



**Thursday, June 18, 2020**

Welcome

Review of the Minutes from 2019 AGM

Motion to approve the Minutes

Artistic Director's Report

Chair's Report

Treasurer's Report

SweetWater Manager's Report

Fundraising Committee Update

Endowment Fund Committee Update

Education Outreach Committee Update

Election of Directors to the Sweetwater Music Festival Board (candidates listed, as provided)

- New Nominees: from the Nomination committee  
from the floor
- Election of Board Directors

New Business

Motion to adjourn



## Minutes of Annual General Meeting 2019

March 14, 2019

**In attendance** –Paul Eichhorn (staff), Colleen Purdon, Shawna Macivor, Lynda Montgomery, Jackie Mersich, Jill Willington, Joachim Ostertag, Elizabeth Warren

**With regrets** - Keith Medley, Mark Fewer, Sydney Misener, Charlotte MacFarlane

**Motion to approve minutes** – Moved by Lynda Montgomery, seconded by Jill Willington to approve the minutes of 2018 Annual General Meeting as submitted – Motion is carried

### **Artistic Director Report**

- Reviewed by all
- Motion to approve Artistic Director Report – Moved by Jackie Mersich, seconded by Elizabeth Warren - Motion is carried

### **Chair's Report**

- Colleen Purdon provided brief summary of Chair's Report about SweetWater activities over the past year.
- Thanks to Board, staff, artist, and many volunteers who make SweetWater possible.
- This year is significant as we say goodbye to current AD and welcome a new AD.
- SweetWater continues to need more volunteers for the Board, the Committee, and to support concerts and events.
- Need to prepare for first capital campaign for endowment fund.
- Jackie Mersich offered special thanks to Colleen for her work over the past year.
- Motion to approve the Chair's Report - Moved by Colleen Purdon, seconded by Lynda Montgomery - Motion is carried

### **Treasurer's Report**

- Treasurer Jill Willington provided financial report on past fiscal year.
- Over past year financial system overhauled and a new bookkeeper hired to deal with monthly financials.
- SweetWater budget goals for fiscal 2019 include an increase in corporate support and increased ticket sales during the September Festival and other concerts.
- Treasurer noted that SweetWater is in a good financial position moving forward.
- Motion to accept the Financial Report as presented, and the Independent Practitioner's Review Engagement Report for the year ended November 30, 2018 – Moved by Jill Willington, seconded by Shawna Macivor – Motion is carried

### **Festival Manager Report**

- Paul Eichhorn, Festival Manager, presented his overview of key initiatives and other activities undertaken over the past year and updates about activities over the coming year.
- Motion to approve Festival Manager Report – Moved by Jackie Mersich, seconded by Joachim Ostertag – Motion is carried.

### **Artistic Director Succession Committee Update**

- Colleen Purdon, Committee Chair, presented an overview of key initiatives and other activities undertaken over the past year.
- Special thanks to the members Jackie Mersich, Lynda Montgomery, and Maureen Sutherland and to Mark Fewer and James Campbell.
- After a review of all candidates, a short list of five was created and interviews now underway.
- Motion to approve Artistic Director Succession Committee Update – Moved by Colleen Purdon, seconded by Elizabeth Warren – Motion is carried.

### **Legacy Endowment Fund Committee Update**

- Colleen Purdon, Committee Chair, presented is overview of key initiatives and other activities undertaken over the past year.
- Thanks to Jackie Mersich and Jill Willington as well as Bruce Hutchison for his initial work with the Committee.
- Motion to approve Legacy Endowment Fund Committee Update – Moved by Colleen Purdon, seconded by Jill Willington – Motion is carried.

### **Education Outreach Committee Update**

- Jackie Mersich, Committee Chair, presented is overview of key initiatives and other activities undertaken over the past year.
- Quartor Despax conducted first school visit in French language during SweetWater 2018.
- Major addition to outreach schedule is our Access Music Fair on April. 12.
- Motion to approve Education Outreach Committee Update – Moved by Jackie Mersich, seconded by Colleen Purdon – Motion is carried.

### **Fundraising Marketing Committee Update**

- Lynda Montgomery, Committee Chair, presented is overview of key initiatives and other activities undertaken over the past year.
- Fundraising strategies have focused on increasing the “Gratitude Attitude.”
- A lot of work this past year but a lot of success.
- Chair welcomed new members Elizabeth Warren and Abby Drimmie.
- Motion to approve Fundraising Marketing Committee Update– Moved by Lynda Montgomery, seconded by Joachim Ostertag – Motion is carried.

### **Election of Board of Directors**

- Sydney Misener will be leaving the Board of Directors as she has served the maximum number of terms allowable under the Constitution. Colleen Purdon thanked her for work as a Board Member and overseeing hospitality during the Festival. Sydney will continue to provide this volunteer support for hospitality moving forward.
- Shawna Macivor is completing second year of two-year term.
- One nominee from the floor to fill a vacancy. Colleen Purdon nominated Charlotte Macfarlane as a Director.
- Nominees for Board of Directors as follows:
  - First year of a second, two-year term: Lynda Montgomery, Jackie Mersich, Jill Willington
  - First year of a first, two-year term: Charlotte Macfarlane.
  - First year of a third, two-year term: Colleen Purdon.
  - Motion to approve slate – Elizabeth Warren – seconded by Joachim Ostertag.

- Board Chair will recruit at least two more Board Member to fill the current vacancy. Other Board Members will also actively look for potential replacements.
- Note: Paul Eichhorn acted as proxy voter for Keith Medley (document confirming this to be included with Annual General Meeting minutes).

**Other Business**

None

**Motion to adjourn**

Moved by Jill Willington – Motion is carried

**Report from Artistic Director  
June 2020**

Looking back so far this year, as Artistic Director not even fully diving into our first Festival yet, it has been one unlike any other in my lifetime as a human being on this earth. One of the incredible things I have felt through this shifting time, as we went from the joy and excitement of celebrating Mark's last season with us to our time together now, processing and understanding how the climate around public gatherings is changing by the week to keep us all safe and healthy in the best way that we can, is resilience. We have been connecting with our musicians, audiences, and each other more than ever, as we develop ways to stay in tune and in touch with our mandate, our story, and our mission.

A few more words on the celebration of the incredible history of the Sweetwater Music Festival. It has been such an honour and amazing opportunity to be part of this festival for so many years. To play in different seasons, in the small orchestra, in chamber groups, supporting the younger generation, helping with the munchkins and the school visits locally. I feel coming into the program this year was in some ways very seamless. In others I enjoyed learning more, becoming familiar with the board, the process, the ways that we filter ideas and thoughts through the proper channels, and also just sometimes have a chance to discuss things as they formulate as well.

I am devastated at the possibility that this September Festival will not happen in the way we had planned, however with our team, I have so much faith in what we can accomplish and figure out and tackle no matter what happens. I also strongly believe that we all love and appreciate the beauty and magic of Sweetwater to the point that we will continue to find ways to make it something to look forward to for years to come.

I am so thankful and grateful for the festival, for Mark Fewer, for the Board, and our community as we move forward, and look ever forward to the future of sharing incredible music with you all.

Sincerely,  
Edwin Huizinga



## **Annual General Meeting**

**June 18, 2020**

### **Chair's Annual Report 2019-2020**

When I look back over the time since our last Annual Meeting in March 2019 it is hard to know where to begin. It has been a packed, challenging, and inspiring 15 months. There have been so many changes and unexpected developments while SweetWater's core strengths have stayed solidly in place. We are managing the changes because we have the deep support of our funders, sponsors, patrons, donors and volunteers. We are so fortunate that our Board of Directors is experienced and completely committed to SweetWater.

2019 was a year of change, with the departure of Mark Fewer and the recruitment and hiring of our new Artistic Director Edwin Huizinga. In January of 2020 the board celebrated 'getting through' 2019 in such a successful way and we were all looking forward to smooth sailing for 2020. That was a short-lived! The reality of the Covid 19 pandemic settled in over our community and everywhere in the world in February. Since that time, SweetWater, and every sector of society, has been faced with unknowns, limitations, new challenges and changes by the week. No one could have predicted the extent of the pandemic and its impact on every aspect of day-to-day life. We are grateful that SweetWater entered the pandemic in a stable and financially sound place. We are overwhelmed by the support, encouragement and assistance that SweetWater has received from our core donors and supporters, our key funders, the volunteers, and our staff - keeping this wonderful organization moving forward. Our Strategic Plan continues to provide direction along the way. Here is a short report on highlights from the past 15 months - where we have been and where we hope to go:

**SweetWater Music Festival 2019** was the last SweetWater weekend with our founding Artistic Director Mark Fewer. It was a bittersweet farewell to Mark, who founded SweetWater, in company with Keith and Jean Medley, as a 'one off' concert to showcase local luthiers at the beautiful Leith Church. That 'one off' concert was so successful that Mark, the Medleys, and a core of volunteers and donors (many who are still part of the SweetWater family) grew the SweetWater Festival we have today. Of course Mark, with his music, humour, energy, and friends was always at the centre. He brought our community, patrons, musicians, and luthiers together for 16 years of amazing artistry and deeply shared musical experiences. At his final festival, the String Makers presented him with a beautiful baroque violin made for him collaboratively. We all thank Mark for his leadership and passion, and for promising to come back our way in the future.

The 2019 Festival was an enormous success. We enjoyed fantastic performances from some of SweetWater's favourite musicians, bigger audiences and higher ticket sales, and more support from sponsors and donors. We were treated to the introduction of SweetWater's incoming Artistic Director Edwin Huizinga. And no one will forget the epic and virtuosic violin 'play-off' between the outgoing and incoming ADs at the Roxy! Once again the Hennings offered their

home and hospitality for the Friday post concert gala and celebration of Mark's 16 years at the helm of SweetWater. There was amazing food organized by Sydney Misener, Hospitality volunteer and provided by SweetWater board and community volunteers. Thank you Mary Hutchinson for the wonderful cake!

**Succession Planning:** We successfully recruited our new Artistic Director, Edwin Huizinga in April 2019 after a thorough and thoughtful AD search supported by the entire board, with the assistance of Mark Fewer, James Campbell and SweetWater manager Paul Eichhorn. Edwin Huizinga brings a deep commitment to building community, enormous musical talent and enthusiasm, and strong connections with some of the world's best musicians. He has planned an amazing festival for 2020. Edwin has worked tirelessly with the board and SweetWater Manager to adapt to pandemic realities that emerged in February. He is endlessly creative and flexible, keeping the well being of musicians, patrons and SweetWater at the centre of his thinking and planning. We are so fortunate to have Edwin as our AD during these changing and challenging times.

Paul Eichhorn SweetWater Manager continues to provide invaluable services in all aspects of his work with SweetWater. We appreciate his unflappable approach and very hard work with the board on behalf of SweetWater. Paul's talent with marketing, communication (website, social media, E-Blasts) and fundraising support is appreciated. He has also played a critical role supporting our new AD learning all the details that make up SweetWater. Paul and Edwin have worked together closely as a team to provide the board with options and possibilities for the upcoming 2020 SweetWater Festival, as well as community and outreach events. Succession Planning for SweetWater includes overcoming the limitations posed by the Covid pandemic, while staying true to our vision: **SweetWater – Music that inspires, challenges and connects.**

In 2020 we welcomed new Board member, Adrian Hussey, who is chairing the Endowment Committee, and new volunteers to the Education, Hospitality, and Endowment committees. The recruitment of new, and more diverse board members is an ongoing challenge for SweetWater, as for almost all not for profit organizations in our region. We need to work harder to recruit and bring diverse people and perspectives into the organization, and will begin a formal recruitment strategy in 2021.

**Music for the Future:** The Education Committee, under the leadership of chair Jackie Mersich, expanded its community outreach and musician development activities and held the successful first Next Wave Concert at the Leith Church in May 2019. Nine emerging musicians played to an appreciative audience. SweetWater provided school outreach sessions, and supported Orchestra North, the Owen Sound Youth Orchestra and the Kiwanis Music Festival participants and provided complimentary tickets to festival concerts to ensure access for all. For 2020 and beyond, Artistic Director Edwin Huizinga is planning a new mentorship program for emerging musicians who participant in the annual Next Wave Concerts.

**Audience Development:** In May 2019 we had a sold out Jazz concert with Drew Jurecka and friends at the Heartwood Hall. Our audience numbers for the 16<sup>th</sup> festival were the best in the history of SweetWater. There is still 'room' for many more people at most SweetWater events though! We will be expanding our audience development efforts to attract more patrons from the wider Grey Bruce region, and from the urban areas to the south and west. Edwin Huizinga is particularly interested in attracting more young patrons and supporters to SweetWater. His eclectic musical background and strong connections with younger musicians will help to draw new and younger audience members to the festival. The 2019 Festival free programming for children (Music for Munchkins), community music making (Classical Jam) and the String Makers presentation, were all enjoyed by more people. The Education committee is currently

carrying out Access Music 3 with funding from the Community Foundation Grey Bruce. The 2020 Next Wave Virtual Showcase is now underway and accommodates restrictions posed by the pandemic. The Access Music 3 project also includes building a new connection with the local Indigenous community through the Giche Namewikwedong Reconciliation Garden to share music and friendship. A Gathering will take place when current covid 19 restrictions are lifted. Finally, we engaged Jaron Freeman Fox, a talented jazz player and composer, who was not able to come for the scheduled Jazz Concert and school outreach because of covid restrictions. Jaron had created a virtual school outreach experience. SweetWater is learning how to adapt and use technology to bring music and musicians to our community. We are offering online concerts of past concerts through the SweetWater Redux programming on the SweetWater website. Our Artistic Director, SweetWater Manager and the board are working together to find new ways to bring SweetWater to diverse audiences and keep the music happening!

**Financial Sustainability:** SweetWater has made major steps towards Financial Sustainability through the hard work and expertise of our Treasurer Jill Willington, the Fundraising Committee chaired by Lynda Montgomery, and the new Endowment Sub Committee chaired by Adrian Hussey. The SweetWater Manager and Treasurer have developed new and more efficient financial procedures, as well new approaches and tools for fundraising and donor development. We have new policies, procedures and tools in place to guide board short and long term financial decision making. Heritage Canada has confirmed 3 years of funding, and we are in the final year of a 3-year funding cycle with the Ontario Arts Council. We have financial structures and policies in place to deal with financial changes, and build for the future. Good policies and planning have made SweetWater more efficient, but the need for annual donations and sponsorships from our supporters remains. Ticket sales, donations, and annual grants make the music happen. Our new Endowment Funds are in a ‘building phase’ and are not yet contributing to the annual operating costs. We are working to expand revenue generation through applications for one-time grants (2019-2020 applications include: the Bickel Foundation, TD Bank, the Ontario Arts Council, and the Community Foundation Grey Bruce), and this will continue in the future. Thank you to everyone who generously supports SweetWater each and every year, especially during these Covid 19 times. SweetWater’s annual Festival, education, outreach and musician development work happens because our supporters make it happen!

**Partnerships and Collaboration:** We are building new community partnerships and collaborations through the Access Music 3 project, our Education Committee, the work of the Fundraising Committee, and more recently as part of our Covid 19 response. Local and provincial arts/music organizations have generously shared their time and expertise as we strive to mitigate and manage pandemic realities. We are all in this together! SweetWater and its partners are learning together as we look for ways to support musicians and bring music and musicians to our region in new and different ways.

**Strategic Planning – A new three-year plan 2021- 2023:** Our current strategic plan ends in 2020. A preliminary evaluation of the current plan has taken place, and there are many successes and accomplishments. Board member Charlotte MacFarlane is heading up the building of our next three-year plan. We will be consulting with board members, donors, supporters and key music and arts stakeholders over the summer. The new strategic plan will be in place in January 2021. We look forward to your participation and input into the new plan.

### **Thank You!**

This is my last Chair report, after 4 years in this office. I have truly loved being part of SweetWater and the role of Chair. Having said that, I am delighted to hand the Chair responsibilities over to Lynda Montgomery, the incoming Chair, and hope I can be of some



assistance over the next year in the role of Past Chair. The past 4 years have been a learning experience for me, and a wonderful opportunity to work with amazing board members, staff, volunteers and supporters. Thank you to everyone who has offered counsel, encouragement, wise words, good ideas and friendship to me over the past 4 years.

I would like to thank Mark Fewer and Keith Medley for their stories, SweetWater history lessons, and friendship – it was an overwhelming job at the beginning and their support was so important.

Thank you to Ewan Porter, who in his role as chair of the board took the time to teach me about SweetWater, before I became Chair.

Thank you to Paul Eichhorn, SweetWater Manager for learning with me over the past years as SweetWater changed and grew, for being open to ideas, and for being grounded and realistic with things that were better left at that stage!

Thank you to Edwin Huizinga for coming to SweetWater as our new Artistic Director and for all of your creativity, flexibility and warmth. The way forward the last few months has been so very unusual, and you have kept us all focused on what really matters with SweetWater.

Thank you to all of the donors, sponsors and supporters of SweetWater. A very special thank you to Bruce and Mary Hutchinson, Sydney Misener and Ron DeBoer, and Maureen and Ken Sutherland for your time, your support, and your commitment to SweetWater.

Thank you to all of the wonderful musicians and luthiers that have come to SweetWater, stayed at the house, hung out on the deck and rehearsed in the living room. One of the greatest privileges of being part of SweetWater is having world famous musicians rehearsing in your house!

Thank you to this year's Board of Directors who have stick handled everything that has come our way: Jill Willington, Treasurer; Lynda Montgomery, Fund Raising Chair, Jackie Mersich, Education Committee chair; Adrian Hussey, Endowment Committee Chair, and Charlotte MacFarlane, Strategic Planning. A very special thank you to Shawna Macivor who resigned recently, for her many years as Secretary of the Board, member of the Fundraising Committee, and writer of so many letters on behalf of the organization. We miss you already Shawna!

A final thank you to my family, all huge supporters of SweetWater, who have helped out in so many ways, and made it possible for me to focus on SweetWater.

Respectfully submitted by

Colleen Purdon, Board Chair

## SweetWater Music Festival Treasurer's Report for the 12 months ending November 30, 2019

Draft financial statements are appended.

SweetWater financial operations have been Reviewed by a firm of licensed public accountants who have expressed the opinion that the fund balances and the operations and cash flows for the year ended November 30, 2019 are free from material misstatement and in accordance with Canadian accounting standards for not for profit organizations.

### Statement of Financial Position

Assets, liabilities and unrestricted net assets are largely unchanged from 2019. Accounts receivable were unusually high at the end of 2018 and HST receivable unusually high at the end of 2019. All amounts owed to SweetWater were collected shortly after the year-end.

Accounts payable and are down from 2018, reflecting the decrease in the accrued Review engagement fee in 2019 over 2018.

The Legacy Fund and the Sustainability Fund are held by Ontario Arts Fund who are the Trustees. As a result, we do not see either of these amounts reflected in the SweetWater assets and liabilities. Referring to Notes 2 (c) and 5 in the financial statement notes will provide information on how these Trusts interact with SweetWater.

### Statement of Operations and Changes in Fund Balances

<b>Highlights:</b>	<b>2019</b>	<b>2018</b>
Total Revenue	\$111,633	\$103,550
Artistic Director cost	10,946	7,796
Costs of festival & jazz	61,170	60,345
Administration	33,255	32,420
Marketing, fundraising, community	4,465	2,557
<b>Net surplus</b>	<b>\$1,797</b>	<b>\$ 432</b>

Here are the key factors and differences that result in an increase to the operating surplus of \$1,797, an increase of about 3% over 2018. In large measure we can look to the sale of program ads, the hard work by the fundraising committee in securing sponsorships and the tough stance taken in managing costs as reasons why we have had a better financial year than in 2018.

We were faced with the need to recruit and hire a new Artistic Director and part of this planned and well-constructed transition was doubling up with the incumbent and the new AD during the 2019 Festival. SweetWater absorbed this additional cost in 2019 in part due to the increase in earned revenue.

Community outreach was funded through grants, and the Next Wave introduction of emerging musicians was a first-time initiative.

In 2019 for the first time, an amount was budgeted for a reserve for contingencies. Due to an expense reduction from 2018 when we overaccrued the cost of the review engagement, offset by the cost of 12 months of the subcontracted bookkeeper and the write-off of stale CD inventory, this contingency of \$2,000 is largely what gives rise to the surplus figure.

My personal thanks to our Festival Manager for his unstinting work on organizational finance and administration, and to our bookkeeper Catherine Gignac. Both these individuals have contributed to the effective operation of SweetWater during 2019 and have also been of great personal assistance to me while carrying out my role.

**SWEETWATER MUSIC FESTIVAL**

**FINANCIAL STATEMENTS**

**AS AT NOVEMBER 30, 2019**

DRAFT

**SWEETWATER MUSIC FESTIVAL**

**FINANCIAL STATEMENTS**

**AS AT NOVEMBER 30, 2019**

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# INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

## **To the Members of Sweetwater Music Festival**

We have reviewed the accompanying financial statements of Sweetwater Music Festival that comprise the statement of financial position as at November 30, 2019, and the statements of operations and changes in fund balances and of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

## **Management's Responsibility for the Financial Statements**

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

## **Practitioner's Responsibility**

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

## **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Sweetwater Music Festival as at November 30, 2019, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

**SWEETWATER MUSIC FESTIVAL**

**STATEMENT OF FINANCIAL POSITION**

**AS AT NOVEMBER 30, 2019**

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
<b><u>ASSETS</u></b>		
<b>CURRENT</b>		
Cash	14,242	12,763
Accounts receivable	181	3,044
Government receivable	2,089	973
Prepaid expense	1,733	1,209
	<u>18,245</u>	<u>17,989</u>
	<u>18,245</u>	<u>17,989</u>
<b><u>LIABILITIES</u></b>		
<b>CURRENT</b>		
Accounts payable	127	1,215
Accrued charges	1,900	2,853
Deferred contribution Note (3)	2,000	1,500
	<u>4,027</u>	<u>5,568</u>
<b><u>NET ASSETS</u></b>		
<b>UNRESTRICTED</b>	<u>14,218</u>	<u>12,421</u>
	<u>18,245</u>	<u>17,989</u>

*Approved:*

\_\_\_\_\_ Director

\_\_\_\_\_ Director

**SWEETWATER MUSIC FESTIVAL**  
**STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED NOVEMBER 30, 2019**

	2019	2018
	\$	\$
<b>REVENUE</b>		
Earned revenue	34,472	28,800
Private funding	53,204	52,676
Public funding Note (6)	23,963	22,074
	<u>111,639</u>	<u>103,550</u>
<b>EXPENDITURES</b>		
Artistic	47,743	46,031
Internet presence & outreach	79	129
Event marketing & production	33,314	35,089
Education and community outreach	2,876	1,510
Fundraising	10,451	14,133
Administration	15,379	6,226
	<u>109,842</u>	<u>103,118</u>
<b>EXCESS OF REVENUE OVER EXPENDITURES</b>	<u>1,797</u>	432
<b>NET ASSETS, END OF YEAR</b>	<u><u>14,218</u></u>	<u><u>12,421</u></u>

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**SWEETWATER MUSIC FESTIVAL**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED NOVEMBER 30, 2019**

	2019 \$	2018 \$
<b>OPERATING ACTIVITIES</b>		
Excess of revenue over expenditures	1,797	432
Cash provided by operations	1,797	432
<b>Change in non-cash working capital items</b>		
(Increase) decrease in accounts receivable	2,863	(1,768)
(Increase) decrease in prepaid expense	(524)	150
(Increase) decrease in government receivable	(1,116)	1,319
Increase (decrease) in accounts payable	(1,089)	1,217
Increase (decrease) in accrued charges	(952)	352
Increase in deferred contribution	500	1,500
<b>INCREASED CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>1,479</b>	<b>3,202</b>
<b>CASH POSITION, beginning of year</b>	<b>12,763</b>	<b>9,561</b>
<b>CASH POSITION, end of year</b>	<b>14,242</b>	<b>12,763</b>
<b>Cash position is comprised of:</b>		
Cash	14,242	12,763

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**SWEETWATER MUSIC FESTIVAL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS AT NOVEMBER 30, 2019**

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**1. PURPOSE OF THE ORGANIZATION**

The Sweetwater Music Festival (the "Festival"), is incorporated without share capital under the Corporations Act of Ontario. The Festival showcases the best musicians from across Canada and around the world performing classical, jazz and contemporary music in Owen Sound and Meaford, Ontario

The Festival is a registered charity and, as such, is exempt from income tax and may issue official receipts for tax purposes.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**(a) Basis of Accounting**

The financial statements have been prepared using the Canadian accounting standards for not-for-profit organizations.

**(b) Financial Instruments**

The Festival's financial instruments consist of cash, investor account, receivables, accrued charges, and government remittances. Financial instruments are recorded at fair value when acquired or issued and are subsequently reported at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate declines in values.

**(c) Revenue Recognition**

The Festival follows the deferral method of accounting for contributions. Externally restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recorded as revenue when received. Distributions from the Trust Funds held at the Ontario Arts Foundation (Note 5) are recognized in the year in which they are received.

Ticket sales and advertising revenues are recognized in the fiscal period when the related performance occurs provided the amount of revenue can be reasonably estimated and collection is reasonably assured. Fundraising revenue is included in revenue at the time received.

**(d) Contributed Services**

Volunteers contribute services each year to assist the Festival in carrying out its activities. Contributed services are not recognized in the financial statements due to the difficulty in determining their fair value.

**(e) Use of Estimates**

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from these estimates as additional information becomes available in the future and adjustments, if any, are recorded as that information becomes known.

**SWEETWATER MUSIC FESTIVAL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS AT NOVEMBER 30, 2019**

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**3. DEFERRED CONTRIBUTION**

During 2019 the Community Foundation Grey Bruce (CFGFB) donated \$2,000 to provide outreach related to the Access Music Project. This was deferred to 2020 for Access Music 3.

The following shows the activity in this deferred contribution during 2019:

Opening balance	\$	1,500
Advances		2,000
Expenditures		<u>(1,500)</u>
Closing balance	\$	<u>2,000</u>

**4. FINANCIAL INSTRUMENTS**

The Festival is exposed to interest rate, market, currency and other price risks related to its financial instruments. It is exposed to liquidity risk.

Interest risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Festival is exposed to interest rate risk arising from changes in interest rates affecting the value of their endowment fund.

Liquidity risk is the risk that the Festival will encounter difficulty in meeting obligations associated with financial liabilities that arise mainly in respect to obligations incurred to operate the music festival. The Festival expects to meet these obligations as they come due by management of its working capital provided by government funding, ticket sales, donations and fundraising.

**SWEETWATER MUSIC FESTIVAL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS AT NOVEMBER 30, 2019**

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**5. FUNDS IN TRUST WITH ONTARIO ARTS FOUNDATION (OAF)**

The Festival initiated the Mark Fewer Legacy Fund Trust (MFLF) and the Sweetwater Operating Fund Trust (SWOF) in June, 2019. The investment income earned in any year in the funds will be distributed by OAF. The percentage rate their Board determines is set to provide stable funding over the long term to arts organizations.

The capital in the MFLF is held in perpetuity. The capital in the SWOF may be encroached upon as the Festival Board of Directors may determine.

The Ontario Arts Foundation ("The Foundation") was provincially incorporated in 1991 as a corporation without share capital and is a registered charity. The Foundation is a public foundation to encourage and facilitate private giving to the arts in Ontario. They are a non-governmental foundation focusing on investments to support the arts in Ontario or elsewhere over the long-term. The Foundation has the following charitable objects.

- a) To receive and maintain a fund or funds to apply all or part of the principal and income therefrom to charitable organizations, which are also registered charities under the Income Tax Act (Canada)
- b) To provide scholarships for study or research in the arts in Ontario or elsewhere
- c) To make awards to persons for outstanding accomplishments in the arts in Ontario or elsewhere

As a co-applicant with OAF, the Festival may apply for funds equal to up to 100% of the donations received to the MFLF in any year through the Cultural Incentives Branch of the Government of Canada. Subsequent to the year end, the Festival received notification from OAF that matching funds totaling \$2,680 will be added to the capital of the MFLF for the year ended November 30, 2019. The SWOF donations are not eligible for these matching funds.

At year end the MFLF contained capital of \$4,065 (2018 - \$0) and the SWOF, \$1,002 (2018 - \$0). Being an inaugural year, no distributions from OAF were received in respect of the year ended November 30, 2019.

**6. PUBLIC SECTOR GRANTS**

	<b>2019</b>	<b>2018</b>
Ontario Arts Council	\$ 11,111	\$ 10,324
Canadian Heritage	<b>11,002</b>	10,000
Municipality of Meaford	<b>1,850</b>	1,750
	<b>\$ 23,963</b>	<b>\$ 22,074</b>

**7. COMPARATIVE AMOUNTS**

Certain comparative amounts have been reclassified to conform with the presentation of the current year's financial statement.



## **Report from SweetWater Manager, 2020 SweetWater Music Festival AGM**

June 18, 2020

Submitted by Paul Eichhorn

SweetWater had its most-ambitious year ever in 2019. Not only did we stage the most events and concerts ever (including two first-time ever events), we also completed a continent-wide search for a new Artistic Director for the first time and bid farewell to our founding Artistic Director at our September festival.

Below is an overview of some of the highlights over the past year.

**SweetWater 2019 and Other Concerts** – It was no surprise that SweetWater 2019 was another huge success. Not only did Mark Fewer pull together an amazing line up (including world-famous countertenor Daniel Taylor) but many of our patrons made it a point to be on hand for Mark’s final outing as AD. It naturally ended with an emotional tribute recognizing Mark’s incredible contributions to SweetWater. The Festival featured two sold out concerts and the largest audience ever for one concert. This year we also engaged a new supplier to record our concerts and this worked out quite well (a big change as George Faddoul had provided this service since the very beginning).

Earlier in the year, SweetWater Jazz III once again saw a standing room only crowd at Heartwood Hall enjoy an amazing night of music. Two weeks later another great turnout enjoyed emerging, aspiring musicians as part of our first-ever Next Wave Showcase.

**Marketing, Promotions, Media** – SweetWater continues to enhance and expand our efforts in this area. This year’s SweetWater 2019 ID was considered one of the most striking ever and we must give some credit for the imagery to our longtime design partner Innisfree Design. We continue to find new ways to better leverage our web site and push traffic to the site via our social media streams. Our Instagram account has seen a significant increase in followers in a short time (now outpaces Twitter). Paid advertising was expanded to link to audiences beyond our region. This effort was also supported by our expand Festival Network, particularly, links to Stratford Summer Music. These co-marketing efforts are an excellent way to get our message across and also support our fellow music festivals in Ontario. In media, we received some great press related to Mark’s farewell in September as well as an amazing profile about our new Artistic Director Edwin Huizinga by *rrampt Magazine*.

**Fundraising & Development** – SweetWater continued to reach out to our current supporter base and again we are extremely grateful to those who made donations. To

enhance this area, a new Support SweetWater web site link was created. This makes it easier for someone to donate, to support an endowment fund, or to volunteer as a Board Member, on a committee, or help at a Festival event. Again, we provided updates to supporters through two mailouts. These were also a great way to talk about our plans for 2019 and to update everyone about our new Artistic Director who also provided the end of year greeting to all.

We once again were fortunate to have so many returning partners (sponsors) along with new ones (TG Group, Baker Tilly, Bellwyck Packaging Solution). Many individual donors again stepped up as partners for our concerts as well as sponsoring a music work.

SweetWater continues to receive excellent funding from our public funders and this is testament to our organizations artistic, administrative, and governance excellence. We are now entering year two of three years of committed funding from the Ontario Arts Council. This spring we received news of continued support from Canadian Heritage (over \$31,000 over the next three years). The Municipality of Meaford increased its support to SweetWater once again and have committed to four years of funding at that level. Of note, all of our public funders have emphasized they are committed to funding no matter what programming can be presented over the coming year due to the challenges posted by COVID-19.

Foundations continue to provide key core funding, especially for our outreach and education initiatives. This past year we received a grant from Community Foundation Grey Bruce supporting our Access Music Phase Three initiative and ongoing support from the Leflar Foundation (a key funder since the Festival was founded). We also again received funds for education and outreach from the Jean Medley SweetWater Memorial Endowed Fund. SweetWater is now actively applying to other foundations to expand our funding base.

This past year, SweetWater created two new funds managed by the Ontario Arts Foundation. The Mark Fewer Legacy Fund will provide a long-term support for artistic excellence of SweetWater (a fitting tribute to Mark) and the Sustainability Fund will offer another stream of annual funding as required. Thanks to Canadian Heritage's matching grant program, funds donated to Mark Fewer Legacy Fund have already grown since last fall.

**Outreach** – This past year was the most ambitious schedule of outreach education initiatives (eight). It included the introduction of two new events (Access Music Fair, Next Wave Showcase) and school visits by performers in March and in September (highest number of students impacted ever). Our String Instrument Showcase (formerly Luthier Exhibitors) had the highest number of exhibitors ever and our annual Classical Jam saw the largest turnout ever in September. Our Education Outreach Committee had bigger plans for 2020 but like so much else, these will need to be modified to accommodate the new normal. We are dedicated to ensuring music opportunities continues especially for youth.

**Artistic** – As you all know, this area had its biggest change ever as we our founding Artistic Director passed the baton to his successor this past fall. Transitions can sometimes be challenging but thanks to both Mark and Edwin, it has truly been seamless. Throughout 2019 (ever before Edwin officially became Artistic Director), he was working with me closely on programming for 2020. Mark also integrated Edwin into the 2019 Festival. Edwin oversaw the Classical Jam and Mozart for Munchkins events. Both also communicated frequently during the transition. And although Mark was busy running another Festival as well in 2019, he continued to provide his usual, amazing artistic direction. The results this past September certainly illustrated that point.

**Administration** – We continue to find ways to create new efficiencies including in the area of financial reporting. The Treasurer has worked closely with me to develop new systems. The end result is a much more robust system to track financials and also generate informative reports for our Board regularly. Along with financials, additional digital archival back ups of key SweetWater files and documents has been created to ensure we have appropriate back ups no matter what happens with other digital files (a must today). Finally, a standard template has been developed for all SweetWater documents including minutes and reports. This features standard typeface, format, and file name system. This makes finding documents easier and provides an organizational standard... this was a long overdue change.

**The New Normal** – This report was started in early March as we geared up for our AGM to be held on March 21.... that never happened. The emergence of COVID-19 has turned everything in our lives upside down. To say the least, it has impacted SweetWater as well. To date, we have had to postpone or cancel three events and have had to rethink our plans for the coming year. Yes, this is a challenge but our entire SweetWater team has already come together and created several new ways for people to connect to music. Things have changed but we will keep the music alive... you can count on that!

As always, a special thanks the Board of Directors for their support and guidance over the past year and big thanks for all of their hard work which resulted in another successful year for SweetWater. In particular, a special thanks to Colleen Purdon who is ending her term as Board Chair (she has worked with me closely since I joined the SweetWater team and I greatly appreciate all of her support and advice over the past four years). Thanks also to Shawna Macivor, who recently retired from our Board after four years. Her work as Secretary was particularly helpful to me and it was great to work with her to support SweetWater. Thank you to both our current Artistic Director as well as our past Artistic Director for all of their work. Their great work and vision assured a smooth transition in 2019 and has provided a strong foundation for the year ahead and beyond. Finally, thank you to our many SweetWater friends: volunteers, supporters and patrons. SweetWater happens because of the support of our extended “family”. I am sure our family working together will see SweetWater through this interesting period.

PE

**Report of the Education and Outreach Committee**  
**Annual General Meeting**

**Sweetwater Music Festival June 18, 2020**

The 2019-2020 season was very busy and productive with some new ventures to increase awareness and impact of the Sweetwater Music Festival in the local area.

**Access Music Trade Fair**

The new year began with the Access Music Fair on April 13<sup>th</sup> held at the Harmony Centre from 10-2 pm. SWMF invited musical groups, associations and teachers to participate in the event free of charge, in order to make community connections and hopefully increase attendance and engagement with music leaders in the area. Funding for the Fair was provided from the Community Foundation and additional support from Long and McQuade. While 35 “vendors” of musical wares attended, the attendance from the general public was less than what had been expected. Those participating believed the networking was worthwhile but a survey conducted at the conclusion indicated that very few attending would be willing to pay or assist with future fairs. The committee will discuss the value of repeating the Trade Fair next year.

**Next Wave**

A recital of up and coming young musicians was held on June 2<sup>nd</sup> at Leith Church in Annan. The intent of this concert was to provide an opportunity for young musicians to showcase their talent. Mark Fewer had provided comments on their audio/video submissions and for this first-time event, had approved all applicants for performance. Refreshments were provided by Sydney with assistance from Charlotte and her daughter, Hannah. Each performer was provided with an honorarium of \$75 and a copy of a recording of the performance produced by Cam McKittrick for Sweetwater. Ten musicians performed and the afternoon provided a wonderful opportunity for all performers and was enjoyed by the audience.

The committee agreed to consider continuing the event the following year, however making some modifications particularly regarding accompanists and fees paid to them.

**Festival Weekend**

**School Visits**



Mark Adam, percussion professor from Acadia was the visiting clinician for SWMF this season. Jackie arranged for him to visit Eastridge Public school on Friday morning through music teacher, Laura MacFarlane. He spoke to a large group of senior public school students about music as a profession and also gave 3 percussion students from the school a master class. He then attended Saugeen District through Kerri Lynn Boyes and spoke to two different classes there about music as a profession.

### **Mozart for Munchkins**

Edwin Huizinga (violin) and Graeme Campbell (guitar) provided music for the young children on Saturday morning. More movement and imagination was involved this year. A petting zoo was also offered for the children to try mostly percussion type instruments. Comments were that the music portion was too lengthy for young children and needed even more music for movement. Also, the set-up time was too short to transition to the next event of Classical Jam. and the space too crowded for musicians.

### **Classical Jam**

Musicians enjoyed performing *The Holberg Suite* by Greig as recommended by Edwin. The space and time was limited for this activity.

### **String Instrument Showcase and Luthier Talk and Performance**

The Luthier Exhibit got a new name, String Instrument Showcase. It featured 11 artisans from across Canada. To build on this success, SweetWater is consulting with the luthiers to look how to take this unique showcase to the next level. The Luthier Talk and Performance featured a short performance along with an interesting Q&A with Mark Fewer and Edwin Huizinga conducted by Robert Harris. It was followed by a Q&A with some of the luthiers and a special presentation of a violin made by the luthiers for Mark on his departure from SweetWater.

### **Spring 2020**

Due to COVID-19, some planned outreach activities had to be postponed including the in-person Next Wave Showcase. This now an online, virtual showcase and performers will be highlight online over the coming weeks. School visits planned in March and late May were also cancelled. To provide new opportunities for young musicians, online links to musicians are being

developed moving forward. The first one is with musician Jaron Freeman-Fox. The introductory video was posted online on June 16 and a virtual music workshop Q&A with him will take place on June 30. The committee will consider new outreach for the balance of the year based on the plan for SweetWater in 2020. It is more important than ever to provide links to music for the entire community.

## FUNDRAISING COMMITTEE REPORT...Year in Review.

**June 18, 2020**

**PREPARED BY: Lynda Montgomery (Committee Chair)**

**Members: Shawna Macivor, Colleen Purdon, Elizabeth Warren**

**Staff: Paul Eichhorn**

Fundraising during this past year (March 2019-March 2020) has been very successful. With increased expenses incurred over this busy year, we increased our budget forecast and met our target. Particularly gratifying was having all 4 major Concerts (as well as the Spring Jazz 3 Concert) sponsored well before the Festival. As well, our Advertising income doubled from our projected budget! Thanks to all Board Members for their efforts here.

Fundraising strategies have continued to focus on the Gratitude Attitude! Efforts to demonstrate our appreciation as well as reach out to our supporters seem to be welcomed.

\*The 3rd SweetWater Jazz at Heartwood Hall pre-party was well attended with positive feedback.

\*Consistency in sending out our “hard copy” outreach letter in the Spring and the Fall has also seen positive results.

\* We are enhancing our Outreach to our membership through increased frequency of posting and expanding our social media presence. Thankfully our Festival Manager has deep skills in that area!

The Committee has spent much time on reorganizing and updating our Donor/Sponsor levels and benefits and ensuring our lists of supporters is up to date and accurate.

Current promotional material is always being developed to inform our supporters of the different opportunities for giving.

Our efforts to engage Corporate support have not been particularly fruitful. We still struggle to develop this facet of potential community support.

The Grant Applications sent in by our Manager and Colleen have been consistent and successful. They constitute a significant portion of our budget. Thank you.

During last years' Festival we were able to announce the creation of the Mark Fewer Legacy Fund and the new Operating Fund. Both of these funds will have a percentage of matching funds from Canadian Heritage. They will be important vehicles for future support from our patrons and a good tool for the Board. Thank you Colleen for spearheading this.

The next year will prove challenging. With the onset of Provincial lockdown as a result of COVID-19, our first outreach concert in Toronto scheduled for late May had to be postponed (likely for a year). As well, the May SweetWater Jazz 4 Concert at Heartwood Hall was also postponed.

These opportunities for revenue will require creative solutions during the next year.

The Committee has again worked diligently this past year and coupled with the efforts of all Board Members, we have seen a most gratifying year.

THANK YOU.

Sincerely,  
Lynda Montgomery

## *Sweetwater Endowment Committee Update*

The Endowment Committee was formed as a sub-committee of the Fundraising Committee in 2020. It is currently comprised of three members: Colleen Purdon, John Shut and Adrian Hussey who chairs the committee. The committee was established with the objective of raising funds for the Mark Fewer Legacy Fund and the Sweetwater Sustainability Fund two endowments that were established in 2019 with the Ontario Arts Foundation. The committee has chosen to focus its fundraising efforts on planned giving from individual and family donors. Planned giving can take the form of a bequest in a donor's will, a gift of securities, or the proceeds of an insurance policy or a registered account where one of the endowments is named as the beneficiary. The decision to focus on planned giving was taken so that fundraising for the endowments does not conflict with Sweetwater's existing and ongoing fundraising activity that focuses on annual operations of the festival

The Mark Fewer Legacy Fund is a perpetual foundation from which annual income can be withdrawn and applied to the costs of artistic development and direction. The Sweetwater Sustainability Fund permits income and/or capital to be paid to the Sweetwater Festival, subject to the discretion of the foundation's trustee/board of directors. Once The Sustainability Fund is adequately funded the intent is to withdraw annual amounts that vary according to increases or decreases in festival costs or other sources of revenue. Funds may be applied against artistic and operating costs.

The Endowment Committee is in the process of developing its initial fundraising materials and plans. It anticipates reaching out to potential donors during the summer of 2020. The Committee would welcome any new members.



## Sweetwater Board of Directors' Nominees for 2020-2021

Below is the slate of nominees to date for this coming year:

### **Michael Vair-Haley** (first year of first term)

Mike was raised in Owen Sound and, like many others, went off into the wide world as a boy only to come back to his roots as an adult with a few interesting experiences under his belt. He started playing music casually with friends while living in East Asia but more so made a name for himself organizing live music events and booking tours for musicians in Taiwan. This eventually evolved into founding and directing a city wide multi-venue music and arts festival.

Today Mike is living in Owen Sound close to family for the warmer months and plans to travel back to Taiwan to continue his passion for bringing great live music to the people of that beautiful island.