



**Big Brothers Big Sisters**  
of Lacombe and District

# 2018 Annual Report

Released June 10, 2019



In memory of Big Brother Colby







## Annual General Meeting

### AGENDA

Monday, June 11, 2019, 7:00PM  
Landscape Management Centre

1. Welcome, introductions & supper served
2. Call meeting to order
3. Adopt agenda
4. Adopt 2018 minutes
5. President's Report
6. Treasurers Report
7. Executive Director's Report
8. Board of Director's Roster Approval
9. Closing Remarks ~ Cary Shelstad
10. Adjournment

*Empowering Youth Everyday!*



**Big Brothers Big Sisters  
Annual General Meeting  
May 9, 2018 - 6PM  
LMC, Lacombe AB**

“ Next time you see a mentoring moment, take it. You never know how big a difference you could make in someone’s life.” - Crystal

**Attendance:**

Kassidy Clark	Monica Bartman
Sandy Williams	Grant Creasey
Wendy Righi	Cary Shelstad
Travis Marcott	Emma Vockeroth
Darren DeWald	Jordan Young
Janet DeWald	Heather Nixon
Bev Bachelder	Jessica Vander Woerd
Sue and Brent Sage	Crystal Zens
Chelsey Huskins	

1. Crystal welcomed everyone at 6.15PM. Introductions were made by all in attendance. Dinner was served by Cilantro and Chives with a delish taco bar!  
- This AGM was very special as we celebrated Crystal’s 10 year anniversary with BBBS of Lacombe and District. We are so very blessed and thankful to have Crystal as our executive director. BBBS is what it is because of her enthusiasm and passion for the kids and our community.
2. Heather called the meeting to order at 6.26PM
3. Adopt agenda  
- Cary motioned to accept the agenda, Travis 2<sup>nd</sup>
4. Adopt 2017 minutes  
- Monica motioned to accept the agenda, Janet 2<sup>nd</sup>
5. Presidents report  
- Reviewed by Heather
6. Treasurers Report  
- reviewed by Cary as Joey is away on family vacation  
- motion to transfer note based on the information provided. Cary motioned to accept, Janet 2<sup>nd</sup>, all in favour

- motion to approve of 2017 financials by Travis, Emma 2<sup>nd</sup>, all in favour.

**7. Executive Director Report**

- reviewed by Crystal

**8. Board of Director's Roster Approval**

- reviewed by Heather

- motion to approve roster as presented by Janet, 2<sup>nd</sup> by Sandy

**9. Closing Remarks**

- shared by Heather

**10. Adjournment at 7.05 PM**

Thank you for taking the time to be with us tonight.



2018 has come and gone, and it's been another great year for Big Brothers Big Sisters of Lacombe & District!

After some big changes over the last few years with the transition to the Bamford House, it's been great being settled into our new facility. Home ownership has presented many challenges, but it's always nice to see how our group and the community have come together to make it home.

Our board and staff have many challenges, a few are listed below:

Finances: The ever-changing economy in Alberta has provided us with less government support, making our efforts to raise funds a critical part of our day to day operations. With efforts like Bowl for Kids, Landlord of the Month, or working a casino, we've been able to manage our finances effectively. Having a financially stable organization allows us to focus on what really matters, youth mentoring. However, like any not-for profit organization, financial stability is always an ongoing challenge. Goals for the future include becoming mortgage free and maintaining our reserve fund.

Community Engagement: 2018 was yet another year of receiving incredible community support. We have debated cutting some of our summer programs due to funding but have never had to make that sacrifice as various organizations have stepped up to keep them going. As for the Bamford house, whether its some quick yard work or some household expertise, our supporters in Lacombe and district have always come through to help when needed. We are also proud to be able to share the Bamford house with other user groups to support other organizations where possible. We will continue to encourage collaborations and strengthening community relationships.

Our Board of Directors: over the years, we have had many excellent people step up to serve on our board. The last few years have seen some directors come to term, but we've been able to find excellent members of our community volunteer to help. Each member brings different ideas and insight to our meetings, and this diversity helps to give different viewpoints to guide our organization. We encourage any individuals interested in our organization to speak with a board member about joining us.

Our staff: We have been very blessed to have a passionate staff that goes above and beyond to help make our organization to success that it is. Crystal, Chelsey, Bailey, put in so much extra time and effort to make BBBS Lacombe & District the success that it is. Our various students performing work terms are an additional boost to help with the workload. And our bookkeeper Joann volunteers her time to make sure the bills get paid. Please thank our staff if you get a chance, as they are truly what makes our organization the success that it is!

Our Volunteers: As a volunteer-based organization, we would not be where we are without the numerous volunteers who commit their time, energy and hearts to our organization and the youth in our community. They are the ones behind the scenes, who are making a positive difference in a child's life, one hour at a time.







Going forward: Our main goal for BBBS Lacombe and District is making sure every child that needs a mentor, has a mentor. Whether your contribution is big or small, I want to thank you all for doing your part. Together we provide vision and guidance to our youth, at a time when they need it most. After all, imagine who they will become because of you!

Cary Shelstad

Board President

Big Brothers Big Sisters of Lacombe and District

The vision of Big Brothers Big Sisters of Lacombe and District:

“Big Brothers Big Sisters of Lacombe and district is a strong, independent, innovative, diverse, volunteer-based organization that provides programs and services and role models to any child in need.”

The mission of Big Brothers Big Sisters of Lacombe and District:

“Big Brothers Big Sisters of Lacombe and District mission is to serve the youth of Lacombe and District through the provision of quality one on one volunteer relationships and other related programs by partnering with other community organizations, businesses, individuals and families”.







**Mission:**

**Every child who needs a mentor, has a mentor**

- This mission will always supersede everything we do.
- We have two types of fundraising needs:
  - o 1) Fundraising for operations – this is how we meet our mission
  - o 2) Fundraising to cover costs on our building – this is important as we need a home, however meeting our mission depends on operations
- Often, it is easier to receive funding for a building, than it is a program.
- They are both important, without a building, we have no home, but without our programs, there is no Big Brothers Big Sisters.
- We must maintain our operating budget to serve our mission. After all, our programs are the reason we need a building.
- 
- In 2018 BBBS has 151 different Littles (kids/teens) of which:
  - o 58 littles were enrolled in our Traditional (out of school) mentoring program were in multiple programs as followed.
    - 23 Little Brothers (matched to a Big Brother)
    - 28 Little Sisters (matched to a Big Sister)
    - 2 couple matches (little matched to a couple – husband/wife)
    - 5 matched to opposite gender (ie: Little Brother/Big Sister match)
  - o 52 littles were enrolled in the In-School mentoring program.
  - o 24 kids attended Kids & Kops (some included above in programing)
  - o 10 girls attend Go Girls, 10 boys attend Game on
- BBBS had 160 volunteers
- **On average it is costing BBBS:**
  - Direct expenditures - Clients **\$96.48 per little/month**
  - Direct expenditures – Volunteers **\$ 91.04 per volunteer/month**
  - Administration costs are \$386.56 per **Little/year (\$32.21 per little/month)**
  - **We are very conscious of our costs, we provide great service directly to our community and are focused on the long term.**





The financial statements were reviewed by BDO and no qualifications were noted. The financial statements will be posted on-line, and we would be excited to field any questions.

Financially, we did basically what we budgeted for. We expected based on our budget to have a cash loss of \$17,858 and we ended up with a cash loss of \$22,130 (pg. 6 of financial statements) which \$4,272 worse than budget. Much of this short-fall came from costs not expected in the budget (i.e.. hosting the Alberta Executive Director's conference, increase in wages to deal with increase in program users and to help fundraise). Last year, we were fortunate to receive a casino (on average, this amounts to \$22,000 of revenue) which allowed us to generate enough cash last year to cover our costs and provide a reserve. We hope to receive a casino every 3 years on average, so our long-term budget reflects this, explaining the expected current year loss. We are never happy with a loss; however, we are realistic in the amount of revenue we can raise and budget to this with a long-term outlook.

How we are managing our revenue and costs:

- 1) Diligent management of our cash, we prepare a monthly cash budget and we monitor our actual results very closely to make sure we are on track to our expectations. If we are below our expectations, we would look to proactively make difficult decisions with our mission in mind. I would thank our bookkeeper and executive director along with all of the staff for their efforts in staying within our budget.
- 2) Trying to change our sources revenue: So much of our revenue comes from active fundraising (Bowl for kids sake weekend and in-school Wii bowl, Wreath fundraising, bottle drives etc.). This is difficult when you have only 3 full time staff, every day they are fundraising takes away from our programs and the kids must come first (but with no funds, we can't operate). We are trying to find passive sources of fundraising (i.e.. Landlord of the month, sponsorships, raffles) that require less labor, this way all the funds can go directly to helping ensure that every child that needs a mentor, has a mentor.
- 3) Most importantly, none of this would be possible without our donors and volunteers. BBBS would never be what it is today without the great communities that we work in. So, to all of you, the donors and the volunteers – THANK-YOU.

We came into 2018 expecting a loss and that is exactly what happened, so we are where we expected to be





I am proud to say, that as of December 31, 2018, we have just over \$50,900 in our bank. We are not at our reserve goal yet but certainly a vast improvement over the past two years. We have a \$30,000 emergency line of credit, so totaled together, we have enough resources allow BBBS to survive for 5 months without funding. Our goal is a reserve of 6 months, so we are close to that objective using the line of credit.

This may not sound important, but it is crucial to our mission. BBBS is a long-term mentoring program, we don't believe in quick fixes after something is broken, but rather in long term preventive mentoring to help our youth become the best they can be. As such, we need to operate in such a way that ensures were around for the long term. At BBBS is the future is just as important as today.

So again, thank you to everyone who donated and volunteered to our programs in the current year. The impact of which, will be felt for years to come.

**IMAGINE WHO THEY WILL BECOME, BECAUSE OF YOU.**

Joey Ingram  
**Treasurer**







Welcome to all our guests, volunteers, stake holders and staff to our 2019 AGM. 2018 was filled with amazing moments, milestones and accomplishments for our Big Brothers Big Sisters family. These included a Canadian milestone that was celebrated at our Great Big Christmas Dinner celebrating our 40-year match. Big Brother Andy and Little Brother Chris were both able to attend and be recognized for this outstanding example of the long-term impact the BBBS programs have on the lives of both the volunteer and littles in our program.

In 2018 we also began to stabilize into the new rhythm of functioning with office ownership. So many businesses and community partners played an integral part in the sponsorship and fundraising. This included initiatives such as the Landlord of the month, Bowl for Kids and Festival of Wreaths campaign and the many third-party fundraisers we were a part of in 2018. There are so many important funders that also make our programs possible. United Way, The City of Lacombe (via the FCSS of Lacombe Grant), Blackfalds FCSS, The Lacombe County, the Canada Summer Jobs Grants helped sustain our growing programs. Service clubs such as the Lacombe Ladies Legion Auxiliary, Lacombe Legion, Lacombe Rotary, Lacombe Kinsmen, and the Knights of Columbus have helped through the Adopt a Family and Landlord of the Month Programs. There have been so many businesses big and small that always step up help our programs. These are too many to name, but we thank you all for always being there to help kids in our community.

Thank you to the amazing staff, board of director's, volunteers and families that make our organization what it is. Without your countless hours, generosity of time and heart, we couldn't have served over 300+ youth in 2018. You all are so important to our mission and make BBBS of Lacombe & District one of the charities that continually gets recognized for doing great things in our community. Thank you to the Lacombe Chamber for recognizing BBBS of Lacombe & District as the Not for Profit of the Year. This is truly an honor. We were also just voted in the top 3 charities of our community through the Lacombe Express. These are huge honors but know that every person that is part of the BBBS mission deserves a huge standing ovation for doing what they do for the passion of helping the kids in our program.







# BOARD LIST 2019

Shelstad, Cary	June 12, 2012	President	113 Chinook Street Blackfalds, AB T4M 0C1	caryshelstad@hotmail.com	(403) 350-6803
Ingram, Joey	Nov 15, 2011	Treasurer	21 Bruns Road Lacombe, AB T4L 1N9	joey.ingram@mnp.ca	(403) 318-8970
Dewald, Janet	Sept 15, 2016	Director	28 Fairway Drive Lacombe, AB T4A 1R4	Dewald01@telusplanet.net	(403) 550-9952
Bartman, Monica	August 30, 2016	Director	#12, 76 Terrace Heights Drive T4L 0E5 Lacombe, AB T4L 1J1	monica_juann@hotmail.com	(587) 580-6206
Williams, Sandy	June 15, 2017	Director	Box 5123 Lacombe, AB T4L 1W7	sandy3@msn.com	(403) 304-5256
Marcott, Travis	June 15, 2017	Director	5 Alderwood Close Blackfalds, AB T4M 0L9	tmarcott@lacombe.ca	(403) 396-8129
Franco, Theresa	October 19, 2017	Director	96 Churchill Place Blackfalds, AB T4M 0B7	theressa03@yahoo.ca	(403) 358-2160
Vockeroth, Emma	October 19, 2017	Director	4711-57 A Street Crescent Lacombe, AB T4L 1M7	evockeroth@gishlaw.ca	(403) 598-0166 c (403) 782-3383 w
Bachelder, Bev	November 15, 2017	Director	Site 1, Box 117 RRS Lacombe, AB T4L 2N5	dbjabb@gmail.com	(403) 877-3486 c (403) 783-7820 h

Executive Director: Crystal Zens c. 403-877-1516 crystal.zens@bigbrothersbigisters.ca



**Big Brothers & Big Sisters Association  
of Lacombe and District  
Financial Statements  
For the year ended December 31, 2018  
(Unaudited)**

**Big Brothers & Big Sisters Association of Lacombe and District**  
**Statement of Operations**  
(Unaudited)

For the year ended December 31	2018 Budget	2018 Actual	2017 Actual
<b>Revenue</b>			
Bowl for Kids Sake	\$ 25,000	\$ 21,740	\$ 23,662
Direct expenses	(4,284)	(5,866)	(6,722)
Donations	34,961	64,873	61,277
Fundraising	57,500	69,498	67,011
Grant revenue	44,500	28,756	29,876
United Way funding	28,477	25,943	26,027
Other revenue	-	958	774
	<u>186,154</u>	<u>205,902</u>	<u>201,905</u>
<b>Program costs</b>			
Go Girls	37	667	264
In School Mentoring	80,872	80,139	77,518
Kids and Kops	8,923	10,429	8,511
Rural Outreach	53,288	83,464	46,474
Summer Program	116	114	17,834
	<u>143,236</u>	<u>174,813</u>	<u>150,601</u>
<b>Gross margin</b>	<u>42,918</u>	<u>31,089</u>	<u>51,304</u>
<b>Expenditures</b>			
Advertising and promotion	-	707	361
Amortization	-	14,191	14,191
Insurance	4,000	1,589	3,871
Interest and bank charges	-	354	606
Interest on long-term debt	-	6,268	6,253
Office	-	22	-
Conference expenses	-	209	-
Professional dues	5,850	1,737	4,311
Salaries and related benefits	27,225	25,573	21,289
Telephone and utilities	9,900	5,023	3,823
Travel	-	2,698	2,083
	<u>46,975</u>	<u>58,371</u>	<u>56,788</u>
<b>Excess of expenditures over revenue for the year</b>	<u>\$ (4,057)</u>	<u>\$ (27,282)</u>	<u>\$ (5,484)</u>

The accompanying notes are an integral part of these financial statements.

**Big Brothers & Big Sisters Association of Lacombe and District  
Statement of Cash Flows  
(Unaudited)**

For the year ended December 31	2018	2017
<b>Cash flows from operating activities</b>		
Excess of expenditures over revenue for the year	\$ (27,282)	\$ (5,484)
Adjustment for non-cash item		
Amortization	14,191	14,191
	(13,091)	8,707
Change in non-cash working capital items		
Decrease in accounts/contributions receivable	4,989	9,490
Increase in accounts payable and accrued liabilities	1,435	1,027
Increase (decrease) in deferred revenue	(13,100)	21,320
	(19,767)	40,544
<b>Cash flows from investing activity</b>		
Receipt of current portion of contributions receivable	15,000	15,000
<b>Cash flows from financing activities</b>		
Repayment of long-term debt	(7,832)	(7,646)
Deferred capital contributions	15,000	15,000
Recognition of deferred capital contributions	(8,175)	(7,341)
Recognition of deferred debt repayment	(1,356)	(1,356)
Recognition of current portion of deferred revenue	(15,000)	(15,000)
	(17,363)	(16,343)
<b>Increase (decrease) in cash during the year</b>	(22,130)	39,201
<b>Cash, beginning of year</b>	73,093	33,892
<b>Cash, end of year</b>	\$ 50,963	\$ 73,093
<b>Cash consists of:</b>		
Unrestricted cash	\$ 42,534	\$ 50,570
Externally restricted cash - casino	8,429	22,523
	\$ 50,963	\$ 73,093

The accompanying notes are an integral part of these financial statements.

# Big Brothers & Big Sisters Association of Lacombe and District

## Notes to the Financial Statements

(Unaudited)

December 31, 2018

### Nature of operations

Big Brothers & Big Sisters Association of Lacombe and District (the "Association") is incorporated under the Societies Act of Alberta for the purpose of providing mentoring programs to children in the City of Lacombe and surrounding area.

The Association is registered as a charity organization and is tax-exempt under Section 149(1)(f) of the Canadian Income Tax Act.

### 1. Summary of significant accounting policies

The financial statements are prepared by management in accordance with Canadian accounting standards for not-for-profit organizations.

The significant accounting policies used are as follows:

#### Property

Property is recorded at cost. The Association provides for amortization using the following methods at rates designed to amortize the cost of the property over its estimated useful life. The annual amortization rate and method is as follows:

Asset	Method	Rate
Buildings	Straight-line	20 years

#### Revenue recognition

The Association follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Contributions specified for capital purposes are recorded as deferred capital asset contributions. These deferred contributions are taken into income as the related capital costs are amortized.

Unrestricted investment income is recognized as revenue when earned.

#### Accounting estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenditures during the reported period. These estimates are reviewed periodically and are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

#### Contributed services

Volunteers contributed time to assist the Association in carrying out its activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.



# Big Brothers & Big Sisters Association of Lacombe and District

## Notes to the Financial Statements

(Unaudited)

December 31, 2018

1. Summary of significant accounting policies (continued)

**Reserves**

It is the Association's policy as a part of their risk management strategy to maintain an operating reserve equal to six months' operating expenses. These funds are internally restricted and can be used only by obtaining approval from the Board of Directors.

2. Cash

Included in cash are restricted funds held by the Association. The operating reserve is internally restricted by the Board of Directors. The casino funds are externally restricted by legislative requirements. The balances are as follows:

	2018	2017
Unrestricted cash	\$ 32,484	\$ 40,558
Operating reserve	10,050	10,012
Casino	8,429	22,523
	\$ 50,963	\$ 73,093

The Association's credit facility includes an authorized revolving line of credit of \$30,000 bearing interest at the Credit Union's prime plus 1.50%, of which none was used at year end. These facilities are secured by general security agreement providing a first charge and interest on all the present and after-acquired personal property. Prime rate at December 31, 2018 was 3.95%.

3. Contribution receivable

Contributions receivable is comprised of amounts relating to an agreement whereby the Gord Bamford Charitable Foundation is to pay a total of \$100,000 over the course of no more than five years. In return, they will receive title sponsorship on the Association's new premises.

4. Property

	2018		2017	
	Cost	Accumulated Amortization	Net	Net
Land	\$ 20,000	\$ -	\$ 20,000	\$ 20,000
Buildings	283,822	34,295	249,527	263,718
	\$ 303,822	\$ 34,295	\$ 269,527	\$ 283,718

**Big Brothers & Big Sisters Association of Lacombe and District**  
**Notes to the Financial Statements**  
(Unaudited)

December 31, 2018

5. Deferred revenue

	2018	2017
Gord Bamford Charitable Foundation	\$ 15,000	\$ 15,000
Casino funds	8,418	22,518
Landlord fundraising	2,000	1,000
	\$ 25,418	\$ 38,518

6. Long-term debt

	2018	2017
4.6% mortgage, payable \$1,175 monthly including interest, due August 1, 2020.	\$ 131,997	\$ 139,829
Less current portion	131,997	139,829
Long-term portion	\$ -	\$ -

The Association is required to meet a specified debt to equity, current and annual debt service coverage ratios under its lending agreement. The Association is not in compliance with the debt to equity and annual debt service coverage ratios as of the balance sheet date. As a result of the non-compliance, the bank could demand repayment of loans.

The mortgage is secured by a general security agreement specifically pledging all present and after acquired property.

Assuming the mortgage is not demanded due to non-compliance of ratios, the estimated principal repayments are as follows:

2019	\$ 8,200
2020	8,585
2021	8,988
2022	9,410
2023	9,853
Subsequent years	86,961
	\$ 131,997

**Big Brothers & Big Sisters Association of Lacombe and District**  
**Notes to the Financial Statements**  
(Unaudited)

**December 31, 2018**

**7. Deferred capital contributions**

The Association has received restricted contributions for the purchase of capital assets. These contributions are amortized on a declining balance over the useful life of the asset for which the contributions were received.

	Balance, beginning of year	Contributions	Current amortization	Current portion	Balance, end of year
Deferred contributions	\$ 131,351	\$ 15,000	\$ (8,175)	\$ (834)	\$ 137,342
Debt repayment	24,418	-	(1,356)	-	23,062
	<u>\$ 155,769</u>	<u>\$ 15,000</u>	<u>\$ (9,531)</u>	<u>\$ (834)</u>	<u>\$ 160,404</u>

**8. Net Assets**

	2018 Opening Balances	Revenue	Expenses	Transfers	2018 Closing Balances
<b>Restricted In School</b>					
Mentoring	-	\$ 75,444	\$ (71,035)	-	\$ 4,409
Kids and Kops	3,861	8,107	(10,272)	-	1,696
Summer Program	-	-	(114)	114	-
Rural Outreach	-	42,304	(76,475)	34,171	-
Go Girls	1,222	345	(667)	-	900
	<u>5,083</u>	<u>126,200</u>	<u>(158,563)</u>	<u>34,285</u>	<u>7,005</u>
<b>Unrestricted Capital</b>	45,959	80,137	(75,056)	(22,457)	28,583
	(20,578)	-	-	(11,828)	(32,406)
	<u>25,381</u>	<u>80,137</u>	<u>(75,056)</u>	<u>(34,285)</u>	<u>(3,823)</u>
	<u>\$ 30,464</u>	<u>\$ 206,337</u>	<u>\$ (233,619)</u>	<u>\$ -</u>	<u>\$ 3,182</u>

Restricted funds include monies received from both government organizations and private individuals, where it was requested that the funds go toward a specific program.

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**Big Brothers & Big Sisters Association of Lacombe and District**  
**Notes to the Financial Statements**  
**(Unaudited)**

**December 31, 2018**

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**9. Allocation of Administration Expense**

Administration costs applicable to the operations of the entire Association are allocated to projects based on the type of expenditure and the appropriate costs, pro-rated according to budgeted amounts.

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**10. Financial instruments**

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

**Interest rate risk**

The Association is exposed to interest rate risk. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company is exposed to interest rate risk on its fixed and floating interest rate financial instruments. Fixed-rate financial instruments subject the company to a fair value risk, while the floating-rate financial instruments subject the company to a cash flow risk. This exposure may have an effect on its earnings in future periods. The company reduces its exposure to interest rate risk by regularly monitoring published prime interest rates which have been relatively stable over the period presented. In the opinion of management the interest rate risk exposure to the company is low and is not material.

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