

Mission

To meet urgent human needs and improve social conditions by mobilizing the community's volunteer and financial resources in a common cause of caring.

United Way is committed to ensuring all our partners, donors and volunteers have equal access to our communications.

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Toronto

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Photography: Shawn McPherson.



The Tomorrow Fund™

2010 Report to the Community



Give. Volunteer. Act.

Helping children get a head start in life

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2010 tomorrow fund report

Experts agree that the first years of a child's life are crucial to their development. The Canadian Council on Learning in its 2007 report on child education noted that the first five years of a child's life has a "major bearing on his or her future success in school, in the workplace, and many other aspects of a healthy, fulfilling life."

But investing in these early years goes beyond the future of individual children. It has an impact on our whole community's future. As Dr. David Butler-Jones, Canada's Chief Public Health Officer, argues: "Every dollar spent in ensuring a healthy start in the early years will reduce the long-term social costs associated with health care, addictions, crime, unemployment and welfare. As well, it will ensure Canadian children become better educated, well adjusted and more productive adults."

Through United Way's endowment, The Tomorrow Fund™, you can join United Way Toronto in providing crucial financial support to early childhood development initiatives across our city. By focusing on pre and postnatal care, home visits for new at-risk mothers, family drop-ins, as well as parenting and school readiness programs, United Way is helping kids get a head start in life. And by making sure children grow up healthy and happy, we are laying the foundations for strong communities and a bright future for our city.

In 2010, The Tomorrow Fund™ provided \$1.1 million to early learning programs, many in our inner suburban neighbourhoods. These programs served an estimated 7,000 children and 7,000 parents and caregivers. Here are just a few of the outcomes of those programs:

Prenatal/postnatal:

- 98% of babies born to teen mothers had healthy birth rates, compared to 93% among teens city-wide.
- 80% of teens reported having more tools to assist them in their parenting role and increased self-confidence.

Parenting:

- 80% of fathers reported they felt their relationship with their children has improved as a result of participating in the program.
- 95% of parents reported learning new information on positive discipline strategies and ways to communicate with their children.

Family drop-in:

- 90% of parents reported increased knowledge of healthy foods.
- 80% of parents had increased positive interactions with their children.

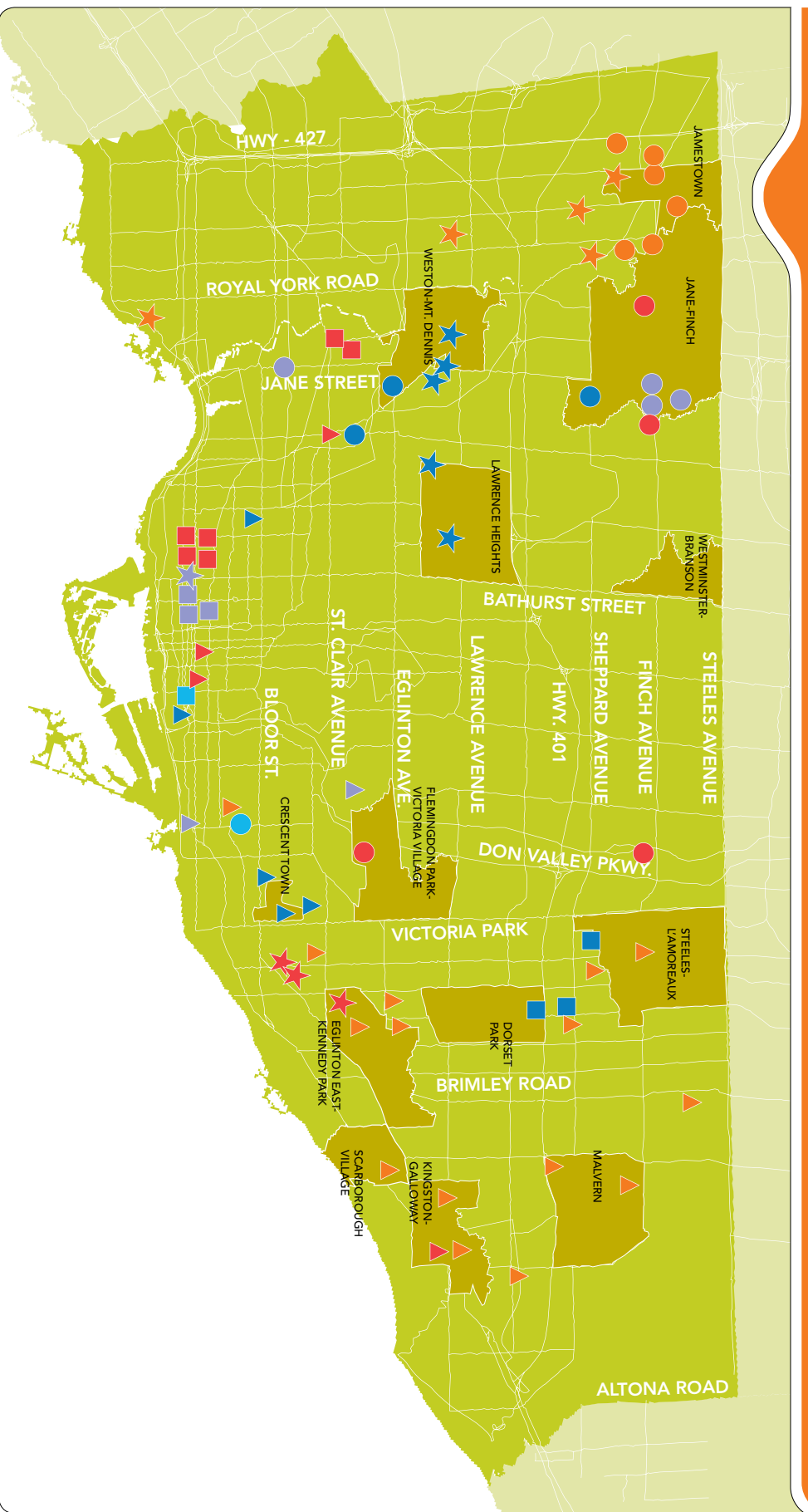
School readiness:

- 100% of children aged 3-5 developed and improved their social skills and were able to willingly separate from their parents with little or no difficulty.
- 100% of children were able to read the alphabet from A-Z, identify capital and small case letters, and sing 3-4 songs, count correctly from 1-20 and begin to identify numbers, colours, and shapes.

In addition to these programs, The Tomorrow Fund™ also allocated \$379,678 in 2010 to programs that help seniors, people who are homeless, children from low-income families, and many more.

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Success by 6[®] map of agencies and satellite locations



- Adventure Place
- Agincourt Community Services Assoc.
- ▲ Aisling Discoveries Child and Family Centre
- ★ Child Development Institute
- Clifcrest Community Centre
- College Montrose Children's Place
- ▲ Davenport Perth Neighbourhood Centre
- ★ Etobicoke Brighter Futures Coalition c/o The George Hull Centre for Children & Families
- Jane/Finch Community & Family Centre
- June Callwood Centre For Women & Families
- ▲ Native Child & Family Services North York Community House
- Rexdale Women's Centre
- ★ Scadding Court Community Centre
- ▲ Thorncliffe Neighbourhood Office
- Warden Woods Community Centre
- Yorktown Child & Family Centre



The Tomorrow Fund™

Portfolio Performance Review – March 31, 2011

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2010 tomorrow fund report

OVERVIEW

The Tomorrow Fund™ is invested according to a multi-manager strategy with the Toronto Community Foundation, with independent oversight and investment counselling provided by I₃ Advisors Inc. since September 2006. The Foundation's primary objective is to preserve capital and allow for its annual distribution. The target manager allocation is 17.5% in TD's Government Bond pool, 17.5% in Canso's Investment Grade Corporate Bond pool, 12.5% in Jarislowsky Fraser's Canadian equity pool, 12.5% in QV's Canadian equity pools, 22% in Letko Brosseau's global equity pool and 18% in Axiom's global equity pool. The revised global equity strategy was implemented in December of 2006 and has resulted in the combined portfolio outperforming its market benchmark in 2007 and 2008. QV's All Cap Canadian equity strategy was implemented in March 2009 as a replacement for Foyston, Gordon & Payne, due to personnel changes. In July 2009, CIBC's passive fixed income strategy was replaced by Canso's corporate bond strategy and TD's passive government bond strategy. The following table outlines the performance of the Fund against its market benchmark:

For the fiscal year ending March 31, 2011, the combined portfolio returned 11.1%, outper-

ing its market benchmark by 0.8%. This outperformance is quite significant given that the portfolio was well diversified across sectors during this period, while the market was driven largely by the materials sector which represents close to 25% of the TSX. Although equity markets were positive over the year, the path of returns continued to be volatile. Any investor that reacted in an emotional manner to recent global events by reducing equity exposure risked missing the market appreciation at the end of 2010 and through the first quarter of 2011. As such, we continue to recommend the portfolio's long term strategy positioning in the face of short term uncertainty, and to avoid market timing.

Diversification continues to be the key success factor of long term portfolios executed by high quality active managers. It is anticipated that quality active equity and fixed income managers that complement each other will add value over the next ten years as they have over the past ten years.

The portfolio continues to be invested in high quality managers, well diversified by investment manager, investment style and asset class which will continue to provide strong risk adjusted returns relative to the market over the long term.

Annualized Performance to March 31st	Asset Mix Bonds/Equity Return	1 Year Annualized Return	5 Year Annualized Return	10 Year Annualized
THE TOMORROW FUND™	35%/65%	11.1%	2.7%	5.2%
Portfolio Benchmark		10.3%	3.0%	4.7%
Out/(Under) Performance		0.8%	(0.3%)	0.5%



Jane/Finch Community and Family Centre

Grant: \$80,250

An agency delivering parenting programs, family resource centre services, and multilingual home visiting to families living in the Jane/Finch community.

June Callwood Centre for Women and Families

Grant: \$80,250

A city-wide agency offering a range of pre- and post-natal care and parenting programs for pregnant teenagers and teenage parents.

Native Child and Family

Grant: \$42,293

An agency working in partnership with the Native Women's Resource Centre, Toronto Public Health and Anishnawbe Health Toronto in the delivery of the Infant to Toddler Health Development Program, a city-wide home visiting and parenting program for Aboriginal families aimed at early identification of developmental delays and health life skills education of children of low-income families.

North York Community House

Grant: \$60,188

A partnership to deliver the Places for Families project, which provides parenting programs and a family resource centre to newcomer families in North York.

Rexdale Women's Centre

Grant: \$60,188

A multi-service agency providing a range of parenting programs and school readiness services to newcomer families, particularly Somali families in central and northern Etobicoke.

Scadding Court Community Centre

Grant: \$59,795

An agency providing school readiness programs in four downtown Toronto neighbourhoods addressing the needs of at-risk, low-income and newcomer families and assisting young children and their parents/caregivers with the transition into school.

Thorncliffe Neighbourhood Office

Grant: \$60,188

An agency working in partnership with Applegrove Community Complex and the Child Development Institute to deliver the Therapeutic Play program for children who have experienced severe trauma related to illness, death, separation or divorce, or witnessing or experiencing violence and abuse.

Warden Woods Community Centre

Grant: \$54,570

An agency offering parent-child drop-in services, parenting workshops, and home visiting services for isolated newcomer families in Scarborough.

Yorktown Child and Family Centre

Grant: \$80,561

An agency providing pre- and post-natal care, parenting programs, family resource centre programming, and home visiting/outreach to high risk expecting and new teen mothers in the former city of York.

United Way's Tomorrow Fund™ Grant Recipients

The Tomorrow Fund™ provided \$1.1 million in funding to 17 early learning and parenting programs in 2010, many in priority neighbourhoods. These critical programs, reviewed and vetted through a rigorous process, support early success in school for children 6 and under, impacting the lives of our community's children today and tomorrow.

Adventure Place - Better Beginnings – NOW Program

Grant: \$59,450

A partnership of eight agencies delivering the North York Early Parenting Project offering post-natal care and parenting programs for newcomer families with children under 12 months.

Agincourt Community Services Association

Grant: \$81,410

This Scarborough agency provides parenting programs and parent-child resource centre services to families including court-ordered parents and parents with mental health issues.

Aisling Discoveries Child and Family Centre

Grant: \$76,524

A children's mental health centre in Scarborough that offers "Ready Set Go" school readiness programs for high-risk children aged 3-5, pre- and post-natal care for expecting and new mothers, and parenting programs for high-risk families including court-ordered parents and homeless families.

Child Development Institute

Grant: \$81,750

An agency in downtown Toronto offering combined resources of child welfare, children's mental health, public health and addiction services and creating a single point of access to a range of services for high-risk families and providing an intensive service response for at-risk children in the Parkdale community.

Cliffcrest Community Centre

Grant: \$51,360

A multi-service community centre in Scarborough providing parenting programs and family resource centre services to newcomer families in partnership with other agencies.

College Montrose Children's Place

Grant: \$64,810

A downtown agency offering parent-child resource centre services, support groups for young single mothers, a unique program for Portuguese-speaking fathers and parenting workshops to low-income families in Toronto West, in partnership with St. Christopher House and the Abrigo Centre.

Davenport Perth Neighbourhood Centre

Grant: \$40,125

A network of eight agencies delivering the *Ready for School* project, a school readiness program, parent support workshops, and home visiting for high-need newcomer parents and their children who are often highly isolated and experiencing difficulty adjusting to the school system.

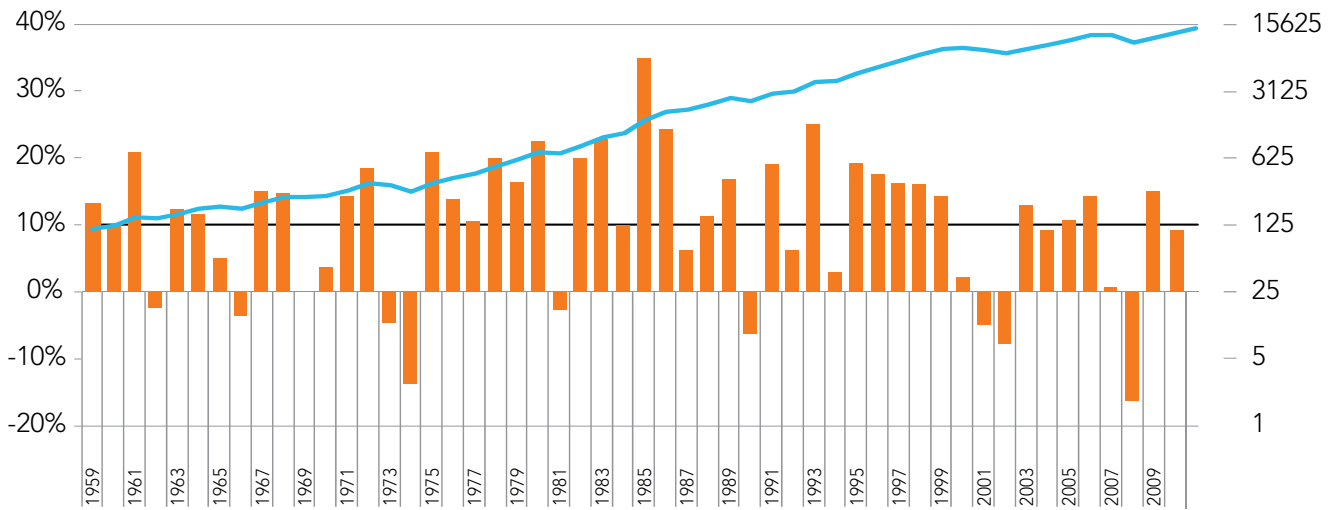
Etobicoke Brighter Futures Coalition

Grant: \$88,275

A coalition of agencies that provide family services, parenting programs, parent-child resource centre services and home visiting services to four communities in Etobicoke, focusing on isolated newcomers and high-risk hard-to-reach families.

While it is difficult to think about the long term returns, the following chart provides some perspective as to what the market benchmark of the Fund (35% bonds and 65% equities) has

done over the past 15 years. The orange bars represent the returns of the market benchmark each year while the blue line is the growth of \$100 throughout the period:



Investment returns

During the year ending March 31, 2011, The Tomorrow Fund™ portfolio returned 11.1%

The Tomorrow Fund™ retains quality investment managers, supplemented by oversight and investment counselling from an independent advisor.

While the general mood continues to be cautiously optimistic compared to last year, significant economic risks remain due to historically high levels of government debt, continued deleveraging and high unemployment. The portfolio mitigates these risks by investing with well diversified investment managers who will continue to provide strong risk adjusted returns relative to the market over the long term.

Investment policy

The primary investment strategy is to maximize the rate of return while undertaking a moderate level of risk by diversifying the portfolio, incorporating contrasting investment styles and using managers who are experts in their specific markets in order to preserve the value of capital over time, increasing its value and thereby providing larger annual disbursements.

The Tomorrow Fund™ is managed as a part of the portfolio of the Toronto Community Foundation (TCF). United Way's Investment Committee

consistently monitors the Fund performance during its regular meetings and adjusts it as necessary. United Way invests through the TCF to gain access to a broader range of managers, investment styles and lower fees.

Disbursement policy

In order to provide a stable level of funding to United Way programs, 4.5%* of the opening balance of the endowment is available for disbursement each year.

*By government regulation, United Way is required to disburse no less than 3.5% annually.

Investment Committee

The Investment Committee (see page 8) is a committee of United Way's Board of Trustees, reporting directly to the Board. Guided by the investment policies of the TCF, the Investment Committee sets policies and guidelines for the investment of United Way's funds, monitors policy, compliance and investment performance, and undertakes other duties as directed by the Board of Trustees. United Way has two seats on the Investment Committee of the TCF and adopts as its own the investment policies of the TCF. All meetings are also attended by United Way staff.



Rexdale Women's Centre:

Building a community, one child at a time

"My grandson loves to come here," laughs Prakashben Patel. "He prepares himself and helps me, as well."

This energetic grandmother and her grandson, Dhumin, are two of a group of an average of 15 – 20 children and their caregivers who attend the Rexdale Women's Centre School Readiness Program. Offered in a local school, the goal for the two hours the children attend is simple.

"We want the children to be comfortable," says Lorena Portillo, the program manager for Rexdale Women's Centre. "If they feel comfortable, they begin to learn and they develop the skills to get ready for school in a very relaxed environment."

The kids who attend enjoy free play, circle time, and a number of rotating activities geared to their age group. While some children might learn their letters using a pen and paper, others who are younger get a different experience.

"We use a lot of hands-on activities like playdoh," explains Lorena. "Instead of tracing a letter, the child is moulding it. It's another way to engage them cognitively."

But the program isn't just for the children. It's for their caregivers as well. Parents and grandparents have an opportunity to connect, share information about local events and programming, and just take what Lorena calls, "a little breather."

"They say it takes a village to raise a child and that's what we're doing here—creating a village," says Lorena. "Parents and grandparents become connected, they are less isolated and they can rely on one another."

Supported by United Way's endowment, The Tomorrow Fund™, the program may have a simple goal but the long-term impact will be significant. Ensuring that the foundation of learning are established early in a child's life is crucial to them maturing into healthy, educated, well-adjusted and productive adults. That can, in turn, reduce unemployment, welfare, and other social costs.

"This program is like a little seed that you plant," says Lorena. "United Way is helping us to plant a seed so that later it can develop into a big, strong person."



Putting Kids First: Bob Rae and Arlene Perly Rae

Bob Rae and Arlene Perly Rae are big proponents of giving back. And they do it in more ways than one.

In addition to United Way, both Arlene and Bob have been active in a number of non-profit organizations in the city. Most recently, Arlene co-chaired United Way member agency YWCA's campaign to build a permanent housing facility for single, low-income women and children. And Bob sat on the board of various cultural organizations, including the Toronto Symphony Orchestra where he successfully chaired the Board at a pivotal time in its history. In addition, they both continue to maintain financial commitments to a number of charities, many located in Bob's riding of Toronto-Centre.

The couple target their investments to those projects, programs or agencies that resonate for them. In particular, the Raes have a deep connection to the importance of early childhood education. It traces back not only to Arlene's strong influence but also to Bob's tenure as Ontario's Premier.

"I had an expert advisor on children's issues and he had a huge impact on my thinking about kids and education and what we can do when we give kids a good foundation."

United Way's endowment, The Tomorrow Fund™, was a good fit for the Raes' shared commitment to children and education. They are not only confident in United Way's management of their endowed family fund, but also in knowing that their gift will provide sustained funding to United Way's Success by 6® program. For the Raes, it's about giving kids every opportunity to fulfill their potential—today and tomorrow.

"It takes imagination when you give to The Tomorrow Fund™," explains Arlene. "You have to imagine the possible—the effect of nutrition, education, and stimulation for a child. It has a big pay off down the road"

Bob readily agrees but in the straightforward way we've come to expect from one of Ontario's best-known politicians.

"The gift of curiosity is a wonderful gift. If you've got that, then you've got everything."

The Tomorrow Fund™ named fund holders

United Way gratefully acknowledges the extraordinary commitment of the following individuals, families and organizations, who in addition to their support of United Way's annual campaign, make regular contributions to their funds.

- | | | |
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| The Abitibi-Consolidated Fund | The Lou and Pearl Goodman Family Fund | The Bob Rae and Arlene Perly Rae Family Fund |
| The Jennifer Babe Fund | The Barry and Laurie Green Family Fund | The Tara Leah Reinders Fund |
| The Marsha and Aubrey Baillie Family Fund | The Michael and Cathy Horrocks Family Fund | The Paul Richards Family Fund |
| The J. Douglas Barrington Family Fund | The Henry Dyce Howitt Fund | The W. Grant and Margaret K. Ross Family Fund |
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| The Chaplick Family Fund | The Peter Leblanc and James Ip Fund | The C. P. and Helen Stacey Fund |
| The Canada Chinese Computer Association Fund | The Stephen and Sophie Lewar Family Fund | The Rosslyn Swanson Fund |
| The Christie/Pepall Family Fund | The Liang Family Fund | The Mary Taylor and Tim Burkholder Family Fund |
| The Copland Family Fund | The Lindsay Family Fund | The Kathleen Taylor and Neil Harris Family Fund |
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| The Gordon and Jean Cowperthwaite Family Fund | The Norman and Hilary Mackenzie Fund | The Wanda Tse Family Fund |
| The Catherine Cragg Fund | The McCarter Family Fund | The Wasser Family Fund |
| The Dominic & Pearl D'Allessandro Educational Attainment Fund | The Ontario NDP Marjorie Black Fund in memory of Elizabeth & Alex Black | The Mark and Lorraine Weisdorf Family Fund |
| The Davis-Rea Ltd. Fund | The Isaac Osipovicz Memorial Endowment Fund | The Kevin Whitaker and Marie Moliner Family Fund |
| The Honourable Charles & Mrs. Anne Dubin Family Fund | The Brenda Peters Leadership Fund | The Linda Mae Wilson Family Fund |
| The Enbridge Consumers Gas Fund | The Robert and Wendy Phillips and Family Fund | The George Wong Family Fund |
| The Fell Family Fund | | The Don and Jane Wright Family Fund |
| The Wayne and Isabel Fox Family Fund | | The Marcia and Arthur Zalev Fund |



Founders

United Way thanks the following individuals who launched The Tomorrow Fund™ in May 1995. Each provided a deferred gift that will appreciate to \$1,000,000 in the future. Their vision and leadership have inspired other community-minded men and women who care about the long-term well-being of our community.

Estate of J.W. Billes
 Garth H. Drabinsky
 George A. Fierheller
 Heather M. Reisman

Gerald W. Schwartz
 Honey and Barry Sherman
 Allan Slaight
 George P.L. Wong

*and one donor who wishes
 to remain anonymous*

Investment Committee

Committee

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- Amy Tong
 Chief Operating Officer
- Michael Herrera
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- Naaz Mohamed
 Director, Finance

- * Voting members
 Quorum is constituted when half plus one
 members are present