



Deep River & District Community Foundation

2012 Annual General Meeting
2011 Treasurer's Report

Glen A. Wolgemuth

Review Engagement Report



▶ Scott Rosein & Dempsey – Chartered Accountants

- We have reviewed the statement of financial position of Deep River and District Community Foundation as at December 31, 2011 and the statements of operations, changes in fund balances and cash flows for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of inquiry, analytical procedures and discussion related to information supplied to us by the Foundation.
 - A review does not constitute an audit and consequently we do not express an audit opinion on these financial statements.
 - Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian generally accepted accounting principles.
 - April 5 2012
- ▶ Several Copies of the Financial Statements are available to view at this meeting
- ▶ A copy will be posted on our website www.drdcf.ncf.ca

Endowments and Other Donations Received



	2011	2010
Endowment funds	\$ 37,867	\$ 37,683
Managed funds	\$ 0	\$ 500
Flow-through funds	\$ <u>756</u>	\$ <u>2,552</u>
Total	\$ 38,623	\$ 40,735
Recognition of previous deferred donations	\$ 1,446	

Endowment funds are restricted and capital cannot be disbursed for a minimum of 10 years

Managed funds are not restricted and capital must be returned at request of donor

Flow-through funds are either designated (e.g. Food Bank) or unrestricted

Disbursements – Scholarships and Bursaries



Recipient	Amount	Source
Deep River Science Academy	\$ 1,000	DRSA Bursary Fund
Mackenzie High School Bursary	\$ 1,000	MHS Reunion Fund
Hulbert Music Scholarship	\$ 750	Elizabeth Hulbert Fund
Total	\$ 2,750	

Disbursements - Other



Recipient	Amount	Source
Deep River Science Academy Inreach Project	\$ 2,065	Arts & Education Fund MJ & Bob Brown Fund Community Fund Vic Thompson (Pending) Fund
Ski Patrol Defibrillator	\$ 1,600	Community Fund Rotary flow-through funding
Hill Park Improvements	\$ 7,000	Environmental Legacy Fund Milton Family Fund Mary Moore Memorial Fund
Library Children's Collection	\$ 1,300	Library Fund
Food Bank	\$ 100	Flow-through funding
Total	\$12,065	

Portfolio performance



	2011	2010
Interest and Dividends	\$18,165	\$ 16,169
Market Growth	(\$29,145)	\$ 33,735
Fees	(6,325)	(\$ 5,769)
Total	(\$17,305)	\$ 44,135
Rate of Return	(-3.0%)	7.9%

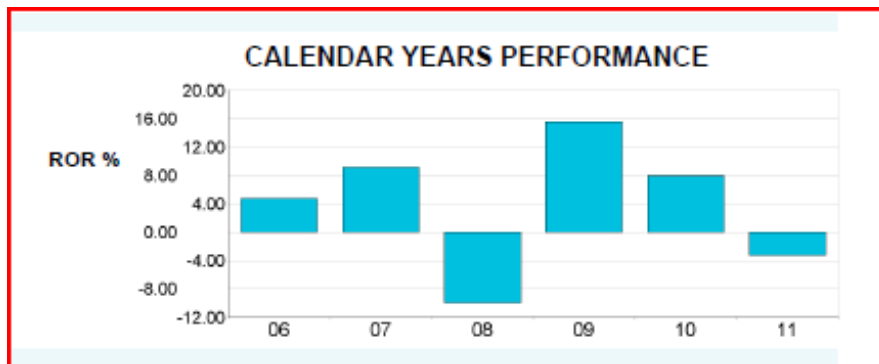
The investment portfolio is split roughly 55:45 between

a Canadian equity portfolio managed by Nesbitt Burns who charge a flat 2% fee

A fixed income portfolio (bonds, GIC's, etc.) also managed by Nesbitt Burns

Our 2011 Rate of Return was equal to the 2011 market rate of return for our investment mix

Investment Performance History



3.45% compound annual rate of return for 5 years

Balance sheets



		Dec. 31 2011	Dec. 31 2010
Assets	Cash	\$ 22,351	\$ 19,863
	Investments	\$601,895	\$600,907
	Receivables	<u>\$ 827</u>	<u>\$ 1,112</u>
Total Assets		<u>\$625,073</u>	<u>\$621,882</u>
Liabilities	Managed Funds	\$ 11,701	\$ 11,701
	Accounts Payable and Other	\$ 2,100	\$ 2,000
Equity	Endowment Funds (capital)	\$594,849	\$559,839
	Reserve Fund	\$ 234	\$ 6,734
	Restricted Fund Earnings	\$ 9,854	\$ 37,568
	Flow-through	\$ 1,200	\$ 1,446
	Unrestricted (Operations)	\$ 5,135	\$ 2,594
Total Liabilities and Equity		<u>\$ 625,073</u>	<u>\$ 621,882</u>

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Operating costs – 2011



Memberships and Corporation fees	\$ 380
Legal and Accounting	\$ 2,361
Office Supplies, software	\$ 730
Advertising and Fund Raising	\$ 293
Meeting costs	\$ 15
Miscellaneous	\$ (200)
TOTAL	\$3,579

Note: Through the use of an all-volunteer organization with no office space costs, we have been able to keep the operating costs to ~0.6% of our assets. This is significantly less than the typical operating costs (1 – 2%) for other Community Foundations.

Allocation of earnings



	2012 (2011 earnings)
Total Earnings (net of investment fees)	(\$ 17,305)
Less Operating Expenses	(\$ 3,500)
Added from Reserve	<u>\$ 6,500</u>
Allocated to (Subtracted from) Funds	(\$ 14,305)

1. Due to Investment portfolio losses, \$14,305 had to be subtracted from the fund equity accounts
2. These losses were first allocated against the available net retained earnings (\$9,105)
3. The remainder had to be allocated against the capital (\$5,200)
4. Positive earnings (2012, hopefully) will be used to rebuild the capital

New and Changed Funds



- ▶ 1 New Endowment Fund was opened in 2011
 - W.G. Cross Concert Piano Fund
 - Started by family of Bill Cross
 - >\$9,000 in donations from family and friends
- ▶ Deep River United Way Fund closed
 - Funds transferred to North Renfrew Family Services Fund
 - \$61,500 capital
 - \$2,928 net retained earnings
- ▶ Donations made to a Health Care Fund
 - Fund agreement pending

Status of endowment funds



As of Dec. 31 2011

Fund Name	Capital	Net Earnings
Four Seasons Conservancy	\$63,025	\$ 2,577
Arts & Education	\$ 7,043	(\$ 48)
Community (includes pending funds)	\$68,747	\$ 0
Deep River Science Academy	\$14,662	\$ 0
Foundation Development	\$11,852	\$ 0
Elizabeth Hulbert	\$10,878	\$ 0
Environmental Legacy	\$16,942	(\$ 170)
Laurentian Hills Youth	\$ 5,152	\$ 280
MHS Reunion Award	\$17,340	\$ 0
Milton Family	\$92,551	\$ 0

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Status of endowment funds



As of Dec. 31 2011

Fund Name	Capital	Net Earnings
The Original Six Hockey	\$ 17,064	\$ 650
Mary Moore Memorial	\$135,902	\$ 2,959
North Renfrew Family Services	\$ 87,484	\$ 2,522
Rotary	\$ 11,699	\$ 0
MJ&B Brown	\$ 5,322	(\$ 43)
Library	\$ 20,033	\$ 0
Cross Concert Piano	\$ 9,156	\$ 0

Status of Managed funds



As of Dec. 31 2011

Fund Name	Capital	Net Earnings
Bourns Vocal Scholarship	\$5,255	\$ 444
MHS 40 th Reunion	\$3,746	\$ 203
Rotary	\$2,700	\$ 474
Reserve	\$0	\$ 234

Significant Financial Changes since Year-end



- ▶ **Order of the Eastern Star (Pembroke #288) Bursary Fund**
 - Funds have been collecting for several years and reached a level needed to establish a formal Fund
 - \$7,250 transferred from pending funds to this new Fund
- ▶ **MHS Reunion Award Fund**
 - 40th Reunion Committee transferred all the remaining Managed Fund assets (\$3,949) to Endowment
- ▶ **Jean and Bruce Bigham Student Activity Fund**
 - New Donor-Designated Fund
 - >\$12,000 donated
- ▶ **Renfrew County United Way Fund**
 - Had expected to open an Endowment Fund with \$10,000
 - No money available at present, will have to wait until after next campaign

Questions

