit, charitable organization dedicated to supporting those affected by sexual and gender-based violence and harm. Our work is informed by an anti-oppressive, anti-racist framework to offer trauma- and violence-informed services. At our Centre in Peterborough, we offer individual counselling, psychoeducational and therapeutic groups and workshops, advocacy and accompaniment services, crisis supports, peer supports, public prevention education and professional training. In our three surrounding communities of City of Kawartha Lakes, Haliburton and Northumberland, we work with local centres to provide responsive healing supports and public education events.

Thank you so much for your consideration!

Warmly,



Lisa Clarke
Executive Director



May 22, 2020

Re: Peterborough Community Legacy Fund

Dear Mayor Therrien and Council,

I am writing to lend the support of the New Canadians Centre to the proposal being put forward by the Community Foundation of Greater Peterborough (CFGP) that the City invest some of the proceeds from the sale of PDI with the CFGP to create a Peterborough Community Legacy Fund.

The New Canadians Centre (NCC) is a non-profit organization that has been providing services in the Peterborough community since 1979. We strive to empower immigrants and refugees to become full and equal members of Canadian society, and to provide community leadership to ensure cultural integration in a welcoming community. We serve over 700 new clients annually who come from over 100 countries and speak over 50 languages. In the last four years, our community has welcomed over 370 government-assisted refugees and over 100 privately-sponsored refugees from countries including Syria, Somalia and Sudan.

The NCC is also the lead member of the Peterborough Immigration Partnership, a community-based partnership of 80+ individuals and organisations, which includes the City of Peterborough, which envisions a community where the meaningful economic, social and cultural integration of newcomers ensures a prosperous and inclusive community for all.

We firmly believe that endowing a portion of the PDI funds with CFGP is an opportunity to ensure that the benefits of this one-time sale can be carried forward for years to come: for the benefit of community groups enriching the lives of local residents and supporting some of the most vulnerable in our community.

As a local granting agency focused on the charitable and non-profit sector, CFGP is highly knowledgeable about community priorities, particularly around serving vulnerable and marginalized individuals. This local knowledge, based on deep relationships with local organizations, enables the CFGP to ensure high impact from the funds it disburses.

In the last 4 years, NCC has received several small grants from the CFGP, and these grants have consistently been for concrete projects with tangible local impact. Most recently, in January 2020, we were one of the recipients of a grant from the federal Pilot Fund for Gender Equality administered by the CFGP. Through this grant and working together with Madderhouse Textile Studios and Watson & Lou, we were able to design and deliver the Creative Entrepreneurship for Newcomer Women program – a unique entrepreneurial training experience for newcomer women.

The program design reflected the unique circumstances of newcomer women who experienced barriers to traditional pathways to employment. Over the course of the first 6 weeks, 10 newcomer women received instruction on product development, merchandising, consignment

Everyone
welcome.





arrangements, and e-commerce. This was followed by a field trip to Oshawa to visit Canadian Service Apparel Inc. to tour the business and meet 4 other women entrepreneurs who are currently at different stages of developing their businesses.

Newcomer trainees continue to be engaged through this time of crisis as they have transferred their skills to the production of cloth masks, both as volunteers for local community needs (i.e., for PRHC, long-term care homes etc.) and being hired to produce a unique line of cloth masks for sale at Watson and Lou. The support of the CFGP grant has been instrumental in growing the women's basic sewing skills training to employment opportunities that meet local need.

Through a CFGP donor-advised fund, we were also able to facilitate the Newcomer Photography Project for youth and adults in partnership with the SPARK Photography Festival. These projects have had a significant impact on the newcomer participants as they document their settlement experience, and also on the wider community who reflect on these diverse portraits and grow their welcome.

We firmly believe that this is a unique and timely opportunity for the City of Peterborough to make this investment, and that the Community Foundation of Greater Peterborough is well-positioned to manage and grow the Peterborough Community Legacy Fund to create lasting impact on our community.

Sincerely,

Andy Cragg





**YMCA of
Central East Ontario**

May 21, 2020

Alan Thomas
Chair
Community Foundation of Greater Peterborough
261-202 George Street North
Peterborough, ON
K9J 3G9

Dear Mr. Thomas,

The YMCA of Central East Ontario is pleased to support the Community Foundation of Greater Peterborough's proposal to the City of Peterborough for the establishment of a Peterborough Community Legacy Fund from a portion of the proceeds from the sale of Peterborough Distribution Inc.

The Community Foundation of Greater Peterborough has a strong history of being an effective steward of charitable funds and have proven its incredible impact on our community with over \$3 million dollars in grants to charitable organizations over the last 10 years. The establishment of a Peterborough Community Legacy Fund will ensure that investing a portion of the sale of PDI will continue to benefit the citizens of the City of Peterborough with investments in programs that support the growth and well-being of those living in our communities.

The YMCA recognizes the important work the Foundation does to support charities in our community, some without the help of the Foundation, would not be able to deliver much needed services to its constituents. The citizens of the City of Peterborough would be well served through the establishment of the Peterborough Community Legacy Fund and the Community Foundation of Greater Peterborough is perfectly suited to manage and grow this fund for the betterment of the community.

Sincerely,

David Allen
President & CEO
YMCA of Central East Ontario



May 16th/2020

Alan Thomas, Chair
Community Foundation of Greater Peterborough
202-261 George Street, North
Peterborough, ON
K9J 3G9

To Whom It May Concern,

The Elizabeth Fry Society of Peterborough would like to submit this letter in support of the Community Foundation of Greater Peterborough's proposal for the establishment of a Peterborough Community Legacy Fund.

The Elizabeth Fry Society of Peterborough is a regular and long-standing recipient of grants from the foundation. We were involved in recent funding processes related to the Pilot Fund for Gender Equality and the COVID-19 Community Response Fund. We can speak first hand to the participatory granting process utilized for the distribution of these funds. The CFGP works for the benefit of the community by inviting services to be collaborators in key decisions, and by investing in diverse options across our community.

Over the many years of its operation, the CFGP funds have contributed significantly to the overall well-being of our community. To make our community thrive there needs to be continued investment in organizations and services that assist the most vulnerable and continued investment in culture, recreation, and the environment. While the needs for these programs is ever on the rise, most struggle on a continuous basis to secure sufficient funding. The CFGP has demonstrated over the years its ability to support investments in all these areas and with the Community Legacy Fund will no doubt continue to help this community thrive.

Please do not hesitate to contact me for further discussion.

Sincerely,

Debbie Carriere
Executive Director

The Elizabeth Fry Society of Peterborough | 150 King St. 4th Floor West, Peterborough, ON K9J 2R9
T. 705-749-6809 | F. 705-749-6818 | TF. 800-820-7384 | info@efryptbo.org | www.efryptbo.org





Alan Thomas, Chair,
Community Foundation of Greater Peterborough

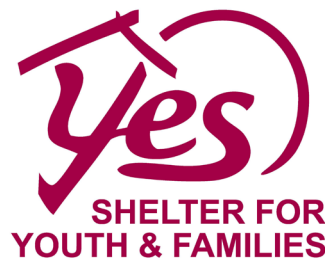
Dear Alan,

I'm writing to express support for the Community Foundation of Greater Peterborough to request that the City of Peterborough contribute 20% of the net sale proceeds from the sale of Peterborough Distribution Inc. (PDI) to establish a Peterborough Community Legacy Fund. This fund would be invested with the Community Foundation to create a continuing stream of non-tax based, discretionary funds to support investments in community well-being.

PARN has been the recipient of funds from the Foundation as well as from the City for the past many years. We offer support to people living with HIV as well as prevention programs to prevent the spread of HIV and Hep C. We have been involved with many other organizations and events in this region including the development of Pride events, safe consumption and treatment services and many more. We believe strongly that some of the proceeds of the PDI sale should be entrusted to the Foundation in order that the legacy of that sale be given life and meaning for many years to come by supporting local agencies and groups that work to better the lives of all citizens.

Yours truly,

Charles Shamess
Executive Director,
PARN-Your Community AIDS Resource Network
159 King St, Suite 302,
Peterborough, ON
K9J 2R8
705-749-9110 ext 203



May 21, 2020

To Whom it May Concern,

I am writing this letter in support of the Community Foundation of Greater Peterborough's (CFGF) application requesting the development of the Peterborough Community Legacy Fund using the proceeds of the sale of Peterborough Distribution Inc. This is a once in a lifetime opportunity to invest in our community's wellbeing, and it is my opinion that the Peterborough Community Legacy Fund will make a difference for years to come.

The YES Shelter for Youth and Families has been serving youth and families who are homeless or who are exiting homelessness for several years in Peterborough City and County. We consistently see an increase in those experiencing homelessness, and more concerning is the significant increase in the depth of need of those who we serve. While demand for our services go up, funding has not often followed. We rely on a variety of funders including the CFGF to provide innovative, effective, and life changing services. YES has benefited from several funding streams that the CFGF offers. The funds have supported YES' capital needs, our ability to provide youth who are homeless with the opportunity to learn and grow through art, and most recently we received important funds to support our response to the COVID-19 pandemic. The CFGF has connected YES to donors who care about youth and families in our community and have provided important research that helps us better understand our community.

The CFGF grants their funds in a way that is strategic and thoughtful. They are uniquely positioned to understand where support is most needed, and are effective at nimbly responding. They use research and evidence to guide their granting processes, and are governed by a volunteer Board of Directors. I am confident that the proposed Legacy Fund would grant vital funds based on where it is most needed and where it could have the largest impact.

I would like to thank you in advance for seriously considering this proposal. Should this fund be developed I am positive it will make a difference to our community and will get us closer to a community where all people are included, and safe.

Sincerely,

Meagan Hennekam
Executive Director
mhennekam@yesshelter.ca
705-748-3851 ext. 201

Appendix F

May 21, 2020

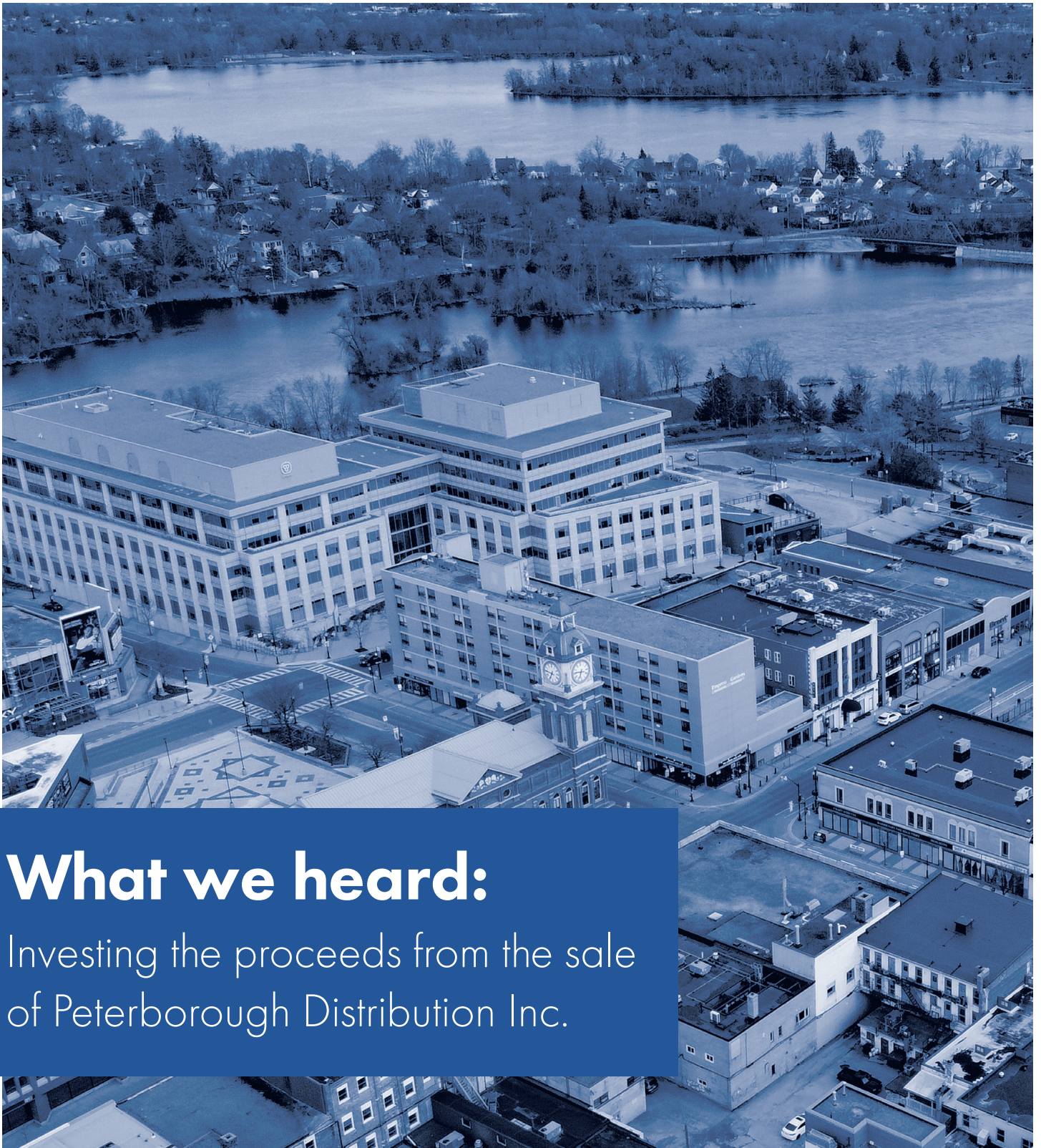
Alan Thomas
Chair, Community Foundation of Greater Peterborough
(via email)

The Peterborough Singers are a 120 voice choir who have been singing in Peterborough and surrounding area since 1993 under the direction of Conductor Syd Birrell. We have had the great privilege of working with the team at our local Community Foundation for many years now. The Singers have two investment funds with the Foundation and consider them a partner in the work we do. Their support has helped the Singers create their 'Relaxed Performance' model enabling people living with disabilities to access our events. Our local arts groups and individual artists are an integral part of the cultural fabric of this community. The Arts are responsible for a great deal of the tourism dollars that come into our community and help make Peterborough a destination for great entertainment. Our Community Foundation has always advocated for a strong community and been at the forefront of inclusiveness. Supporting the Community Foundation of Greater Peterborough's proposed Peterborough Community Legacy Fund you are helping to create a vibrant place where everyone thrives.

Kind Regards,
Peg McCracken,
Business Manager

PETERBOROUGH SINGERS
705.745.1820
www.peterboroughsingers.com

"Enriching our community through choral music"



What we heard:

Investing the proceeds from the sale
of Peterborough Distribution Inc.



What we heard: Consultation on investing the proceeds from the sale of Peterborough Distribution Inc.

With the sale of Peterborough Distribution Inc. (PDI) expected to generate an estimated \$50 million to \$55 million in revenue for the City of Peterborough, the City consulted with residents and interested groups on how to invest the money in the community.

City Council was presented with two potential options on investing the proceeds from the sale of PDI:

- Create a Legacy Fund through ONE Investment to generate revenue for City investments in infrastructure and priorities; and
- Invest the money into Peterborough Utilities group of companies to generate revenue through renewable energy projects.

Council could decide to invest in one or both options, or another option that may emerge when it's considering what to do with the money.

To reach as broad of an audience as possible, the community consultation on the proceeds from the sale of PDI was combined with the City's Budget Roadshow consultation on community priorities for the 2021 Budget.

The consultation was scheduled to include a series of five informal, drop-in style sessions and a survey. The in-person sessions would provide an opportunity for residents to talk with Council members and Finance staff about investing the proceeds from the sale of PDI. In addition to the 2021 Budget consultation process, City staff spoke with interested groups including Transition Town Peterborough, BMO Wealth Management, and the Community Foundation of Greater Peterborough as well as individuals who requested meetings.



Council held the first Budget Roadshow on March 5, 2020. The World Health Organization declared the COVID-19 pandemic on March 11, 2020, which led to the cancellation of the remaining three drop-in sessions.

The survey was open for about seven weeks from February 25 to April 16, 2020. With the cancellation of drop-in sessions due to the pandemic, the City re-opened the survey from May 5 to May 18, 2020 as another opportunity for public input. The survey offered broad, high-level topics and questions; it included space for residents to provide comments outside of the specific questions.

There were **519 responses** to the survey.

The complete survey results report with comments provided is available at peterborough.ca/budget.

Results Overview: Sale of Peterborough Distribution Inc.

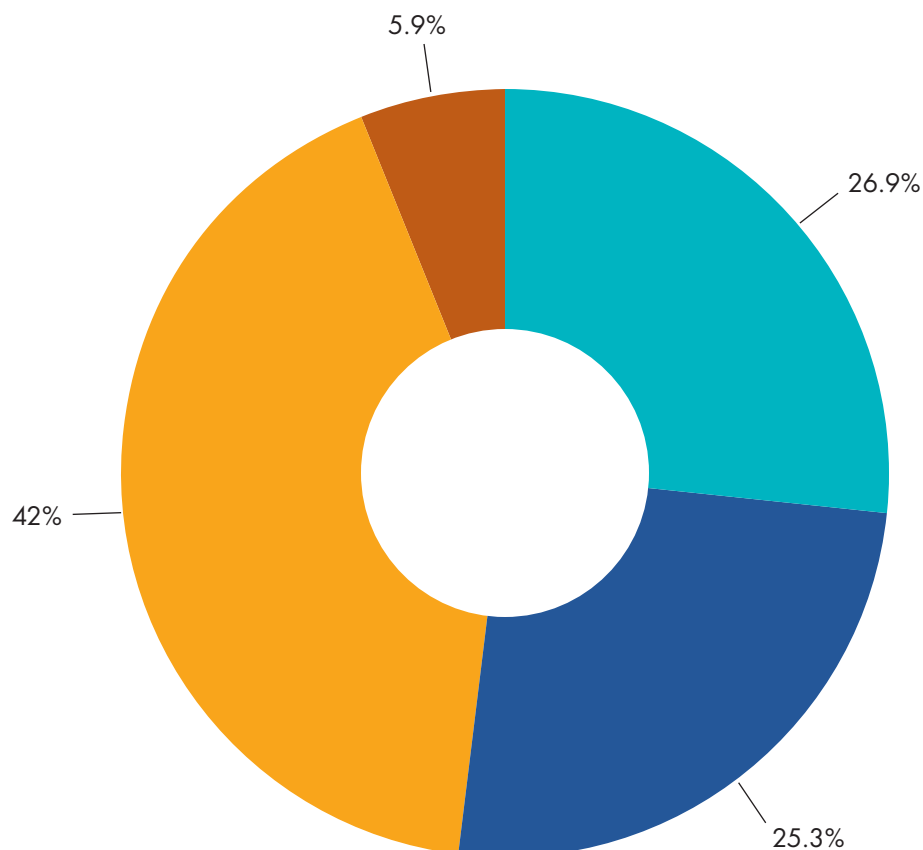
■ Spending or Investing of Proceeds

Respondents were asked whether they think the City should invest or spend the money from the sale of Peterborough Distribution Inc. (PDI), which is estimated to be \$50 million to \$55 million. Slightly more than half of respondents, or 52%, said the City should invest all the money and only spend money generated from that investment.

The next most popular option was investing a portion of the money to generate ongoing revenue and spend the rest of the money on immediate needs, which was supported by 42% of respondents.

Housing, climate change initiatives, roads, a new arena, and the COVID-19 recovery were the top suggestions provided by respondents who indicated that the City should spend some or all the money it gets from the sale of PDI.

- Invest all the money. The core amount that's invested is protected to generate revenue and only that annual revenue from the investment is spent.
- Invest all the money. Grow the core amount by reinvesting a portion of the annual revenue that's generated by the investment, which will over time will increase the revenue to the City.
- Invest a portion of the money to generate annual ongoing revenue, and spend the rest of the money on immediate needs.
- Spend all of the money on a major project or initiative.



Results Overview: Sale of Peterborough Distribution Inc.

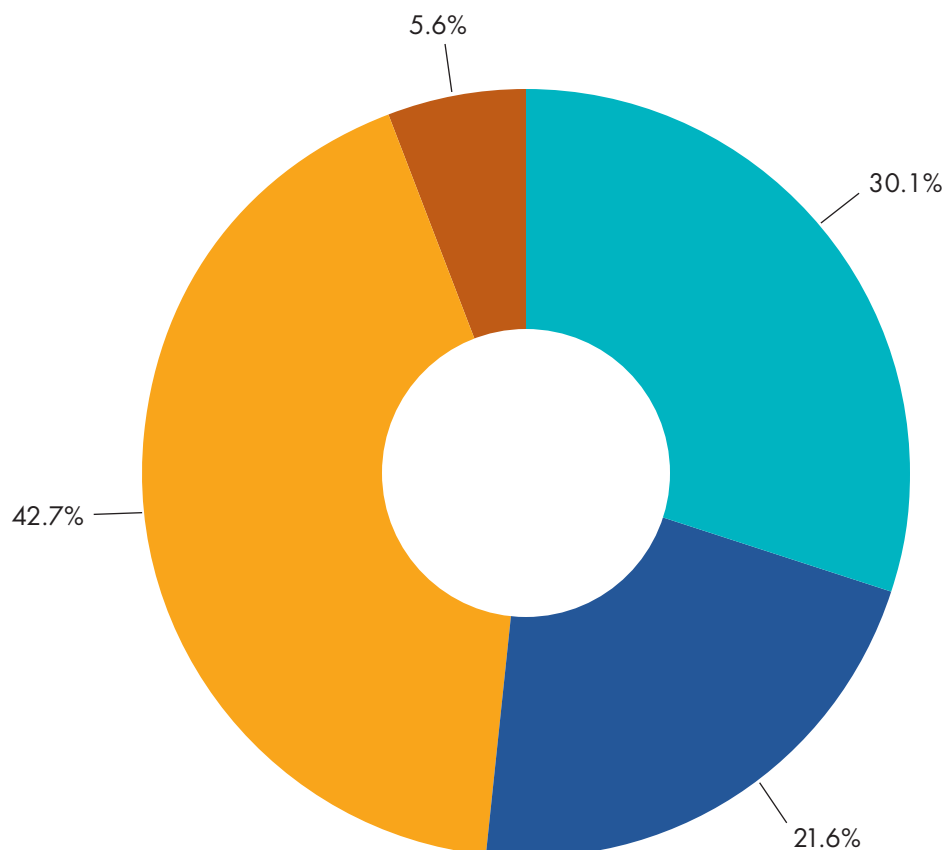
Investing of Proceeds

Council was presented with two potential options on investing the proceeds from the sale of PDI:

- Create a Legacy Fund through ONE Investment to generate revenue for City investments in infrastructure and priorities; and
- Invest the money into Peterborough Utilities group of companies to generate revenue through renewable energy projects.

Council could decide to invest in one or both options, or another option that may emerge when it's considering what to do with the money. Investing in both creating a Legacy Fund and renewable energy projects (splitting the money between the two investments) was the top option chosen by respondents at 42.7%.

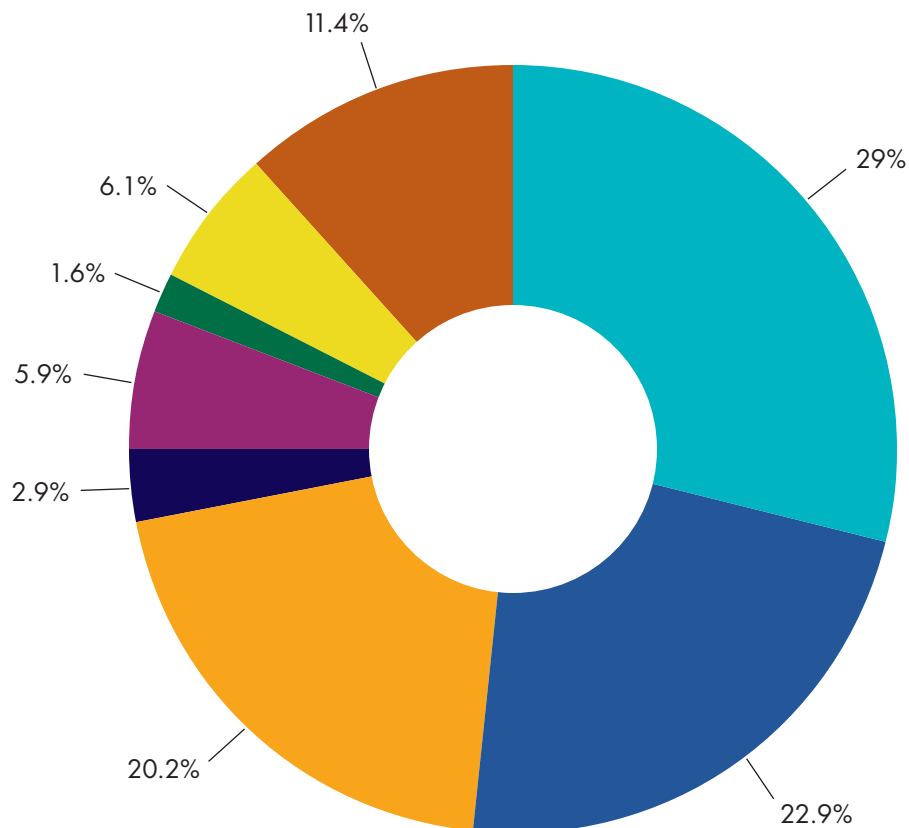
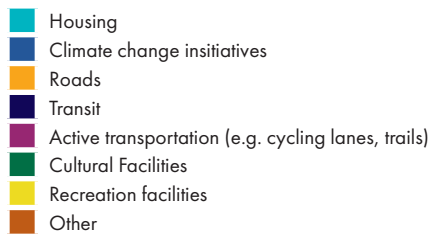
- Invest proceeds with Peterborough Utilities for renewable power generation, and with ONE Investment Group to create a Legacy Fund.
- Create a Legacy Fund through ONE Investment to generate revenue for City investments in infrastructure and priorities.
- Invest the money into the Peterborough Utilities group of companies to generate revenue through renewable power generating projects.
- Invest in a different investment fund/portfolio (as permitted under the Municipal Act, 2001).



Results Overview: Consultation and Communication

If the City invests the proceeds from the PDI sale, how should it spend the annual money generated from that investment?

Housing, climate change initiatives, and roads were the top three selections on how the City should spend the annual revenue generated from investing the proceeds from the sale of PDI with 29%, 22.9%, and 20.2% of responses, respectively.



Other options put forward by interested groups

■ Home energy retrofits

Alan Slavin submitted a proposal to use interest from the money from the PDI sale to support home energy retrofits in the community. The money would be used to get more money for home energy retrofits through an existing Enbridge program. The proposal would cut the community's greenhouse gas emissions and benefit the homeowner through savings on fuel costs and increased property value. It would also generate employment. Structured as loans, the money would be recovered by the City over time to maintain the City's capital.

■ Community resilience

Transition Town Peterborough recommends undertaking an analysis of priorities on both Energy Descent and Security before deciding on how to invest the money from the sale of PDI.

Anything that's done with the money from the PDI sale should help to leverage local ownership in partnership with the local utility company, Transition Town Peterborough proposes. Secondly, the community should identify vulnerable points of energy security moving towards 2030, including the hospital, the downtown, any potential replacement for the Peterborough Memorial Centre, public transportation, Trent University, Fleming College, and a yet to be proposed regional food hub at Morrow Park.

■ BMO Wealth Management

BMO Wealth Management would provide an alternative to the ONE Investment proposal that would follow the same rules and regulations as ONE Investment under the Municipal Act. BMO Wealth Management is a global brand with a local presence that would allow for customization of investment choices.

■ Community Foundation of Greater Peterborough

The Community Foundation of Greater Peterborough proposes that at least 20% of the PDI sale money be invested in the Community Foundation to create a fund for providing grants for priorities in the community. Grants would be provided from the interest generated from total amount in the fund. The annual grants could be provided through the City's Community Grants program, combined with the Community Foundation's Vital Community Grants, or granted back to the City to address priorities identified through Community Wellbeing, Climate Change Action Plan, Housing and Homelessness, and other plans as per an agreement that would be created by the City and the Community Foundation.

Complete Survey Results

Complete survey results with comments provided is available at peterborough.ca/budget. A plain text version of this document is available on request.

