



**Community Futures**  
Eastern Ontario



**2022-  
2023**

# **ANNUAL REPORT**

[WWW.CFEASTERNONTARIO.CA](http://WWW.CFEASTERNONTARIO.CA)

**Funded by:**  
Federal Economic Development  
Agency for Southern Ontario

**Financé par :**  
Agence fédérale de développement  
économique pour le Sud de l'Ontario

**Canada**



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# ABOUT

## COMMUNITY FUTURES EASTERN ONTARIO

(CFEO) is a non-profit organization serving 15 Community Futures Development Corporation (CFDC) members in eastern Ontario. The CFEO Network assists its members to advance entrepreneurship, small business development and the pursuit of economic opportunities in their communities.

CFEO receives support from the Federal Economic Development Agency for Southern Ontario (FedDev Ontario) to coordinate the opportunities available to the members and to administer select regional programming.

### OUR VISION

We will equip and support the innovative solutions of our members to build vibrant rural economies.

### OUR MISSION

To expand and amplify our members' capacity as agents of economic opportunity.

### OUR MANDATE

- To provide support to the CFDCs in Eastern Ontario
- To advocate on behalf of the members
- To facilitate the collaboration of the members
- To promote economic prosperity in the region

### OUR VALUES

<b>Collaboration:</b>	We support and learn from each other
<b>Initiative:</b>	We proactively identify and take a leadership role in addressing emerging issues and opportunities
<b>Efficiency:</b>	We strive to streamline programs and processes, share services and reduce costs
<b>Accountability:</b>	We honour our responsibilities to each other, our members, funders and stakeholders



## THE COMMUNITY FUTURES PROGRAM

**Community Futures Program (CFP)** plays a key role in business development in rural and remote communities across Canada.

Our CFDCs are dedicated to helping small and medium sized businesses access services and capital, as well as enhancing their community's economic and employment growth through community-based planning and economic development initiatives. Through FedDev Ontario, the Government of Canada provides funding, advice and support.

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## EASTERN ONTARIO COMMUNITY FUTURES PROGRAM IMPACT FOR THE YEAR\*

\*Preliminary eastern Ontario roll-up results for 2022-23 fiscal year



**1,260**

Businesses Assisted



**479**

Jobs Created



**1,281**

Jobs Maintained



**\$30,043,350**

Value of New Loans



**269**

Number of New Loans





## A MESSAGE FROM THE HONOURABLE FILOMENA TASSI

“The support rural businesses and organizations receive from Community Futures Development Corporations through the Community Futures Eastern Ontario Network is key to future growth and success of the region. The tools that CFDCs provide rural businesses drive economic growth and create good jobs. By continuing our support for CFDCs across southern Ontario, our Government is investing in the potential of rural communities and ensuring that they will continue to thrive.

**- The Honourable Filomena Tassi, Minister responsible for the Federal Economic Development Agency for Southern Ontario.**



## A MESSAGE FROM THE EXECUTIVE DIRECTOR

Over the past year, our organization has continued to demonstrate unwavering commitment to our core values and dedication to serving our 15 Community Futures offices and the broader business community across eastern Ontario. Despite the challenges presented by an ever-changing post-pandemic landscape, we have remained resilient, adaptive, and focused on our goals.

Our primary objective has been to foster collaboration and knowledge-sharing among our members, and we have made significant strides in this area. Through our Annual General Meeting, Loans Conference, training events, Committees and Peer Councils, we have created valuable platforms for the exchange of ideas, experiences, and best practices. These opportunities have empowered and enabled participants to learn from one another, forge meaningful relationships, and enhance their professional growth and in doing so, creating a testament to the power of collective action.

At the heart of our Networks' mission is the commitment to helping businesses grow. We firmly believe that through collective efforts, we can drive meaningful change and create a better regional economy. In pursuit of this goal, we have intensified our advocacy efforts, working together to raise awareness about key issues and advocate for improvements to the Community Futures program that will benefit the program regionally, provincially and across Canada. By amplifying our collective voice, we have successfully influenced decision-makers and catalyzed positive change.

I am also proud to highlight several Network offerings that further align with our strategic objectives. These initiatives address emerging challenges and provide our members with the tools and resources needed to foster their own continuous improvement activities. From onboarding mentorship/matchmaking programs to peer councils and capacity-building items such as an on-line HRIS tool and monthly digital marketing toolkits, we have endeavoured to provide ongoing, comprehensive support to our regional offices at every stage of their journey.

None of our achievements would have been possible without the tireless dedication and passion of our members. I extend my deepest gratitude to each of you for your unwavering support, active participation, and valuable contributions. Together, we have built a community that is driven by shared purpose.

**CYNDY PALLESKE**

Community Futures Eastern Ontario



## A MESSAGE FROM THE CHAIR

I want to take a moment to reflect on our collective achievements and acknowledge the tremendous work accomplished by our dedicated committee members and progressive board members. The past year has been spent laying the foundation to build a more resilient, pro-active and effective Board through visionary discussions, restructuring and a great amount of soul searching and reflection into how we see ourselves as a modern governing body.

This monumental undertaking could not have been accomplished without the immense contributions from our

Governance & Recruitment Committee who have dedicated countless hours to the task of siphoning through vast amounts of information in order to present the Board with a solid plan to continue our goal of transitioning from an operational board towards its higher purpose of governance and oversight.

Our Finance, Investment & Audit Committee (FIA) has been overseeing the separation of our two SOFII contracts. The separation of the two contracts is critical as the Board prepares to assume stewardship of the funds associated with contract one in fiscal 2025. The year ahead will see the FIA committee assessing the economic environment and making recommendations to the Board on how these funds can be best used to serve our key stakeholders and better position the Network to drive change and address the pressing challenges facing our communities.

And finally, our Strategic Planning Committee has also been reviewing our Strategic Plan and ensuring that our goals and objectives are still in line with our Mission Statement and aligned with our vision for the future.

I would also like to acknowledge the many accomplishments achieved by our Executive Director, Cyndy Palleske including, but not limited to, the establishment of strategic partnerships with key stakeholders in the public and private sectors. These alliances have not only provided us with invaluable resources but have also opened doors to new opportunities for growth and innovation. It has been a genuine pleasure to work with all of you and I'm excited to see what amazing things we will do together.

### WENDY STONE

Renfrew County CFDC

## THE CFE0 TEAM



### MICHELLE FOSTER

Part-time Contract 2022

Thank you, Michelle! Wishing you continued success. Grateful for your contribution as our part-time Administrator/Bookkeeper during the 2022 year.



### LESLIE WORSFOLD

Administration/Bookkeeping

Leslie, new to our team, brings extensive experience in Bookkeeping/ Office Administration, contributing to day-to-day operations and overall financial health of the business.



### ERICA TRIPP

Marketing + Communications

Erica is an experienced digital marketer, passionate about design, events, and building lasting relationships with small-medium businesses and CFDCs in Southeastern Ontario.



### MICHELLE CATHERS

SOFII Program

Michelle, our SOFII Program Manager since June 2017, excels in Commercial Lending and client relationships, with valuable prior experience from Community Futures Peterborough.



## STAFF SPOTLIGHT

Michelle Cathers celebrated 5 years at CFE0 in 2022, adding to her impressive 17-year tenure with Community Futures. We express our heartfelt gratitude for her hard work and unwavering dedication, both in her current role and her previous contributions at Community Futures Peterborough. Thank you, Michelle!



## BOARD OF DIRECTORS

The 15 Community Futures Development Corporations (CFDCs) of Eastern Ontario are independent, community-based, not-for-profit organizations. Each CFDC is governed by a local Board of Directors comprised of knowledgeable, committed volunteers. It is staffed by professionals who advance entrepreneurship, small business development and the pursuit of economic opportunities in their communities. The Network's Board of Directors is comprised of representatives drawn from the local volunteer Boards of CFDCs as well as from CFDC management.

## EXECUTIVE TEAM



**WENDY STONE**

Chair

Board Director  
Renfrew County CFDC



**TINA STEVENS**

Vice Chair

General Manager  
Valley Heartland CFDC



**PETER GAFFNEY**

Secretary/Treasurer

Board Director  
CF Peterborough

## DIRECTORS

**Tom Russell**  
1000 Islands CDC

**Mary Lynn Rutledge**  
CFDC of North and Central Hastings and  
South Algonquin

**Betty Hunter**  
Frontenac Business Services

**Amber Darling**  
Trenval BDC

**Patti Tallman**  
Haliburton CDC

**Katie Nolan**  
Grenville CFDC

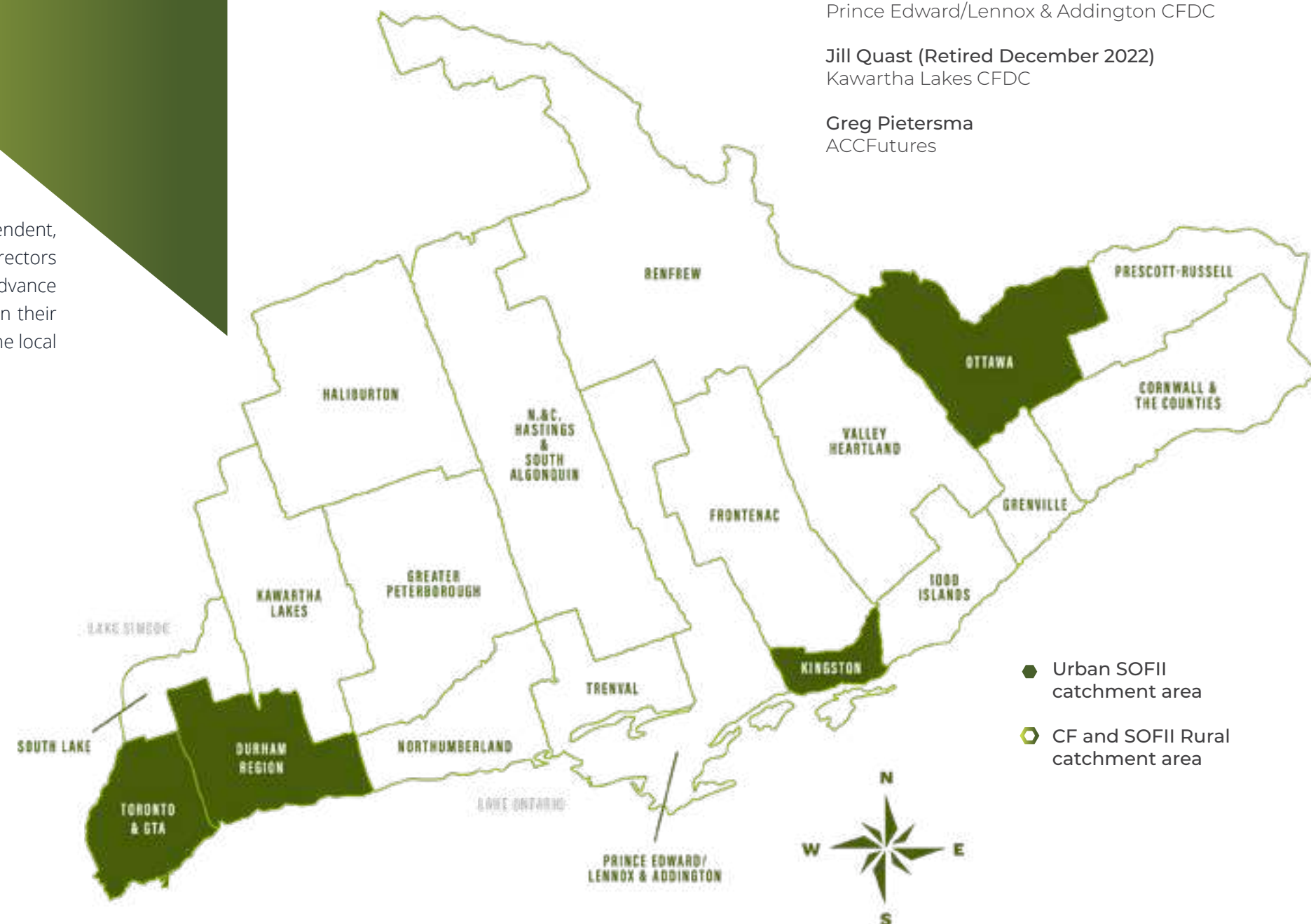
**Jim Beechey**  
(Elsa Mateus, Retired September 2022)  
South Lake CFDC

**Wendy Curtis**  
Northumberland CFDC

**Eoin Callan**  
Prince Edward/Lennox & Addington CFDC

**Jill Quast (Retired December 2022)**  
Kawartha Lakes CFDC

**Greg Pietersma**  
ACCFutures



## A MESSAGE FROM COMMITTEE CHAIRS

### FINANCE, INVESTMENT, AND AUDIT COMMITTEE

“ This has been a year of many achievements from the dedicated committee members. We implemented improvements, developed policy and processes; some of this work was done by the new Audit Sub-Committee including working with the Auditor from kickoff to the Audit review.

Highlights included standardized process for financial reviews, the split of the SOFII Contract 1 & 2, working with staff to develop a process of tracking disbursement separately during the year, and a split was made at year end.

We met 5 times and would like to thank the Committee Members, Peter Gaffney, Wendy Stone and Greg Pietersma for their dedication and all their hard work. I would be remiss if I didn't acknowledge Cyndy Palleske for her endless efforts in preparing all the paperwork and creating documents!! I would like to congratulate Peter Gaffney for his years of service on the Committee sharing your endless knowledge and dedication. Peter, you will be missed.

#### PATTI TALLMAN

Finance, Investment, and Audit  
Committee Chair

### GOVERNANCE AND RECRUITMENT COMMITTEE

“ The G&R Committee members, including Betty Hunter (Chair), Eoin Callan, Mary Lynn Rutledge, Katie Nolan, and Jim Beechey, have been working tirelessly since May 2022 when the Committee initiated its meetings. Throughout this period, we have held 12 meetings, conducted 1 e-vote, and had 2 joint meetings with Community Futures Western Ontario.

From the Committee's inception, we had a clear understanding of the Governance Project's definition and our role. Upon selecting a consultant, we collaborated with our counterparts in the west to refine parameters and deliverables, striving for alignment wherever possible.

One of our significant achievements has been spearheading the development of new bylaws, incorporating modernized parameters that will foster the growth and diversity of the organization while ensuring compliance with the new ONCA requirements.

Upon approval of the bylaws, there is still much work to be completed. Over the next year[s], this Committee will take the lead in developing a drafted Governance Policy Manual. Furthermore, we will be actively involved in the implementation of the bylaws during this period.

It has been an absolute pleasure working with this Committee, and I deeply appreciate all your hard work and dedication to this project.

#### BETTY HUNTER

Governance and Recruitment  
Committee Chair

### SOFII INVESTMENT REVIEW COMMITTEE

“ SOFII celebrated its 10th anniversary this past year. Year 11 of operations has shown that SOFII continues to be a critical player in the funding of innovative businesses in the region that it serves.

Rising interest and inflation rates, coupled with tightening credit and equity financing markets have made it difficult for companies to find funding. Those companies that SOFII was set up to help have been especially hard hit by the current economic conditions. Funding from SOFII has provided companies with the opportunity to continue growing, innovating and most importantly adding jobs during these times of economic uncertainty. SOFII is having an impact on making sure that our economy will continue to thrive into the future.

This past year the investment review committee ("IRC") reviewed 14 applications and approved ten loans for a total funding of nearly \$6 million. Nine of the ten clients that were funded by SOFII fell into the groups that have been targeted by the fund: rural, women, youth and newcomers to Canada.

Additionally, the IRC has recruited five new members and created a very strong pipeline for future members and expansion of the IRC if the demand for SOFII funding continues to grow. A testament to the impact of SOFII is that two of the new IRC members are former SOFII clients; both of whom applied to be members of the IRC.

The IRC is looking forward to another productive and successful year helping to fulfil SOFII's mandates.

#### SHAI DUBEY

SOFII Investment Review  
Committee Chair

## PROJECTS AND ACHIEVEMENTS



### Programs

#### Southern Ontario Fund for Investing in Innovation (SOFII)

- ◆ SOFII Rural launched (preferred rates + terms for rural clients)
- ◆ 10-Year SOFII Anniversary celebrated at AGM with video and presentation from Deputy Minister & FDO President, Nancy Gardiner
- ◆ SOFII Investment Review Committee (IRC) welcomes 2 former clients and 1 CFDC volunteer board member

#### Peer Councils

Three new Peer Councils launched to compliment existing Executive Directors and Loans Managers Councils:

- ◆ Board Chairs (expanded to include all ON)
- ◆ Marketing & Communications
- ◆ Administrators

## Training

Community Futures Eastern Ontario (CFEO) is dedicated to providing training opportunities for its Directors, members and staff. To cater to diverse learning styles and foster networking opportunities, a combination of in-person and virtual training sessions are offered. This blended approach ensures that individuals can choose the learning format that best suits them while still benefiting from valuable face-to-face interactions and the convenience of remote learning.

### Training Sessions Offered:

- Governance Refresher (July 2022)
- Working with Indigenous People (July 2022)
- Digital Marketing (Feb 2023)
- Insolvency and Restructuring (Nov 2022)
- Various HR Training (Through HR Downloads)
- Momentary Joy of Minutes (Feb 2023)\*
- ONCA (Mar 2023)\*

### Professional Development Events Facilitated:

- Annual General Meeting & 10-year SOFI Celebration (Jun 2022)
- Loans & Admin Conference (Nov 2022)

\*Jointly hosted with CFWO

## Advocacy

**Represented eastern ON CFDCs at CF Modernization Working Group,** successfully negotiating an increase in operational funding for CFDCs in southern ON

**Developed strategic connections with new FedDev Ontario Minister** Filomena Tassi, Deputy Minister Nancy Gardiner, and reinforced relationships with supporting FedDev Ontario leadership levels

**Coordinated a virtual meeting with MP Francis Drouin,** Prescott-Russell, with a selection of CFEO Network Executive Directors to share a pulse on the CF Program and rural priorities

## Marketing

**20+ success stories reshared from** eastern ON CFDCs

**Spotlight ON campaign launched** highlighting eastern ON CFDCs and their clients with individual videos and showcased during a dedicated CF Month (March)

**Monthly toolkits created and distributed** to CFDCs to assist in their individual marketing efforts using standard look/feel collateral

**Tri-Network Marketing group created** with CFO and CFWO for efficiencies and standardization of marketing materials across Ontario (including Northern representatives), CFWO + CFEO

## Governance

**Launched joint Governance Review** Project in collaboration with CFWO including a joint governance committee

**New ONCA compliant bylaws created** addressing elections, board composition and terms

**Drafting of new governance policies** launched, continuing priority for next fiscal



## THE SOFII PROGRAM

The Southern Ontario Fund for Investment in Innovation (SOFII) supports scale-up of high-growth, innovative, small and medium-sized enterprises (SMEs) in rural and urban communities by offering loans of \$150,000 to \$500,000 (additional funding available on an exception basis). SOFII provides interest-bearing business loans to help innovation and growth in small and medium sized enterprises (SMEs) across the region.

### LOAN PROGRAM

The SOFII loan fund acts as a catalyst for increased investment in and support for innovation, and is one element in the ongoing climate of government assistance to high-growth companies in Southern Ontario.

Launched by the Government of Canada in July 2012, SOFII is supported through FedDev Ontario and is delivered by the Networks of Community Futures Eastern and Western Ontario.

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In southeastern Ontario, SOFII is a \$30 million fund, available to eligible organizations in both rural and urban centres.

## 2022-23 SOFII FISCAL YEAR

**10 for \$5.95M**  
NEW LOANS FUNDED

**\$11.12M**  
MATCHED FUNDING  
INVESTED

**1999**  
JOBS MAINTAINED  
■ (NEW DEALS)



TARGET GROUPS FUNDING

**\$197,024,888**  
POST FUNDING  
INCREMENTAL SALES  
■ (TOTAL PORTFOLIO)

**414 FT**  
JOBS CREATED  
■ (TOTAL PORTFOLIO)

## SOFII CLIENTS FUNDED

2022-23



## SOFII PORTFOLIO FUNDING DISBURSED BY SECTOR

SINCE INCEPTION

**\$38,900,000**

Digital Industries

**\$3,500,000**

Health and Biosciences

**\$10,500,000**

Advanced  
Manufacturing

**\$1,750,000**

Clean Technologies

**\$1,500,000**

Agri-Food

**\$56,150,000**

Total Funding Dispersed  
Since Inception

## THE SOFII RURAL PROGRAM



In September of 2022, CFEQ launched SOFII Rural, a specifically designed initiative under the SOFII program. This program aims to provide special incentive terms, including lower interest rates and flexible amortization periods, to high-growth, small to medium-sized businesses in the rural communities of southeastern Ontario.

The launch of SOFII Rural received an overwhelmingly positive response, with businesses in the targeted regions, such as South Lake, Kawartha Lakes, Haliburton, Greater Peterborough, Northumberland, North & Central Hastings & South Algonquin, Trenval, Prince Edward/Lennox & Addington, Renfrew, Frontenac, Valley Heartland, 1000 Islands, Grenville, Prescott-Russell, and Cornwall & the Counties, embracing the opportunity.

The initiative's success in its first year not only provided support and incentives to businesses in these rural areas but also contributed to the overall economic growth and development of southeastern Ontario.



## SOFII RURAL CLIENTS SPOTLIGHT



### Entomo Farms

Entomo Farms produces whole crickets and cricket powder for human and pet consumption. Crickets are raised and harvested in 60,000 sq. ft. at 3 barns in Norwood, Ontario. These crickets are then dried and ground in a 5000 sq. ft. commercial kitchen, also in Norwood.

SOFII Rural funding provided working capital to be used for equipment and installation costs to expand the current farm and kitchen facilities and to complete initial engineering designs and install pilot systems for a larger, automated hybrid vertical farming facility.

“

**At Entomo Farms, we raise and process crickets as a sustainable alternative protein for both people and pets. SOFII funding enabled us to make both our farm and processing centre much more efficient. We are installing a large dehydrator that can process five times more product in a day without additional labour. It will also improve working conditions by lowering excess heat and humidity in the facility. At our farm, we added equipment to triple our production per square foot. Both projects have prepared us for industry growth and have lowered our production cost per pound significantly, making us much more competitive as we export around the world.**

Kelly Hagen, CEO, Entomo Farms



### Document Conversion Management

Document Conversion Management (DCM) Inc., established in 2004, is the leading drawing management company for facility managers. DCM is the ultimate solution to preserve and modernize facilities' most valuable assets: engineering drawings (blueprints). They have been named 'The Drawing Specialists' by their clients.

SOFII Rural funding provided working capital to fund further product development including automation of key components and expand the facility and sales teams.

“

**The SOFII investment has been a crucial factor in addressing several essential business needs that were necessary for scaling and enhancing our operations. Beyond the tangible upgrades we made across the company, the funding instilled confidence in our decision-making, which has been invaluable to our continued development and success.**

Darryl Mitchell, CEO



## SOFII 10 YEAR ANNIVERSARY

During the 2022-23 fiscal year, we celebrated the success of the SOFII program over the first 10 years since inception and the impact it has had on companies, entrepreneurs, employees, communities, and the economy.

“

With funding received from FedDev Ontario, SOFII has assisted over 100 innovative SMEs since 2012 with their rapid-growth activities ranging from increasing production capacity at a rural (for human consumption) cricket farm, to advancing the commercialization of a product that allows the visually impaired to “see”, to expanding into NA and European markets for a tabletop kitchen appliance food scraps composter. Innovation comes in all forms and sizes, and SOFII is the ideal vehicle to support that innovation in our SMEs on their growth trajectories. The program can attribute its incredible success to its visionary clients and to the government agency of FedDev Ontario who are invested in diversifying and growing the Canadian economy through flagship programming in southern Ontario such as SOFII.

- Cyndy Palleske, Executive Director

## 10 YEAR PROGRAM IMPACT



Money received since the start of program

2012 - \$8M from FedDev  
2014 - \$12M from FedDev  
2019 - \$10M from FedDev



4,104

Jobs Created



1,756

Jobs Maintained



\$121,521,000

Matched Funding Invested into SOFII clients



## SPOTLIGHT

Check out our spotlight video on eSight eyewear, a high tech manufacturer providing electronic eyewear for clients with degenerative eye diseases. They were one of our first clients funded in 2013 and their story of success with SOFII is truly inspiring. Watch the video on our YouTube channel:  
[youtube.com/@cfeasternontario](https://youtube.com/@cfeasternontario)

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Canada



Innovation, Science and  
Economic Development Canada

community futures  
NETWORK OF CANADA  
réseau de développement  
DES COLLECTIVITÉS DU CANADA



Community  
Futures  
Développement  
des collectivités  
Ontario



Ministry of  
Agriculture, Food &  
Rural Affairs

Community  
Futures  
Western Ontario



Eastern Ontario's  
Leadership  
Council  
Economic  
Development

Economic  
Developers  
Council  
of Ontario

ONTARIO EAST  
ECONOMIC DEVELOPMENT

SOAN

bdc

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Where Next Happens

INNOVATION  
CLUSTER  
PETERBOROUGH AND  
THE KAWARTHAS





## CONCLUSION

It has been our pleasure to share with you our 2022–23 Annual Report and to highlight some of the remarkable achievements and progress we have made together in advancing our collective mission. Reflecting on the past year, we are proud to have accomplished so much and created such impact across the region and the province. We aspire to even greater heights in the year ahead, fueled by our unwavering commitment to advocating for policies and supports that foster business growth and innovation, and our dedication to delivering exceptional programs and services that add real value to our members and by extension, to the communities we serve.

None of our achievements would have been possible without the tireless dedication and passion of our eastern Ontario CFDC staff and Boards. With the support of our members, partners, volunteers, and staff, we are confident that we can continue to drive positive change in the business community and create a more vibrant and prosperous economy for all. We extend our deepest gratitude to each of you for your support, active participation, and valuable contributions. Together, we have built a community that is driven by shared purpose.



Group photo taken during June 2022 Annual General Meeting at Calabogie Peaks.



## FOLLOW US ON SOCIAL MEDIA

**CFEO LinkedIn:** Community Futures Eastern Ontario  
**SOFII LinkedIn:** SOFII - Delivered by Community Futures Eastern Ontario  
**Twitter:** @CF\_EasternOnt  
**Facebook:** @CFEasternOntario  
**YouTube:** @CFEasternOntario



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Eastern Ontario

# ANNUAL REPORT

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