

2020 Annual Report



United Way
Kingston, Frontenac,
Lennox and Addington



Local Love in action

Over **79,000 individuals** in the KFL&A community were helped locally through **70 organizations and over 220 programs.**

Locally, through the pandemic in **2020, United Way invested \$5.5 million.**

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“ I give because I believe in what the United Way represents, our community taking care of one another. ”

-Donor

2020 Board Chair Report

Every year is a busy one for the United Way KFL&A as we continue to build on our strengths and explore new opportunities. However, the global COVID-19 pandemic brought significant new challenges that focused the board's attention on four key areas:

- Recognizing that partner agencies would require flexibility to respond to the pandemic, the board continued "flow through" funding, allowing agencies to adapt to the impact of Covid-19.
- The need for United Way funding was greater than ever. The board's focus quickly changed from "prevention" to supporting the immediate needs of our most vulnerable through extensive granting.
- The pandemic highlighted inequities for under-represented groups, including BIPOC (Black, Indigenous, and People of Colour), LGBTQ2S+ (Lesbian, Gay, Bisexual, Transgender, Queer or Questioning, Two-Spirit), and Indigenous communities. The board committed to focusing on Equity, Diversity, Inclusion, and Indigenization (EDI) and we are consulting with a newly formed EDI Roundtable on next steps.
- To plan for the COVID pandemic recovery, the board embarked on a refresh of our Strategic Plan to guide decision-making for the next 18-24 months.

I want to personally thank our Board of Directors. You are an amazing group and I am proud to work with all of you. We operate in the best interests of our community and make thoughtful grounded decisions after robust discussion. The United Way staff team deserve special recognition, as they had to work remotely, develop new ways of doing things, and were often on tighter timelines, not always under ideal circumstances. Thank-you sincerely for what you do. We have all heard the word "pivot," perhaps too often in recent months, but you all made pivoting look easy!

My sincere thanks also goes to United Way CEO Bhavana Varma for her dedication and compassionate leadership. It has been an absolute pleasure to work closely with Bhavana this past year. Under her guidance, we had our most successful campaign yet, distributed an impressive \$5M+ to assist our community through a world health crisis, and successfully navigated an ever-changing landscape of pandemic challenges. As always, the United Way found a way to do what was needed for our community. Thank you,



Leanne O'Mara
2020 Board Chair

Mission

To build and strengthen our community by bringing people and resources together to facilitate change.

Vision

We see a future where people are self-sufficient in a community where individuals live with hope, dignity and a sense of belonging.

Values

We will be known as an organization that:

- Operates with integrity, transparency and accountability to the highest ethical standards to ensure public trust
- Provides leadership in driving social change, partnerships and collaborative innovation
- Respects community wisdom by considering diverse viewpoints
- Harnesses and engages the talents and resources in our community to enhance a philanthropic culture
- Promotes volunteerism through creating awareness and engagement

Strategic Direction

Engage Our Community

- Facilitate community collaboration and partnerships to address root causes, focus on prevention and provide intervention and support for vulnerable populations
- Intentionally engage diverse groups in all that we do

Communicate The Impact

- Be a leader in understanding and communicating the social issues impacting our community
- Increase awareness through targeted communication strategies

Invest in the future

- Align fundraising strategy and respond to current trends
- Focus on wellbeing of employees, succession planning
- Investment of resources to support and build capacity in agencies post-pandemic

Equity Diversity Inclusion and Indigenization (EDII)

- Build EDII capacity in agencies
- Use EDII lens in fundraising, granting, resource allocation
- Identify the issues, partner with agencies and community to collect qualitative and quantitative data

2020 CEO Report

The year 2020 started off like any other. We were in the midst of developing plans for the upcoming year, working with the Board of Directors, Campaign Cabinet, volunteer committees, and funded agencies, when it seemed the whole world abruptly changed in mid-March.

Building on a foundation of strength, our community responded to the devastating global COVID-19 pandemic in ways we had never imagined. Agencies had to urgently find new ways to serve their clients at a time when no one really knew what was required or what was actually changing. The United Way had to quickly find different approaches to support local programs, keep the staff team functioning and safe, and educate ourselves about new community needs that were rapidly emerging.

We certainly didn't anticipate the exponential growth in demand for food and meal programs. Homelessness and issues related to mental health and addictions surfaced very quickly. We learned of new areas of need – for example, seniors on low incomes who were isolated and hungry.

Agencies responded to the increased demands with innovation - convenient takeout and delivery meal options and virtual counselling sessions became available. The United Way ventured into unfamiliar territory with community drives for backpacks, computers, hygiene products, warm coats, clothing, personal protective equipment, and food. We even secured and distributed toilet paper, and chocolates!

The pandemic also exposed the vulnerability in our care systems. The cracks we knew about pre-Covid suddenly developed into deep crevasses. Not surprisingly, the marginalized were impacted the most.

We quickly learned that collaboration was essential to support the most vulnerable, and new networks seemed to magically pop up that continue to this day. Two key initiatives were successfully launched. One, the Integrated Care Hub, serves people who are homeless, with severe addictions and mental health issues, and the other, the Community Food Redistribution Warehouse, will facilitate efficient distribution of food and fresh produce.

We were very grateful for the additional funding resources that were stewarded through United Way, thanks to an extremely successful annual fundraising campaign, new federal funding, and a special COVID-19 Response fund. As a result, over \$5.5 million was distributed to agencies serving approximately 79,000 people in KFL&A.

Throughout these challenging times, the one constant has been the support and generosity of our volunteers and donors. They stepped up to ensure the fundraising campaign was strong, reviewed hundreds of funding applications and found ways to invest in the most critically needed programs.

Thank-you from the bottom of my heart – to the amazing hardworking staff team, the thousands of awesome volunteers, our essential hardworking frontline agencies, and to our strategic-thinking and dedicated Board of Directors and Campaign Cabinet. It truly is a privilege to work with all of you.

Thank you!



Bhavana Varma
President & CEO

The United Way KFL&A mission is to build and strengthen our community by bringing people and **resources together to facilitate change.**



Staff Team

For more information about the United Way KFLA staff team visit: www.unitedwaykfla.ca/staffteam/



2020 Board of Directors

United Way of Kingston, Frontenac, Lennox & Addington is governed by its Board of Directors, a diverse group of community leaders and key decision makers who provide vision, strategic leadership, accountability and stewardship.



Chair
Leanne O'Mara



Past Chair
Daren Dougall



Vice Chair
Patrick Murphy



Vice Chair
Mary C. Rae



Treasurer
Matthew Van Nest



Director
Richard Allen



Director
Jessica Bayne-Hogan



Director
Briana Broderick



Director
Krishna Burra



Director
Peter Clarke



Director
Scott Harris



Director
Patrick Legresley



Director
Brian O'Neill



Director
Antje McNeely



Director
Stephen Peck



Director
Mike Ryan



Director
Michelle Wilson



President & CEO
Bhavana Varma

“ The United Way has really helped my own family for many years... Thank You! ”

-Donor



United Way celebrates the diversity of this region as we are all richer for it. We believe inclusion increases trust, understanding, respect and collaboration

Equity Diversity Inclusion and Indigenization



United Way celebrates the diversity of this region as we are all richer for it. We believe inclusion increases trust, understanding, respect and collaboration. The issues we face as a community can only be addressed when all in our community feel welcome and live with hope, dignity and a sense of belonging.

Goal

United Way of KFL&A will demonstrate its ongoing commitment to represent the diverse nature of our communities, promoting and practising inclusion in all things we do.

We will:

- Increase and grow diversity on committees, volunteer groups, board of directors and staff
- Fund, steward and build the capacity of organizations that have inclusion and diversity as a core part of their mandate
- Support and educate agencies and community to grow their EDII capacity through workshops, training, sharing resources
- Ensure the voices of communities are heard, their cultures respected
- Work with organized Labour, businesses, organizations, agencies to promote the value of our diverse communities

United Way is working on a number of action items to implement their EDII strategy:

- Recruitment of Roundtable to inform and support the work of United Way KFL&A
- Recruitment to Board of Directors and all committees with EDII lens
- Training for Board members and employees
- Funding for smaller organizations that support diverse and indigenous communities
- Offer public workshops and find ways to support and influence agencies and community

Accountability

United Way raises funds and invests them locally for maximum impact. We are able to accomplish this thanks to generous donors, partners, and supporters.

We have been recognized for accountability, and transparency in financial reporting having received a 5 star rating by Charity Intelligence Canada. Our financial statements are audited by an independent auditor and are available online at: www.unitedwaykfla.ca/financial-statements/

Effective, Efficient and Accountable

We actively solicit in-kind donations, sponsorships, pro-bono services and the support of volunteers to keep expenses low. This ensures that as much as possible of every dollar goes directly to the community.

Every year, thousands of volunteers come together to raise funds for services that benefit their family, friends and neighbours.

Annual Registered Charity Disclosure, Staff and CEO Salaries

Our latest Canada Revenue Agency annual T3010 registered charity disclosure is available at: <https://bit.ly/CRA-UWKFLA>

The Compensation Committee periodically benchmarks CEO salaries of not for profit organizations within the region. They regularly review the compensation levels of staff to ensure they are within reasonable rates for the level of skill, knowledge and experience required for the role. Compensation levels of the 10 highest paid staff for all charities are available at the CRA website, under Charities Listings.

Risk Management

To view risk management planning, visit: www.unitedwaykfla.ca/riskmanagement

For the Year Ending 2020

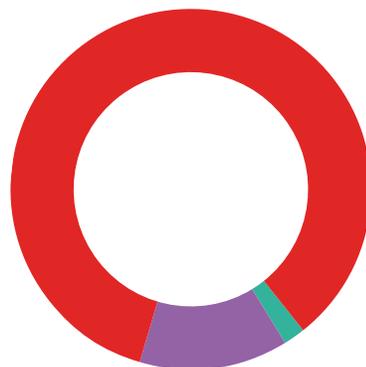
90% Funds invested directly into programs and services

8% Fundraising costs

* 10% without Federal Government COVID relief funding

2% Related Administrative Costs

* Canada Revenue Agency's benchmark for fundraising and administrative cost ratio is 35%



\$6,875,808

Total revenue, including annual campaign

* 5,286,193 without Federal Government COVID relief funding

\$541,159

Fundraising costs

\$113,727

Related Administrative Costs



We see a future where people are self-sufficient in a community where individuals live with **hope, dignity and a sense of belonging.**



United Way KFL&A has been recognized for accountability, and transparency in financial reporting having received **a 5 star rating by Charity Intelligence Canada** and is rated as one of the top 100 charities in Canada.

COVID-19 Government Funding

In response to the COVID-19 Pandemic, the Government of Canada recognized the need to support the vulnerable individuals in communities across the country.

The government created and expanded programs to help communities and funds were allocated and then distributed with the help of United Ways across the country. Learn more about these programs and the funds distributed locally.

New Horizons for Seniors Program

On March 29, 2020, Prime Minister Justin Trudeau announced a \$9 million investment in United Ways across Canada to support vulnerable seniors.

United Way KFL&A received and invested over \$65,000 as allocated by Employment Social Development Canada through United Way Centraide Canada. Funds flowed through registered charitable organizations that serve the KFL&A region and programs included Seniors Food Boxes, wellness check ins, virtual activities and meal delivery programs.

Reaching Home: Canada's Homelessness Strategy

Funded by the Department of Employment and Social Development, Reaching Home is a unique community-based program aimed at preventing and reducing homelessness. It provides direct funding to communities across Canada to support their efforts in addressing local needs and specific homelessness priorities.

In 2020, in response to the pandemic, Reaching Home funds were directed and redirected in response to the pandemic.

Over \$1.4 million was designated to the KFL&A community aimed specifically at preventing and reducing homelessness during the COVID-19 pandemic.

Emergency Community Support Fund (Round 1 and Round 2)

The Government of Canada's Emergency Community Support Fund was created to help charities and non-profit organizations adapt and increase frontline services for vulnerable populations during COVID-19.

The \$350 million ECSF was announced by the Government of Canada on April 21, 2020 and was administered in collaboration with United Way Centraide Canada, Community Foundations of Canada and the Canadian Red Cross and was part of a broad series of emergency response measures by the Government of Canada.

In October of 2020, a second round of ECSF funding was announced and locally, over \$1 million was granted through United Way KFL&A through the ESCF.



68 local volunteers reviewed hundreds of funding applications in 2020

United Way works with local agencies to **understand and address immediate needs** as they arise.



Emergency Community Support Funds

64 programs totalling

\$1,087,902

Reaching Home Funds

32 programs totalling

\$1,404,105

February

- 3rd annual Youth **Mental Health Services** Planning Day
- One Roof Funding announcement – United Way provides **\$435,000 in funding for new One Roof location**
- **Pink Shirt Day** – Kindness United Us

April

- Anna & Edward C. Churchill Foundation donates **\$50,000 matching grant** to launch Covid-19 Response Fund
- United Way KFL&A receives **funds from the Federal Government** for the New Horizons for Seniors Fund – Seniors' Food Box program launches

June



- United Way KFL&A **launches United Together** to help provide masks for vulnerable community members
- United Way KFL&A announces **2021 Campaign Chair**, Kingston Police Chief Antje McNeely



January

- Community partners work to open **overnight warming centre** in Kingston

March

- 1st annual **Tampon Tuesday** event and donation drive takes place in the region
- **Corporations For Community Connections** donates **laptops** that are distributed to 20 agencies in the community
- COVID-19 Shutdown and launch of United Way **Covid-19 Response Fund**
- Community volunteers **review applications** from agencies and approve the distribution of funds

May



- **Music Across the Border:** A Benefit Concert and telethon for the United Way airs on PBS with local musicians Miss Emily and Paul Langlois featured
- United Way KFL&A receives funds to distribute through first round of the **Federal Government's Emergency Community Support Fund**
- United Way and community partners collaborate to celebrate Honorary Patron **A. Britton Smith's 100th birthday**



August

- Community members and workplaces donate items and funds to the **Backpack Program**
- **Leadership Challenge Grant** - donors who increase their donations to \$1,200 or make a new \$1,200 gift will see their donation matched

October

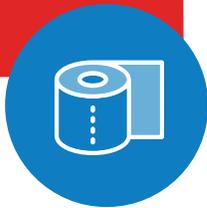
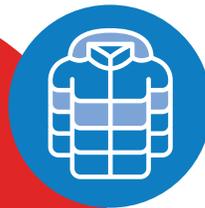
- United Way KFL&A receives funding through the **second round of Federal Government's Emergency Community Support Fund**
- Community and social services helpline **211, goes Nationwide**
- United Way takes on **annual Coat Drive**



December

- United Way partners with Leon's Centre and the Kingston Frontenacs for a **Community Donation Drive** collecting food, clothing and hygiene items

2020



July

- United Way KFL&A distributes product **donation from Kimberly-Clark** for local agencies responding to COVID-19
- City of Kingston and the United Way put call out for **Community volunteers to provide assistance** during emergency events – United Way Next Gen responds

September

- United Way KFL&A announces **\$2.9 million campaign goal**
- Nestle Canada donates **coffee crisp bars** which are distributed to agencies throughout KFL&A
- Workplaces hold outdoor events, virtual panels and virtual **events to support the 2020 campaign**

November



- **PPE and cleaning supplies donated** by University Hospitals Kingston Foundation, Kingston Health Sciences Centre and Shared Support Services Southeastern Ontario are distributed to agencies
- United Way virtual touchdown event announces **total raised by the community is \$3,547,668**
- Community volunteers work ahead of schedule to **review applications** from agencies and approve the distribution of funds

Initiatives

United Way KFL&A takes on a number of community initiatives throughout the year including donation drives and ongoing programs aimed at specific groups. Learn more about these initiatives below.



Over **1,400** children and youth started the school year with school supplies and backpacks.

Backpack Campaign

In previous years, United Way KFL&A provided funding for the Backpack Campaign, an annual program that works to ensure that families and children have all the supplies they need for another successful school year. In 2020, United Way stepped in to collect donations from workplaces and community members. Funding was used to purchase school supplies. Backpacks and supplies were then distributed through agencies and schools throughout KFL&A.

For more information on the Backpack Campaign visit: www.unitedwaykfla.ca/backpack-campaign/

Seniors' Food Box

In March 2020, United Way immediately began to receive calls of concern from seniors with two key issues: those who could not afford food and those who could afford to buy food but were unable to go to stores. United Way KFL&A shifted Good Food Stands to food boxes and with extra funding through the New Horizons for Seniors Program (NHSP), allocated by Employment and Social Development Canada, the Seniors' Food Boxes program began.

Working with Kingston Community Health Centres and many volunteers, hundreds of boxes of food were delivered to seniors in need throughout KFL&A.

1,121 Seniors' Food Boxes were delivered throughout KFL&A to low-income seniors



For more information:
www.unitedwaykfla.ca/seniors-helping-seniors-in-kfla/

Donation Drive and Coat Drive

Typically, Kingston Health Sciences Centre (KHSC) runs a winter Coat Drive through Hotel Dieu Hospital and St. Mary's Cathedral, where residents can donate and pick up coats on site.



In 2020, however, circumstances were different due to pandemic health protocols. United Way KFL&A was able to work with community partners to continue this important program. Coats were collected at libraries and other sites throughout the region and then distributed to individuals in need through various agencies.

With increased needs in the community during the winter, United Way KFL&A also worked with the Leon's Centre and the Kingston Frontenacs to run a donation drive in December. Food, hygiene, and clothing items were collected for two weeks and then distributed to agencies throughout Kingston for community members in need.

Over **150** bags of items were donated and multiple food bins were filled during the Community Donation Drive

Over **1,000** coats were collected during the two-week donation drive.

For more information on the Coat Drive visit: www.unitedwaykfla.ca/coatdrive
To learn more about the Donation Drive visit: www.unitedwaykfla.ca/communitydonationdrive

Tampon Tuesday

United Way KFL&A partners with Bell Media, Shoppers Drug Mart and other local partners and workplaces for this annual campaign and collection drive in the region. Menstrual hygiene products are among the most requested items at local food banks and shelters, but the least donated. In an effort to fill this gap, United Way KFL&A worked with workplaces, families, neighbourhoods and individuals to collect and donate products that are then distributed to agencies throughout the community.

Over **45,000** menstrual hygiene products collected and distributed throughout the community in 2020.



For more information on Tampon Tuesday visit: www.unitedwaykfla.ca/tampontuesday/

COVID-19 Initiatives

In addition to other initiatives, United Way KFL&A responded with a number of community initiatives during 2020 as a result of COVID-19. Additionally, a number of large community donations were distributed and stewarded through United Way KFL&A's network of agencies. Learn more about these initiatives below.



COVID-19 Response Fund

Since the beginning of the pandemic United Way KFL&A has continued to find ways to develop collective and proactive approaches to the situation, working with agencies to ensure frontline agencies can continue to serve all residents.

In response, United Way launched a community response fund in March 2020 to raise funds for those most vulnerable. The funds go directly to support basic needs, supports for the elderly and most vulnerable, and building agency capacity to respond to COVID-19 across our region. 40 grants were distributed through this fund in 2020.

Over **\$371,000** raised in 2020 through the COVID-19 Response Fund

Kimberley Clark Toilet Paper Donation

In March 2020, Kimberly-Clark Canada announced a partnership with United Way Centraide Canada to assist in its COVID-19 community relief efforts across the country

Local Canadian communities were invited to apply to receive a donation and five were selected including United Way KFL&A. Each community received shipments in June 2020 and coordinated pick-ups from various agencies throughout the community.

400 cases of Cottonelle® toilet paper and 60 cases of Kleenex facial tissue



Coffee Crisp Donation

Thanks to Nestlé, Coffee Crisp bars were donated to United Way KFL&A in September of 2020. These much appreciated donations and treats made their way to various agencies and workplaces in the KFL&A community.



Over **86,000** Coffee Crisp chocolate bars

Social Services Recovery Task Force

The Social Services Recovery Task Force (SSRTF) was started by United Way KFL&A in May 2020 to explore opportunities for stabilization, collaboration and coordination among agencies in the social services sector in KFL&A. This includes programs for food, homelessness, mental health, counselling and safety from violence in the region.

Members of the SSRTF identified key focus areas, action and implementation plans and development of these plans to continue.

More information can be found at www.unitedwaykfla.ca/socialservicesrecoverytaskforce

Personal Protective Equipment Donation

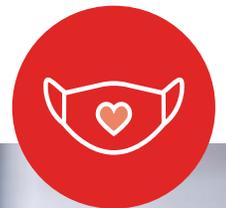
80,000 pieces of Personal Protective Equipment and cleaning supplies were generously donated by University Hospitals Kingston Foundation, Kingston Health Sciences Centre and Shared Support Services Southeastern Ontario in November 2020.

They ran a drive to collect donations for frontline workers, however, some items could not be used in a healthcare setting. Thankfully, those items could be used by local agencies to protect clients and staff throughout the pandemic.

United Together

Mandatory masking was put in place in June 2020 in KFL&A and in response United Way KFL&A started United Together, selling cloth face masks with proceeds towards the purchase of disposable face masks for vulnerable members of our community.

Over **7,000** masks purchased and delivered in 2020





“ I give to the United Way because they impact the lives of so many positively, supporting much needed programs ”
-Donor

Treasurer's Report

I am pleased once again to share a few of the financial highlights from the past year. As with everyone, the United Way was greatly impacted by the global pandemic in 2020. The Federal Government looked to the United Way Canada movement to invest significant resources into the local communities across Canada. Our United Way was able to do this effectively and efficiently, locally distributing over \$1.4M of COVID related funds for programs aimed at helping our most vulnerable population. We also received additional targeted funding - all this in addition to our regular annual funding of programs and services.

Due to the timing of this government funding, we show an in-year surplus of over \$900,000. However, the Board of Directors have budgeted for a planned in-year deficit in 2021 which will account for the timing of the funds being dispersed back into the community again in the most effective and efficient way possible.

As a result of this additional funding, our cost ratio for fundraising and related administration expenses is less than 10%. While this United Way keeps its cost ratio low, we would like to note that it is unlikely that we will be able to maintain this exceptionally low ratio in the future.

With the onset of the global pandemic, there was some significant volatility in the market conditions in Q1 and Q2 of 2020. The Investment Committee of our United Way ensured investments aligned with our Investment Policy Statement (IPS) and thankfully this provided the stability required to manage these market conditions. United Way investments performed very well in 2020 showing unrealized gains of approximately \$234,000. Continuing in 2021 we will be completing a risk tolerance assessment with the Board and re-aligning our investment policy accordingly.

As my term as Treasurer comes to a close I would like to extend my sincere appreciation to the members of the Finance & Audit and Investment Committees, Fred Benford at CIBC Wood Gundy and the staff of the United Way especially John DiPaolo, Bhavana Varma and Jana Clark for their efforts, guidance and support. Their contribution helps United Way steward funds responsibly, while looking ahead into future trends and opportunities. I look forward to continuing to support both the Investment Committee and Finance Committee over the next year to assist with a smooth transition to our new Treasurer Patrick Legresley.



Matthew Van Nest
Treasurer

Financial Highlights

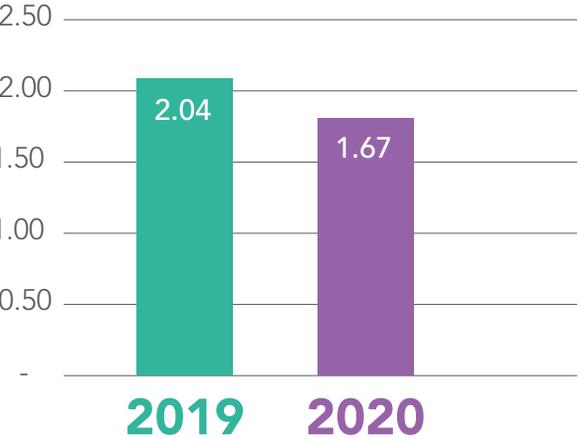
We provide financial statements in alignment with Canadian Accounting Standards for not-for-profits and with United Way Centraide Canada's Transparency, Accountability and Financial Reporting guidelines

Where the Money was Spent



In 2020 your contributions helped to build a stronger social support network. This network of services provides the foundation to the entire community and allows people to live with hope, dignity and a sense of belonging. To view our financial statements visit: www.unitedwaykfla.ca/financial-statements/

Financial Liquidity



United Way takes the financial stewardship of donor dollars seriously. We continuously monitor the assets of the organization against our current (short term) liabilities to ensure this ratio remains above 1.0. This provides us with a quick analysis as to how easily we can meet short-term financial liabilities. In 2020 our ratio was well above 1.0 at 1.67

This network of services provides the foundation to the entire community and allows people **to live with hope, dignity and a sense of belonging.**



Revenue by Source

Total operating revenue for 2020 was \$6,875,808

65%

Campaign Revenue

23%

Special Federal Covid-19 Funding

7%

Reaching Home Grant

3%

Kingston Penitentiary Tours

2%

Investment Income and Other Revenue



“ I can’t say enough about how United Way has helped us and many other agencies. It’s all about partnerships. ”

- **Travis Blackmore,**
Lionhearts Inc.

Community Impact

United Way KFLA funds programs locally. The money raised here stays here.

United Way funding supports a network of agencies that provide vital programs to thousands of people in the region – single parents, abused women, families, young children and teenagers, the elderly, the physically challenged, the homeless. These programs support local residents, helping them when they need it the most.

79,967

clients were helped in KFLA through United Way funded programs last year.

Funding Distribution by Impact Area

14%

Helping Kids Be All They Can Be

34%

Building Strong and Healthy Communities

52%

Moving People From Poverty to Possibility



Community Investment By The Numbers

Helping Kids Be All They Can Be

- 11 Agencies
- 19 Programs
- **Clients served: 16,069**



Building Strong and Healthy Communities

- 38 Agencies
- 75 Programs
- **Clients served: 24,023**



Moving People From Poverty to Possibility

- 25 Agencies
- 79 Programs
- **Clients served: 39,875**



Local Love
Impacting Local
Lives, The money
raised here stays here.



Changing Lives Locally

Geographic Distribution

Client Numbers

Kingston & Frontenac68,863

Lennox & Addington11,104



2020 Context

During the 2020 Covid-19 pandemic, United Way has had to focus on immediate needs, funding programs that support basic needs: food and meal preparation and distribution, shelter services, mental health supports, and other tools needed to support frontline agencies.

Agencies provided quarterly reports and United Way's Local Advisory Board, made up of experienced volunteers and professional staff, reviewed these regularly. Changes have been frequent and often sudden during the pandemic. It is anticipated things will continue to change over the next 12-18 months. The Community Investment Strategy has been adapted to accommodate the situation we find ourselves in, and is intended to provide some guidelines through this ever-changing landscape. It will continue to be reviewed periodically to ensure it is still relevant and that it works well to support the work being done by local agencies.

Recovery

United Way has brought together a Social Services Recovery Task Force, made up of local agencies, funders, government bodies. The group has identified 3 key priorities:

1. Coordination and Collaboration, focusing on supporting food storage and distribution, resiliency through trauma-informed care and exploring options to optimize efficiency and effectiveness
2. Marketing and advocacy to help government partners and the community recognize the importance of the essential services provided through the charitable sector
3. Redesign of services to provide in-person and virtual programming

United Way will continue to identify areas of need, and will invest in programs, initiatives that are most relevant to the current situation at any given time. An equity lens will be used to ensure that funded programs serve the most vulnerable, especially in this time of crisis.

Volunteer Review Process

Volunteers and professional staff annually review agency applications and recommend funding to our Board of Directors. We are grateful to all our volunteers who spend hours reviewing applications and meeting virtually with agencies.

For a full listing of our Volunteer Review Panels visit: www.unitedwayfla.ca/volunteerreviewpanels/

Four Pillars of Community Investment

Addressing Root Causes: using analysis and research to identify the issue, system-wide approaches to correct or eliminate root causes, rather than addressing immediate symptoms.

Prevention: programs and efforts help clients avoid future problems, promoting healthy functioning. Agencies locate opportunities that show promise as a cost-effective way of reducing social problems.

Intervention: purposeful actions taken to reduce symptoms, alleviate and resolve problems, enhance adaptive capabilities, and improve the wellbeing of clients.

Support: providing assistance to people in distress through programs that provide tangible, material, emotional, information and/or a sense of belonging.

During the 2020 Covid-19 pandemic, United Way has had to focus on immediate needs, **funding programs that support basic needs**

Addressing Root Causes



Prevention



Intervention



Support



Helping Kids Be All They Can Be

The goal is to ensure children and youth are valued and supported, with opportunities and resources to help them reach their fullest potential.

The Impact

United Way focuses on

- Engagement in learning
- Connectedness and community involvement
- Emotional and physical wellbeing

16,069
children and youth
accessed programs
to **reach their
highest potential**



11,700 students had nutritious snacks and meals at school or at home for virtual learning.



368 high school students had intense tutoring and mentoring to help them graduate.



417 young girls attended programs to increase their self-esteem and learn healthy behaviours



Over **1,600** kids were connected with a positive adult mentor



1,000 children and youth were engaged with social and recreational after-school activities

“ With our funding, we go right to the grocery store or a local supplier and purchase the food that helps a student take advantage of everything school has to offer. You can be confident that your donation stays here and supports students in KFL&A. We believe it takes a community to feed a child and, in this community, we are grateful that the United Way is here to help us. ”

- **Brenda Moore,**
Food Sharing Project

Youth Homelessness

The goal is to work with youth and representatives from all sectors to collectively focus on prevention, providing timely intervention and building a network of resources.

Listening to youth

Listening to young people has provided us with insight into how youth homelessness can occur. Youth have helped us to identify the primary root causes, as:

- Family conflict
- Addictions and mental health
- Education and unemployment

In the past five years, we've listened to youth, worked with numerous agencies, school boards, government and representatives from all sectors to collectively learn about the issue of youth homelessness in the area. In 2021, a youth homelessness review and report was conducted. For reviews and reports visit www.unitedwaykfla.ca/youth



208 homeless and at-risk youth were connected with mental health support



138 children and youth who are at-risk of becoming justice-involved connected to support through the Intersections program



25 youth received outreach counselling at places where they are at



163 youth and their families received family mediation support; only 18 cases resulted in a youth entering shelter



126 youth received supports to prevent homelessness or find housing

“ When I was 15, I lived out of my duffel bag. It was very heavy, it contained everything I had. I asked to stay at friends' houses or slept in the backs of office buildings. I found a housing program that also had support for mental health. It felt great to have my own bed and be able to eat breakfast. Now I volunteer helping other youth. ”

- **Brandon,**
homeless at age 15

Building Strong and Healthy Communities

The goal is to help people connect to supports they need, have positive mental health, and increase personal safety.

The Impact

United Way focuses on

- Connection
- Physical and mental wellbeing
- Safety

24,023
people were helped
by programs and
initiatives supporting
**personal wellbeing
and safety**



5,382 people had access to mental health supports and community supports to help them feel connected



1,743 people improved social, relationship and coping skills by accessing affordable counselling



492 people who lost their hearing or vision learned coping skills to help them with daily living challenges



1,708 people accessed community services by calling 211 or chatting online



351 women and their children left violent and abusive relationships by accessing safe emergency shelter, and supports

“ United Way funds our Individual and Family counselling and Children and Youth counselling programs, allowing us to waive fees for those in need of these services and helping people receive support for anxiety, depression, grief counselling, trauma and more. I can tell you firsthand that this support has impacted thousands and thousands of people. ”

- **Kim Irvine-Albano,**
Resolve Counselling Services

Moving People from Poverty to Possibility

The goal is to help people by reducing the impact of poverty and improving access to shelter and affordable housing.

The Impact

United Way focuses on

- Housing stability
- Food security
- Financial security

39,875

people were helped by programs and initiatives in meeting their basic needs and **moving them out of poverty**



Over **40,000** meals served through takeout, food box and meal programs



1,700 parents on a low income participated in prenatal, infant, and parenting groups.



630 children had warm boots for the winter



213 people at risk of eviction received supports and legal aid to remain housed



227 job seekers with low incomes were provided work attire and supports to gain employment.

“ At 21, I was living on the streets, using drugs. I got pregnant and had no support. I learned about a program through the United Way that helped new and soon-to-be mothers. I went and was grateful to have access to healthy food and support. The program helped me be the mother I wanted to be and now I am free of drugs with three healthy children. ”

- Jaz Jenner

Impact of COVID-19

Since the beginning of the pandemic United Way KFL&A has continued to find ways to develop collaborative approaches to the situation, working with agencies to ensure essential community programs can continue to serve all residents, especially the most vulnerable.

The Needs

Food Security: increased need for healthy, fresh food and need for delivery and takeout options

Addictions, Mental Health, Homelessness, Counselling: increased need for supports in these areas due to isolation, increased needs for children and youth

Seniors: need to support low-income seniors with food access and support seniors isolating due to higher risk

Support Services: increased demand for counselling, as well as supports for sexual assault and domestic violence



2,761 Individuals, families, students and seniors were helped with meals on wheels, delivery and healthy food box programs



1,871 individuals received counselling support through virtual sessions

“ I would like to send a big thank you to the United Way and Kingston Community Health Centres for the Seniors’ Food Box. I got my third yesterday and among all the fruit, vegetables, and other food basics this week there was a beautiful face mask. Thank you, you will never know the big sense of relief I got when I opened the package. Everyone is amazing in providing the Food Box. ”

- Seniors’ Food Box Recipient

“ COVID-19 turned everything on its head. Long-time volunteers had to step away due to the health risks, but others came in and filled the void. Because of the United Way’s investment in Morningstar, from local and federal funds, we have been able to respond generously, and compassionately, to a community in crisis. ”

- Kevin Alkenbrack,
Morningstar Mission, Napanee

“ The United Way of KFLA has been an incredible supporter and since the pandemic has started, really throwing their support behind us. We’ve been able to use United Way support to start a new program that allows us to visit girls at their home – outside, distanced, masks – but one-on-one during the pandemic, to assess their needs and really make sure that we can provide intentional programming; to make sure they get over whatever it is they’re struggling with during this strange time. ”

- **Justine Marchand,**
Girls Inc. Limestone

“ The United Way has been great at supporting all sorts of agencies in 2020. They’ve given us funding to launch a third day of meals on wheels and worked to help us get all of our virtual technologies up and running. We were fortunate with their support to be one of the first community support service agencies in southeast Ontario to be ready to launch virtually and continue to provide support for seniors in our area. ”

- **David Townsend,**
Southern Frontenac
Community Services

Below are some examples of how COVID-19 funding impacted the community



7,576 kids, adults and seniors received support through virtual programming including camps, check in calls, group classes and virtual wellness activities



8,236 Individuals were served through emergency, in-person meal programs, food banks and walk-in food programs



1,700 meals served a day through food programs throughout KFL&A



1,105 individuals received support through technology assistance including new devices, upgrades, cell phones and plans



2,225 individuals including youth and families received emergency shelter and housing support



500 individuals coping with sexual violence received support through virtual, chat and text support



“ United Way supports many programs & services clear across the age spectrum ”

-Donor

Labour Report

The Kingston and District Labour Council (KDLC) is a proud partner with the Kingston, Frontenac, Lennox and Addington (KFLA) United Way. The KDLC and KFLA United Way each work to prioritize the needs and dignity of people in this region. Nationally, Canadian Labour Congress and the United Way Centraide Canada share a common vision for healthy and supportive communities. We encourage workers and union leaders to join the United Way movement so that our combined voices, networks, and resources can make that vision real. By working together, we build a community of caring while making our communities better. Many union activists contribute to United Way by bringing workers' perspectives and experiences to discussions. The United Way Board, the Campaign Cabinet and committees each value worker input and ensure that seats are dedicated to Labour Representatives. Volunteers from Labour, including union locals, staff, and workplace campaigners, have again helped the United Way reach their fundraising goal. They understand that their volunteer efforts help their colleagues and their families. Rej Bruneau is the Labour Representative on the Campaign Cabinet. As we are all dealing with this global pandemic in 2020, the labour campaign had to begin in a slightly different way instead of the traditional Labour Day parade down Princess Street. We were able to organize a vehicle parade in 2020 with United Way participation in our activities providing a pre-recorded radio spot that ran live during the vehicle parade. The Labour Day Committee members worked hard to make last year's event a great success, despite the challenges of COVID-19.

The position of Director Labour Community Services (LCS) has been a role in transition. In the crazy year of 2020 we were able to rely on longtime cabinet member and volunteer Rej Bruneau for his guidance and leadership in the area of Union engagement with the United Way fundraising campaign. In 2020 we are proud to announce that we had 9 local union donations, which raised over \$15,000. In addition, the Labour Movement continues to be engaged as we had 4 brothers/sisters volunteer on the Community Investment Fund panel to review applications and make funding recommendations. The Labour Community Advocate Program which informs local Labour Leaders about United Way Agencies is still on hold. It was set to resume in 2020, but with onset of COVID-19 led to its postponement yet again. As partners, we combine the efforts of more than three million CLC members with all those involved in the United Way. We know that solidarity and strength in numbers can cause great change that will continue to make our citizens feel dignity and involved in our communities.

Yours in solidarity,



Briana Broderick

Labour Council Representative

2020 Campaign Cabinet



Antje McNeely

2020 Campaign
Cabinet Chair

The United Way campaign is led by community volunteers. Thanks to their efforts, and the hard work and dedication of over 2,500 volunteers, funds are raised to support our families, friends and neighbours right here in KFL&A.



Scott Harris
Past Campaign Chair
Canadian Border
Services Agency



Shawn Armstrong
Municipal
Kingston Fire & Rescue



Elizabeth Bardon
Healthcare & Agencies
Kingston Health
Sciences Centre



Ryan Boehme
Municipal
Utilities Kingston



Rejean Bruneau
Labour Liason
Kingston & Dist.
Labour Council



Nancy Bradshaw
Commercial



Gale Chevalier
First Responders
County of Frontenac



David DeSantis
Education
ALCDSB



Patrick Deane
Education
Queen's University



Chris Doucet
Finance
CIBC



Daren Dougall
Provincial
Children & Youth,
Youth Justice Service



George Jacob
Manufacturing
DuPont Canada



Hollee Kew
Provincial
St. Lawrence Parks
Commission



Sergiy Kolosov
Provincial
Ministry of Training,
Colleges and
Universities



Stéphane Masson
Government
CFB Kingston



Dennis McAllister
Manufacturing
Invista



Kevin Snedden
GCWCC
Correctional Service



Marc Varin
Finance
RBC



Patrick Murphy
Leaders of the Way
Co-Chair
Secura Financial Group



Gillian Sadinsky
Leaders of the Way
Co-Chair
In-House Yoga



Scott Harris
Past Campaign Chair,
Leaders of the Way
Canadian Border
Services Agencyw



Jessica
Bayne Hogan
Leaders of the Way



Mitch Purcell
Next Gen Chair

Women United



Jessica Bayne Hogan
Co-Chair



Jane Lapointe
Co-Chair
Assante Wealth Management



Elizabeth Brown
Women United



Heather Cole
Women United
Queen's University



Antje McNeely
Women United
Chief, Kingston Police



Laurie Ross
Women United
Queen's University



Gillian Sadinsky
Women United
In-House Yoga



Michelle Wilson
Women United
TD Bank Group



Desirée Kennedy
Women United
City of Kingston

“ Kingston really shines when it comes to collaboration and coming together to make sure that community needs are met, the most vulnerable members are taken care of, and no one is left behind. ”

- Antje McNeely,
2020 United Way
Campaign Chair

Retirees United



Dr. Jim Parker
Chair



Arlene Aish
Retirees United



Brian Chenoweth
Retirees United



Marina Lee
Retirees United



Jeff Moore
Retirees United



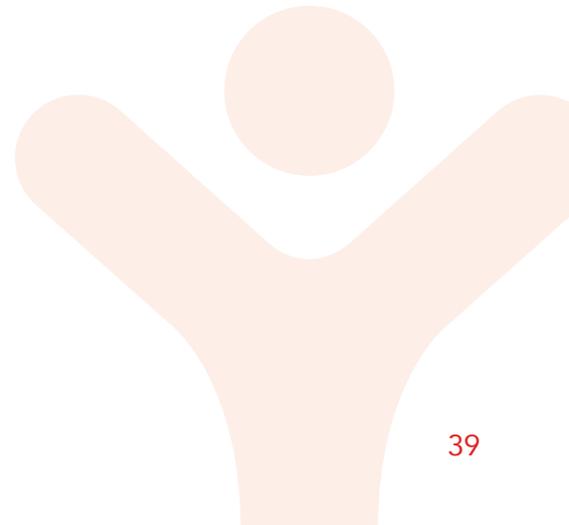
Valerie Robb
Retirees United



Tim Salmon
Retirees United



Nancy Drew
Retirees United





“ A healthy community contributes to a healthy life. United Way maintains the healthy community. ”

-Donor

2020 Campaign Chair Message

I have been truly honoured to be your 2020 Campaign Chair. With all sincerity, I can say that this year has affected me in ways that I never would have anticipated, especially during the disruption and uncertainty caused by the COVID-19 pandemic. The resultant day-to-day challenges, stemming from the stark reality of having no sure way of limiting community spread other than by restricting in person interaction, dramatically altered how the United Way could support our community. In the face of job losses, layoffs, and business closures, the pandemic also revealed gaps the community where our funding dollars were most needed.

I knew from my predecessors that I had big shoes to fill, but their mentoring over the years, as well as the sheer talent, passion, and enthusiasm of our Campaign Cabinet, United Way staff, agency speakers, workplace volunteers, media partners, employer partners, and additional volunteers, really showed me what opportunities and strengths can emerge from a crisis.

Kingston and area shines when it comes to working together to ensure the most vulnerable members of the community are taken care of and no one is left behind. We quickly transitioned from the traditional outreach and engagement of previous years to the new reality of virtual platforms. This involved: virtual tours by agency speakers; panel discussions with experts on various topics such as food security, homelessness, and mental health; workplace fundraising without the advantage of large in-person events; and volunteers working behind the scenes to make those magical moments happen. The local media helped spread the word, our wonderful, generous donors did not let us down, and those who were able to give, gave more.

I would be remiss if I didn't acknowledge and thank Jessica Bayne-Hogan for her generous Leadership Challenge Grant to encourage Leadership-level donations. From the very beginning we also had the benefit of the COVID-19 Response Fund, which contributed another \$367,367 to our fundraising target. As well, we were very fortunate recently to have an additional generous donation from Ray and Paul di Ronaldo of RDR Wealth, that will match additional donations to the COVID-19 Response Fund.

We are already gearing up for the 2021 Campaign, and — as I am very much reminded — the United Way never sleeps! United Way staff and volunteers are working tirelessly to prepare for the upcoming year, assisted by an amazing campaign committee. Our local United Way will continue to thrive under the expert guidance of the 2021 United Way Campaign Chair, Daren Dougall, who will build on the work that has been done over the years to help and transform more lives. **Local Love Impacting Local Lives!**



Antje McNeely
2020 Campaign Chair

2020 Campaign by the Numbers

During the 2020 campaign, the community raised over \$3.5 million in support of local programs and services.

2020 Workplace Campaign by Sector

25%
Government

22%
Corporate

20%
Education



15%
manufacturing

10%
Commercial

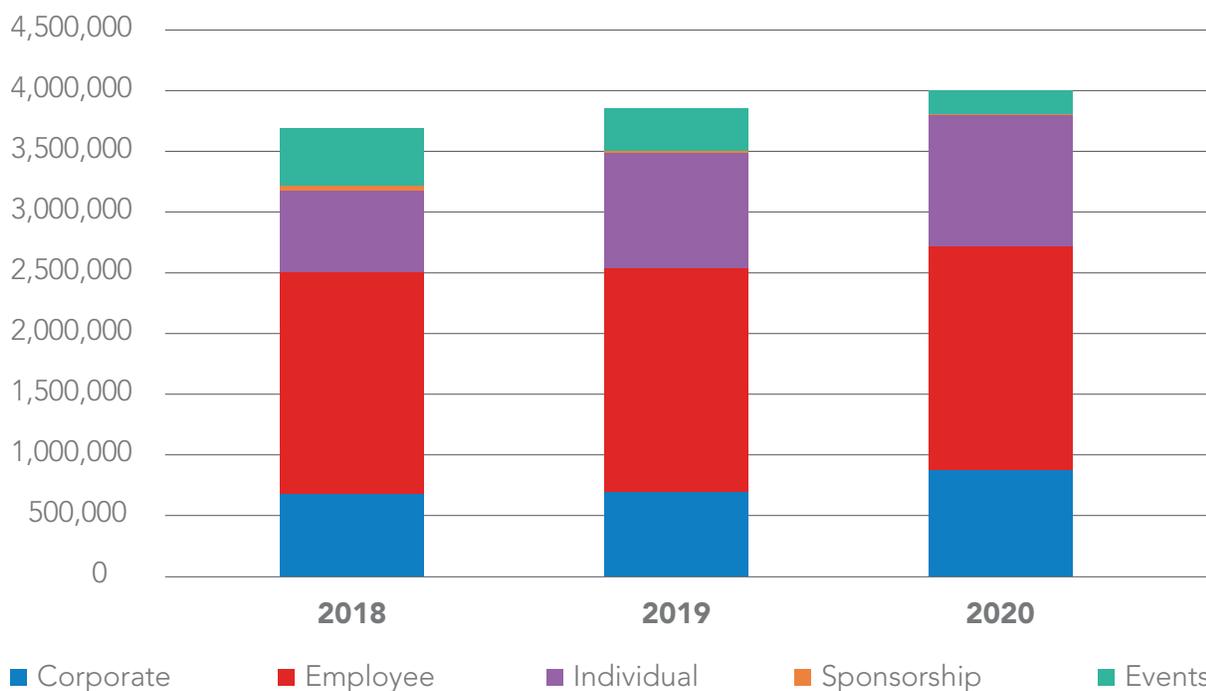
8%
Healthcare and agencies

Workplace campaigns made up 63% of the campaign in 2020.

A list of workplace awards can be found here www.unitedwaykfla.ca/2020workplaceawardwinners/

3 Year Campaign Results

Campaign revenue grew 11% in 2020



Campaign Revenue by Source

In 2020, due to the pandemic there were very limited events. Corporate and personal giving made up for the losses in events. Corporations and foundations honour roll to be uploaded and link added here

48%

Employee

25%

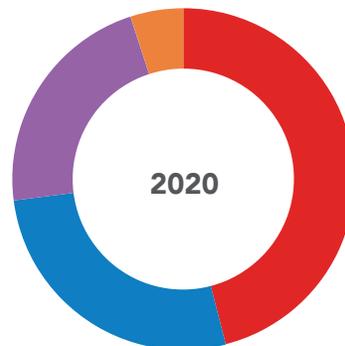
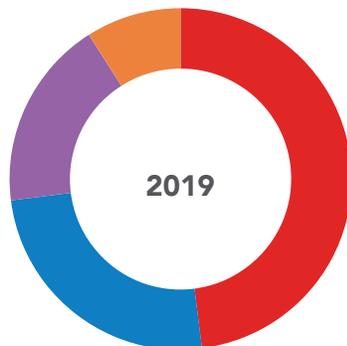
Corporate

18%

Individual

9%

Events



46%

Employee

27%

Corporate

22%

Individual

5%

Events

Campaign and Personal Giving Breakdown

Personal gifts in the workplace and community, made up 73% of the campaign in 2020, an increase of 5% over 2019

73%

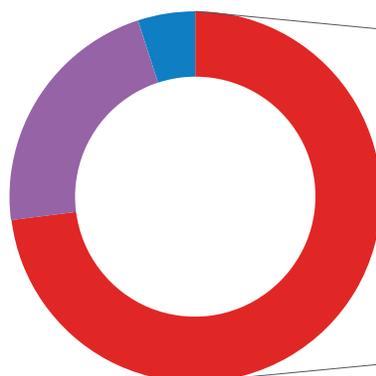
Personal Giving

22%

Corporate

5%

Events



39%

Major Gift Donors

32%

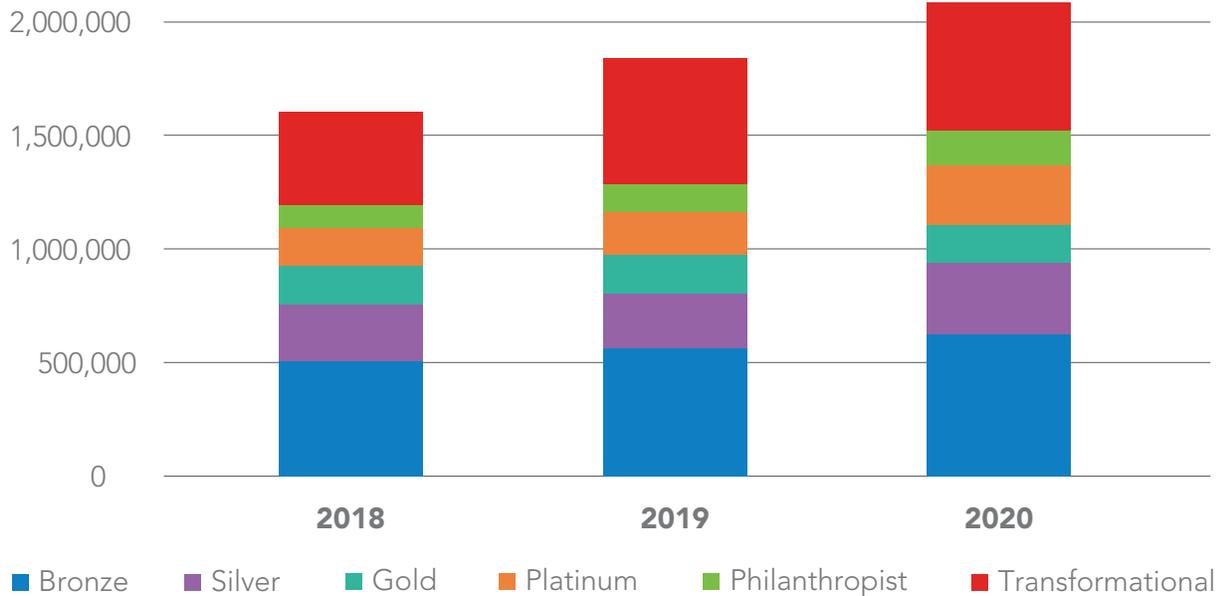
Leaders

29%

Other Donors

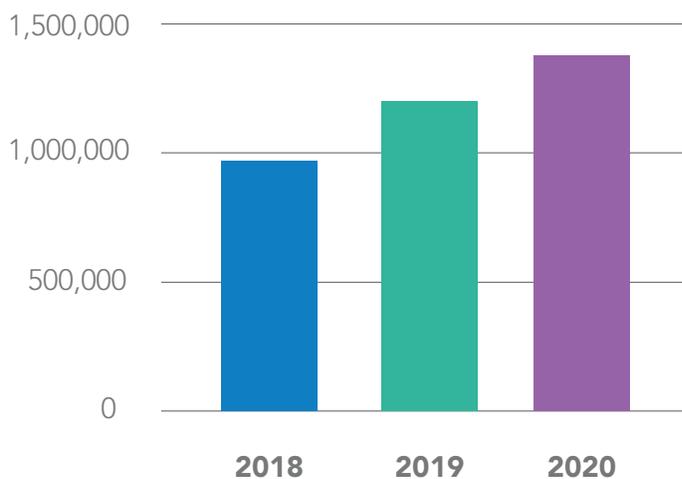
3 Year Leadership by Level

Leaders of the Way (donors who give \$1,200 or more annually) donated over \$2 million. Leadership giving increased 8% in 2020. The Honour Roll, recognizing Leaders of the Way, is available here www.unitedwaykfla.ca/honourroll/



Women United

Women Leaders give individually or jointly with a partner. They donated close to \$1.4 million in 2020. More information about Women United can be found at www.unitedwaykfla.ca/womenunited/



“ I feel a sense of duty to the women that have gotten us this far, and to the young girls and women that follow. There is something very special happening around the world right now and Women United is evidence of that right here in Kingston. ”

- Jane Lapointe,
Women United Co-chair



Thank you to
the thousands
of **community
volunteers for
your support.**

Leadership Giving Levels

| | |
|------------------------------------|---------------------|
| Transformational | \$100,000+ |
| Philanthropist Circle | \$25,000 - \$99,999 |
| Platinum | \$10,000 - \$24,999 |
| Gold | \$5,000 - \$9,999 |
| Silver | \$2,500 - \$4,999 |
| Bronze | \$1,200 - \$2,499 |
| Friends of the Way | \$500 - \$1,199 |

Get Involved

United Way KFL&A works to provide engagement opportunities for community members through a variety of groups and activities throughout the year. Learn more about how you can get involved below.



Women United

Women United brings together like-minded women who contribute at the Leadership level. This initiative provides an opportunity for them to learn more about the community and to use their skills and talents to contribute in a significant way.

In 2020, 440 women leaders made a difference in the community through Women United. Members participated in virtual panels in June, September and November, learning more about issues like food insecurity, mental health, safety and security

440 women gave at the leadership level individually or with a partner. Collectively, they contributed close to

\$1.4 million

Learn more about Women United at: www.unitedwaykfla.ca/womenunited/

Retirees United

The goal of the Retirees United initiative is to engage retirees and those about to retire. This includes those who are leaving a local workplace as well as retirees moving to Kingston and area.

The Retiree Task Force aims to create a sense of belonging for retirees by engaging them in their community, connecting them to peers and giving them the opportunity to make meaningful contributions of both time and resources.

\$316,997 contributed from Workplace Retiree campaigns

\$296,441 contributed from Condo campaigns



Learn more about Retirees United at www.unitedwaykfla.ca/retireesunited/

Leadership Development Services

United Way strengthens the voluntary sector by providing training and workshops to local volunteers and boards of directors.



Our volunteer Leadership Development Services program provides virtual workshops and custom training sessions to non-profit organizations throughout KFLA. The Leadership Development Services (LDS) public workshops are designed for board members, staff and volunteers to develop the skills and knowledge needed to become effective and responsible leaders.

For more information visit www.unitedwaykfla.ca/lds/

Volunteer Centre

The Volunteer Centre directly links residents looking to volunteer with agencies and organizations that have opportunities. Volunteering is a vital component to the communities of Kingston, Frontenac, Lennox and Addington. Volunteers strengthen the community by increasing capacity and creating ownership. In 2020, volunteer opportunities were limited as a result of health and safety measures.

22 organizations posted opportunities

105 applicants applied to volunteer

For more information visit www.unitedwaykfla.ca/volunteer-centre/

Speakers Bureau

Speakers Bureau is a United Way program that recruits speakers from community organizations funded by United Way. Participants are staff members, board members, volunteers or service recipients. Typically, speakers go to events during the United Way Workplace Campaigns to make current and prospective donors aware of the impact of donor dollars in the KFLA community. In 2020, participants spoke to workplaces virtually or through videos.

26 speakers

101 presentations



Next Gen

In 2020, Next Gen volunteers stepped up to become Emergency Response volunteers. The City of Kingston and United Way asked for volunteers who will be called upon if there is an emergency to fill specific roles like: supporting reception centres of displaced people; supporting emergency workers; assisting City staff with provisions of emergency services and food; communications support; deliveries; and supporting various staff.

To learn more about Next Gen visit www.unitedwaykfla.ca/nextgen

Eternity Fund

United Way's endowment fund

Through bequests and gifts of life insurance, the Eternity Fund provides a reliable stream of income well into the future, ensuring that the tradition of caring in our community continues for tomorrow's residents.

United Way is a vital force, providing support 365 days a year to residents. Whatever challenges face our community now and in the future, our United Way needs to be able to continue to support the most vulnerable people in our community.

In addition to funds raised through the annual campaign, the United Way has a permanent Endowment Fund so donors have the option to invest in the future through bequests, life insurance and other planned gifts.

If you have already made a provision for United Way in your estate plans, please let us know so we can ensure your gift is used as intended.

Audrey & Peter Scholes Memorial Fund

In 2017, the United Way received its largest bequest from long time donors, Audrey and Peter Scholes. The bequest was over \$1.5 million, pushing the United Way's endowment fund to over \$3.3 million in 2020.

As per the wishes of Mrs. & Mrs. Scholes, the United Way has created the Audrey and Peter Scholes Memorial Fund. The income earned from this fund will support programs that relieve poverty, helping low-income and vulnerable people integrate into the community

Eternity Fund Supporters

Estate of Charlotte Abbott
Estate of Sofie Bowman
Estate of Emma Clench
Estate of Beatrice Cohen
Estate of Eleanor Crossman
The Jannetje and Hendrik Gaveel Memorial Fund
Estate of Gelindo De Re
Estate of Hugheen Ferguson
Estate of Shirley Mactavish
Estate of Esther Mahood
Estate of Helen Mahood
Estate of Mary McLean
Estate of Katherine Ross Muirhead
Estate of Rose Oliver
Estate of Heather Onyett
Estate of Margaret Reid
Estate of Harold Roberts
Estate of Brendan Savage
Estate of Alan Richard Travers
The Audrey and Peter Scholes Memorial Fund

“ The United Way gives us the opportunity to make a lasting and meaningful contribution to our community. Through a bequest to the Eternity Fund we can ensure that the many essential services supported by United Way will be delivered in the future. ”

-Katherine & Paul Manley

Emergency Assistance Fund

In 2020 the United Way of KFLA Board of Directors approved the expenditure of funds to support emergency assistance programs to help people in poverty. The expenditure of 3% of the Eternity Fund (as per the United Way KFLA Investment Policy) allows for intervention and support of vulnerable populations by providing urgent dental assistance, winter clothes and backpacks for children and access to food for the hungry. For more information, please visit www.unitedwaykfla.ca/eternityfund/

In 2020, funds from the Eternity Fund supported programs throughout KFL&A:



1,121 low-income seniors access nutritious food boxes



122 individuals received emergency dental assistance



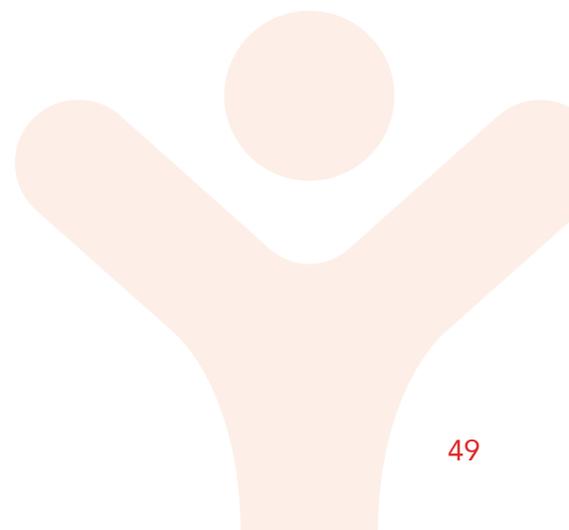
1,400 children start the school year with supplies and backpacks



630 kids with warm boots for the winter

“ United Way works tirelessly to fund programs in our community that serve some of the most vulnerable clients, including ensuring that hundreds of children have school supplies and warm winter boots each year. ”

- **Helen Maberly**,
Kingston Community
Health Centre



Financial Statements of
United Way of KFL&A
and Independent Auditors'
Report Thereon

Year ended December 31, 2020



KPMG LLP
863 Princess Street, Suite 400
Kingston ON K7L 5N4
Canada
Tel 613-549-1550
Fax 613-549-6349

INDEPENDENT AUDITORS' REPORT

To the Members of United Way of KFL&A

Qualified Opinion

We have audited the financial statements of United Way of KFL&A, which comprise:

- the statement of financial position as at December 31, 2020
- the statement of operations for the year then ended
- the statement of changes in net assets for the year then ended
- that statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies (hereinafter referred to as the “financial statements”).

In our opinion, except for the possible effects of the matter described in the “***Basis for Qualified Opinion***” section of our auditors’ report, the accompanying financial statements present fairly, in all material respects, the financial position of United Way of KFL&A as at December 31, 2020, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many not-for-profit organizations, United Way of KFL&A derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of United Way of KFL&A.

Therefore, we were not able to determine whether any adjustments might be necessary to:

- the current assets reported in the statements of financial position as at December 31, 2020 and December 31, 2019
- the donations revenue and excess of revenue over expenses reported in the statements of operations for the years ended December 31, 2020 and December 31, 2019
- the unrestricted net assets, at the beginning and end of the year, reported in the statements of changes in net assets for the years ended December 31, 2020 and December 31, 2019
- the excess of revenue over expenses reported in the statements of cash flows for the years ended December 31, 2020 and December 31, 2019

Our opinion on the financial statements for the year ended and December 31, 2019 was qualified accordingly because of the possible effects of this limitation in scope.



We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the **“Auditors’ Responsibilities for the Audit of the financial statements”** section of our auditors’ report.

We are independent of United Way of KFL&A in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Responsibilities of Management and Those Charged with Governance for the financial statements

Management is responsible for the preparation and fair presentation of the 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 the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing United Way of KFL&A’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the United Way of KFL&A or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the United Way of KFL&A’s financial reporting process.

Auditors’ Responsibilities for the Audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



Page 3

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of United Way of KFL&A's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on United Way of KFL&A's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause United Way of KFL&A to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Kingston, Canada

April 15, 2021

UNITED WAY OF KFL&A

Statement of Financial Position

December 31, 2020, with comparative information for 2019

| | 2020 | 2019 |
|---------------------------------|---------------------|---------------------|
| Assets | | |
| Current assets: | | |
| Cash | \$ 1,005,566 | \$ 1,114,930 |
| Short-term investments (note 2) | 2,126,876 | 1,119,741 |
| Accounts receivable | 207,492 | 30,719 |
| Prepaid expenses | 15,946 | 11,569 |
| | <u>3,355,880</u> | <u>2,276,959</u> |
| Long-term investments (note 3) | 5,143,254 | 4,469,273 |
| Capital assets (note 4) | 64,857 | 16,462 |
| | <u>\$ 8,563,991</u> | <u>\$ 6,762,694</u> |

Liabilities and Net Assets

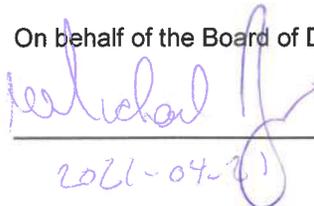
| | | |
|---|------------------|------------------|
| Current liabilities: | | |
| Accounts payable and accrued liabilities (note 5) | \$ 636,320 | \$ 724,623 |
| Monies held in trust (note 6) | 204,877 | 206,190 |
| Deferred contributions non-campaign | 1,149,888 | 186,937 |
| Deferred event revenue | 16,794 | — |
| | <u>2,007,879</u> | <u>1,117,750</u> |
| Net assets: | | |
| Invested in 417 Bagot Group (note 3(a)) | 427,088 | 417,128 |
| Invested in capital assets (note 7(a)) | 64,857 | 16,462 |
| Reserves (note 8) | 2,496,524 | 2,216,000 |
| Endowments | 2,869,663 | 2,416,760 |
| Unrestricted | 697,980 | 578,594 |
| | <u>6,556,112</u> | <u>5,644,944</u> |

Commitments (note 9)
Impact of COVID-19 (note 17)

\$ 8,563,991 \$ 6,762,694

See accompanying notes to financial statements.

On behalf of the Board of Directors:



2021-04-23
Director



CHAIR 2021-04-23
Director

UNITED WAY OF KFL&A

Statement of Operations

Year ended December 31, 2020, with comparative information for 2019

| | 2020 | 2019 |
|--|--------------|--------------|
| Revenue: | | |
| Fundraising revenue | \$ 4,016,769 | \$ 3,462,936 |
| Donations to internally endow | 452,903 | - |
| Funds transferred from other United Ways | 33,424 | 10,304 |
| Funds transferred to other United Ways | (19,654) | (21,256) |
| Community special events | 22,536 | 40,180 |
| Gross fundraising revenue | 4,505,978 | 3,492,164 |
| Kingston Penitentiary tours | 209,706 | 735,125 |
| Reaching Home grant | 455,863 | 245,365 |
| Investment income | 85,806 | 31,421 |
| Donations and other revenue, including grants | 28,840 | 60,926 |
| Rockin' the Big House | - | 413,793 |
| New Horizons for Seniors Program (NHSP) | 65,695 | - |
| Emergency Community Support Fund (ECSF) | 1,027,982 | - |
| Reaching Home fund - COVID-19 | 332,389 | - |
| Canada Emergency Rental Subsidy | 4,098 | - |
| Canada Emergency Wage Subsidy | 159,451 | - |
| | 6,875,808 | 4,978,794 |
| Expenses: | | |
| Allocations and programs: | | |
| Program grants | 1,979,271 | 1,960,100 |
| Distributions and Community Programs and Services (schedule 1) | 365,712 | 402,746 |
| United Way Community Impact Initiatives | 154,975 | 251,574 |
| Donor choice designations | 394,636 | 391,403 |
| Reaching Home grant | 396,942 | 219,731 |
| United Way dues and shared costs | 70,253 | 42,938 |
| Youth Homelessness | 502,294 | 1,022,652 |
| United Way of KFL&A COVID-19 Relief fund | 250,306 | - |
| Reaching Home grants - COVID-19 (note 16) | 332,389 | - |
| NHSP Grants | 65,695 | - |
| ECSF Grants (note 16) | 1,027,982 | - |
| | 5,540,455 | 4,291,144 |
| Operations: | | |
| Fundraising (schedule 1) | 638,828 | 628,444 |
| Community special events | 7,079 | 24,285 |
| Investment management fee | 13,639 | 11,496 |
| Rockin' the Big House | 8,979 | 189,295 |
| | 6,208,980 | 5,144,664 |
| Excess (deficiency) of revenue over expenses before the undernoted | 666,828 | (165,870) |
| Income from joint venture (note 3(a)) | 9,960 | 7,509 |
| Change in fair value of investments | 234,380 | 459,622 |
| Excess of revenue over expenses | \$ 911,168 | \$ 301,261 |

See accompanying notes to financial statements.

UNITED WAY OF KFL&A

Statement of Changes in Net Assets

Year ended December 31, 2020, with comparative information for 2019

| | Invested in 417 Bagot Group (note 3(a)) | Invested in capital assets (note 7) | Reserves (note 8) | Restricted for endowments (note 15) | Unrestricted | 2020 Total | 2019 Total |
|---|--|--|----------------------|--|--------------|---------------|---------------|
| Balance, beginning of year | \$ 417,128 | \$ 16,462 | \$ 2,216,000 | \$ 2,416,760 | \$ 578,594 | \$ 5,644,944 | \$ 5,054,592 |
| Excess (deficiency) of revenue over expenses | 9,960 | (14,771) | — | — | 915,979 | 911,168 | 301,261 |
| Endowment contributions | — | — | — | — | — | — | 289,091 |
| Interfund transfer | — | — | 280,524 | 452,903 | (733,427) | — | — |
| Net change in investment in capital assets | — | 63,166 | — | — | (63,166) | — | — |
| Balance, end of year | \$ 427,088 | \$ 64,857 | \$ 2,496,524 | \$ 2,869,663 | \$ 697,980 | \$ 6,556,112 | \$ 5,644,944 |

See accompanying notes to financial statements.

UNITED WAY OF KFL&A

Statement of Cash Flows

Year ended December 31, 2020, with comparative information for 2019

| | 2020 | 2019 |
|--|--------------|--------------|
| Cash provided by (used for): | | |
| Operating expenses: | | |
| Excess of revenue over expenses | \$ 911,168 | \$ 301,261 |
| Item which does not involve cash: | | |
| Amortization of capital assets | 14,771 | 18,511 |
| Change in fair value of investments | (234,380) | (459,622) |
| Income from joint venture | (9,960) | (7,509) |
| Change in non-cash working capital: | | |
| Accounts receivable | (176,773) | 9,413 |
| Prepaid expenses | (4,377) | (9,784) |
| Accounts payable and accrued liabilities | (88,303) | 206,659 |
| Monies held in trust | (1,313) | 182,223 |
| Deferred contributions non-campaign | 962,951 | 82,782 |
| Deferred campaign revenue | 16,794 | (240,000) |
| | 1,390,578 | 83,934 |
| Financing activities: | | |
| Endowment contributions | — | 289,091 |
| Investing activities: | | |
| Purchase of long-term investments | (429,641) | (223,375) |
| Purchase of capital assets | (63,166) | — |
| | (492,807) | (223,375) |
| Increase in cash | 897,771 | 149,650 |
| Cash, beginning of year | 2,234,671 | 2,085,021 |
| Cash, end of year | \$ 3,132,442 | \$ 2,234,671 |
| Represented by: | | |
| Cash in bank | \$ 1,005,566 | \$ 1,114,930 |
| Short-term investments | 2,126,876 | 1,119,741 |
| Cash, end of year | \$ 3,132,442 | \$ 2,234,671 |

See accompanying notes to financial statements.

UNITED WAY OF KFL&A

Notes to Financial Statements

Year ended December 31, 2020

United Way of KFL&A is a not-for-profit organization incorporated without share capital under the laws of Ontario. United Way of KFL&A's services are provided to the Kingston, Frontenac, Lennox & Addington community. United Way of KFL&A 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.

United Way of KFL&A's mission is to build and strengthen the community by bringing people and resources together to facilitate change. United Way of KFL&A's vision is a future where people are self-sufficient in a community where individuals live with hope, dignity and a sense of belonging.

1. Significant accounting policies:

The financial statements have been prepared by management in accordance with Canadian Accounting Standards for Not-For-Profit Organizations in Part III of CPA Canada Handbook – Accounting.

(a) Revenue recognition:

United Way of KFL&A follows the deferral method of accounting for contributions which include donations and government grants.

United Way of KFL&A conducts a public campaign for funds each year.

Unrestricted campaign revenue through either pledge payments or one-time donations are recorded as revenue in the year in which they are received.

Other unrestricted contributions are recognized as revenue in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Primary sources of other unrestricted contributions recognized as revenue during the year are funds transferred to and from other United Ways, community special events and investment income.

Restricted contributions other than endowment contributions are recognized as revenue in the year in which the related expenses are recognized.

Endowment contributions are recognized as direct increases in endowment net assets.

Restricted investment income is recognized as revenue in the year in which the related expenses are recognized. Unrestricted investment income is recognized as revenue when earned. Non-endowed bequest contributions are recognized as revenue in the year in which they are received and the United Way KFL&A Board of Directors will internally restrict these contributions for the endowment fund.

UNITED WAY OF KFL&A

Notes to Financial Statements (continued)

Year ended December 31, 2020

1. Significant accounting policies (continued):

(b) Capital assets:

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Repairs and maintenance costs are charged to expense. Betterments which extend the estimated life of an asset are capitalized. When a capital asset no longer contributes to United Way of KFL&A's ability to provide services, its carrying amount is written down to its residual value.

Capital assets are amortized using the following annual rates:

| | Rate |
|-------------------------|--|
| Furniture and equipment | 20% diminishing balance or 10 years straight-line basis |
| Telephone system | 30% diminishing balance basis |
| Computer equipment | 30% diminishing balance or 2 to 3 years straight-line basis |
| Computer software | 2 years straight-line basis |
| Leasehold improvements | 10 years straight-line basis |

The carrying amount of an item of capital assets is tested for recoverability whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized when the asset's carrying amount is not recoverable and exceeds its fair value.

(c) Contributed services:

Volunteers contribute a substantial number of hours each year to assist United Way of KFL&A in carrying out its activities. Because of the difficulty of determining the fair value, contributions of such services are not recognized in the financial statements.

United Way of KFL&A receives gifts in kind from some donors, primarily for campaign costs of printing, supplies, advertising and public relations. These amounts are excluded from revenue and expenses.

(d) Use of estimates:

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimates.

UNITED WAY OF KFL&A

Notes to Financial Statements (continued)

Year ended December 31, 2020

1. Significant accounting policies (continued):

(e) Net asset reserves:

(i) Contingency Reserve:

There is a requirement for United Way of KFL&A to be fiscally responsible in its operations, which requires United Way of KFL&A to be in a position to meet outstanding obligations to staff and third parties under any unexpected circumstances. These funds are intended for contingency purposes, to be accessed only after formal approval of United Way of KFL&A's Board of Directors.

(ii) Endowment Reserve:

The endowment reserve is an Eternity Fund managed by the United Way of KFL&A Investment Committee and is restricted with the principal being preserved in perpetuity. The income earned from the Eternity Fund is used to support essential programs ensuring donations to the Eternity Fund will benefit future generations.

(iii) Unrestricted Reserve:

This reserve is the cumulative surplus/deficit of United Way of KFL&A activities and it is up to the discretion of the United Way of KFL&A Board of Directors regarding the use of these funds.

(iv) Internally restricted reserves:

These reserves are restricted by a motion from the United Way of KFL&A Board of Directors for the purpose of directing the future use of funds. The reserves of the United Way KFL&A that are internally restricted are the Contingency Reserve, the Agency Reserve and the Youth Homelessness Reserve.

(f) Employee future benefits:

United Way of KFL&A has a defined contribution plan providing pension for its employees. The cost of the defined contribution plan is based on the required contributions during each period.

(g) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. United Way of KFL&A has elected to subsequently carry all of its short-term investments and all of its long-term investments, excluding the investment in a joint venture, at fair value.

UNITED WAY OF KFL&A

Notes to Financial Statements (continued)

Year ended December 31, 2020

1. Significant accounting policies (continued):

(g) Financial instruments (continued):

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, United Way of KFL&A determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount United Way of KFL&A expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

2. Short-term investments:

| | 2020 | 2019 |
|-------------------------------|--------------|--------------|
| High interest savings account | \$ 2,126,876 | \$ 1,119,741 |

Short-term investments are invested in a manner to allow the organization to access funds for operational needs on short-term notice with minimal investment risk.

UNITED WAY OF KFL&A

Notes to Financial Statements (continued)

Year ended December 31, 2020

3. Long-term investments:

(a) Investment in 417 Bagot Group:

United Way of KFL&A has a one-half interest in a joint venture, the 417 Bagot Group (“Group”), together with another agency (Resolve Counselling Services Canada) to own and manage the building in which the two agencies carry on their operations. The investment in the joint venture is recorded on the equity basis which reflects the net income or loss of the Group for the year ended December 31, 2020. The following information represents United Way of KFL&A’s proportionate share of the assets, liabilities, revenue, expenses, excess of revenue over expenses and cash flows in this joint venture:

| | 2020 | 2019 |
|---------------------|-------------------|-------------------|
| Assets | | |
| Cash | \$ 79,078 | \$ 58,298 |
| Accounts receivable | 1,306 | 1,320 |
| Prepaid expenses | – | 52 |
| Capital assets | 354,156 | 370,776 |
| | <u>\$ 434,540</u> | <u>\$ 430,446</u> |

| | 2020 | 2019 |
|--|-------------------|-------------------|
| Liabilities and Co-tenants’ Capital | | |
| Accounts payable and accrued liabilities | \$ 7,759 | \$ 4,506 |
| Current portion of long-term debt | 9,756 | 7,357 |
| Long-term debt | 87,977 | 99,495 |
| Co-tenant’s capital | 329,048 | 319,088 |
| | <u>\$ 434,540</u> | <u>\$ 430,446</u> |

Excess of revenue over expenses:

| | 2020 | 2019 |
|----------|-----------------|-----------------|
| Revenue | \$ 71,515 | \$ 71,420 |
| Expenses | 61,555 | 63,911 |
| | <u>\$ 9,960</u> | <u>\$ 7,509</u> |

UNITED WAY OF KFL&A

Notes to Financial Statements (continued)

Year ended December 31, 2020

3. Long-term investments (continued):

(a) Investment in 417 Bagot Group (continued):

Cash provided by (used in):

| | 2020 | 2019 |
|----------------------|-----------|-----------|
| Operating activities | \$ 29,900 | \$ 24,698 |
| Financing activities | (9,120) | 15,827 |

There are no significant differences in accounting policies between 417 Bagot Group and United Way of KFL&A. The amount reported as long-term investment on the Statement of Financial Position is determined as follows:

| | 2020 | 2019 |
|--|------------|------------|
| Contributions since commencement | \$ 146,086 | \$ 146,086 |
| Gain in earnings since commencement | 103,539 | 93,579 |
| Reallocation of co-tenants' capital up to one-half share | 101,960 | 101,960 |
| Payment of market value in excess of book value for one-third share up to one-half share | 98,040 | 98,040 |
| Major repairs funded by the replacement reserve | (22,537) | (22,537) |
| | \$ 427,088 | \$ 417,128 |

The two participants in the joint venture are jointly and severally liable for a loan. As at December 31, 2020, the principal balance of the loan in aggregate is \$195,465 (2019 - \$213,704).

(b) Financial investments:

| | 2020 | 2019 |
|-------------------------------|--------------|--------------|
| Cash | \$ 15,449 | \$ 8,668 |
| Fixed income | 195,000 | 267,417 |
| Equities | 1,144,637 | 938,252 |
| Mutual funds/segregated funds | — | 50,713 |
| | 1,355,086 | 1,265,050 |
| Endowment: | | |
| Cash | 34,904 | 34,291 |
| Fixed income | 390,000 | 576,663 |
| Equities | 2,936,176 | 2,035,509 |
| Mutual funds/segregated funds | — | 140,632 |
| | 3,361,080 | 2,787,095 |
| | \$ 4,716,166 | \$ 4,052,145 |

UNITED WAY OF KFL&A

Notes to Financial Statements (continued)

Year ended December 31, 2020

3. Long-term investments (continued):

(b) Financial investments (continued):

All Exchange Traded Funds (ETFs) are classified as equities in the financial investments summary above regardless of their underlying index. As per the United Way of KFL&A's Investment Policy Statement (IPS), these include some ETFs that are cash and fixed income investments with little to no related market risk. The purpose of these ETFs is to provide reliable, extremely liquid cash flow for operations. Every quarter all investments are confirmed to be compliant with the IPS by CIBC Wood Gundy and this is verified by the Investment Committee of the United Way.

As per the United Way of KFL&A's Investment Policy, short-term needs require short-term solutions, such as cash accounts (extremely liquid cash) or low risk fixed income type of investments. Longer term needs, may allow time to invest in equities, which generally have higher short-term risks but better long-term growth potential.

Unrestricted reserves are to be invested in a manner that when needed, the investments can be converted to cash on short-term notice with minimal investment risk.

Restricted reserves may be invested in longer term investments to grow the investment pool by at least the annual rate of inflation.

Endowment Fund will follow the investment strategy as per the Investment Policy of the United Way of KFL&A.

4. Capital assets:

| | Cost | Accumulated amortization | 2020 Net book value | 2019 Net book value |
|-------------------------|-------------------|--------------------------|------------------------|------------------------|
| Furniture and equipment | \$ 83,116 | \$ 80,460 | \$ 2,656 | \$ 2,101 |
| Telephone system | 43,537 | 42,797 | 740 | 1,056 |
| Computer equipment | 232,616 | 176,990 | 55,626 | 4,029 |
| Computer software | 95,783 | 89,948 | 5,835 | 9,276 |
| Leasehold improvements | 8,999 | 8,999 | — | — |
| | <u>\$ 464,051</u> | <u>\$ 399,194</u> | <u>\$ 64,857</u> | <u>\$ 16,462</u> |

Cost and accumulated amortization of capital assets at December 31, 2019 amounted to \$400,884 and \$384,422, respectively.

UNITED WAY OF KFL&A

Notes to Financial Statements (continued)

Year ended December 31, 2020

5. Accounts payable and accrued liabilities:

| | 2020 | 2019 |
|--|-------------------|-------------------|
| Accounts payable and accrued liabilities | \$ 172,102 | \$ 98,237 |
| Grants payable | 464,218 | 626,386 |
| | <u>\$ 636,320</u> | <u>\$ 724,623</u> |

Included in accounts payable and accrued liabilities are government remittances payable of \$10,709 (2019 - \$2,325), which includes amounts payable for harmonized sales tax and payroll-related taxes.

6. Monies held in trust:

In 2007, United Way of KFL&A entered into a contract with the Corporation of the City of Kingston (the "City") to provide services, on a trust basis, to administer the Healthy Community Fund. The services include:

- (a) administration of the Healthy Community Fund application process;
- (b) determination and approval of grants from the Healthy Community Fund;
- (c) contracting with successful applicants as an agent of the City; and
- (d) issuing approved grants and tracking fulfillment of conditions of each grant.

| | 2020 | 2019 |
|-----------------|-------------------|-------------------|
| Opening balance | \$ 206,190 | \$ 23,967 |
| Receipts | 190,000 | 380,000 |
| Disbursements | (191,313) | (197,777) |
| Ending balance | <u>\$ 204,877</u> | <u>\$ 206,190</u> |

7. Invested in capital assets:

- (a) Investment in capital assets is calculated as follows:

| | 2020 | 2019 |
|----------------|-----------|-----------|
| Capital assets | \$ 64,857 | \$ 16,462 |

UNITED WAY OF KFL&A

Notes to Financial Statements (continued)

Year ended December 31, 2020

7. Invested in capital assets (continued):

(b) Change in net assets invested in capital assets is calculated as follows:

| | 2020 | 2019 |
|---|-------------|-------------|
| Excess of expenses over revenue: | | |
| Amortization of capital assets | \$ (14,771) | \$ (18,511) |
| Net change in investment in capital assets: | | |
| Purchase of capital assets | \$ 63,166 | \$ - |

8. Internally restricted reserves:

Reserves consist of:

| | 2020 | 2019 |
|---------------------|--------------|--------------|
| Contingency Reserve | \$ 316,000 | \$ 316,000 |
| Youth Homelessness | 180,524 | 227,590 |
| Agency Reserve | 2,000,000 | 1,672,410 |
| | \$ 2,496,524 | \$ 2,216,000 |

(a) Contingency Reserve:

In accordance with policy, the balance in the reserve is to be maintained within a range of 10% to 20% of the operating budget. Contingency reserve funds are intended for contingency purposes, to be accessed only after formal approval by United Way of KFL&A's Board of Directors.

(b) Youth Homelessness:

Using proceeds from the Kingston Penitentiary Tours the Board of Directors passed a motion to set aside these funds to be spent in the area of youth homelessness.

(c) Agency Reserve:

Using operational surpluses (deficits), the Board of Directors passed a motion to set aside these funds to be spent in the area of United Way partner agencies in the event of a fundraising shortfall. This reserve is intended for the programs that support community investment strategy outlined by the United Way KFL&A Board of Directors.

UNITED WAY OF KFL&A

Notes to Financial Statements (continued)

Year ended December 31, 2020

9. Commitments:

United Way of KFL&A has entered into a lease with the 417 Bagot Group, a related joint venture, for use of its premises at 417 Bagot Street, Kingston. This lease requires monthly payments of \$4,807 and has no pre-determined expiration date.

United Way of KFL&A also leases various office equipment under various leases.

The minimum annual lease payments on all existing lease agreements for the next five years are as follows:

| | | |
|------|----|---------|
| 2021 | \$ | 63,882 |
| 2022 | | 60,552 |
| 2023 | | 59,907 |
| 2024 | | 58,795 |
| 2025 | | 57,683 |
| | \$ | 300,819 |

10. Related party transactions:

United Way of KFL&A has a one-half interest in a joint venture, the 417 Bagot Group, as detailed in note 3 to these financial statements. United Way of KFL&A rents premises from the joint venture as disclosed in note 9.

These transactions are in the normal course of operations and are measured at the exchange amount, being the amount of consideration established and agreed to by the relevant party.

11. Employer-employee group plan:

United Way of KFL&A is a participant in a group registered retirement savings plan. United Way of KFL&A contributes, on behalf of each eligible employee, an amount equal to the employee's contribution to a maximum of 5% earnings. During the year, United Way of KFL&A expensed \$39,046 (2019 - \$34,588) under this group registered retirement savings plan arrangement.

UNITED WAY OF KFL&A

Notes to Financial Statements (continued)

Year ended December 31, 2020

12. Financial risks:

As a result of holding financial instruments, United Way of KFL&A is exposed to investment risk, market risk, interest risk and credit risk. The following is a description of those risks and how United Way of KFL&A manages its exposure to them.

(a) Investment risk management:

Risk management relates to the understanding and active management of risks associated with all areas of the business and the associated operating environment. Investments are primarily exposed to interest rate and market risk. United Way of KFL&A mitigates these risks with an investment policy designated to limit exposure and concentration while achieving optimal return within reasonable risk tolerances.

(b) Market and interest rate risk:

The risks associated with the investments are the risks associated with the securities in which the funds are invested. The value of equity securities changes with stock market conditions, which are affected by general economic and market conditions. The value of securities will vary with developments within the specific entities which issue the securities. The value of fixed income securities will generally rise if interest rates fall and fall if interest rates rise. Changes in interest rates may also affect the value of equity securities. The fixed income securities yield interest between 2.0% and 3.1% and have maturities ranging from March 2021 to March 2023.

(c) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. United Way of KFL&A is exposed to credit risk with respect to the accounts receivable, short-term investments and certain of its long-term investments. United Way of KFL&A assesses, on a continuous basis, accounts receivable, short-term investments and certain of its long-term investments. United Way of KFL&A has determined that there is no impairment to the accounts receivable or the joint venture investment as at December 31, 2020.

UNITED WAY OF KFL&A

Notes to Financial Statements (continued)

Year ended December 31, 2020

13. Re-allocation of administration expenses:

General management and administrative expenses are re-allocated between fundraising expenses, distributions and community programs and service expenses, and community impact initiatives expenses based on the organization's budget allocation at the beginning of the year in which the administrative expenses are incurred. This re-allocation is based on pro-rated staff time.

| | 2020 | 2019 |
|---|------|------|
| Fundraising | 44% | 44% |
| Distributions & community programs & services | 26% | 29% |
| Community impact initiatives | 30% | 27% |
| | 100% | 100% |

14. Transparency, accountability and financial reporting:

The United Way of KFL&A follows the reporting guidelines as outlined in its membership agreement with United Way of Canada – Centraide Canada. As part of these guidelines, each member calculates fundraising and allocation ratios. These ratios are summarized as follows:

| | 2020 | 2019 |
|---|--------------|--------------|
| Fundraising ratio: | | |
| Total revenue | \$ 6,875,808 | \$ 4,978,784 |
| Total fundraising including cost recovery and special events (schedule 1) | | |
| | \$ 541,159 | \$ 699,533 |
| General management and administrative expense | 113,737 | 142,490 |
| Total fundraising and related administrative expense | \$ 654,896 | \$ 842,023 |

UNITED WAY OF KFL&A

Notes to Financial Statements (continued)

Year ended December 31, 2020

15. Management of capital:

United Way of KFL&A defines its capital as the amounts included in its net assets.

Contributions restricted for endowment consist of donation bequests received by United Way of KFL&A. The endowment principal is required to be maintained intact. The investment income must be used in accordance with the various purposes established by the donors. United Way of KFL&A ensures, as part of its fiduciary responsibilities, that all funds received with a restricted purpose are expended for the purpose for which they were provided.

United Way of KFL&A manages the net asset structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the underlying assets.

United Way of KFL&A's objective when managing capital is to safeguard its ability to sustain itself as a going concern so that it can continue to provide the appropriate level of benefits and services to its beneficiaries and stakeholders. A portion of United Way of KFL&A's capital is restricted in that the organization is required to meet certain requirements to utilize its externally and internally restricted net assets, as described in note 8 for Reserves. United Way of KFL&A has internal control processes to ensure that the restrictions are met prior to the utilization of these resources and has been in compliance with these restrictions throughout the year.

Management and the Board of Directors carefully considers fundraising campaigns, grants, sponsorship and investment income to ensure that sufficient funds will be available to meet United Way of KFL&A's short and long-term objectives.

United Way of KFL&A monitors its financial performance against an annual budget. In the event that revenue declines, United Way of KFL&A will budget for reduced distributions and reduced operational expenses.

16. Administrative expenses - grant funding:

| | | |
|---|--------------|-------|
| Reaching Home grants – COVID-19 | \$ 289,034 | 87% |
| Program Support | 43,355 | 13% |
| <hr/> | | |
| Total Reaching Home – COVID-19 grants and related program support | \$ 332,389 | 100% |
| <hr/> | | |
| Emergency Community Support Fund grants | \$ 1,019,238 | 99.1% |
| Program Support | 8,744 | 0.9% |
| <hr/> | | |
| Total Emergency Community Support Fund grants and related program support | \$ 1,027,982 | 100% |

UNITED WAY OF KFL&A

Notes to Financial Statements (continued)

Year ended December 31, 2020

17. Impact of COVID-19:

In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization and has had a significant financial, market and social dislocating impact. At the time of approval of these financial statements, the United Way KFL&A has experienced the following indicators of financial implications and undertaken the following activities in relation to the COVID-19 pandemic.

- Increased cleaning protocols in offices and on equipment based on Provincial and Local Public Health recommendations
- All individuals within the office are to wear masks in common areas and when maintaining 2 meter physical distancing for a prolonged period is not possible
- Requiring certain staff to work from home in order to minimize the number of people working in the office premises
- Employees and visitors to the office are required to perform the Province of Ontario' COVID-19 self-assessment each time before entering the office building
- Employees are encouraged to abide by Provincial recommendations in settings outside of the work environment on a regular basis
- Implemented temporary layoffs of certain employees
- Applied for and received benefits under the Canada Emergency Rental Subsidy and Canada Emergency Wage Subsidy
- Received additional funding under the NHSP, ECSF and Reaching Home fund – COVID-19 programs to be distributed to specified communities with an identified need

At this time there remains uncertainty over future cash flows which may cause significant changes to the assets or liabilities and may have a significant impact on future operations. An estimate of the financial effect is not practicable at this time.

UNITED WAY OF KFL&A

Schedule 1 - Administration, Fundraising and United Way Community Investments Programs Expenses
Distributions and community programs and services

Year ended December 31, 2020, with comparative information for 2019

| | Administration | Fundraising | Distributions and community programs and services | 2020 Total | 2019 Total |
|---|----------------|-------------------|--|---------------------|---------------------|
| Direct costs: | | | | | |
| Salaries and benefits | \$ 177,197 | \$ 425,844 | \$ 250,888 | \$ 853,929 | \$ 873,272 |
| Other direct costs | 57,562 | 90,233 | 34,932 | 182,727 | 198,263 |
| | 234,759 | 516,077 | 285,820 | 1,036,656 | 1,071,535 |
| Amortization of capital assets | 14,771 | – | – | 14,771 | 18,511 |
| Occupancy costs | 8,941 | 21,487 | 12,690 | 43,118 | 45,235 |
| Total expenses before reallocation of administrative expenses and cost recovery | | | | | |
| | 258,471 | 537,564 | 298,510 | 1,094,545 | 1,135,281 |
| Reallocation of administrative expenses (note 13) | | | | | |
| | (258,471) | 113,727 | 67,202 | (77,541) | (87,438) |
| Cost recovery | | | | | |
| | – | (12,463) | – | (12,463) | (16,653) |
| Total expenses | \$ – | \$ 638,828 | \$ 365,712 | \$ 1,004,541 | \$ 1,031,190 |

Local Love

in action



417 Bagot Street, Kingston, ON K7K 3C1
Tel: 613-542-2674 | **Fax:** 613-542-1379
Charitable Registration Number: 125978270RR0001
www.unitedwaykfla.ca



United Way
Kingston, Frontenac,
Lennox and Addington