Bright Starts Cooperative Early Learning Centre Board Meeting

Tuesday, April 16th at 7:30 pm

Chairperson: Robilyn Vanos

Attendance: Karen, Rebecca, Eleanor, Robi, Elizabeth, Matt, Sarah, Micaela, Stacey, Michelle, Angie, Avery
Guests: Tim Sothern, Anna
Regrets: Heather
Absent: Lula

7:30 Auditors: Tim and Anna

*******Documents in drive

Balance sheet – decrease in cash, related to petty cash account and various RBC accounts.
Short term investments, slight increase, related to various GICs held, when they expired in 2023, they were rolled into current GICs with maturity dates in 2024.
AR note – double – skip to note 4 – AR balance was HST recoverable and subsidy receivable, for 2023 new is CWELC receivable and shortfall because received after year end.
Prepaid – decreased a bit from last year, balance of 6k related to insurance premium and the childcare pro software license.
Tangible capital assets- skip to note 5 – break down by subgroupings, overall 130k in additions, during the year no disposals, Ipads, sensory room and lofts, leasehold improvements related to new shelving, storage, outdoor pergolas etc., increase in amortization, net book value of 201k.
Increase in assets year over year.

Liability side – amount double in 2023 – skip to note 6 for breakdown.
Deposits – refundable registration fee, deferred revenue – all related to the CWELC funding, January 2024 funding is the 99k.
Slight increase in liabilities.

Fund balances – statement of changes in fund balances.
Interfund transfer – skip to note 9 for breakdown.

Statement of operations
Increase in revenue, related to increase in subsidy received because of CWELC.
Program fees had a slight decrease – skip to note 10 – monthly fees decreased, membership fees comparable to last year, subsidy fees comparable to last year. This is the first year of a full year of CWELC and the overall operations in terms of the mix of revenue in the overall operations and mix of parents/government, which was the overall goals of the government.

Other income – made up of – interest income on GICS, fundraising and donations revenue, increased income due to interest on GICs this year.

Amortization – because of 130k in additions this year.
Increase in food and janitorial because of general price increases.
Increase in professional fees – consulting work with BDO.
Increase in salary and benefits.
Overall expenses increase by 300k.
Excess of revenue over expenses this year.
Last year we recognized a loss of 21k because of mutual funds disposed of in 2022, because these rolled no loss recorded this year.
Cash year end 379k-279k.
Amortization resulted in 80k added from operations.
Non cash working capital balances – 125k.
Cash flows from investing – 587k related to GICS held in 2022, and matured in 2023 and rolled into the 664 balance.

Audit communication to the BOD Presentation – on Drive.
Auditors responsibilities slides –required to cover this with the Board

- Required to go over financials, fraud risks – board did not identify any fraud risks this year

Materiality – a threshold whereby if the statements are wrong, how long will it be before the user will start making a bad decision, use 2.5% and threshold is $73,500.

Status of the audit – done, once financial statements approved by board, then they provide a letter for Stacey to sign off, and a subsequent events review.

Identified a total of 32 risks – condensed down to the ones that could result in fraud or are very significant – page 9 on presentation.
Revenue recognition – common because of government funding and the differences in timelines for year end between government and organization.
The four on the slide are the main risks they wanted to highlight.
Would be good if the board could sign off and review payroll on a regular basis, but at least a spot check every once in a while – do we know all the ECE on staff, are any of the amounts off or weird, things like that to review by board.
Sage payroll program – to have better security set up on that, passwords, usernames etc.
Finance committee recommended to look over these ideas.

Adjustments

- Setting up receivables and payables with grants, late invoice from UW on the reno and adjusted amortization for the year.

Unadjusted

- We had one item where we didn't make an entry – accounting standard, if you have escalators over the lease, you don't expense what was paid you divide evenly over the lease – supposed to do an average over the rental period

Other communications

- Nothing noted of issue.

8:05 Approval of Agenda - Robi

Robi - motion to approve, Eleanor moved, second Micaela, no opposed, no abstentions, motion carried.

8:06 Approval of March minutes – Robi

Robi - motion to approve, Matt moved, second Eleanor, Michelle abstains, no opposed, motion carried.

8:07 Executive Director's Report

Funding – 2024 applications one time funding – we can apply for max of $200 per FTE, 8800 this year, significantly less than last year, asked staff for input, give them a room bursary where they can order some new toys, application for this is due May 14th.

Repairs and maintenance funding – can apply for one project, other critical repairs can ask permission to apply for a second, funding dependent on how many applications the region receives, anything we put in has to be minus the HST rebate – kitchen dishwasher our big ticket item, they're suggesting we replace the motor on it – we will put in the application for this dishwasher repair, $1100 and $1487- installation and 2 year warranty, has an extra washing cycle which will help staff and their time/capacity quotes. We need to replace the dishwasher and sanitizer, it's in its 11th year.

Board to vote to approve a new purchase of dishwasher even if it's not covered by this funding.

Robi - Motion to spend $1487 on a new dishwasher – Dave moves, Avery seconds, no abstentions, no opposed, motion carried.

May also put in some playground replacements for wooden things, canoe in preschool program, maybe some sort of ship, to get that covered under this as well.

CWELC child services had a teleconference – can go ahead and give staff retroactive pay increases, need to be made 30 days after we receive the funding.

Minimum wage increase in Oct again – impact some of our base salaries, have to look at salaries again in October.

No formula from ministry yet – hopefully another 25% reduction.

Emerging issues application was approved – 83k – two deposits, first next week.

Illnesses – gastrointestinal issues, HFM, pink eye, some colds/

Parents parking in handicap and fire route flagged by parents to the office, they were addressed as seen, parking reminder in next seasonal email to parents.

Recerts by staff for first aid booked.

Eclipse day went well! Parents appreciated the communications.

April occupancy – lower % for toddlers, not all rooms are up to 15, T5 to increase in May instead of July, T1 – probably in the fall when Natasha returns from her mat leave. T5 – former educator Jodi – returning from years prior at BS.

Educator team issues in T2 and P4 – room changes requested, working on developing communications skills in our programs – guest presentations at the last staff meeting, was planned before these situations occurred, another one planned for June staff meeting, using HR consultant to review steps and issues.

Robi motion to go in camera – Moved Michelle, second Matt , no abstentions, no opposed, motion carried.

Preschool graduation June 19th – google form available that's voluntary for parents to participate in for the purposes of sharing info about where kids are going to school etc.

Early years celebration at Rim Park – May – 10 of our staff will attend, region supplement 50% of the tickets, so we can afford to pay for the staff to go to this, funds from professional development fund.

Website redesign – board notes need to go up, and looking at quotes for some virtual tours to put up on the site.

Anti-racism training – region rolled out online learning series – everyone required to do modules 1-4, all of our staff did all 6, they get a certificate if you did 5 & 6 and provided an additional $25 for each module completed.
Regional PD day – on May 30th, partnering with Conestoga college- dive deeper into mental health, we are not closed for this day, hoping to send 5 staff to this. Another one for the Fall but children services plans to provide similar support as they did last year, fees to family and staff costs for anyone who wouldn't normally be working that day – supply staff.

Stacey and Robi – went to Grand River about providing childcare to them. Today let us know they put out an RFP, and want us to apply for this. If we are interested we need to attend a site visit and send an email of intent to participate, good for a board member to attend. CWELC new space application was extended until Monday the 22nd. We weren't planning on completing that because we didn't have plans, but now we should because if we do win the Grand River bid we need that. Wouldn't prioritize UW at this site, the proposal says 78 children… Details and RFP will be in drive. Stacey thinks we should apply for this. Stacey would still be director at both, same with Heidi, could be efficiencies for food and janitorial with using the hospital, one board still, auditing for both centers not separate
Matt asked about efficiencies, still a lot of details unknown. We just got the RFP today.
Robi – how would you manage the extra workload? Rely on board, one day at a time for this project, we have a strong network of other centers with second locations, may have to step back from supporting students at conestoga which takes up Stacey's time, Heidi will continue to take work off Stacey's load.

Avery – turnaround is one month, we will need to connect with the board before the next meeting - possibly next week about how much work this will be.
Robi – GR is opening a new hospital, sounds like if we open BS2 it will move to the new hospital, also wondering if it may result in opening a 3rd location in the future?
Avery – do you have a sense who the competitors are in this RFP?
Stacey- no idea, the region will also be putting out a call to share the RFP so anyone could potentially jump on board, kids and company could be one, depending on if they want to go for profit or not for profit.
Sarah – with the CWELC guidelines, the region had specific geographic areas they wanted centers in- Stacey, this is one of them, they've already reached out to the region about funding etc. Matt – being partnered with a big institution could be exciting and leverage new opportunities.
Avery – financial struggles the university is going through right now, expansion with the university, with the issues they're having seems like the University won't be able to support it, so maybe this is a good way to get a second center open. Will follow up with the board via memo on if we are going to submit an RFP and if we need to have a meeting to approve the submission.
Matt – we might want to form a committee for expansion, move it up in light of this?
Avery- can we just have a few interested people we can keep everyone in the loop and have their eyes on the RFP --- Robi, Matt Rebecca can review the RFP. Vote over email if necessary.

8:58 Treasurer's Report – presentation on drive

March 2024 – under budget by 18k on revenue line, 10 vacant toddler spots, May 5 and the other 5 in October/November. Received start up funding related to 2023 year sitting in March revenue but adjustment from auditor. Payroll under budget by 44k – not at full capacity yet, and then also those three payroll in February – two months of group benefits were recorded in February, the March group benefit is missing.
YTD total revenue – under budget by 112k, payroll under budget by 20k, net income behind by 69k
Negative cash flow for March – mostly because of group benefits, UW payable amount from renovations also paid out in March, no change in investments.
Need to vote to approve the audited draft financials for 2023

Robi Motion to approve the 2023 draft audited financials as presented by BDO.
Moved Elizabeth, second Avery, no opposed, Dave abstains, motion carried.

9:04 Presentation of Slate of Nominees for the Board - Eleanor

Had lots of applicants apply, more than spaces available, for this slate of nominees.
Applicants were strong overall
Candidates: Avery Au, Davene Palvetzian, Alyssa Doyle, Derek Kursikowski, Patrick Rooney, Maeve Eason Hubbarb, Janice Stonebridge, Sean Anderson
Proposed executives – Rebecca President, Michelle VP, Avery and Elizabth Co-Treasurers, Sean Anderson Secretary.

Eleanor motion: To move candidates forward with the candidates presented for the 2024 Board AGM.

Moved Dave, Second Sarah, no opposed, no abstentions, motion carried.

Questions

Robi – consider co secretaries since Eleanor referenced two people interested – no the other person said they were already on another board. People who are not nominated volunteer on committees, and have a better chance to be on board the following year.

Avery – is there a chance for parents to attend board meetings as non-members? – Stacey – they have to be invited, they have to request to be invited and then be given permission to attend, the more people who attend, the longer the meetings. when we redid by laws in 2017 that's why we lowered the board number required.

9:17 **Parent Feedback Survey** (5 mins)

- Will send out on Friday, give board time to look at it and leave comments, Stacey and Rebecca to connect on getting it out.

--- **Regrets for next meeting** (May 14th AGM)

Not the 21st – mistake

Other question before the meeting ends– Eleanor – what about the recommendations from the auditors when would we address it? – Stacey addressed it. Payroll records to Elizabeth to sign, and password to usb stick we keep the info on.

--- **Feedback** (from Gmail and Box)

--- **Good news roundtable**

Robi Motion to go in camera - moved eleanor, second michelle, no opposed, no abstentions, motion carried.

Robi - Motion to adjourn – moved Eleanor, Second Avery, no abstentions, no opposed, motion carried.