



2021 Annual General Meeting Hamilton Farmers' Market Corporation

Presented on September 13, 2021 by Elly Bowen (HFM Vice Chair/Secretary)

Hamilton Farmers' Market - Hamilton's Hidden Gem

- Hamilton Farmers' Market has been a community hub since 1837
- Agriculturally based in its early years, the Market has evolved to include a broad range of 51 local businesses from artisans to prepared foods and everything in between.
- Surveys indicated that Market patrons come from all Wards and beyond City boundaries bringing shoppers to the downtown core
- Customers expressed their appreciation for the Market's efforts to remain open and provide the safest shopping experience possible in the face of an invisible foe in COVID-19



A Community!



Agro Seafood . Angela's Fine Deli . Anissa's Chicken Centre . Apothecary Kitchen . Artisan Market . Blackberry Hill Farm . British Baked Goods . Buttrum Family Farm . Charlie's Corner Market . Country Green Garden . De La Terre Bakery . Dilly's Farmacy . Folk Art Prints Fritter Shop . Hieng's Produce . Huong Trang Fish Market . Jantzi Cheese . Jean's Originals . Jepson's Fresh Meats . Joshy's Good Eats . Josie Syer's Plants & Flowers . JT Pets . Julia's Poultry & Eggs . Karlik Pastry . Latin Food & Products . Lee's Fresh Produce . Lesley's Flowers . Leslie's European Deli . Lina's European Pastries . Local Egg Limited . Luscious D's . Mystic Ramen . Pierogi Me! . Relay Coffee . Roasters . Ridge Road Estate Winery . Romano Cheese . Rosa's Gourmet Foods . Sam & Son International Cheese . Sam's Cheese and Meats . Thango Meats . That Planted Fork . Flyin' G'Nosh . Mexican Kitchen . Truong's Produce . Vinnie's Fresh Pasta Factory . Williams Brothers . Ye Olde Fudge Pot

The Hamilton Farmers' Market Board

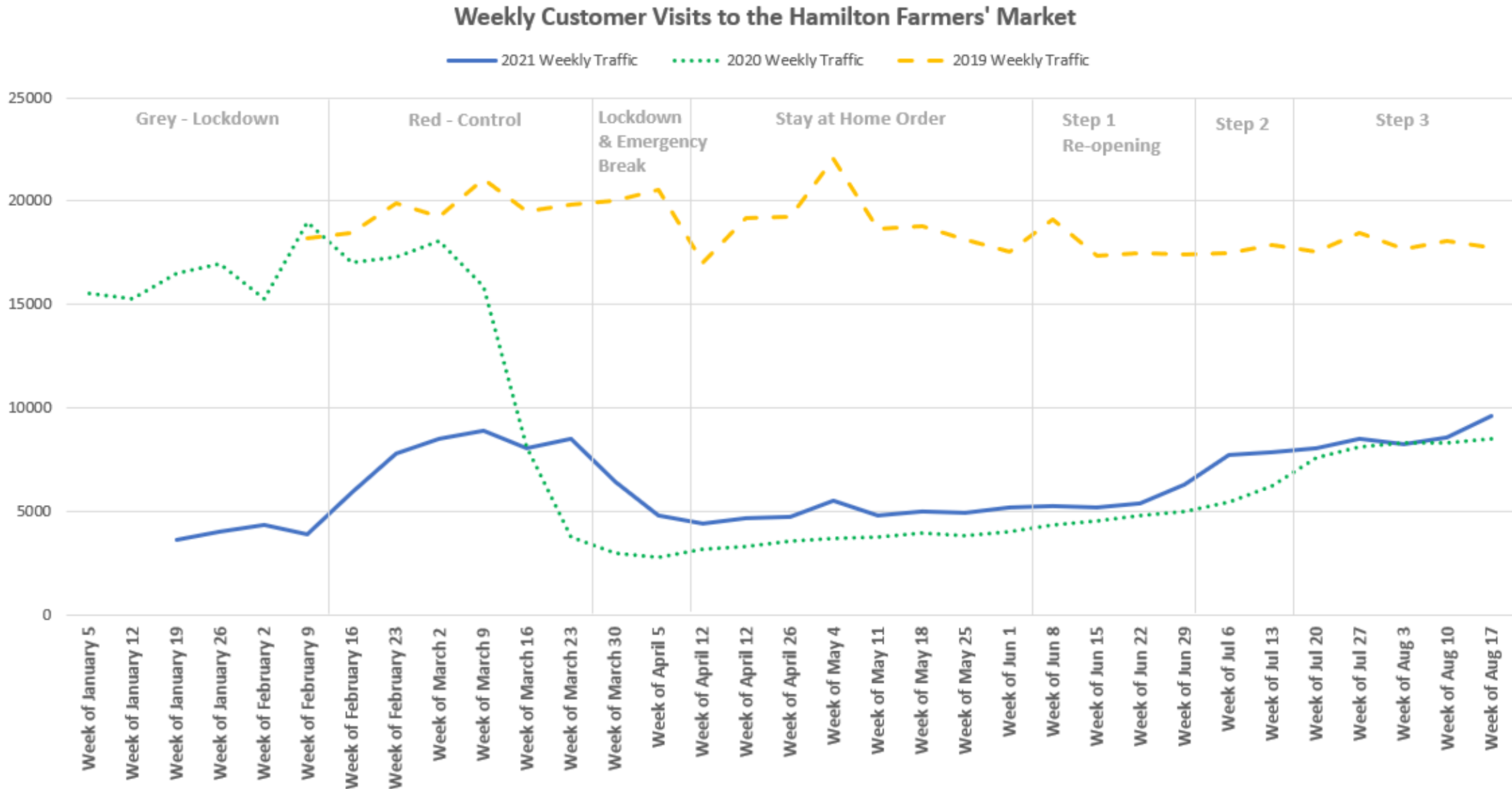
- The Hamilton Farmers' Market Board was created in 2015 to oversee the Market
- The Board structure is composed of 11 Seats; 2 City Councilors, 5 Citizen Directors (appointed) and 4 Vendor Directors (elected). Significant turnover in the past year.
 - Councillor Esther Pauls – *Council Member*
 - Elly Bowen - *Citizen Member, Acting Chair, and Secretary*
 - Wilfred Arndt - *Citizen Member*
 - Joshua Czerniga - *Citizen Member*
 - Eva Marsden - *Citizen Member*
 - Anne Miller - *Vendor Member*
 - Damian Wills - *Citizen Member*
 - Jason Hofing, Brandon Linares & Celina Masoudi - *Vendor Directors (Pending)*
 - Seeking a 2nd City Councilor



Impact of COVID on HFM

- The Market remained open throughout 2020 in the face of operational and financial challenges as reflected in our 2020 AGM presentation and 2021 budget presentations.
- Our Market Staff and vendors worked closely with local Public Health officials to ensure that Covid guidelines were implemented and strictly adhered to.
- Federal CECRA program was not available to the Market Corporation as it was to other businesses in Hamilton.
- Foot traffic declined dramatically as a result of the Jackson Square Market access being closed, occupancy restrictions, reduced hours and people being told to work from home.

Impact of COVID on HFM Foot Traffic



Impact of COVID-19 on HFM ... *continued*

- Lockdowns required many businesses to close completely and imposed severe restrictions on the prepared food vendors. The Market lost ten vendors by year end 2020 as a direct impact of the pandemic.
- Thus ending 2020 with an operating deficit to budget for the first time since 2016 due to the significant number of stall vacancies and the resulting shortfall in revenues.



2020 Audited Financial Statement

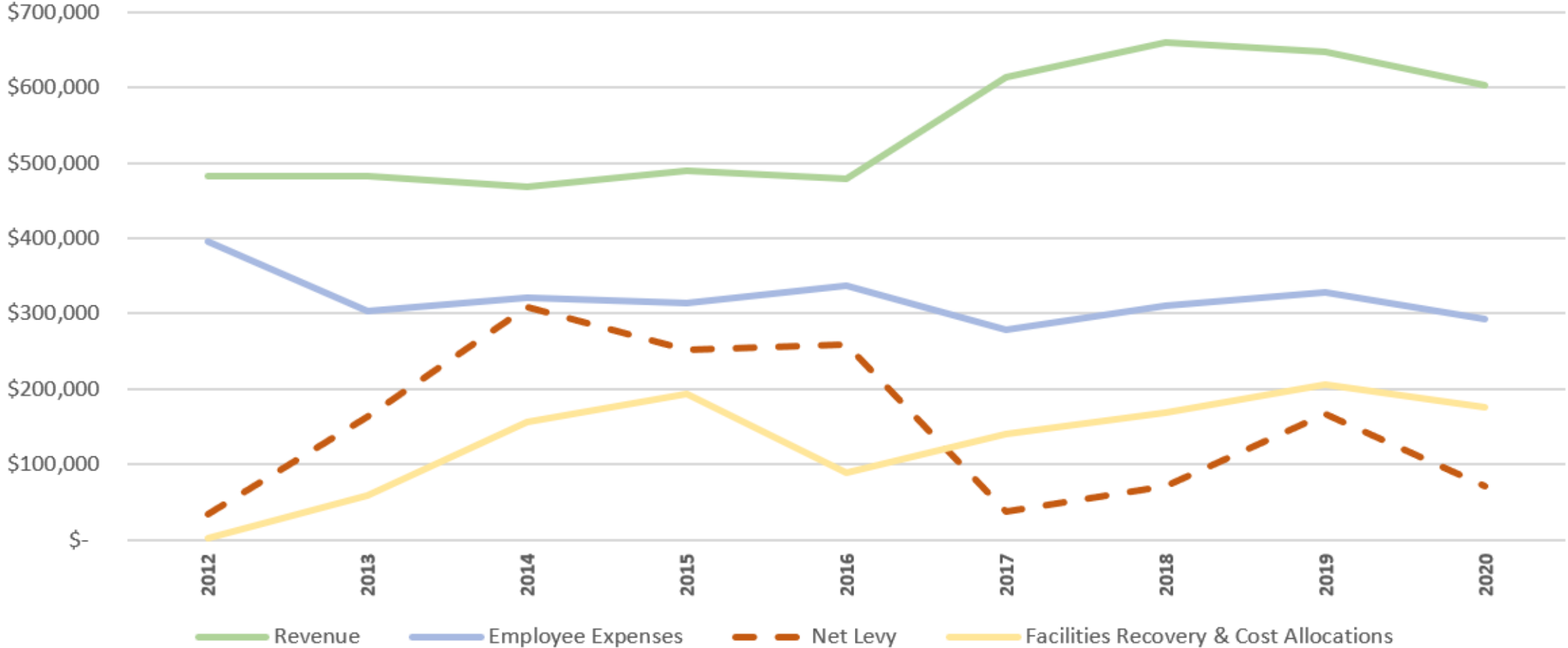
- *“In our opinion, the financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2020. and its results of operations, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.”* **KMPG LLP**
- *“The Hamilton Farmers’ Market remained open through the pandemic with reduced operating hours. During the year, the Hamilton Farmers’ Market enacted the rent deferral program to assist vendors with rent payments. This program allowed vendors to defer their rent payments for April-September 2020 to 2021 without interest. This has caused the Hamilton Farmers’ Market Accounts receivable to increase significantly in 2020.”* **KMPG LLP**

2020 Audited Financial Statement

- *“As part of the federal-provincial Safe Restart Agreement, the City of Hamilton received an emergency assistance, and the Market Corporation was allocated an amount of \$144,652 in 2020. This funding was provided for the purpose of addressing COVID-19 related operating costs and financial pressures.”* **KPMG LLP**
- *“The current challenging economic climate may lead to adverse changes in cash flows, which may also have a direct impact on the Market Corporation’s operating results and financial position in the future. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the Market Corporation’s business are not known at this time.”* **KPMG LLP**

2012 - 2020 Key Market Financial Trends

Hamilton Farmers' Market Multi-Year Actuals



A Financial Perspective

- The primary source of HFM revenue comes from vendor rent.
- Vendor rent rate has seen one increase of 2% (2017) since 2016.
- Annual rent has been in decline due to stall occupancy being impacted by COVID;
 - 2019 (\$509K)
 - 2020 (\$473K)
 - 2021 (\$438K *forecasted*)
- Corporate Sponsorship agreement expires in April 2022.
- The cost of operating an aging facility continues to increase
- Operating reserves have kept us in the black
- To continue operating in this way we need to identify new revenue streams or modify the business model for future success

What does this mean to 2021?

- Our financial statements reflect a significant increase in accounts receivables from \$84,025 in 2019 to \$296,440 in 2020.
- Various actions are in progress to reduce these outstanding amounts;
 - External collections action for the debt of vendors who have left the Market
 - Internal collections process followed for vendors currently in the Market
- Currently, total receivables have been reduced to \$236,216. This outstanding amount includes \$59,888 in external collections and \$74,075 invoiced from within the approved deferral period of 2020. There are 29 vendors who have not signed their deferral agreements.

2021 COH \$30K Marketing Contribution

- Previous customer surveys indicated we have many loyal customers however we need to attract new ones.
- The additional \$30K for marketing will greatly help and is much appreciated. Due to Covid, it has been more difficult to engage in the types of activities that will attract new customers to the Market.
- We've successfully completed our newly created Peach festival promotion and are planning others for the Fall - Thanksgiving, Halloween/ Day of Dead and our annual Holiday season celebrations.
- Without these additional funds we would not be able to explore new marketing media buys that greatly expand our reach to new audiences in the region.



2021 ... Let's Get Back to Business

- Virtual Cooking Class with Joyce of Cooking
- Welcomed several new vendors to the Market
- Peach Festival
- Fall/ Holiday planning
- Increase advertising in Q4

Peach Festival Success

- 2- Week Radio Buy
- High Social Media Engagement
- High impact signage throughout the Market
- Peach Passport - enabled Customer participation
- 2 public newsletters were sent out to almost 800 recipients in advance
- Numerous website blog posts
- A number of vendors sold out of their offerings!



Looking to a brighter future

- Unlike many of our peers in the industry, the HFM chose to remain open during the pandemic to serve the region and provide the safest shopping experience possible.
- By staying the course, we have retained many of our long term vendors
- In spite of the negative impact from COVID, the entrepreneurial spirit is alive and well in the City of Hamilton as several of our vacant stalls have now been filled as we continue our pandemic rebound.
- Recently, we have added several new Board of Director members with a passion for the Market to continue the work in progress.



Joshy's Good Eats



That Planted Fork



Our Newest HFM Vendors



The Fritter Shop

Pierogi Me!

THANK YOU

