

## Report of PPPAC Meeting – Thursday, Nov 8, 2007

**Present** – Harald Norve, Paul Doane, Gerrie Masters, Janet Kitz, Duncan Morum, Leanne Chisholm, Anne West, Kate Greene, Allan Robertson, Peter Bigelow, Stephen Rice, Stewart MacMillan

**Regrets** – Phil Read, Vivek Tomar, Sue Uteck

**Venue** – Point Pleasant Lodge

**1) Presentation by Allison Kouzovnikov, Executive Director of Community Foundation of Nova Scotia** – Allison described the history and the function of community foundations across Canada, the structure and activities of the Community Foundation of Nova Scotia (CFNS), and an outline of how its endowment funds are structured and operated. A copy of her presentation is attached. For more information on CFNS, there's a comprehensive website at [www.cfns.ca](http://www.cfns.ca). In summary, Committee members concluded that the CFNS could play an important role in managing development funds for implementing the PPP Master Plan and its recommended projects in the future.


**2) Potential fund-raising strategies** – After Allison's presentation, the Committee briefly discussed raising funds for projects within the Park. Four main points emerged. First, successful fund-raising must relate to specific, detailed projects (such as those expected to be recommended by the Master Plan) rather than to general 'restoration' efforts, as donors typically want to support specific projects. Second, fund-raising might be difficult if potential donors feel that PPP is 'owned' by HRM, as donors may also feel HRM has significant financial resources, certainly significant enough to handle restoration projects in the Park. Third, the need to generate significant funds directly through a campaign is essential, as funding from municipal, provincial, federal or other sources is almost always in the form of *matching* funds to those originally raised. Fourth, raising funds on a large scale requires substantial effort, and will require the services of a professional fund-raising entity.

**3) Sustainable funding – a foundation?** – The Committee discussed the pros and cons of using a foundation as a funding mechanism to support PPP. In the aftermath of Hurricane Juan, HRM established a foundation to receive and administer funds for the Park's restoration. This foundation has been dormant since its establishment. Moreover, it is a creature of the municipality, with the Mayor and one or more councillors as members of the board. As such, it might be seen by potential benefactors and donors as an agency of HRM rather than as a charitable foundation with the Park's restoration as its *sole* interest. It was agreed that establishing a foundation managed and administered at arms length from HRM would be worthy of investigation. This could possibly be achieved by 'transferring' the existing foundation to the Community Foundation of Nova Scotia.

Recognizing that establishing a 'new' foundation and designing and executing a substantial funding campaign are large issues requiring a careful approach, it was agreed to move slowly. The first step would be discussions with relevant HRM officials (the CAO and the Solicitor were suggested) in December to determine the municipal viewpoint, probably followed by a study carried out by either staff or consultants to identify key issues and to recommend an implementation strategy. Given that staff are very busy responding to drafts of the Master Plan, it was considered likely that a consulting study would be required.

## Endowment Building

*with*



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Presented to the Point Pleasant Park Advisory Committee  
November 8, 2007

## Agenda

- **Community Foundation Movement**
  - What Community Foundations “Do”
  - History of Community Foundations in Canada
- **Community Foundation of Nova Scotia**
  - Our History
  - Our People & Structure
- **Opportunities to Work Together - Endowment Funds**



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## The Community Foundation Movement



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### What do Community Foundations “Do”?

## 3 Core Activities

**Asset Growth and Management**  
Community Foundations pool together funds established by organizations and donors to increase Return on Investment and decrease Mgmt. Fees.

**Grant Distribution**  
Grants are made from the earnings of these funds to seed, nurture and support initiatives that increase the capacity of organizations and individuals to develop local leadership, promote self-reliance and mobilize civic participation and resources.

**Community Convening**  
Community Foundations provide leadership by bringing people together from all sectors to identify and address issues and leverage opportunities in the region.



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## Community Foundations in Canada

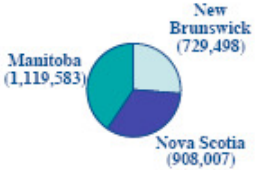
- Winnipeg Foundation founded in 1921
- 155 across Canada
- Collectively these foundations hold more than \$2.7 Billion in assets
- Total grant making in 2006 - \$137 Million



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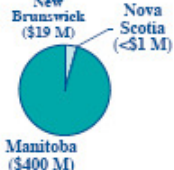
## How does Nova Scotia compare on the Community Foundation Scene?

**Population (2001 census data)**



Province	Population (2001)
Manitoba	1,119,583
New Brunswick	729,498
Nova Scotia	908,007

**Community Foundation Assets**



Province	Assets
New Brunswick	\$19 M
Nova Scotia	<\$1 M
Manitoba	\$400 M

## Our History

- Predecessor Organization - Foundation for Heritage and the Arts (est. 1999)
- Conversion to **Community Foundation of Nova Scotia**, a public foundation with much broader charitable objects and a provincial mandate, 2004-2006
- Hired first Executive Director 2006



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## Our History

- Member of Community Foundations of Canada since 2004
- We are dedicated to

**Building  
Vital, Vibrant & Inviting  
Communities  
across Nova Scotia**



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## Our People & Structure

- Executive Director - Allison Kouzovnikov
- Board of Directors (min. 5, max. 15)
- Represents all regions of NS
  - Truro/ Northern NS
  - South Shore
  - Annapolis Valley
  - Cape Breton
  - Yarmouth
  - HRM
  - Acadian Shore



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## Our Future Fund Structure

### Community Funds

Unrestricted

### Fields of Interest Funds

(non-exhaustive list)

Youth Advisory Council                      Environment  
Health & Social Development              Arts, Culture & Heritage  
Sports, Recreation & Fitness                      Education

### Designated & Agency/ Managed Funds

(Pre-selected Charities)

### Advised Funds

(donor and/or nominee)

Family Fund                      Point Pleasant Park Fund

## Endowment Building



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## Why Build an Endowment?

- **Stability** - Endowments are a permanent source of community capital.
- **Sustainability** - Endowments provide charities with a reliable source of annual revenue (net ~ 4.5%).
- **Legacy** - Permanent endowments grow over time, helping to do good work today, tomorrow and forever.




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**Endowment Funds**

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**LOGISTICS**



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**Endowment Funds**

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**YOU BUILD THE FUND  
WE DO THE REST!**




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**Endowment Funds**

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- **Set up is Simple and Efficient**
  - \$25,000 min. to establish a Fund
  - Simple Legal Agreement
  - Money can be added to the Fund at any time
  - Interest earned by the Fund is distributed to you annually
  - You decide how the earnings are spent



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**Endowment Funds**

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**Benefits of Our Structure:**

- We are an independent public charity
- Professional Administration and Management of Funds by our Investment Committee, Investment Manager and Foundation staff to ensure maximum profitability
- Complete Administrative Support (fund management, tax receipting, reporting, etc.)



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**Endowment Funds**

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**Benefits of Our Structure:**

- Donor Relations & Stewardship - our business is to cater to donor's needs and we are designed to handle complex philanthropic transactions such as gifts of appreciated securities, life insurance, bequests, etc.
- Marketing and Public Relations by placing a Fund with us you benefit from our own marketing and public relations activities. We grow together!



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**Endowment Funds**

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**Benefits of Our Structure:**

- Low-Cost Fund Management - placing a Fund with us can save you thousands of dollars a year in bookkeeping, investment managers and staff time.

**WE TAKE AWAY THE WORKLOAD & WORRY ASSOCIATED WITH AN ENDOWMENT SO YOU CAN SPEND MORE TIME ON YOUR ORGANIZATION'S MISSION**



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### Investments

- Fund established in October 2006 with **Manulife Financial**
- Net rate of return as of Sept. 30, 2007 ~ **9.5%**
- Our Fee - **2 - 2.5%** (includes fund mgmt fee)
- **Investment Committee Members**
  - *Rakesh Jain*, Chartered Accountant
  - *Calvin Jordan*, CEO, NS Assoc. of Health Organizations Pension Plan
  - *Mary Eldridge*, Trustee



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### Precedents

- Jervis Bay Legion-Ross Memorial Park Fund - Greater Saint John Community Foundation - the Fund's purpose is to maintain the Park.
- Sudbury Regional Tree Fund - Sudbury Community Foundation - the Fund's purpose is to preserve, protect, restore and improve the area's forests.



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