

Serving as a member of the Board of Directors with Community Futures Peace Country (CFPC) is a challenging, rewarding, educational, humbling experience. Because our physical area extends over 110,000 sq km, and our Board Members represent a variety of different communities in that vast region, we appreciate the challenges our staff overcome to provide our business and community support services to as many as possible.

Our main source of operating revenue is from the Federal Government through Western Economic Diversification (WD) and they have presented us with a new set of guidelines which resulted in us having to re-work our Strategic Plan. As always, our business services and loan portfolio exceed WD's expectations. We are now being encouraged to step outside the traditional and stimulate development of more innovative and value added products and services so as to better benefit the communities we serve. Community Futures offices are being asked to focus more on relevancy, accountability (to WD and also our communities) and diversification (including programs, services, and loan clients).

Our staff has been strong, dedicated, and stable over the last fiscal year. We have professional staff and good leadership within the office to assist communities as they develop their own directions and plans. CFPC's programs are constantly improving and evolving so to be effective Board Members it is important for us to keep informed about our organization as well as our individual communities' needs and issues. We are afforded training opportunities to improve our Board skills. Fortunately, the Board is comprised of individuals who are passionate about economic development in the Peace Country, are proud of CFPC's successes in meeting the challenges of the past year, and anticipate exciting, creative progress in 2008-2009.

Barbara Byers, Chair

Growing communities one idea at a time.

The 2007-2008 Operating Year was a challenging and exciting time for Community Futures Peace Country. It saw the implementation of the CF Re-branding Strategy, the development of innovative entrepreneurship initiatives, and \$738,000 approved to start and/or expand businesses across the Peace. As General Manager, I had the pleasure of working with a talented and dedicated staff who went the extra mile to ensure successful delivery of our projects, programs, and services as well as a committed Board of Directors who provided insight and leadership in the development our Operational Plan.

The 2008-2008 Operating Year will be an opportunity for growth and change with our focus on rural diversification. CFPC will be encouraging innovation, value-added and rural diversification opportunities across the Region. Our commitment to ensuring a healthy, thriving, diversified region is evident in the approach we take in working with business and community to grow communities one idea at a time.

Kelsay Reimer, General Manager

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The Community Futures Program is involved in a re-branding initiative across Western Canada encouraging a common theme across Community Futures offices to ensure easy and effective access to CF programs and services. Each CF office is known as Community Futures and will share a common logo and tag line- "Growing communities one idea at a time." The 27 CF offices across Alberta have adopted the common brand initiative and are working in partnership with the Community Futures Alberta to develop a consistent and comprehensive message.

Community Futures Peace Country has enthusiastically adopted the Brand and applied the brand on all marketing documents, created and implemented a Telehold system, as well as recreated the CF images by hand painting the brand images in the reception area, board room, and in staff offices. A new website has been launched that reflects the brand, is user friendly, and abundant with information: www.peacecountry-cfdc.com

welcome

TO COMMUNITY FUTURES PEACE COUNTRY



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The Community Futures Program is a grassroots renewal initiative created to strengthen rural economies by enabling entrepreneurship and assisting economic development through Community Futures Development Corporations. Community Futures Development Corporations are funded in part by Western Economic Diversification, Government of Canada, and are non-profit organizations implemented to deliver community based programs and initiatives that benefit the area they service.

Community Futures Peace Country was incorporated in 1994 and opened its doors in the Village of Berwyn, AB before moving to its present location in the Town of Peace River, AB in 2000. Peace Country Development Corporation will soon change its name to Community Futures Peace Country (CFPC).

There are ninety Community Futures Development Corporations spread throughout Western Canada, with twenty seven offices making their home in the province of Alberta. CFPC is proud to be part of the Peace Country region and is a proud promoter of our province and our people. We understand that it is the people and the communities that make the Peace region an enjoyable and prosperous place to live and work.

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Board of Directors

A volunteer Board of Directors oversees the operation of Community Futures Peace Country. It is the responsibility of each volunteer Board Member to protect the integrity of the organization's finances and maintain the innovative initiatives developed by the organization.

The Board Members provide governance for the organization, represent the organization in the community, and ultimately, accept legal responsibility for it. Board Members act on behalf of the Community Futures' constituents – the citizens of the community. The Board has the responsibility for carrying out the organization's mission and strategic objectives. Board Members accomplish their functions through attendance at regular meetings as well through their participation on committees and sub-committees.

Chair: Barbara Byers
First Vice Chair: Alice Olson
Second Vice Chair: Wendy Johnson

Directors: Ken Landry
Dick Gillespie
Monique Jeffrey
Roger Smiley
Brian Turpin
Darlene Cardinal
John Campbell
Dan Dibbelt

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General Manager, Kelsay Reimer

Born and raised in Saskatchewan, Kelsay received her education in Alberta, completing BA in Linguistics and English at the University of Alberta and an After Degree in Communications and Culture at the University of Calgary. She joined the CFPC in November of 2005.

Kelsay's creative energy and positive spirit brings a new dynamic to economic development. Her experience in working with rural communities and developing community economic development projects will assist her in promoting opportunities in the North.

Business Development Manager, Randy Hodgkinson

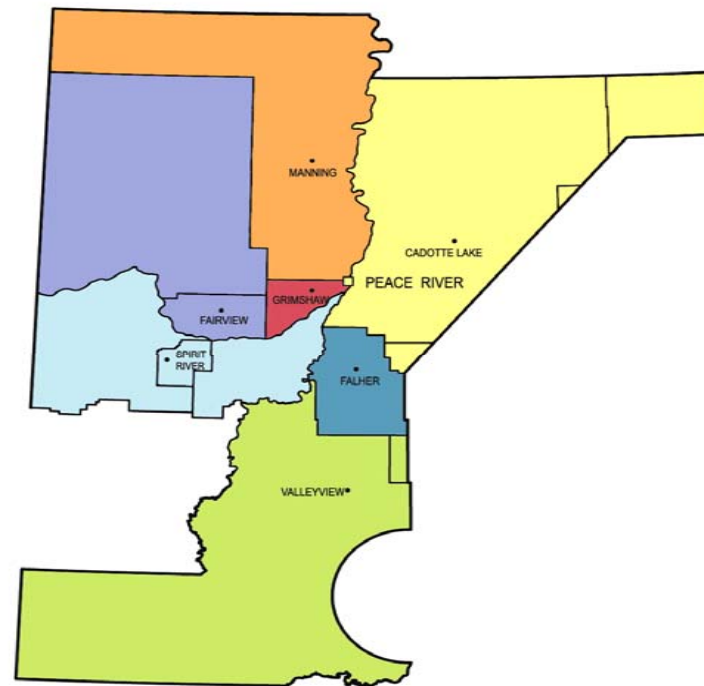
Randy has strong ties to the Peace Country as was born and raised in Peace River. Randy has owned and operated successful businesses in Peace River for over 20 years including a retail store on Main Street Peace River for 12 years.

Randy's wealth of experience in working with entrepreneurs to develop successful business ventures is a definite asset to Community Futures Peace Country.

Office Administrator, Bettie Klath

Bettie is from Saskatchewan and moved to the beautiful Peace River 7 years ago. Bettie joined the CFPC in September 2005, and is an integral part of the operation.

Community Futures Peace Country services the majority of the Northwest region in Alberta. The area encompasses almost 120,000 square kilometers that is home to approximately 44,000 people. We serve over 50 communities- 26 municipalities and 4 First Nation Bands.



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Mission:

To facilitate rural diversification through business and community economic development

Vision:

Healthy, thriving, diversified region

Tagline:

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Values:

- Innovative
- Entrepreneurial
- Accountable
- Professional

Purpose:

The purpose of Community Futures Peace Country is to support community economic development, encourage rural diversification and innovation, stimulating and diversifying the regional economy through viable business plan development and developing innovative economic development initiatives.

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BUSINESS DEVELOPMENT

Community Futures Peace Country is a developmental lender offering loans and financial guarantees to entrepreneurs operating within our service region. Our mandate is to support economic development and help entrepreneurs achieve their goals. Our organization supports small to medium size businesses through business counseling, business planning, business training, access to capital, and programs designed to assist entrepreneurs.

Technical Assistance

Community Futures Peace Country will assist you with the development of a business plan, marketing plan, and/or feasibility study. We provide assistance with cash flow, payroll, and bookkeeping inquiries. Community Futures Peace Country has information on various federal and provincial government funding programs. Resources are available in our business library that focuses on business start-up assistance. Access to the World Wide Web and international business information are also services that can be found at our office.

Counseling

All entrepreneurs and would-be entrepreneurs are invited and welcome at CFPC. You will find our professional staff supportive, helpful, and knowledgeable. Our office can provide you with the information and

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assistance you require. We understand the challenges of being located in rural areas and the many challenges businesses face. Community Futures Peace Country can assist you in:

- Business consulting
- Business plan guidelines
- Start up and growth planning
- Lending advice
- Market analysis
- Special needs support
- Referral services

Financial Assistance

New and existing business owners who have a business within the Community Futures Peace Country service region are eligible to apply for loan funds or loan guarantees to a maximum of \$150, 000.00. As a developmental lender, our organization requires that businesses attempt to access funding through conventional financial institutions before applying for financing through CFPC.

Investment Loans/Guarantees

- \$150,000.00 maximum to any one entity
- Interest rate established at time of application
- Amortization based on durability of security
- No prepayment penalties
- The borrower pays professional and legal fees

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Entrepreneurs with Disabilities

- \$150,000.00 maximum to any one entity
- Interest rate established at time of application
- Amortization based on durability of security
- The borrower pays professional and legal fees
- Funds are reserved for applicants having one or more physical or mental challenges

COMMUNITY ECONOMIC DEVELOPMENT

Community Economic Development is defined as the practice of local leaders using their own resources to embark on a planned process of social and economic development. Community Futures Peace Country is a facilitator of community economic development. Dedicated to the enhancement and growth of the Peace, our organization assists in the creation and maintenance of community economic action plans and engages in innovative initiatives, partnering with other economic development agencies to ensure economic growth and sustainability in the Peace Country Region.

In order to build community capacity, Community Futures Peace Country works with individuals, businesses, and leaders in our region to expand rural economies. Community Futures Peace Country works closely with communities to create innovative approaches to business development and provide access to business resources.

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Facilitation

Community Futures can provide facilitation assistance with community meetings, board development sessions, and idea generation exercises for project development, fund sourcing, partnership development, and community economic development training.

Strategic Planning

Community Futures believes in the importance of strategic planning and will assist communities in their own strategic planning process. The organization has access to a wealth of tools and resources to build the capacity communities need to understand, develop, and implement strategic plans.

Project Development

Community Futures can assist you in the development of your Community Economic Development and/or Rural Diversification project. Trained staff will assist you with the development of your project, provide assistance with regards to the development of your project proposal, and ensure you have considered the appropriate factors in determining your project budget.

Skill Development

Community Futures Peace Country offers training, development, and focused learning opportunities.

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Self Employment Program

Community Futures Peace Country is also pleased to be able to offer the Self Employment Program (SE) which provides business training, business plan development assistance, and counseling to unemployed individuals in the Peace River region wishing to start their own business.

The SE program is yet another provincially driven initiative through the department of Alberta Human Resources and Employment delivered through CFPC. CFPC has been successfully delivering this program since 1995 and have assisted well over 100 entrepreneurs in their quest to become self employed.

We invite interested applicants who qualify (Alberta resident, currently unemployed or underemployed, and have a viable business idea) to call our office to discuss their eligibility and viability of their potential business venture. Once accepted into the program, the entrepreneur receives Employment Insurance Benefits throughout the duration of the program to a maximum of 26 weeks.

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Community Futures Peace Country works with individuals and organizations in the Peace Region to assist in projects that will develop capacity and encourage the Peace Region as an exciting place to live, work, and do business. The 2007-2008 year saw a host of exciting initiatives that we were pleased to offer to our region.

Podcasts for Business Pilot Project

CFPC was proud to partner with CF's Grande Prairie & Region and West Yellowhead to spearhead a unique RCED (Rural Community Economic Development Fund) project- Podcasts for Business. Available in both High-speed and Dial-up, these 10-15 minute podcasts were developed with rural entrepreneurs in mind and cover a variety of business topics including, but not limited to, Marketing, Rural Business Trends and Opportunities, Growing your Business and Work/Life Balance. PodCasts offer an alternate training option and are easily viewed on-line, downloadable to MP3 players for entrepreneurs on the go and allow potential entrepreneurs easy access to valuable resources. The Small Business PodCast website has other features including an ask the expert section, scripts of each podcasts for reference or the hearing impaired, as well as resource pages with additional information on each topic. www.podcastsforbusiness.ca

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Women in the North Conference

CFPC was proud to lead the first ever Women in the North Conference that saw 80 attendees from across the Peace Country gather in Peace River for a one day entrepreneurial conference learning about how to start, expand, and diversify business. The aim of the conference was to equip women with the skills, tools, and resources for business. The conference provided the opportunity to learn from seasoned, successful business women and to step outside their comfort zone to find their passion. Feedback from the conference was tremendous, and plans are underway for next year's conference.

Northern Alberta Youth Entrepreneurship Camp

CFPC partnered with 12 CF organizations across Northern Alberta to implement the first ever Northern Alberta Youth Entrepreneurship Camp providing valuable learning and networking opportunities to youth aged 13-15 across the North. The first ever NAYEC experienced tremendous success reaching 50 young people from across Northern Alberta. The campers spent 1 week learning how to start and operate their own business and actually opened their business on the last day of camp. The camp taught young people all about business and provided hands on experience developing a business.

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Borrow our Student Stash

CFPC was proud to introduce the BOSS program. BOSS is a youth business loan geared towards students interested in starting a small summer business. Students can access up to \$3000 interest free for a period of 6 months to start their business. Students are expected to participate in business training to learn about starting and running a business.

CF Bursary

Community Futures also introduced a Bursary Program available to graduating students who intend to further their studies in a field of study related to business, economics, or community development. Applicants are required to submit an essay discussing an initiative that would make their community a better place to be!

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CFPC is a firm believer and strong promoter of building partnerships and working together to address issues of concern in communities and create awareness and understanding of economic development opportunities across the region. CFPC has been a partner in a number of projects in an attempt to promote community economic development activity.

Mountain Pine Beetle Information Session

The Mountain Pine Beetle infestation has the potential of being severely destructive to Alberta's forests and to the industries and communities that rely on them. To help prepare for and mitigate this threat, Grande Alberta Economic Region (GAER), Community Futures, and the Northern Alberta Development Council (NADC) partnered to offer this session that focused on the impact of mountain pine beetle to our communities.

The conference provided current and authoritative information relevant to communities. Over 120 individuals attended from communities, industry, service providers, citizens and government begin now to network and address the impact of this infestation. Synergies were developed to assist communities in dealing with the impacts, alternatives and opportunities of the infestation.

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Forest Based Community Virtual Cluster

One way to adapt and benefit is through the development of a rural-based virtual cluster. Typically, a business cluster is thought of as a geographic concentration of interconnected businesses, suppliers, and associated institutions in a particular field. Clusters tend to increase productivity, drive innovation, and stimulate new business. Instead of a *geographic* cluster, this project will create a *virtual* rural cluster. This project will build on the world's first "Rural Forest Based Community Virtual Cluster's" success that was started in Alberta by Community Futures West Yellowhead. Clusters have been used as an economic development opportunity in large centers throughout the world but these require critical mass in order to be successful. It is recognized that rural Alberta communities don't have the critical mass to develop clusters independently. But, rural communities can operate as a cluster through collaboration and utilizing technology like the SuperNet and other existing and future technological infrastructure and programs. The power of this virtual cluster is its ability to increase the number of people involved in rural sustainability, unite the interests of rural communities in a positive way, and access best practices and opportunities in a very efficient and cost effective way. CFPC is one CF of many partnering in this project to deliver information via video conference on a variety of topics.

Branding the Peace Country Billboard Campaign

Branding the Peace is an innovative inter-provincial initiative that bridges between Northern Alberta and British Columbia, and also promotes the partnership of four Community Futures organizations. Branding the Peace aims to encourage Peace Country producers to promote their product with the

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Peace Country brand, and has undertaken a variety of projects to increase the awareness of Branding and the benefits of membership. CFPC was proud partner for the Billboard Baby Campaign.

The Billboard Campaign was a Peace Country baby photo competition in search of babies to be showcased on four billboards strategically placed along the highway system in the Peace Country in an attempt to increase regional awareness of the Branding initiative. The target market for this project was all Peace Country residents with the focus being on parents of babies born in the Peace Country in 2006. Four Peace Country babies born in 2006 were selected through a photo competition, and professional photos were taken and billboards constructed using the photos of the Peace Country babies promoting the Peace Country brand. This project increased the number of hits to the Branding the Peace Country website and in turn heightened awareness of the Branding the Peace movement.

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Trade Shows

Community Futures believes in promoting its programs and services and in reaching as many individuals across the Peace Country while increasing visibility in the communities we serve. This past year, CFPC was involved in 3 Tradeshow across the Peace:

- Peace River Tradeshow – April 20, 2007
- Smoky River Agricultural Tradeshow- March 15-17, 2007
- Clear Hills Country Agricultural Tradeshow- April 14, 2007
- 2008 Women’s Tradeshow- March 1, 2008

Rotary

Community Futures also believes in community and getting involved at the local level in an attempt to encourage both business and community economic development. CFPC is proud to be a member of the Peace River Rotary Club, and has attended meetings at the Clubs in Peace River, Grimshaw, and Fairview.

Public Board Meetings

Community Futures is accountable to Western Economic Diversification as well as the communities we serve. In an attempt to be accountable and transparent, CFPC holds at least Board Meetings across the region in varying communities across the region and representatives from the community are invited to the Meeting to discuss the organization and its relevancy in the community. This past year saw meetings in the Town of Valleyview and the Town of Fairview.

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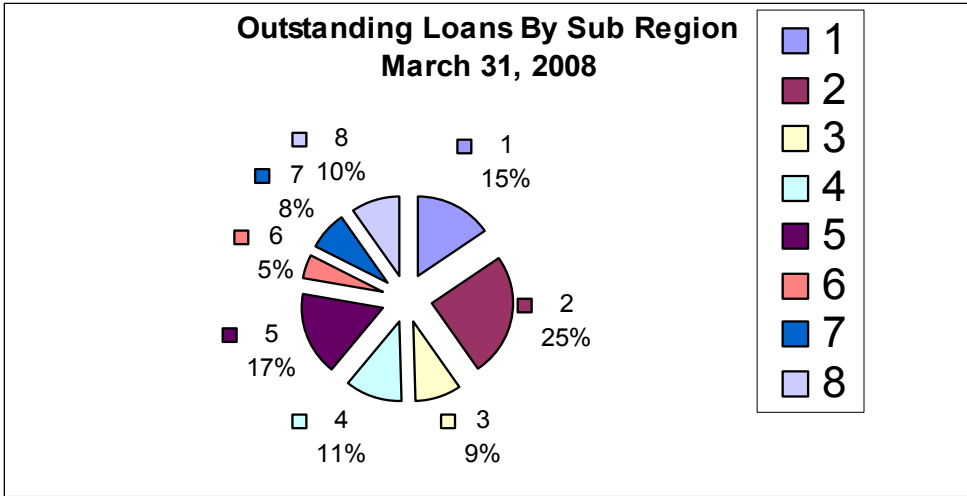
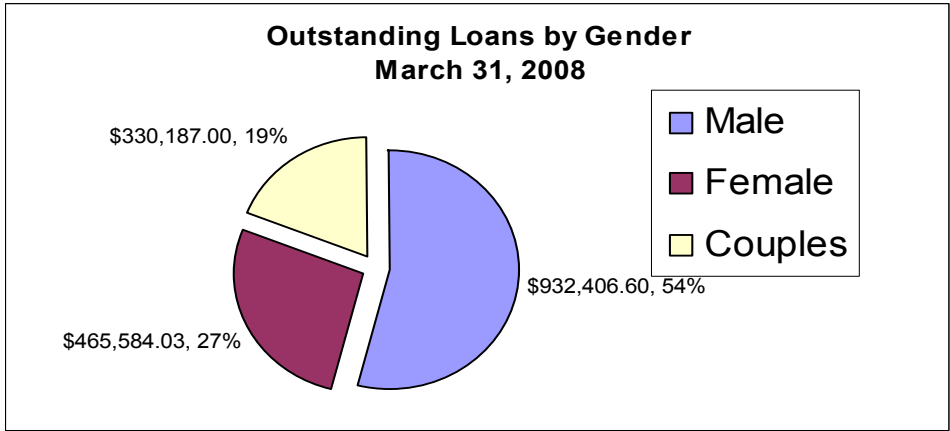
Providing sound business guidance to potential clients is a main focus of CFPC, and has paved the way for an enviable loan portfolio as CFPC has been tremendously successful providing business loans to entrepreneurs in the region.

To date, CFPC has approved \$7, 946,082 loan funds and has dispersed a total of 180 loans with a low 3.38% credit loss.

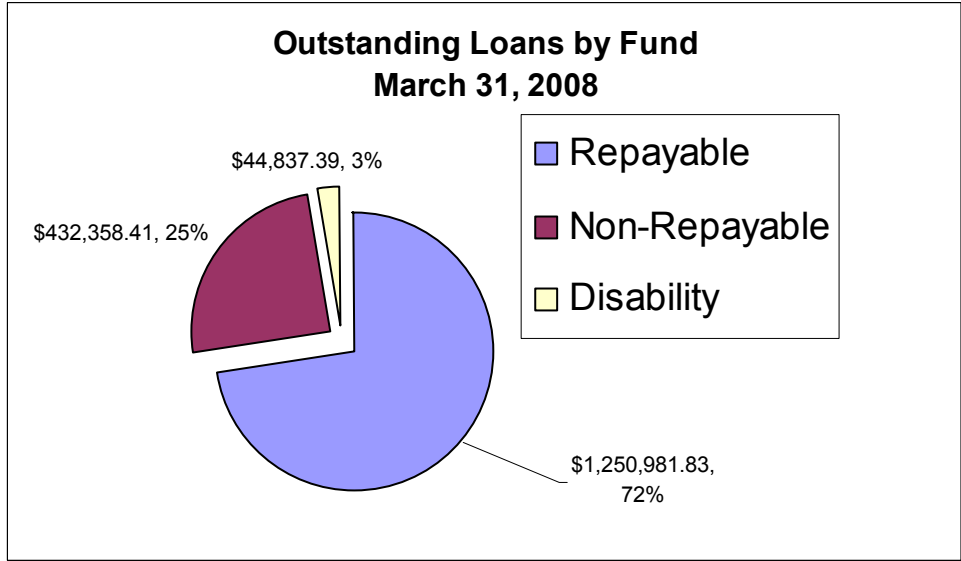
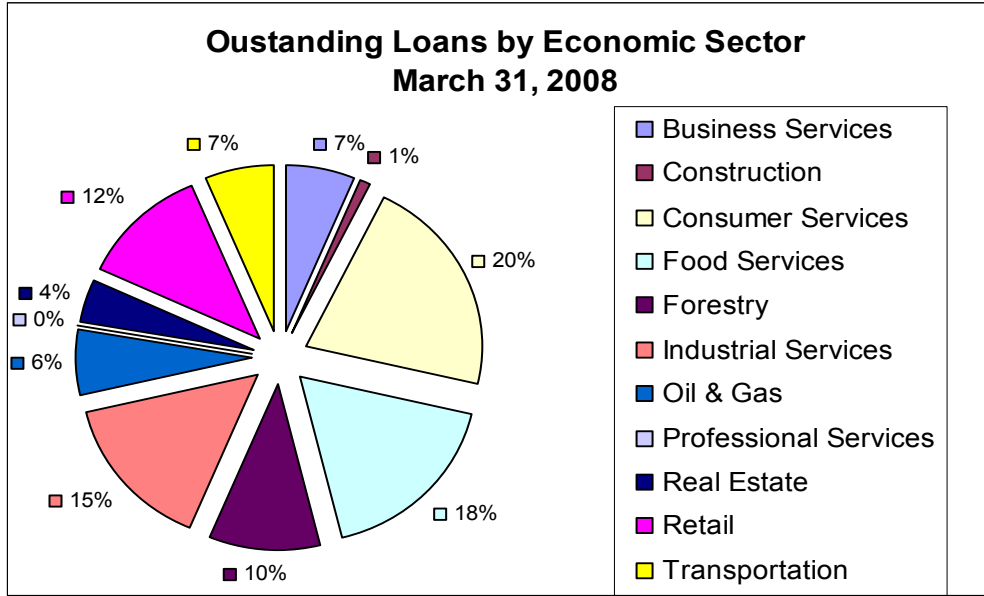
The 2007-2008 operating year has been very busy and CFPC has assisted hundreds of clients with business inquires. This fiscal year has seen 14 loans approved in the amount \$738,000 approved. As of March 31, 2008 80% of our available loan funds available are in the community.

The following graphs will illustrate our lending portfolio as of March 31, 2008.

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\$ Amount invested in CED/Business Development Projects- \$5350.00

\$ Amount leveraged for CED/Business Development Projects- \$97,500.00

Loans- 14

\$ Loan dollars lent- \$738,000.00

Clients served- 362

Clients Trained- 52

Information Services Provided- 515

Training Sessions Delivered- 20

Partnerships developed/maintained- 81

Hours committed by Board Members- 543.5

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