



Donor Handbook



KENORA & LAKE OF THE WOODS REGIONAL

**COMMUNITY
FOUNDATION**

Building Forever Together

Welcome!

Thank you!

We appreciate your interest in the Kenora and Lake of the Woods Regional Community Foundation (KLWCF). Thank you for partnering with us to make a difference in the Kenora and Lake of the Woods region. We value your commitment to improving quality of life by giving to local registered charities.

This Donor Handbook covers many questions you may have about how the KLWCF operates and what options there are for our donors. If you have additional questions, please contact us at (807) 467-4427 or info@klwcf.ca.

The Kenora and Lake of the Woods Regional Community Foundation wants to work with you to fulfill your philanthropic goals. We work within our local community to identify needs and opportunities for growth.

Thank you for the opportunity to work with you.

Executive Director
Kenora and Lake of the Woods Regional Community Foundation

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You are invested in the Kenora and Lake of the Woods Region

You want to have an impact in your community now and in the future, addressing community needs and supporting innovative programs and services. At the Kenora and Lake of the Woods Regional Community Foundation, you have the ability to give to a number of local charities, whether it be focused on social welfare, environment, arts and culture, health & wellness, animal welfare, or the community at large.

What is a community foundation?

A Community Foundation is a non profit organization registered as a public foundation with the Canadian Revenue Agency. Community Foundations are governed by a Board of Directors and are built through contributions from members of the community.

Community Foundations, like the Kenora and Lake of the Woods Regional Community Foundation, have knowledge of local priorities and community needs. Community Foundations direct grants, provide expertise, leadership and other investments to improve community living and quality of life.

What is an endowment fund?

An endowment fund is a fund that is kept in perpetuity to provide income for the benefit of a charitable cause. The principal or capital is not spent except to fulfill the intent of the donor.

Endowment income — the interest or dividends from principal or capital — or realized capital gains enables the long-term planning for grantmaking, financial stability and successful functioning. Many types of endowments are offered.

The Kenora and Lake of the Woods Regional Community Foundation facilitates philanthropy in the Kenora and Lake of the Woods Region. We are part of a growing network of community foundations across the country that are helping to build strong and resilient places to live, work, and play.

A Bit of History

The Kenora and Lake of the Woods Regional Community Foundation was founded by a group of caring community volunteers who wanted to make a difference in our region today and into perpetuity.

Starting in the mid 1980's, it took almost twenty years for the Community Foundation to develop this great idea into reality.

The driving force of its creation in 2004 was the Moffat Family Fund Gift of \$100 million to the Winnipeg Foundation with an annual allotment of \$50,000 to the Kenora region for programs supporting children and families in need.

The City of Kenora felt that they were not the right body to determine grant recipients or manage the donated funds. By this time, the Community Foundation had enough volunteers and support that it was ready to incorporate as a registered charity.



Why Donate to a Community Foundation?

Community foundations are becoming increasingly popular for donors who want to have an impact in their communities now and in the future.

Flexibility

Donors can give to any number of charities through the Foundation and can choose various types of funds and different ways in which gifts can be made.

While many other important organizations tend to focus on specific aspects of the community such as health or human services, the Community Foundation focuses broadly on a full range of community interests such as social services, environment, arts and culture, animal welfare, health and wellness and the community at large.

Our funds help people invest in causes they care most about.

Community Knowledge

Our staff and volunteers have broad expertise about community issues and needs in the Kenora and Lake of the Woods region, providing personalised service for individualized giving.

Strong Investment Policies

Your gift will be pooled and invested with our endowed assets, allowing us to increase our grants to the Kenora and Lake of the Woods region over time. We have a very conservative portfolio that balances the desire for long-term growth and safety of our investments.

A Lasting Gift

The contribution you give remains in the community forever. The Community Foundation will ensure that your fund will continue to support the causes and organizations you care most about, in perpetuity.

Mission

To improve community living and quality of life for citizens and visitors to the Kenora and Lake of the Woods region.

The Community Foundation aims to strengthen the communities in which we serve by continuously striving towards three key objectives:

- **Endowment Building**
- **Broad and Effective Grantmaking**
- **Community Leadership**

Vision

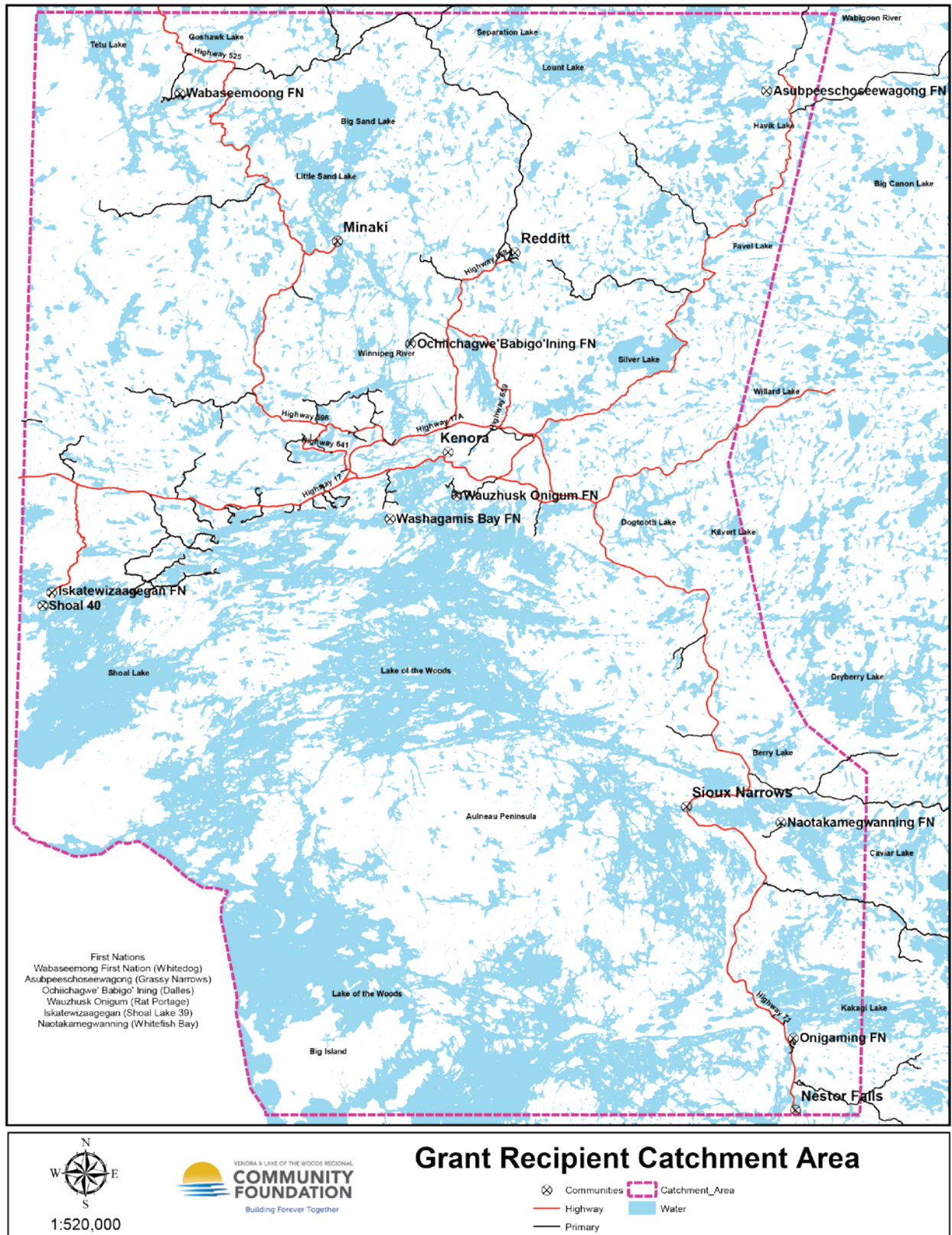
A Kenora and Lake of the Woods Region where life flourishes and communities grow.

The Community Foundation Responds to Community Needs

We are a registered charitable organization with a community lens. This focus allows us to connect donors wanting to make a difference on the needs of the community, with local registered charities that are working to serve those needs.

The Community Foundation has distributed over \$2 million in grants and bursaries since our incorporation in 2004. As of December 31, 2017, we hold 4.7 million in endowment funds, with total assets of \$5.2 million.

Grant Catchment Area



Our Charitable Funds

Creating a fund

Establishing your own charitable endowment fund is simple! If you have any questions, call our office at (807) 467-4427, email info@klwcf.ca or drop by our office for personalized support.

Basic Steps

- 1. Choose a Fund Type**
The Fund types we offer provide flexibility and impact.
- 2. Choose a name for your fund**
Donors often choose a family name, business name, a name in honour of a person or organization, a name in memory, or choose to have the fund remain anonymous.
- 3. Consider advisors to oversee gifts from your fund**
Donors often choose themselves and their spouses along with successor advisors as their children.
- 4. Create an Endowment Fund Agreement**
Meet with our staff to discuss your philanthropic goals. An agreement can be drafted with a governing document for your review and decision.
- 5. Make an initial gift**
There are a number of ways to give to the Kenora and Lake of the Woods Regional Community Foundation. We manage funds ranging from \$2,500 to millions of dollars.

Types of Funds

The Kenora Community Foundation currently manages five types of funds:

- Field of Interest Fund
- Designated Fund
- Donor Advised Fund
- Charitable Agency Fund
- Community Leadership Fund

Your fund may be established with cash, publicly-traded securities, closely held stock, mutual funds, real estate, retirement accounts, insurance policies, or a combination thereof. A gift may also be made through a bequest in your will.

Charitable Agency Funds	Designated Funds	Community Leadership Fund	Field of Interest Fund	Donor Advised Fund
		← MORE RIGID	MORE FLEXIBLE →	
Registered charities can set up a fund without the responsibility of investment management. Once established, the charity can encourage donors to contribute to the fund.	Donors choose particular organizations to support in perpetuity.	Donors can help ensure that the Community Foundation will have the resources to meet present and future challenges, while also expanding philanthropic reach in the Kenora and Lake of the Woods region.	Donors choose a field of interest and entrust the Foundation to select local registered charities for grant opportunities within that field of interest.	Donors have ongoing participation in the selection of registered charities that receive their gift.

Field of Interest Fund:

\$2,500 and up

Field of Interest Funds allow donors to designate a specific area of interest in which charitable grants can be made, while entrusting the Community Foundation's Grants Committee to select specific projects for support after each grant application deadline.

Fields of Interest include:

- Social Services
- Animal Welfare
- The Environment
- Health & Wellness
- Arts & Culture
- Community at Large

With a minimum contribution of \$2,500, donors can establish the fund with an immediate total contribution or with a pledge (one to five years). The fund may be open for others to add contributions. When the fund reaches \$10,000 in contributions, the donor may choose to move to a "Designated Named Fund Endowment" or may stay with the "Field of Interest Named Fund Endowment".



Benefits:

- Donors receive an annual update on the status of their fund, a copy of the Annual Report
- Donors will be acknowledged in the Annual Report and on the website, or may remain anonymous

Fields of Interest Categories:

Social Services

Provides support to adults, families and communities to create caring, safe and supportive environments. We hope that outcomes achieved address systemic barriers and promote an environment that connects people to their communities.

Animal Welfare

Provides support to local agencies that provide for the care and well-being of animals, both domestic and wild.

The Environment

Provides support to local agencies aiming to promote resiliency in our communities. We hope that outcomes achieved address and respond to climate change and other key environmental issues and increase public awareness, understanding and engagement in key environmental issues and solutions.

Health & Wellness

Provides support to local agencies that support initiatives related to physical fitness, active recreation and mental wellness in the Kenora and Lake of the Woods area.

Arts & Culture

Provides support and encourages the growth of artistic, cultural and heritage activities among the communities in our catchment area. We hope that outcomes achieved increase the number of people who attend and participate in artistic and cultural offerings.

Community at Large

Provide support to a wide range of programs and projects that benefit our communities. Examples include: recreation and character building for youth, support for public libraries and museums, bursary programs, etc.

Designated Fund

\$10,000 and up

Designated Funds give our donors the opportunity to specify which charities they would like to support in perpetuity. When you establish this fund type, you define its specific charitable purposes and its beneficiaries, at the fund's inception.

With a minimum contribution of \$10,000, the donor can establish the fund with an immediate total contribution or with a pledge (one to five years). The donor may make the gift during their lifetime or through a bequest in their will, and the fund may be open for others to add contributions.

Benefits:

- Donors receive an annual update on the status of their fund, a copy of the Annual Report.
- Donors will be acknowledged in the Annual Report and the website, or may remain anonymous.

Donor Advised Fund

\$50,000 and up

Enables donors to have ongoing participation in the selection of charities that will benefit from their gift. This fund type is ideal for those who like to guide and update their philanthropic goals.

With a minimum contribution of \$50,000, donors can establish the fund with an immediate total contribution or with a pledge (one to five years). The donor may choose to establish the fund in a field of interest and allow the Grants Committee to select recipients or name the charitable beneficiary, or be involved in recommending grants from their fund. The donor's grant recommendations will be presented to the Community Foundation Board of Directors for approval and the Foundation will issue grants in the name of the fund, while handling administrative details. The fund may be open for others to add contributions.

Benefits:

- Donors receive an annual update on the status of their fund and periodic information on the activities of the Community Foundation including: a copy of the Annual Report and a copy of the Audited Financial Statements.
- Donors will be acknowledged in the Annual Report and the website, or may remain anonymous.

Charitable Agency Fund

\$50,000 and up

Allows registered charities to set up a fund without the responsibility of investment management. Once established, the charity can encourage donors to contribute to the fund.

With a minimum contribution of \$50,000, the Agency can establish the fund with an immediate total contribution or with a pledge (one to five years). The Charitable Agency and any donor can add to the fund at any time.

Benefits:

- The Charitable Agency will receive an annual update on the status of their fund and periodic information on the activities of the Community Foundation, including a copy of the Annual Report and a copy of the Audited Financial Statements.
- Administrative details of the fund are handled by the Community Foundation.
- Grants from the funds are allocated and distributed to the designated agency.

All About Giving

As you consider your charitable giving options, the Community Foundation will help you at each step, whether it is determining your level of input, identifying community needs, or providing ideas for grants. We will help ensure that your philanthropic goals are met.

The Kenora and Lake of the Woods Regional Community Foundation

- Is **knowledgeable** about our local registered charities and non-profits
- Is **available** to provide additional research on local registered charities and non-profits
- Has **networked** with other community foundations in Canada, and is able to draw on their pool of knowledge
- Is **governed** by a committed board of community leaders

Grant Application Submission Dates

Grants are awarded three times a year:

February 28 - Moffat Family Fund applications, supporting projects for children and families

May 1 - Lake of the Woods Dream Fund applications, supporting projects for the general needs of the community

September 15 - Community Fund applications, supporting projects for the general needs of the community

The Kenora & Lake of the Woods Regional Community Foundation will occasionally distribute "emergency" grants made by donors, after review and approval by our Board of Directors.

How much is granted annually?

The total amount granted each year from our endowment fund is based on the following process.

Each year, the Board determines the dollar amount made available for grantmaking. The Canada Revenue Agency (CRA) requires a minimum of 3.5% of the average value of assets held during the previous 24 months to be dispersed.

Adding to your fund

Donors can add to their fund at any time. There is no minimum requirement for additional contributions. We accept gifts of cash, appreciated stock, real estate, insurance policies and tangible personal property.

Cash Gifts, Cheque or Credit Card:

Cheques should be made payable to the Kenora and Lake of the Woods Regional Community Foundation and mailed or delivered to the KLWCF office. For tax purposes, the date of the contribution is generally the date of the postmark or the day that you personally deliver the cheque to the KLWCF office.

Please contact our office at (807) 467-4427 or info@klwcf.ca to transfer non-cash assets into your fund to ensure that the KLWCF can process these assets.

Year-End Gifts

Gifts at year-end are our most popular time for donations. Gifts to the Community Foundation must be postmarked by December 31st to be considered for that tax year. We recommend mailing cheques two weeks before this date to ensure they are received in a timely manner.

To ensure that gifts of stock are received before December 31st, please allow up to two weeks for processing during December.

Legacy Gifts

Many donors wish to extend their reach through a legacy gift. Please refer to page 11 for more information on legacy giving.

Limitations & Boundaries

Who is eligible to receive grants?

- Registered Charities by CRA, offering programs benefitting residents and visitors to the Kenora and Lake of the Woods Region
- Not for Profits who are sponsored by a registered charity, including a municipality

Who is not eligible to receive grants?

- Non-registered charities unless they use a Foundation approved sponsor
- Individuals
- Any non-charitable entity
- An entity that supports a political campaign or direct religious activities

Expanding Your Reach

The Kenora and Lake of the Woods Regional Community Foundation will help answer any questions you may have about the giving process and granting, help you make planned gifts, identify charitable groups that you are interested in, and more. In addition to working with you personally, we like to provide opportunities to learn and grow. Look on our website under "Events" at www.klwcf.ca

Community Leadership Fund for Operations

The ability to help the Kenora and Lake of the Woods Regional Community Foundation expand our reach is a great gift. The Community Leadership Fund enables us to work with charitable groups and diverse memberships throughout the region and encourage their active engagement in charitable giving. This fund also enables a greater portion of financial resources to be used towards day-to-day activities, continuing existing initiatives as well as implementing new innovative programs. This fund is essential to facilitate philanthropy in the Kenora and Lake of the Woods Region.

To provide your support and become a "Community Leadership Partner," mail your contributions by cheque to the Community Foundation, writing "Community Leadership Partner" in the note field. You may also visit www.klwcf.ca and click "Donate Now" to give online by credit card. Please select Community Leadership Partner. Contact our office for gifts of Canadian shares and mutual funds. Memorial and tribute gifts can be made in the same manner as noted above.

Estate Planning Workshop

The Community Foundation also hosts complimentary estate planning and legacy giving workshops usually held in October. These workshops are ideal for those interested in leaving a legacy for their community or would like to learn more about will planning. For more information on estate planning and life income gifts, you can contact our office at info@klwcf.ca or call (807) 467-4427.

Annual Giving Challenge

Our Giving Challenge connects charities with philanthropists of all capacities, helps our charities grow their fund, builds relationships and fosters new friendships. In the first 10K/10HR Giving Challenge event, we raised \$75,000 in 10 hours. This yearly event takes place in May.

Youth in Philanthropy (YIP)

Our Youth In Philanthropy program, held at Beaver Brae Secondary School and Saint Thomas Aquinas High School, introduces our youth to philanthropy. YIP participants learn about giving and serving their communities, get involved with structured philanthropy and make actual grants that address issues that are important to them. They review grant applications and interview local registered charities and non-profits.

Throughout the years, the YIP program has demonstrated that our youth are capable of addressing and funding complex issues, like affordable housing, environmentalism, and animal welfare.

Annual Festival of Trees Charity Fundraiser

The Festival of Trees is the Community Foundation's Annual Charity Fundraiser to support the foundation's operations costs, is held on the last weekend of November. The event typically attracts over 800 people during the two day festival, which includes a gala evening and silent auction, community day and senior's tea. Local businesses, community groups, schools and families come forward to donate beautifully decorated trees and gift baskets. Each year many of the purchased trees are then donated back into the community for everyone to enjoy during the holiday season.



Important Information About Your Fund



Administrative Fee

The Community Foundation charges an annual modest administrative fee of 1.25%. The fee helps to sustain our operations and enables us to fulfill our vision to improve quality of life and community living in the Kenora and Lake of the Woods Region.

The administrative fee helps support:

- Investment and asset development
- Philanthropic advising
- Management of investments and assets
- New fund development
- Capacity building of charities and non-profits
- Grant making
- Planned giving
- Communications

Variance Power

As a Community Foundation we are vested with a variance power to use funds for other purposes, as close as possible to a donor's original intent, should that purpose become obsolete.

Variance power enables the Community Foundation to prevent funds from becoming obsolete or stagnant by redirecting them. Examples are when a charity closes or significantly changes its purpose. However, with good planning, variance power is rarely used.

All gifts to the Community Foundation are subject to the Foundation's variance power.

How We Manage Your Assets

The Community Foundation manages assets for long term appreciation that allows us to increase our grants to the Kenora and Lake of the Woods Region over time. We have a well-informed Asset Development Committee and Finance/ Investment Committee that provides the Board with leadership and vision. We follow all federal legal requirements and are audited annually.

Our investment strategy balances the desire for long-term growth and safety of our investments.

"The work of registered charities and not-for-profits in the Kenora and Lake of the Woods Region could not happen at the level it does without the support of the Community Foundation and the funders who so generously give. These are real people with real stories, sharing the difference the grants have made in their lives and the opportunities they might not otherwise have had."

Judy Underwood, in response to the June 2016 Granting Ceremony.

Planned and Legacy Giving

Including charitable giving into your estate plan is a great way to achieve tax advantages and leave a lasting legacy in your community for generations. It is an accessible way of giving that will have major community impacts. Giving options vary, depending on whether you want to give now or in the future. Connect with us for details.

By Bequest

Naming the Kenora and Lake of the Woods Regional Community Foundation in your will or trust is a simple way to support the community and your philanthropic goals. A charitable bequest to create your own endowment fund or to contribute to an existing fund can be made. A bequest can be made by designating a specific amount or a percentage of your estate or residuals after other bequests are fulfilled. Significant estate tax savings are a typical benefit to your estate and heirs.

If circumstances change, bequests are easily revocable.

Retirement Plans

Retirement assets can be the ideal way to meet your philanthropic goals since they are heavily taxed if left to heirs, yet tax-free if gifted to charity. Retirement assets are often used to create charitable funds as part of an overall estate plan. If you are enrolled in a RRSP or have already changed your RRSP to a RRIF, you may name the Kenora and Lake of the Woods Regional Community Foundation as beneficiary of all or of a portion of any retirement funds remaining at death.

Life Insurance

Gifting life insurance is another simple way to make a lasting contribution to your community and establish a legacy of giving. You can make a gift when the need for life insurance has decreased or is no longer needed for personal financial wealth replacement. Tax benefits include reduced income taxes and estate taxes.

Consultation

A consultation with legal/financial/ estate planning professionals is recommended and will assist you in choosing the plan that is right for you.

Gifts of Appreciated Stock, Real Estate and Similar Assets

Publicly traded and closely held securities can be used to establish a charitable fund. By gifting stock through your community foundation in a charitable fund, you can avoid capital gains taxes that would be due as a result of the sale of the stock, while also benefiting local community needs and local charities you care about. If you are interested in donating securities, contact our office and we will provide you with a Securities Transfer Form. With a gift of stocks, bonds, mutual funds, you will receive a donation receipt for the market value of the securities on the date of transfer to the Community Foundation.

Gifting real estate enables donors to make a larger charitable difference while avoiding estate taxes and eliminates/minimizes the burden placed on your heirs. Real estate gifts can include personal residences, vacation homes, farmland, commercially developed land, and rental properties.



Frequently Asked Questions

What is planned giving?

Planned giving is the key to major fund development for community foundations because it provides endowment capital. It is the act of making a charitable gift, now or at some later time that enables the donor to achieve personal philanthropic objectives, as well as receive tax and other financial benefits. Planned gifts come from a donor's "accumulated wealth" or assets, but can also be generated from annual income. Planned gifts include contributions of cash and securities, real estate or personal property, insurance or annuities. They can be current or outright gifts of immediate benefit to the organization; deferred gifts to be realized at a future date such as gift by bequest.

What happens to the fund when there is no longer an advisor to make grant recommendations?

On the death or resignation of the last advisor, a Donor Advised Fund becomes a Designated Fund, which allows the Foundation to make grants within the fund's purpose to meet current community needs. This way, the Foundation ensures that your generous gift remains relevant to your philanthropic goals.

Can I change the name of the fund I established?

Yes. The Community Foundation can change the name of a fund, following a submission of your request in writing to the Executive Director.

What levels are your endowment funds now?

As of June 30, 2023 we have \$7.8 million in endowed funds, with total assets at \$8.6 million.

Where is the money invested?

Jarislowsky Fraser Global Investment Management in Calgary.

How is the money invested and managed?

We have a very conservative portfolio, similar to a pension plan. Money is invested with the bulk of assets in a Global balanced fund and in cash.

Responsibility for the Foundation's investment portfolio is vested in the Board of Directors with the guidance of the Finance Committee. The Finance Committee works closely with professional staff and investment advisors to recommend policy, establish performance benchmarks and monitor the performance of the portfolio.

What was the return on investment last year?

Since May 31st, 2006 our annualized rate of return has been 6.44% as of June 30, 2023.

When is your fiscal year end?

December 31st.

What is your annual operating budget?

2023 - \$292,000.

How much do you spend on administration?

3.8% of our total assets.

How is your administration costs covered?

The following sources supported our 2022 Administration costs.

- Endowment Funds Administrative Fees | \$104,554
- Fundraising Events | \$127,901
- Community Leadership | \$7,415
- Municipal Grants | \$5,000

Is the Kenora and Lake of the Woods Regional Community Foundation in competition with other not for profits?

No, we are a resource for them. We hold and manage many of their endowment funds and make grants to them. We link donors with a wide range of community organizations and encourage gifts to all kinds of causes and charities. We work collaboratively with other funders and grantmakers to help serve the needs of the whole community.

Does the KLWCF share donor information?

No. Donor information is kept confidential and is not shared with any outside organizations.

How can I get involved in the community foundation movement?

There are many different ways to support the community foundation movement. You can become a donor, volunteer your skills and services, or support an ongoing project. For more information please contact our office at (807) 467-4427.



KENORA & LAKE OF THE WOODS REGIONAL

COMMUNITY FOUNDATION

Where to Find Us

Donor Services

The Kenora and Lake of the Woods Regional Community Foundation

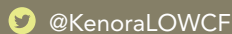
Office in the Gillons Insurance Building
101 Park Street Kenora, Ontario

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