Agenda

Village Commission Special Meeting
Wednesday, Aug 12, 2026 @ 6:30 pm

In-Person & Virtual Meeting
Library/Village Boardroom, 63 Regent Street, Chester
Zoom Meeting ID #829 9585 2975, passcode 202627 or [YouTube Live]

1.0 Call to Order/Land Acknowledgement

- *As we meet today, we acknowledge that we live in Mi'kma'ki, the traditional and ancestral territory of the Mi'kmaq people. We are all treaty people with a responsibility to each other and to this land.*

2.0 Approval/Amendment of Agenda p. 1

3.0 Business Arising

3.1 Discussion Note re: ZVL Fund Investments-Revised p. 2

4.0 New Business – Nil

5.0 Adjournment

Next Meeting(s)

➢ Monthly: Aug 19, 2026 @ 6:00 pm – 63 Regent St & Livestream

Sched 3.1

Village of Chester Commission

Discussion Note (Revised)

Aug 12, 2026

RE: ZVL Trust Investments

Overview

The Zoé Vallé Memorial Library (ZVL) is a registered charity (Charitable Registration No. 119309607 RR0001) and a separate legal entity from the Village of Chester.

At present, all its charitable funds are currently held in a single bank account. As per the Village's ZVL proposal, it is proposed that a portion of these funds be strategically allocated across operational accounts and investments to improve capital protection, liquidity management, and long-term financial sustainability.

Note: The ZVL's funds do not constitute a formal "trust" or "endowment" in the legal sense. Throughout this document, the term "Trust" is used in its vernacular sense for consistency.

As noted above, currently:

- 'Trust' funds are in one regular bank account at the Chester Scotiabank branch, with **$191,511** as of Aug 1st. Note that no ZVL expenses for the 2026/27 fiscal year have yet been billed back, so this amount is untouched since the Village took control of the account. This total is in the neighbourhood of $________ (still being calculated at time of writing).
- There is an open investment account with Scotiabank, with **$0**, which was where the CHUMS Fund had been before it was rolled into the main account (before the Village had the accounts).
- I recently became aware of an investment account with BMO currently worth **$4,243**, invested in US Equity mutual funds. Neither I nor Tim Topping, the previous Treasurer, have any information what this account was for specifically, or its terms. These funds should be consolidated into the plan outlined in this document, and the account closed.

Background

As a registered charity, ZVL operates under different financial reporting requirements than a public sector entity such as a municipality or village. ZVL funds, accounts, and financial records are separate from the Village's, similar in structure to other arm's-length committee or affiliated charitable entities (e.g., the Chester Fire Services Committee).

The Village annual budget lays out carefully the allocation of expenses to be paid by the Village or from the ZVL Trust, in accordance with the terms of the Warranty Deed. As you know, a significant portion of operational costs is now supported through Village funding, while certain operational and capital expenditures continue to be managed through the charity structure.

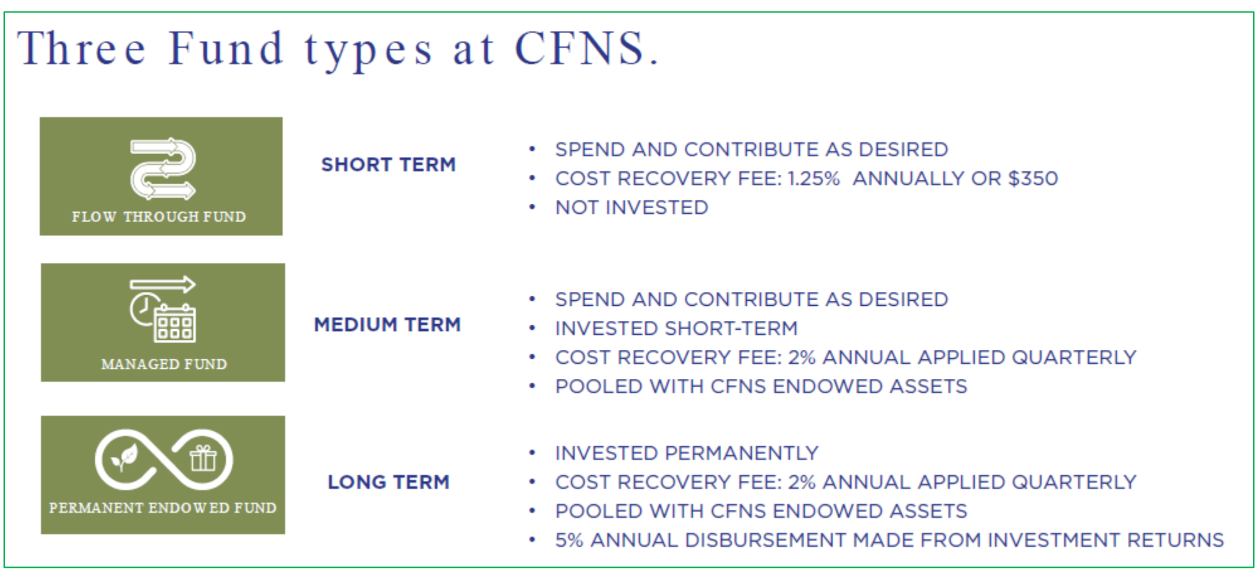
The Village Commission has indicated intent since the proposal stage to invest a portion of ZVL's charitable funds to better protect the capital and improve returns for long-term sustainability of the Library.

Investment Approach
The Village currently uses cashable GICs in a registered Canadian banking institution, in accordance with *Municipal Government Act* legislation and the Village's own Reserve Funds & Investment Policy. The ZVL is not bound by the same constraints, allowing for alternatives to be considered.

The information that follows summarizes the investment options explored to assess how best to invest the charity's funds in a manner that supports both operational needs and long-term financial sustainability, and concludes with a proposed structure for consideration.

Community Foundation of Nova Scotia (CFNS)
CFNS is a registered charitable organization and public foundation that supports the charitable and non-profit sector by building and managing permanent and long-term funds to help meet the needs of communities across Nova Scotia.

Through its work, CFNS manages a range of charitable fund structures, including flow-through, medium term, and endowment funds. Below is a summary:



These CFNS structures provide charities with access to:

- Professional fiduciary oversight (i.e., duty of acting in good faith in the interests of others) of charitable assets
- Pooled investment management
- Administrative infrastructure for charitable receipting and donor stewardship
- Clear separation between funds intended for current use and long-term charitable capital
- Continuity of capital management across organizational cycles – fiscal years, changes in officers, etc.

CFNS Fund Structure and Comments

Charities commonly use different fund structures depending on the intended purpose and timeline of the assets. An overview and my comments on each one below.

A **Short Term Flow-through Fund** is designed for short-term holding of funds only and generates 0% interest. It is used by organizations seeking administrative support for donation processing, since CFNS can provide charitable receipting and related services.

Given that ZVL already has established banking arrangements with the ability to manage short-term needs directly, which also provide 2.5% interest, a flow-through fund does *not* appear to provide an advantage at this time.

A **Medium Term Managed Fund** is designed for organizations seeking to invest charitable assets while maintaining access to funds when required. Funds can generally be liquidated with an approximate one-month turnaround. Historical returns for this fund type have been a 7-10% annual rate of return in recent years, however, investment returns do fluctuate and past performance is not a guarantee.

This structure *is* of interest for providing:

- Investment growth potential with reasonable liquidity
- Professional pooled investment management
- Support for charitable gifts including securities and online donations
- CFNS receipting and reporting infrastructure
- The ability to accept donations in US$ (via a slightly different process than for CND$ donations) and provide American “501(c)(3)” receipts

This is very convenient for regular donors and for part-time residents – for example, there is one on the current ZVL CanadaHelps page who has been donating $20/month for some time and as of July increased it to $40/month, and another new donor as of August has set up $100/month!

Reporting can be any frequency we require. There is a minimum $10K investment.

Note that a deliberate strategy will be needed to preserve and grow the fund, or these assets may ultimately be drawn down to support current charitable activities.

A **Long term Permanent Endowment Fund** is designed to preserve charitable capital – which means the principal remains invested and cannot be touched at all; *only* an annual disbursement of 5% from the investment interest can be accessed. This structure is for assets that are not required for operational use.

Endowment funds are particularly attractive for legacy gifts, providing donors with an opportunity to create lasting impact beyond their lifetime.

A CFNS endowment can be established with a minimum contribution of $10,000. Growth is achieved through a combination of donations, investment returns, and additional allocations from the charity. It's an investment decision and a planning decision.

Note that a far larger principal amount (in the $millions) would be needed to make fully operating ZVL through an endowment feasible – but doing so is an important future goal.

For illustration purposes:

Endowment Principal	Approx. Annual Disbursement (5%)	Purpose
$ 100,000	~$5,000/year	Establishes a long-term fund but provides limited operating support
$ 500,000	~$25,000/year	Begins to provide a more meaningful recurring revenue stream
$1,000,000	~$50,000/year	Provides a more significant source of sustainable annual funding

Many charities use a combination of medium-term funds and permanent endowment funds to balance current financial needs with future goals.

CFNS Summary
Both the CFNS Medium-Term Fund and Permanent Endowment Fund are invested through CFNS's pooled investment portfolio, providing access to professional investment management and a diversified investment approach for typically better returns.

Working with CFNS keeps money in the community, supports ethical investments, and keeps the principal invested at arm's length, which looks – and is – cleaner.

Recommendation
Following conversations with CFNS's CEO Daniel Holland, Fund Manager Carly Levy, and consideration of broader charitable sector practices, the following structure is presented for consideration: a combination approach between Scotiabank and the CFNS.

Input was also provided by Katie Macdonald, a charitable sector consultant with experience in endowment building, fund development, and charitable revenue diversification.

ACCOUNT/ FUND	SOURCE	PURPOSE	INITIAL INVESTMENT
ZVL Operating Account	Scotiabank Main Business Banking Account *(existing)*	Holds funds for budgeted operating expenses and near-term capital expenses (i.e., ready for payment). - Maintains liquidity for cheque and EFT payments and includes a contingency reserve. - UPDATE: This account allows staff to deposit cash, cheque or e-transfer donations. Donations are tracked separately for Canada Revenue reporting. (Confirmed by auditor.) Donations would then be transferred to the appropriate reserve.	Per 2026/27 Operating Budget: $20,710 Operations + $15,200 Completed Capital + $7,180 Contingency (20%) = $43,090 minimum to be left in account
ZVL Capital Reserve	Scotiabank Investment account *(new)*	Holds funds for budgeted capital expenses. - Funds to be invested in Cashable GICs with an annual term (as the Village does for its reserves). - Funds transferred to the operating account as expenses are incurred. - A policy for accessibility and contingency levels should be established.	Per 2026/27 Capital Budget: $41,865 Accessibility Project (25% share) + $8,873 Contingency (20%) = $50,250

ACCOUNT/ FUND	SOURCE	PURPOSE	INITIAL INVESTMENT
CHUMS Reserve	Scotiabank Investment account *(existing)*	Supports children's book and materials purchases. - A preliminary approach could include a combination of accessible and slightly longer-term: for example, 1-yr Cashable and 2/3-yr Non-cashable GICs. - A policy for annual disbursement to be developed for inclusion in budget planning.	$5,000 (rounded up from $4,713)
ZVL Midterm Reserve	CFNS Medium Term Managed Fund *(new)*	Intended for longer-term reserve assets; minimum investment $10,00. - Also known as the bulk of the existing ZVL Trust! - Donations can be made directly to this fund via an online link. - This would be the main donation online link promoted, deleting the Canada Helps page to avoid confusion. - This is also the route for US$ donations.	$83,170 (approx) remaining funds not allocated for 2026/26 + BMO Account funds once liquidated ($3-4,000) =$86,560 (approx) *Or* a lesser amount to start.

ACCOUNT/ FUND	SOURCE	PURPOSE	INITIAL INVESTMENT
ZVL Endowment	CFNS Permanent Endowment Fund *(new)*	A seed; something to work towards. - The potential value for long-term sustainability goals is significant. - Establishing the endowment with an initial contribution of $10,000 either now or during the next fiscal period would allow the fund to develop into a sustainable source of annual support for ZVL's charitable purposes over time.	$10,000 minimum to open fund

Draft Motion (if required)
That the Chester Village Commission, in its role as financial stewards of the Zoé Vallé Memorial Library, approve the establishment of the following new accounts with initial investments transferred from the existing ZVL operating account:

- Scotiabank: ZVL Capital Reserve ($50,250?);
- Community Foundation of Nova Scotia: a Mid-term Managed Fund ($__________) *and* a Permanent Endowment Fund ($10,000). The Clerk/Treasurer, Chair and/or Vice-Chair? are authorized to finalize and sign the agreement with the Foundation.

AND the following additional investment transfer to be made to:

- Scotiabank: CHUMS Reserve ($5,000).

Attachments:

Community Foundation of Nova Scotia

PARTNERING FOR IMPACT
CFNS & CHARITIES

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PARTNERING WITH CFNS

"To address needs we cannot yet see and help people we will never meet."

Community Foundations

1914, Cleveland, Ohio: Fredrick Goff noted large amounts of money were being left through bequests in wills to charitable causes that either no longer existed or no longer reflected evolving values and community needs.

Community Foundations: Goff envisioned a novel approach to philanthropy - one that would create enduring, flexible charitable endowments, capable of responding to the ever-changing needs of the community. Adopted in Canada by the Alloway Family in 1921 in Winnipeg with gift of $100,000.

Canadian Network of 200+ Community Foundation: uniquely positioned to understand both local needs and local solutions on the issues that matter most to communities.

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PARTNERING WITH CFNS

WE ARE A CHARITY TOO. LET'S WORK TOGETHER.

CFNS is a registered charitable foundation that advances philanthropy, providing philanthropic services for families, communities, and charities.

Unlike financial institutions, our fees for service are reinvested in the community. These fees, as well as direct donations to our charity, fund our mission to build resilient communities across the province.

We want to take the infrastructure we have in place to support Donor Advised Funds, and use it to benefit your charity, alleviating administrative burden and allowing you to focus more on your mission.

With 18 years of experience advancing philanthropy in Nova Scotia, and leaning on a century of work in Canada, the Community Foundation has been honoured to facilitate grants to hundreds of charities across the province, and to steward Funds for more than 30 registered charities.

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PARTNERING WITH CFNS

Benefits of a Community Foundation:

A trusted and local partner for charitable giving. Focus on your community impact without the hassle of administrative duties.

The Community Foundation is working to empower a stronger and more sustainable charitable sector, and we're committed to supporting you with tools to help grow your impact in our communities.

Reduced Administrative Burden
The Community Foundation receives and issues tax receipts for thousands of donations each year and can help reduce the administrative burden on your team.

Full Transparency
In addition to quarterly financial statements, you will have access to a private online Fund Portal that chronicles donations, grants, and other fund activities (coming in 2027).

Experts on Unique Donations
We are experts on accepting unique types of donations — from Gifts of Securities to USD— and are able to provide backend support to process these gifts.

Investment Expertise
Pooled with more than $43M in assets, your Fund benefits as part of our professionally-managed and diversified investment portfolio.

Customized Solutions
Our team is here to set you up for success and can help build a personalized online donor page for your Fund and develop a customized donation receipt.

Trusted Third-Party
With strong governance and a clear fiduciary responsibility to protect donor intent, we serve as a trusted third party, giving donors confidence when making major gifts to your organization.

Cost Savings
Benefit from our economies of scale, low fees, and organizational expertise that saves your organization time and money that can be refocused on your community impact.

Community Network
The Community Foundation engages with over 300 charities each year and works to build bridges in the sector through a network of local charitable leaders.

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PARTNERING WITH CFNS

What services do we provide to charities?

Gain a charitable partner to support your donors' giving while you retain complete control of your relationships.

We provide many services to charities, depending on your needs. These include the professional management of endowment, medium-term investments, and flow through funds designated for charitable purposes.

- ACEPTANCE OF ONLINE DONATIONS
- ISSUANCE OF TAX RECEIPTS
- INVESTMENT MANAGEMENT
- FACILITATION OF DONATIONS OF SECURITIES
- PERMANENT ENDOWED FUND
- MANAGED FUND
- DONATIONS AND RECEIPTING IN USD
- SCHOLARSHIP ADMINISTRATION
- CAMPAIGN ADMINISTRATIVE SUPPORT
- ENDOWMENT MANAGEMENT
- FLOW THROUGH FUND

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PARTNERING WITH CFNS

Three Fund types at CFNS.

FLOW THROUGH FUND

SHORT TERM

- SPEND AND CONTRIBUTE AS DESIRED
- COST RECOVERY FEE: 1.25% ANNUALLY OR $350
- NOT INVESTED

MANAGED FUND

MEDIUM TERM

- SPEND AND CONTRIBUTE AS DESIRED
- INVESTED SHORT-TERM
- COST RECOVERY FEE: 2% ANNUAL APPLIED QUARTERLY
- POOLED WITH CFNS ENDOWED ASSETS

PERMANENT ENDOWED FUND

LONG TERM

- INVESTED PERMANENTLY
- COST RECOVERY FEE: 2% ANNUAL APPLIED QUARTERLY
- POOLED WITH CFNS ENDOWED ASSETS
- 5% ANNUAL DISBURSEMENT MADE FROM INVESTMENT RETURNS

*Additional fees may apply for services such as grant administration, merchant fees for payment processing, etc.

*Fee structures are reviewed annually by the CFNS Board of Directors.

FLOW THROUGH FUNDS

FLOW THROUGH FUND

- Non-permanent, non-endowed Fund designed to distribute all of its capital to one or more specified charitable organizations within a fixed time period.
- Donors receive an immediate tax receipt for their contributions to the Flow Through Fund, in accordance with regulations provided by the Canada Revenue Agency (CRA).
- Subject to administrative fees as established by the community foundation's Board. The income net of these fees accrues to the Fund.
- CFNS manages the administrative aspects of the Fund, allowing you to focus on your work.

Mariners Centre Expansion

The Mariners Centre in Yarmouth set up a Flow Through Fund with the Community Foundation of Nova Scotia to raise a portion of their $40 million new campus-style community hub for sport, health and wellness, entertainment and events. Partnering with CFNS allowed them to begin taking donations while launching the project, alleviating the administrative burden of campaign while they focused on fundraising and impact.

MANAGED FUNDS

MANAGED FUND

- A Managed Fund invests your charity's donations and/or operational reserve to generate revenue for charitable purposes. i.e. A future unexpected capital project.
- Supports growth and helps with unexpected expenses.
- By partnering with CFNS, your charity receives access to professionally managed investment portfolios.
- CFNS manages the administrative and investment aspects of the Fund, allowing you to focus on your impact.

Halifax Refugee Clinic

The Halifax Refugee Clinic provides no-cost legal and settlement services to refugee claimants in Nova Scotia who are unable to afford the services of private legal counsel.

The Halifax Refugee Clinic Foundation has both a managed fund and a permanent endowment fund established with CFNS, which ensure an ongoing source of support for the clinic. The foundation supports refugees through the award-winning, life-changing- and life-saving work carried out by the team of staff, volunteers, and pro bono lawyers of the Halifax Refugee Clinic.

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ENDOWMENT FUNDS

PERMANENT ENDOWED FUND

- An endowment is a Fund where donations are pooled and permanently invested to generate revenue for charitable purposes.
- Stable, long-term source of funding.
- Supports operational costs, and helps with unexpected expenses.
- By partnering with CFNS, your charity receives access to professionally managed investment portfolios.
- CFNS manages the administrative and investment aspects of the Fund, allowing you to focus on your impact.

MARIGOLD CULTURAL CENTRE

cobequid arts council

Marigold Cultural Centre

The Marigold Community Arts Foundation was established as an endowment fund at the Community Foundation of Nova Scotia to ensure an ongoing source of support for artistic expression created and curated through the work of the Cobequid Arts Council. The goal of this Fund is to provide grants and bursaries for the citizens of the Town of Truro, Colchester County, and the Province of Nova Scotia who are interested in the arts in a variety of capacities.

A donor who had supported their efforts wanted to make an endowment donation. At the time, Marigold Culture Centre didn't have an endowment and didn't want to add the burden to their Board of Directors, so they opened a Fund with CFNS.

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PARTNERING WITH CFNS

HONOURING IMPACT: A CHARITY'S LEGACY

When charities reach the end of their lifecycle, they may choose to leave a lasting legacy by transferring their remaining assets to the Community Foundation of Nova Scotia, where funds are professionally managed and invested for long-term community benefit. These organizations can continue to shape impact, allowing former board members or representatives to stay involved in recommending grants and guiding priorities. This model ensures that even after a charity dissolves, its purpose lives on, with the Community Foundation handling administration, compliance, and investment management so community leaders can focus on impact.

OLD LADIES HOME SOCIETY

Founded in 1890 in Yarmouth, Sunset Terrace, originally known as the Old Ladies Home, was created by local women to provide safe, affordable housing for older adults of limited means and operated for 130 years through grassroots fundraising and community support. When the facility closed in 2020 as residents' needs evolved, the Old Ladies Home Society ensured its mission would continue by establishing an endowment with the Community Foundation of Nova Scotia. Today, that fund generates more than $60,000 annually in grants, supporting vulnerable people in the Yarmouth area and carrying forward a legacy of local care and generosity.

Old Ladies Home Society Fund
Founded in 1890

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PARTNERING WITH CFNS

INVESTMENTS

- As of July 2025, CFNS assets are invested with Fiera Capital in the Ethical Balanced Fund. Fiera Capital was selected for their strong institutional track record, values-aligned approach to investing, and consideration of the current global economic landscape.
- Fiera Capital is a leading independent investment firm with deep expertise in managing assets for foundations, endowments, and institutional clients. They are recognized by Benefits Canada as the 2nd largest manager of nonprofit assets in Canada, managing $9 billion over 300 relationships.

Performance of Fiera's Ethical Balanced Fund, as of December 31, 2025:

One-Year Annualized Return	Five-Year Annualized Return	Ten-Year Annualized Return
6.53%	8.38%	8.49%

**Until June 2025, CFNS investments were managed by Jarislowsky Fraser's Global Balanced Fund. Their performance to December 2025 is as follows: 1-Year Annualized Return: 6.91% | Five-Year Annualized Return: 6.55% | Ten-Year Annualized Return: 6.10%

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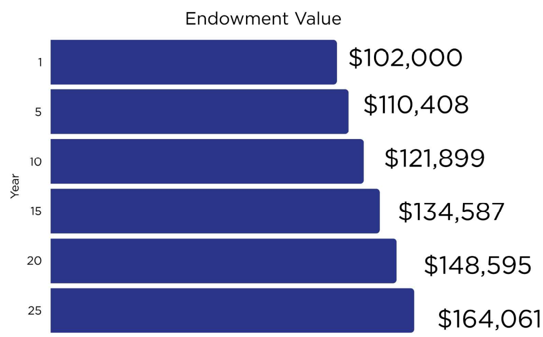
PARTNERING WITH CFNS

Reinvest *In your Charity*

25-year Endowment Growth Estimate

- $100,000 Endowment
- **Assuming 8% Annual Return**
- 5% Annual Disbursement Quota
- 2% Annual CFNS Admin & Investment Management Fee



Projection Results

Total Contributions	**$100,000**
Total Disbursements to your Charity	**$128,121**
Endowment Value at 25 Years	**$164,061**

These projections are estimates based on historical performance and assumed rates of return. Actual results may vary and are subject to change due to market conditions and other factors.

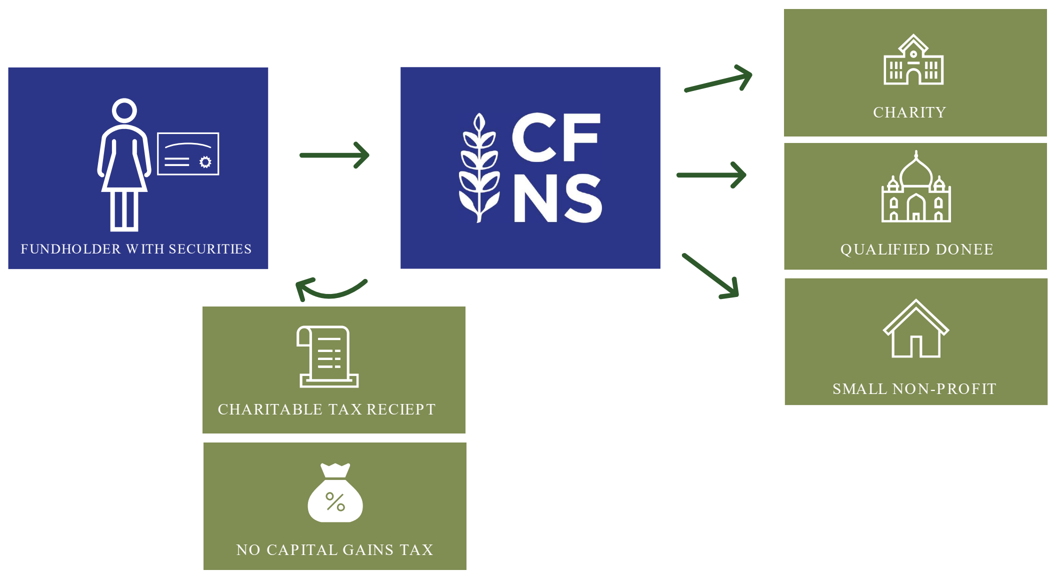
We accept complex gifts on your behalf.

GIFTS OF SECURITIES

In 2025 CFNS worked with a Fundholder who wanted to provide operational support to many charities and non-profits.

Working with CFNS, they were able to receive a tax receipt for their donations to both charities *and* non-profits.

They were also able to give in a tax-efficient way by donating securities, which many organizations are not equipped to accept. CFNS accepts this gift and makes a donation directly to the Fundholder's chosen beneficiaries.



CFNS Philanthropic Services

In addition to our services for charities, we provide support for individuals, families, businesses, groups, and communities. Here are just a few:

Anonymity
Many of our Fundholders prefer to stay anonymous in their giving. We facilitate donations and/or run granting programs on their behalf.

Giving Complex Gifts
Some of our Fundholders prefer the tax-advantage of donating securities. However, the causes closest to their hearts may not be equipped to accept these gifts. We accept gifts of securities, issue a charitable tax receipt to the donor, and forward their donation to the charity in cash.

Acceptance of Donations in USD
There are many residents of the United States who call Nova Scotia home, or their home-away-from-home. We help them to make gifts to Nova Scotia charities while receiving a tax receipt via a 501(c)3 affiliate charity.

Investment Expertise
Pooled with more than $43M in assets, your Fund benefits as part of our professionally-managed and diversified investment portfolio.

Customized Solutions
Our team is here to set you up for success and can help build a personalized online donor page for your Fund and develop a customized donation receipt.

Trusted Third-Party
With strong governance and a clear fiduciary responsibility to protect donor intent, we serve as a trusted third party, giving donors confidence when making major gifts to your organization..

Gifts to ENQDs
This means that under certain conditions our donors can make donations to eligible non-profit organizations, not registered charities, and still receive a charitable tax receipt.

Community Network
The Community Foundation engages with over 300 charities each year and works to build bridges in the sector through a network of local charitable leaders.

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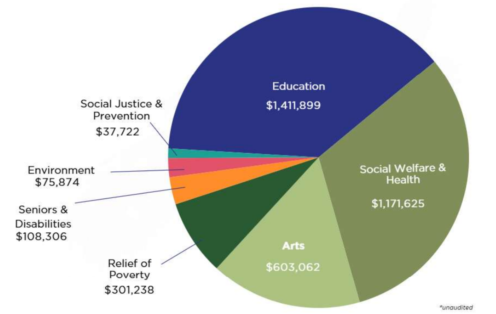
PARTNERING WITH CFNS

Collective Impact

With the services we provide to charities and others, here is the impact in Nova Scotia in 2025:

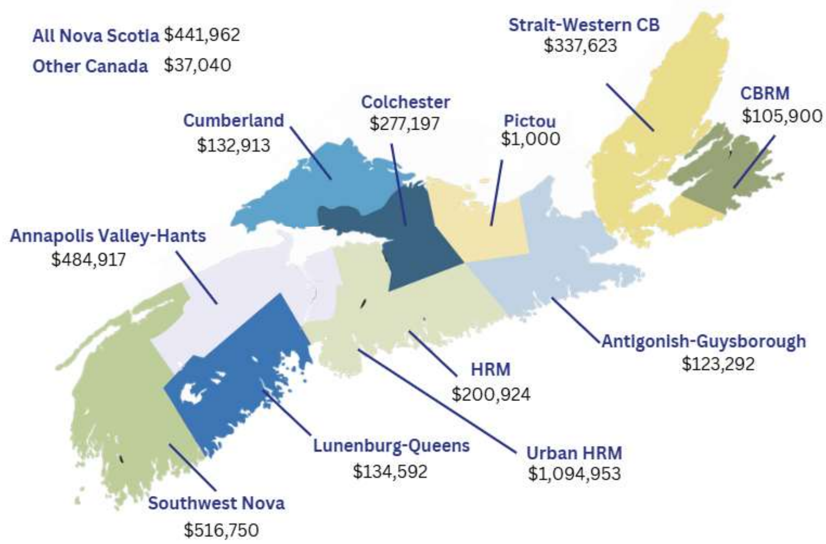
2025 Granting by area of impact

In 2025, **$3.89 million** was granted from CFNS Fundholders to charities, non-profits, and scholarship recipients across many areas of impact.



2025 Granting by region

In 2025, Nova Scotia organizations and scholarship recipients received a combined total of **416 grants** through the Community Foundation of Nova Scotia.



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PARTNERING WITH CFNS

2025 Growth & financial highlights

$43.0M
Total Assets

$20.0M
Total Granted To Date

$3.89M
Granted in 2025

416
Grants Facilitated by CFNS in 2025

181
Funds Disbursing Grants in 2025

21
New Funds in 2025

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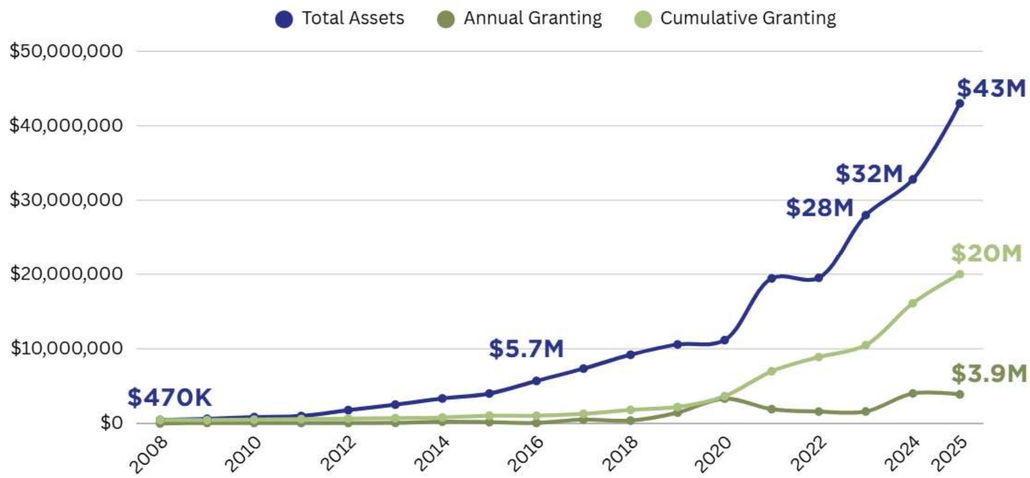
PARTNERING WITH CFNS

Growth of our Charity

More and more Nova Scotians are choosing to work with the Community Foundation of Nova Scotia to support their generosity. Since 2008, we have grown our assets to more than $43 million, with significant growth in recent years. This has resulted in more than $20 million granted to communities, and significant predictable income for charities who have formed endowments with us, allowing them to make bold choices with predictable revenue.



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PARTNERING WITH CFNS

Who Can Create a Foundation at CFNS?

For Individuals or Families:	For Community Groups:	For Charitable Organizations
Establish a Fund at CFNS.	Establish a Fund and raise funds to impact their community.	Establish a Fund for diversified revenue and long-term gifting options for donors.
Contributions made directly to a Fund by individual donors are eligible to receive a charitable tax receipt from CFNS.		
Grants are disbursed from the fund to any organization(s)* which activities align with the stated purpose of the Fund on advice or designation of the fundholder(s).	Grants are disbursed from the fund to any organization(s)* which activities align with the stated purpose of the Fund on advice or designation of the Community Board Representatives.	Donors contribute to the Fund or to the organization in support of the Fund. An annual disbursement (grant) is made to the charity, as the designated beneficiary.

*CFNS can grant to organizations which are considered qualified-donees and non-qualified donees in certain circumstances.
A minimum of $25,000 is needed to open a Fund.

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PARTNERING WITH CFNS

GOVERNANCE & OVERSIGHT.

The Community Foundation of Nova Scotia is governed by a diverse, volunteer Board of Directors made up of community leaders and business professionals from across the province.

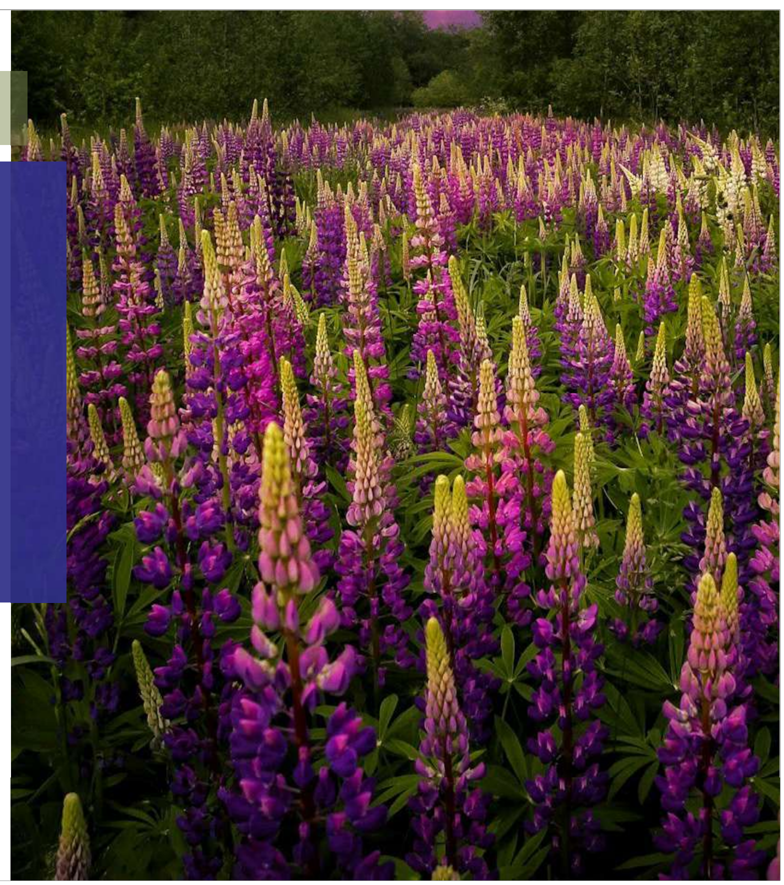
These community champions bring a wealth of skills and expertise including an investment committee made up of five experienced investment professionals.

COMMUNITY FOUNDATIONS IN CANADA.

The Community Foundation of Nova Scotia is 18 years old in a movement of more than 200 Community Foundations in Canada that have been growing impact for over a century.

THANK YOU

Daniel Holland, CEO
Community Foundation of Nova Scotia
902-490-9916
daniel.holland@cfns.ca
www.cfns.ca



Community Foundation
OF NOVA SCOTIA

CFNS Investment Performance 2025

In July 2025, following a thorough RFP process, the CFNS Investment Committee and Board selected a new investment management firm. To accurately present the historical investment performance of CFNS assets, we provide performance to the end of 2024 under the previous manager, Jarislowsky Fraser (JF), alongside the track record of the new manager now overseeing the assets, Fiera Capital (Fiera).

JF (Previous) Balanced Fund to December 31, 2024:	Fiera (Current) Ethical Balanced Fund to December 31, 2024:
1-year: 15.8%	1-year: 12.17%
5-year: 7.8%	5-year: 9.04%
10-year: 7.5%	10-year: 8.46%

2025 Investment Performance

For the full year, the two managers performed similarly. Fiera returned 6.79% and JF returned 7.91%. Their results were in line with large Canadian pension funds such as CPP (6%) and the Ontario Teachers' Pension Plan (6.7%).

JF benefited more from strong equity markets late in the year, while Fiera experienced relatively low returns in the last two quarters, shortly after CFNS assets were transferred to them in July. As a result, CFNS's total return for 2025 was 4.76%.

While 2025 returns were still positive, for the first time in several years they fell below the 7% target needed to support the annual disbursement quota for Endowment Funds (5%) and fees (2%). Fortunately, most CFNS Endowment Funds have reserves built during stronger years, including a 15.8% return in 2024, allowing granting to continue even in years with lower returns.

Market Explanation

2025 was an unusual and challenging year for investors focused on steady, long-term growth. Riskier commodity sectors performed exceptionally well, while "quality" stocks were out of favour. This created headwinds for both managers in 2025, though their approach has historically performed well over time: with 10-year returns of 8.99% for Fiera and 7.5% for JF.

Report approved by:
Daniel Holland, CEO
John Naas, CFA, CFP, FCSI, CFNS Investment Committee Chair

COMMUNITY FOUNDATIONS OF CANADA | The Learning Institute

Fact Sheet: Donations from U.S. Donors via Friends of Community Foundations of Canada

Updated September 2025

Friends of Community Foundations of Canada

Friends of Community Foundations of Canada (FOCFC) is a U.S.-based 501(c)(3) organization established by Community Foundations of Canada (CFC) to support the work of Canadian community foundations that are members of CFC.

Friends of Community Foundations of Canada (FOCFC) facilitates donations from U.S. donors to Canadian community foundations, enabling U.S. donors to receive tax deductions for their contributions under IRS regulations.

Working Alongside the Donor

The Canadian Community Foundation (member of CFC) maintains a direct relationship with its donors. CFC and FOCFC support this process by facilitating the transfer of donations, but do not engage directly with donors. FOCFC and CFC serve as intermediaries, with the authority to accept donations on the foundation's behalf and transfer the gifts to support the foundation's charitable purposes.

FOCFC Tax ID

FOCFC facilitates cross-border giving for U.S. donors who wish to support Canadian community foundations that are members of CFC. Donations made to FOCFC are eligible for a charitable tax receipt issued by FOCFC, a designated U.S. 501(c)(3) organization based in Arizona, U.S.

Its Tax ID (EIN) is 61-1958124. Click this link for further details on the FOCFC tax ID.

Donation Options

Donations to FOCFC in U.S. dollars can be made via wire transfer or cheque.

Wire Transfers are preferred. Donations made via wire transfer are processed more quickly than those sent by cheque, allowing for faster receipt and allocation of funds.

There are no restrictions on the size of the donation.

Gifts transferred to a community foundation member through this process can be allocated to either an endowment fund or a flow-through fund held by the Canadian community foundation, whichever best aligns with the donor's intentions and the foundation's strategic priorities and charitable purpose.

FOCFC can also be included as a beneficiary of a bequest or a Charitable Remainder Unitrust. The donor is required to list FOCFC as the donee in the Will or Trust. It is important that the donor notify CFC of such direction and the restrictions for the donation.

FOCFC cannot be used as a fundraising platform

Community foundations cannot use FOCFC as a soliciting resource, meaning the FOCFC name cannot be used in fundraising campaigns, appeals or donor outreach. FOCFC exists to facilitate donations that are already initiated by U.S. donors who want to support Canadian community foundations. It's a passive conduit, not a promotional tool.

Donations of Securities or Credit Cards

FOCFC is unable to accept donations of securities or credit card donations.

Donation Process: Step-by-Step Guide

The first step for donors interested in supporting a community foundation that is a member of CFC is to contact the designated foundation directly. FOCFC acts solely as a facilitator in this process.

1. **Gift Agreement Completion**

The Donor completes and signs the gift agreement form naming the Canadian Community Foundation (a member of CFC).

2. **Submission to Foundation**

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After the gift agreement is completed and signed by the donor, the donor sends it to the chosen community foundation, which forwards it to the finance department of CFC/FOCFC. The preferred payment method - either a USD wire transfer or a USD cheque is specified in the Gift Agreement.

3. **FOCFC confirms that the donation can be processed**

FOCFC confirms with the Community Foundation that the donation can be accepted. The community foundation will notify the donor to make the donation.

4. **Payment Initiation**

The donor then initiates the payment according to the method specified in the gift agreement.

5. **Fund Transfer and Disbursement**

When the USD funds are received into a FOCFC bank account, they are transferred to CFC, which disburses to the named community foundation, minus fees.

6. **Confirmation and Completion**

To conclude the donation process, once the funds have been transferred by CFC, CFC issues a confirmation letter to the Canadian community foundation confirming the amount received in USD and its Canadian dollar equivalent.

Timeline

The turnaround time is up to 20 business days from the date the donation is received to when the community foundation receives the gift.

The entire donation process typically takes between 6 to 8 weeks to complete, depending on several factors, such as how quickly the gift agreement is signed and received, as well as the chosen payment method. For example, cheques generally take longer to process than wire transfers.

Donations at year-end

Gift agreement forms must be received by **December 1** of each year, and donations must be mailed by and/or received by December 31 of the year to receive a tax receipt for the current year.   The community foundation will receive the donation converted to CAD dollars in January/February of the following year.

Please note:

- The relationship is between CFC and the Community Foundation receiving the gift. The Community Foundation is required to notify CFC **prior to completing** the gift agreement. Please see details at the end of this fact sheet.
- FOCFC cannot actively solicit donations from U.S. donors on behalf of CFC members.
- Currently, donations can only be made from the U.S. to Canada.

Payment Options

FOCFC accepts U.S. dollar payments via wire transfer. Donations made via wire transfer are processed more quickly than those sent by cheque, allowing for faster receipt and allocation of funds. Community Foundations can request wire transfer details directly from CFC/FOCFC.

Cheques:

U.S. donors issue a cheque in U.S. dollars payable to **Friends of Community Foundations of Canada** (*not to Community Foundations of Canada*) and mail it, along with the completed and signed gift agreement, to our Canadian office in Ottawa:

Friends of Community Foundations of Canada
c/o Community Foundations of Canada
123 Slater Street, Suite 600
Ottawa, Ontario K1P 5H2

If a donor chooses to mail their donation to the FOCFC U.S. address, the cheques will be forwarded to Canada for deposit, which extends the overall processing time. This is because all FOCFC's bank accounts are located in Canada.

Regardless of the mailing location, as long as the cheque is made payable to *Friends of Community Foundations of Canada* and deposited into FOCFC's bank account, the donor remains eligible for a U.S. tax deduction and will receive a charitable tax receipt in accordance with IRS regulations.

If, for any reason, the donor opts to send the cheque to a U.S. address, it should be mailed to the following location:

Friends of Community Foundations of Canada
2307 S Rural Rd

Tempe, AZ 85282
USA

Please note: Cheques mailed to the U.S. address will be forwarded to Canada for deposit, **leading to longer processing times.**

Fee Structure

FOCFC charges a cost-recovery fee of 0.5% of the donation amount (in CAD equivalent). The minimum fee is $50 CAD per donation, with a maximum of $1,000 CAD.

Please note that CFC staff cannot offer personal legal, financial or tax advice. We encourage donors to seek independent advice from their professional advisors.

For more information on Friends of Community Foundations of Canada and the donation process, please contact:

Tracey Vavrek, Director Learning and Network Engagement, Community Foundations of Canada
Email: tvavrek@communityfoundations.ca

For information on the gift agreement, status of the donation, banking details and payment timelines, please contact:

The Finance Team, Community Foundations of Canada
Email: focfc-finance@communityfoundations.ca

Community Foundation of Nova Scotia

Charitable Registration #: 87038 9368 RR0001

A Managed Fund Agreement

between

The Community Foundation of Nova Scotia Society
a corporation without share capital incorporated under the laws of Canada,
and registered as a charity with Canada Revenue Agency
(hereinafter called "CFNS")

- and –

Members of the Village of Chester Commission
(hereinafter called "Fundholders")

to establish **Zoé Vallé Memorial Library (ZVML) Reserve Fund**
(hereinafter called "Fund")

Dated: ______________________________

Background

A. The Foundation is a public foundation engaged in promoting philanthropy throughout Nova Scotia and serving the public with grants to qualified donees, as defined by the *Income Tax Act* (Canada).

B. The Zoé Vallé Memorial Library (ZVML) is a registered charity which has been a beloved part of Chester village life for nearly 100 years.

   The former home of Zoé Vallé Lightfoot was donated to the Municipality of Chester in 1928 as a "public library and civic centre" by her family. The Village of Chester was honoured to assume responsibility for the governance, operation, and stewardship of the library in 2026.

   The Zoé Vallé Memorial Library Reserve Fund aims to grow, and safeguard donated funds for the long-term sustainability of the Library, and to provide ongoing financial support for operations and programming at the site.

C. The Fundholders and CFNS will work together achieve these objectives.

The Fundholders hereby request that CFNS establish the above-mentioned Fund upon receipt from the Fundholders of the initial amount of $X.XX, subject to the following conditions:

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General Terms

1. The amount transferred, and any additions thereto, shall be accounted for and designated by the Foundation as the Zoé Vallé Memorial Library (ZVML) Reserve Fund.
2. The Fund shall be considered created on the date this Agreement is executed and the initial gift is received and accepted by the Foundation.
3. The initial capital contribution and other contributions to the Fund are not permanent endowments and will be disbursed according to the terms of this Agreement.
4. The Foundation shall provide charitable tax receipts for contributions as permissible under the *Income Tax Act* (Canada).
5. The Foundation shall accept and manage the assets in accordance with its *Investment Policy*, as updated from time to time.
6. The Foundation will build awareness and promotion of the fund through the CFNS network, website, and social media.

Fund Income

7. In order to maximize investment returns for the Fund, the Foundation shall invest the Fund's capital and retained income with the permanent endowment funds owned by the Foundation.
8. The Foundation will manage the assets of the Fund in accordance with the ***Investment policy*** established by the Foundation for permanent endowment funds owned by the Foundation.
9. The Donor(s) acknowledge receipt of the ***Investment policy*** which is subject to annual review and change by the Foundation Board of the Foundation.
10. Income from the Fund shall be calculated quarterly, based on the total value of the Fund.

Additional Fund Contributions

11. The Donor(s) may make additional capital contributions to the Fund. The Foundation can also accept donations to the Fund from other donors as designated gifts to the Fund.
12. Any and all donations to the Fund shall be subject to the terms of this agreement.
13. The Foundation shall provide charitable receipts for contributions as permissible under the Income Tax Act (Canada).

Costs

14. Each gift to the Fund, or any property substituted for it, shall be invested by the Foundation in accordance with the *Investment Policy* of the Foundation as amended from time to time. The Fund will be invested with the Foundation's pooled Fund held with the Foundation's external fund manager but will not be considered Endowed.

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15. A reasonable charge will be assessed against the Fund in an amount determined in accordance with the policies of CFNS as may be amended from time to time. The Fundholders acknowledge and agree that the Foundation, in administering the Fund and providing its services, will incur costs and agrees that the Foundation shall be entitled to recoup reasonable administrative, investment management and grant-making costs, which recoupment, for ease of administration, shall be affected in the form of an Administrative Fee. At time of signing the Foundation Administration Fee is 2% of the balance of the Fund, which includes the Investment Management fee charged by the external fund managers, or a minimum of three-hundred and fifty dollars ($350.00) annually. The fee will be calculated and levied against the Fund quarterly and will be reassessed annually.
16. In addition to the administrative fee outlined above, the Fund shall be responsible for covering any merchant processing fees incurred by CFNS in relation to online donations made to the Fund. These fees will be deducted from the Fund on a monthly basis and will reflect actual costs charged by third-party payment processors. The Fundholders acknowledge and agree to this arrangement as part of the overall cost of administering the Fund.
17. The Fundholder, or their designate, will be notified annually of the Administrative Fee and any changes thereto.

Disbursements

18. The Fund will disburse funds, in the form of grants, to qualified donee(s) or grantee organizations (i.e. eligible non-qualified donees) as defined by the Income Tax Act (Canada) that are recommended by the Fund Advisory Committee annually in advance. The Foundation agrees it shall follow the recommendations of the Fund Advisory Committee with respect to recipient organizations, provided that all disbursements shall qualify with the Canada Revenue Agency's requirements and CFNS's Non-qualified Grantee Policy requirements for the same, for qualifying disbursements to grantee organizations, may require written agreements to comply with such requirements.
19. The Foundation's Board of Directors will have full discretion and approval over disbursements from the Fund.

Succession

20. Should the Village of Chester Commission cease to exist, the Fund shall continue to support the ZVML Library.
21. Should the ZVML Library cease to exist, wind up operations or otherwise dissolve, the Fund shall support a registered charity or qualified donee as near as possible to the original purpose for which the Fund was created including registered charities and or eligible non-qualified donees in Chester which offer literacy or heritage programming.
22. Should the Foundation cease to exist, the Foundation shall disburse the Fund's assets to qualified donees, as defined by the *Income Tax Act* (Canada), subject to the payment of any accrued and unpaid Administrative and Management fees relative to the Fund and subject to compliance with applicable legislation.

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Fund Accounting

23. The Foundation will provide an annual fund report to the Fundholders within 90-120 days of the Foundation's fiscal year-end, which includes:

    a. a Fund Statement identifying the Fund's receipts and disbursements, including the Administrative Fee;
    b. information with respect to any changes which have been made to any policies referenced in this Agreement

Miscellaneous Provisions

24. The Fundholders represent to the Foundation that their current representatives are identified in Appendix A of this Agreement.
25. The Fundholders shall, from time to time, provide the Foundation with a signed letter identifying the person or persons who have authority to provide instructions to the Foundation with respect to the matters referred to herein and the Foundation shall be entitled to rely upon written instructions received from such designated representative(s) from time to time unless and until it receives a revised letter.
26. This Agreement shall be governed by and constituted in accordance with the laws of the Province of Nova Scotia and the laws of Canada that have application hereto.
27. This Agreement shall ensure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

Amendment

28. This Agreement may be amended in the future in such respects as the Foundation and the Fundholder may mutually agree by written amending the Agreement; or where the Board of the Foundation deems it necessary to amend any of the terms governing the Fund in order to carry out the purpose(s) of the Fund, but is unable to obtain written agreement from the Fundholder consenting to such amendments, provided that in no event shall any such amendment derogate from the following:
    c. The capital of the Fund and any additions to the fund shall be held by the Foundation and managed in accordance with the financial management policies of the Foundation in force;
    d. The capital and investment earnings of the Fund shall only be used to support charitable activities or qualified donees (as defined by the *Income Tax Act* (Canada)) whose activities are within the objects of the Foundation.

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IN WITNESS of their agreement, the parties have signed this Agreement as of the date first mentioned above.

Foundation	*Fundholders*
Frank Lockington, Chair, Community Foundation of Nova Scotia	Geraldine Pauley, Chair, Village of Chester Commission
Daniel Holland, CEO, Community Foundation of Nova Scotia	Randall O'Malley, Vice-Chair, Village of Chester Commission
	Heather McCallum, Clerk/Treasurer, Village of Chester

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Appendix A
Current Fund Representatives

Name	Phone	Email