

Minutes for The Burton Charitable Foundation
Annual General Meeting held
Tuesday October 25, 2022, 7 p.m. via Zoom

Present:

Stephanie Smith (Chair)	Graham Longair
Chris Longair (Vice-President)	Sarah Kennedy
John Longair (Secretary-Treasurer)	Peter Ross
James Kendall (Director)	Graham Ross
Connor MacDonald (Director)	Leslie Smith
Lynn Bennett	Al Stuart
Charlie Burton	Clayton Stuart Scott
Greg Burton	Ian Scott
Valerie Burton	Callaway Scott
Kelly Clarke	Al Stuart
Joan Honsberger	Julie Wells

Voting Proxies Received from:

David Bennett	Callaway Scott
Lynn Bennett	Penelope Scott
Greg Burton	Ian Scott
Pauline Burton	Harry Scott
James Burton	Heather Smith
Charlie Burton	Stephanie Smith
Kelly Clarke	Leslie Smith
Megan Smith-Harris	Al Stuart
Bill Harris	Kaley Tallon
Jack Harris	D'Arcy Thompson
Christopher Longair	Malcolm Thompson
Graham Longair	Nancy Valentine
John Longair	Julie Wells
Katy Longair	Julia Welsh
Connor MacDonald	Cassia Welsh
Peter Ross	Whitney Welsh
Brian Santic	Victoria Welsh
Hilary Santic	Sacha Welsh
Clayton Stuart Scott	Owen Welsh

Regrets:

Hugh Kendall (Director)	David Burton
Charles R. Burton	Dorothy Cram
Lyndsay Burton	Stephen Ksiazek
Sam Ksiazek	Jessica Scott
Virginia Ksiazek	Harry Scott
Susannah Pennal	Kyle Stuart
Lisa Ross	Will Stuart

Regrets cont ...
Andrew Stuart
Lisa Stuart
Ted Stuart
Samantha Stuart

Glenn Sutherland
Callaway Sutherland
Adeline Sutherland
Myrna Wagner
Christopher Weaver

Declaration of a Meeting Properly constituted

Stephanie Smith called the meeting to order at 7:06 p.m. Quorum was declared.

Approval of Agenda

On a motion made by Clayton Scott and seconded by Connor MacDonald, the agenda for the meeting was approved.

CARRIED

Approval of the Minutes from AGM November 9, 2021

Gregory Burton moved that the Minutes from the November 9, 2021 Annual General Meeting be approved. The motion was seconded by John Longair.

CARRIED

Special Business Item – Resolution regarding the Future of the Foundation

After a brief reminder of the history of the motion to dissolve the foundation, the Chair reminded members that this activity constitutes “special business” for which, under the law, a 2/3 majority must be achieved for a significant change. She further indicated that since the Board of Directors was not unanimous in its opinions on the subject, it would make no recommendation to the membership on this. James Kendall, on behalf of Hugh Kendall, and Chris Longair then presented the cases for two opposing views: dissolving the foundation in favour of a major gift such as a scholarship or continuing foundation operations.

John Longair moved that The Burton Charitable Foundation shall continue regular operations for the foreseeable future. The motion was seconded by Clayton Scott.

CARRIED

For certainty with respect to dissolution, James Kendall moved that The Burton Charitable Foundation shall dissolve by the end of 2024, giving the foundation reasonable time to wind down and distribute its assets in accordance with all applicable laws and the foundation’s by-laws. There being no seconder, the motion was defeated.

DEFEATED

President’s Report

Stephanie tabled her report and gave a brief summary of activities over the preceding 16 months. Despite a flagging stock market, we are not worried, the foundation continues in good financial health. Membership continues at record levels, donations are strong, participation from family members has been increasing. After revamping the by-laws last year and adjusting the investment mix to a more

conservative profile, the board met all legal requirements and made further progress on recommendations arising from the Rejuvenation Project of 2020. We have introduced electronic banking policies, completed the accounting review process, continue to enhance the web-site and stay in touch with family members through quarterly updates. The board also completed a sustainability analysis. Stephanie closed with a vote of thanks to both James Kendall and John Longair for their contributions over the past few years and for graciously agreeing to step down in order to make way for a younger and wider representation of family members.

Lynn Bennett moved that the President's report be accepted. Connor MacDonald seconded the motion.

CARRIED

Financial Statements and Appointment of Accountants

John Longair then presented the Financial Statements for the year ending December 31, 2021. He noted that while investments were over \$800K as of that day, that was a "high-water mark" from which the market value has retreated. Nevertheless, our investments continue to outperform the market. Realized gains on the sale of investments represents a one-time gain related to the repositioning of our assets from one fund to another.

John moved that the membership approve the financial statements for the year ended December 31, 2021. The motion was seconded by Connor MacDonald.

CARRIED

John then moved that McIntyre & Associates be appointed accountants for the 2022 fiscal year. The motion was seconded by Chris Longair.

CARRIED

Extraordinary Resolution Waiving Members' Right to Financial Audit or Review

Stephanie explained that under the new Ontario Non-Profit Corporations Act (ONCA), non-profits are allowed to forego the expense and bother of a full audit should the members agree 80% in favour of this. Further, if our income falls below \$100K in any year, the membership may also choose to forego the expense and bother of a financial review, again with a majority vote of 80% or more.

She further explained that a Review or Audit is the members' way to obtain a measure of assurance that the foundation is being managed effectively. Generally speaking, the members have indicated that they trust the Board of Directors to manage the affairs of the foundation, but this extraordinary resolution must be CARRIED every year. The resolution being put before the membership is worded in such a way as to accommodate both possible income scenarios (less than \$100K income and more than \$100K income) so that the membership can pass the exact same resolution every year if they wish.

Callaway Scott asked whether there was any intention to ever undergo another review or audit. Stephanie responded that, informally, the board felt it would be prudent to undergo a financial review (or audit if required) approximately every five years. We went through a financial review for the 2021 results and came out clean so would contemplate another more detailed look again in approximately 2026 unless there were some reason to do it again sooner.

John Longair moved that

In the case where income falls below \$100,000 in 2022, the membership waives its right to a financial review or audit;

and

In the case where the income falls between \$100,000 and \$500,000 in 2022, the membership waives its right to an audit.

The motion was seconded by Graham Longair.

CARRIED

New Web-site page re teaching children a lifetime habit of giving

As a point of interest for members, Connor Macdonald presented a new web page developed in response to feedback from the family member survey from a couple of years ago. The page was developed by Callaway Scott with assistance from Susannah Scott and Megan Smith-Harris and it addresses how to teach your child a lifetime habit of giving (foundation notwithstanding). It features videos of Callaway explaining the purpose and approach and of one of our youngest members, Penelope Weaver, demonstrating her jars for saving, spending and giving.

Election of Directors

Stephanie opened by again thanking the two directors, James Kendall and John Longair, for their service. Both John and James have volunteered to resign from the board to make way for new board members representing a wider representation of family members.

After a brief outline of the backgrounds of two prospective directors, Kelly Clarke and Greg Burton, Stephanie moved that the following be elected for a two-year term:

- Stephanie Smith
- Gregory Burton
- Kelly Clarke


The motion was seconded by Valerie Burton.

CARRIED

Adjournment

There being no further business, the Chair declared the meeting adjourned at 7:52 p.m.

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PRESIDENTS' REPORT FOR 2021 AGM

**THE BURTON CHARITABLE FOUNDATION ANNUAL GENERAL MEETING 2022
PRESIDENT'S REPORT 2021 and 2022**

Hello again, Burton Family Members.

It is my pleasure to report once again to you all on the progress of our family foundation for the fiscal year 2021 and the first half of 2022.

The foundation has continued in good overall health during that period. Our focus during 2021 was to meet legal requirements, review investment policy, continue to implement recommended improvements arising from our member research in 2020 and meet our commitments to the members, all the while adhering to our core values of giving and the community of family. 2022 to date has included further policy development related to on-line donations, great strides in our web-site capability, investment review and adjustments, longer-term sustainability analysis and board recruitment/refreshment. We have been greatly heartened by the positive feedback from new and continuing members alike and thank you for taking the time to share your thoughts.

Membership levels continue strong. And, since we're an entirely volunteer-run organization, the willingness of our membership to donate their time and effort as well as their money is much appreciated. I would like to recognize retiring directors James Kendall and John Longair for their wisdom and contribution over the last few years. These two are resigning in favour of new candidates for the board who will continue to lend experience and stability to the foundation as well as reaching our goal of 50% directors from the young-adult generation of family members. We've also enjoyed the enthusiastic contributions of Callaway Scott, Susannah Pennal and Megan Smith-Harris whose efforts have been directed at creating (future) content for our website related to instilling a value of giving in children. Connor MacDonald, our Web-Master, and Chris Longair, our Vice-President continue to form a strong backbone for the foundation's operations.

Last year, we adopted a new set of by-laws and updated their contents to align with our practices and communications. This was a crucial step in re-assessing the members' wishes related to dissolution. This year, you have been asked to consider and vote upon a clear choice of continuing operations or dissolving and distributing the foundation's assets which will hopefully put this issue behind us one way or the other.

This past year also saw the third year of our new practice of inviting members to nominate registered charities worthy of a little extra support as well as considering unsolicited requests for funds from registered charities that have sought us out. To nominate a charity, find the big school of fish on the bottom of the home page of our web-site and click on the link to find the nominations form. We are very interested in supporting charities that are important to you.

While we have maintained the same level of giving through this supplemental-donations process, our membership has been donating greater amounts. In 2021, member donations rose by close to 54% from the previous year, bucking the national trend and generating great pride in our family's continued commitment to the charitable sector. That increase enabled

us to clock an overall 20% increase in donations in 2021. Pat yourselves on the back! It is our hope that, as assets grow, we will be able to generate more and more charitable giving from our investment base.

In the Spring of 2021, we consulted with our Investment Management firm, Fiera Capital, and adjusted our investments to reflect a more conservative stance, reducing risk while still recognizing our need for growth. In Spring 2022, we again revisited our investment profile and moved a further 25% of assets into more conservative baskets. At this time last year, we reported that we had hopes of reaching the \$800K mark in total asset value by December 2021. We did hit that mark, but have since been experiencing market losses not unlike others. At time of writing, our assets had shrunk about 10% from the high-water mark in December or approximately 7% from this time last year. Overall, we are well-positioned to weather the vicissitudes of the global economy over the next couple of years.

While we do send out emails once a quarter to all family members in keeping with your feedback from the Rejuvenation Survey, we urge you to also check our web-site from time to time. Our family history content is growing and we are starting to post profiles of small charities doing interesting things.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Stephanie Smith". The signature is fluid and cursive, with a large initial 'S'.

Stephanie Smith, President