

**PCBF NEWSLETTER AND NOTICE OF ANNUAL GENERAL MEETING
MAR 00**

PRESIDENTS REPORT

Since the 12 April 1999 Annual General Meeting (AGM) the PCBF Board has fundamentally changed its method of operating in order to respect the wishes of the membership that only income be utilized and that fund capital be invested. Specifically:

- The Board has adopted an investment policy aimed at the highest achievable rate of return on capital consistent with a high degree of security. The mandate of the Board's Investment Committee (currently the President, Vice President and Treasurer) is included in this newsletter.
- The Board has also put in place a project review process enabling the Board to annually review all requests for funds and to assess, compare and prioritize them. Further detail is included later in this document.
- Only about \$40,000, excluding previously committed funds, have been spent in the past year, mainly to support local events of a recurring nature and to meet operating costs.

Income on Capital in the year since the last AGM is expected to slightly exceed 220 thousand dollars.

During this past year there have been two noteworthy developments with respect to major projects, namely:

- A commitment from 1998 to fund the new Pittsburgh Branch Library building, has now been fully met at a cost to the Fund of \$1,061,250. Further detail on this new facility is included elsewhere in this publication.
- The Board has undertaken to provide, from income, 250 thousand dollars, in addition to the 100 thousand previously committed, to both refurbish and expand the Joyceville Community School sports field. At the time of writing this report (Feb 00) this project has hit a roadblock due to the probable "unavailability for purchase" of the additional property essential to any expansion.

A Full financial statement up to 31 Dec 99 is included for your consideration. An update (31 Dec 99 – 31 March 00) will be issued at the upcoming Annual General Meeting. (AGM)

As of the AGM on 10 April 00 there will have been a total of four casualties from the Board. They are:

Chander Datta – resigned 13 August 99

Audrey Helmstaedt – resigned 10 January 00 due to an upcoming five month absence from Canada.

Jack Hamilton – completing his term, as President 97-99 and Director 99-00.

Gerry Coady – completing his term as Secretary and Director 97-00.

At the 10 April 00 AGM the membership will be asked to ratify by election for a three year term, the Board's appointment of one replacement Director (and Treasurer), Mr. Wilson Bigelow. The membership will also be asked to elect three, additional, replacement Directors for a three-year term.

During the 12 April 99 AGM it was announced that the largest block of the membership responding to an opinion poll (46%) indicated that they favoured "the investment of the Funds and using of the annual interest to look after requests." As explained above, this is the policy that the Board has implemented in the past year. Your Board now seeks confirmation from the membership that this is its preferred policy for the foreseeable future and that the Board is correct in structuring accordingly for the long haul. The Board also seeks guidance from the membership on a second, worrisome issue. In a nutshell, does the membership agree that our Capital should also be protected from inflation in order to preserve its purchasing power? To portray the problem I quote from Federal Government Consumer Price Index tables:

In 1999 inflation was 1.5%

In the past ten years (1990 – 1999) cumulative inflation has totalled 25%

In the past twenty years (1980 – 1999) cumulative inflation has totalled 122.3%

Clearly therefore, if the Fund is not compensated annually to counteract inflation, it will be inexorably diminished over time in its value and its effectiveness.

Lacking other income, the only way to protect the Capital from inflation is to annually transfer from income to capital the amount required to offset that year's inflation.

Using this year's probable, rounded-off figures to illustrate:

Inflation rate - 1.5% annually.

Capital - \$3,000,000

Average Interest Rate – 6.7% annually

} Assumed constant for purposes of illustration.

$\$3,000,000 \times 6.7\% = \$201,000$ = gross income per year

$\$3,000,000 \times 1.5\% = \$45,000$ = amount required to offset inflation (Transfer to Capital each year)

$\$201,000 - \$45,000 = \$156,000$ = amount available for the year to operate the fund.

As will be noted, this policy would result in a $\frac{45,000}{201,000} \times 100 = 22.39\%$ reduction of income available for the annual budget. However, it would also result in a situation where, in about 19 years, the Fund would have generated approximately \$3,000,000 (in today's dollars) for the betterment of the Pittsburgh Community. ($19.23 \times 156,000 = \$3,000,000$) and the Fund would still be there, at a value of \$3,000,000 in today's dollars (\$3,980,910 in AD 2019 dollars) ready to do it again. (Who says that, with a little patience, "you can't have your cake and eat it too?")

I apologize for this lengthy statement of the problem and acknowledge that the illustration ignores the vagaries of future rates of interest and inflation (which no one can know), but ask that you consider the question carefully. **Please let your Board know your views by mailing in the attached proforma before Friday, 31 March, 2000.** It is intended to announce the results of this opinion poll at the 10 April 2000 General Meeting.

I would be remiss if I did not take this opportunity to publicly thank all members of the PCBF Board on your behalf, particularly those detailed above who have left or are leaving the Board, for their dedication to the betterment of the Pittsburgh Community and their resultant generous contribution of time, talent and effort.

In conclusion, I encourage all Fund members to actively participate in the operation of their Fund by:

- Making Board Directors aware of their concerns and suggestions
- Attending, as observers, the regular Board meetings
- Attending, and actively participating in the AGM
- Being prepared to stand for election as a member of the Board

I know of no other community of our size blessed with a fund of over \$3 million, generating a considerable annual income which can be used to better the community year after year. Surely, it merits everyone's interest and involvement.

FUNDING REQUESTS AND CRITERIA

All requests for funds directed to the PCBF are normally first passed to a screening sub-committee made up of three Board members. The Vice-President of the PCBF normally chairs this sub-committee. This sub-committee uses the checklist of ten criteria (included in this newsletter) as a guide in assessing each request. It is stressed that this checklist is a guide only, and often projects are recommended even though they do not meet one or more of these criteria.

The sub-committee then presents the recommended request to the Board of Directors. The sub-committee normally asks the organization which made the request to be present at that meeting to explain the details of their request or to answer questions. The Board then votes for approval or

non-approval or may defer their decision pending further information.

In addition to those projects which were already earmarked when the fund was set up, the Board of Directors has received 51 requests for funds. Of these, 18 projects - with a combined value of over \$1,140,100.00 - have been approved. At least four of the projects will probably be funded annually, with a value of about \$11,254.00. Five other projects are currently under active consideration plus we have one without details yet. The remaining 26 projects are not being recommended for various reasons.

The approval system has worked reasonably well and is flexible. The request review process has been revised recently and is:

PCBF PROJECT REQUEST REVIEW PROCESS

1. Project Requests are solicited in the Fall of each year.
(Advertisements in the Whig-Standard, Kingston This Week outlining criteria & requesting written proposals to be submitted by a closing date.)
2. All Requests are reviewed by the Project Sub-Committee against the criteria (contained below). If necessary, project presentations are requested & reviewed. The aim will be to winnow the list to those projects that best meet the criteria & overall PCBF funding policies.
3. The Sub-Committee will submit its suggestions to the Board of Directors for review. If necessary further Project Presentations can be made. This process should coincide with or shortly follow the year end \$ figures & the striking of the next years budget.
4. The Annual Budget will consist of :
 - a. Commitments from previous years.
 - b. Annual Operating Expenditures.
 - c. An allocation for small unidentified project requests
 - d. Balance for new project requests.
5. The Board will then review the project list against 4d (above) & approve or reject Requests. If the project list exceeds 4d. or the Board wishes to approve a Project Request that would require capital deletion then this timing will coincide with the AGM.
6. At the AGM the Board will present its year-end financial & project performance & its plans for the current year including the approved Project list. This will allow input by the membership & allow for any policy review, if necessary.
7. Project Sponsors are informed of decisions and advised of the requirement for full accountability and feedback.
8. The objective is to:-

- a. Allow all new requests to be compared at one time.
- b. Reduce the need for full Board Meetings.
- c. Compress the Review & Approval Process.
- d. Allow appropriate input by all the Stakeholders.
- e. Meet the needs of the PCBF Members.
- f. Give timely responses to Project Sponsors

The checklist we use is as follows:

REQUEST FOR PCBF MONIES

PROJECT.....

CRITERIA. The following should provide a guide in assessing the proposed project:

1. **Eligibility of the request.** Does it meet the criteria set out in the letters patent; that is:
 - (a) Develop and foster community spirit.
 - (b) Promote organized athletics, arts, recreation, civil emergency, social service and other community endeavours.
 - (c) Promote, develop and operate educational, recreational and athletic facilities and equipment within the community.
 - (d) Undertake other such complimentary purposes consistent with these objectives.

2. **Impact on the majority of residents in the community.** What percentage or category of residents will benefit from this project?

3. **Geographical impact.** What areas of Pittsburgh will benefit from this project?

4. **Urgency.** Will not approving this project. or not approving it in a timely manner, seriously affect the future of the project?

5. **Are we the right organization to sponsor this request?** Is there some other organization, governmental, commercial or private that should rightfully fund or assist in funding this project?

6. **Perceived acceptability by the majority of PCBF members.** Will approval be popular with the majority of the residents?

7. **Are the benefits of this request long-term or short term?**

8. **Is it financially acceptable?** Do we have sufficient funds? DO we have to go to the general membership because the projected costs exceed \$500,000?

9. **Is it a one-time expenditure or are there future expenditures?** Is this it or are we going to be asked for follow-up money?

10. **Accountability.** Are the sponsors prepared to provide detailed accounting of funds expended and project progress to the PCBF, as requested by the PCBF?
11. **Purely subjectively, does it help develop and foster community spirit?**

PCBF PROJECT STATUS

Funded and ongoing projects are listed in an enclosure to this newsletter.

PROJECT REPORTS

The New Pittsburgh Community Library

The New Pittsburgh Library is now open for use, and for those of you who may not know, it is located on the north-west corner of the Gore Road/Highway 15 intersection, "kiddie-corner" from the former Pittsburgh Township Municipal office. Your Benefit Fund made the dream of a new library a reality by contributing about \$1 million to the project.

As well as its all important library function, the New Pittsburgh Library has been designed to be a community centre for residents. The south portion of the building has kitchen facilities, washrooms and a porch that can be closed off from the main library so that the facility can be used when the library is closed. This area can then be used, in summer and in winter, to support organized outdoor activities on the 17 acres of ground that surround the library and sweep down to the Cataraqui River. Also, the restored MacLean House itself can be closed off from the main library and used by the public after library hours. The MacLean House has received private funding to finish the upstairs, which will have two meeting rooms, a kitchen and washroom facilities. By motion of the last Pittsburgh Municipal Council, the library building also houses a room for the Pittsburgh Historical Society to store their artifacts.

The library itself is glorious. It is large, well lit and beautifully designed by Jerry Shoalts of Shoalts and Zaback Architects. The contractor was W. V. Wallans, who has taken an intense pride of ownership in the work and this is very evident in the quality and finish. Mayor Bill MacDonald was present with Mayor Gary Bennett and other dignitaries at the opening ceremony on January 22nd and Bill remarked that he has never seen "a better library". [As well as being the Chair of the Frontenac Management Board and a member of the Kingston Frontenac Public Library Board which provides the library service, Bill MacDonald has been in the book selling business for over 30 years and has visited countless libraries in Ontario and beyond, so his comment is praise indeed.]

For those of you who have not used the previous cramped library quarters in Barriefield, pay a visit to your New Pittsburgh Library, look around, take out a library card and enjoy the books, the videos, magazines and CDs. In the computer room, learn how to use a computer, or access the Internet, or write letters, or set up an email address for yourself, or admire the stained glass window by Lenni Workman. Sit and read on the window seats and enjoy the view of the grounds; be warmed by the cozy fires in the reading rooms in winter and read in the cool of the screen room in summer. Use your library to the fullest - it was built for you, your children and your grandchildren with your money.

PS: The Friends of the Pittsburgh Library are fundraising for furniture, more books and other enhancements for the library that were not covered in the budget. If you wish to make a donation of any amount, please contact Charlotte Dorn, 549 1931. Your gift will be recognized.

Grenadier/La Salle Recreation Park: The grass is growing!

The new fields at La Salle will be ready for play this fall. That is good news for the many sports teams at La Salle who have had to endure two years without fields of their own. It is good news as well to minor soccer players in our community who should really enjoy the lush grass and the modern facilities. A Facility Management Committee composed of La Salle staff and community members continues to plan for further development of the Park. This Spring will see the completion of the Field House and the installation of goal posts on Berk Brean field (the main football field). Fund raising continues for additional (portable) goal posts for a variety of sports. Watch for details!

J.E. Horton Community Computer Lab

In March 1999 the J.E. Horton/Woodside School Council received a \$74,050 grant from the Pittsburgh Township Benefit Fund to establish a Community Information Technology Laboratory (computer laboratory) at the school.

The computer laboratory represents a partnership between the Limestone District Board of Education, the School Council and the Benefit Fund. The activities to date include: the formation of a committee, with community representation, to oversee the lab, the purchase and installation of a network of 25 computers and other specialized equipment, a summer computer camp, and the utilization of the computers by the students in Pittsburgh Township.

Future plans include an open house to showcase the center, the hiring of a manager to oversee the laboratory so that it may be open to the community in the evenings and the development of instructional computer courses. Community computer camps during March break and the summer have also been planned. The J.E. Horton/Woodside

School Council is grateful for the opportunity to participate in this innovative partnership and for the generous grant from the Pittsburgh Township Community Benefit Fund. Their vision and support have made this opportunity for the residents possible.

AGM INFORMATION

NOTICE OF ANNUAL MEETING of Members of Pittsburgh Community Benefit Fund

TAKE NOTICE that the annual meeting of members of Pittsburgh Community Benefit Fund will be held at LaSalle Secondary School*, on **Monday, 10 April, 2000, at 7:30 in the evening** for the following purposes:

Financial Statements. To receive, consider and approve the financial statements for the financial year of the corporation ending December 31, 1999, together with the auditor's report. A Financial Update is included as an enclosure to this letter.

Election of Directors. There are three vacancies on the Board of Directors, two of which arise as a result of the retirement of the last two of the original appointees to the Board of Directors, in accordance with the provisions of paragraph 8 of the General By-Law of the Corporation, and, one vacancy arising as a result of the resignation of Audrey Helmstaedt as director of the Corporation in January 2000. As well, confirmation is required of Wilson Bigelow as the replacement for Chandar Datta, who resigned in Aug 99.

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have been nominated and have agreed to let their names stand for election as a director. In addition to these nominations brought forward by the Nominating Committee, any member in good standing may nominate any other member for the office of director provided all such nominations be made in writing and signed by the members who endorse the nomination and be accepted in writing by the member so nominated. **Such nominations and acceptances shall be filed with the secretary of the Corporation no less than ten (10) days prior to the date of the annual meeting.** In the event there are additional nominations other than those names put forward by the Nominating Committee, an election shall be held at the meeting and voting shall be by secret ballot. If no additional nominations are received, the

Chairman of the annual meeting shall declare the persons nominated by the Nominating Committee as duly elected.

Appointment of Auditors. To appoint the auditor and authorizing the Board of Directors to fix the auditor's remuneration. KPMG are the current auditors for the Corporation. A motion appointing KPMG as auditor for the Corporation for the current financial year will be presented at the meeting.

Other Business.

To approve the following amendments to the General By-Law of the Corporation, which amendments were approved by the Board of Directors during the year and which have effect only until the annual general meeting of members at which time the amendments will cease to have effect unless approved by the members. The following are the proposed amendments:

1. **Insert a new paragraph 2 as follows:**

PURPOSE

2. **As reflected in the Letters Patent of the Corporation, the purpose of the Fund is to "provide support, benefits and assistance to the residents of the Community by:**
 - a) **Developing and fostering community spirit;**
 - b) **Promoting organized athletics, arts, recreation, education, civic emergency, social service and other community endeavors;**
 - c) **Promoting, developing and operating educational, recreational and athletic facilities and equipment within the community,**

And undertaking such other complementary purposes not inconsistent with these objects."

2. **Renumber existing paragraphs 2 – 33 to paragraphs 3 to 34.**
3. **Amend paragraph 16(new), line 6, from "at least two months prior" to read "at least five weeks prior".**
4. **Insert new paragraph 35 as follows:**

PARLIAMENTARY AUTHORITY

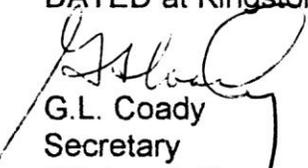
- 35. The parliamentary authority for all meetings and proceedings of the PCBF is *Roberts' Rules of Order*.**

- 5. Renumber existing paragraphs 34 to 39 to paragraphs 36 to 41.**

To transact such other business as may properly come before the meeting.

We hope you will attend the annual meeting of members. If you are unable to attend, you may sign and return the form of **Proxy** accompanying this Notice to ensure your representation at the meeting whether or not you are able to personally attend.

DATED at Kingston, this 17th day of March, 2000.


G.L. Coady
Secretary
Pittsburgh Community Benefit Fund

Enclosures:

Agenda for meeting
Minutes, Second AGM, 12 Apr 99
Project Status
Financial Update

Attachments:

Form of Proxy
Opinion Poll

***Please note that fire regulations require that you park at the back of the School.**