

Independent Evaluation of Clarence Campeau Development Fund – MNP LLP

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Socioeconomic Impact of Métis Entrepreneurship and Economic Development in Saskatchewan – Northern Research Group Inc.

November 2014

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EXECUTIVE SUMMARY

In 2014, Clarence Campeau Development Fund (“CCDF”, “the Fund”) engaged the firms of MNP LLP (“MNP”) and Northern Research Group Inc. (“NRG”) to conduct two distinct but related evaluations of the Fund and its outcomes. The following document comprises these two individual studies. The first is an independent evaluation of CCDF’s performance during the period of 2009 to 2013 which has been compiled by MNP. The evaluation covers the period of time since the last evaluation, which was completed in 2009 and documented the performance of the Fund from the point of inception to 2009. The second is a study completed by NRG on the socioeconomic impacts of the Fund from 1998 to 2013.

The methodologies undertaken to complete each of these studies can be reviewed in each respective report. The findings of each report are summarized below; a conclusion based upon both reviews is also included.

CCDF Performance Summary

The key findings gathered by MNP have been organized in three categories: achievement of outcomes, efficiency and effectiveness and market relevance.

Achievement of Outcomes

CCDF has demonstrated a consistent track record of delivering positive outcomes through the delivery of loan programs to Métis entrepreneurs.

Goals and Objectives

- CCDF established effective strategic plans based on the needs and opportunities for Métis people, plus the realities of the marketplace.
- CCDF effectively implemented planning and accountability that links mandate and funding terms to a strategic plan through to effective governance and business operations.
- CCDF is proactive and continues to seek out opportunities to better assist clients through regular internal program reviews and updates, the addition of the Métis Economic Development Sector (“MEDS”) and the continuation of the Métis Energy and Resource Program (“MERP”).

Impacts and Effects

- The number one strength of CCDF is the people (Board, Management and staff).
- CCDF has allowed Métis entrepreneurs to create and maintain jobs in a variety of industries. Many of these entrepreneurs hire Métis individuals when possible.
- MEDS is working to raise the profile of Métis entrepreneurs and business owners in Saskatchewan.
- MERP has been working closely with industry and business owners to ensure there is awareness of both current and emerging opportunities with large projects in Saskatchewan.



Benefits

- CCDF's traditional and new programs have allowed Métis businesses to begin, grow and remain in Saskatchewan. Many owners attribute their success to CCDF's ongoing support in terms of financial and ongoing advice.

Efficiency and Effectiveness

Appropriate Activities to Meet Goals and Objectives

- Assessing investment opportunities based on the inclusive procurement practices of major resource companies has been the most significant challenge for MERP. The program has demonstrated flexibility and adaptability to identify and pursue alternative approaches for projects. Increased engagement and support by major resource companies would greatly enhance the results for MERP.
- The traditional loan application process is very efficient.

Cost/Benefit

- The economic impact of CCDF over the years is significant and impressive.
- Total investments under the Community Business Development Program and Loan/Equity Contribution Program from 2009 – 2013 were \$14.2 million through 192 loans. The average loan size across all programs was \$73,958.
- For every dollar invested by CCDF over 2009 – 2013, it is estimated that \$3.31 in GDP was created.

Market Relevance

Market-Driven Programs and Services

- CCDF has consistently demonstrated a relevance to the Saskatchewan market.
- CCDF has developed new programs and services to respond to opportunities to better serve Métis people and to deliver measurable outcomes.

Ongoing Need for the Fund

- Sustained and continuous support for the traditional programs of CCDF demonstrates an ongoing need and role for CCDF's services.
- There is value in sustaining MERP with a continued mindset of flexibility to adjust the strategy and plan for this program based on changes in the market.
- MERP is making important contributions. The program is still young and finding its legs. Overall rationale and objectives for MERP remain valid and the program should continue to evolve based on market needs and opportunities.

Lessons Learned

- Continue ensuring politics are kept at a distance from CCDF operations.
- Objectives of programs such as MERP need to continue to be flexible, adaptable and always evolving to ensure they meet the needs of the client.
- Partnerships with other Métis organizations (GDI, SMEDCO, etc.) are an important means of communicating about CCDF.
- Strong governance of the organization remains critical, and will always be important and critical to ensure mandate and purpose is met.



Outcomes Used to Drive Future Decisions, Programs and Funding Models

- Ongoing internal discussions confirmed that the current loan structure suits the needs of the programs.
- Continued low write off of loans confirms CCDF's approach regarding application criteria is sound.
- CCDF has combined and renamed the After Care Programs as the Business Support Program in an attempt to increase usage by clients.

Socioeconomic Impact of Métis Entrepreneurship and Economic Development in Saskatchewan

The results from the activities conducted for the socioeconomic impact study compiled by NRG confirm that CCDF generates tremendous benefits for the province of Saskatchewan as a whole and particularly for the Métis people of Saskatchewan.

- Sixty-five percent of interviewees noted an increase in their overall standard of living, and 81% stated that their personal income level increased since accessing CCDF funding. This increase in living standards translates into a \$325,802 benefit for the sample population and a \$16,540,722 benefit for the total population of CCDF clients.
- Throughout CCDF's existence, CCDF clients, through the creation and expansion of businesses, have created 2,149 new jobs, creating a social benefit of \$3,994,991.
- Increases in educational attainment, resulting from increased educational opportunities in the workplace and for entrepreneurs families resulted in a \$209,709 benefit for the sample population and a \$10,646,775 benefit for the total population of CCDF clients.
- The increased health benefit was calculated by determining the impact that Métis entrepreneurship and economic development has had on extending the lifespan of the population. This analysis resulted in an \$8,827,598 benefit from the sample population and a \$448,170,359 benefit for the total population of CCDF clients.
- An increase in the quality and quantity of sports, leisure and recreation opportunities available to entrepreneurs, their families and their employees created an \$8,052 benefit for the sample population and a total benefit of \$408,805 for the population.
- The cultural benefits gained through CCDF programming came directly from the company contributions to Back to Batoche. These contributions have totalled \$1,500,000 since 1998.

The benefit cost analysis led NRG to derive a total benefit cost ratio of 11.91. This result essentially states that for every dollar invested in Métis economic development via CCDF programming, social benefits equivalent to \$11.91 are created.

Conclusion

CCDF remains a national leader in Aboriginal financing and economic development. An important validation for CCDF was the decision of the newly created Métis Voyageur Development Fund ("MVDF") in Ontario to adopt the same business model and operations framework as CCDF. This decision by MVDF was reached after careful study of the various alternative models of Aboriginal financing organizations across Canada.

CCDF has continued to demonstrate that it has professional and robust capacity and systems for governance and management. The organization continues to deliver consistent and strong financial results and outcomes. It is well positioned for sustainability in the next few years and is



an ideal receptor organization for additional funding. CCDF continues to demonstrate strong overall operations with a robust management system, especially for an organization of its size.

CCDF and its investments in Métis economic development have had profound effects on the Métis and Canada's economy. In addition to creating jobs and economic values to the individuals accessing these jobs, the investments made by CCDF's Métis economic development programs also provide substantial socioeconomic benefits such as improvements in living standards, rising employment, the creation of sport and recreation facilities, increased educational opportunities, increased health services, cultural benefits and increased community services. Investments in Métis economic development can act as a viable and potentially self-sustaining form of social programming and can work to overcome a wide range of social issues which plague Métis communities.

Since 2009, CCDF has continuously improved its governance, management and operations to better serve Métis people across the province. The result is a national leading Métis financial institution. Strong organizations are continuously improving and responding to their environments. The following are potential opportunities for CCDF:

- Pursue and attract additional federal and provincial investments
- Continuous improvements to marketing and communications
- Continue proactive engagement with industry

CCDF has demonstrated a mindset and a culture for continuous improvement. Sustaining these practices will be important for maintaining the organization's edge and outcomes.



Independent Evaluation of Clarence Campeau Development Fund

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PROJECT SNAPSHOT

In order to determine the performance of the Clarence Campeau Development Fund (“CCDF”, “the Fund”) since the 2009 evaluation, the Fund engaged MNP LLP (“MNP”) to complete an independent evaluation to fully examine CCDF and its programming since the 2009 evaluation, focusing on the areas of governance, management, operations and the achievement of outcomes. The project was also to focus on assessing the opportunity and viability to extend support for Métis economic development through the continued expansion of the Fund. Where appropriate MNP considered potential areas for continuous improvement to better achieve the mandate of the Fund.

The review focused on answering the following key areas of inquiry:

1. How successful was the operation of the Fund’s various activities in terms of delivery, activities and objectives accomplished?
2. Is the current design suitable and does it match the level of need?
3. What has been achieved for impacts, results and expectations based on long-term outcomes?
4. What changes to the Fund could enhance impact and effectiveness?

In order to conduct the evaluation, MNP employed the following approach and methodology:

- A review was completed of CCDF internal documents and other information provided by CCDF Management.
- A sample of CCDF client files was reviewed to verify the accuracy of information provided by Management. This sample included two client files from each CCDF loan program in the Saskatoon office, as well as two Regina office client files.
- A cost-benefit analysis based on Management information was conducted to assess a range of factors including, but not limited to, determining the proponent, nature of the business opportunity, amount invested by CCDF, date of the investment, degree of leveraged dollars and other revenue sources, recovery rate and terms and economic impact.
- Through stakeholder meetings MNP assessed the role and contributions of CCDF, and identified future opportunities, priority areas and suggestions for improvement. A cross section of ten stakeholders were consulted (a combination of staff, Board members and clients), who were identified by CCDF.
- The “burn rate” of the Fund was calculated in order to analyze depletion of capital base of the Fund for each program as appropriate.
- Board minutes were reviewed to assess the effectiveness of the Fund’s governance model.
- Three client investments were profiled in a case study format to tell the story of the Fund’s performance in a meaningful way that extends “beyond numbers.”

OVERALL FINDINGS OF THE REVIEW

The key findings gathered by MNP based on its project activities have been organized in three categories: achievement of outcomes, efficiency and effectiveness and market relevance. The following provides a brief summary of review findings.

Achievement of Outcomes

CCDF has demonstrated a consistent track record of delivering outcomes.

Goals and Objectives

- CCDF establishes effective strategic plans based on the needs and opportunities for Métis people, plus the realities of the marketplace.
- CCDF effectively implemented planning and accountability that links mandate and funding terms to a strategic plan through to effective governance and business operations.
- CCDF is proactive and continues to seek out opportunities to better assist clients through regular internal program reviews and updates, the addition of the Métis Economic Development Sector (“MEDS”) and the continuation of the Métis Energy and Resource Program (“MERP”).

Impacts and Effects

- The number one strength of CCDF is the people (Board, Management and staff).
- CCDF has allowed Métis entrepreneurs to create and maintain jobs in a variety of industries. Many of these entrepreneurs hire Métis individuals when possible.
- MEDS is working to raise the profile of Métis entrepreneurs and business owners in Saskatchewan.
- MERP has been working closely with industry and business owners to ensure there is awareness of both current and emerging opportunities with large projects in Saskatchewan.

Benefits

- CCDF's traditional and new programs have allowed Métis businesses to begin, grow and remain in Saskatchewan. Many owners attribute their success to CCDF's ongoing support in terms of financial and ongoing advice.

Efficiency and Effectiveness

Appropriate Activities to Meet Goals and Objectives

- Assessing investment opportunities based on the inclusive procurement practices of major resource companies has been the most significant challenge for MERP. The program has demonstrated flexibility and adaptability to identify and pursue alternative approaches for projects. Increased engagement and support by major resource companies would greatly enhance the results for MERP.
- The traditional loan application process is very efficient.

Cost/Benefit

- The economic impact of CCDF over the years is significant and impressive.
- Total investments under the Community Business Development Program and Loan/Equity Contribution Program from 2009 – 2013 were \$14.2 million through 192 loans. The average loan size across all programs was \$73,958.
- For every dollar invested by CCDF over 2009 – 2013, it is estimated that \$3.31 in GDP was created.

Market Relevance

Market-Driven Programs and Services

- CCDF has consistently demonstrated a relevance to the Saskatchewan market.
- CCDF has developed new programs and services to respond to opportunities to better serve Métis people and to deliver measurable outcomes.

Ongoing Need for the Fund

- Sustained and continuous support for the traditional programs of CCDF demonstrates an ongoing need and role for CCDF's services.
- There is value in sustaining MERP with a continued mindset of flexibility to adjust the strategy and plan for this program based on changes in the market.
- MERP is making important contributions. The program is still young and finding its legs. Overall rationale and objectives for MERP remain valid and the program should continue to evolve based on market needs and opportunities.

Lessons Learned

- Continue ensuring politics are kept at a distance from CCDF operations.
- Objectives of programs such as MERP need to continue to be flexible, adaptable and always evolving to ensure they meet the needs of the client.
- Partnerships with other Métis organizations (GDI, SMEDCO, etc.) are an important means of communicating about CCDF.
- Strong governance of the organization remains critical, and will always be important and critical to ensure mandate and purpose is met.

Outcomes Used to Drive Future Decisions, Programs and Funding Models

- Ongoing internal discussions confirmed that the current loan structure suits the needs of the programs.
- Continued low write off of loans confirms CCDF's approach regarding application criteria is sound.
- CCDF has combined and renamed the After Care Programs as the Business Support Program in an attempt to increase usage by clients.

CONCLUSION

CCDF remains a national leader in Aboriginal financing and economic development. An important validation of the CCDF business model was the decision of the newly created Métis Voyageur Development Fund (“MVDF”) in Ontario to adopt the same business model and operations framework as CCDF. This decision by MVDF was reached after careful study of the various alternative models of Aboriginal financing organizations across Canada.

CCDF has continued to demonstrate that it has professional and robust capacity and systems for governance and management. The organization continues to deliver consistent and strong financial results and outcomes. It is well positioned for sustainability in the next few years and is an ideal receptor organization for additional funding. CCDF continues to demonstrate strong overall operations with a robust management system, especially for an organization of its size.

Since 2009, CCDF has continuously improved its governance, management and operations to better serve Métis people across the province. The result is a national leading Métis financial institution. Strong organizations are continuously improving and responding to their environments. The following are potential opportunities for CCDF:

- Pursue and attract additional federal and provincial investments
- Continuous improvements to marketing and communications
- Continue proactive engagement with industry

CCDF has demonstrated a mindset and a culture for continuous improvement. Sustaining these practices will be important for maintaining the organization’s edge and outcomes.

PROJECT OBJECTIVE

The Management and Board of Directors of the Clarence Campeau Development Fund (“CCDF” or “the Fund”) have worked diligently in collaboration with Métis entrepreneurs and other stakeholders for over 17 years. A previous evaluation of the Fund, completed by MNP LLP (“MNP”) in 2009, concluded that “CCDF is a professionally run organization that has developed a consistent and successful track record of contributing to the success of Métis businesses in Saskatchewan.” Since 2009, CCDF has expanded its program offerings and established additional programs and services including the Métis Economic Development Sector, Métis Energy and Resource Program, Métis Women’s Equity Program and Métis Youth Equity Program. In order to determine the performance of CCDF since the 2009 evaluation, the organization engaged MNP to complete an independent evaluation to fully examine CCDF and its programming since the 2009 evaluation, focusing on the areas of governance, management, operations and the achievement of outcomes. The project was also to focus on assessing the opportunity and viability to extend support for Métis economic development through the continued expansion of the Fund.

Where appropriate MNP considered potential areas for continuous improvement to better achieve the mandate of the Fund. MNP evaluated three components of the Fund:

1. Success
 - a) Goals and objectives
 - b) Impacts and effects
 - c) Benefits
 - d) Strengths and weaknesses
2. Efficiency and Effectiveness
 - a) Appropriate activities to meet goals and objectives
 - b) Most effective components
 - c) Cost/benefit
3. Relevance
 - a) Significant changes in context
 - b) Ongoing need for the Fund
 - c) Lessons learned
 - d) Outcomes used to drive future decisions, programs and funding models

The review focused on answering the following key areas of inquiry:

1. How successful was the operation of the Fund’s various activities in terms of delivery, activities and objectives accomplished?
2. Is the current design suitable and does it match the level of need?
3. What has been achieved for impacts, results and expectations based on long-term outcomes?
4. What changes to the Fund could enhance impact and effectiveness?

PROJECT APPROACH AND METHODOLOGY

In order to address the key areas of inquiry, MNP implemented an integrated and concurrent project approach in order to complete the project in a timely manner while balancing independence and professional standards. MNP's project methodology was designed as follows:

ANALYSIS OF FUND PERFORMANCE

In order to assess the performance and governance of the Fund, MNP reviewed a series of internal documents and analyzed information provided by Management. A sampling exercise was undertaken with current client files to verify the accuracy of information provided by Management. The Project Team reviewed two client files from each loan program in the Saskatoon office as well as two Regina client files. MNP believes this sampling was appropriate based on the extensive audit activities completed by CCDF's external auditor and the Provincial Auditor. The majority of the information verified was accurate, such as industry type and amount invested by CCDF. For the purpose of this study, MNP deemed the information provided by Management to be reliable in a material manner based on MNP's sampling exercise.

The Project Team worked with Pam Larson, CCDF Controller, to summarize individual investments of CCDF. MNP conducted a cost-benefit analysis based on Management information to assess a range of factors including, but not limited to, determining the proponent, nature of the business opportunity, amount invested by CCDF, date of the investment, degree of leveraged dollars and other revenue sources, recovery rate and terms and economic impact (including where possible the number of jobs created, businesses generated, wealth generated, taxes generated, infrastructure developed, impact on the community and other long-term benefits to communities).

The methodology of the review included the following key elements:

- Through stakeholder meetings MNP assessed the role and contributions of CCDF, and identified future opportunities, priority areas and suggestions for improvement. A cross section of ten stakeholders were consulted (a combination of staff, Board members and clients), who were identified by CCDF.
- In collaboration with Pam Larson, the MNP Project Team calculated the "burn rate" of the Fund to analyze depletion of capital base of the Fund for each program as appropriate.
- The Project Team assessed the effectiveness of the governance model by reviewing Board minutes in the context of the Board's roles and responsibilities included in the policies and procedures manual.
- CCDF retained a separate consulting firm, Northern Research Group Inc. ("NRG"), to develop an analysis of the relevant socioeconomic data that describes in broader terms the impact of the Fund. This information will be included within an accompanying chapter to this report.

Overall, the following documents a summary analysis that evaluated the overall performance of the Fund within the context of its mandate and objectives based on the information provided by Management. The report contains identified areas of strength and opportunities for improvement related to governance, management, operations and outcomes.

CASE STUDY ANALYSIS

The MNP Team in collaboration with CCDF identified five client investments that articulate the value proposition and outcomes achieved by the Fund. The three that are included in this review clearly illustrate the support and assistance that CCDF provided the client.

The selected investments were profiled in a case study format to tell the story of the Fund's performance in a meaningful way that extends "beyond numbers." Each case study profiles the entrepreneur(s), the business idea, the role played by CCDF and the outcomes achieved in a personal and meaningful way that provides the reader with real insight into the Fund.

PROFILE OF CLARENCE CAMPEAU DEVELOPMENT FUND

Clarence Campeau Development Fund was established by the Métis Society of Saskatchewan Inc. subject to an agreement with the Government of Saskatchewan dated June 11, 1997. In September of 2001 an amendment to the Gaming Act recognized CCDF in legislation and a new agreement between the province and the Métis Nation – Saskatchewan Secretariat Inc. was executed in December 2002.

The purpose of CCDF is to provide financial assistance where there is currently a void for Métis clients. CCDF is not designed to replace or be in competition with, but to augment and complement existing government programs, agencies and other financial institutions. All applicants are to explore other sources of funding (e.g. banks, credit unions, Sask Métis Economic Development (“SMEDCO”), Community Futures). CCDF will not fund cultural activities, social programs, operations of political bodies, or non-economic related development projects.

The objective of the Fund is to stimulate economic development activities of Métis people and communities by providing equity for Métis businesses, support to community economic development initiatives and assistance for the development of the management skills of new and existing Métis business owners and entrepreneurs. The Fund derives its revenue subject to the agreement with the Government of Saskatchewan.

The mission of CCDF is to improve the economic circumstances of Saskatchewan’s Métis by providing funding for business development, community economic development and development of management skills and assistance to new and existing Métis-owned businesses.

The goals of CCDF as an organization are as follows:

- Expand CCDF’s services out to new entrepreneurs,
- Fund CCDF’s existing clients to expand their businesses, and
- Enable Métis entrepreneurs to have a greater presence in high growth and capital intensive sectors of the economy.

The new Agreement pending final approval between the Government of Saskatchewan and the Métis Nation – Saskatchewan outlines five goals for CCDF:

1. Create an effective and efficient relationship to further Métis and provincial economic development;
2. Achieve full Métis representation in the provincial economy through economic opportunities, business involvement, participation as employers and a representative work force;
3. Maximize economic opportunity for Métis people;
4. Facilitate business ventures that lead to jobs, profits and business experience for Métis people; and
5. Contribute to the well being of all Saskatchewan people through the success of Métis people and communities.

In order to achieve its objective, mission and goals, CCDF makes repayable and non-repayable contributions to qualifying projects. Contributions are targeted to commercially viable, for-profit businesses with specific contribution criteria to be approved by the CCDF Board of Directors. The Board may enter into agreements with other contributing entities and appropriate business support agencies. CCDF has evolved to become a comprehensive economic development organization for Métis people. A high-level overview of CCDF’s programs and initiatives is provided below.

BUSINESS PLAN ASSISTANCE PROGRAM

This program is intended to provide support to entrepreneurs with a business concept which has been identified as an excellent opportunity through an initial screening by the Fund, but which requires a professional business plan in order to attract financing. This program allows entrepreneurs to engage the services of a professional consultant in order to undertake the quality of research and planning necessary to develop a business plan and attract financing. CCDF funds up to 75% of the costs to a maximum of \$10,000. The funding is non-repayable.

LOAN/EQUITY CONTRIBUTION PROGRAM

This program is to assist Métis entrepreneurs by providing capital through interest-free loans or equity that will enhance the applicant's ability to leverage financing from other institutions and agencies. CCDF can provide financial assistance of up to the lesser of \$200,000 per project or 35% of the value of the fixed assets identified in the program costs. The term of the repayable contribution by the Fund is up to seven years. Equity instruments can be held by the Fund for a maximum period of ten years.

MÉTIS WOMEN'S EQUITY PROGRAM

This program is to assist Saskatchewan Métis women who wish to become entrepreneurs overcome barriers and enhance their ability to leverage financing and support services from financial institutions and business support agencies. CCDF can provide equity assistance of up to 65% of project costs to a maximum of \$10,000. Total project costs cannot exceed \$25,000 (excluding working capital). The term of the repayable interest-free contribution by the Fund is up to five years. Security consists of a promissory note. After 24 months of satisfactory repayment of principal, clients have the option to repay 75% of the remaining contribution with 25% being forgiven.

MÉTIS YOUTH EQUITY PROGRAM

This program is to assist Saskatchewan Métis Youth ages 18 to 35 with the desire to become entrepreneurs overcome barriers and enhance their ability to leverage financing and support services from other financial institutions and agencies. CCDF can provide equity assistance of up to 65% of project costs to a maximum of \$10,000. Total project costs cannot exceed \$25,000 (excluding working capital). The term of the repayable interest-free contribution by the Fund is up to five years. Security consists of a promissory note. After 24 months of satisfactory repayment of principal, clients have the option to repay 75% of the remaining contribution with 25% being forgiven.

LARGE SCALE/JOINT VENTURE PROGRAM

Funding is available under this program for up to the lesser of \$1,000,000 or 50% of the total project costs. Minimum funding under the program is \$201,000. Total project costs must be in excess of \$500,000. Priority is given to, but not restricted to, higher-end, value-added projects.

COMMUNITY BUSINESS DEVELOPMENT PROGRAM

This program is intended to assist Métis community-owned business development associations and corporations leverage capital to develop businesses that will result in the creation of wealth and jobs for Métis. CCDF can provide a one-time, non-repayable contribution up to the lesser of \$100,000 or 35% of the value of fixed assets as identified in the program costs. Should the business be sold or disposed of within three years of receiving a non-repayable contribution, the contribution will become repayable immediately. In addition, CCDF can contribute up to the lesser of \$200,000 or 35% of the value of the fixed assets as an interest-free

repayable contribution. Total funding from CCDF under this program will not exceed 50% of the value of the fixed assets.

DEVELOPMENT OF MANAGEMENT AND MARKETING SKILLS PROGRAM

This program supports training for existing CCDF clients to develop their management and marketing skills. The maximum available under this program is 75% of the approved costs to a maximum of \$10,000 over the life of the contribution.

BUSINESS SUPPORT PROGRAM

This program is intended to provide professional support to existing CCDF clients in order to help improve the opportunity for success. Funding under this program is intended to allow the business to engage the services of a professional consultant to examine the operations of the business in order to identify areas that may require special attention. CCDF can contribute non-repayable funding of up to 100% of the cost, to a maximum of \$10,000 over the life of the contribution.

MÉTIS ENERGY AND RESOURCE PROGRAM

The program mandate of the Métis Energy and Resource Program (“MERP”) is to encourage Métis economic participation and ownership in industries that support major resource and energy developments in Saskatchewan. Under MERP’s programs, CCDF provides equity and debt financing to allow Métis entrepreneurs and communities to participate through ownership or investment in viable businesses. Funding is directed at medium and large-scale service businesses and MERP programs complement the above mentioned programs offered by CCDF. The energy and resource sectors include, but are not limited to, mining, energy, oil and gas, alternative energy and forestry. MERP also considers all major projects that demonstrate viability (i.e. non-energy and resource sector specific projects).

Equity Contribution Program

Under this program CCDF can provide Métis entrepreneurs with a repayable contribution of up to the lesser of \$500,000 or 50% of the value of the fixed assets plus 35% of working capital and inventory costs identified in the program. Minimum funding under this program is \$250,000; maximum funding is \$1,000,000. Priority is given to, but not restricted to, projects that demonstrate a high degree of job creation.

Community Infrastructure Development Program

The purpose of this program is to provide support, mentoring, guidance, advice and funding required to establish successful community-owned businesses in strategic areas of Saskatchewan. CCDF works in partnership with Métis communities, Regions and Locals to help identify economic development opportunities and to help establish businesses that are able to access contracts in the Energy and Resource sectors. A combination of repayable and non-repayable contributions can be provided by CCDF. The amounts of the contributions are at the sole discretion of CCDF. Minimum funding under this plan will be \$201,000; maximum funding is \$1,000,000. For projects funded under this program, CCDF can hold common shares in the initial year for the business with the community partner to purchase and/or be gifted shares so that the community will own 100% of the business over time and CCDF will be able to reinvest the funds in other projects.

MÉTIS ECONOMIC DEVELOPMENT SECTOR

In the spring of 2010, with the financial support of the federal and provincial governments as well as CCDF, a comprehensive study was undertaken and a strategic plan developed for the creation of the Métis Economic Development Sector (“MEDS”, “the Sector”). The Métis Nation – Saskatchewan endorsed the establishment of the Sector under the management of CCDF and in July 2010, with the financial support of Indian and Northern Affairs Canada and CCDF, the Sector began operations.

OVERALL FINDINGS OF THE REVIEW

The following is a summary of the key findings gathered by MNP based on our project activities. The findings have been organized in three categories: achievement of outcomes, efficiency and effectiveness and market relevance.

ACHIEVEMENT OF OUTCOMES

CCDF has demonstrated a consistent track record of delivering outcomes. CCDF's stated goals are:

- To ensure that Métis entrepreneurs acquire the management, administrative and marketing skills necessary for business success;
- To increase employment opportunities for Métis persons; and
- To improve incomes for Métis persons.

Goals and Objectives

- The organization has been effective at establishing strategic plans based on the needs and opportunities for Métis people, plus the realities of the marketplace.
- The organization has effectively implemented planning and accountability that links its mandate and funding terms to a strategic plan through to effective governance and business operations.
- The organization is proactive and continues to seek out opportunities to better assist clients through regular internal program reviews and updates, the addition of the Métis Economic Development Sector ("MEDS") and the continuation of the Métis Energy and Resource Program ("MERP").

Impacts and Effects

- The number one strength of the organization is the people – the Board, Management and staff all work together as one team to support Saskatchewan Métis people.
- The organization has allowed Métis entrepreneurs to create and maintain jobs in a variety of industries throughout Saskatchewan. Many of these employers state that they hire Métis individuals when possible for these positions.
- The MEDS is working to raise the profile of Métis entrepreneurs and business owners in the province.
- MERP has been working closely with industry and business owners to ensure there is awareness of both current and emerging opportunities with large projects in the province.

Benefits

- CCDF traditional loan programs, and its new programs, have allowed Métis businesses to begin, grow and remain in the province. Many owners attribute their success to the ongoing support, both in terms of financial and ongoing advice, from the CCDF team.

EFFICIENCY AND EFFECTIVENESS

Appropriate Activities to Meet Goals and Objectives

- Accessing investment opportunities based on inclusive procurement practices of major resource companies has been the most significant challenge for MERP. The program has demonstrated flexibility and adaptability to identify and pursue alternative approaches for projects. Increased engagement and support by major resource companies would greatly enhance the results for MERP.
- The application process for the traditional loan program is very efficient. The staff and board fully understand the requirements. The application information is laid out in such a manner that it is easy for the client to understand as well.

Cost/Benefit

- The economic impact of the organization over the years has been significant and impressive.
- For the period of 2009 – 2013, the total investments under the Community Business Development Program and Loan/Equity Contribution Program were \$14.2 million through a total of 192 loans. The average loan size across all programs was \$73,958 during the period.
- **For every dollar invested by CCDF over 2009 – 2013, it is estimated that \$3.31 in GDP was created.**

MARKET RELEVANCE

Market-Driven Programs and Services

- CCDF has consistently demonstrated a relevance to the Saskatchewan market over the years based on the sustained success of its traditional programs.
- The organization has developed new programs and services to respond to opportunities to better serve Métis people and to deliver measurable outcomes.

Ongoing Need for the Fund

- The level of sustained and continuous support for the traditional programs of CCDF demonstrate clearly that there is an ongoing need and role for the organization's services in the marketplace. Many entrepreneurs would not be able to fulfill their dreams for business and personal success without the foundational support of CCDF.
- The logic behind MERP indicates a need for the Program and Fund to ensure Métis entrepreneurs have an opportunity to participate in larger industrial projects in the province. There is value in sustaining MERP with a continued mindset of flexibility to adjust the strategy and plan for this program based upon changes in the market. Métis entrepreneurs need to have representation in these larger industrial sectors in order to enhance job creation, wealth creation and self sufficiency for Métis people.
- MERP is making important contributions. The reality is that the program is still young and finding its legs. The overall rationale and objectives for MERP remain valid and the program should continue to evolve based on market needs and opportunities.

Lessons Learned

- Continue ensuring politics are kept at a distance from CCDF operations.
- Objectives of programs such as the MERP need to continue to be flexible, adaptable and always evolving to ensure they meet the needs of the client.
- Partnerships with other Métis organizations such as Gabriel Dumont Institute, Sask Métis Economic Development Corporation and others are an important means of communicating about CCDF.
- Strong governance for the organization remains critical, and will always be important and critical to ensure mandate and purpose is met.

Outcomes Used to Drive Future Decisions, Programs and Funding Models

- Previous studies suggested a potential revision to the traditional loan programs including adjusting the client contribution, loan thresholds and loan approval criteria. However, ongoing internal discussions have confirmed that the current loan structure suits the needs of the programs.
- The continued low write off of loans confirms that the approach CCDF has taken regarding application criteria is sound, and benefits both the Métis entrepreneur and CCDF.
- The level of client uptake on the After Care Programs has resulted in CCDF combining and renaming the programs as the Business Support Program in an attempt to increase usage by clients.

SUPPORTING ANALYSIS

The overall findings are supported by the detailed review of the following aspects of the organization. The overall success, effectiveness and relevance of each aspect was considered to identify the key strengths, opportunities for growth and recommendations for each area of CCDF.

ANALYSIS OF INDIVIDUAL INVESTMENTS AND COST BENEFIT

Loan/Equity Contribution Program

Historically, the Loan/Equity Contribution Program has been what CCDF is “known for” – assisting Métis entrepreneur through interest free unsecured loans which allow the entrepreneur to leverage bank financing. At the outset of the Program, CCDF placed emphasis on northern communities. Since the initial development of the Loan/Equity Contribution Program, the majority of activity has occurred in the western regions of the province.

In September 2009 CCDF opened a new office in Regina. This new location allowed CCDF to focus additional resources on southern Saskatchewan. CCDF ensures that investment decisions for clients, businesses and the organization are based on strategic goals. The addition of the Regina office was based on a number of factors including examining the population of Métis people in the province and comparing that to future economic development activities identified through various contacts and industry knowledge. The result has been substantial. The activities in the southern half of the province have increased from the 2009 report which illustrated CCDF activity from 2007 – August 2009 (outlined in the table below). The map provided in Appendix A outlines the loans that were approved and disbursed in each Métis Nation Region throughout the province from 2009 - 2013.

| Region | 2007 – 2009 Period (From Previous Study) | 2009 – 2013 Results | Percentage of Growth |
|-------------------|---|---------------------|----------------------|
| Eastern Region 2 | \$327,109 | \$654,230 | 200% |
| Eastern Region 2A | \$14,483 | \$526,815 | 3,537% |
| Eastern Region 3 | \$15,000 | \$192,123 | 1,181% |

The rest of the province experienced growth from 2007 – 2009 to 2009 – 2013, but not as aggressively, with some notable exceptions including Northern Region 2. The focus on the Eastern Region of the province through the establishment of a Regina office has been successful.

| Region | 2007 - 2009 Period (From Previous Study) | 2009 – 2013 Results | Percentage of Growth |
|--------------------|---|---------------------|----------------------|
| Northern Region 1 | \$115,000 | \$100,500 | (13%) |
| Northern Region 2 | \$80,915 | \$1,402,006 | 1,633% |
| Northern Region 2a | \$300,937 | \$669,798 | 123% |
| Western Region 1 | \$1,203,540 | \$1,710,405 | 42% |
| Western Region 1a | \$106,960 | \$842,835 | 688% |

| | | | |
|--------------------------|-------------|-------------|------|
| Western Region 2 | \$921,981 | \$2,441,738 | 165% |
| Western Region 2a | \$2,660,976 | \$3,102,147 | 17% |
| Western Region 3 | \$1,095,649 | \$2,625,625 | 140% |

- The Loan/Equity Contribution Program is the most established program at CCDF and is extremely well operated.
- The Program's objectives, criteria and components are well defined and have been in place for a number of years.
- The Program is growing across the province and loans are being accessed by Métis entrepreneurs in a variety of industries.
- In examining the growth outlined above, the two periods compared are not equal in terms of number of years. However, it is clear that some Regions are experiencing greater growth than others. The growth has occurred not only through increased deals, but also increased project size.
- Growth is both a strength and a weakness; if the rate of growth is higher than the rate at which the fund is recapitalized by Provincial Gaming Fund revenues and loan payments, CCDF may have to reduce the number or size of loans in the future.
- It is recommended that CCDF continue to hold information sessions throughout the province on the programs and funds available to Métis entrepreneurs, ensuring that the message includes information on what is required of potential clients.

Community Business Development Program

The following table outlines the Community Business Development Program allocations that have occurred from 2009 – 2013 in each Métis Nation Region that received program dollars.

It is anticipated that community development projects will continue to be pursued to establish the governance models and economic development structures for lasting sustainability and wealth creation.

| Region | 2009 – 2013 Results | Sectors Funded | |
|---------------------------|---------------------|---|--|
| | | Primary Sector (Secondary Sector) | |
| Northern Region 2 | \$200,000 | Community Development (Community Hall) and Service (Retail) | |
| Northern Region 2a | \$150,000 | Communications and Education (Business Centre) | |
| Western Region 1 | \$194,500 | Tourism (Campground) and Education (Business Centre) | |
| Western Region 2 | \$800,000 | Cultural | |
| Western Region 2a | \$117,933 | Service (Personal Care Home) and Construction (Property Inspection Service) | |

- This Program has provided over \$1.4 million in financing to community-based projects.
- Larger community-based initiatives are often the "lightning rod" that supports further opportunities for Métis entrepreneurs in the area. For example, the campground development project in Green Lake provides an opportunity for Métis entrepreneurs to develop support services such as boat rentals, tours or an icecream stand for the visitors that the new campground will bring in.

- Projects funded under this program may be for-profit or not-for-profit entities, but each project must qualify as a profitable opportunity that is viable, as outlined in a supporting business plan.

Métis Energy and Resource Program

The financial impact of the MERP since its inception is as follows:

| Region | 2011 – 2013 Results | Sectors Funded | |
|--------------------|--------------------------|---|--|
| | | Primary Sector (Secondary Sector) | |
| Northern Region 1 | \$250,000 – 1 Project | Construction (Concrete & Gravel) | |
| Northern Region 2a | \$500,000 – 1 Project | Mining (Drilling) | |
| Western Region 1 | \$1,500,000 – 2 Projects | Forestry (Hauling) | |
| Western Region 1a | \$766,000 – 2 Projects | Oil & Gas (Environmental Drilling, Drill Bill Supplier) | |
| Western Region 2 | \$1,400,000 – 4 Projects | Forestry (Log Hauling) | |
| Western Region 3 | \$751,275 – 1 Project | Oil & Gas (Oil Service Company) | |

The MERP has been a valuable addition to CCDF. It has filled an important gap to support Métis entrepreneurs and to build wealth. Saskatchewan’s economy has experienced significant growth in the review period since 2009. The MERP has provided the opportunity for Métis entrepreneurs to expand their presence in energy and resource sectors of the economy. In order for Métis people to grow their participation in the economy on a relative basis to overall economic growth, it will be critical for Métis entrepreneurs to continue to invest and participate in major projects with an emphasis on the energy and resource sectors. The MERP has proven itself to be a successful pilot program that should continue.

OVERALL SUMMARY OF ROLE AND CONTRIBUTIONS OF CCDF

The organization continues to be held in high regard by clients and stakeholders. Some of the comments shared by clients and other stakeholders throughout the interview process for the review included:

- “Banks are so difficult to work with; CCDF was very well set up.”
- “To CCDF you are not just another business.”
- “You have to be accountable.... They hold you accountable.”
- “CCDF doesn’t just give money away; they are prudent with the funds.”
- “So many variances with banks; it is frustrating. CCDF was straightforward and understood how best to do business.”
- “Outstanding quality of an annual report.”

Additional comments on the role and contributions of CCDF are included throughout this report.

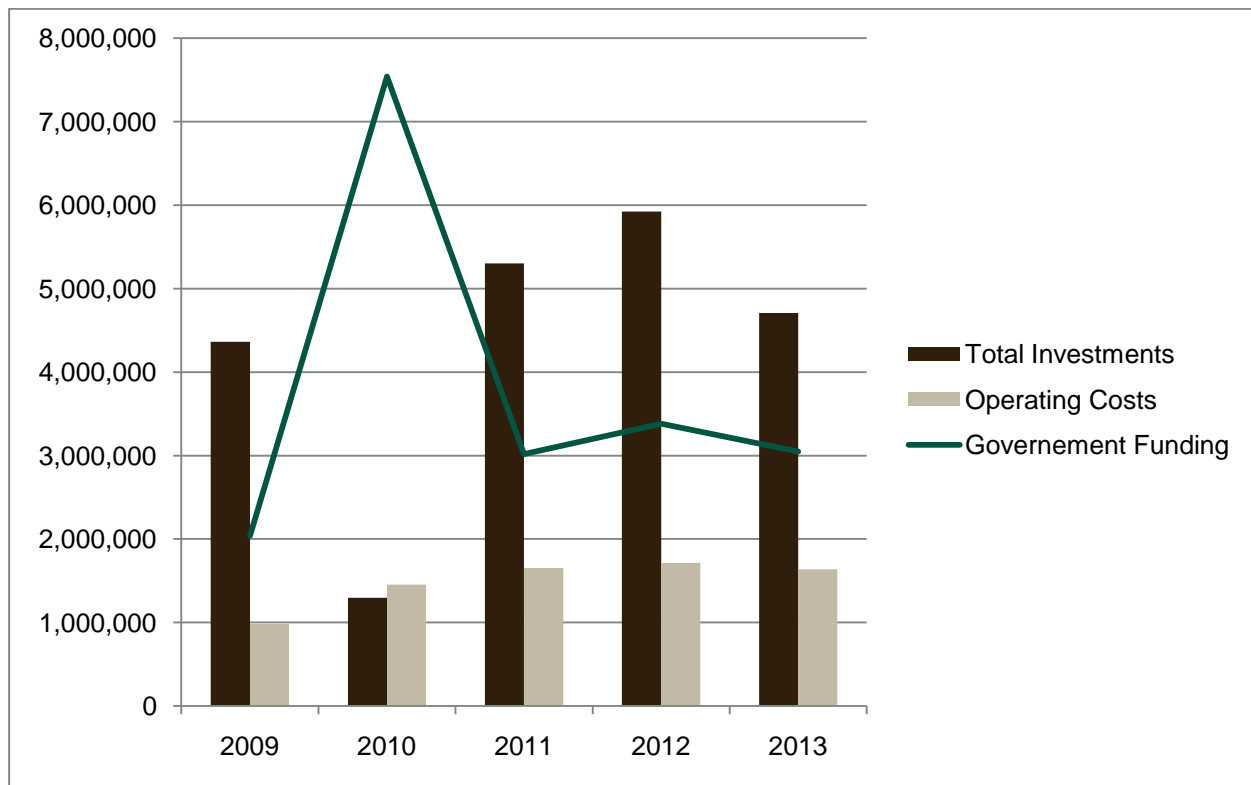
ANALYSIS OF DEVELOPMENT FUND PERFORMANCE AND GOVERNANCE

INVESTMENT PERFORMANCE SUMMARY

CCDF has developed a consistent and strong track record of performance in regards to portfolio growth, leveraged dollars, number of clients, low delinquency, geographic distribution of funds and diversification by industry.

Since inception, CCDF has disbursed over \$43.8 million in loan and equity funds, plus services (\$22,289,578 in the first ten years and \$21,589,757 for the period of this review). The graph below shows that the value of total investments has had some ebbs and flows in line with the global economy of the time. The operating costs of the fund have grown at a controlled and managed rate relative to the volume of investments. It is important to note that even with the addition of the Regina office CCDF has managed operating costs to ensure efficient operations for the entire organization. The spike in government funding aligns to the pilot MERP project with the Federal Government and therefore the one time funding that CCDF received for the implementation of the MERP.

2009 – 2013 Total Investments and Operating Costs



Leveraged Dollars

From the \$21,589,757 in loans and equity funds disbursed during the period of this review, a total of \$38,767,201 was leveraged by other financial institutions such as SMEDCO, credit unions, Business Development Canada, public banks, FCC and other funds. Since CCDF can only contribute up to 35% of the value of fixed assets, businesses have the chance to obtain financing from banks while still giving the banks 100% of the security value.

ECONOMIC IMPACT ANALYSIS DEFINITIONS AND ASSUMPTIONS

The following section of the report measures the net economic impact of CCDF during the review period. In general, economic impacts are quantitative, well-established measures of economic activity. The most commonly used of these measures include GDP and employment.

Gross Domestic Product (“GDP”), or value added, refers to the additional value of a good or service over the cost of inputs used to produce it from the previous stage of production. Thus GDP is equal to net output, or the difference between revenues and expenses on intermediate inputs. It is the incremental value created through labour or mechanical processing. Total GDP is a more meaningful measure of economic impact than output, as it avoids double counting during each round of impacts.

Employment is the number of additional jobs created. Employment is measured in terms of full-time equivalents (“FTE”).

Economic impacts may be estimated at the direct, indirect and induced levels.

Direct impacts are due to changes that occur in “front-end” businesses that would initially receive expenditures and operating revenue as a direct consequence of the operations and activities of an industry, group or organization. Direct impacts are related to original purchases or “direct sales” from primary suppliers.

Indirect impacts arise from changes in the activity of an industry, organization or project’s suppliers. For example, indirect impacts include the spending that suppliers make when purchasing goods and services from their own suppliers (i.e. secondary suppliers).

Induced impacts are due to shifts in spending on goods and services as a consequence of changes to the payroll of the directly and indirectly affected businesses. In the case of CCDF, induced impacts reflect the additional spending by employees of enterprises who received funds from CCDF and by employees of suppliers of those enterprises.

Data for the economic impact modelling was obtained from CCDF, Statistics Canada and other publicly available sources. To estimate the economic impacts of CCDF, MNP utilized an input-output methodology using provincial economic multipliers for Saskatchewan published by Statistics Canada. Input-output modeling is a widely-used and widely-accepted approach, making it recognizable by many different stakeholders and audiences. The structure of the approach also facilitates easy comparisons between reported results for different projects, organizations or industries.

In brief, the economic impact modelling is based on the following key assumptions:

- Funds received by enterprises are assumed to be incremental to the Saskatchewan economy. That is, it is assumed that the funds would not have been available to the enterprises in the absence of CCDF and MERP loans.
- Funds received by enterprises are assumed to be spent in-province, within Saskatchewan. Funds from different sources are assumed to be combined and used by the enterprises for overall general purposes.
- Jobs reported by CCDF are assumed to be incremental to the Saskatchewan economy. That is, it is assumed that the jobs would not have been created by the enterprises in the absence of CCDF and MERP loans.

Economic Impact of CCDF Funding – Traditional Programs

Over the past five years the GDP impact per \$1 CCDF loan from its traditional programs has been:

| | | |
|-------|--|---------------|
| 2009: | | \$4.83 |
| 2010: | | \$3.11 |
| 2011: |  | \$2.68 |
| 2012: | | \$2.63 |
| 2013: | | \$3.33 |

The overall average GDP impact over the past five years is estimated at \$3.31 for every dollar invested by CCDF.

Loan to Economic Impact Ratio for 2009 – 2013

For the period of 2009 – 2013, the total investments under the Community Business Development Program and Loan/Equity Contribution Program were \$14.2 million through a total of 192 loans.

For every dollar invested by CCDF from 2009 – 2013, it is estimated that \$3.31 in GDP was created. It appears from our analysis that the average GDP impact per dollar invested has dropped in years when smaller amounts of leveraged funding was obtained from banks, credit unions or other organizations. Additional details on the economic impact of CCDF funding is provided in Appendix B of this report.

CASH BALANCE PROJECTION FOR THE FUND

A major challenge for CCDF in 2009 was that the organization was allocating significantly more funding than it was receiving from sources such as the provincial and federal governments. A similar projection in 2009 demonstrated that the financial position of the Fund was not sustainable as CCDF was successfully allocating increasingly higher levels of funding to Métis entrepreneurs. The following cash balance projection outlines the current and projected financial position of CCDF.

**Clarence Campeau Development Fund
Financial Projection
For the Years Ending December 31, 2017**

| | 2013 | 2014 | 2015 | 2016 | 2017 |
|--|-------------------|-------------------|-------------------|--------------------|--------------------|
| Cash and Revenue | | | | | |
| Provincial Government Contributions | 3,046,310 | 3,107,236 | 3,169,381 | 3,232,769 | 3,297,424 |
| Federal Government Contributions | 44,844 | - | - | - | - |
| Loan Repayment | 3,127,075 | 3,968,413 | 3,958,474 | 4,151,230 | 5,156,826 |
| Project & Mortgage Revenue | 340,636 | 301,769 | 251,941 | 187,384 | 156,296 |
| Interest on Available Funds (1.27%) | 173,836 | 163,402 | 168,502 | 160,455 | 138,944 |
| Project Admin. Fees | 23,269 | 29,534 | 30,125 | 30,728 | 31,342 |
| Other Revenue | 56,960 | 58,099 | 59,261 | 60,446 | 61,655 |
| | 6,812,930 | 7,628,454 | 7,637,685 | 7,823,011 | 8,842,488 |
| Loans and Expenditures | | | | | |
| Loans Advanced | 4,035,812 | 5,000,000 | 6,000,000 | 7,200,000 | 8,640,000 |
| Operating Expenses | 1,631,351 | 1,663,978 | 1,697,258 | 1,731,203 | 1,765,827 |
| Defaulted Loans | 27,542 | 200,000 | 204,000 | 208,080 | 212,242 |
| Non-Repayable Contributions | 355,721 | 362,835 | 370,092 | 377,494 | 385,044 |
| | 6,050,426 | 7,226,813 | 8,271,350 | 9,516,777 | 11,003,112 |
| Net Balance | 762,504 | 401,640 | (633,665) | (1,693,765) | (2,160,625) |
| Net Assets, Beginning of the Year | 25,761,749 | 26,524,253 | 26,925,893 | 26,292,229 | 24,598,463 |
| Net Assets, End of the Year | 26,524,253 | 26,925,893 | 26,292,229 | 24,598,463 | 22,437,838 |

Key Observations:

- CCDF is in a strong financial position and is able to provide funding through its existing programs.
- The increase in annual funding from the Government of Saskatchewan has been extremely valuable and effective in stabilizing the Fund and supporting sustainability. This partnership with the provincial government has been very positive for all stakeholders and is essential for the sustainability of CCDF.
- CCDF is well positioned to continue growing in the next few years with its existing financial resources. The one exception to this statement is the MERP which is critical for ensuring Métis entrepreneurs have an enhanced presence in the energy and resource sectors. Additional funding should be pursued for the MERP.
- Overall, CCDF is an ideal receptor organization for additional funding as a result of its strong governance and operational models, plus its existing relationships and contacts throughout Saskatchewan.

DELINQUENCY AND COLLECTIONS

Historically, the Fund has experienced an exceptional collection rate. This success in collecting outstanding amounts is mainly due to the strong positive relationships and flexibility that CCDF staff have with their clients. A general provision of 10% of the outstanding contributions receivable is conservatively held on the financial statements to allow for any uncollectible accounts. Each borrower's ability to honour the terms of the loan or equity agreement with CCDF depends on business and economic conditions in Saskatchewan; however, the past experience with a positive collection rate can be attributed to an effective application process, the focus on business planning, loyalty from Métis clients and the follow-up by CCDF staff.

EFFECTIVENESS OF THE GOVERNANCE MODEL

The results of this review confirm the findings of the 2009 review regarding CCDF's governance model. The organization has strong and effective governance processes in place. This has been demonstrated through change in Board leadership as the former Chair, Bob McLeod, is no longer with the organization, and the succession of new Board members who have seamlessly joined and left over the years.

- Internal stakeholders are comfortable with the investment decisions being made.
- The Board of Directors actively oversees the Fund and is an integral part of investment discussions. There is thorough communication from CCDF to the Board regarding the Fund and its programs. CCDF staff members are open to all questions regarding investment decisions. The approval process includes input from consultants through the development of independent business plans. This information is an asset to the Board of Directors and Management's due diligence on potential opportunities.
- Stakeholders feel that CCDF has developed effective policies and processes to successfully operate and manage risks of the Fund.
- The Board and Management have effectively mitigated potential threats and challenges to the autonomy of CCDF from external influences in recent years. CCDF has routinely had to defend its autonomy from political interests since its inception.

ASSESSMENT OF OPERATIONS

OPERATIONS AND MANAGEMENT

The organization is recognized across Canada by other Aboriginal Financial Institutions as a leader in this field. The ongoing operations and management of the organization ensure that this reputation continues and will continue into the future through Board and leadership changes. CCDF has a very robust and advanced management and operations system in place relative to an organization of its size.

- All feedback regarding CCDF staff was overwhelmingly positive.
- **CCDF staff members were described as being “helpful, knowledgeable and supportive.”** This is a consistent comment heard from clients throughout the reviews that have been completed on CCDF. The flexibility, understanding and genuine interest in serving Métis entrepreneurs is displayed by CCDF staff time and time again.
- A key strength of CCDF is its long-term staff members. This core team of people are what makes CCDF.
- The knowledge, skills and passion the CCDF team has for economic development on behalf of the Métis people of Saskatchewan is unmatched.
- The leadership at the top sets the tone for the entire organization.
- The team has access to the training, resources and information they need to complete their jobs and serve clients. They also have the autonomy and ability to deliver client services in ways that meet the needs of the client, for example through site visits. As there are only two CCDF offices that serve the entire province these site visits can often involve substantial travel; however, this is encouraged and supported by the Board and CEO.

MARKETING AND PROMOTIONS

Marketing and promotion of the organization is an ongoing, high priority need. It is essential for CCDF to reach as many Métis individuals as possible in order to meet the overall goals of the organization.

- Interviews indicated that there are strong levels of awareness of CCDF among stakeholders and clients.
- CCDF recently developed updated brochures with quick facts about each program.
- There is a perception by some that as a developmental lender CCDF should approve “higher risk” loans for Métis entrepreneurs; however, to do so would not be in accordance with the requirements of the Fund (i.e. there is an expectation that the entrepreneur uses the CCDF loan to leverage additional funds, either through another program or through traditional bank financing). As such, a potential client must have a clean credit score and the ability to secure additional financing.
- The CCDF staff members are the ambassadors of Fund. The Management team is committed to visiting Métis communities throughout the province to share information on CCDF.
- The annual report ensures transparency to Métis people.
- The CCDF website and Facebook page are excellent tools for sharing information. There are likely additional opportunities to leverage social media for marketing and communication purposes.
- Staff members travel throughout the province holding workshops on CCDF and its programs.

- The MEDS has taken on the responsibility of developing and supporting the distribution of program information. This should continue as the MEDS has a broad reach in the province and can use this broad mandate as a means to share CCDF information.
- Key activities have included:
 - Development and maintenance of Saskatchewan's only Métis Business Directory with over 280 listings
 - Development of the Métis Economic Development website
 - Development of promotional videos which are currently available for viewing on YouTube (<http://www.youtube.com/watch?v=FtYygoIToUs>)
 - Coordinating and hosting the INSPIRE 2013 conference for Métis Women and Métis Youth
 - Hosting approximately 12 information sessions throughout the province annually
 - Securing advertising space on Northern Community TV Scrolls and Radio in the communities of Ile a la Crosse, Beauval, Buffalo Narrows and La Ronge
 - Securing advertisements and news stories in key community news papers including the Star Phoenix, Eagle Feather News, Meadow Lake Progress, Aboriginal Pride, Sask Business Magazine and Saskatchewan Oil Report
 - Multiple news stories with a variety of media groups including TV and radio

PROGRAM SPECIFIC HIGHLIGHTS

Over the years CCDF has increased its reach throughout Saskatchewan. The addition of an office in Regina has provided a key ingredient for CCDF to grow awareness of the Fund and the opportunities it presents for Métis entrepreneurs. As part of the review, strengths, opportunities for growth and recommendations for the programs that had sufficient data (i.e. files, stakeholder input and client information) were developed. The strengths, opportunities for growth and recommendations for programs not specifically covered in this section are included in the overall findings of the review.

Métis Energy and Resource Program

In October 2012, a two-phase project was conducted by MNP for the MERP. The first phase was an independent review of the MERP to date; the second phase was for MNP to act as an independent advisor on a phase two business plan which outlined the potential expansion and continuation of the pilot project. The review and business plan articulated the qualitative and quantitative outcomes of the MERP and communicated to funders and other stakeholders the rationale and need to expand the MERP in Saskatchewan.

Unfortunately MERP has not yet been recapitalized through federal funding. However, due to the success of the Program and assessed client need, CCDF has continued to offer this program to Métis clients across Saskatchewan.

The main conclusions from the October 2012 review included:

- The management and administration of the MERP has been consistent with CCDF's industry-leading standards for professionalism, accountability and outcomes;
- The CCDF team has shown flexibility and ingenuity in the implementation of the MERP in order to meet the needs of the marketplace and enable economic opportunities for Métis people;

- Funds have been allocated in a prudent manner with a focus on funding the right deals; and
- There is broad-based community support in Saskatchewan for the MERP to be continued.

The October 2012 review indicated a clear market need for the MERP. It was stated that growth in the energy and resource sectors will result in additional gaps in particular service areas. While there are Aboriginal businesses and entrepreneurs in existence that can fill these gaps, investment in building the capacity of some of these businesses is required for them to be able to support industry needs in a significant way.

The findings from the October 2012 report remain valid today. There is a need for MERP funds to support Métis clients when larger industry opportunities arise.

- The CCDF staff have been developing relationships with industry to help identify opportunities for Métis businesses to further engage in larger project opportunities.
- The MERP provides the means to help make a client's project bankable.
- A significant amount of CCDF staff time is required to maintain industry relationships, work with existing clients and assist clients seek out these larger opportunities. While this takes significant effort and time it may be a contributing factor towards the growth that has been experienced by other programs throughout the province.
- The amount of funds available for a project is not an issue for clients; it is finding the right opportunities and projects for funding that is the challenge.
- Industry holds all the opportunities in this area; the Program has to be reactive to client needs.
- Work with industry to identify what is "next"; attempt to assist clients to be proactive and ready for opportunity instead of chasing an opportunity after it has been identified by industry through a tender.

Métis Economic Development Sector

Vision

MEDS is the lead service provider in assisting Saskatchewan's Métis community members to achieve financial self-sufficiency. The Sector is the primary contact point for industry, government and Métis individuals seeking assistance in the development of economic opportunities.

Mission

MEDS will play an instrumental role in Saskatchewan Métis business development by providing technical expertise in business and management strategies. The Sector will provide information and services that will help to create sustainable Métis-owned businesses throughout all regions of the province and across a wide variety of industries. The Sector will strive to increase the profitability of Saskatchewan Métis businesses to provide increases in wealth through job creation.

MEDS will follow a collaborative and cooperative approach in matching industry needs with Métis abilities and adequate sources of capital.

Objectives

- Provide expert information on business development and management;
- Become the recognized leader in Métis economic development advice;
- Create an infrastructure for future business development;
- Develop Métis entrepreneurs with skills and experience in management;

- Develop opportunities into viable Métis-owned businesses;
- Ensure that Métis businesses are competitive contributors to local, provincial and global economies;
- Create a strong and dynamic Métis business community united across geographic regions and throughout industries; and
- Provide communities with demand-driven skills development.

Findings

Findings from the review specific to the MEDS include the following:

- The MEDS has a passionate team who is looking for opportunities to grow the Sector. The Facebook page has been developed and is maintained with current information on upcoming seminars, events and information on CCDF services. The Sector was responsible for co-hosting the first Aboriginal Business Match conference which was held in Saskatoon.
- MEDS has played a fundamental role in the creation of the Métis Business Directory which showcases over 280 listings and is fully accessible online.
- Hosted an “affiliates day” a couple years ago to highlight various programs and services offered, plus the future plans of each affiliate.
- An ongoing challenge for the Sector is the lack of an organized membership list; there is no central list of Métis people in Saskatchewan, which makes awareness building difficult.
- It is recommended that CCDF explores the potential to execute a full review of the MEDS initiative at an appropriate time in the future to determine the impacts and benefits the Sector is making for Métis economic development in Saskatchewan.

CASE STUDIES – SERVICE DELIVERY

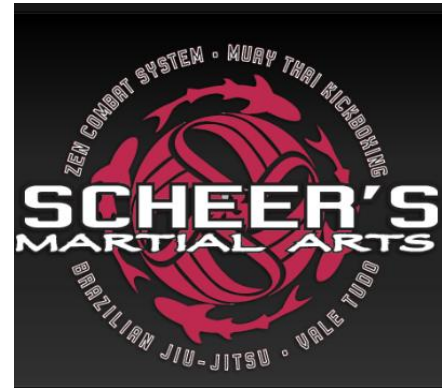
SCHEER'S MARTIAL ARTS

Scheer's Martial Arts ("Scheer's") is a Métis-owned martial arts training centre. Scheer's is a long time family owned business. The company was established in 1967. CCDF assisted Troy Scheer with the successful buy-out of the business from his parents approximately eight years ago.

Troy Scheer learned about CCDF through the professional business planner who he was working with. Troy had a number of conversations with various financiers and funders to determine the best program and funding sources to implement his business plan.

The CCDF traditional interest-free loan program allowed Troy to purchase the equipment he needed to expand the business right away. The alternative was to lease equipment at a high interest rate, and that would have negatively impacted the business in the early years after he took it over. He moved the business from a space of 3,000 square feet to a space of more than 30,000 square feet. The new space and equipment allowed the company to grow resulting in a doubling of enrolment. In addition, Scheer's has been able to provide employment for instructors that would not have been possible in the smaller space.

CCDF, and Georgette specifically, assisted Troy through the complex issues related to the buy-out of the business from his parents. There were numerous issues that needed to be addressed and CCDF worked closely with Troy's team of professionals to ensure everything was on track and proceeding correctly. The link between CCDF and the other professionals was very important as these various professionals often speak in "jargon" which varies from group to group. The ability to confidently link CCDF to the other professionals allowed Troy to focus on operating the business and moving his plan forward.



CUMFI

The Central Urban Métis Federation (1993) Inc., ("CUMFI") is a community based, Métis owned and operated non-profit organization located in Saskatoon, Saskatchewan, Canada.



CUMFI has become a leader locally, provincially and nationally in the area of urban Aboriginal issues and challenges. CUMFI was founded in 1993 and incorporated in 1994 to ensure that the voice of the Métis people is heard at the municipal level within Saskatoon and district. CUMFI reorganized its non-profit status within the Saskatchewan Non-Profit Corporation Act, 1995, to register as a non-profit charitable organization.¹

CUMFI, as a Métis organization, has long been aware of CCDF and the programs it offers. As a Métis Nation – Saskatchewan affiliate organization, CUMFI views CCDF as a similar organization (i.e. CCDF exists to support the Métis in Saskatchewan). CUMFI has accessed CCDF Community Infrastructure Development

¹ http://www.cumfi.org/?q=about_us

Program and traditional funding multiple times over the years. The projects have included three \$100,000 grants through the Community Business Development Program to purchase assets including apartment and office buildings, which support the ongoing operations of CUMFI.

CUMFI first accessed CCDF funding in 2002 to establish Bobby's Birches, a landscaping company that provides employment readiness for employees. The program received both a grant and a traditional loan to begin operations. In later years CUMFI accessed grants to assist with the purchase of an apartment block, the CUMFI office building and most recently in 2013 a personal care home for men recovering from addictions.

XTENDED HYDRAULICS & MACHINE INC.

Robert Tebb first learned about CCDF through a business started by a family member who accessed funding years ago. Robert also had a long-time desire to become an entrepreneur. As such he began speaking with Ryan at CCDF as



he explored various opportunities over a five-year period before purchasing Xtended Hydraulics & Machine Inc. When the different business opportunities presented themselves Robert felt comfortable in bringing them to Ryan to discuss. The opportunities before Xtended were not a good fit for Robert and Ryan helped in confirming this and supporting Robert's decision to keep looking for the "right fit".

Robert is a former employee of Xtended and when the opportunity to purchase was presented he took the idea to CCDF for due diligence. A business valuation was prepared by a certified business valuator (Nadine Wightman, CBV at MNP LLP) to determine the actual value of the business, which assisted in the determination of the purchase price. Robert and Ryan reviewed the financial statements and operations; while the business was losing money, Robert knew what it was going to take to turn the operation around and make it a success. A good fit was found.

The business has only been owned by Robert for less than a year but he is already seeing success in the operational changes he has implemented for the company. In addition to the traditional loan support from CCDF, Robert has also accessed the Management and Marketing Skills Program which allowed him to engage a professional marketing firm to develop a new brand and logo for the company.

CONCLUSION

The 2009 review of CCDF that was completed by MNP for the Government of Saskatchewan underlined CCDF's strength as a professionally run and operated organization that is an investment-ready receptor organization in Saskatchewan. The 2009 report was a significant catalyst for CCDF's pursuit of the MERP with the Federal Government, as well as a catalyst for additional funding from the Government of Saskatchewan. The report's findings highlighted a track record of consistent delivery of outcomes in the areas of leveraged dollars, job creation, economic impact, governance, management, client service, support programs and more.

The focus of this review was primarily on the 2009 – 2013 period of operations for CCDF. Based on MNP's analysis and findings from this review, CCDF remains a national leader in Aboriginal financing and economic development. An important validation of the CCDF business model was the decision of the newly created Métis Voyageur Development Fund ("MVDF") in Ontario to adopt the same business model and operations framework as CCDF. This decision by MVDF was reached after careful study of the various alternative models of Aboriginal financing organizations across Canada.

Due to its organizational strength and track record, CCDF remains an ideal receptor organization for additional federal or provincial funding, plus innovative partnerships with industry and other potential partners.

The organization has maintained and strengthened its capabilities with regards to governance and management, financial impact and sustainability, plus operations. Our conclusions in each of these areas are highlighted below.

Governance and Management

CCDF has continued to demonstrate that it has professional and robust capacity and systems for governance and management.

- **Consistent achievement of results.** The organization consistently delivers meaningful results that make a real difference in the lives of Métis people in Saskatchewan. The programs, funding and professional support of the CCDF team continue to build opportunities, wealth and jobs for Métis people across the full province.
- **A strong and sound policy governance system remains in place.** The system is anchored by a robust policy and procedures manual that clearly delineates the responsibilities of Board and Management. The composition of the Board is effective with its representation of business people, educators and ex-officio appointments. The ex-officio members of the Board appointed by the provincial government have consistently brought added strength and an important voice to the governance function.
- **CCDF is led by a strategic and visionary CEO.** The CEO has consistently demonstrated a track record of being able to identify opportunity and then capitalize on it for the benefit of Métis people. Roland Duplessis' passion, vision and leadership have defined the evolution of CCDF and provided the platform for success and outcomes. His efforts over sixteen years have developed a sustainable foundation for success for the organization.
- **A strong and highly-skilled Management and staff team.** The organization has a strong and highly skilled Management and staff team that work collectively as one team to serve the interests of the client. CCDF has been able to retain the majority of its team in a highly competitive labour market in the past seven years. This speaks to the culture, team philosophy and opportunities for development that have been created by the organization.
- **An ability to remain autonomous.** The organization has faced significant and real threats over its autonomy from Métis politicians with alternative intentions and goals for CCDF. Through strong

strategic leadership, guardianship for CCDF's foundations, plus the support of the Government of Saskatchewan, the organization has been able to resist intervention from individuals with interests counter to those of CCDF.

Financial Impact and Sustainability

CCDF continues to deliver consistent and strong financial results and outcomes. The organization is well positioned for sustainability in the next few years and is an ideal receptor organization for additional funding.

- **Professional financial management.** CCDF has professional and high standards for financial management, with reliable processes and procedures. Financial management and reporting is supported by a certified accountant who has continuously improved financial practices in recent years and added perspective to the analysis and interpretation of financial information. This has provided important benefits to the organization.
- **Consistent delivery of results for Métis people.** The organization has delivered consistent results for Métis entrepreneurs. Throughout the life of the Fund, CCDF has enabled the creation of new businesses, as well as existing business growth and sustainability. In 2013, CCDF loans, leverage and client investments contributed an estimated \$10 million in GDP to the provincial economy. MERP is estimated to have contributed approximately \$1.6 million in GDP. Previous years have also seen significant contributions. CCDF has also allowed Métis entrepreneurs to create and maintain jobs, including jobs for Métis individuals, in a variety of industries throughout the province. In 2013, CCDF loans, leverage and client investments are estimated to have supported approximately 138 full-time equivalent positions. In the same year, MERP loans, leverage and client investments are estimated to have supported approximately 17 full-time equivalent positions. Previous years have also seen significant numbers of full-time equivalent positions being created.
- **A healthy and evolving relationship with the provincial government.** The original funding agreement with the Government of Saskatchewan has been updated over time. In 2010 the provincial government provided an increase in the annual grant from provincial gaming revenues. This has resulted in a four-year average of a 43% increase in funding. The previous base funding provided by CCDF was \$2 million per year. Since the increase, annual funding has ranged from \$2.1 million to \$3.5 million based on CCDF's share of gaming profits. This funding increase and continued partnership with the provincial government has significantly improved the financial sustainability of CCDF. The continuation of a strong working relationship and partnership between CCDF and the Government of Saskatchewan will be essential for the continuous improvement of the organization.

Operations

CCDF continues to demonstrate strong overall operations with a robust management system, especially for an organization of its size.

- **Strong team of experienced professionals.** CCDF has a strong team of experienced professionals who work together to serve the interests of the client. The organization also has strong policies and procedures, as well as effective systems. CCDF has effectively established strategic plans that account for the needs of and opportunities for Métis people, as well as the realities of the marketplace. The organization continues to be held in high regard by both clients and stakeholders alike.
- **Increased funding across all regions of Saskatchewan.** From 2009 to 2013, CCDF dramatically increased its provincial reach by geographically diversifying its investments and activities. The decision to open the Regina office and add a physical presence in the southern part of the province has been very successful overall. Activity in the Loan/Equity Contribution Program in the southern half of the province from the 2007 – 2009 period prior the opening of the Regina office to the 2009 – 2013 period increased dramatically. Eastern Region 2 experienced growth of 646%, Eastern Region 2A experienced 3,537% growth and Eastern Region 3 had growth of 1,181%. CCDF has demonstrated

prudence in its expansion in not establishing a large number of physical locations in the province which would add considerably to its overhead.

- **Strategic addition of complimentary functions.** The addition of the complimentary functions of the Métis Economic Development Sector provides a significant opportunity to grow Métis economic development. Although the MEDS is a recent addition to CCDF, it has already put forth notable efforts towards raising the profile of Métis entrepreneurs and business owners in the province, including co-hosting the first Aboriginal Business Match conference in Saskatoon. A Facebook page has also been developed and is kept up-to-date with information on upcoming seminars, events and information on CCDF services.
- **Continuous improvements to marketing and outreach.** CCDF has made significant steps towards improving its marketing efforts. Updated brochures were recently developed which include quick facts about each CCDF program. The Métis Economic Development Sector is also developing and supporting the distribution of program information throughout the province. CCDF staff members have continued to be the ambassadors of CCDF and travel to various locations throughout Saskatchewan to hold workshops to provide information on CCDF and its programs. The CCDF website and Facebook page have proved to be effective tools for sharing information.

Potential Future Opportunities

Since 2009, CCDF has continuously improved its governance, management and operations to better serve Métis people across the province. The result is a national leading Métis financial institution. Strong organizations are continuously improving and responding to their environments. MNP envisions the following potential opportunities for CCDF:

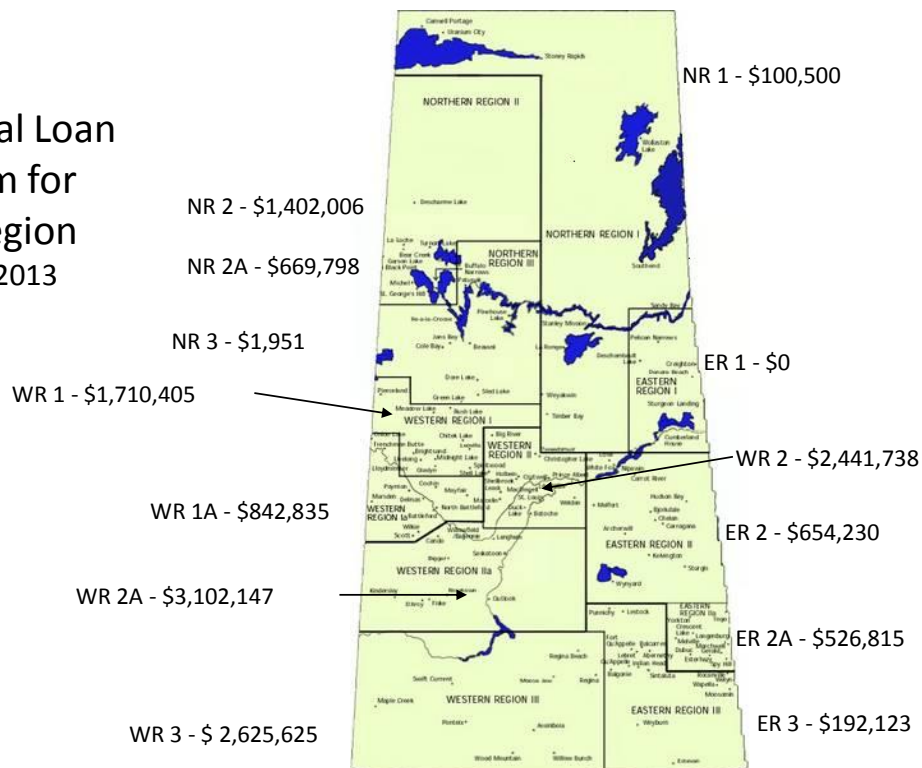
- **Pursue and attract additional federal and provincial investments.** Based on CCDF's strong governance, management and operations, plus its relationships and presence across the province, it remains an ideal receptor organization for funding. There are opportunities in particular to expand the financial capacity of the MERP to ensure Métis entrepreneurs are actively involved in the growing energy and resource sectors.
- **Continuous improvements to marketing and communications.** CCDF has made notable improvements to its marketing and communications efforts to date. It was clear throughout the review that opportunities still remain to communicate the presence and role of CCDF and its programs to Métis individuals and businesses. An independent review specifically for marketing and communications may be an asset. Forming partnerships with other Métis organizations presents a good opportunity to improve marketing and communication for both CCDF and the MEDS. A key challenge to making improvements in communication appears to be the lack of a central Métis registry.
- **Continue proactive engagement with industry.** There is value in CCDF continuing to proactively engage industry in order to identify future opportunities and new developments in the province. This will allow CCDF to advise its clients on potential areas of expansion and growth, plus identify new pockets of potential entrepreneurs. CCDF should continue to have a presence at various conferences and industry events.

CCDF has demonstrated a mindset and a culture for continuous improvement. Sustaining these practices will be important for maintaining the organization's edge and outcomes.

APPENDIX A – MAP OF LOAN/EQUITY CONTRIBUTION PROGRAM DISTRIBUTION 2009 – 2013

The following map provides a breakdown of Loan/Equity Contribution Program distributions by Métis Region in the province from 2009 – 2013.

Traditional Loan Program for Each Region 2009 – 2013



Key Observations:

- Since 2009, CCDF has been able to support Métis entrepreneurs in increasing numbers of regions in the province.
- Prior to 2009, the majority of CCDF's funding was allocated to Northern and Central regions of the province.
- With the opening of the Regina office and the expanded use of online marketing and communication tools, CCDF has been able to grow the number and volume of investments in the southern part of the province in particular.
- The net result is a broader reach and impact for CCDF to support more Métis entrepreneurs from across the province.

APPENDIX B – ECONOMIC IMPACT DETAILS

Table 1 shows the total funds received by enterprises from 2009 – 2013. Total funds received include CCDF loans, leveraged amounts from other financial institutions and programs (leverage) and client investment.

Table 1 – Total Funds

| | 2009 | 2010 | 2011 | 2012 | 2013 |
|--------------------------|--------------|-------------|--------------|--------------|--------------|
| CCDF Loans | \$3,604,534 | \$1,063,603 | \$3,265,886 | \$3,320,994 | \$3,014,708 |
| Leverage | \$13,496,834 | \$2,095,822 | \$4,991,078 | \$5,176,075 | \$7,494,057 |
| Client Investment | \$2,942,371 | \$676,640 | \$1,790,399 | \$1,526,686 | \$1,435,578 |
| Total Funds | \$20,043,739 | \$3,836,064 | \$10,047,364 | \$10,023,756 | \$11,944,343 |

Source: CCDF Approved Loans Report

Table 2 summarizes the estimated economic impacts of the total funds received by enterprises from 2009 – 2013. In 2013, CCDF loans, leverage and client investments are estimated to have contributed approximately \$10 million in GDP to the provincial economy and supported approximately 138 full-time equivalent positions.

Table 2 – Estimated Economic Impacts of Total Funds

| | 2009 | | 2010 | | 2011 | | 2012 | | 2013 | |
|-----------------------------|--------------|-----|-------------|-----|-------------|-----|-------------|-----|--------------|-----|
| | GDP | FTE | GDP | FTE | GDP | FTE | GDP | FTE | GDP | FTE |
| Direct | \$10,846,752 | 232 | \$2,226,509 | 65 | \$5,590,679 | 126 | \$5,790,663 | 115 | \$6,461,964 | 103 |
| Indirect and Induced | \$6,549,791 | 62 | \$1,083,349 | 10 | \$3,153,023 | 30 | \$2,948,609 | 28 | \$3,569,058 | 35 |
| Total | \$17,396,543 | 294 | \$3,309,859 | 75 | \$8,743,702 | 156 | \$8,739,272 | 143 | \$10,031,022 | 138 |

Source: MNP Estimates; CCDF Approved Loans Report

Table 3 shows the total GDP impact created by a \$1 CCDF loan. Total GDP impact includes direct, indirect and induced GDP impacts generated by CCDF loans, leverage and client investment. In 2013, every \$1 CCDF loan contributed an estimated \$3.33 in total GDP impact.

Table 3 – Estimated GDP Impact per \$1 CCDF Loan

| | 2009 | 2010 | 2011 | 2012 | 2013 |
|-------------------------------------|--------------|-------------|-------------|-------------|--------------|
| Total GDP Impact | \$17,396,543 | \$3,309,859 | \$8,743,702 | \$8,739,272 | \$10,031,022 |
| CCDF Loans | \$3,604,534 | \$1,063,603 | \$3,265,886 | \$3,320,994 | \$3,014,708 |
| GDP Impact per \$1 CCDF Loan | \$4.83 | \$3.11 | \$2.68 | \$2.63 | \$3.33 |

Source: MNP Estimates; CCDF Approved Loans Report

Note: The next three tables are similar calculations to the first three tables with client investment removed.

Table 4 shows the CCDF loans and leverage received by enterprises from 2009 – 2013. Client investment is excluded.

Table 4 – CCDF Loans and Leverage

| | 2009 | 2010 | 2011 | 2012 | 2013 |
|--------------------------------|--------------|-------------|-------------|-------------|--------------|
| CCDF Loans | \$3,604,534 | \$1,063,603 | \$3,265,886 | \$3,320,994 | \$3,014,708 |
| Leverage | \$13,496,834 | \$2,095,822 | \$4,991,078 | \$5,176,075 | \$7,494,057 |
| CCDF Loans and Leverage | \$17,101,368 | \$3,159,425 | \$8,256,965 | \$8,497,070 | \$10,508,765 |

Source: CCDF Approved Loans Report

Table 5 summarizes the estimated economic impacts of the CCDF loans and leverage received by enterprises from 2009 – 2013. Client investment is excluded. In 2013, CCDF loans and leverage are estimated to have contributed approximately \$8.8 million in GDP to the provincial economy and supported approximately 122 full-time equivalent positions.

Table 5 – Estimated Economic Impacts of CCDF Loans and Leverage

| | 2009 | | 2010 | | 2011 | | 2012 | | 2013 | |
|-----------------------------|--------------|-----|-------------|-----|-------------|-----|-------------|-----|-------------|-----|
| | GDP | FTE | GDP | FTE | GDP | FTE | GDP | FTE | GDP | FTE |
| Direct | \$9,301,078 | 198 | \$1,824,696 | 54 | \$4,568,474 | 104 | \$4,904,661 | 97 | \$5,689,357 | 91 |
| Indirect and Induced | \$5,592,603 | 53 | \$880,809 | 8 | \$2,580,871 | 25 | \$2,472,794 | 23 | \$3,144,895 | 31 |
| Total | \$14,893,681 | 251 | \$2,705,505 | 62 | \$7,149,345 | 128 | \$7,377,455 | 121 | \$8,834,251 | 122 |

Source: MNP Estimates, CCDF Approved Loans Report

Table 6 shows the total GDP impact created by a \$1 CCDF loan. Total GDP impact includes direct and indirect GDP impact generated by CCDF loans and leverage. Client investment is excluded. In 2013, every \$1 CCDF loan contributed an estimated \$2.93 in total GDP impact.

Table 6 – Estimated GDP Impact per \$1 CCDF Loan

| | 2009 | 2010 | 2011 | 2012 | 2013 |
|-------------------------------------|--------------|-------------|-------------|-------------|-------------|
| Total GDP Impact | \$14,893,681 | \$2,705,505 | \$7,149,345 | \$7,377,455 | \$8,834,251 |
| CCDF Loans | \$3,604,534 | \$1,063,603 | \$3,265,886 | \$3,320,994 | \$3,014,708 |
| GDP Impact per \$1 CCDF Loan | \$4.13 | \$2.54 | \$2.19 | \$2.22 | \$2.93 |

Source: MNP Estimates, CCDF Approved Loans Report

ECONOMIC IMPACT OF MERP FUNDING

Table 7 shows the total funds received by enterprises from 2011 – 2013. Total funds received include MERP loans, leverage and client investment.

Table 7 – Total Funds

| | 2011 | 2012 | 2013 |
|--------------------------|-------------|-------------|-------------|
| MERP Loans | \$1,700,000 | \$2,161,275 | \$1,306,000 |
| Leverage | \$819,290 | \$1,841,683 | \$541,892 |
| Client Investment | \$545,838 | \$1,111,780 | \$405,874 |
| Total Funds | \$3,065,128 | \$5,114,738 | \$2,253,766 |

Source: CCDF Approved Loans Report

Table 8 summarizes the estimated economic impacts of total funds received by enterprises from 2011 – 2013. In 2013, MERP loans, leverage and client investments are estimated to have contributed approximately \$1.6 million in GDP to the provincial economy and supported approximately 17 full-time equivalent positions.

Table 8 - Estimated Economic Impacts of Total Funds

| | 2011 | | 2012 | | 2013 | |
|-----------------------------|-------------|-----|-------------|-----|-------------|-----|
| | GDP | FTE | GDP | FTE | GDP | FTE |
| Direct | \$1,495,152 | 28 | \$3,159,135 | 41 | \$1,046,336 | 13 |
| Indirect and Induced | \$1,027,836 | 8 | \$965,402 | 8 | \$522,732 | 4 |
| Total | \$2,522,988 | 36 | \$4,124,537 | 49 | \$1,569,068 | 17 |

Source: MNP Estimates; CCDF Approved Loans Report

shows the total GDP impact created by a \$1 MERP loan. Total GDP impact includes direct and indirect GDP impacts generated by MERP loans, leverage and client investment. In 2013, every \$1 MERP loan contributed an estimated \$1.20 in total GDP impact.

Table 9 shows the total GDP impact created by a \$1 MERP loan. Total GDP impact includes direct and indirect GDP impacts generated by MERP loans, leverage and client investment. In 2013, every \$1 MERP loan contributed an estimated \$1.20 in total GDP impact.

Table 9 - Estimated GDP Impact per \$1 MERP Loan

| | 2011 | 2012 | 2013 |
|-------------------------------------|-------------|-------------|-------------|
| Total GDP Impact | \$2,522,988 | \$4,124,537 | \$1,569,068 |
| MERP Loans | \$1,700,000 | \$2,161,275 | \$1,306,000 |
| GDP Impact per \$1 MERP Loan | \$1.48 | \$1.91 | \$1.20 |

Source: MNP Estimates, CCDF Approved Loans Report

Note: The next three tables are similar calculations to the first three tables with client investment removed.

Table 10 shows the MERP loans and leverage received by enterprises from 2009 – 2013. Client investment is excluded.

Table 10 - MERP Loans and Leverage

| | 2011 | 2012 | 2013 |
|--------------------------------|-------------|-------------|-------------|
| MERP Loans | \$1,700,000 | \$2,161,275 | \$1,306,000 |
| Leverage | \$819,290 | \$1,841,683 | \$541,892 |
| MERP Loans and Leverage | \$2,519,290 | \$4,002,958 | \$1,847,892 |

Source: CCDF Approved Loans Report

Table 11 summarizes the estimated economic impacts of the MERP loans and leverage received by enterprises from 2011 – 2013. Client investment is excluded. In 2013, MERP loans and leverage are estimated to have contributed approximately \$1.3 million in GDP to the provincial economy and supported approximately 15 full-time equivalent positions.

Table 11 - Estimated Economic Impacts of MERP Loans and Leverage

| | 2011 | | 2012 | | 2013 | |
|-----------------------------|-------------|-----|-------------|-----|-------------|-----|
| | GDP | FTE | GDP | FTE | GDP | FTE |
| Direct | \$1,255,518 | 23 | \$2,499,908 | 32 | \$862,524 | 11 |
| Indirect and Induced | \$683,326 | 6 | \$709,196 | 5 | \$429,158 | 4 |
| Total | \$1,938,844 | 29 | \$3,209,104 | 38 | \$1,291,682 | 15 |

Source: MNP Estimates, CCDF Approved Loans Report

Table 12 shows the total GDP impact created by a \$1 MERP loan. Total GDP Impact includes direct and indirect GDP impact generated by MERP loans and leverage. Client investment is excluded. In 2013, every \$1 MERP loan contributed an estimated \$0.99 in total GDP impact.

Table 12 – Estimated GDP Impact per \$1 MERP Loan

| | 2011 | 2012 | 2013 |
|-------------------------------------|-------------|-------------|-------------|
| Total GDP Impact | \$1,938,844 | \$3,209,104 | \$1,291,682 |
| Total MERP Loans | \$1,700,000 | \$2,161,275 | \$1,306,000 |
| GDP Impact per \$1 MERP Loan | \$1.14 | \$1.48 | \$0.99 |

Source: MNP Estimates, CCDF Approved Loans Report



ABOUT MNP

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By Aon Hewitt

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