

CF NAME: COMMUNITY FUTURES HIGHWOOD**Fiscal Year: 2015-16****OPERATING PLAN****1.0 BOARD MOTION**

1. The 2015-16 Operating Plan

Date of Board Meeting:	January 29, 2015
Motion:	that the 2015 - 2016 CFH Operational Plan and targets be approved as presented and to be dispatched to WED
Moved By:	Dragan Brankovich (High River Shareholder Council rep)
Seconded By:	Ken Black (Bd. Member for M. D. Foothills & IRC Chair)

2. The 2015-16 Budget

Date of Board Meeting:	January 29, 2015
Motion:	that the 2015 - 2016 CFH Operational Plan Budget and Cash Flow be approved as presented and be dispatched to WED
Moved By:	John Waring (Turner Valley Shareholder Council Rep Alternate)
Seconded By:	George Nielsen (BD Member for Black Diamond & IRC Treasurer)

3. The 2015-16 Request to Transfer Loan Interest to Operations

Date of Board Meeting:	January 29, 2015
Motion:	that the CFH request for use of and transfer of loan interest be approved as presented and be dispatched to WED
Moved By:	
Seconded By:	

2.0 IDENTIFICATION AND CONTACT INFORMATION

CF Legal Name:	COMMUNITY FUTURES HIGHWOOD
Mailing Address:	P.O. Box 1599, Okotoks, AB T1S 1B5
Location Address:	14 McRae Street, Okotoks, AB
Phone Number:	(403)995-4151
Fax Number:	(403)995-3760
General E-mail address:	info@cfhighwood.net
General Manager:	John Lockhart
General Manager E-Mail:	john@cfhighwood.net
Chairperson:	Ron Chase
Phone Number:	(403)931-3797
E-mail Address:	ronchasemd31@aol.com
Website:	www.cfhighwood.net

3.0 DESCRIPTION OF THE ORGANIZATION

3.1 Description of your organization

<p>Board structure and committees</p>	<p>CF Highwood is registered as a <i>Non-Profit Company</i> under the Company Act of the Province of Alberta with the effective date of name change April 27, 2007 (from Highwood Business Development Corporation to Community Futures Highwood)</p> <p>Ten (10) Incorporated Municipalities, representing the whole region served by CF Highwood, hold 1 share each of the shares of the Incorporated Company known as Community Futures Highwood</p> <p>Each Municipality is charged with appointing, with a motion in-Council, 1 to 2 members of their community to be Directors of the CF Highwood Board... 1 to be a Municipally elected council person and 1 being a community at large person</p> <p>The appointed Board of Directors, under CF Highwood’s Articles of Association, holds an election of officers at a scheduled meeting the last Thursday of November each year... A Chair; Vice Chair; Secretary.</p> <p>These same Articles of Association designate that the Shareholder appointed community at large directors will form the CF Highwood Investment Review Committee (IRC... loan committee). This IRC also holds election of officers, from its members, on the last Thursday of November each year... A Chair; Vice Chair; Secretary/Treasurer.</p> <p>The 6 elected officers... 3 Board officers & 3 IRC officers... forms the Management and Finance Committee (MRC) chaired by the Board Chair.</p> <p>The Articles of Association allow that Shareholders will normally appoint their Directors as such... Elected Council member... at least for 1 year at a time... community at large member... at least 3 years the first appointment and 1, 2 or 3 in subsequent re-appointments if an appointment is still in place.</p> <p>The Articles of Association will, as at January 29, 2015, limit any board director to a maximum of 9 consecutive years as a board member for CF Highwood.</p> <p>CF Highwood holds its AGM in early July of each year... this AGM is hosted by a different Shareholder Municipality each year in a 10 year rotation with every region having the opportunity to host the AGM and to ensure the AGM is an open function where community leaders, business leaders and media have the opportunity to listen to a Corporate Auditors report provided by a representative of the Auditing firm and an operational report of activities and program outcomes provided by the Board Chair and the IRC Chair .</p>
<p>Office locations and coverage of communities (i.e. offices, part time staffing in other communities)</p>	<p>The office of CF Highwood is located in Okotoks, AB in an office facility owned by its Shareholder Municipality, the Town of Okotoks. The Town of Okotoks is a partner with CF Highwood in providing a Business Incubator of 7 fully furnished business offices with secure high speed internet services, a Board/Training facility; 2 smaller offices for hourly or daily rental space. CF Highwood manages the facility and shares the net rental revenue with the Town of Okotoks.</p>

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	<p>While in each of the other Shareholder communities is in a normal practice for the majority of these Municipal Government facilities to provide private office facilities for CF Highwood to meet with clients.</p> <p>During the operating years of 2014 through 2016 CF Highwood also has 2 contracted staff located permanently in High River to assist with the Business Community recovery and to deliver special business programs under the financial partnership with Rotary International and with the Province of Alberta.</p>
Other	

3.2 Staff

- *list of staff below.*

Staff	Position	Core Staff (WD) *	Phone Extensions	Month & Year Hired
John Lockhart	General Manager	WD... 100%	403-995-4151	June 1993
Megan Watts	Administrator	WD... 100%	403-995-4151	January 2009
Verna Leman	Business Analyst	WD... 100%	403-995-4151	July 2013

* *Indicate the percentage of salary that is covered with core WD funding.*

- *Describe the challenges, related to staff retention, recruitment and training. Also provide your plans to address these challenges.*
- The challenge to the board is the ability to attract trained or competent staff to manage the programs... General Manager; Business Analyst; Office Administrator.
 - As with any position in any industry the ability to attract and retain staff is a challenge... but complicate that with 8 year frozen revenue levels, 1 year contracts and the inability to turn your return on assets into usable operations revenue... it becomes nearly impossible to not only attract reasonably competent people but to attract anyone who is career searching with all that uncertainty.
 - The irony is that when we put a job on the market we get a great number of applications (as high a 150 for the admin post 6 year ago and always 40 + for the BA post... but that gets thin once they understand the 1 year contract and the limited compensation opportunities
 - And one glove does not fit all situations... its good, where we can, to share resources as long as we are careful to recognize that those shared resources that come from outside a region do not know the region, the players, the culture... after 21 + years, the office GM recognizes that there are some very strong sensitivities between any 2 of his shareholder communities... even to the point that some local hires, after 4 or 5 years on the job, find it hard to work within.
 - Even when you do find a new staff member, get them trained and implement many work place amenities, after 3 or 4 years of no salary increases your ability to retain them, gets harder with each passing year.

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- I am sure we can all recognize the additional pressures turnover puts on any office and when there is only 3 staff, I don't need to elaborate what all this does to morale and work load on those left behind.
- And when a Board need to replace a Manager position... the impact is so much greater.
- The existing General Manager, over 21 years in his position, has witnessed 7 good in-house trained Business Analysts, after 2 + years, go the local bank branches offering these people much larger salaries and local promotion opportunities... similarly this has happened to office administrators who saw other opportunities with the skill sets developed at the CF.
- We do provide a balance of flex hours, focus on family, adjustments to, and flexible, vacation times, work from home times, staff recognition and respect every day, exposure to training and development, involvement in all aspects of the office, emphasis on team in all things and a strong supportive board working with the GM and recognizing the contribution of the whole staff team.
- When recruiting we emphasis all of these things including the fact that we provide free parking and for those applicants from south Calgary that they are only 10 minutes from their kid's school or home in the case of an emergency along with the other office operational amenities.

3.3 Board of Directors

Name	Position on Board	Geographic Area of Representation	Month & Year Joined Board
Ron Chase	Board Chair	M.D. of Foothills (Councillor)	Jan 1999
Neil Wilson	Board Vice Chair	M.D. of Willow Creek (Reeve)	July 2008
Jaimie Tiessen	Board Secretary	Kananaskis Improvement District (Councillor)	Nov 2013
Ken Black	Board Mem/IRC Chair	M.D. of Foothills (Community at large)	July 2002
Al Gillis	Board Mem/IRC Vice Chair	Town of High River (Community at large)	Nov 2010
George Nielsen	Board Mem/IRC Treasurer	Town of Black Diamond (Community At large)	May 1999
Don McRae	Board Mem/IRC Mem	M.D. of Willow Creek (Community at large)	May 1997
Louise Christie	Board Mem/IRC Mem	Town of Vulcan (Community at large)	Jan 2011
Jim Deacon	Board Member	Town of Black Diamond (Councillor)	Nov 2013
Dragan Brankovich	Board Member	Town of High River (Councillor)	Nov 2013
Jakob Hensel	Board Member	Town of Nanton (Councillor)	Nov 2013
Dick Fenton	Board Mem/IRC Mem	Town of Nanton (Community at large)	Nov 2013
Ray Watrin	Board Member	Town of Okotoks (Councillor)	Nov 2013
Kelly Tuck	Board Member	Town of Turner Valley (Mayor)	Nov 2013
Rick Howard	Board Member	Town of Vulcan (Councillor)	Nov 2013
Glen Gateman	Board Member	Vulcan County (Councillor)	Nov 2013
Amber Chapman	Board Mem/IRC Mem	Town of Okotoks (Community at large)	Nov 2014
TBA Sept 2013	Board Mem/IRC Mem	Town of Turner Valley (Community at large)	Vacant
TBA Nov 2013	Board Mem/IRC Mem	Vulcan County (Community at large)	Vacant

Is the board representative of the community? If not, what are your plans to address this?	Each of the 10 Shareholder Municipalities identify and select their own Board representatives and all Incorporated Towns and Municipal regions are represented... the CF Highwood Board of Directors and Staff have no direct input to selection or replacement of a Board Member other than providing a job description of a board member and IRC member.
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4.0 PLANNING AND POLICIES

4.1 Strategic Priorities

- Identify your top 3 strategic goals.

Description of Top 3 Strategic Goals	
1	Increase Targeted Program awareness and up-take in the 3 rural shareholder regions
2	Increase Business Program awareness and up-take in 2 of our smaller, growing, shareholder towns
3	Expand our “Tool in your Toll Box’ program with partners and referral agents

4.2 Governance and Accountability

- *Describe the process in place to provide accountability to your clients, communities and stakeholders.*
- Board retains an external Chartered Accounting firm to provide monthly, semi-annual and annual company financials along with Bank Reconciliations
- Board uses an independent Chartered Accounting firm to conduct annual, independent, Corporate Audits
 - These audited financials are posted on the CFhighwood.net web site along with the annual operations plan, Corporate Articles and list of Board Members
- Board hosts open, visible regional meetings each year – AGM – each July:
 - These are hosted by a different Municipal Shareholder, in their region, at a location of their choosing, on a 10 year rotation... The Board invites representatives of local municipal council and municipal administration; local chamber leadership; Business leaders, EDCs and EDOs; Provincial and Federal Government elected representatives; local media; funding organizations and CFH partners in the host region; bankers; insurance brokerage firms; lawyers; accountants; and local CFH past and present clients.
 - The agenda includes presentation of the organization’s annual Corporate Audit Report and results for the past year, by the CA Auditor representative;
 - Board Chair provides a year end Operational Report on results and activities;
 - The IRC Chair provides a year end reports on loan outcomes and activities;
 - Local client success outcomes are shared;
 - Everyone in attendance has the opportunity to view the financial and goal target results along with the corporate audit report... and then to ask questions and receive appropriate answers
- Staff and Board Member representatives make presentations to Shareholder Municipal Councils; EDCs; and to Chamber meetings as time is made available to us
- All minutes are provided to Municipal Councils through the Municipal Managers in addition to the shareholder board representatives taking copies back after each meeting... Council Board Member reps are asked to provide reports back to their Municipal Councils after each Board Meeting

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- Sharing of annual Economic and Operational plans between Municipal Shareholder Administrations and the CF
- On-going communications and making the best use of partnership opportunities between the Municipal Administrations and the CF

4.3 Policies & Incorporation Documents

- Upon submission of Ops Plan, provide copies of the following only if they have been updated during 2014-15:

Incorporation Documents	Date Document Was Last Updated	Date Submitted to WD
Articles of Association	January 2015	Proposed March 2015
Memorandum of Association	January 2015	Proposed March 2015

Plans are in place to review ALL policies in 2015...

Policies Related To:	Date Policy Was Last Updated	Date Submitted to WD
Investment Fund Management Please include: <ul style="list-style-type: none">• Appeals and redress mechanism• Loans in excess of \$150,000 (if applicable)	2007 Update to be implemented in 2015 2007	2007 AS per CFNA approved common policy 2015 2007
Conflict of Interest	2007	2007
Board of Directors (policy for appointment/selection, terms of office, etc)	1995 Internally Shareholders Directors review more often	1995 New one coming before March 31, 2015 with new Articles

5.0 PERFORMANCE INDICATORS

The process of setting overall performance targets should take into account considerations such as your CF's historic performance, status and trends in your region's economy, activities of other business service providers, needs of your community(ies), capacity of your CF, etc.

Note, both your CF and WD must agree to the final overall performance targets.

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5.1 Performance target information is required for the coming fiscal year for the following indicators:

NOTE: The performance indicators are organized by WD's Program Activities and sub-activities to better illustrate the alignment between your CF activities and WD's mandate. The titles in italics represent WD-specific terms used to categorize CF activities.

Performance Indicator	2015-16 Target	<u>GROUP 1</u>	GROUP 2	GROUP 3
**Targets for MPSs should be greater than or equal to the MPS in the proper group.				
Indicate which Group the CF is in (groupings can be found in the attached Instruction Manual):	Group 1			
<i>Strong rural community strategic planning and implementation</i>				
# of local and regionally-based community strategic plan(s) developed and/or updated during the year	3			
# of partners engaged in community strategic planning	6			
Total # of community based projects (MPS**)	2	2	2	2
Total \$ value of the community based projects	\$50,000			
\$ leverage value of community based projects	\$50,000			
# of partners engaged in community-based projects	3			
<i>Rural access to business development services</i>				
# of businesses created, maintained, or expanded through business services	30			
Amount leveraged through business services	\$800,000			
# of business training session participants (MPS**)	200	400	400	300
# of business advisory services (MPS**)	200			
<i>Rural access to capital and leveraged capital</i>				
\$ value of loans (MPS**)	\$800,000	\$600,000	\$400,000	\$200,000
# of loans (MPS**)	16	12	8	6
Amount Leveraged through Lending (EDP and non-EDP)	\$1,000,000			
# of Projects/Initiatives that align with GOC/WD priorities (Does not get entered into TEA)	3	3	2	1

The targets for the performance indicators MUST be exported from TEA and submitted to the WD SharePoint site. Please see the attached instructions called "Instructions for Uploading Target Report.docx". If you have any questions, please contact your CF Officer.

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Your performance targets will only be accepted if they have been submitted to the WD SharePoint site. Upon WD's acceptance of the operating plan and targets, the WD CF Officer will sign off the targets in SharePoint.

5.2 Alignment with Government of Canada and WD Current Priorities (MPS)

Please outline the initiatives and plans that your CF has that will address the priorities as outlined in the attached instructions. *WD acknowledges that circumstances are different across CFs and therefore your CF may not be able to address each priority.*

	Strategy	Planned Project/Initiative (2 - 3 sentences)	How will you measure project/initiative outcomes?
1	Innovation - Support business and initiatives that can bring new technologies to Canadian and global markets	In partnership with Private Sector and The DAIR Program at U of C Offer "Cloud" Technology workshops in the region	3 way partnership reached from 2014 discussions and at least 2 workshops planned and delivered
2	Skills Development and Training - Support the promotion of skills training opportunities	Deliver 3 seasonal Boot Camps of Business Educations in partnership with Rotary International and The Province of Alberta	Deliver a minimum of 15 'Boot Camp' business educational workshops in 2015
3	Trade & Investment - Assist business to enter into global markets		
4	Building Capacity for Defence Procurement Opportunities - Support businesses to take advantage of federal procurement opportunities		
5	Economic Growth Acceleration Opportunities for Aboriginal Peoples - Support participation of Aboriginal peoples in economic development		
6	Other	Support and strengthen shareholder economic development initiatives in the region	Assists with the implementation of at least 2 major economic / business development shareholder projects in 2015

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6.0 FINANCIAL

6.1 Budget Forecast and Cash Flow (WD Core Funding) Requirements (SEE PAGE 11)

Administration	\$20,000	\$32,000	\$30,500	\$22,400
Travel, Meals and Accommodations	\$1,000	\$1,963	\$3,500	\$1,000
Office Equipment/ Computers				
Expenses linked to Interest Transfer				
Other... Corporate Audit	\$3,800	\$3,800	\$3,800	\$3,800
Other... Bd/Staff Training	\$800	\$0	\$1,800	\$800
Total Expenditures	\$74,600	\$86,763	\$86,400	\$77,000
RECONCILIATION				
Surplus or Deficit	\$7,041	-\$4,622	-\$8,066	\$6,640

*Revenue and expenditure sub-totals should agree with Operational Estimates above.
 **Total WD Contribution breakdown should agree with Cash-Flow Requirements above.

6.2 Investment Fund Cash on Hand

Do you anticipate by March 31, 2016 at least 75% of your investment fund will be invested in (disbursed or committed) eligible Small and Medium Size Enterprises or will be available for your provincial investment pool? If not, what are your plans to address this?	We are already in a negative cash position having to borrow from CFLIP
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6.3 Opportunities for Collaboration and Cost Efficiencies

- Please outline your plans to explore additional opportunities for collaboration (CFs, WCBSN or other business service providers) or cost efficiencies in support of improved service delivery to your clients.

Collaboration and Cost Efficiencies Planned/Under Discussion	
1	Continue with practice to offer every female client with the business and networking services of AWEA either as a complimentary service or primary service
2	Continue to access Pan West and CFNA Board and Staff training programs
3	Continue to strengthen our Partnership with Town of Okotoks and the Business Incubator
4	Develop private sector partnerships that will create a revenue partnership for CFH and enhanced Client business programs not now available

Operations Budget (Total Operations) 2015-16

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	1st Quarter Apr-Jun	2nd Quarter Jul-Sep	3rd Quarter Oct-Dec	4th Quarter Jan-Mar	TOTAL 2015-16
CASH RECEIPTS - REVENUES					
Total WD Contribution **	\$73,741	\$73,741	\$73,741	\$73,740	\$294,963
Other Federal Funds					\$0
Other Provincial Funds					\$0
Other Revenue... Client Services	\$2,900	\$1,900	\$1,600	\$2,400	\$8,800
Other Revenue... Incubator	\$5,000	\$6,500	\$5,000	\$6,500	\$23,000
Requested Interest Transfer					\$0
Total Revenues	\$81,641	\$82,141	\$80,341	\$82,640	\$326,763
CASH DISBURSEMENTS - EXPENDITURES					
Wages and Benefits	\$49,000	\$49,000	\$49,000	\$49,000	\$196,000
Administration	\$20,000	\$32,000	\$30,500	\$22,400	\$104,900
Travel, Meals and Accommodations	\$1,000	\$1,963	\$3,500	\$1,000	\$7,463
Office Equipment/ Computers					\$0
Expenses linked to Interest Transfer					\$0
Other... Corporate Audit	\$3,800	\$3,800	\$3,800	\$3,800	\$15,200
Other... Bd/Staff Training	\$800	\$0	\$1,600	\$800	\$3,200
Total Expenditures	\$74,600	\$86,763	\$88,400	\$77,000	\$326,763
RECONCILIATION					
Surplus or Deficit	\$7,041	-\$4,622	-\$8,059	\$5,640	\$0

*Revenue and expenditure sub-totals should agree with Operational Estimates above.

**Total WD Contribution breakdown should agree with Cash-Flow Requirements above.