

Deep River and District Community Foundation

Minutes of Virtual Annual General Meeting held on Wednesday, September 23, 2020, via Zoom

Board members present: Carolyn Arnold, Michael Stephens, Dianne Lemire, Anne Hutton, Ike Dimayuga

Board members absent: Jade Nauman, Martin Bagshaw

Officers present: Glen Wolgemuth, Cheryl Rhodes

Members present: Ross Judd, Carole Judd, Bill Turner, Cathy Kyle, John Hilborn, Betty Van Wagner, Ann Serdula, Mitch McKay, Chris MacCready, T P Alburger, Larrie Thomson, Mary MacCafferty, Pravin Shah, Jashoda Shah, Bill Kupferschmidt, Betty Condie, Barbara Stephens, Diane Davis

Minutes compiled by Cheryl Rhodes

Michael Stephens, Chair, called the meeting to order at 7:05 pm via Zoom. Dianne Lemire acted as the Zoom manager. Michael welcomed everyone, and explained why the meeting was being held virtually during this extended COVID-19 pandemic. There were 25 members present, including five members of the board of directors. A quorum was declared, and there were no conflicts of interest expressed.

1. Adoption of Agenda

A correction was needed to 6.a. on the agenda. Clause 4.6 of the DRDCF bylaw should have been quoted as "Meetings of members...", instead of "Members of meetings..."

Bill Turner raised a point of order, referring to clause 4.5.i. of the bylaw, that the meeting cannot be held virtually, nor votes taken. Michael explained that Corporations Canada had granted an extension of the date by which an AGM must be held, but that he had not asked for an exemption to allow for holding a virtual meeting. By a show of hands, members participating in the virtual meeting registered their desire to continue with the meeting as planned. Ross Judd suggested that, if necessary, DRDCF request an exemption from the government after this meeting.

MOTION: Moved by Anne Hutton, seconded by Ike Dimayuga, that the agenda be adopted as amended. CARRIED.

2. Acceptance of Minutes from the AGM held on June 24, 2019

MOTION: Moved by Dianne Lemire, seconded by Mary MacCafferty, that the minutes of the 2019 AGM be accepted. CARRIED.

3. Report of the Chair, Michael Stephens

Using an on-screen slide show, as well as a verbal report, Michael listed board members, members of committees, and grants distributed in 2019. He mentioned new innovative activities, such as the CFC/RBC Future Challenge "PEP Talks", the Federal Emergency Community Support Fund, the International Women's Day fundraiser, the impact investment loan to WCCT, the use of Zoom meetings to continue the work of the DRDCF, publicity initiatives such as the new website and brochure, the purchase of Liability Insurance and Directors and Officers Insurance, and the process of developing policies to aid with consistent operating practices.

4. Report of the Treasurer for 2019 Fiscal Year

While the Treasurer, Glen Wolgemuth, had prepared the financial reports for 2019, as attached, he was unable to present them to the meeting due to health reasons. The report on DRDCF financial activities was presented by Carolyn Arnold, the Chair of the Finance Committee.

MOTION: Moved by Carolyn Arnold, seconded by Dianne Lemire, that the firm of Scott, Rosien, Black and Locke be retained as the public accountants for the 2020 fiscal year. One abstention by Bill Turner. MOTION CARRIED.

5. Report of the Nominating Committee and election of new Directors

The nominating committee consists of Larrie Thomson and Joan Loughheed.

Two members of the board, Bill Turner and Doug Tennant, had resigned in 2020, and two members, Michael Stephens and Martin Bagshaw, are retiring after serving on the board for six years. The nominating committee presented four candidates to fill the vacant positions: Bill Kupferschmidt, Cathy Kyle, Chris MacCready and Mitch MacKay. After duly calling for nominations from the floor, no further candidates were nominated.

MOTION: Moved by Larrie Thomson, seconded by Ann Serdula, that we accept the four new candidates, and elect them to the board of directors, and that we elect Carolyn Arnold and Ike Dimayuga for second three-year terms. Two abstentions by Bill Turner and Bill Kupferschmidt. **MOTION CARRIED.**

6. New Business and Questions

a. The DRDCF bylaw, clauses 4.5.i. and 4.6., disallow completely virtual meetings of members, including voting. At the board meeting of May 16, 2020, it was moved by Carolyn, seconded by Anne, to amend the DRDCF bylaw to allow us to hold a virtual annual general meeting. The motion was carried. Corporations Canada requires that this change to the bylaw be confirmed or rejected at the next meeting of DRDCF members.

MOTION: Moved by Dianne Lemire, seconded by Mary MacCafferty, to rescind clauses 4.5.i and 4.6 of the DRDCF bylaw. One abstention by Bill Turner. **MOTION CARRIED.**

It was suggested that a new Governance Committee should consider if any clauses might be needed to replace the rescinded ones. It was also noted that any change to the bylaw must be forwarded to Corporations Canada.

b. There were no new matters of business or questions from members.

7. Adjournment

Michael Stephens adjourned the meeting at 8:30 pm, with thanks to all participants.



IN THE MATTER CONCERNING THE DIRECTOR APPOINTED UNDER
THE CANADA NOT-FOR-PROFIT CORPORATIONS ACT

AND

THE APPLICATION OF

The Deep River and District Community Foundation

(hereinafter called the "Corporation")

FOR AN EXEMPTION UNDER SUBSECTION 160(2) OF
THE CANADA NOT-FOR-PROFIT CORPORATIONS ACT

EXEMPTION

UPON APPLICATION BY the Corporation, in accordance with subsection 160(2) of the *Canada Not-for-profit Corporations Act* (the "Act"), to extend the time for calling the annual meeting of members that is required to be held after the Corporation's financial year ending December 31, 2019;

AND UPON recognizing the need to assist corporations that are seeking relief during the COVID-19 Pandemic;

AND UPON reading the application documents and being satisfied that there is adequate justification for so doing;

IT IS HEREBY DETERMINED that the Corporation, for the annual meeting of members that is required to be held after the Corporation's financial year ending December 31, 2019, is authorized to extend the time for calling the annual meeting of members to December 31, 2020;

AND IT IS HEREBY DETERMINED that the period related to the prescribed comparative financial statements referred to in subparagraph 172(1)(a)(i) of the Act is the period that began on the date the Corporation came into existence and ended on the first financial year end or, if the Corporation has completed a financial year, the period that began immediately after the end of the last completed financial year and ended on the most recent financial year end.

THIS EXEMPTION is made subject to the following terms:

1. The Corporation informs its members of this exemption as soon as possible but not later than 60 days after the date of this exemption order.

DATED, this 1st day of June, 2020.

Cheryl Ringor
Deputy Director

Financial Statements of

**DEEP RIVER & DISTRICT
COMMUNITY FOUNDATION**

Year ended December 31, 2019
(Unaudited)



**Scott Rosien
Black & Locke**
CHARTERED PROFESSIONAL ACCOUNTANTS

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Directors of Deep River & District Community Foundation

We have reviewed the accompanying financial statements of Deep River & District Community Foundation that comprise the statement of financial position as at December 31, 2019, and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Deep River & District Community Foundation as at December 31, 2019, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Chartered Professional Accountants
Licensed Public Accountants

Pembroke, Ontario
March 17, 2020

DEEP RIVER & DISTRICT COMMUNITY FOUNDATION

Balance Sheet
(Unaudited)

December 31, 2019, with comparative figures for 2018

				December 31 2019	December 31 2018
	General Fund	Restricted Funds (note 4)	Endowment Funds (note 5)	Total	Total
Assets					
Current assets:					
Cash (note 2)	\$ 2,346	\$ -	\$ 22,898	\$ 25,244	\$ 19,894
Investments (note 3)	10,940	77,357	1,002,429	1,090,726	923,538
Government remittances receivable	616	-	-	616	1,829
Accrued interest receivable	-	2,785	-	2,785	2,926
Prepaid expenses	198	-	-	198	485
Current portion of loan receivable	-	-	4,267	4,267	4,141
	14,100	80,142	1,029,594	1,123,836	952,813
Long-term receivables:					
3% Loan receivable, repayable \$1,189 quarterly including principal and interest, maturing October 2023	-	-	17,859	17,859	22,000
Less current portion of loan receivable	-	-	4,267	4,267	4,141
	-	-	13,592	13,592	17,859
	\$ 14,100	\$ 80,142	\$ 1,043,186	\$ 1,137,428	\$ 970,672

Liabilities and Fund Balances

Current liabilities:					
Accounts payable and accrued liabilities	\$ 3,200	\$ -	\$ -	\$ 3,200	\$ 2,969
Deferred donations	-	-	-	-	700
	3,200	-	-	3,200	3,669
Fund balances:					
Restricted	-	80,142	1,043,186	1,123,328	958,003
Unrestricted Funds	10,900	-	-	10,900	9,000
	10,900	80,142	1,043,186	1,134,228	967,003
	\$ 14,100	\$ 80,142	\$ 1,043,186	\$ 1,137,428	\$ 970,672

See accompanying notes to financial statements.

On behalf of the Board:

DocuSigned by:

Carolyn Arnold
4C35C8676F3D4B5
Carolyn Arnold

5/8/2020

DocuSigned by:

Michael Stephens
36E75098781C400
Michael Stephens

5/17/2020

Director

Glen Wolgemuth

5/19/2020

DEEP RIVER & DISTRICT COMMUNITY FOUNDATION

Statement of Operations (Unaudited)

Year ended December 31, 2019, with comparative figures for 2018

	2019	General Fund 2018	2019	Restricted Funds 2018	2019	Endowment Funds 2018
Revenue:						
Donations	\$ -	\$ -	\$ 23,186	\$ 38,201	\$ 90,268	\$ 34,972
Interest and dividends	-	-	29,545	22,767	-	-
Realized gain (loss) on investments	-	-	36,604	59,446	(4,956)	-
Unrealized gain (loss) on investments	-	-	56,640	(121,490)	-	-
Operating fund income	8,609	8,492	-	-	-	-
Special events	-	-	2,733	-	-	-
	8,609	8,492	148,708	(1,076)	85,312	34,972
Charitable disbursements	-	-	45,092	86,944	-	-
Operating fund expense	-	-	8,609	8,492	-	-
Investment counsel fees	-	-	10,796	14,018	-	-
Office supplies	718	552	-	-	-	-
Professional fees	6,484	6,330	-	-	-	-
Advertising	691	412	-	-	-	-
Fees and dues	470	470	-	-	-	-
Fundraising fees	-	-	2,544	-	-	-
Rent	-	25	-	-	-	-
	8,363	7,789	67,041	109,454	-	-
Excess of revenue over expenses (expenses over revenue)	\$ 246	\$ 703	\$ 81,667	\$(110,530)	\$ 85,312	\$ 34,972

See accompanying notes to financial statements.

DEEP RIVER & DISTRICT COMMUNITY FOUNDATION

Statement of Changes in Fund Balances

(Unaudited)

Year ended December 31, 2019, with comparative figures for 2018

	Externally Restricted Endowment Fund	Restricted Funds	Unrestricted	Total 2019	Total 2018
Balance, beginning of year	\$ 911,460	\$ 46,543	\$ 9,000	\$ 967,003	\$ 1,041,858
Excess of revenue over expenses (expenses over revenue)	85,312	81,667	246	167,225	(74,855)
Interfund transfers	46,414	(48,068)	1,654	-	-
Balance, end of year	\$ 1,043,186	\$ 80,142	\$ 10,900	\$ 1,134,228	\$ 967,003

See accompanying notes to financial statements.

DEEP RIVER & DISTRICT COMMUNITY FOUNDATION

Statement of Changes in Financial Position (Unaudited)

Year ended December 31, 2019, with comparative figures for 2018

	General Fund 2019	Restricted Funds 2019	Endowment Funds 2019	Total 2019	Total 2018
Cash provided by (used in):					
Operations:					
Cash received from donors and members	\$ 9,822	\$ 26,060	\$ 90,268	\$ 126,150	\$ 80,595
Cash paid to suppliers and spent on charitable activities	(10,389)	(54,401)	-	(64,790)	(107,812)
Interest and dividend income	-	29,545	-	29,545	22,767
Gain (loss) on sale of investments	-	36,604	(4,956)	31,648	59,446
Unrealized gain (loss) on investments	-	56,640	-	56,640	(121,490)
Investment fees paid	-	(10,796)	-	(10,796)	(14,018)
	(567)	83,652	85,312	168,397	(80,512)
Financing:					
Interfund transfers	4,198	(50,612)	46,414	-	-
Decrease (increase) in long term receivable	-	-	4,141	4,141	(22,000)
	4,198	(50,612)	50,555	4,141	(22,000)
Increase (decrease) in cash position	3,631	33,040	135,867	172,538	(102,512)
Cash position, beginning of year	9,655	44,317	889,460	943,432	1,045,944
Cash position, end of year	\$ 13,286	\$ 77,357	\$ 1,025,327	\$ 1,115,970	\$ 943,432
Represented by:					
Cash	\$ 2,346	\$ -	\$ 22,898	\$ 25,244	\$ 19,894
Investments	10,940	77,357	1,002,429	1,090,726	923,538
	\$ 13,286	\$ 77,357	\$ 1,025,327	\$ 1,115,970	\$ 943,432

See accompanying notes to financial statements.

DEEP RIVER & DISTRICT COMMUNITY FOUNDATION

Notes to Financial Statements
(Unaudited)

Year ended December 31, 2019

Deep River and District Community Foundation is a charitable public foundation incorporated without share capital under the Canada Not-for-Profit Corporations Act. The organization's object is to improve the quality of life for every resident of Deep River and District by supporting social services, promoting arts and cultural activities, and by advancing education and medical services. The organization is a registered charity under The Income Tax Act and accordingly is exempt from income taxes provided certain requirements of The Income Tax Act are met.

1. Significant accounting policies:

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

(a) Fund accounting:

Deep River and District Community Foundation follows the restricted fund method of accounting for contributions.

The Restricted Funds reports the investment income earned on the various Endowment Funds according to the restrictions imposed by the contributors of the funds for endowment. The Restricted Funds also reports internally restricted funds.

The General Fund accounts for the organizations' program delivery and administrative activities. This fund reports unrestricted resources.

The Endowment Fund reports resources contributed for endowment. Investment income earned on resources of the Endowment Fund is reported in the Restricted Funds or General Fund depending on the nature of any restrictions imposed by contributors of the funds for endowment.

(b) Revenue recognition:

Restricted contributions related to general operations are recognized as revenue of the General Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

Unrestricted contributions are recognized as revenue of the General Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Contributions for endowment are recognized as revenue in the Endowment Fund.

DEEP RIVER & DISTRICT COMMUNITY FOUNDATION

Notes to Financial Statements
(Unaudited)

Year ended December 31, 2019

1. Significant accounting policies (continued):

Restricted investment income earned on Endowment Fund resources is recognized as revenue of the Restricted Funds according to the restrictions imposed by the contributors of the funds for endowment. Unrestricted investment income earned on Endowment Fund resources is recognized as revenue of the General Fund. Other investment income is recognized as revenue of the General Fund when earned.

(c) Cash:

Cash includes cash on hand and cash on deposit net of cheques issued and outstanding at the reporting date.

(d) Expenditure recognition:

Expenses are reported on the accrual basis of accounting. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

(e) Financial Instruments:

i) Measurement of financial instruments

The Foundation initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

The Foundation subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statements of operations in the period incurred. Financial assets measured at amortized cost include cash, amounts receivable, prepaid expenses and fixed income investments.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

DEEP RIVER & DISTRICT COMMUNITY FOUNDATION

Notes to Financial Statements
(Unaudited)

Year ended December 31, 2019

1. Significant accounting policies (continued):

ii) Impairment:

At the end of each reporting period, the Foundation assesses whether there are any indications that a financial asset measured at amortized cost may be impaired. Objective evidence of impairment includes observable data that comes to the attention of the Foundation, including but not limited to the following events: significant financial difficulty of the issuer; a breach of contract, such as a default or delinquency in interest or principal payments; or bankruptcy or other financial reorganization proceedings.

When there is an indication of impairment, the company determines whether a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset.

When the Foundation identifies adverse change in the expected timing or amount of future cash flows from a financial asset, it reduces the carrying amount of the asset to the highest of the following:

- i) the present value of the cash flows expected to be generated by holding the asset discounted using a current market rate of interest appropriate to the asset;
- ii) the amount that could be realized by selling the asset at the statement of financial position date; and
- iii) the amount the Foundation expects to realize by exercising its rights to any collateral held to secure repayment of the asset net of all costs necessary to exercise those rights.

The carrying amount of the asset is reduced directly or through the use of an allowance account. The amount of the reduction is recognized as an impairment loss in the statements of operations.

When the extent of impairment of a previously written-down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed.

(f) Use of estimates:

The preparation of financial statements in conformity with Canadian standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

DEEP RIVER & DISTRICT COMMUNITY FOUNDATION

Notes to Financial Statements
(Unaudited)

Year ended December 31, 2019

1. Significant accounting policies (continued):

(g) Contributed services:

Volunteers contribute a significant amount of time to assist Deep River and District Community Foundation in carrying out its activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

2. Cash:

	2019	2018
Cash on deposit	\$ 43,003	\$ 22,865
Cheques issued and outstanding	(17,759)	(2,971)
	\$ 25,244	\$ 19,894

3. Investments (at market value):

	2019	2018
Cash accounts	\$ 16,201	\$ 11,596
Fixed Income	554,559	393,096
Corporate Equity	519,966	518,846
	\$ 1,090,726	\$ 923,538

The Foundation is exposed to market risk on its publicly traded investments as described in note 6.

DEEP RIVER & DISTRICT COMMUNITY FOUNDATION

Notes to Financial Statements
(Unaudited)

Year ended December 31, 2019

4. Restricted Funds:

Externally restricted:

	Balance January 1 2019	Income (Loss)	Transfers and Expenditures	Balance December 31 2019
Community Fund	\$ -	\$ 14,888	\$ (10,621)	\$ 4,267
Four Seasons Fund	5,503	8,693	(4,359)	9,837
Deep River Science Academy Scholarship Fund	607	2,380	(1,890)	1,097
Elizabeth Hulbert Memorial Fund	1,184	1,195	(577)	1,802
Milton Family Fund	4,058	12,548	(9,059)	7,547
MHS Reunion Award Fund	495	1,831	(1,498)	828
The Original Six Hockey Fund	5,128	2,116	(2,226)	5,018
Mary Moore Ecological Fund	7,818	13,809	(15,025)	6,602
Rotary Club of North Renfrew Fund	428	1,218	(629)	1,017
Foundation Development Fund	661	1,314	(1,326)	649
Arts and Education Fund	761	773	(1,150)	384
The North Renfrew Family Services Fund	2,010	9,427	(6,942)	4,495
Library Endowment Fund	603	2,675	(2,015)	1,263
Environmental Legacy Fund	3,175	2,297	(1,042)	4,430
Mary-Jane and Bob Brown Memorial Fund	314	546	(276)	584
W. G. Cross Concert Piano Fund	1,221	1,138	(544)	1,815
Order of the Eastern Star (Pembroke #288) Bursary Fund	258	1,947	(1,135)	1,070
Jean and Bruce Bigham Student Activity Fund	268	1,400	(732)	936
Deep River Area Health Care Fund	1,122	1,111	(535)	1,698
Renfrew County United Way Fund	1,175	590	(1,465)	300
Laura Alice Cooper Memorial	-	3,346	(1,807)	1,539
Cuthbert Family Fund	-	1,287	(679)	608
Tucker Tennant Fund	-	1,328	(680)	648
Bourne Vocal Student Support Fund	2,554	1,065	(279)	3,340
Hinds Family Fund	-	3,254	(1,510)	1,744
Beth and Ivan Ophel Memorial Fund	-	597	(401)	196
Women's Day Fund	-	610	(177)	433
Flow Through Donations	7,200	18,609	(19,814)	5,995
	\$ 46,543	\$ 111,992	\$ (88,393)	\$ 70,142

DEEP RIVER & DISTRICT COMMUNITY FOUNDATION

Notes to Financial Statements
(Unaudited)

Year ended December 31, 2019

4. Restricted Funds (continued):

Internally restricted:

	Balance January 1 2019	Income	Transfers and Expenditures	Balance December 31 2019
Reserve Fund	\$ -	\$ -	\$ 10,000	\$ 10,000
	\$ -	\$ -	\$ 10,000	\$ 10,000
Total Restricted Funds	\$ 46,543	\$ 111,992	\$ (78,393)	\$ 80,142

DEEP RIVER & DISTRICT COMMUNITY FOUNDATION

Notes to Financial Statements
(Unaudited)

Year ended December 31, 2019

5. Externally restricted endowment funds:

	Balance January 1 2019	Additions (transfers)	Balance December 31 2019
Community Fund	\$ 151,160	\$ 21,692	\$ 172,852
Four Seasons Fund	84,368	4,359	88,727
Deep River Science Academy Scholarship Fund	24,827	(110)	24,717
Elizabeth Hulbert Memorial Fund	11,166	577	11,743
Milton Family Fund	118,832	51,337	170,169
MHS Reunion Award Fund	19,101	(502)	18,599
The Original Six Hockey Fund	17,517	905	18,422
Mary Moore Ecological Fund	139,507	7,207	146,714
Rotary Club of North Renfrew Fund	12,164	629	12,793
Foundation Development Fund	12,872	739	13,611
Arts and Education Fund	7,630	436	8,066
The North Renfrew Family Services Fund	95,443	4,931	100,374
Library Endowment Fund	27,330	1,462	28,792
Environmental Legacy Fund	20,555	1,560	22,115
Mary-Jane and Bob Brown Memorial Fund	5,329	275	5,604
W. G. Cross Concert Piano Fund	10,544	545	11,089
Order of the Eastern Star (Pembroke #288)			
Bursary Fund	20,033	411	20,444
Jean and Bruce Bigham Student Activity Fund	14,185	833	15,018
Deep River Area Health Care Fund	10,364	535	10,899
Renfrew County United Way Fund	5,615	290	5,905
Laura Alice Cooper Memorial Fund	34,590	1,807	36,397
Ken and Maragret Cuthbert Family Fund	11,434	3,180	14,614
Thomas "Tucker" Tennant Memorial Fund	11,434	3,680	15,114
Lorna Bourns Vocal Bursary Fund	5,496	5,348	10,844
Hinds Family Fund	30,190	15,314	45,504
Beth and Ivan Ophel Memorial Fund	6,177	498	6,675
Women's Day Fund	3,597	3,788	7,385
	\$ 911,460	\$ 131,726	\$ 1,043,186

DEEP RIVER & DISTRICT COMMUNITY FOUNDATION

Notes to Financial Statements
(Unaudited)

Year ended December 31, 2019

6. Financial Instruments:

The carrying value of the cash, investments, accounts payable and accrued liabilities and managed funds approximate the fair value due to the short-term nature of the financial assets and liabilities.

All managed funds are non-interest bearing. Consequently the debt risk exposure is not significant.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk, interest rate risk and other price risk.

Currency Risk

Currency risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate relative to the Canadian dollar due to changes in foreign exchanges. The Foundation uses BMO Nesbitt Burns to manage its investment portfolio. BMO Nesbitt Burns monitors the investments daily and adjusts the portfolio to manage currency risk.

Interest Rate Risk

Interest rate risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate due to changes in market interest rates. The foundation has no interest bearing liabilities.

The primary objective of the Foundation with respect to its investments in fixed income investments is to ensure the security of principal amounts invested and provide for a high degree of liquidity, while achieving a satisfactory investment return.

The Foundation manages the interest rate risk exposure of its fixed income investments by using a laddered portfolio with varying terms of maturity. The laddered structure of maturities helps to enhance the average portfolio yield while reducing the sensitivity of the portfolio to the impact of interest rate fluctuations.

DEEP RIVER & DISTRICT COMMUNITY FOUNDATION

Notes to Financial Statements
(Unaudited)

Year ended December 31, 2019

6. Financial instruments (continued):

Other Price Risk

Other price risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all similar instruments traded in the market.

The Foundation uses BMO Nesbitt Burns to manage its investment portfolio. The investment policy provides for an asset mix of 55% equities and 45% fixed income investments and is monitored monthly. Risk and volatility of investment returns are mitigated through diversification of investments.