



2010-2011 Annual Report



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MESSAGE FROM THE CHAIR

In these uncertain and challenging times it has been an exciting year with being involved in both the Community Futures Fraser Fort George (CF FFG) and Community Futures BC Board. As I complete my third term as Chair of the Board for CF FFG, it has been an extremely focused and progressive year; thanks to the funding agencies and the extraordinary effort of our many volunteers, Board members, staff, program facilitators and local partners. It is through the efforts of these individuals and partners that Community Futures Fraser Fort George has, once again, grown, supported and enabled businesses, opportunities and initiatives to prosper and move forward in the Fraser Fort George region.

Our many volunteers and staff continue to be focused in moving forward in implementing the annual plan and achieving the desired outcomes set forward by the Board for the fiscal year.

Notable achievements for the 2010-11 fiscal year include:

- Despite the economic slowdown CF FFG advanced almost \$800,000 in small-business loans; supporting over 20 businesses in the Fraser Fort George region.
- Community Futures received slightly more than 3,690 inquiries about the Self Employment Benefit Program, with 142 people proceeding forward through the orientation sessions.
- Over 450 clients attended the various evening workshops and training programs delivered by our skilled facilitators.
- Community Futures continues to be involved with a number of community initiatives throughout the region and has been the lead proponent on several projects.

- Beyond the Market – Growing the North was launched. This is a cross regional initiative is a collaborative project that includes Community Futures 16/37, Nadina, Stuart-Nechako and Fraser Fort George.
- The continued collaboration of the Northern BC Community Futures offices is bringing about new and exciting opportunities for the northern region.
- Working I collaborating with Prince George Nechako Aboriginal Employment and Training Association to research the trades and construction opportunities for Aboriginal people across the north was a positive initiative that will provide new opportunities in the future.

During the 2010-11 fiscal year Community Futures Fraser Fort George continued to be committed to business support and development while enhancing community development through inclusive and cross-regional initiatives.

Community Futures Fraser Fort George continues to be engaged in a number of cross-regional partnership projects including: the 16-97 Economic Alliance, Northern Interior Mining Group, and the Northern BC Community Futures Network, to name a few. These networks have been increasingly successful in strengthening the voice of communities across the northern region.

As we come out of the economic downturn and move into a new fiscal year, we are confident that our lending portfolio will continue to be utilized by small business developers and owners to support the growth and development of their businesses.

On behalf of the Board, volunteers and staff, we look forward to the 2011-12 fiscal year being a positive

and fruitful year for both our business development and economic development portfolios.

INTRODUCTION

Community Futures Fraser Fort George (CF FFG) is a not-for-profit organization which is governed by a volunteer Board of Directors serving the communities and people within the Regional District of Fraser Fort George boundaries.

Six standing committees enable the Board to guide program activities and carry out the mandate in the region. These committees include: Operations Committee; Governance Committee; Prince George Self Employment Benefits (SEB) Committee, two rural based SEB Review committees representing Canoe-Robson Valley and Salmon Valley-Mackenzie; the Finance and Lending Review Committee and the Strategic Advisory Committee.

In addition to the six standing committees, Community Futures Fraser Fort George works with Project Advisory Committees to guide our projects. For example, the Beyond the Market: Growing the North project has a cross-regional advisory committee to guide the project activities and outcomes.

Depending on the committee, meetings are as held as regularly as once per month (such as for the SEB Committees) or called on an as needed basis for the majority of the other Committees. The Board of Directors meets five times per year including the Annual General Meeting. Any urgent or important matters that require attention or continuity of the Board members are brought to the Operations Committee between regular Board meetings.

Community Futures Fraser Fort George has adopted the Complimentary Board Governance Model and the Board and Staff participate in a planning session every three – five years, and/or an annual planning session, to review the operations, philosophy and mandate(s) of the Corporation.

Community Futures Fraser Fort George has nine staff in the Prince George office and contracts two part-time positions with the Chamber of Commerce in Mackenzie and the Village of McBride. These agreements assist Community Futures Fraser Fort George in servicing these areas in addition to the full-time staff, from the Prince George office, traveling to the communities.

Vision Statement

To improve the quality of life in our region by: enhancing business and entrepreneurial success, and community development.

Mission Statement

To be leaders in:

- Serving those entrepreneurial individuals considering self-employment
- Serving the social and economic needs of our region by encouraging business and community economic development
- Establishing new partnerships and enhancing existing partnerships with agencies, organizations and foundations that have similar and complementary mandates both inside and outside of our region

Community Futures Fraser Fort George is committed to:

- Being a leader in the management of economic change
- Responding to demographic changes
- Providing excellent customer service that will continue as we grow and expand

- Working to achieve a balance of addressing “business development” and “community economic development”, recognizing that the two are linked
- CF FFG considers the following benefits in our decision making process:
 - Human Benefits
 - Community Benefits
 - Employment Benefits
 - Economic Benefits
- Offering our services to non-traditional, unique and unproven projects that other organizations may not be willing to take a risk on
- Using the communities’ multi-year economic strategies as a tool for our decision-making process

STAFF & CONTRACTORS

As noted above, Community Futures Fraser Fort George has nine staff members, plus to contractors:

Susan Stearns, General Manager
 Karen Hebert, Comptroller
 Marie Patenaude, Executive Assistant
 Shirly Prokopchuk, Client Services Officer
 Laurie Hooker, Self Employment Benefit Coordinator
 Eric Bennett, Business Analyst
 Rodney Gainer, Business Development Officer
 Rebecca Reid, Initiatives Development Officer
 Jillian Merrick, Beyond the Market Project Coordinator

Contractor Serving Salmon Valley – Mackenzie region: Chamber of Commerce – Lynda Kearns
 Contractor Serving Canoe-Robson Valley: Village of McBride – Allan Frederick

GENERAL MANAGER’S REPORT

Community Futures Fraser Fort George continues to build on our service delivery working with individuals and organizations in entrepreneurial and business development. This is demonstrated through our workshops, SEB and Loan Programs reports contained within this document.

Community Futures Fraser Fort George continues to offer the following programs and services:

- Finance and Lending programs
- Self Employment Benefit program
- Workshop and Training
- Initiatives Development
- Video-Conferencing services
- Training room rental
- One-Stop Business Registration
- Small Business counseling services

Three years ago we made a commitment to all our service communities that our team members would increase the number of visits to the communities of Mackenzie, McBride and Valemount. We have lived up to this commitment and have scheduled, at minimum, one visit per quarter to each of the communities. During our visits we engage in numerous meetings with individuals, businesses, not-for-profits, local government, and provided presentations as requested by groups. Our goal is to listen and learn about how we can serve the communities, businesses and residents better and to continue being a positive partner across the region and in each of the communities; a goal we remain committed to.

Community Futures Fraser Fort George continues to remain highly involved with the 16-97 Economic Alliance. We have increased participation of economic development practitioners from across four regional districts to now include members from

the Kitamat-Stikine region; we believe the focus of this group continues to be a valuable resource to many. The 16-97 Economic Alliance has grown stronger over the past few years and remains dedicated to and focused on enhancing the support, networking and capacity of the economic development practitioners across the region. Community Futures continues to be dedicated to committing some of our Initiative Development Officer's time, along with my time, to supporting the mandate of this organization.

During the past year, Community Futures has been working with the Northern Interior Mining Group (NIMG) by providing administrative and facilitator support to assist them in moving forward. The NIMG Leadership Team continues to be committed to the networking of the mining service sector with the goal of strengthening the small business community's ability to service the mining industry.

Our Agricultural Initiative – Beyond the Market: Growing the North - was launched this year. Jillian Merrick and Chuck Holyk have been extremely active in generating interest in the project. With this, I want to extend appreciation to our project partners and funders including: Community Futures 16/37, Community Futures Nadina, REDI-BC, the Omineca Beetle Action Coalition, and the Regional District Fraser Fort George along with the in-kind volunteer contributions from many, many individuals from Terrace right through to Valemount.

In addition to the above, Community Futures has been working with Prince George Nechako Aboriginal Employment and Training Association to complete a construction trade research project that is focused on trades opportunities across the northern region. This work is in the preliminary stage and will be advanced forward through the next fiscal year.

Each year, Community Futures BC hosts a Provincial conference, which took place in Vernon this year. The conference provides a great opportunity to learn more about projects and initiatives that are taking place across the province as well as continuing to learn and grow from other Community Futures leaders in the programs and services we deliver.

Having more insight and learning more about the developments from other regions was an invaluable experience and we continue to work closely with the other eight Community Futures Managers from across the northern region to develop closer relationships and form stronger networks. The Northern Managers met in November 2010 to further advance their action plan and incorporate new ideas on cross regional programs, marketing and sharing of information.

In the forefront of business development and services, we increased the number of workshops that we offer, including a new variety of fee for service opportunities. These services are geared towards the more seasoned business owner rather than those in the start-up phase. The response to this continues to be positive with interest from the business community proving there is a need for additional mini-workshops for this sector.

The lending portfolio picked up volume this year and we were able to support a larger number of small business loans in the communities. Although a number of the loans were new business start-ups, we were also able to support a number of business expansions. Alongside our new loans, the Business Analysts provided coaching sessions for small business owners ranging from financial management, to organizational change while continuing to arrange flexible payment schedules for clients that may be having a difficult year.

Audited Annual Financial Statements can be obtained via written request to:

Community Futures Fraser Fort George
Attn: Comptroller
1566 Seventh Avenue
Prince George, BC V2L 3P4
Fax: 250-562-9119
Email: info@cfdc.bc.ca

In addition to the Business Analysts being involved with one-on-one coaching and financing, they are very involved with the Junior Achievement program and take a keen interest in doing business related workshops and training to a wide variety of audiences.

At the beginning of the fiscal year, we were notified by the Ministry of Social Development that the Self Employment Benefit Program will become part of a larger agreement as of April 1, 2012. The agreement for the Employment Service Centres across the region will be the delivery agent of these services. During this fiscal year, Community Futures has worked with a number of proponents to develop an opportunity to be a part of this delivery mechanism. We are optimistic that even with the upcoming changes the Self Employment Benefit Program will continue to be delivered by Community Futures.

During this fiscal year, there was a slight decrease in the number of participants that successfully started a business through the SEB program, however the number of participants in the workshops sponsored through the program remained steady.

It is always a pleasure to be invited to do presentations on Community Futures' programs and services in the communities and to different organizations. It is always a different experience

with each group and I extend my sincerest gratitude to those who have invited a member of our team to share our programs and services with you.

Each year Community Futures Fraser Fort George continues to support our Board development by providing opportunities to take part in a Board Training program that is specifically designed for Community Futures Board of Directors. This fiscal year was no exception and many of the Board members participated in several of the modules that are offered in-house.

In closing, I extend my sincerest appreciation to the numerous volunteers that put in countless hours of time into supporting Community Futures Fraser Fort George whether it be on the Board, Finance and Lending Committee, Self Employment Benefit Committee or in other areas of development. The contribution of your time is invaluable to the success of Community Futures and the small businesses and communities that we serve.

BUSINESS DEVELOPMENT

To assist entrepreneurs to develop, diversify and expand economic activity in our region, a core service of Community Futures of Fraser Fort George is providing business financing to small and mid-size enterprises. Loans are available to assist new business start-ups or a business purchase; and for business expansion, stabilization, or transition.

Community Futures' loans range from 'micro loans' of \$1,000 to \$10,000 - and up to \$150,000; and in some instances may access additional provincial funding to provide up to \$300,000 for exceptional projects. Loans feature competitive interest rates, repayment terms up to 5 years, and a benefit

introduced this past year assists borrowers with reduced payments for the initial 3 months.

During the 2010-11 fiscal year, with the region's uncertain economic environment, and dealing with fewer larger scale enterprises, we contributed to overall smaller loan requests which resulted in lower lending volumes compared to prior years. Despite the slow economic recovery, CF FFG advanced just under \$800,000 in small-business loans; supporting over 20 businesses in the Fraser Fort George region.

Since 1994 Community Futures Fraser Fort George has loaned over \$23 million toward supporting small businesses within our region. An added benefit is that Community Futures' loan funds – typically provided when traditional lenders are unable to - have created more than double the financial impact, by enabling entrepreneurs to access additional equities, funding programs, and debt financing of over \$31 million that might not otherwise have been available or utilized in our communities.

As a developmental lender, Community Futures determines financing locally, considering each proposal on its own merits, and often when traditional lending institutions are unable to help. To ensure community input on loan approvals, the Finance & Lending Review Committee (comprised of community volunteers and entrepreneurs) is involved with the loan approval process. The Committee met as needed during the year to review new loan proposals, financial arrangements about current loans, and credit-related issues.

While Community Futures looks for reasonable industry balance in its loan portfolio, new loans reflect the business opportunities and proposals identified by our entrepreneurial clients. Again this year, we continued to see more modest scale enterprises with many individuals starting a variety

of service and small retail businesses as 'solo' owner operators. Loans have been fairly even between new business start-ups and assisting existing businesses.

During the year Community Futures' staff - Eric Bennett, Rodney Gainer, Rebecca Reid, and Laurie Hooker - met with many clients and potential clients regarding business guidance, start-up, and financing. This included providing technical assistance on all aspects of business planning and financial forecasting, and delivery of training and skills development sessions. Loan staff strive to provide longer term guidance to our borrowing clients in recognition of ongoing challenges resulting in a longer timeline to establish a business.

SEB PROGRAM

Over the 2010-2011 Fiscal Year the Self Employment Benefit program (SEB) remained sought after by potential entrepreneurs. There were 3,690 inquiries resulting in 142 individuals taking the 2 day Orientation Session or having a one on one meeting with regional delivery agents. Moving forward from the Orientation 76 clients were approved for the 8 week business planning portion of the SEB program (Phase 1) with a total of 50 clients receiving approval from the Phase 2 business implementation review committee to start their business with support from the program.

While changes to the funding agreement have also resulted in changes to the delivery of the SEB program through the CF FFG office, clients continue to express their enthusiasm and appreciation for the opportunity to receive support financially as well as to develop their business acumen. The businesses started through the SEB program cover a broad spectrum of business types over many sectors.

CLIENT PROFILE



Theresa Sapergia – Handsome Cabin Boy Tattoo

<http://www.handsomecabinboytattoo.com/>

Four years ago, Theresa Sapergia wanted to create something different in the tattoo community in Prince George. Combining her fine arts background with her training in tattooing Theresa decided to open a shop with the look of an art gallery and the relaxing atmosphere of a day-spa.

Holding a Bachelor of Fine Arts from Emily Carr and a Masters of Fine Arts from Concordia Theresa is proud of every piece of work she has completed, whether a piece of art or a tattoo, and she is passionate about the hand selected works of art she has created. The combination of her creativity with her clients' initial ideas is the perfect recipe for a tattoo.

Theresa says her biggest supporters in the venture have been her family and friends, Community Futures, and other local businesses. She explains that her family has been very supportive throughout this whole process while Community Futures guided her on the pathway to success, especially through the business planning process. She also met many other

local business owners through workshops and friends that have been mentors and helped Theresa with any questions or concerns that arose as she grew her business.

Sapergia is very proud of the high bar she and her co-Tattooer: Katie Zammit have set for themselves and of how they have been able to work together to create a successful business; but she also insists everything she has experienced is a gift. With the success of the shop, Theresa has recently signed a new five-year lease in her current location. Also, as a successful entrepreneur, she is proud to be able to give back to her community and donates to various groups such as Pride Week, Cinema CNC, Twin Rivers Art Gallery, the SPCA, and an annual ALS walk.

It has been a long and eventful journey for Theresa, but the hard work is starting to pay dividends. She has become more confident in her abilities as a business owner and has built up a dedicated clientele booking months in advance for tattoos. After working 6 or 7 days a week for the first few years Theresa explains that she's finally taking more days off this summer and has realized that she is able to without having to worry too much.

WORKSHOPS & TRAINING

The 2010-2011 fiscal year saw a number of changes to the workshops and training offered by Community Futures Fraser Fort George.

Two new workshops were introduced with the training schedule expanded to include the following topics: *Web Design Basics* and *Social Networking*.

We also expanded two workshops, *Processes for An Easy Month & Year End* and *World Class Sales*, from one night to two nights due to clients' feedback that they would appreciate additional information

through these workshops. The *Fraud/Scams/Identity Theft* has been re-added to the selection of our workshops for this fiscal year. This workshop is sponsored by Community Policing. Research and development of new workshops; both free and fee-for-service is ongoing.

In April & May 2010, two external seminars were offered to clients:

- *HST Seminars* (one in April at CF FFG and one in May at the College of New Caledonia); both sessions were delivered and sponsored by Canada Revenue Agency
- *Human Resource Took Kit Seminar* was delivered in May and sponsored by the BC Human Rights Coalition Society. All sessions were free of charge.

While there was a decrease in attendance at the SEB 2-day Orientation Workshop (81 participants), there was a slight increase in the number of people participating in the 4-day Business Planning Workshops (81 participants).

Overall, workshops were well attended with the number of participants remaining steady at 451, with a positive improvement in participation of registrants and reduced number of no-shows. Evaluations continue to be completed at the end of each workshop and shared with facilitators to ensure our training workshops meet client needs.

Community Futures video conferencing equipment and training room was also used 65 times throughout the 2010-2011 fiscal year. This is a combination of external (fee for service) and internal (CF related) use. These resources continue to be a positive asset both for CF FFG's use and for community and business development.

COMMUNITY INITIATIVES

During the 2010-2011 fiscal year the community economic development priority for CF FFG was the Beyond the Market: Growing the North project. This cross regional agriculture project was developed out of the Omenica Beetle Action Coalition (OBAC) agriculture strategy working group and designed to address a number of the priorities OBAC identified in their Agriculture Strategy for the region.

Due to the cross-regional nature of the project a significant amount of time was spent on stakeholder engagement, planning and research. CF FFG took the project lead while also working closely with the Nadina and 16-37 Community Futures offices to ensure the project goals and objectives met the needs of communities across the region.

Growing from a discussion about the challenges farmers face trying to sell local food to local institutions, the project's goal is to work with project partners and communities to build, strengthen, and diversify the produce industry in communities from Valemount to Terrace by:

1. Increasing access to information about regional markets and value chain opportunities
2. Building and enhancing networks
3. Encouraging commercial consumers to purchase local foods
4. Encouraging value-added opportunities

With the majority of project funding confirmed in December 2010, Jillian Merrick, the first of two Project Coordinators, was hired and began full-time in January 2011. Between January and March 2011 the project focused on community engagement and outreach to producers, both through face to face meetings and through the creation and distribution of a producer survey. Project activities also included

working with Northern Health on a pilot project to introduce local food products to their menu, participation in a UNBC food systems course, and the creation of a number of promotional pieces about how to purchase local food.

With a project end date of June 2012, CF FFG looks forward to continuing to work with project partners to build, strengthen and diversify the produce industry in the upcoming fiscal year.

Beyond the Market has been funded by the Rural Economic Development Initiative through Community Futures BC (REDI-BC), OBAC, the Regional District of Fraser Fort George and the three partnering Community Futures offices.

To learn more about the Beyond the Market Project visit www.beyondthemarket.ca.



CF FFG was commissioned by the Prince George Nechako Aboriginal Education and Training Association (PGNAETA) to undertake a research project looking at the opportunities for trades

employment and business development in construction both on and off-reserve in the next 3 to 5 years. CF FFG completed both primary and secondary research presenting a final report to the PGNAETA Board to assist them in planning for trades education and programming.

Community Futures Fraser Fort George continues to work with partners to support a number of local community projects. During the 2010/11 fiscal year we participated in the planning committee for the Bio-Energy Conference 2010, continued to participate in the MyPG planning process, and provided business planning support to several groups considering social enterprises. Additionally, we participated in numerous community forums, meetings and presentations on a variety of different projects.

Community Futures Fraser Fort George continues to be highly involved with the 16-97 Economic Alliance with Susan Stearns elected as Chair and Rebecca Reid acting as the Alliance event coordinator. During the 2010-11 fiscal year the Alliance saw significant growth in both membership and attendance at networking and professional development events. In April 2010 the Alliance hosted a breakfast networking session with Ken Peacock, Director of Economic Research at the Business Council of British Columbia. The session was held just prior to Minerals North and was well-attended by economic development practitioners from around the province.

The Alliance's Spring Forum 2010 was hosted in Quesnel and topics included agriculture initiatives around the north, how to plug into transportation strategies, sustainable business in small communities and tourism post 2010. The 2010 Fall Forum and AGM were hosted in Vanderhoof at Saik'uz First Nation. Topics included creative partnerships with

educational institutions, succession planning in small communities, successful partnerships with First Nations and an overview of the 2010 Benchmarking Report. Both forums received strong reviews from participants and each event has seen an increase in registration numbers.

During the course of the year, Community Futures Fraser Fort George has participated in a working group focused on developing a Northern Innovations Entrepreneurship Partnership that would fill the gap in technology commercialization across the region that was once serviced by the Innovations Resource Centre.

The initiative started off as a discussion on developing an Entrepreneurship Centre and with the closing of the IRC, however the idea of coupling the technology commercialization and entrepreneurship centre concept was put forward by Initiatives Prince George and was embraced by the larger working group. With strong terms of reference in place the group has begun to develop a proposal to be submitted to the BC Innovations Council and Western Economic Diversification.

CF FFG also continues to provide ongoing support to the Northern Interior Mining Group in their efforts to move forward. This fiscal year the group has advanced forward in becoming a registered society with a full constitution, by-laws and terms of reference being finalized.

The Northern Interior Mining Group published their 2nd Annual Mining Directory and has begun to explore other potential opportunities to raise their profile.

As the Omineca Beetle Action Coalition (OBAC) has moved into the implementation phase of their strategies, CF-FFG has remained highly involved in the process. We continue to participate in the

BEYOND THE MARKET: GROWING THE NORTH

Beyond the Market: Growing the North is a collaborative partnership between the Community Futures of Fraser-Fort George, Nadina, and 16-37 offices, funded by the Omineca Beetle Action Coalition, the Regional District of Fraser-Fort George and the Community Futures Rural Economic Diversification Initiative. Beyond the Market aims to build, strengthen, and diversify the local food and agriculture industry from Valemount to Terrace, linking producers, purchasers and consumers in the region in an effort to identify the barriers to the industry and encourage collaboration and entrepreneurial development to overcome them.

In early 2011, two project coordinators were hired to administer the project, one out of the CFFFG office in Prince George and one out of the CF Nadina office in Smithers. Since that time, the project has published a variety of tools and resources to help connect local farms to various consumer markets in the region, including a quarterly newsletter, a seasonal food availability guide, a marketing brochure for seasonal forest worker camps, and a website (www.beyondthemarket.ca).

The project will continue into the next fiscal year, initiating targeted research into the feasibility of value-added sectors in the regional agriculture economy, assisting in the implementation of local food procurement pilot projects, and hosting food and farm learning events in several communities, including a cross-regional networking and procurement event in Prince George in the fall of 2011.

Agriculture Strategy working group and have signed a Memorandum of Understanding with OBAC and the University of Northern British Columbia on working together on agriculture initiatives.

Community Futures Fraser Fort George has been highly engaged in community economic development initiatives during the 2010-11 fiscal year and looks forward to continuing to work with community partners to lead and support initiatives that build stronger communities and provide business development opportunities in the coming year.