

Serving the community for over 30 years



KAWARTHA LAKES
Community Futures Development Corporation

**Welcomes You to Our
Seventeenth Annual General Meeting
June 28, 2017**

This project is funded by the Government of Canada through the
Federal Economic Development Agency for Southern Ontario

Canada 

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Annual General Meeting

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The Kawartha Lakes Community Futures Development Corporation

Background Information

The Kawartha Lakes Community Futures Development Corporation formally began in 1986 as the Victoria County Employment Development Group. The Corporation was incorporated for the purpose of providing jobs through investment and counseling services within the County of Victoria. The organization, at the time, fell under the guidelines of the Federal Government's Local Employment Assistance and Development Program, or L.E.A.D., which was overseen by the Ministry of Employment and Immigration predecessor to what, is now the Ministry of Innovation, Science and Economic Development and was previously Industry Canada.

The L.E.A.D. program provided funds to create new jobs keyed to local development and economic stimulation through investment in projects that meet the community's own economic priorities, thereby generating new employment opportunities for its citizens. L.E.A.D. corporations were community based, non-profit, business led organizations. It also outlined that corporations operating within its mandate provide counseling services and technical assistance to local residents to help them establish new businesses or expand existing ones. It would also provide loans to local business projects, which would produce new employment opportunities. L.E.A.D.'s overall purpose was to create new, continuing jobs for unemployed residents of a given community, having a population of less than 50,000.

The Corporation's Objectives, at its inception were:

- To provide planning resources, technical and professional support to businesses in Victoria County and to invest in those businesses in Victoria County to assist in the development of permanent employment;
- To support employment growth and foster the growth of viable and continuing employment opportunities in Victoria County;
- To receive contribution funds from the Government of Canada to cover wages, overhead and capital costs, and grants with which to invest in business endeavours in Victoria County; (Note: This funding activity stopped in 1993).
- To accept donations, gifts, legacies and bequests.

In 1999, the Board of Directors expressed their interest in joining the Ontario Community Futures Program to Industry Canada. As a Community Futures Development Corporation, there was an opportunity to extend beyond small business financing and business counseling to support community economic development.

The first step was to have Victoria County recognized as a region eligible to receive support through the Federal Government's Community Futures Program. This was accomplished thanks, in no small part, to the efforts of our Member of Parliament and work undertaken by the Board and staff in providing economic data, as well as information about both current and proposed activities we would undertake as a CFDC.

In December of 2000, we presented an extensive submission to Industry Canada outlining our plans. In July of 2001, the Secretary of State for Rural Affairs, responsible for the Community Futures Program, joined our MP, members of the community, and our Board of Directors in officially announcing the new Kawartha Lakes Community Futures Development Corporation and presented our Chairman with a cheque in the amount of \$767,000 to support both our operations as well as to contribute to our ability to provide loans to small and emerging businesses from the community.

The Kawartha Lakes Community Futures Development Corporation is committed to the goals as established in 1986 and to the objectives of the Community Futures Program. We look to build on our reputation as one of the leading lenders within the network of Ontario Community Futures Development Corporations. Our strong operational and financial management is something we will continue to utilize as a cornerstone within establishing ourselves as a key partner in the development of future economic plans for the City of Kawartha Lakes and the rest of Eastern Ontario.

Within setting our direction for the future, we have established the following key objectives for the Corporation:

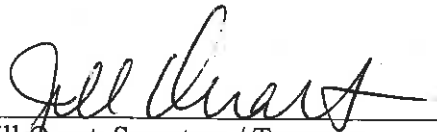
- 1) To continue to focus our activities and performance to support our mandate of creating and improving employment and economic prosperity in the area.
- 2) To remain an accessible and helpful resource for individuals and businesses seeking a wide range of information relating to Federal Government Programs, as well as information about business start-up and expansion, and in providing general business counseling.
- 3) To initiate an ongoing method of consultation, analysis, objective setting and partnerships by which efforts targeted at community economic development may succeed.

In August of 2009 the Federal Economic Development Agency for Southern Ontario, FedDev Ontario, was formed with the mandate of supporting excellence by making the Southern Ontario economy and its communities more competitive, innovative and diversified. FedDev Ontario is now responsible for overseeing the delivery, administration and distribution of our funding and the accountability for funds to Community Futures Development Corporations.

The Directors and staff of the KLCFDC are committed to the FedDev mandate and to striving to expand what we do in serving our community. We are proud of our accomplishments but look forward to achieving more.

KAWARTHA LAKES
COMMUNITY FUTURES DEVELOPMENT CORPORATION

I hereby certify, that the notice to the Directors of the Kawartha Lakes Community
Futures Development Corporation regarding the Annual General Meeting of
June 28th, 2017 was delivered according to the By-Laws of the Corporation.



Jill Quast, Secretary / Treasurer

Kawartha Lakes Community Futures Development Corporation

KAWARTHA LAKES
COMMUNITY FUTURES DEVELOPMENT CORPORATION

Annual General Meeting

Agenda

Wednesday, June 28, 2017 4:00 P.M.

Elysian Room, 2nd Floor, The Olympia Restaurant
106 Kent Street West, Lindsay

1. Call to Order and Confirmation of Notice Being Sent.
 2. Approval of the Agenda for the June 28, 2017 Annual General Meeting.
 3. Approval of the Minutes of the Previous Annual General Meeting.
 4. Chairman's Welcome and Address.
 5. Presentation of the Corporation's Financial Highlights for Fiscal Year Ending March 31, 2017; Ms. Jill Quast, Secretary-Treasurer, Mr. Erik Ellis, Collins Barrow Kawarthas.
 6. Appointment of Auditors for KLCFDC Fiscal Year 2017 – 2018.
 7. Approval of All Acts of the Board of Directors for the Fiscal Year 2016/2017.
 8. The Appointment of the Directors and Executive Committee for the Forthcoming Year.
 9. Presentations.
 10. Closing Remarks.
 11. Adjournment.
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**Secretary-Treasurer's Report
for the year ending March 31, 2017.**

Today marks the conclusion of my term as Secretary-Treasurer of the KLCFDC, and I am proud to be providing the information about our performance and the current state of our financial position as of the end of the fiscal year, March 31, 2017.

Having spent some time reviewing the results of 2016-2017, I'm afraid that unlike last fiscal, they show that we did not have another record-setting year. In fact, I would say that it was a bit of a challenge in terms of our loan volume. However, it is important to keep in mind that smaller loan volumes for us often mean greater access to capital in our community. The reason for this is that CFDCs tend to operate in a 'reverse circle', as we call it, to the local lending activities of our financial institutions. So, when the banks are busy, we tend to slow down, as more small businesses are able to access the credit they need through them. Therefore, while the lending number was the lowest we've seen in 5 years, assessing the outcomes from this past fiscal, I can advise that it is not all bad and there are some strong results in terms of our interest earned on our investment portfolio, our overall excess revenues versus expenses, and the cash position we enjoyed as of March 2017.

To take the impacts of this lower loan volume a little further, it can also represent positive outcomes in terms of our local economy, which are those of potentially stronger business performances and again, the increased availability of commercial capital. The KLCFDC also received over \$1 million in early loan prepayments in the last 4 months of our past fiscal year alone. Much of this was likely a result of better terms and conditions, and specifically lower interest rates, being offered by our banks. As Community Futures organizations are mandated to maintain rates at least 2 to 3 percent higher than the banks, the fact we experienced all this activity, suggests to us that better interest rates and potentially more attractive terms and conditions were made available to local business. This means good things for those that were our clients in terms of their new arrangements, and it means we get our funds back. This too is significant, as we do not receive capitalization funds every year and having these amounts back give us the capital we will ultimately need as our demand increases—especially when credit tightens up again.

This past fiscal year, the KLCFDC also introduced in conjunction with the other CFDCs in Eastern Ontario, a new internal pool of funds which can be lent out under a set of specific conditions—all of which are characteristics within a business-building environment. This represents an opportunity for CFDCs to invest up to \$350,000 into Eastern Ontario businesses that are seeking funds for specific activities such as new market and product development, productivity improvements, succession plans, exporting and other activities that will further the diversification of our local and regional economy. The Investment in Rural Diversification (IRD) pool also provides the opportunity for CFDCs to extend their loan limits beyond the traditional ceiling of \$250,000. This too can make a big difference in a growing and expanding business. Anyone looking for this level of support should be in touch with us to discuss how we may be able to help them achieve the goals they have for their business, perhaps even quicker than they had thought possible!

In 2016-2017 the KLCFDC enjoyed another year where we did not write off a single loan. What this signifies to us is that our offers are solid, our loan clients are managing their businesses well, and that as an organization we are supporting strong ventures. One could argue that perhaps there's not enough risk being taken but in fact, as our lenders must first approach the traditional lending institutions before coming to see the KLCFDC, and with the receptiveness of the banks being fairly high, you can see how factors related to brand new loans are also contributing to our zero write offs. You can add to this the level of detailed assessment we do with the businesses that approach us. This is what truly establishes our being able to work so well with many of the growing and diversifying enterprises in the City of Kawartha Lakes.

As an organization, we also work closely with the City and its Economic Development Department and we are presently looking at some options around how we may be able to assist with some specific community economic development activities in the near future. We also continuously collaborate with our local banks and the BDC as supporters of business and community development, and in trying to do whatever we can to help grow our small business base, the foundation of our local economy.

Another major contributor to our success is the Eastern Ontario Development Program administered by FedDev Ontario. This year marked the 13th year of EODP and it was a significant one. Working with our local businesses, communities and social enterprises, as well as with the other CFDCs in Eastern Ontario, EODP has provided well over \$100 million dollars in direct grants and contributions since first being introduced by the Government of Canada in late 2004. In the City of Kawartha Lakes that figure is now \$7 million and in turn, this has leveraged some \$14 to \$16 million dollars in community and private investment as well as additional government support. This past fiscal, through both our lending and the business and community development initiatives available through our EODP delivery, over 700 jobs were impacted including within skilled trades, labour markets advancement opportunities and community innovation. More importantly, a number of the major EODP projects we supported were construction or manufacturing related, the latter being an area where many local economies are seeing a constant state of decline and we are thrilled that we are helping Kawartha Lakes to stave off this trend. Locally, EODP is engaged in projects that provide a significant number of jobs and economic opportunities that extend into sub-trades and communications firms, as well as involving local professionals and consulting services. We are now into the fourth year of our 5-year contribution agreement with FedDev Ontario for the delivery of EODP and we look forward to continuing to support and help our community to realize on its potential to grow and diversify our local economy.

We also look to create new and different lending vehicles by which to provide support and opportunity for business growth and development. About 6 years ago now, we introduced the Business Improvement Program, or BIP. Here, we can lend \$7500, or up to 75% of the costs for facade and visual, physical improvements to a business, as long as the applicant can provide the other 25%; and we can invest these monies interest-free for up to 5 years. To date this has provided the opportunity for about 30 of our local businesses to improve the look and the first impression one gets when entering their location; and we are very happy to announce that BIP will continue to be available during this current year. However, please know that BIP will cease as a lending vehicle for the KLCFDC as of March 31, 2018 so please, if you are interested, get in touch with us today or go to www.KLCFDC.com for more details and our simple 2-page application form.

As a CFDC, we also invest directly into some smaller, select projects that can assist local community economic development efforts. These activities include Small Business Week, the Small Business Innovation Awards, the recent United Way presentation of Colonel Chris Hadfield, the Lindsay and Bobcaygeon Evenings of Excellence and Awards of Excellence, support for doctor recruitment, tourism and culture initiatives, Business Improvement Organizations, Junior Achievement and others.

It is through our drive for innovative, advanced solutions that we also formed the Kawartha Lakes Business and Community Development Corporation, the KLBCDC. While we are still exploring the potential range of just what our total product offering will be, the KLBCDC already provides even greater access to capital with an emphasis on large lending decisions being made locally. From the capitalization aspect, we look to extend beyond the current \$250,000 limit which the KLCFDC can provide, as we impact more local projects being started and indeed, more local investors potentially getting involved.

Last year, I advised that we also experience challenges as a result of changes to the delivery of some of our government programming. One example I provided was the discontinuation of the Ontario Self-employment Benefits (OSEB) Program, which assisting adults looking to start their own businesses. The KLCFDC had been delivering SEB since 1993 and had assisted over 1000 individuals to start new businesses in our community. This was a tough loss for those with enough entrepreneurial spirit to try it on their own. The good news is that recently we have begun a collaborative arrangement with the City's Small Business Enterprise Centre to support the province's latest venture, Starter Company *PLUS* and we hope that with our support via EODP and our own Community Economic Development (CED) Fund that we can assist these program participants looking to launch their successful new ventures.

As I complete my term as Secretary-Treasurer, I'd like to thank FedDev Ontario for the confidence it continues to demonstrate in the KLCFDC. The 5-year agreements we are operating under and the security they provide to our organization are hugely significant, and we intend to work with FedDev and utilize their input and guidance, and the available programs they have, throughout our contract period. FedDev, through the Government of Canada, assists with the majority of the costs of the activities that we plan, initiate and implement, and we are most appreciative of this support. We remain committed to deploying these funds wisely in meeting the goals of the Community Futures Program and the needs of our community.

Finally, I would like to thank our auditors, Collins Barrow Kawarthas for their work this past year and also extend my appreciation to my fellow Directors and the KLCFDC Staff for their input, hard work and the support they have provided to me.

Jill Quast.
Secretary-Treasurer.
June 28, 2017.

KAWARTHA LAKES COMMUNITY FUTURES DEVELOPMENT CORPORATION
SUMMARY FINANCIAL STATEMENTS
March 31, 2017

REPORT OF THE INDEPENDENT AUDITORS ON THE SUMMARY FINANCIAL STATEMENTS

To the Board of Directors of Kawartha Lakes Community Futures Development Corporation

The accompanying summary financial statements of Kawartha Lakes Community Futures Development Corporation, which comprise the summary statement of financial position as at March 31, 2017, and the summary statement of operations and changes in fund balances for the year were derived from the audited financial statements of Kawartha Lakes Community Development Corporation for the year ended March 31, 2017. We expressed an unmodified audit opinion on those financial statements in our report dated June 23, 2017. Those financial statements, and the summary financial statements do not reflect the effects of events that occurred subsequent to the date of our report on those financial statements.

The summary financial statements do not contain all of the disclosures required by Canadian accounting standards for not-for-profit organizations. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of Kawartha Lakes Community Futures Development Corporation.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these summary financial statements in accordance with the criteria described in note 2.

Auditors' Responsibility

Our responsibility is to express an opinion on these summary financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standard (CAS) 810, "Engagements to Report on Summary Financial Statements".

Opinion

In our opinion, the summary financial statements derived from the audited financial statements of Kawartha Lakes Community Futures Development Corporation for the year ended March 31, 2017 are a fair summary of those financial statements, in accordance with the criteria described in note 2.

Collins Barrow Kawarthas LLP

Chartered Professional Accountants
Licensed Public Accountants

Lindsay, Ontario
June 23, 2017

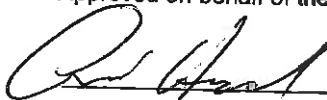


KAWARTHA LAKES COMMUNITY FUTURES DEVELOPMENT CORPORATION

SUMMARY STATEMENTS OF FINANCIAL POSITION As at March 31, 2017

	2017 \$	2016 \$
ASSETS		
Current assets		
Cash	2,039,646	1,331,912
Accounts receivable	5,822	27,061
Interest and fees receivable	28,923	35,541
	<u>2,074,391</u>	<u>1,394,514</u>
Capital assets	4,072	4,673
Loans receivable	<u>6,296,070</u>	<u>7,063,399</u>
	<u>8,374,533</u>	<u>8,462,586</u>
LIABILITIES AND FUND BALANCES		
Current liabilities		
Accounts payable and accrued liabilities	138,046	209,532
Note payable	1,635,505	1,935,505
	<u>1,773,551</u>	<u>2,145,037</u>
Deferred capital contributions	<u>4,072</u>	<u>4,673</u>
	<u>1,777,623</u>	<u>2,149,710</u>
Fund balances		
Unrestricted	101,438	106,030
Internally restricted	1,000,000	1,000,000
Externally restricted	5,495,472	5,206,846
	<u>6,596,910</u>	<u>6,312,876</u>
	<u>8,374,533</u>	<u>8,462,586</u>

Approved on behalf of the board:

 Director

 Director

KAWARTHA LAKES COMMUNITY FUTURES DEVELOPMENT CORPORATION

SUMMARY STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES

For the year ended March 31, 2017

	2017	2016
	\$	\$
Revenues		
Contribution - Federal Economic Development Agency for Southern Ontario	806,753	795,037
Contribution - Ministry of Training, Colleges and Universities	-	181,486
Contributions - EODP Collaborative project	-	47,142
Interest income - loan portfolio	366,620	355,543
Interest income - bank and short-term investments	11,711	10,768
Loan registration and late fees	3,081	9,762
Amortization of deferred capital contributions	1,310	2,679
Miscellaneous	32,675	22,968
WBD project	37,773	-
	1,259,923	1,425,385
Expenses		
Advertising and promotion	23,755	10,741
Amortization of capital assets	1,310	2,679
Community economic development	28,712	7,699
Conferences	521	2,422
Consulting fees	46,918	2,618
Contribution to KLBCDC	48,825	-
EODP Collaborative project	-	81,304
Insurance	4,740	7,044
Interest and bank charges	1,030	978
Loan management fees	534	835
Meetings	7,048	5,162
Memberships	1,737	1,735
Minor capital	-	2,351
Miscellaneous	1,414	2,165
Office and miscellaneous	12,132	18,943
Professional fees	14,796	27,599
Program costs	448,563	422,822
Provision for uncollectible loans	(288)	(3,506)
Rent	43,345	58,036
Software, systems and support	4,856	5,643
Telephone and internet	7,235	10,599
Travel and accommodation	7,300	7,827
Wages and benefits	271,406	389,676
	975,889	1,065,372
Excess of revenue over expenses for the year	284,034	360,013
Balance, beginning of year	6,312,876	5,952,863
Balance, end of year	6,596,910	6,312,876

KAWARTHA LAKES COMMUNITY FUTURES DEVELOPMENT CORPORATION

NOTES TO THE SUMMARY FINANCIAL STATEMENTS

For the year ended March 31, 2017

1. NATURE OF ENTITY

Kawartha Lakes Community Futures Development Corporation was incorporated on July 11, 2001 under the Ontario Business Corporations Act as a corporation without share capital.

The Corporation operates as a Community Futures Development Corporation with the principal purpose to support community economic development and to stimulate job creation in the City of Kawartha Lakes through consultation, planning, facilitation and participation in community based initiatives, delivery of self-employment programs, small business counselling, and grants and loans to new and expanding small to medium sized enterprises.

2. SUMMARY FINANCIAL STATEMENTS

The summary financial statements are derived from the audited financial statements, prepared in accordance with Canadian accounting standards for not-for-profit organizations, as at March 31, 2016 and for the year then ended.

The preparation of these summary financial statements requires management to determine the information that needs to be reflected in them so that they are consistent in all material respects with, or represent a fair summary of, the audited financial statements.

Management prepared these summary financial statements using the following criteria:

- (i) the summary financial statements will have a summary of the statement of financial position, and a summary of the statement of operations and changes in net assets. Management has determined that the statement of cash flows does not provide additional useful information and as such has not included them as part of the summary financial statements.
- (ii) information in the summary financial statements agrees with the related information in the complete audited financial statements;
- (iii) in all material respects, the summary financial statements contain the information necessary to avoid distorting or obscuring matters disclosed in the related complete audited financial statements, including notes thereto.

The complete audited financial statements of the Kawartha Lakes Community Futures Development Corporation are available upon request by contacting the Corporation.



Directors for Fiscal 2017 – 2018

Dorian Lavallee

Dennis Zekveld

Adam Hayward

Dan Burns

Jill Quast

Paul Reeds

Moti Tahiliani

Amy Terrill

Mark Torrey

Carly Poole

Anna Friend

Rick Barfitt

Executive Committee for Fiscal 2017 – 2018

Chair – Paul Reeds

1st Vice President – Jill Quast

2nd Vice President – Mark Torrey

Secretary-Treasurer – Dan Burns

Member at Large – Anna Friend

Member at Large – Carly Poole

Past Chair – Adam Hayward

Chairman's Remarks

As I consider my past year as the Chair of the KLCFDC Board of Directors, it is difficult not to also have the activities of our previous fiscal year filter their way into my thinking.

It has been a phenomenal privilege for me to have had this position for the past 24 months and to have worked with our community, a great group of Directors and an unbelievably dedicated staff. I'm sure during these remarks I will say this more than once but know, I will mean it every single time!

When you look at one of the key measurements we have as a CFDC, value of loans disbursed, this past fiscal year begins to look like it may have been a somewhat difficult one, with the figure being the lowest we've seen since 2012. However, if you combine the numbers for the last 24 months, the average is higher than any other 2-year period, so perhaps it's really not so bad at all. And as you heard from our Secretary/ Treasurer, the fact our numbers declined is often a positive sign for our business community, so while a bit disappointing, it really is not discouraging.

Over the course of my time as Chair, I have had the opportunity to gain tremendous insights into the things that go on within and beyond a Community Futures organization. These become extremely evident as the Chair, as the degree of information you are provided with truly jumps. My role is to assist my fellow Directors as we make decisions on the many things we do...the monies we have to work with, the events that we may either organize and present, or participate and potentially support, and the positions we will take in both local and regional activities. Doing this well is all about information.

There is no doubt every member of the Board of Directors is counted on for these decisions and as a result, they do hear and read a great deal coming from the staff, from news and press releases and from each other, as we often share knowledge based on our own individual commitments and experiences. However, as Chair you gain insights into the depth and range of what I call the "business of the corporation" and what that fully involves. Now, no one will say that the Board does not get enough information, as I know that to a person they will claim that what they receive from the staff and in particular our General Manager is a lot. However, and while they certainly get ample information to make effective decisions, I can honestly say that in becoming the Past Chair as of today, I know a key function for me in this position will be to pass the knowledge I've gained along so that my successor has the chance to use it as they assess the things we will be doing. With this in mind, let me take a moment to thank our previous Chair, Dennis Zekveld for his willingness to help me--especially early on in my term. Dennis, you've been a great resource for me, so thank you very much!

The work of the Kawartha Lakes CFDC goes beyond the things that as you review our Financial Statements and annual performance, you will be able to take note of. It extends to activities such as being a member of the Poverty Reduction Roundtable for Kawartha Lakes/ Haliburton, participating in the Local Employment Planning Council for the area of Northumberland, Peterborough, Haliburton and Kawartha Lakes, or the local Funders' Forum we're part of and of course, our own local Small Business Week activities, which this past year included our Business And Support Happening, the BASH. This special event, marking our 30th Anniversary operating in Kawartha Lakes, featured presentations from Federal, Provincial and local organizations and associations; all within providing further access to information and programming, included where to potentially secure financial assistance for one's business—large or small.

The KLCFDC also works with all four of our Chambers of Commerce and local Business Improvement Associations and of course, the City of Kawartha Lakes, in providing input and support, and in a shared commitment to improving local prosperity and making our community even stronger. Earlier today you heard about the assistance we offer through the Eastern Ontario Development Program, a Government of Canada project, and you'll become more familiar with the 40-plus community and business-based initiatives we've supported in just this past year.

Beyond our own municipality and the multi-county reach of some of what we still view as local projects, we also participate actively in the Eastern Ontario CFDC Network, known as Community Futures Ontario East. This group, where our General Manager has served as its Vice Chair for a number of years, oversees and delivers a variety of programs including the Southern Ontario Fund for Investment in Innovation, SOFII, the Investment in Rural Diversification (IRD) Loan Pool and the Collaborative Economic Development Projects, a second program under EODP that provides increased support to larger economic and business initiatives across Eastern Ontario. As a group, the Network also liaises with our fellow CFDCs in Western and Northern Ontario, providing key inputs into both provincial and national matters of importance to our rural communities.

The KLCFDC also plays a role in advocating on behalf of not only Kawartha Lakes but indeed, the entire region of Eastern Ontario. Our General Manager, Andrew Wallen, sits on the Eastern Ontario Leadership Council, a dynamic group of individuals representing the Eastern Ontario Wardens' Caucus, Ontario East Economic Development Commission, the Eastern Ontario Mayors' Committee, the Eastern Ontario Regional Network, who play a critical role in the regional advancement of information and communications technology and of course, the Community Futures organizations of Eastern Ontario. Recently, Andrew took on the role of leading one of the working groups of the Leadership Council. It is focused on improvements to Eastern Ontario's transportation infrastructure with an eye towards future needs, this being one of the three key objectives of the Eastern Ontario Economic Development Strategy. This work will build on two, KLCFDC-led needs analysis studies on transportation infrastructure completed in 2014 and 2016. Over the past 2 years, I have had the chance to learn a good deal about the efforts being made by the Leadership Council in working to further economic prosperity across the region and I'm proud of the prominent role we are playing.

Last year my remarks did draw from our past, as we spoke often of the accomplishments of 30 years as a CFDC. This work represents much of our foundation and how we got to where we are today. As I now leave my role as Chair, I want to advise you all as to much of what lays ahead and what we as an organization have established as priorities in keeping ourselves and our community moving forward.

A great example of past work leading to future success can be drawn from the recent Grand Opening of Mariposa Dairy's new facility. We have worked with the Vandenburg Family for over a decade and to see the level of success they have now achieved and to know they're not stopping there is very gratifying to the KLCFDC Board of Directors. And of course this follows the recent introduction of the Days Inn in Lindsay and the upcoming unveiling of Kawartha Dairy's new cold storage facility; and for those who haven't driven into Bobcaygeon on Highway 36 recently, please go take a look, you will be impressed! As an organization, we are extremely pleased to have played a role supporting these projects but I must also mention for every major initiative, there are at least a dozen others that have played a profound role in advancing our small businesses and in strengthening our economy in their own way.

As we look ahead we can envision enhancing our work in the community and wherever possible, engaging with and expanding our partnerships within accomplishing our objectives. When we look to the municipality, we see our two organizations continuing to work together, as we engage on a path towards growth, with strong program management and a customer-first approach. We've already had numerous conversations regarding opportunities that we both see as significant for our area's future development. These range from providing input on the soon-to-be announced economic development strategy to specific opportunities to collaborate and support downtown revitalization in a number of our communities.

We also must promote and support innovation here in Kawartha Lakes. Some of the businesses mentioned earlier are leaders in their fields and remain so by forging new ideas and creating new opportunities as a result. The Government of Canada's Innovation Agenda was a focus in the most recent Federal Budget and in the months ahead more details regarding programming and possible avenues for assistance will become available. The KLCFDC looks to help maximize our chances to gain from our own local innovators, be they established businesses bringing on new products and processes or brand new ventures just starting to take flight.

Additionally, we will also continue to further assist in business development and job creation. This includes working to find new programming ideas and possible funding avenues by which we can help the many entrepreneurs we know are out there but may need guidance with executing the plans they have for their emerging businesses. We want to work with others in evaluating and subsequently looking to support ventures involving some of our most viable commercial and industrial sectors, such as agriculture, food processing, tourism, services, recreation and yes, manufacturing—still one of our largest employers here in Kawartha Lakes.

We will also build on our own solid and well-maintained financial position and our desire to work strategically with our various partners. Presently, we continue to seek the most realistic method and process by which we may be able to construct a community-based investment fund; enabling local citizens who love the City of Kawartha Lakes to consider investing right here. This has proven not to be an easy task but one we see as a critical element in our City's future potential. We look to gain further feedback from the community and then work to see if we can indeed, make this happen.

We also want to work with our Youth, which represents another great natural resource for all of us, in assisting them with their ideas—be it through educational opportunities, training or perhaps financing for their enterprises. We want to see if we can develop ways to retain more of our bright young people and encourage them to start their careers here; because as I know first-hand, you can start here and you stay here! Over the next number of months you will see a new presence being created by groups such as Junior Achievement and Futurepreneur Canada here in Kawartha Lakes and I can tell you that it is our hope to be right there with them, assisting in efforts being made to help our young people succeed.

Throughout my time as Chair and indeed as evidenced in my remarks, it's clear much of what we do is a result of the relationships we have in our community and beyond. Many of them have already been spoken about but there are others that are absolutely worth mentioning. I'll start with the partnerships we have with our local financial institutions and others, such as the Business Development Bank. We not only receive many a referral from them but indeed also partner consistently on loans that make a difference; loans that might not have happened and businesses that might not have received the support they needed without the foundation of respect and collaboration we've established over the years. On behalf of the Board let me say a heart-felt, "Thank you!" to each and every one we've been involved with over these past 2 years and longer.

A number of our relationships also extend beyond the region into more provincially-based groups and of course, national ones as well. We are grateful for the support and interest we have gained over the years at these levels and of course, at the forefront of all of this are the senior levels of government. None is more important to us than the Government of Canada and through the Ministry of Innovation, Science and Economic Development, FedDev Ontario. We have enjoyed a tremendous working partnership with FedDev and I would be remiss if I did not acknowledge the support we get daily from our Officer, Lise Beauchamp and FedDev's regional Manager in Peterborough, Paulette Prentice. On behalf of all Directors and the staff of the KLCFDC, I would like to extend our sincerest appreciation for these contributions—especially in terms of operational support and guidance that we receive from FedDev and we also want to extend our thanks right on through the organization to the senior staff and its President, James Meddings, and the Minister, the Honourable Navdeep Bains.

In closing, I must once again express my appreciation for the support and advice I have received from the great group of Directors I've been able to work with, as well the effort that has come from our dedicated and hard-working staff these past 24 months. I look forward to continuing on with the KLCFDC, furthering our success and the vision that our incoming Chair, Paul Reeds has for the organization. For me personally and for all at the Kawartha Lakes CFDC, I know we will strive to do more for our community and to work with everyone who is here today and many that would have liked to have been, to move our community and our organization ahead.

Thank you.

Adam Hayward.
Chair of the KLCFDC Board of Directors.
June 28, 2017.

KAWAIAHA LAKES
COMMUNITY FUTURES DEVELOPMENT CORPORATION
ACTIVITY SUMMARY - MARCH 31, 2017

	Year ending Mar 31/17	Year ending Mar 31/16	Year ending Mar 31/15	Year ending Mar 31/14	Year ending Mar 31/13	Year ending Mar 31/12
No. of Loans Approved	27	28	31	27	37	32
Total \$ Approved - for the year	\$2,788,199	\$2,287,661	\$2,944,463	\$2,301,215	\$3,466,260	\$1,424,075
- cumulative	\$49,280,006	\$46,499,807	\$44,212,146	\$41,267,683	\$38,966,468	\$35,500,208
No. of Loans Cancelled	8	6	9	10	7	8
No. of Loans Disbursed - for the year	19	33	23	25	32	19
- cumulative	777	758	725	702	677	645
Total \$ Disbursed - for the year	\$ 1,029,956	\$2,836,077	\$1,281,534	\$1,445,516	\$2,214,055	\$1,042,521
- cumulative	\$ 36,496,901	\$35,466,945	\$32,630,868	\$31,349,334	\$29,903,818	\$27,689,763
No. of Loans Written Off	0	0	2	2	8	3
Total \$ Written off - for the year	\$0	\$0	(\$70,928)	\$105,243	\$55,961	\$63,523
- cumulative	\$ 644,836	\$644,836	\$644,836	\$715,764	\$610,521	\$554,560
Loan Loss % - for the year	0%	0%	0%	1.90%	1.00%	1.29%
- cumulative	0.0%	1.8%	2%	2.20%	2.00%	2.00%
No. of Jobs Created/Maintained - for the year	781	437	665	412	506	234
- cumulative	6866	6085	5648	4983	4571	4065
No. of Inquiries for the year - loans	280	119	248	233	251	324
- general / EODP / SEB	616	334	301	404	501	406
- totals	896	453	549	637	752	730
- cumulative	13456	12560	12107	11558	10921	10169
Federal Funding received						
Gov't Operational Funding - for the year	\$ 306,753	\$295,037	\$297,384	\$295,745	\$290,000	\$300,000
- cumulative	\$5,713,211	\$5,406,458	\$5,111,421	\$4,814,037	\$4,518,292	\$4,228,292
Gross Revenue for the year	\$1,278,148	\$1,425,385	\$1,385,291	\$1,775,896	\$1,818,463	\$1,002,446
Excess (Deficiency) Revenue vs Expenditures	\$367,859	\$360,013	\$447,090	\$246,882	\$292,154	\$224,487
Cash Position at end of year Investment Fund	\$1,807,520	\$1,037,714	\$1,156,498	\$1,678,876	\$3,328,519	\$3,752,961
Loans Receivable Outstanding	\$6,396,894	\$7,164,225	\$5,857,862	\$5,716,552	\$5,812,735	\$4,962,285
Allowance for doubtful loans	\$100,826	\$100,826	\$100,000	\$200,000	\$100,000	\$100,000
Total Asset Base	\$8,374,532	**\$12,001,847	\$8,132,749	\$7,633,379	\$11,200,093	\$10,459,314
Change in Asset Base	2.80%	4.00%	6.50%	-31.85%	7.00%	0.66%
No. of S.E.B. Clients	0	*15	43	54	55	47
Note - This information is compiled from information on the Consolidated Financial Highlights from the auditor and the Loan Approvals Report/Summary.						
* SEB Program intake suspended after June 5, 2015						
** Represents full assets under management						