

2023 Annual Report

Bridging Through Collaboration





This partnership with Aqueduct Foundation exemplifies how shared values and innovative approaches can lead to significant conservation achievements. The successful acquisition of Quadra Hill is a powerful demonstration of what can be accomplished when organizations—and people—align their efforts and resources.

Chessi Miltner
Executive Director,
Galiano Conservancy Association

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Executive Director Letter

On behalf of our Board of Directors and foundation team, I am pleased to share the Annual Report of Aqueduct Foundation's 18th year of operation. The 2023 annual report has three major themes that are central to what we do. They are: 1) growth and community, 2) people, and 3) impact and ambition.

Growth and Community

Aqueduct surpassed \$1 billion in assets in 2023 for the first time, confirming our rank as the 13th largest charitable foundation in Canada. This large number is evidence that our mission of "facilitating personal philanthropy" is resonating with our donors. It also speaks to our nimble, service-oriented culture and expertise as a steward of funds.

In 2023, Aqueduct received total donation revenue of \$125.7 million from new and existing donors—including both lifetime and estate donations. Most important, Aqueduct granted and ran charitable programs totalling a record \$103.7 million or 10% of the asset value at the end of 2022.

People

Aqueduct's mission is the individual charitable mission of each of its funds. We love collaborating with donors. Collaboration starts with lifetime and estate planning, but more fundamentally it means understanding our donors' values and passions. In practical terms, it means working together with individuals over many years to carry out their wishes in the community.

This report features donor stories, including one about Nancy Duncan. Nancy was one of Aqueduct's first donors and she died on April 5, 2023. No donor was more consistently engaged and committed than Nancy. We'd speak a couple times a year about current issues and "her" charities in social services, healthcare, international. She gave quietly and cared deeply, providing grant recommendations to the very end. We are now working with her family members to continue the family's tradition of giving.

Impact and Ambition

Recently, the Board of Directors has been thinking a lot about how Aqueduct can best serve donors and communities in the future. Here's the context. Donations in Canada have never been larger or more complex. The ambitions of donors and the needs of the world have never been greater.

We've asked ourselves: with its mission of "facilitating personal philanthropy", what can Aqueduct do better than any other Canadian foundation? It's a big ambition, but we feel it is achievable if we focus and continue to build capacity.

In 2023, we launched a process to develop a 5-year strategic plan that will be public in fall of 2024. We're excited by what we as a foundation—with our donors—can uniquely do. The annual report provides a preview of some of our thinking. Stay tuned. We look forward to sharing the next stage of Aqueduct's evolution.

Finally, I want to thank our volunteer directors, particularly Yves Bergeron who recently completed a maximum 12 years of service. Aqueduct has a Board philosophy of long service and high engagement. Our directors know the issues, ask tough questions, and understand that Aqueduct Foundation needs to be consistent—and keep its promises to donors—and continuously improve. They are full partners in everything we do.

We hope you find the report informative and we welcome your feedback.

Malcolm Burrows
Executive Director



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Malcolm Burrows
Executive Director

STORIES OF IMPACT

Galiano Conservancy Collaboration

A Pioneering Partnership in Conservation

In a pioneering collaboration, Aqueduct Foundation and the Galiano Conservancy Association have successfully protected Quadra Hill, a crucial piece of land on Galiano Island, British Columbia. This first-of-its-kind agreement has secured an ecologically significant area for future generations and serves as a model for future philanthropic efforts.



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At Aqueduct Foundation, our goal is to facilitate meaningful projects that create lasting impact within communities. By stepping in as interim owners of Quadra Hill, we were able to provide the Galiano Conservancy Association with the time they needed to secure funding and ensure this ecologically significant land is protected for generations to come.

Malcolm Burrows
Executive Director,
Aqueduct Foundation

Quadra Hill, a 116-acre parcel located in the heart of Galiano Island, is a vital link in the island's network of protected lands. Encompassing diverse ecosystems—from moist forests and wetlands to dry ridges and bluffs—this land is home to numerous at-risk species and is important in maintaining biodiversity within the Coastal Douglas-fir biogeoclimatic zone, the smallest and most threatened in British Columbia.

The path to securing this land was anything but straightforward. The Galiano Conservancy Association had long identified Quadra Hill as a key piece of the island's ecological puzzle. However, when the opportunity to purchase the land arose, the Conservancy found itself stretched thin, fully committed to another major conservation project. Time was of the essence, as developers were also eyeing the property, attracted by its potential for logging and residential development.

Enter Aqueduct Foundation. Through an anonymous donor, Aqueduct had previously supported another Galiano conservation effort, which put the Conservancy on Aqueduct's radar. In a fortuitous twist, Aqueduct Foundation reached out to the Conservancy just as they were grappling with how to secure Quadra Hill. What unfolded next was a testament to the power of innovative thinking in philanthropy.

Rather than simply providing a grant, Aqueduct Foundation took the unprecedented step of becoming the interim owner of Quadra Hill. This move gave the Conservancy the time it desperately needed to raise the necessary funds without the pressure of competing against developers. Malcolm Burrows, Executive Director of Aqueduct Foundation explained, "At Aqueduct Foundation, our goal is to facilitate meaningful projects that create lasting impact within communities. By stepping in as interim owners of Quadra Hill, we were able to provide the Galiano Conservancy Association with the time they needed to secure funding and ensure this ecologically significant land is protected for generations to come."

The partnership was a perfect fit. Aqueduct Foundation's willingness to embrace a novel approach, combined with the Conservancy's deep understanding of the land's ecological value, resulted in a seamless transaction that

has set a new standard for conservation philanthropy in Canada. Chessi Miltner, Executive Director of the Galiano Conservancy Association, expressed his gratitude:

"This partnership with Aqueduct Foundation exemplifies how shared values and innovative approaches can lead to significant conservation achievements. The successful acquisition of Quadra Hill is a powerful demonstration of what can be accomplished when organizations—and people—align their efforts and resources."

With the land now secured, the Galiano Conservancy Association is embarking on an ambitious plan to restore degraded forests and wetlands, create public trails, and ensure the land remains a sanctuary for wildlife and a space for the community to enjoy. The restoration efforts will focus on thinning dense plantation forests to mitigate fire risk and promote healthier growth, and redistributing excess woody debris from thinning into a degraded wetland to aid its recovery into a thriving swamp ecosystem. The project also includes plans to allow First Nations to engage in traditional hunting practices on the land, deepening the connection between people and nature.

The impact of this partnership extends beyond the boundaries of Quadra Hill. The success of this transaction has also unlocked additional opportunities for the Conservancy, enabling them to protect more land on Galiano Island and serve as a model for other land trusts across British Columbia. By using philanthropy as a tool to bridge time and financial gaps, Aqueduct Foundation is pushing the boundaries of what is possible in community-based conservation.

As Galiano Island residents and visitors alike look forward to exploring the new trails and enjoying the preserved natural beauty of Quadra Hill, the story of its protection serves as a powerful reminder of the impact that can be achieved when vision, collaboration, and philanthropy come together. This partnership is not just about saving a piece of land; it's about safeguarding the future of rare ecosystems and shifting the paradigm of how land conservation can be achieved.

To learn more about the Galiano Conservancy Association and their ongoing conservation efforts, visit their website. galianoconservancy.ca

STORIES OF IMPACT

A Legacy for their Community

Bill and Kay Paul

Bill and Kay Paul were not just residents of Lennox and Addington County; they were pillars of their community. Over their lifetime, they demonstrated a deep commitment to the well-being of their neighbours, always quietly contributing to causes close to their hearts.



As part of their legacy planning, Bill, an engineer who once worked on the legendary Avro Arrow fighter jet, and his wife Kay, a dedicated volunteer in local charities, partnered with longstanding wealth advisor Julia Hayhoe to establish a fund at Aqueduct Foundation to help facilitate their end-of-life giving.

Bill and Kay left a substantial portion of their estate to Aqueduct Foundation to support local charities in their eastern Ontario community. In addition to annual grants to other charities, they made a recommendation to grant a lump sum immediately to the Lennox and Addington County General Hospital (LACGH), where Bill passed away at the age of 99. The resulting \$1.75 million grant to the hospital foundation—the largest individual donation in LACGH's history—couldn't have come at a more critical time. Bill and Kay's donation enabled the hospital to purchase an important piece of medical equipment—a new MRI machine.

This MRI machine is a game-changer for the rural community served by LACGH, located outside Kingston, ON. Previously, patients in the region faced over two-year wait times for non-urgent MRI scans, with many forced to travel long distances to larger cities like Kingston or Toronto to access care. The addition of the MRI at LACGH will drastically reduce these wait times, providing quicker access to essential diagnostic imaging for over 7,000 patients.

Kelly Roantree, chair of the Lennox and Addington County General Hospital Foundation board, shares what this grant means to the community, "Bill and Kay's thoughtful giving has not only provided the hospital with the funding to assist with the purchase of this critical piece of equipment but it has also enhanced the quality of care that our community can offer to patients. The new MRI facility will be named in their honor, ensuring that their legacy of care continues to benefit this community for generations to come."

The impact of Bill and Kay's grant extends beyond reducing wait times. By keeping this advanced medical technology close to home, the hospital has strengthened its role as a healthcare hub for the region. The MRI suite, located in a newly renovated, bright, and calming facility, is designed to be more accessible and less intimidating for patients, many of whom experience anxiety when entering a clinical environment.

As the community prepares to celebrate the official unveiling of the Bill and Kay Paul Medical Imaging Facility, there is a deep sense of pride and appreciation for the couple who, through their final act of giving, have made such a profound difference. "This gift," Roantree added, "is not just about an MRI machine. It's about improving lives and ensuring that our community has access to the best possible care, right here at home."

The Bill and Kay Paul Fund has an ongoing endowment to support charities of their choice in the Lennox and Addington County community.



This gift is not just about an MRI machine. It's about improving lives and ensuring that our community has access to the best possible care, right here at home.

Kelly Roantree
Board Chair, Lennox and Addington
County General Hospital Foundation

STORIES OF IMPACT

Nancy Duncan and the MYR-Cliff Family Fund

Nancy Duncan

Nancy Duncan was a quiet philanthropist whose life was defined by her commitment to others, not her own circumstances. Despite facing significant health challenges later in life, Nancy's dedication to her community and the causes she cared about never wavered. Just as she had done throughout her entire life, Nancy continued to make thoughtful decisions about where her donations would make the greatest impact.





She always focused on what others needed and how she could help. She never let her own hardships define her, and I think that's the greatest lesson she taught me—and the greatest gift she gave to those around her. Her impact was not just in her philanthropy, but in the way she lived her life with such resilience, strength, and kindness.

Katherine, Nancy's Daughter

Nancy's focus was always outward—on those in need rather than on her own health or hardships. She was driven by her values of compassion and community, supporting organizations that aligned with her desire to uplift others. Working with Aqueduct Foundation to facilitate her annual giving, Nancy's donations spanned a variety of causes, including social services, healthcare, and children's camps, reflecting her care for helping those facing financial or health challenges.

This focus on others wasn't just an ethos Nancy lived by—it is a value she passed down to her children and is now inspiring her grandchildren. Whether it's through annual walks or the family's ongoing involvement with charities that support children's healthcare and wellbeing, Nancy's legacy of giving continues to deeply influence and inspire her family.

"My mother had a way of seeing the world that was so unique," said her daughter Katherine. "She always focused on what others needed and how she could help. She never let her own hardships define her, and I think that's the greatest lesson she taught me—and the greatest gift she gave to those around her. Her impact was not just in her philanthropy, but in the way she lived her life with such resilience, strength, and kindness."

Nancy's passing did not mark the end of her giving. Through a significant estate donation, which she planned with support from Aqueduct Foundation, Nancy's end of life wishes to continue giving back were realized. This commitment, both during her life and after her passing, is a testament to the thoughtful and enduring nature of Nancy's philanthropy. She leaves behind a remarkable legacy of giving and is an inspiring example of how personal values can shape impactful, lifelong philanthropy.

Guided by her values, Nancy approached her giving strategically. She used her fund at Aqueduct to bring structure to her giving to make it more meaningful and focussed. Nancy would never have called it combination gift planning, but that's what she did.

Are you interested in learning how a combination gift plan can ensure your philanthropy has lasting impact, both during your lifetime and beyond? Read on for more information.



Learn More About Combination Gift Giving

Who should consider developing a combination gift plan using a fund at Aqueduct?

A combination gift plan is ideal for donors who are considering making charitable donations from their wealth, especially as part of their estate. Often these donors are leaving the majority of their estate to multiple charities and causes. A donor advised fund at Aqueduct enables donors to start to give tax effectively and explore charities and causes. They give on their own timetable and knit together lifetime and legacy charitable goals. It's a dynamic process that increases both tax planning benefits and personal satisfaction.

What is combination gift planning, and how does it work?

A combination gift plan is a multi-year approach to philanthropy that involves both lifetime and estate donations to fund annual and future charitable goals. At Aqueduct, donors use their donor advised funds to build value to fund and clarify their philanthropy. They give on their own timetable through personal planning, not in response to individual fundraising solicitations. This is a proactive process that is integrated with financial and estate plans and with assistance from the donor's advisors and the Aqueduct team.

What are the benefits of combination gift planning?

There are two key benefits of this approach. First, it ensures your philanthropy is integrated into your financial, tax, and estate plans. This can lead to greater tax effectiveness, but more fundamentally it allows charitable individuals to be proactive about their giving. The second benefit is working collaboratively with philanthropic experts to give more and give better. This can mean setting up special programs at charities, exploring new causes, or responding to new issues in the community as they arise. It can take the often-reactive process of giving and make it active and engaged. It also provides a supportive structure to enable family involvement, to make special gifts, or create programs like scholarships or prizes. It's a lifelong, coordinated approach to giving.

Empowering Community Impact

At Aqueduct Foundation, our focus is clear: ensuring that charitable dollars flow into communities where they can make the greatest difference. Over the past five years, we've seen remarkable growth—not just in our financial assets, but more importantly, in the impact we're able to facilitate through increased grants and donations.

4320

Grants Disbursed

The true measure of our success lies in the increasing number of grants we've disbursed to charities across Canada. In 2023, we facilitated over 4,320 grants, a significant rise from 2,760 grants in 2019. This steady increase represents more funds being channeled directly into the community, supporting a wide array of causes and ensuring that charitable giving translates into tangible benefits for those who need it most.

\$766 million

Cumulative Giving

Since our inception, Aqueduct Foundation has granted over \$766 million to charities, a milestone that reflects our commitment to maximizing the impact of every donation. These funds have empowered countless organizations to expand their programs, serve more people, and drive meaningful change across the country.

\$1 billion

Asset Milestone

While reaching \$1 billion in assets in 2023 is a significant achievement, what truly matters is how these resources are used. Our focus remains on deploying these funds effectively, ensuring that they support a diverse range of charitable initiatives that align with our donors' values and the needs of the community.

\$124 million

Received from 549 Donations

The variability in donations over the years underscores the dynamic nature of philanthropy, yet each donation, whether large or small, plays a critical role in our mission. In 2023, we received \$124 million from 549 donations, each dollar representing a donor's trust in our ability to make a difference.



Built for This— Planning for Aqueduct's Future

Aqueduct Foundation's Strategic Vision For 2024-2029

In 2023, Aqueduct Foundation's Board of Directors began a strategic planning process to answer some basic questions about how we serve donors and the community. What is Aqueduct uniquely positioned to do? What philanthropic needs are unmet in Canada?

These questions led us to focus on new realities of the Canadian charitable landscape. In summary, these are: fewer donors + larger donations = more complexity.

The Landscape

Canada's donor and charitable landscape is changing. In 1990, 30% of Canadian taxpayers claimed charitable donations on their taxes. In 2022, after many years of steady decline, only 17.2% did. Yet, the value of giving continues to grow due to large donations from wealth, not income.

A donation from wealth, however, is more complex than a donation from income. Assets are what we live in and live on. The value of these donations is greater than ordinary, annual donations. Donors of these exceptional gifts typically wish to support many charities and causes. Their wealth is the source of their giving, and it is locked away in businesses, real estate, and investments.

Donations from wealth must overcome barriers. There are tax and legal issues. Property is held in complex structures and liquidity is often an issue. Timing is also a factor. Many donations take years to complete and combine lifetime and estate donations.

For donors, there are no shortage of urgent public needs, but there are issues of trust and certainty about what and whom to support. We believe donors are seeking expert, values-aligned partners to support their charitable journey, both during life and after their deaths. Increasingly, they want to be involved with that process.

Complexity is a barrier to giving. It can prevent the flow of money into the community for public benefit.

Future Focus

With these questions in mind, Aqueduct Foundation has been refocusing on its core identity: being a charitable bridge. Aqueduct is built to bridge gaps. With its mission of facilitating personal philanthropy, Aqueduct is charitable sector infrastructure. The Foundation helps donors plan and implement exceptional gifts, manages funds prudently, and implements innovative grants and programs.

We are looking forward to unveiling our 5-year Strategic Plan in the autumn of 2024. It is being built to serve charitable individuals and families so they can support the charities, communities, and causes they care most about. We aspire to do that better than any other public foundation in Canada.



Aqueduct Foundation encourages donors, prospective donors and their advisors to contact us directly.

aqueductfoundation.ca

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