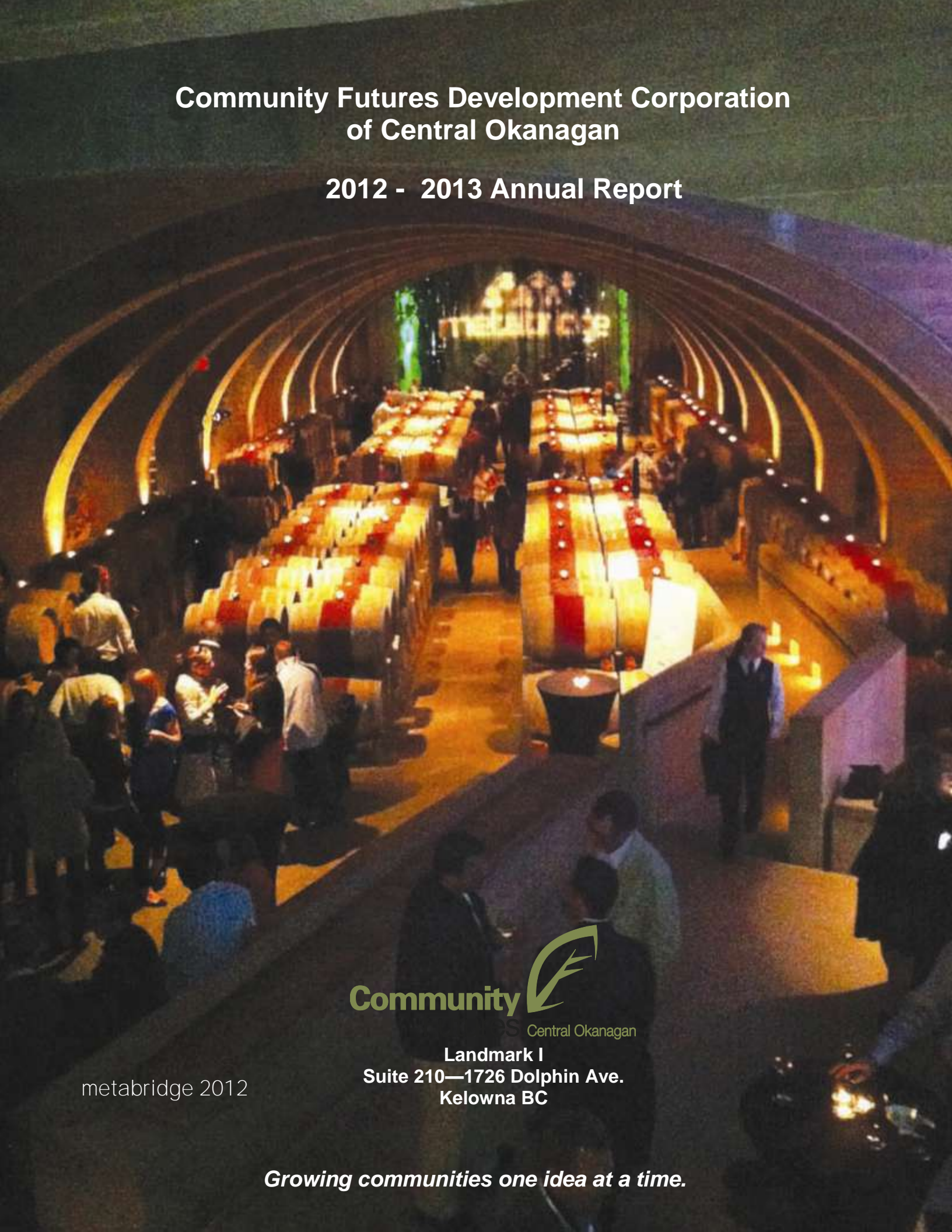


Community Futures Development Corporation of Central Okanagan

2012 - 2013 Annual Report



Landmark I
Suite 210—1726 Dolphin Ave.
Kelowna BC

metabridge 2012

Growing communities one idea at a time.



Barbra Johnston
Chairperson

Community Futures is renewing its 5 year strategic plan. We are seeking input from staff, directors, members, contractors, advisors and community partners to finalize our 2014-2018 Strategic Direction.

Encourage and embrace an entrepreneurial culture at Community Futures:

- on-going review of any and all potential revenue generating opportunities
- be the go to partner in the community for social enterprise development
- position the organization amongst local government for fee for service opportunities
- maintain and develop a strong portfolio of contractors to provide project management, business counselling, instruction and economic development services
- encourage staff to diversify their skills and job description
- encourage and recognize entrepreneurial successes.

Recruit and retain volunteers who are fully committed to the values of Community Futures:

- liaison with community groups and service providers
- network within the business community to recruit business leaders
- encourage active committee members to become directors as vacancies arise
- encourage and facilitate transfer of knowledge and experience from members to staff, consultants and Community Future's clients.

Recruit and retain staff and contractors that have an entrepreneurial outlook and attitudes:

- focus on hiring with prior small business ownership experience, appropriate educational and relevant technical experience
- find ways to diversify skills and find growth opportunities for staff and contractors
- encourage staff and contractors to advocate CFDCCO products and services.

Secure long term contracts in the areas of business skill development and entrepreneurial training:

- seek multi-year renewal of funding contract with WED based on new performance model
- continue to improve and manage the 5 year subcontract with Maximus Canada - WorkBC for Self Employment Program delivery until 2017
- continue pilot program development and seek long term renewal for Youth Means Business Program with the Province of British Columbia.

Provide a supportive and creative lending environment at Community Futures for new and existing small to medium size enterprises:

- on-going with the constant view of eliminating or reducing the barriers to success and access to adequate financing
- strive for \$1,000,000 in total annual lending to approximately 20 small business loans targeting loans under \$50,000
- provide business development training programs to loan clients based on their needs

Community Futures Board Members



Michael Joss
Vice Chairperson



Andrea East
Corporate Secretary



Bill Morrison
Director



Brian Kemp
Director



Mark Dixon
Director



Devon Sailer
Director

Active Members

Broc Broconnier

Una Gabie

Ryan Klassen

Kyleen Myrah

Donnie Ungaro

Nick Battaglio

Ched Gaglardi

Krista Mallroy

Henry Penner

Marion Wahl

Develop new programs and services that meet the changing needs of our clients:

- determine needs, ability and willingness to pay, deliver quality services and programs
- ensure high value has been attained
- look for ways to create repeat business with past clients
- seek funding sources and revenues to support new program development and delivery
- educate community to refer potential clients to Community Futures programs
- provide program development, delivery and marketing support to all contractors and staff.

Be proactive in adopting and utilizing up-to-date techniques and tools:

- continue to develop and utilize TEAX database and systems to make operations and reporting more effective and efficient
- utilize cfdcco.com website as main communications and promotions portal
- employ up to date information technology through equipment, software upgrades and purchases and staff/contractor training and education
- seek new programs, services and technologies that would help Community Futures find efficiencies in its operations and programming.

Strive for a high public profile through various marketing tools and techniques that educates and promotes services and supports provided by Community Futures:

- annual presentations to local area governments
- monthly presentation to local area service providers
- participate in community networking events
- regular meeting and presentations to local area banks, credit unions, accounting firms and professional associations
- conduct regular review of the marketing plans in conjunction with operational results and make adjustments as necessary
- conduct regular website development with new content, graphics, pictures, links and news items that will better attract and inform target clients.

Be accountable to the community and funding agencies by:

- annual financial reports and list of directors and active members listed on web site following the AGM of the Corporation
- yearly community consultation and feedback
- annual reports to local area governments
- annual year in review report on program results and services to the community
- be proud of the work and accomplishments of Community Futures.

Suggestions, improvements, comments and new ideas are welcome. Please contact Larry Widmer, General Manager email: lwidmer@cfdccco.bc.ca or by phone 250-868-2132 ext. 223.



Larry Widmer, CMC
General Manager

Community Futures Staff



Scott Carlson
Business
Analyst



Diane Gies
Self Employment
Program Coordinator



Jane Fitz-Gerald
Bookkeeper



Susan Shedden
Loans
Administrator



Shannon
Schermerhorn
Administrative
Assistant and
YMB Coordinator

In May of 2013, Community Futures welcomed Scott Carlson as the new Business Analyst to replace retiring Dave Scott, a 14 year employee of the organization. The Board of Directors and staff would like to thank Dave for his many years of contribution to the development of its loan portfolio and clients. Scott Carlson comes to Community Futures with many years of self employment experience having developed, operated for 10 years and sold a high end fishing camp business in Northern BC and Alaska. Scott possesses an MBA in Entrepreneurship, has a young family and is keen to become a strong resource in the business development community in the Central Okanagan. Welcome Scott.

The CFDCCO continues to focus on its lending and business development mandate. \$725,000 in loans were made during the past year. The CFDCCO has emerged from this downturn in the economy with a healthy loan portfolio valued at \$2.9M, an increase of over \$100k as a result of improving loan earnings and economic conditions. We are seeing more technology related loan applications with growth in this sector. Companies such as Helios Global Technologies Ltd., a global player based in Kelowna. Community Futures also has an active part in social enterprise development including lending support to the Okanagan Car Share Co-op, a creative and new concept for alternative automobile ownership and use in the Okanagan.



Helios Global Technologies has three strands of products and services: tracking and communications equipment for workers in hazardous industries under our Helios Global Tracking Division; advanced defense and security technology under Helios Defense and Security Research Division and joint venture entity Vorpai Advanced Development Programmes Ltd; and medical devices under Helios Medical Group Division.

The Helios management team is comprised of knowledgeable and dedicated professionals who understand the difficult environments in which their clients operate. Many of their team have first-hand experience on the ground in a variety of complex security environments. Their careers have been focused in the military, law enforcement, diplomatic and personal security, as well as high performing businesses. They have worked inside governments, large corporations and international agencies and are intricately familiar with the way in which they operate. This diverse and substantial breadth of knowledge allows Helios Global Technologies to provide premium quality, cost effective solutions and advice, while taking into account the specific needs of each client.

www.heliosglobaltech.com

1920 Windsor Road
Kelowna, B.C.
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Telephone: 1 250 762 7540



The Okanagan Car Share Co-op was provincially incorporated as a community service co-op in British Columbia in June 2012, and is based in Kelowna BC. Their long-term plan is to establish a viable car sharing social enterprise, based on a growth model that will meet our members' mobility needs and provide a practical alternative to owning a vehicle or a second family car.

Email: info@ogocarshare.ca
Phone: 250-864-0560

Okanagan Car Share Co-op
200 - 1262 St. Paul Street
Kelowna BC V1Y 2C9

Facebook: [facebook.com/
OkanaganCarShareCoop](https://www.facebook.com/OkanaganCarShareCoop)

Twitter [@ogocarshare](https://twitter.com/ogocarshare)

OGO (the Okanagan Car Share Co-Op) will purchase several new cars, which will be parked at designated locations in Kelowna. When an OGO member needs to use a car, he or she will simply use a smartphone or computer to reserve one of OGO's cars at a particular time, using their convenient online booking system. That member's key fob will then be able to unlock the car at that time, and he or she can use it, paying a low rate based on use. The fixed member usage rate is the only cost for using OGO's cars; OGO covers the cost of gas, insurance, cleaning, maintenance, etc.

Sound good? Sign up today.

Self Employment Program Report

The CFDCCO was successful last year in securing a 5-year Self Employment sub-contract under the restructured Work BC Employment Services contract that was awarded to Maximus Canada. The new contract is variable in nature and is based on how many clients are approved for business development. If volumes are low, revenue is lower and has required that the CFDCCO structure its operating expenses to be as variable in nature as possible. Our new operating structure utilizing contractors for the majority of instruction and business counseling works well.

We have established a system for charging tuition to anyone who would like to attend our various programs to increase attendance and generate additional revenue. The biggest challenge as we have found out in the SE Program is predicting and securing enough traffic for each program to be viable.

The Self Employment program supported 35 business starts this past year, down considerably from historic averages of 80-90 start-ups per year. The drop in demand is largely due to restrictions in eligibility and referrals from employment programs. We are still hopeful that these restrictions will ease over time and volumes will increase to viable levels. We feel that the Central Okanagan continues to have a strong entrepreneurial community therefore it is essential that we offer a strong self employment program as an viable employment option.

Business Bootcamp and Business Development workshops will continue and we will step up marketing these programs to increase class sizes and to earn additional revenue. We plan to brand and market the programs to appeal to existing businesses and their employees and also position these programs to qualify for job training incentives that may be matched by the employer and the Provincial Government. We recently delivered a one day entrepreneurship program for Okanagan College Women in Trades Program that was very valuable to the trades people who attended. We are also targeting specialty groups like non-profit organizations seeking social enterprise development, new immigrants and persons with disabilities to broaden our program reach and revenue sources.



“Go back to Fort Mac or start up this underwear store? It was an easy choice. I have always wanted to have my own business. Ever since I was a kid it was how I thought. The original plan was to start up my own electrical business but seeing how the work was dwindling it wasn't a risk I wanted to take” states owner Ryan Hunter.

“Starting up a business is not for everyone. There is a lot of work and for some businesses, a lot of start up money. I am so happy I was able to take the Community Futures program. Everything they make you do for your business plan was something I would not have done if it wasn't for them. At the end when you are putting all your information into your business plan and taking a look at the big picture you see right there if your business is going to succeed. The biggest thing I took from Community Futures was the re-assurance from all the work I had just done showed that this will be a success. The staff and the support you get helps you tackle this huge project. They took the guess work out of the process.”

“Today Behind The Fly has been open for just over a year and I am very happy with its success. Thank you to everyone at Community Futures for the support and knowledge you shared to help start up my business.” Ryan Hunter

543 Bernard Avenue, Kelowna BC
ph. 250-868-0156 www.behindthefly.com



With the support of the Community Futures Self Employment Program, Marjorie Horne has started a new company in Kelowna called CareSmart Seniors Consulting Inc. With a background in nursing, coaching and seniors' housing management, she offers her wealth of experience to support seniors and their families navigating through the transitions and service requirements that are often presented as aging progresses.

Marjorie received invaluable guidance and education on all aspects of running a small business from the very skilled instructors that make up the Community Futures team. The development of a thorough business plan laid an excellent foundation for moving forward and brought a defined framework for the many ideas and dreams that were nurtured into reality. The ability to connect with other budding entrepreneurs within the program allowed for a shared experience of the joy and excitement of taking on a new venture, while at the same time facilitated the expression of the fears and blocks that can surface along the way. The program was an invaluable source, both emotionally and financially, that allowed CareSmart Seniors Consulting to be birthed into existence.

The website at www.caresmart.ca has a wealth of information on eldercare and the services CareSmart Seniors Consulting provides. Marjorie can be reached at 250-863-9577 or by email at resources@caresmart.ca.

Steady demand for this program continues. During the past 20 months, this program has exceeded its goal of 30 participants by approving 34, 32 who have completed the program and over 70% have continued on to launch their businesses. The goal for 2013-2014 fiscal year will be to support 17 participants. Continued funding for this program beyond March 2014 is unclear so we will be working towards finding ways to continue operating a business development program for youth beyond March 2014. Past program success can be contributed to:

- Visibility and entrenchment of program in the community through strategic recruitment and involvement of Advisory Committee with connections to Okanagan College, Centre for Arts and Technology, Accelerate Okanagan, Economic Development Commission, banking and investment industry.
- Effective program development and delivery – participants walk through a preliminary opportunity analysis before committing to the full program so that commitment, preparation, opportunity and concept are well developed before proceeding.
- Highly skilled and experienced program management and delivery team – entrepreneurial, well structured, experienced and committed to excellence.
- Entrepreneurial community – high percentage of small business and entrepreneurs operating in the community provide for a great atmosphere and market acceptance, support, and complementary opportunities for youth entrepreneurs.
- Integration into existing entrepreneurship training – youth participants work with other business start-ups to gain added business exposure, market opportunity, realistic outlook and approach.



Set 4 Lyfe Apparel is an online based clothing company based in Kelowna, BC. Merchandise is also sold in select stores, exclusive festivals, tours and events.

Set 4 Lyfe is alternative culture and eclectic style business that has taken over the Okanagan. Products are now shipped world-wide.

As a touring drummer and Founder, Matt Sharhon, wanted to turn his hobby into a full time business. He had been working on his clothing line for years and found the perfect partner to help take his hobby to the next level. In 2011, Matt brought Kayla Dubell on to the Set 4 Lyfe team. With her modeling experience and creative edge, Matt and Kayla knew they had a sure thing.

The Youth Mean Business program at Community Futures was a perfect fit for the duo, as they needed guidance to set up their partnership. With the help of the program, they made their clothing line into an official company and haven't looked back. The Set 4 Lyfe team is currently touring throughout Ontario, Quebec and the US with the All Stars tour.

www.set4lyfe.com



Kokoro Spa is nestled along the base of Giants Head Mountain in beautiful Summerland BC.

The tranquility and peacefulness of nature's beauty creates a breath taking setting to fully engage in each customized spa treatment. The Japanese word Kokoro translates to intention from the heart or when the heart decides to act. "This is how I choose to live my life, and how I chose to apply myself towards my work. As every guest has the intention to spend time with me in my space, it is my intention to provide an unforgettable spa experience. I put my heart into everything that I do, and hope to leave a lasting impression on every guest that I meet" explains owner Sarah Holland.

Sarah is a licensed esthetician with Aveda Certification and over 5 years in the spa industry. Sarah wanted to strengthen her business sense and looked to Community Futures for direction. Sarah was approved for the Youth Mean Business program and gained knowledge and support through the guidance of several facilitators and ongoing mentorship.

Sarah is heavily involved in her community and thanks Community Futures for creating an amazing program and playing a huge role in the success of Kokoro Spa.

Business Plan Development Program



Community Futures Development Corporation of Central Okanagan regularly offers business workshops and seminars providing small and medium sized businesses with practical and interactive sessions for a reasonable fee. These workshops are designed for key business areas:

Assessment Your Business Idea - an early stage business investigation workshop to determine the preliminary viability of your business venture.

Business Bootcamp—Business Plan Development Program - a four week, in-class, in-depth program that assists you in developing a comprehensive business plan designed to help you plan, research, organize, finance and launch your business. (Assess Your Business Idea Workshop is a pre-requisite).

Business Development Workshops - a series of 1/2 day workshops designed to help operating businesses with specific business topics and issues.

All workshops and seminars are available on a first come first served basis. All facilitators are experienced self employed business people that have demonstrated success in their specialty areas.

Community Futures Business Development Consulting Team



Cheryl Fast—Management Consultant

Cheryl provides customized training and consulting services to Okanagan businesses and organizations that support business. Cheryl specializes in strategic planning and management practices and has worked with private enterprises, educational and not for profit organizations throughout the Okanagan Valley.



Robbi Westgard—Marketing Consultant

A long time entrepreneur, Robbi started contracting her services in 1982. She has owned and operated a communications and marketing company for the past 14 years in the Vancouver Island, Ottawa and Okanagan markets. Robbi most enjoys working with new entrepreneurs and fueling their passion with practical solutions to help their businesses grow.



Todd Avison—Marketing Consultant

Todd is a co-owner of The JRP Web Media Group. When not working on building awesome websites, building houses or helping with business strategies, he is most likely skiing or mountain biking. Todd regularly provides business counseling, marketing program instruction and website support to the CFDDCO and its clients.



Judy Lloyd—Certified Management Accountant

Judy owns and operates JA Lloyd Management Services and has provided solid entrepreneurial assessment, business plan development instruction and business counselling to the CFDDCO for over 20 years.



MJ Turton—Finance and Accounting

MJ is also a 20+ year associate of the CFDDCO. She currently provides business counselling, support and instruction to the CFDDCO programs. MJ's extensive business experience, program experience and knowledge makes her a valuable resource to the CFDDCO and its clients.

Value Added Agriculture

Through membership, collaboration and strategic partnerships, the CFDCCO has begun to research and develop ways to assist with value added, artisan style agriculture development that includes developing experiential based learning, joint venturing with other agriculture regions in BC and sharing successful business models and ideas. We encourage supporting locally produced products and services and embrace the made in the Okanagan brand.



Agriculture within the Okanagan faces great challenges and it also possesses great opportunities. The same demographic that bears the challenge of succession is also the one with highly disposable incomes and tastes to match, including fine foods and beverages. Shifts in the global demands and supplies for fine food and beverage products is also creating opportunities for local entrepreneurs as newly developed economies place demands on traditional suppliers. Trends in popular culture such as the 100 mile diet and the slow food movement are also contributing to these opportunities.

Agriculture needs a renewal of human resources with new ideas and the right mix of technical, business, and entrepreneurship knowledge, skills, and experience to implement them. Community Futures supports and advocates education and entrepreneurial training, positive change, value added development and consumption of locally grown and produced products.

Creative Economy

Community Futures works with the arts and cultural community to provide support where needed and where possible. We seek a regional, creative economy that is driven by knowledge and innovation where people are paid to think ... where employment for creative workers crosses all sectors and industries including manufacturing and agriculture. One of the best vehicles for providing this opportunity to more people is through the creative economy, where jobs are growing but require digital, social and business connectivity. Creative economy jobs often are project oriented, assembling and disassembling and repeating the cycle over and over. To support this model, business networking and support is required to help form these new collapsible alliances.

Non Profit, Public, Private Partnerships (NP⁴) - Social Enterprise Development

The CFDCCO team studies, understands and utilizes its knowledge and experience in organization development and design to deploy innovative ways to structure and support partnerships and projects with public, private and non profit organizations and ventures. By facilitating the development of strategic partnerships, the CFDCCO assists many projects and causes that focus on community economic development in the Central Okanagan.

