



Memo to ICF Canada Resources Committee

From John G. Jung

May 15, 2017

Re. ICF Canada 2016 Financial Report

ICF Canada is still in its emerging stage. Its finances will be dependent on private sector, institutions, associate municipality memberships and any profits that it may receive from events and services it might offer in the future. As a national non-profit, it may also be able to secure resources from a foundation and may qualify for some government programs. ICF Canada has benefitted extensively from ICCI - The Invest Canada-Community Initiatives program that the Canadian Federal Government offers to Canadian communities and authorized national non-profits like ICF Canada. It aims to help them to improve their capacity to attract, retain and expand FDI in order to create jobs for Canadians, support innovation and increase exports. ICF Canada's business plan includes a focus on supporting Canadian ICF qualified communities to attract and retain investment, talent and jobs through marketing its unique value proposition as Intelligent Communities. Accordingly, in sync with this goal, ICF Canada has undertaken the following programs to-date, all in 2016:

1. Survey and Study of Intelligent Communities in Canada. Result: The report is now published called "Sharpening Canada's Competitive Edge" and its content is extensively used in the ICF Website and to promote ICF Canada communities globally;
2. Think Canada Program (October 17-19, 2016) contracting lead generators abroad to secure leads for the Niagara Falls match-making program. Results: 40 foreign investors were attracted to come to Canada to meet Canadian communities at a 2 day matchmaking session in Niagara Falls. 39 additional leads were secured but were unable to attend due to visa issues. Think Canada reports that some of the FDI contacts are already working with Canadian locations to undertake investments. An additional economic development focused conference and SMART21 announcement also took place in parallel with this program;
3. Connected Countryside Leads Generation and associated Webinar framework, promotion and execution. Result: We generated 103 attendees of which 39 were foreign leads generated through the program interested in Canada's small and rural communities;
4. New ICF Canada Website, newsletters and animation video: www.icf-canada.com ;
5. Secured approval from ICCI to undertake a long-range business plan for ICF Canada and translation services for ICF Canada content in multiple languages (To be undertaken);
6. Undertook an ICF Canada delegation to Europe in 2016. We did not charge for the participants since the purpose of the mission was to validate the ability of ICF Canada organizers to be able to attract ICF Canada delegates to attend an international mission and target businesses to meet with them in Holland. Result: With this successful mission,

we proved we had the ability and capacity to mount missions and charge for them, resulting in the highly successful Business Mission to Taiwan in February 2017.

As the funds available for 2016 included resources from the proceeds developed in 2015 along with some minor membership fees secured in 2015 and 2016, the operations and activities of ICF Canada, as approved by the ICF Canada Board on November 9, 2015 in its ICF Canada Business Plan, focused on developing a brand and track record as “ICF Canada”, including the development of ICCI supported projects and for awareness building activities in Canada and abroad. Two foreign delegations were formed in 2016 (executed in September 2016 in Europe and in early February 2017 in Taiwan). And ICF Canada benefitted from several supporting activities in which its time was the greatest expense, namely the ICF Canada supported Economic Development Day and Smart21 announcement in Niagara Falls on October 19, 2016; the ICF Summit in Columbus; and participating in numerous speaking engagements across Canada and globally (including in Vancouver’s Globe; Toronto’s various conferences; CIP Conference in Quebec City, Eindhoven’s Global Forum and Canada’s Champion Speakers series in Australia and New Zealand, funded entirely by Global Affairs, which focused on FDI opportunities for ICF Canada’s communities).

Revenues generated from 2016 ICF Canada Memberships, GST rebate, profits from ICF Canada’s events and activities, and the successful 2016 Federal Government application for ICCI project related matching funds came to approximately \$145,800. In order to pay for the ICF Canada Study, outstanding expenses from the 2015 ICF Summit and to cover operational expenses for 2016, we needed to access some funds from 2015.

Together, the total available funds to pay for several ICCI projects and other initiatives and operations in 2016 came to \$280,356. However, the expenditure in 2016 only came to \$258,660, leaving a surplus of \$21,696 for use in 2017. Currently there is \$23,000 remaining in the bank account. We are also approved to receive \$80,000 for ICCI projects in 2017, subject to securing appropriate private sector matching funds.

Revenue and Expenses - ICF Canada 2016

Revenue

ICCI (Federal)	\$65,000
ICF Canada Matching (Private Sector)	\$65,000
Partnerships	\$15,500
Total	\$145,500
Bank Carryover (2015)	\$134,856
Total Funds available	\$280,356

Expenses

Outstanding payment from 2015 Expenses	\$11,631
ICF 2015 Canada study	\$46,000
Miscellaneous Admin and General Expenses	\$23,029

Think Compass	\$50,000
Webinar Lead Promotion	\$30,000
Website	\$50,000
S21 Services	\$48,000
Total	\$258,660
Net	\$21,696

ICF Canada used the funds noted above for the following expenses in 2016:

- Survey and Study of Intelligent Communities in Canada. Report published called “Sharpening Canada’s Competitive Edge” (ICCI \$23,000; ICF Canada matching \$23,000);
- Think Canada program (October 17-19, 2016) contracting leads generators to secure leads for the Niagara Falls match-making program. (ICCI \$25,000; various private sector matching \$25,000);
- Connected Countryside Leads Generation and associated Webinar framework, promotion and execution (ICCI \$15,000; private sector matching \$15,000);
- New ICF Canada Webinar, newsletter integration and Animation Video (ICCI \$25,000; private sector matching \$25,000).
- Expenses paid for in 2016 that were outstanding expenses from the ICF Summit in 2015 (\$11,600)
- Operating expenses for the Executive Director’s time and minor recurring expenses (\$48,000)
- Miscellaneous Admin and General Expenses (\$23,000)

In 2017, ICF Canada secured approval from ICCI to undertake a long-range business plan for ICF Canada and translation services for ICF Canada content in our Website and materials in multiple languages. (ICCI \$40,000; Private sector \$40,000; ICF Canada \$10,400 HST). (Note: we are in the process of identifying and securing private sector matching partners and service providers). This initiative is expected to be underway in Q3 and completed by Q4, 2017.

Membership Development: Qualified Intelligent Communities in Canada that are full members of ICF, are to become automatic members of ICF Canada. ICF do not provide a portion of these membership fees to ICF Canada. ICF also does not financially support ICF Canada. ICF Canada in fact is required to pay an on-going license fee to ICF, which it has waived until ICF Canada is more solidly on its financial feet. Hence, our financial sources are extremely limited and will require ICF Canada to be creative and innovative in the ways it can secure resources for its projects and operations. With no staff at the moment and only dedicated volunteers and an Executive Director on a small retainer, it is imperative that the ICF Canada Board become more active to help to identify resource development opportunities (memberships, sponsorships, foundation support) and help in making introductions. The Executive Director will then be able to pursue the opportunities.