

MEMORANDUM

TO: BOARD OF DIRECTORS
FROM: KATHRYN DUBICKI, DIRECTOR, SENIOR DIRECTOR
DATE: SEPTEMBER 6, 2023
RE: FINANCIAL REPORT

Financial Position:

Attached are the financial statements and financial summary for the period ended June 30, 2023. The Agency's Ministry Operations are presently in a small deficit position of \$32,681. A number of one-time costs related to repairs, vehicles, training, and equipment occurred in the first quarter contributing to the current position.

Budget reviews have been done with the Management team regarding monitoring the financial position to ensure a balanced position at March 31, 2024. Focus will be on managing staffing supports as this is Community Living Brant's largest expense. This will include the impact of any adjustments resulting from Collective Bargaining (current contract expired March 31, 2023).

Association Operations are in a surplus position of \$33,739. The Circle of Friends Golf Tournament was held on August 18, 2023. The final net proceeds from the event will be reflected in the August financial statements.

2022/2023 Year End Reporting:

The 4th Quarter Report, Audited Financial Statements, and Audit Management Letter has been submitted to the Ministry as required.

2023/2024 Budget Update:

The 2023/2024 Budget was submitted to the Ministry. We will be meeting with our Program Supervisor this month to review the budget and discuss future planning.

2022/2023 Audit Management Letter:

Attached is a copy of the 2022/2023 Post Audit Management Report to the Board of Directors. As in previous years, the report notes the following:

- We remind the Board that there are inherent control weaknesses in smaller organizations such as Community Living Brant. These weaknesses occur because of a lack of segregation of duties, which is common with organizations of this size. The Audit Committee should review the information flow to ensure controls are in place in higher risk or material situations.

To address this issue, Millard's continues to perform a surprise spot audit of the payroll system, payables and purchasing system. No irregularities or issues were identified in the surprise audit this past year.

Photocopier Lease—Recommendation 2023-2024-8:

Community Living Brant currently has a lease agreement with XEROX for the photocopiers at Head Office, Dunn and the EarlyON Centre. This lease will be expiring in June 2029.

Community Living Brant, as a Broader Public Sector funded agency, is eligible to access pricing through the OECM (Ontario Education Collaborative Market). They are not-for-profit organization that sources products and services for the education sector, broader public sector and not-for-profit sector following the Ministry's BPS Procurement Directive. Based on volumes, OECM is able to obtain very competitive pricing.

XEROX is an approved supplier through the OECM. We have received a renewal proposal as follows:

- 66-month lease
- Monthly Lease and Service Cost (based on current volumes--\$1,891.81
- Total projected cost over the life of the lease--\$124,859.46.

This pricing is a 9% cost reduction (\$12,295.25) over the current lease and service costs while updating the systems to meet the needs of the agency. The two factors impacting the pricing—the decreasing cost of technology, the OECM pricing, and Community Living Brant's long-term customer relationship.

It is recommended the Board of Directors approve renewing Community Living Brant's lease with XEROX for its photocopying services.

Recommendation #2023-2024-9—2023/2024 Snow Removal Services:

Community Living Brant has received the package for this winter's snow removal services. This season's cost is \$29,575 plus HST. This is up slightly over last year's costing of \$29,000 plus HST due to increases in the cost of liability insurance.

We continue to be very pleased with the quality and reliability of the services provided by EnviroMasters Groundcare.

It is recommended that the Board approve continuing its snow removal services with EnviroMasters Groundcare for 2023/2024.