

Message from the Chair

It is a great pleasure to be able to report on the accomplishments of Cornwall and the Counties Community Futures Development Corporation (CFDC). The organization has had many successes this past year including continuing its efforts in being a catalyst in the Economic Development Community in the greater SD&G, Akwesasne and Cornwall areas.

One of this year's key highlights has been the Cross-Border Partnership Program. This program successfully facilitated the TRI CHAMBER ALLIANCE - the first MOU to be signed between a First Nation, Canadian and American Chamber of Commerce. A more detailed description of this program and some of the success stories can be found within this annual report.

The Cornwall and the Counties CFDC specializes in lending to businesses that have difficulty obtaining financing through traditional sources. Businesses in our catchment area can apply for funding up to \$250,000. As well, the CFDC has initiated a new initiative (pitch nights) which invites the local investment community along with the CFDC Investment Committee to hear presentations from entrepreneurs looking for equity investment in their businesses. In some cases, these amazing entrepreneurs are looking to move their business to our area, which leads to more economic development for the area through employment, and purchasing of goods and services from other local businesses.

Our organization has focused on the deliverables as mandated by the Community Futures Program. Our focus includes numerous and varied Community Economic Development activities, significant Business Counselling, and Small Business Loans to a variety of enterprising entrepreneurs throughout our catchment area.

The team working for Cornwall and the Counties Community Futures Development Corporation are dedicated and professional in carrying out all of their daily duties. Through their hard work, we as an organization have met and surpassed virtually all of our goals for the year. Many of these are highlighted later in the report.

I would like to thank our dedicated volunteer Board of Directors for their support this year. The Board takes its responsibilities seriously, and provides great direction to the CFDC team so that our mandate can be successfully delivered throughout the community.

Of course, the great work carried out by the CFDC would not be available without the continued support of our primary funding partner FedDev Ontario. Through their funding and gentle guidance, the entrepreneurs in the community benefit from the programs and services we have been charged with delivering.

Dale Allen
Chair of the Board

Message from the Executive Director

This past year has been a very productive year for the CFDC! There have been awards, increased lending activity, and continued interest in our counselling and mentoring services. The economic activity in this region is very diverse and growing...literally! Our long history as an agriculture region is starting to be embraced and new agriculture focused technologies are finding their home here. We look forward to help “fertilize” this growth!

Our numerous partnerships and collaborations continue to be one of our strengths. Bringing people together has been a constant theme in the CFDC’s history and we will continue to foster our connections and create new ones. The Cross Border Partnership Program is a shining example of fostering and strengthening existing and new connections. This program has won the Economic Developers Council of Ontario Award of Excellence for Regional and Cross Border Collaboration. This distinguished award was for our work on the creation of the Tri Chamber Alliance. We look forward to continuing, as well as expanding upon, the work that this pilot program has initiated. We thank our main funder FedDev, for their continued support and providing overall direction for our activities.

We actively manage our portfolio, ensuring we take the appropriate amount of risk for our small businesses. Our goal is to ensure that the dollars we are entrusted with are actively working in the community, while maintaining an acceptable portfolio risk rating. We seek to maximize the impact of our activities on the economy of this region.

Engaged. Professional. Dedicated. Those three words are apt descriptors for the team that makes up the CFDC. Continually working to meet the diverse needs of our clients, partners and the community as a whole, the performance level of this team is second to none. I would like to thank each of them for their support, patience and assistance as I assumed this interim role with the organization.

To the dedicated members of our Board, your patience, support and guidance have been greatly appreciated. Your continuous feedback on community happenings, the diligent oversight of the tasks you have voluntarily assumed, and your passion for this community are exemplary.

The CFDC has been proud to serve this community for over 30 years we look forward to continuing to provide a positive impact to the economic development of this region for years to come.

Michael MacGillivray
Interim Executive Director

The CFDC Framework

Created in 1987, the Cornwall & The Counties Community Futures Development Corporation (CFDC) is a not-for-profit organization focusing on:

- Strategic community planning and socio-economic development;
- Support for community-based projects;
- Business information and planning services; and,
- Access to capital for small and medium-sized businesses and social enterprises.

Mission:

Cornwall & The Counties Community Futures Development Corporation is a catalyst, a leader, and a partner for a sustainable and growing economy that builds on the assets that Akwesasne, Cornwall and SD&G has to offer.

Vision:

As the result of stakeholder consultation, through which valuable insight was solicited, the Board of Directors of the CFDC has elaborated overarching goals (Ends) to be achieved on behalf of its constituent (The Community of SD&G).

The *Ends* statement posits that:

1.0 Akwesasne, Cornwall and the SD&G Counties is a well-connected, innovative, unique, inclusive, and thriving community of choice.

To be achieved at a sustainable level of cost-efficiency, *Ends* attributes comprise of:

1.1 Clients and partners understand this community, achieve their goals, and create and maintain sustainable jobs with the community.

1.2 Clients and partners attract and retain young people.

1.3 Clients and partners recognize and value education, training, and growth potential of their employees.

1.4 Everyone can connect from anywhere in the community to regional, national and global networks.

1.5 Clients and partners work together to grow and innovate new industries for healthy living.

Investment Fund Activity - Lending

The purpose of the investment fund is to provide repayable financial assistance in the form of loans to small and medium-sized businesses and social enterprises. Typically available to those experiencing difficulty in securing traditional bank financing, eligibility for CFDC borrowing is essentially confined to activity relating to the creation, development, stabilization, expansion or restructuring of business operations.

Subject to a structured examination of information and documentation requested of a client, the CFDC will favour funding applications which:

- Promote the creation and/or retention of jobs and opportunities;
- Demonstrate that the CFDC's involvement will lead to economic benefits or net gain within the community;
- Attract capital investment to the community;
- Afford the prospect of involving multiple funding partners (granting and lending) towards effective leveraging and optimization; and,
- Reveal a reasonable expectation of profitability and debt servicing capacity.

Importantly, all applications made to the Cornwall & The Counties CFDC are considered and vetted by the Investment Committee, which is a duly authorized, and Board appointed panel of independent community peers having business and executive experience. Its powers are granted through by-law provision as may be from time to time revised by the CFDC's Board of Directors.

As an impartial panel, the Investment Committee sets investment policy, reviews investment practices, and authorizes financing decisions – ensuring also to maintain exchange with the Board of Directors. Moreover, all Directors of the Board are welcome to attend and to participate in meetings of the Investment Committee which at minimum, reviews monthly the Portfolio Loan and Cash Balance Summary, Security Evaluation Updates, pending Loan Applications, Delinquency Report, and Updates and such other matters as may be required for the effective stewardship of the loan portfolio.

Taken with the Eastern Ontario Development Program (EODP) and the CFDC's business counselling and referral services, the Cornwall & The Counties CFDC is well poised to assist clients with their financing needs and to structure multi-party financing when the circumstances warrant or the interests of the client are better served.

Cornwall & The Counties Community Futures Development Corporation

Lending Activity – Investment Fund	
April 1, 2017 to March 31, 2018	
No. of Completed Applications Received	26
No. of Loans Disbursed	13
Dollar Value of Disbursements	\$957,615
Dollars Leveraged	\$3,421,500
No. of Jobs Created/Maintained	121
No. of New Businesses Started	1
No. of Businesses Maintained/Expanded	12
Total Active Loans	72
Total Dollar Value of Portfolio	3,715,591.47
Business Counselling	
No. of businesses assisted	111
No. of Jobs Created/Maintained	68

Cornwall & The Counties Community Futures Development Corporation

The Cornwall & The Counties CFDC has seen many business ideas come to fruition through responsible lending to local businesses. One great example amongst the many comes in the form of an investment fund loan made to Ottawa Aviation Services located in Cornwall, ON.

One of our 2017/2018 Success Stories

OAS (Ottawa Aviation Services) is an aviation company that focuses on flight training and pilot education. The company had been exploring various means of expansion to facilitate a greater volume of training for quite some time. However, the ideal facility and location was their greatest challenge. After several correspondences facilitated by the CFDC, with local municipalities and community leaders, the company found its home at the NAV Center in Cornwall, ON.

This truly was the perfect marriage as the infrastructure at the NAV Center offers all the amenities you would find at a state of the art educational facility. Cornwall's Regional Airport and the entire aerospace/innovation ecosystem that is currently being built in the Cornwall area were all additional components that complimented the move.

Other networks involved in the fundraising and funding contributions associated with the company's relocation and expansion to Cornwall included BDC (loan), Northumberland CFDC (CEDP), National Research Council (IRAP Youth Grant), Ontario Chamber of Commerce (Export Market Access Grant).

The business has grown their staff from 25 employees before the move, to 49 employees to date – Creating 24 additional jobs in the Cornwall area. Also, amalgamating their services and moving to a larger more centralized location has allowed the company to become more efficient and continue to grow strategically. The employment market and local aviation market will see an impact as a result of this move. Also, additional space will allow the company to expand into new markets. Local support from the CFDC and other partnering agencies will contribute to the success of this new company.

The company projects to reach 60 employees over the next fiscal year, totalling jobs created in our area to 35. The management team is going to continue attracting students, building relationships with airlines and growing at a significant pace.

The Eastern Ontario Development Program (EODP)

The Eastern Ontario Development Program is a Government of Canada initiative supported by the Federal Economic Development Agency for Southern Ontario. It seeks to enhance and help diversify local economies and leads to the growth of new and existing businesses within rural Eastern Ontario communities. Over a period of five years (2014-2019) 2.25 million dollars will be invested in local businesses in SD &G through the EODP.

In 2017-2018, the Cornwall & The Counties CFDC received and reviewed 35 applications.

Total Contribution amount for 2017-2018	\$ 450,000
Total Number of projects funded	15
Total Number of jobs created	51
Total Number of jobs maintained	228

There are two streams of the Eastern Ontario Development Program.

First is the Business Development Stream. The objective of the EODP Business Development Stream is to support projects that will lead to the growth of new and existing businesses within rural Eastern Ontario communities. This includes initiatives in key areas such as skills development, youth attraction, innovation and adaption of information and communications technologies.

Contribution amount for 2017-2018	\$ 373,261
Number of projects funded	11

The second stream of the Eastern Ontario Development program is the Community Innovation Stream. The objective of the EODP Community Innovation Stream builds the economic and innovative capacity of rural eastern Ontario communities, and develops opportunities for sustainable economic growth and employment. This Stream is ideal for applicants who work in partnership with community stakeholders and must have a minimum of two contributing partners.

Contribution amount for 2017-2018	\$ 76,739
Number of projects funded	4

Cornwall & The Counties Community Futures Development Corporation

The Cornwall & The Counties CFDC has witnessed significant success of the EODP (grant program). One such example is represented through “Upper Canada Creamery Inc.” outlined below.

One of our 2017/2018 Success Stories

The Eastern Ontario Development Program has committed to contributing \$20,000 in funds towards the purchase and installation of specialized equipment.

Upper Canada Creamery is a state-of-the art, on-farm dairy processing facility. The business was launched in August 2015 with the focus of providing an educational 'farm to fridge' experience for the consumer while simultaneously providing a high-quality niche market dairy line. In 2016, the business was awarded the Regional Premier's Award for Agri-Food Innovation Excellence. They currently produce two yogurt product lines; full-fat, organic, probiotic, grass-fed cream-top yogurt and a maple stirred yogurt. The Biemond brothers and their two wives are currently the only operators for both the farm and creamery. Due to overwhelming demand for locally sourced, organic products, Upper Canada Creamery has invested in state of the art equipment that will allow them to become the first and only organic dairy plant in Ontario to offer more than 2 classes of dairy licensing (fluid milk, yogurt, cheese).

The leadership team’s primary challenge was implementing a plan that would efficiently scale the business, while strategically introducing new personnel and investing in capital assets that are essential to executing their desired growth plan. This challenge aligns with the majority of successful early stage companies and it is an opportunity in itself. The company has since committed to a hiring plan that will result in the addition of two employees over the next two-year period. Since being approved for funding via the Eastern Ontario Development Program in August, UCC has purchased the necessary equipment required to launch their very own cheese processing line. The possibility of the first ever organic cheese curd is something that has been a long-time dream for the group.

Upper Canada Creamery continues to be an advocate for agricultural education and agri-tourism initiatives in the area. They have hosted multiple school field days, with efforts of reinforcing and instilling the importance of local, organic food production. The group is also extremely involved in the community having most recently served on a panel at a local event that aimed to expose the opportunities available in a sharing economy model.

This project is expected to increase the profile of local organic farming in SDG. The additional product lines are expected to drastically increase revenues and establish the only facility of its kind in Ontario. The creation of two jobs is just the start of the business’ growth phase, as the creamery forecast’s creating four more jobs by 2020.

Supplementing the CFDC’s routine awareness campaign, the CFDC working with local elected officials, will on occasion issue news release as that reproduced below, hosting also community events and announcements in partnership with community leaders.

News Release

For Immediate Release

Upper Canada Creamery Receives Eastern Ontario Development Program Support

December 7th, 2017 Iroquois

Upper Canada Creamery will benefit from an investment announced today by The Cornwall & the Counties Community Futures Development Corporation (Cornwall & the Counties CFDC).

Upper Canada Creamery will receive an investment of up to \$20,000 from the Eastern Ontario Development Program's (EODP) Business Development stream for its business expansion project. The funding will support the purchase of state of the art cheese production equipment. This will allow the business to diversify its product line by entering into the organic cheese market. This expansion will also result in the employment of two additional staff members.

Upper Canada Creamery launched in August of 2015 and has demonstrated an ability to expand at an impressive rate. The second-generation, family owned farm commenced operations with the focus to provide an educational "farm to fridge" experience, while simultaneously delivering a high quality, niche market dairy line. The owners are proud, local individuals who have been active in educational initiatives with respect to the Agri-Tourism in our surrounding communities.

Quick Facts

- The Cornwall & the Counties CFDC is one of the 15 Community Futures Development Corporations (CFDCs) in eastern Ontario funded through FedDev Ontario's EODP. The CFDCs deliver a wide variety of programs and services to support community economic development and small business growth. They employ local staff and are each governed by a volunteer board of directors made up of local residents representing the community.
- The Eastern Ontario Development Program is a \$48-million economic development initiative focused on addressing economic challenges in eastern Ontario and taking advantage of innovative opportunities in the region. Through the EODP, the Federal Economic Development Agency for Southern Ontario (FedDev Ontario) is collaborating with Community Futures Development Corporations (CFDCs) in eastern Ontario to promote the growth of new and existing businesses in rural communities.

Quotes

"Small businesses are a critical part of our nation's economy. Our Government is aware that innovative ideas do not just arise in urban centres, and that is why we are proud to support organizations like Cornwall & the Counties CFDC as they make targeted investments in rural companies like the Upper Canada Creamery. This investment will help a local business maintain its impressive momentum, expand and create real benefits for the community." The Honourable Navdeep Bains, Minister of Innovation, Science and Economic Development and Minister responsible for FedDev Ontario

"On behalf of the CFDC staff and Board of Directors, I would like to congratulate the Upper Canada Creamery on the expansion of their business. This is an exemplary company, run by very

Cornwall & The Counties Community Futures Development Corporation

hard working and passionate individuals. Their continued investment in their business benefits the community greatly and we are proud to have the opportunity to support their growth.”

– Lesley Lang, Executive Director of Cornwall & The Counties Community Futures Development Corp.

"Upper Canada Creamery stands as a perfect example of the agricultural opportunities in Eastern Ontario. Operating as a family run business, the Bimonds have managed to carve themselves into a profitable niche market, while also holding tight to their community connections and values. It is always a pleasure working with Josh and his family, and we look forward to seeing what is to come for them in the future."

– Kat Rendek, Network Coordinator of All Things Food



From left to right: South Dundas Mayor Evonne Delegarde, Ellen Bimond, Josh Bimond, Lesley Lang, Rudi Bimond, Jen Bimond, MP Guy Lauzon



**CROSS BORDER
PARTNERSHIP PROGRAM**
Stronger Together

The Cross Border Partnership Program is dedicated to building stronger relationships between Akwesasne and the municipalities that surround it.

Objectives/Future benefits

1. A stronger unified voice for engaging with business and other levels of government.
2. Stronger regional identity, relationships and sense of place.
3. Cost savings when providing services due to higher efficiencies and less duplication.
4. More opportunities for local business development and jobs.
5. Ability to leverage the unique financial, human and physical capabilities of each partner
6. Coordinated planning efforts to improve land use and land management (making room for growing populations and to attract new investors and citizens.)
7. Coordinated planning efforts to aid in protecting resources and natural environments that are important to partner communities.
8. A stronger knowledge of our communities through a coordinated educational effort and through community workshops.

Success Stories 2017-2018

- Successfully facilitated the TRI CHAMBER ALLIANCE the first MOU to be signed between a First Nation, Canadian and American Chamber of Commerce.
- Became the “go to” intermediary between Akwesasne and surrounding municipalities.
- Hosted successful roundtable stakeholder meetings with top officials from all municipalities, MP and MPP's.
- Hosted executive leadership training with representation from different leaders.
- Participated in the committee and presented at the Akwesasne business conference 2018.
- Recipient of EDCO Cross Border collaboration award for the Tri Chamber alliance.
- Formed a “bridge committee” with representation from Cornwall, Akwesasne and US to discuss and debate matters to pertaining to the challenges with our border crossing.
- Asked to present our program at the National CFDC conference in Winnipeg in June.
- CBPP will be on a panel at the international Economic development council in Buffalo in June for Cross Border Relations.
- Currently working with agencies to employ 6-10 reserve members in a non-reserve business.
- Successful writing and approval of a RED grant to create a “Regional Identity strategy” based on information received from stakeholders at round table meetings. (Final disbursement pending)
- Working towards a self-governing body with terms of reference for a Cross Border working group at a political level (Elections pending)

Composition of the Board of Directors

Executive Committee:

Dale Allen - Chair

Martin Zimmer- Vice Chair

Sean Helmkey– Secretary/Treasurer

Current Board Members:

Nikki Dignard

Patricia Remillard

Sean Helmkey

Dale Allen

Christina Russell

Beatrice Johnson

Lila Romanko

Vanessa Metcalfe

Garrett VanderBurg

Community Advisors:

Bill Madden

Allan Bell

Special thanks to past Members:

Rock Lefebvre

Governance

Consistent with generally accepted principles of good governance and provisions of the Cornwall & The Counties CFDC's Agreement with its funders, a concerted commitment has been made to deliver Board governance and development opportunities with the intent of strengthening Board performance and accountability.

The CFDC Staff

Lesley Lang, Executive Director

Michael MacGillivray- Interim Executive Director

Louise Pilon, Office Administrator

Binal Bhavsar, Account Manager

Brittany MacDonald, Project Officer

Simon McLinden, Project Manager

Kevin Veilleux, Account Manager until July 2018

FedDev Liaison

The Cornwall & The Counties Community Futures Development Corporation continued to benefit from the support and interaction of Grace Hodder, Community Economic Development Officer of the Federal Economic Development Agency for Southern Ontario.

Cornwall & The Counties Community Futures Development Corporation

Insert Audited Financial Statements