



**Community**  
Futures Sagehill



Growing communities one idea at a time.

**Annual Report  
2018-2019**



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# Message From the Chair

For 33 years the Sagehill Community Futures Development Corporation has played an important role in contributing to the economic and business development of the communities in our region.

I've always believed that one of the main things that makes Sagehill different is our ability to focus on the person in front of us. Whether you're a volunteer, a small business owner or a prospective business owner we never lose sight of what you need and how we might best serve you. That commitment to each of you is one we value the most.



Like you, each member of our Board has experience with small business ownership and volunteering in our home communities. We know what it takes to start and grow a business, to raise money for a community project or organize to provide a much-needed community service. Each of us brings our collective experience to the Board and from that experience comes our commitment to you and the communities we call "home".

Sagehill had good year.

We invested a total of \$925,221.00 into our region through our financing program. With this investment, we assisted with the creation and maintenance of 30 jobs.

Our business advisory services numbers were strong again this year totaling 1023. Our numbers for participants attending our business training sessions were also strong at 156.

We continue to successfully deliver Self Employment program contract as well as deliver the Indigenous Business Development Services Program. Our HR Program continues to have a significant demand and we continue to grow. You can find more information about each of these programs in our Annual Report.

In this year's report you'll also find details of a performance management strategy used to evaluate Community Futures loan client success with other but comparable firms. Stats Canada used indicators such as industry concentration, employment growth, firm longevity, sales growth and labour productivity growth to determine how we measure up. We are extremely excited about the results.

It's been a great year not only from a program and service delivery perspective but from a financial and governance perspective as well.

We're extremely proud of our region and equally proud of the contribution we make.

As I complete my term with Sagehill, I want to express my gratitude to the staff and to my fellow board members. My volunteer experience has been extremely rewarding and I am proud to have been part of this incredible organization that continues to serve our communities and our region with integrity, dedication and the utmost professionalism.

Melissa Chegus, Chairperson



# Governance:

Good governance. Solid leadership.

Each director has a duty of care, of diligence, of loyalty and a duty to members. They have a unique challenge to lead, to counsel and to serve. Sagehill is ably governed by a dedicated group of volunteers. The men and women who volunteer their time, their experience and their energy to Sagehill occupy a very special position within our Corporation. They are the stewards of our *public trust*.

Each individual is elected by the membership to a two year term during our Annual General Meeting.

That initial term may be repeated twice. After serving 3 consecutive 2-year terms a member must take a minimum 1 year leave from the board. Should a vacancy occur during a member's term the board may choose to fill the vacated position by appointing an individual to the board. The term of an appointed individual expires at the next- scheduled AGM. At that time, the appointed individual may stand for election, if they choose.

Our Directors are the stewards of:

## Our Mission

We empower people, encourage entrepreneurial initiative and assist our communities to achieve what matters to them.

## Our Vision

Our leadership, in business and community economic development, creates prosperity in our region.

## Our Strategic Goals

- ✓ stimulate, augment and support the entrepreneurial spirit and skill in our region.
- ✓ respond to the changing opportunities and challenges facing our rural communities.
- ✓ network with other organizations providing high quality community economic development service.
- ✓ effectively manage and grow our own financial and human resources.

A listing of our current Directors, including their tenure on the board, can be found in the following table:

Director	Term	Begins	Ends
Chegus, Melissa	1	June/13	June/15
	2	June/15	June/17
	3	June/17	June/19
Lueke, Floyd	1	June/14	June/16
	2	June/16	June/18
	3	June/18	June/20
Titman, Loa	1	June/13	June/15
	2	June/15	June/17
	3	June/17	June/19
Boychuk-Kidd, Patty	1	June/14	June/16
	2	June/16	June/18
	3	June/18	June/20
Kneeshaw, Paul	1	June/14	June/16
	2	June/16	June/18
	3	June/18	June/20
Campbell, Mary	1	June/17	June/19
	2	June/19	June/21
Boyenko, Denis	1	June/17	June/19
	2	June/19	June/21

## *Meet the Members of our Board:*



Melissa Chegus

Melissa was elected to the board in June 2013. In July 2014 she was elected as Vice-Chair and in July 2017 Melissa was elected to, and accepted, the position of Chair.

Melissa together with her husband, Chris, own and operate Chegus RV Sales in Watson.



Floyd Lueke

Floyd was appointed to the board in November 2013 and was elected to his first term with the board in June 2014. In July 2017 Floyd was elected to, and accepted, the position of Vice-Chair.

Floyd and his wife, Elaine, own and operate Midland Glass in Humboldt.



Loa Titman

Loa was elected to the board in June 2013 and is just completing her second term with the Board.

Loa and her husband, Dave, own and operate Concrete Elements on their farm in the Viscount area.



Patty Boychuk - Kidd

Patty was elected to the Board in June 2014 and is currently in her second term with the board.

Patty and her husband, Ed, own and operate 2 & 41 Dairy Queen.



Paul Kneeshaw

Paul was elected to the Sagehill board in June 2014. He is currently in his second term with the Board.

Paul and his wife, Diana, own and operate Misty Garden Greenhouse & Gift Shop in Humboldt.



Mary Campbell

Mary was elected to the Board in June 2017 and is currently serving her first term with Sagehill.

Mary owns and operates Campbell Greenhouses in Anaheim.



Denis Boyenko

Denis was elected to the board in June 2017 and is currently serving his first term with Sagehill.

He and his wife, Shelley, own and operate Gido's Corner in Aberdeen.

## Business Development:

Business Development plays an integral role in our region and consequently in our menu of programs and services. Small business is critically important to our region, to our province and to our country because of the crucial role they play in job creation and contribution to GDP.

**Loans  
Advice  
Support**

The entrepreneurial spirit in our region continues to keep us busy. Our service to small business owners have grown exponentially over the past couple of years. Historically, we would average about 300 advisory services per year. Last year that number was 993 and this year we came in at 1023 services over tripling our historic average.

The majority of small business owners in the Sagehill region manage successful businesses. As business owners they are continually looking for ways to improve their businesses. Some owners choose to streamline day-to-day operations, manage inventories differently, develop human resource strategies or find new ways to grow sales. Regardless, of the method we will continue to provide the advisory and support services they require.

This year we wrote 18 loans totaling \$925,221.00. Our financing helped business owners leverage an additional \$417,300 in financing from other financial institutions. Together, those numbers have a significant impact in our region.

So, if you're considering starting a small business of your own, there is no better time to do so than now. Call us. We're here to help!

Through the years we've also been fortunate to secure programming that helps us grow small business in the region.

## Self Employment Program

One of those programs is the Self-Employment Program. We've successfully delivered this program for more than twenty-nine years. Through that time, several hundred individuals have successfully started their own businesses.

The Self Employment Program provides training and support to assist eligible unemployed individuals develop, implement and operate a viable business. The program involves a flexible range of entrepreneurial training supports and services to help participants establish successful businesses. Training focuses on the research and writing of a business plan, as well as business related skills development.

The Program is a training option for individuals seriously considering self-employment. Starting a business takes commitment and skills development to be successful. The program also contributes to economic development and job creation through the development of new businesses.

The SE program is currently housed with the provincial Ministry of Immigration, Employment and Career Development.



## Just Watch Me Video Contest



The contest was launched in 2011 and is an annual initiative of the Community Futures' Entrepreneurs with Disabilities Program.

This year our own Michell Janzen of Michelle Janzen Signature Cakes & Cookies in Waldheim won 2<sup>nd</sup> place in the Seasoned Entrepreneur Category.

Janzen was super pumped about being the only Saskatchewan person to win in her category. She stated that she will be using her cash winnings to purchase an edible printer.



Janzen started her business in 2016. It initially started out as a hobby and turned into a business opportunity. Janzen's business is a licensed bakery that specializes in edible art and boutique custom bakery, specializing in sugar cookies, cakes and cupcakes for weddings, birthdays and special occasions and events.

Janzen has an autoimmune disease called Hashimoto's thyroiditis.

A couple of other projects that helped us with our Business Development efforts this past year are:

## *Indigenous Business Development Services Program*

The Indigenous Business Development Services (IBDS) Program is a federal initiative dedicated to supporting new and existing Indigenous entrepreneurs and businesses/organizations in Western Canada. The IBDS provides early-stage entrepreneurial and business training as well as path-finding services to business programs offered by other organizations, enabling clients to better utilize these programs.

We developed a proposal to deliver the IBDS program in Saskatchewan together with CHS Enterprises. We were awarded that contract in March 2017 and so have completed our second year of service.

During the year, we continue to meet, one-on-one, with many indigenous entrepreneurs in the province to discuss their business ideas - how to get them off the ground, how to grow them, how to ensure their longevity and how to make a positive impact in their home communities. It certainly has been our pleasure to provide service to these up and coming entrepreneurs and we look forward to what's to come.

Our delivery partner in IBDS is Cherylynn Walters of CHS Enterprises. Cherylynn and her team have been delivering business and economic development services to rural and Indigenous communities, throughout Saskatchewan since 1999. Together we make a strong team and as we move forward the development of strategic networks to best serve our Indigenous communities will make us even stronger. We're looking forward to delivering the program in Saskatchewan through March 2020.

You can find more information about Indigenous Business Development Services Program on the web at [www.ibdssk.com](http://www.ibdssk.com) or on Facebook at <https://www.facebook.com/ibdssk/>



## Human Resource (HR) Program



Through the years we've developed some very specialized programs and service to assist small business owners. One of those programs is our HR program.

Creating jobs is hard work. Entrepreneurs need to think strategically and plan carefully to maximize the potential of the opportunities they uncover. And, most entrepreneurs don't have an HR department to help them. Our HR program is designed to provide practical tools that will help small business owners, municipalities and organizations take those first steps towards implementing quality human resource (HR) management practices.

We know from speaking to the small business owners that participated in our HR Program that the new practices they developed helped them to increase

- ✓ productivity,
- ✓ levels of engagement with staff,
- ✓ opportunity to retain and recruit staff,
- ✓ profitability, and
- ✓ customer satisfaction.

Each of those things is important; and, together the impact of solid HR Management is extremely powerful.

## Learning Events

Each year we host several events based on timely topics for entrepreneurs in our region. This year we hosted 4 events.

### Cannabis in the Workplace

As the legalization of recreational marijuana in Canada was approaching, we decided to host a session on cannabis in the workplace to bring employers up-to-speed on what their rights and responsibilities are as employers. This session provided employers with lots of good examples and resources.



### Tax Issues for Small Business

What is an eligible expense? Can I write that receipt off? Can I pay a family member and use it as a business expense? Can I use my personal vehicle as a business expense?

These questions plus more were answered during the Tax Issues for Small Business workshop we hosted.



## Balancing Work & Life



Do you worry about being stretched too thin?

Do you feel like you are being pulled in different directions?

Do you feel like there are not enough hours in a day?

In today's society we are juggling many things. We sometimes struggle to Balance our multiple roles between work and life. We hosted two sessions on Balancing Work & Life.

Participants were provided with tools and techniques on how to “balance” their multiple roles.



## Employment Standards

An important aspect of HR management for business owners is understanding the Employment Standards by our Provincial Government and how those standards affect their small business. We wanted to ensure that employers had the most current information, so we held an Employment Standards workshop.

The workshop was extremely well attended. We certainly appreciate the support of the Ministry in making these workshops happen.



# Measuring Up!

During the past several years we have been using a performance measurement strategy that evaluates Community Futures loan client success by comparing several indicators of business success with those results from comparable but unassisted (by CF) firms.



The indicators include industry concentration, employment growth, firm longevity, sales growth and labour productivity growth. The data for each of the five year periods beginning with 2003 was researched and compiled by Stats Canada. The results are in for 2010-2015 and our customers, once again, are looking pretty darn good!

What follows is a 'reader's digest' version of the results.

## Employment Growth:

In general, CF assisted firms outpaced comparable firms in terms of employment growth across most industries.

- All sizes of CF assisted firms were more successful in creating jobs than the comparable group of firms (7.40% versus 2.56%)
- Small-sized firms (<20 employees) demonstrated considerable job growth of 8.56%, compared to only 1.53% in comparable firms.
- CF assisted firms in Transportation and Warehousing saw the greatest compounded annual growth measured at 16.04%, as opposed to comparable firms that exhibited job growth of 4.0%.
- While Wholesale trade saw the least growth exhibited by CF Assisted Firms (3.66%) it was still higher as compared to comparable firms (0.69%).

## Business Survival Rates

Firm longevity is evaluated by using a measure of the overall business survival rate for CF assisted firms and comparable firms. For the report completed by Statistics Canada, business survival rates are calculated as the ratio of the number of firms that remain in the market after a specific period of time over the number of firms that were in operation in 2004.

For example, the 5-year business survival rate is interpreted as the percentage of businesses that remain in the market after five years.

Firm longevity for CF assisted firms continues to remain higher in later years. The business survival rate for CF assisted firms was 68% for the fifth year following entry, compared to 46% for comparable firms.

#### Financial Growth:

The financial performance of CF assisted firms relative to comparable non-assisted firms is evaluated using growth in sales and labour productivity.

Between 2010 to 2011, CF assisted firms experienced a total sales growth of 16.26%. This is in stark comparison to the 8.46% sales growth that the comparable firms experienced. The strong sales growth in both categories for 2011 may, in part, be due to the recovery from the 2008 economic crisis. By the end of 2015, there was a significant decline in sales growth for firms across all industries for both CF assisted and comparable firms, of a -0.01% vs -3.64% respectively. Decline in performance may be due to the contraction in Western Canada's economy by 0.9% in 2015, as a result of downturn in commodity prices, particularly oil. Nevertheless, CF assisted firms still managed to outperform comparable firms in 2015.

Overall, CF loan clients were able to withstand initial shocks to economic activity better than those firms without CF assistance. Moreover, they were able to consistently outperform comparable firms by a healthy margin throughout all five years.

#### Closing Note

CF assisted firms continue to outperform the comparable group in terms of job growth, firm longevity, and sales growth. That is just such good news for all of us!

A full copy of the report referenced in this section is available through Sagehill Community Futures Development Corporation.

*It's just good business!*



Created in 1985, Community Futures is the largest, most well-established national community economic development network in the country. Nationally, Sagehill has 267 sister Community Futures Development Corporations. They can be found in every province and territory. Community Futures is a Government of Canada initiative designed to help communities develop and implement strategies for dealing with a changing economic environment.

Sagehill is also a proud member of the Business Service Network. With a network of over 100 points of service across the West, small and medium-sized businesses in most rural and urban centers can easily access a range of business services through Western Economic Diversification's (WED) Business Service Network.

The Western Canada Business Service Network consists of several integrated organizations that provide entrepreneurs with the expertise they need to start a new business or expand their existing company. The network includes Business Service Centers, Community Futures Development Corporations, Women's Enterprise Initiative offices, Francophone Economic Development Organizations, and regional WD offices in Western Canada.



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