

Sarnia-Lambton Future Fund Foundation Business Plan, 2022

It will come as no surprise that the workplace has been constantly changing over the past decade with even more so since the beginning of the COVID-19 Pandemic.

Over the years, we have seen many more employees leave the workforce and enter retirement, more at-home businesses, and from a fundraising standpoint, we have seen Employers pivot from traditional United Way campaigns and more to for-profit FinTechs providing online fundraising tools etc. Such changes have had a huge impact on the traditional United Way campaigns putting United Ways to focus more on specific, individual fundraising initiatives.

At the same time, in North America, including Canada, we are already experiencing the great transformation of intergenerational wealth. There have been many reports in recent years estimating the size of this intergenerational wealth transfer.

In April 2014, the Canadian Wealth Advisors Network, “over the next two decades, baby boomers are set to inherit one trillion dollars. Baby boomers, or those who were born after World War II from the 1940s to the 1960s, are often associated with affluent living and debts. Today, their generation is nearing retirement years, which can be the most expensive period in one’s lifetime considering healthcare costs and other expenses. This intergenerational transfer of wealth, the largest in the history of Canada, might just save them.”

More recently, in April 2021, Good Works; a full-service fundraising consultancy specializing in individual giving reported “that from 2016 and 2026, Canada is expected to see the largest intergenerational transfer of wealth in its history. Baby Boomers are anticipated to give about one trillion in personal wealth to Gen-Xers and Millennials.

Just one month later, the Globe and Mail reported that “In the U.S., they are expected to transfer as much as US\$30-trillion in wealth to younger generations over the next few decades. While there is no firm consensus on how much boomers are expected to leave behind to others here in Canada, it’s a good bet it will be in the hundreds of billions if not more.

Fortunately, the United Way of Sarnia-Lambton was forward thinking enough and created what was called the Wes Thompson Endowment fund; a fund of money that would be invested with the purpose of never spending the principle instead only the interest generated would be used to help offset fundraising and administration costs. In 1989, this repressed a total of \$6,038. Very few resources were allocated to the initiative, but in later years, the plan was rebranded and referred to as the Future Fund.

Today, the Sarnia-Lambton Future Fund has been spun off into its own charitable foundation and as of December 31, 2021, approached nearly \$3,000,000 in principal.

The United Way of Sarnia-Lambton has always relied on its vision of low cost effective fundraising campaigns, and intelligent investment decisions in local programs and services that show a measurable outcome.

It is the role of the SLFFF to encourage planned gifts, such as estate planning, and end of life donations to the United Way of Sarnia-Lambton, etc., and other large, one-time, undesignated contributions to grow the capital investment. The United Way of Sarnia-Lambton has but policy to allocate any large, non-annual, one-time gifts, undesignated, to the SLFFF as well.

This strategy enables both organizations, the United Way of Sarnia-Lambton, and the SLFFF to focus their activities on those individual priorities.

Goals:

The Goal of the SLFFF is to encourage large planned gifts of all types from Sarnia-Lambton residents to the United Way for long-term investment in the SLFFF. Based on the anticipated 2023 Disbursement Quota of 5%, the goal is to raise the SLFFF capital to \$7.5 Million thereby generating a passive income to the United Way of Sarnia-Lambton of \$375,000 annually; an amount about equal to the current operating costs of the United Way of Sarnia-Lambton.

The secondary goal is to achieve a rate of return greater than the 5% disbursement quota annually to grow the SLFFF Capital in an additional manner.