

Board of Directors Meeting Minutes Zoom Meeting – Friday, February 23, 2024 – 9:30 am

Present: Jackie Gardner-Nix, Elaine Azzopardi, Tim Miller, Angela Grogan, Judy McLean, Cindy Anthony, Sharyl Ann Milligan, Stephen Beauchamp, Selena Forsyth, Sharron MacDonald, Trish Baird, Tina Stephens
Adam Kolisnyk (CFO, CMH) Meaghan Spencer (Finance Manager, CMH)

Regrets: Jessica Clarke

Topic	Discussion	Decision/Action
Board Education	New CCN "Pen Pal Program". Sarah Higgins, Program Assistant, highlighted the new CCN Pen Pal program.	Presentation available on Board Portal.
1.1 & 1.2 Quorum & Declaration of Conflict of Interest	The meeting was called to order by Jackie Gardner-Nix who welcomed everyone. There was a quorum present, and no conflicts of interest were declared.	No conflicts were declared.
1.3. Approval of Consent Agenda	Approval of Consent Agenda	Motion by: Elaine Azzopardi to approve the consent agenda. 2 nd by: Cindy Anthony. Carried.
1.4 Approval of Agenda	Approval of Agenda	Motion by: Angela Grogan to approve the agenda. 2 nd by: Sharron MacDonald. Carried.
3. Business Arising from Minutes	3.1 Bed Expansion Update Construction has started on time with no hiccups to date. As of today, the project is still within the \$700,000 budget. Completion is on target for April 1, and there has been no construction disruption to the residents of Ed's House.	For Information Purposes
4. Board Business/Committee Matters	4.1 Finance Committee – CCN Q3 Results Judy Mclean shared the CCN Q3 results which were presented at Finance. CCN is sitting in a positive financial position, better than this time last year. This is due in part to strong budgeting. 4.2 Foundation Update Currently there is a lot going on at the Foundation table. The Planned Giving Committee is meeting on a regular basis and working on a plan for long term sustainability for raising funds. The Foundation is working with SMM Law to review their bylaws to ensure compliance with the Ontario	Motion by: Judy McLean to approve the Q3 Results as presented. 2 nd by: Stephen Beauchamp Carried. For Information Purposes

	<p>Not-for-profit Corporations Act. Trish presented the Board with proposed changes to the bylaws so the Foundation can create some autonomy and no longer be an arm's length entity of CCN. The following suggestions were made:</p> <ol style="list-style-type: none"> 1. Directors – Composition – Suggested that the wording read; "A minimum of 1 with a maximum of 3 CCN Board Members". The board felt this would provide the Foundation with some flexibility in this area. 2. Directors – Filling Vacancies – The Board felt comfortable with giving the Foundation the ability to fill their own vacancies without CCN Board approval. 3. Members – Item 8.1 – The Foundation wishes to have their own Membership, and this will remove the ability of the CCN Board to be part of their membership and have a vote at their AGM. CCN Board felt comfortable with this, although, CCN Board will need to be present at the 1st AGM to vote on the changes to the Foundation bylaws. <p>4.3 OHT-N/Advisory Council Update There hasn't been much movement with the OHT-N as they are still recruiting staff. The Advisory council has not met either.</p> <p>4.4 March Board Meeting It was originally proposed that the March Board meeting be in person, but Trish will be absent for that meeting so the meeting will be held on Friday, March 22, at 10:00 am virtually.</p>	<p>Trish will take these points back to the Foundation for further discussion.</p> <p>For Information Purposes</p> <p>For Information Purposes</p>
5. Termination		Motion by: Selena Forsyth

Next Meeting – Friday, March 22, 2024 – 10:00 am – Zoom

Board of Directors Meeting Minutes
Zoom Meeting – Friday, January 26, 2024 – 10:00 am

Present: Jackie Gardner-Nix, Elaine Azzopardi, Angela Grogan, Jessica Clarke, Cindy Anthony, Sharyl Ann Milligan, Stephen Beauchamp, Selena Forsyth, Sharron MacDonald, Trish Baird, Tina Stephens, Patti Aitken, Manager, Wellness Services.

Regrets: Judy McLean, Tim Miller

Topic	Discussion	Decision/Action
Board Education	CCN Wellness Services Update – Patti Aitken, Manager of Wellness Services, shared a high-level presentation outlining programs and services offered by the CCN Wellness department.	Presentation available on-Board Portal.
1.1 & 1.2 Quorum & Declaration of Conflict of Interest	The meeting was called to order by Jackie Gardner-Nix who welcomed everyone. There was a quorum present. Jessica Clarke declared a conflict of interest regarding the CCN/CMH Admin Agreement. Jessica will not take part in the discussion.	Jessica Clarke will not take part in the discussion around the CCN/CMH Admin Agreement.
1.3. Approval of Consent Agenda	Approval of Consent Agenda Pull out Finance Committee minutes and move to 4.1.1 for further discussion. Pull out Fundraising Committee minutes and move to 4.5 for further discussion.	Motion by: Angela to approve the amended consent agenda. 2 nd by: Selena. Carried.
1.4 Approval of Agenda	Approval of Agenda	Motion by: Cindy Anthony to approve the agenda. 2 nd by: Sharron MacDonald. Carried.
3. Business Arising from Minutes	3.1 Bed Expansion Update Trish informed the Board that a construction agreement with Dalren has been signed in the amount of \$348,000 to complete the 4 rooms. Oxygen and Suction are coming in at a cost of approx. \$130,000. Change orders may be necessary as the project proceeds. Start date of construction is scheduled for Feb. 5, 2024, with a completion date of March 31. Beds will be operational immediately following construction. Trish will keep the board updated on progress.	For Information Purposes
4. Board Business/Committee Matters	4.1 Finance Committee – CCN/CMH Admin Agreement The Finance Committee reviewed 2 proposals for Administrative/Financial services. The proposals were	Motion by: Stephen Beauchamp to approve the signing of the CCN/CMH Administration

	<p>compared in relation to services offered, cost and experience. The recommendation was to accept the proposal from Campbellford Memorial Hospital for a three year agreement at an annual fee of \$145,344.00 with a 1% increase yearly and the option to renew for a second three year term.. The Finance Committee discussed that need for additional analytical work which could be outsourced as needed. The Board felt comfortable with this recommendation.</p> <p>4.1.1 Finance Committee Minutes Board member asked for clarification from the Finance Committee on the review & submission of the Foundation Funding Request. This is a procedural process being set up for the request for funds which needs more discussion at the next Finance Committee meeting in February.</p> <p>4.2 Strategic Plan – Quarterly Update Trish provided a detailed Operational Plan document that aligns with the Strategic Directions. This is a working document that will be shared with the Board quarterly, outlining the key activities taken and personnel responsible to continue moving the Strategic Plan forward..</p> <p>4.3 Foundation Update – Quick update for the foundation, Stephen Beauchamp is now the Treasurer. Bylaws are currently being reviewed and will be discussed at their Feb. meeting. Two of the new rooms at Ed’s House have been financially spoken for.</p> <p>4.4 OHT-N Update/Advisory Council OHT-N Collaboration Council had their 1st meeting in January since November. Still in the process of recruiting staff so not a lot of activity to report on. This is the same with the Governance Advisory Council, things are on hold until staff have been hired.</p> <p>4.5 Fundraising Committee Elaine wanted to inform the Fundraising Committee that although the cupcake fundraiser may not have yielded a huge financial windfall, community spirit was totally behind the event.</p>	<p>Agreement from March 31, 2024 – March 31, 2027. 2nd by: Angela Grogan Carried</p> <p>For Information Purposes</p> <p>For Information Purposes</p> <p>For Information Purposes</p> <p>For Information Purposes</p> <p>For Information Purposes</p>
5. Termination		Motion by: Selena Forsyth

Next Meeting – Friday, February 23, 2024 – 10:00 am – Zoom

Finance Committee Meeting Minutes
Zoom Meeting – Friday, February 9, 2024 – 9:00 am

Present: Judy McLean, Jackie Gardner-Nix, Donna Moulton, Stephen Beauchamp, Tim Miller, Angela Grogan, Trish Baird, Jordyn Boivin (Analyst, CMH), Adam Kolisnyk (CFO-CMH) Tina Stephens

Regrets:

Topic	Discussion	Decision/Action
1. Quorum & Approval of Agenda	The meeting was called to order by Judy McLean and a quorum was present.	Motion by: Stephen Beauchamp to approve the agenda. Seconded: Donna Moulton Carried.
2. Approval of Minutes	2.1 Approval of previous minutes – Jan. 12, 2024	Motion by: Stephen Beauchamp to approve the previous minutes. Seconded: Donna Moulton Carried.
3. Auditor Engagement	3.1 Audit Planning Report 2023/2024 KPMH submitted an Audit Planning Report for the fiscal year ending March 31, 2024. KPMG will come back to the Committee in early June with the Audit Findings Report once the final audit is complete.	For Information Purposes
4. Financial Statements	4.1 CCN Q3 Results CCN Q3 results were presented. CCN is operating in a balanced position, outperforming the prior year. Program stat numbers are bouncing back since COVID. Client surveys are being developed to garner feedback on programs. 4.2 Internal Controls Jordyn Boivin circulated the Q3 internal controls which have been signed by Adam Kolisnyk and Trish.	Motion by: Tim Miller to accept the Q3 results as presented. Seconded: Jackie Gardner-Nix Carried. For Information Purposes
5. Work Plan Items	5.1 Budget Approval (Assumptions for 24/25) Trish circulated a 2024/2025 CCN Budget Key Assumptions and Risks document. No budget submission to Ontario Health is necessary this year. CCN will develop its own budget to present to the Finance Committee and for Board approval soon. Adam and Jordyn will discuss out of meeting a timeline for the preparation and presentation of the budget and let Trish know. Adam is	For Information Purposes

	<p>confident it can be created before the end of the fiscal year.</p> <p>5.2 Review & Submission of Foundation Funding Request Conversation will have to take place on how CCN wishes to put together a funding request from the Foundation. One possibility would be a yearly request be put forth with the funds being disbursed on a quarterly basis. This will be brought forth to the Committee for further discussion at a later meeting.</p>	For Discussion
6. Policy Review	<p>The Committee will review the below policies at the next meeting along with the budget.</p> <ol style="list-style-type: none"> 1. F-10 – Annual Audit 2. F-20 – Banking 3. F-30 – Budget Preparation 4. F-90 – Fees held in Trust 5. F-160 – Capital Purchasing 	
7. Termination		Jackie made the motion to terminate.

Next Meeting: TBD – 9:00 am - Zoom



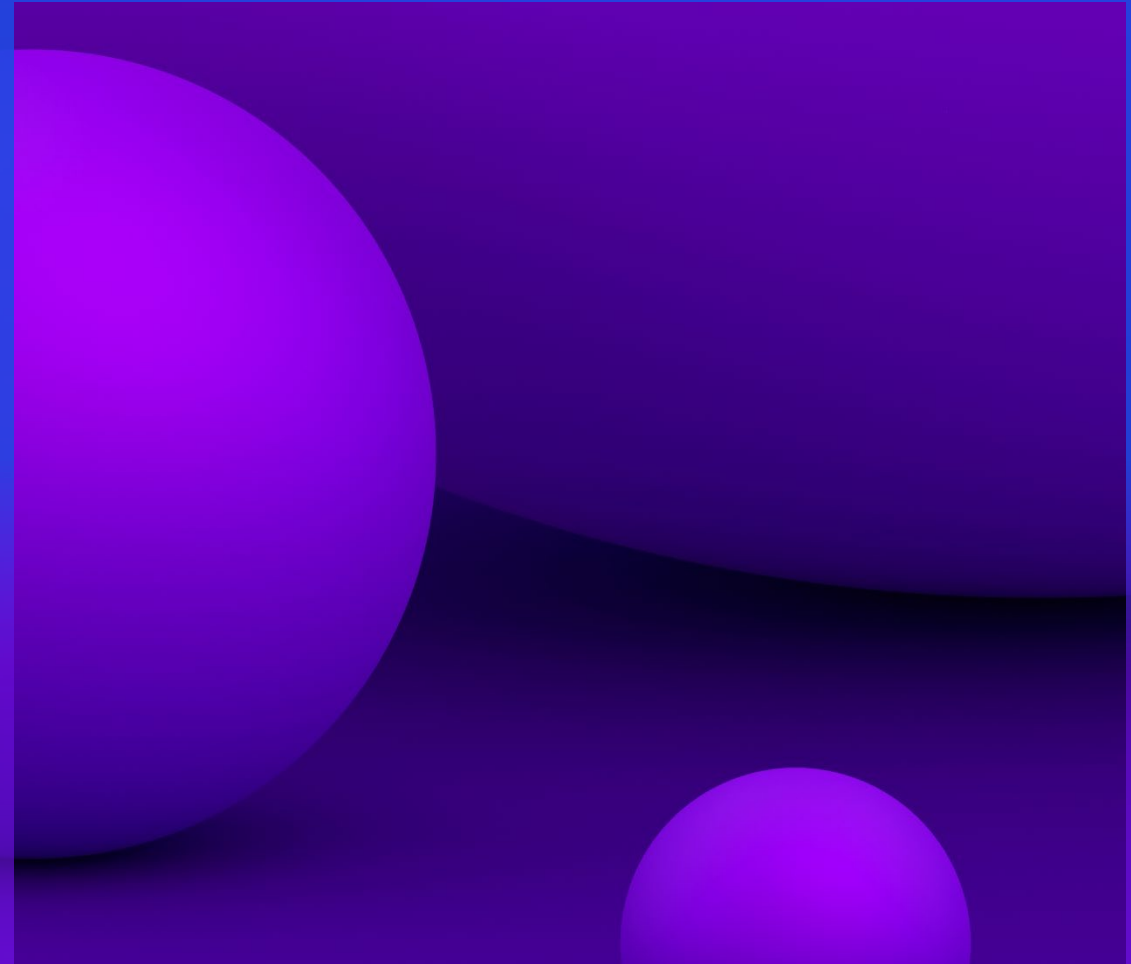
Community Care Northumberland

**Audit Planning Report
for the year ended March 31, 2024**

KPMG LLP

Prepared for presentation to the Finance & Audit Committee
meeting on February 9th, 2024

kpmg.ca/audit



KPMG contacts

Key contacts in connection with this engagement



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Table of contents

Digital use information

This Audit Planning Report is also available as a “hyper-linked” PDF document.

If you are reading in electronic form (e.g. In “Adobe Reader” or “Board Books”), clicking on the home symbol on the top right corner will bring you back to this slide.



Click on any item in the table of contents to navigate to that section.

4

Highlights

6

Audit strategy

8

Risk assessment

13

Key milestones and deliverables

14

Independence

15

Appendices

The purpose of this report is to assist you, as a member of the Finance & Audit Committee (the “Committee”), in your review of the plan for our audit of the financial statements. This report is intended solely for the information and use of Management, the Committee, and the Board of Directors and should not be used for any other purpose or any other party. KPMG shall have no responsibility or liability for loss or damages or claims, if any, to or by any third party as this report to the Committee has not been prepared for, and is not intended for, and should not be used by, any third party or for any other purpose.



Audit highlights



No matters to report



Matters to report – see link for details

Scope

Our audit of the financial statements of the Community care Northumberland (the “Organization”) as of and for the year ending March 31, 2024 will be performed in accordance with Canadian generally accepted auditing standards.

Audit strategy

Materiality \$125,000

Involvement of others

Updates to our prior year audit plan

Newly effective accounting standards

There are no newly effecting accounting standards

There are upcoming changes to accounting standards

Newly effective auditing standards

Newly effective changes to auditing standards

Upcoming changes to auditing standards

Risk assessment

Risk of management override of controls

Presumed risk of fraudulent revenue recognition

Other significant risks

Other risks of material misstatement

- Cash and long-term debt
- Capital assets and deferred capital contributions
- Revenue and related deferred revenue, payables and receivables
- Expenses and related accruals
 - Financial reporting

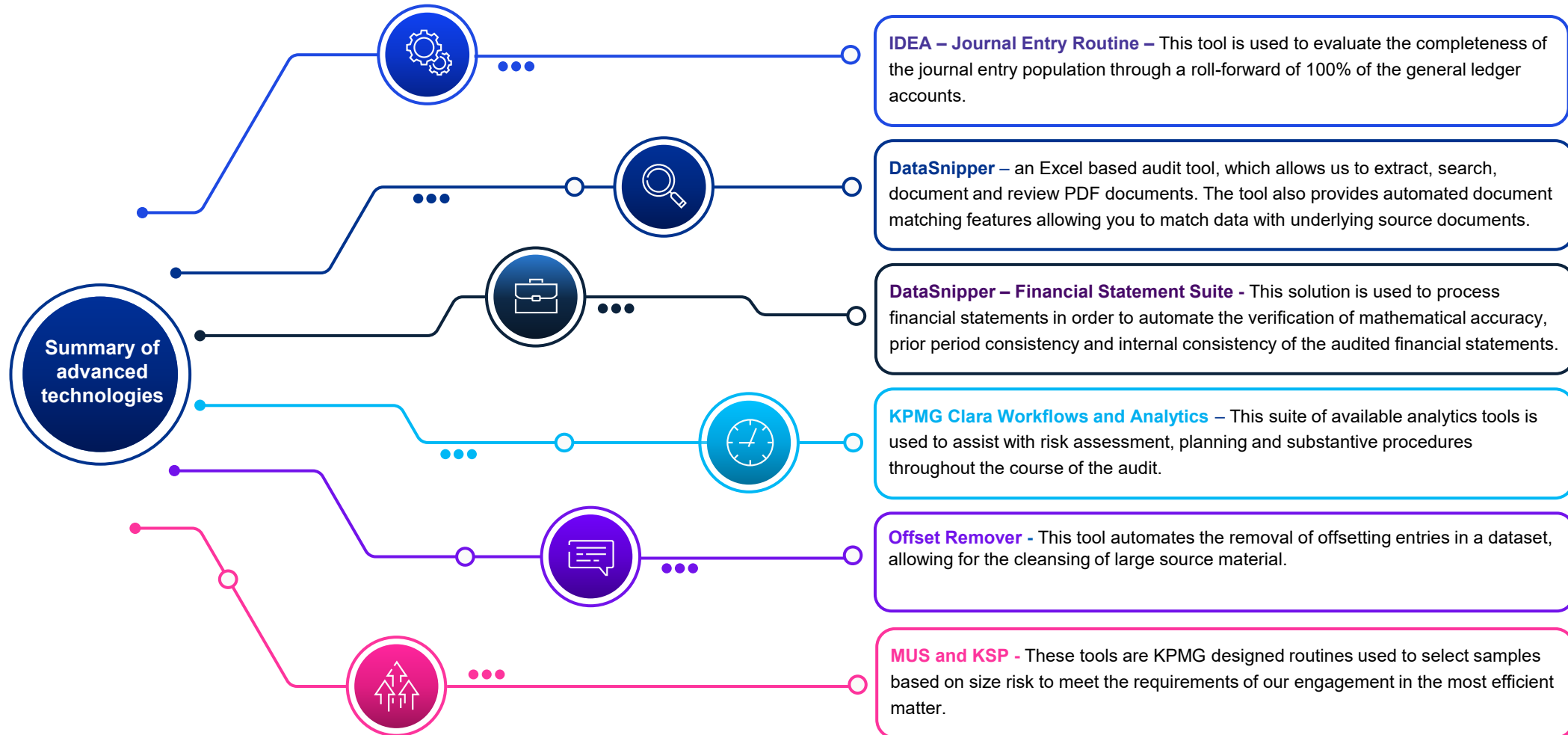


Technology highlights

KPMG Clara

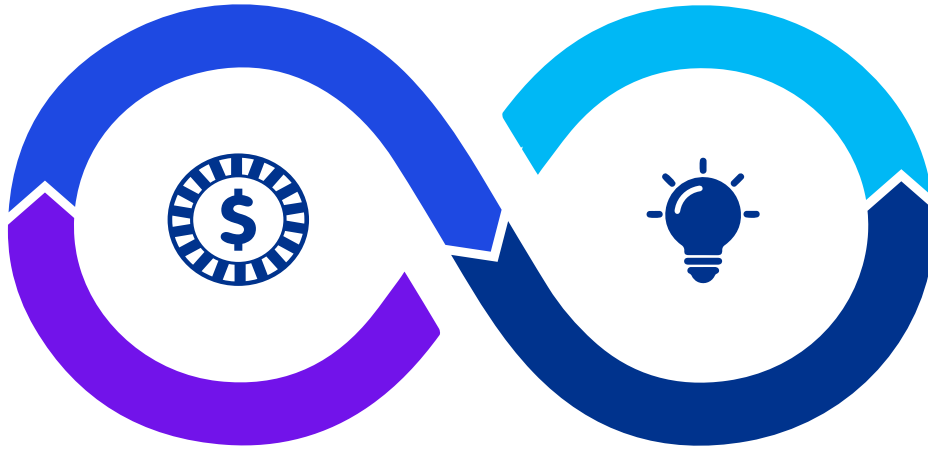


We have technologies in our toolkit to continue to enhance the quality and effectiveness of the audit.





Materiality



We **initially determine materiality** at a level at which we consider that misstatements could reasonably be expected to influence the economic decisions of users. Determining materiality is a matter of **professional judgement**, considering both quantitative and qualitative factors, and is affected by our perception of the common financial information needs of users of the financial statements as a group. We do not consider the possible effect of misstatements on specific individual users, whose needs may vary widely.

We **reassess materiality** throughout the audit and revise materiality if we become aware of information that would have caused us to determine a different materiality level initially.

Plan and perform the audit

We **initially determine materiality** to provide a basis for:

- Determining the nature, timing and extent of risk assessment procedures;
- Identifying and assessing the risks of material misstatement; and
- Determining the nature, timing, and extent of further audit procedures.

We design our procedures to detect misstatements at a level less than materiality in individual accounts and disclosures, to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole.

Evaluate the effect of misstatements

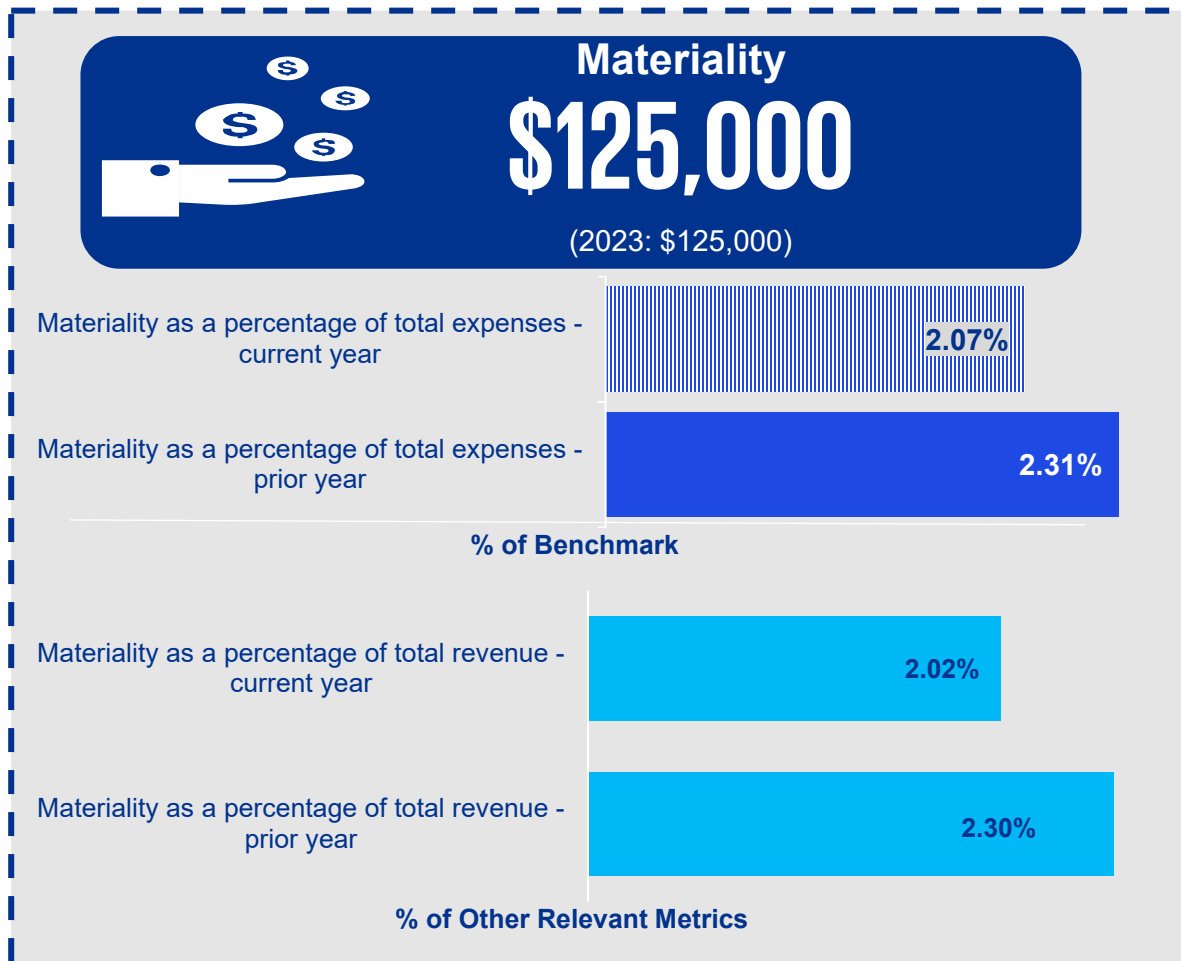
We also **use materiality** to evaluate the effect of:

- Identified misstatements on our audit; and
- Uncorrected misstatements, if any, on the financial statements and in forming our opinion.




Initial materiality

Initial materiality has been set using the prior year audited financial statements. Performance materiality has been set at 75% of materiality or \$93,750. Professional standards require us to re-assess materiality at the completion of our audit based on period-end results or new information in order to confirm whether the amount determined for planning purposes remains appropriate. Our assessment of misstatements, if any, in amounts or disclosures at the completion of our audit will include the consideration of both qualitative and quantitative factors.



We will report:

-  Corrected audit misstatements
-  Uncorrected audit misstatements
-  Errors and omissions in disclosure (corrected and uncorrected)



Prior year total expenses
\$6,050,000
 (2023: \$5,410,000)

Prior year total revenue
\$6,175,000
 (2023: \$5,440,000)



Risk assessment summary

Our planning begins with an assessment of risks of material misstatement in your financial statements.

We draw upon our understanding of the Organization and its environment (e.g. the industry, the wider economic environment in which the business operates, etc.), our understanding of the Organization's components of its system of internal control, including our business process understanding.

	Risk of fraud	Risk of error	PY risk rating
● Management Override of Controls (Presumed)	✓		Significant
● Cash and long-term debt		✓	Base
● Capital assets and deferred capital contributions		✓	Base
● Revenue and related deferred revenue, payables and receivables		✓	Base
● Expenses and related accruals		✓	Base
● Financial reporting		✓	Base

● SIGNIFICANT RISK ● PRESUMED RISK OF MATERIAL MISSTATEMENT ● OTHER RISK OF MATERIAL MISSTATEMENT

Advanced technologies

Our **KPMG Clara DataSnipper** is an automated vouching tool uses advanced Optical Character Recognition to automatically vouch unstructured data like invoices and contracts with a click of a button! This tool will be used throughout the audit allowing our teams to focus more attention on areas of higher risk.



[Click to learn more](#)



Significant risks

RISK OF



FRAUD



Management Override of Controls (non-rebuttable significant risk of material misstatement)

Why is it significant?

**Presumption
of the risk of fraud
resulting from
management
override of
controls**

Management is in a unique position to perpetrate fraud because of its ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Although the level of risk of management override of controls will vary from entity to entity, the risk nevertheless is present in all entities.

Our planned response

As this presumed risk of material misstatement due to fraud is not rebuttable, our audit methodology incorporates the required procedures in professional standards to address this risk. These procedures include:

- testing of journal entries and other adjustments,
- performing a retrospective review of estimates
- evaluating the business rationale of significant unusual transactions.



Significant risks (continued)



Presumed risk of fraud involving improper revenue recognition

RISK OF

FRAUD

Why is it significant?

**Presumption
of the risk of
fraud involving
improper
revenue
recognition**

As is common with charitable and not-for-profit organizations, we have not identified any risk of material misstatement resulting from fraudulent revenue recognition, and as a result have rebutted this fraud risk.

Relevant inherent risk factors affecting our risk assessment

Generally, there are pressures or incentives on management to commit fraudulent financial reporting through inappropriate revenue recognition when performance is measured in terms of year-over-year revenue growth or profit.

The Organization not publicly traded, is not incentivized to meet analyst expectations of revenue, and does not sell goods or services with complex contracts as its main line of business. The Organization receives most of its revenue through grants which are generally viewed as non-judgmental and routine. Any risks related to adjustments made to the financial statement amounts at year end are addressed in the risk identified below and as part of our audit approach.

Our audit approach

The fraud risk related to revenue recognition has been rebutted for the purposes of this audit.



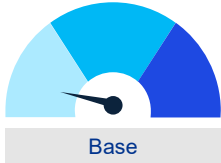
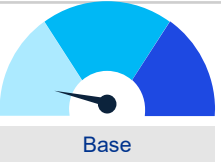
Other risks of material misstatement

These areas of audit focus may be revised because of new transactions or events at the Organization, or changes in systems, people, or structure, and/or the results of our audit procedures. We will communicate significant changes to our areas of audit focus to the Committee in our Audit Findings Report. The audit procedures described under audit approach are based on preliminary planning and may be adjusted as fieldwork is performed.

Areas	Level of risk due to error	Our planned response
Cash and long-term debt	 <p>Base</p>	<ul style="list-style-type: none"> – Direct confirmation with third parties of cash and debt balances. – Review of bank reconciliations and vouch significant reconciling items to supporting documentation. – Agree long-term debt repayments to supporting schedules and agreements.
Capital assets and deferred capital contributions	 <p>Base</p>	<ul style="list-style-type: none"> – Vouch significant additions and disposals to supporting documentation. – Review of repair and maintenance expenses for proper accounting treatment. – Review presentation of capital asset note disclosure. – Perform analytical audit procedures to ensure reasonableness of amortization. – Enquire as to the impairment of any capital assets.
Revenue (including related deferred revenue, payables and receivables)	 <p>Base</p>	<ul style="list-style-type: none"> – For amounts receivable at year-end, we will assess the collectability of the receivable balance. – Complete substantive audit procedures to address the relevant assertions, including confirmation of cash flows during the year and verification of any significant performance criteria, if any. – Vouch a sample of revenue to supporting documentation. – Obtain and vouch a sample of donations to supporting documentation. – Perform analytical procedures and investigate significant variances.

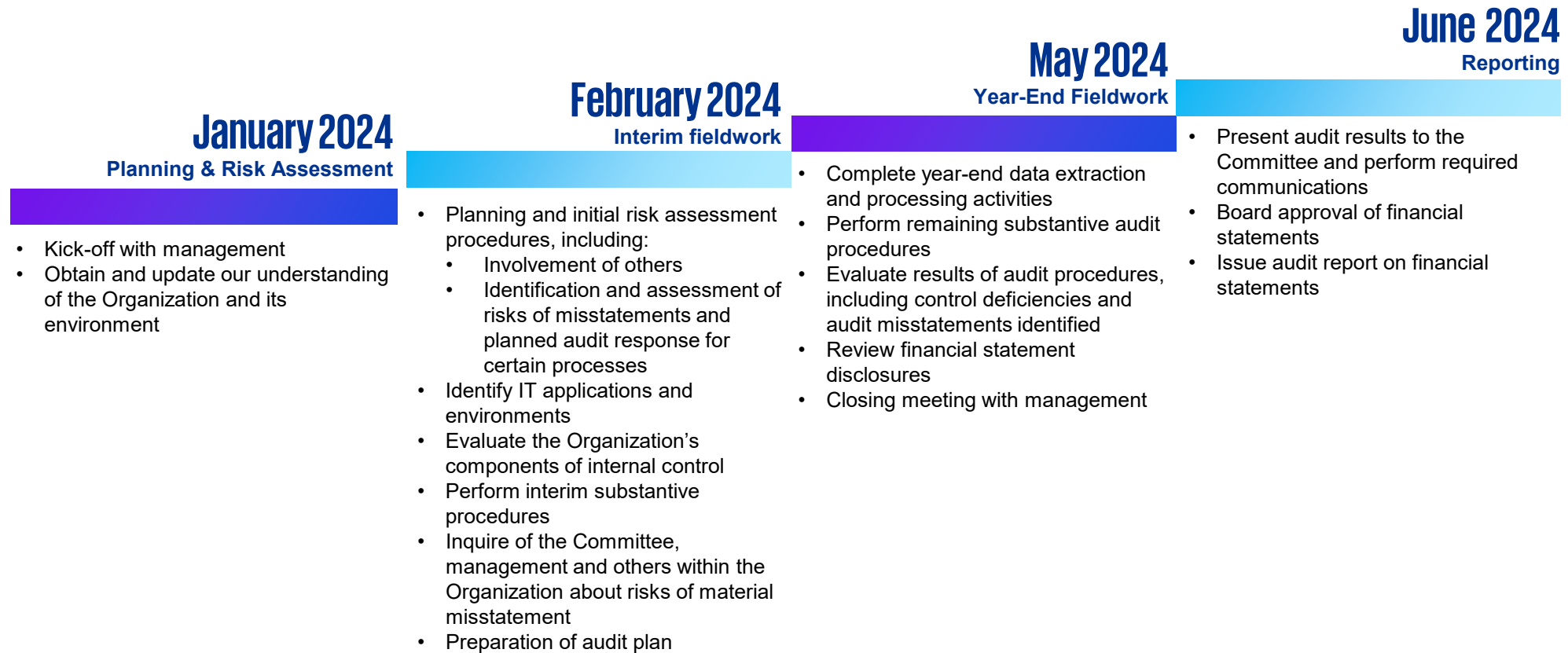


Other risks of material misstatement (continued)

Areas	Level of risk due to error	Our planned response
<p>Expenses (including related payables)</p>	 <p>Base</p>	<ul style="list-style-type: none"> - We will complete substantive procedures over expenses (including payables) as well as accounts payable and accrued liabilities, including vouching a sample of transactions to supporting documentation. - Perform a search for unrecorded liabilities and recalculate significant accruals. - Perform substantive procedures over operating expenses (including payroll).
<p>Financial reporting</p>	 <p>Base</p>	<ul style="list-style-type: none"> - Review by the engagement partner to ensure the disclosure is consistent with current not-for-profit disclosure requirements and industry practice. - Consider any indicators related to Organization's ability to continue as a going concern and the related impact on financial reporting.



Key milestones and deliverables





Independence - proposed fees for services



In determining the fees for our services, we have considered the nature, extent and timing of our planned audit procedures. Our fees below align with our RFP 2021-01, dated May 7, 2021:

Description of service	Current period (budget)	Prior period (actual)
Audit of the financial statements of the Organization	\$ 10,500	\$ 10,250
Audit of the annual reconciliation report ("ARR")	\$ 1,450	\$1,400
Preparation of the T3010 charity return	\$ 1,450	\$1,400



Independence

At least once annually, we will confirm our independence with respect to our role as external auditors of the Organization. The services detailed above are not prohibited, and threats to our independence, if any, resulting from the provision of the services will be eliminated or reduced to an acceptable level.

Appendices

1

Required communications

4

Upcoming accounting standards

2

Use of technology

5

New auditing standards

3

Audit quality

6

Insights





Appendix 1: Other required communications



CPAB communication protocol

The reports available through the following links were published by the Canadian Public Accountability Board to inform Audit Committees and other stakeholders about the results of quality inspections conducted over the past year:

- [CPAB Audit Quality Insights Report: 2021 Annual Inspections Results](#)
- [CPAB Audit Quality Insights Report: 2022 Interim Inspections Results](#)
- [CPAB Audit Quality Insights Report: 2022 Annual Inspections Results](#)



Report

A draft report will be provided at the completion of the audit which will highlight the form and content of the report.



Representations of management

We will obtain from management certain representations at the completion of the audit engagement.



Matters pertaining to independence and confidentiality

We are independent of the Organization, and we have a robust and consistent system of quality control.

Confidentiality of our clients' information is an on-going professional and business requirement of both KPMG and our overall profession. In addition to our internal confirmation of independence of team members, we will request confirmation and acknowledgement of our policies regarding confidentiality of the Organization's information.



Engagement terms

Unless you inform us otherwise, we understand that you acknowledge and agree to the terms of the engagement set out in the engagement letter and any subsequent amendments as previously provided by management.



Control deficiencies

On a timely basis, identified significant deficiencies will be communicated to the Committee in writing. Other control deficiencies identified that do not rise to the level of a significant deficiency will be communicated to management.



Appendix 2: Use of technology

KPMG Clara



Streamlined client experience

And deeper insights into your business, translating to a better audit experience.



Secure

A secure client portal provides centralized, efficient coordination with your audit team.



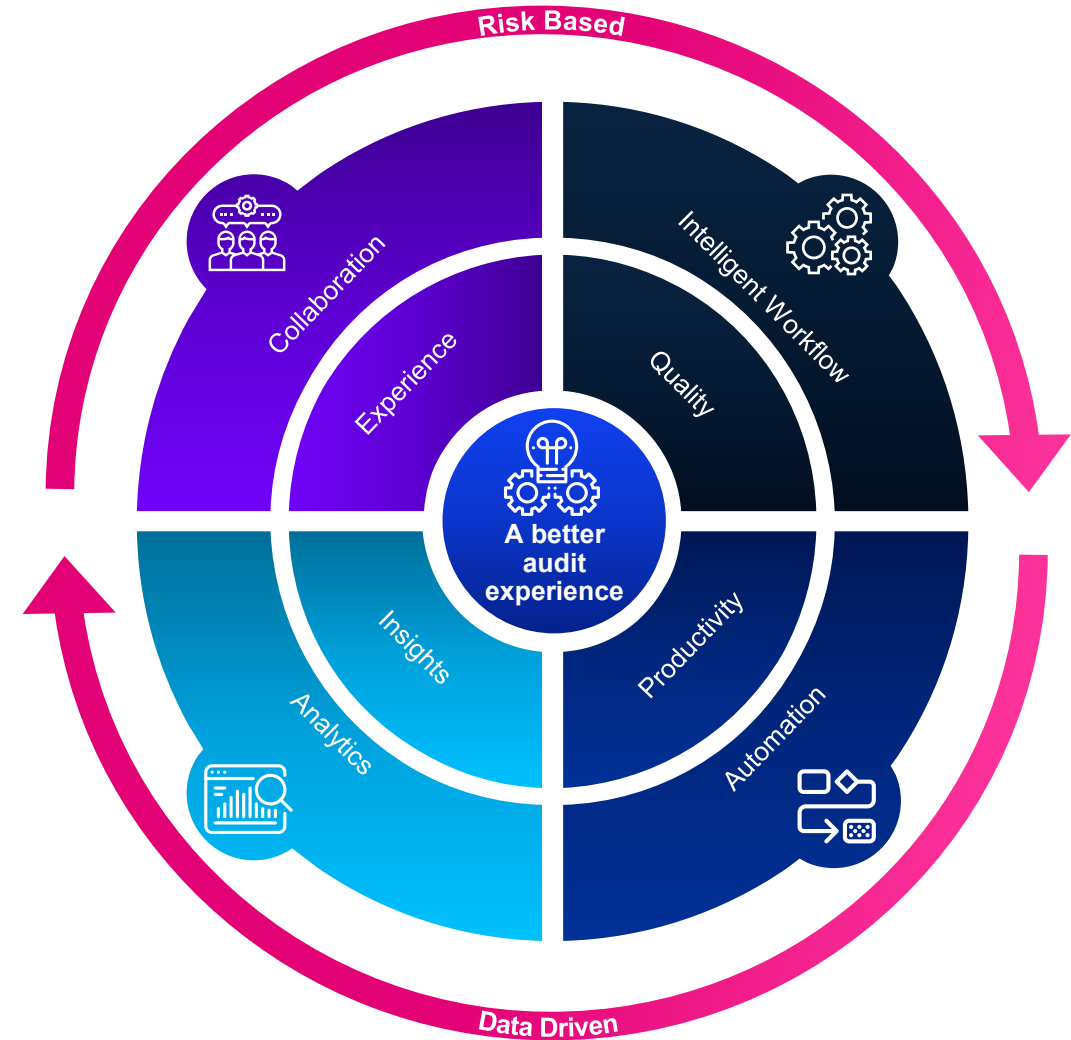
Intelligent workflow

An intelligent workflow guides audit teams through the audit.



Increased precision

Advanced data analytics and automation facilitate a risk-based audit approach, increasing precision and reducing your burden.





Appendix 3: Audit quality

How do we deliver audit quality?

Quality essentially means doing the right thing and remains our highest priority. Our **Global Quality Framework** outlines how we deliver quality and how every partner and staff member contributes to its delivery.

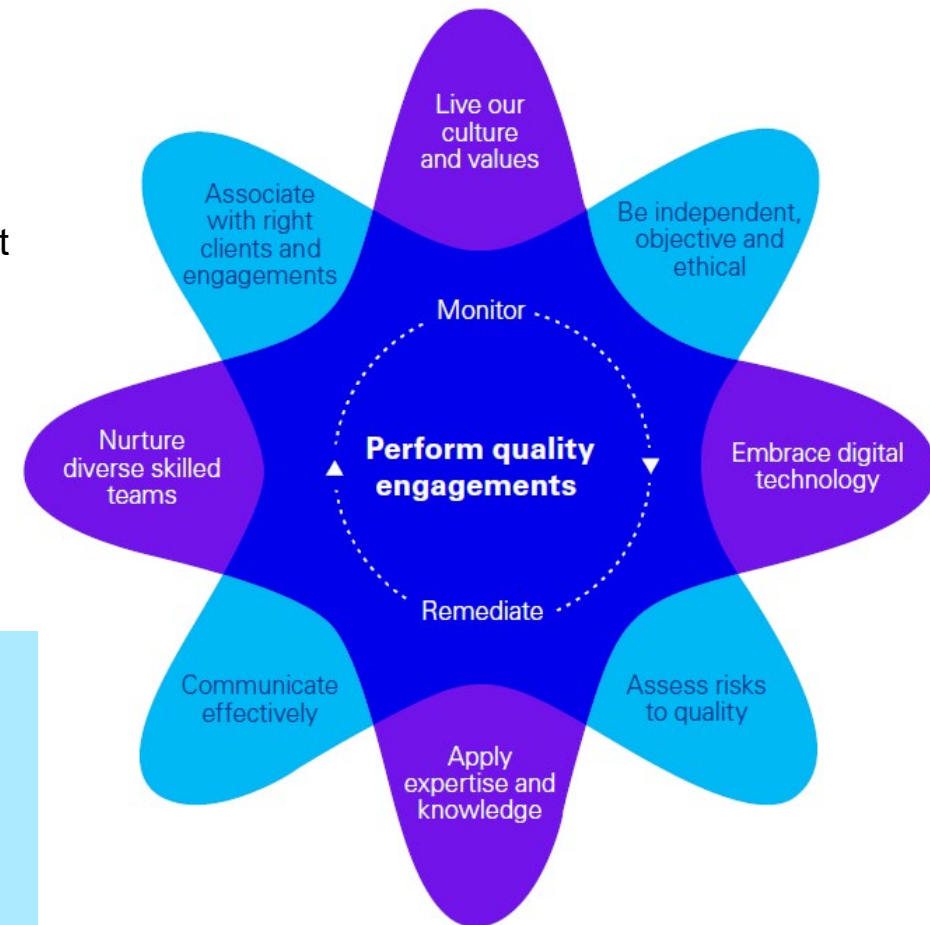
Perform quality engagement sits at the core along with our commitment to continually monitor and remediate to fulfil on our quality drivers.

Our **quality value drivers** are the cornerstones to our approach underpinned by the **supporting drivers** and give clear direction to encourage the right behaviours in delivering audit quality.

 [KPMG 2022 Audit Quality and Transparency Report](#)

We define 'audit quality' as being the outcome when:

- audits are **executed consistently**, in line with the requirements and intent of **applicable professional standards** within a strong **system of quality management**; and
- all of our related activities are undertaken in an environment of the utmost level of **objectivity, independence, ethics and integrity**.





Appendix 4: Upcoming changes to accounting standards

Accounting changes



Upcoming accounting standard



Section 4411, Contributions Received by Not-for-Profit Organizations and amendments to Section 4400, Financial Statement Presentation are currently in exposure draft and include proposals that:

- Replace the current guidance with a single approach for recognizing revenue from restricted contributions.
- Provide specific guidance on special types of contributions, including contributed materials and services, capital asset contributions, and endowments.
- Amends the current guidance on financial statement presentation.

As the Organization currently follows the deferral method of accounting for contributions, it is not expected that the proposed amendments, if adopted, will fundamentally change the Organization's financial reporting.

We will continue to monitor the outcomes of the exposure draft and will work with management to fully understand the impact of any changes that occur related to the Organization's financial reporting in this regard.



Appendix 5: Newly effective and upcoming changes to auditing standards

Effective for periods beginning on or after December 15, 2022

ISA/CAS 220

.....
(Revised) Quality management for an audit of financial statements

ISQM1/CSQM1

.....
Quality management for firms that perform audits or reviews of financial statements or other assurance or related services engagements

ISQM2/CSQM2

.....
Engagement quality reviews

Effective for periods beginning on or after December 15, 2023

ISA 600/CAS 600

.....
Revised special considerations – Audits of group financial statements

For more information on newly effective and upcoming changes to auditing standards - see Current Developments



Appendix 6: Audit and assurance insights

Our latest thinking on the issues that matter most to Audit Committees, Board of Directors and management.

[KPMG Audit & Assurance Insights](#)

Curated research and insights for audit committees and boards.

[Board Leadership Centre](#)

Leading insights to help board members maximize boardroom opportunities

[Current Developments](#)

Series of quarterly publications for Canadian businesses including Spotlight on IFRS, Canadian Securities & Auditing Matters and US Outlook reports.

[Audit Committee Guide – Canadian Edition](#)

A practical guide providing insight into current challenges and leading practices shaping audit committee effectiveness in Canada.

[Accelerate 2024](#)

The key issues driving the audit committee agenda in 2024.

[Momentum](#)

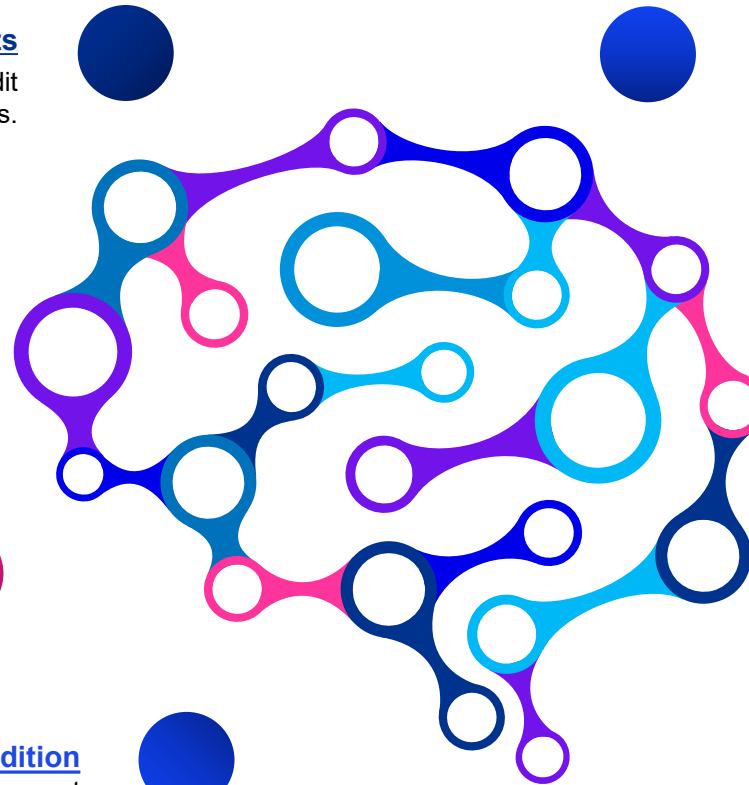
A quarterly newsletter with the latest thought-leadership from KPMG's subject matter leaders across Canada and valuable audit resources for clients.

[KPMG Climate Change Financial Reporting Resource Centre](#)

Our climate change resource center provides insights to help you identify the potential financial statement impacts to your business.

[IFRS Breaking News](#)

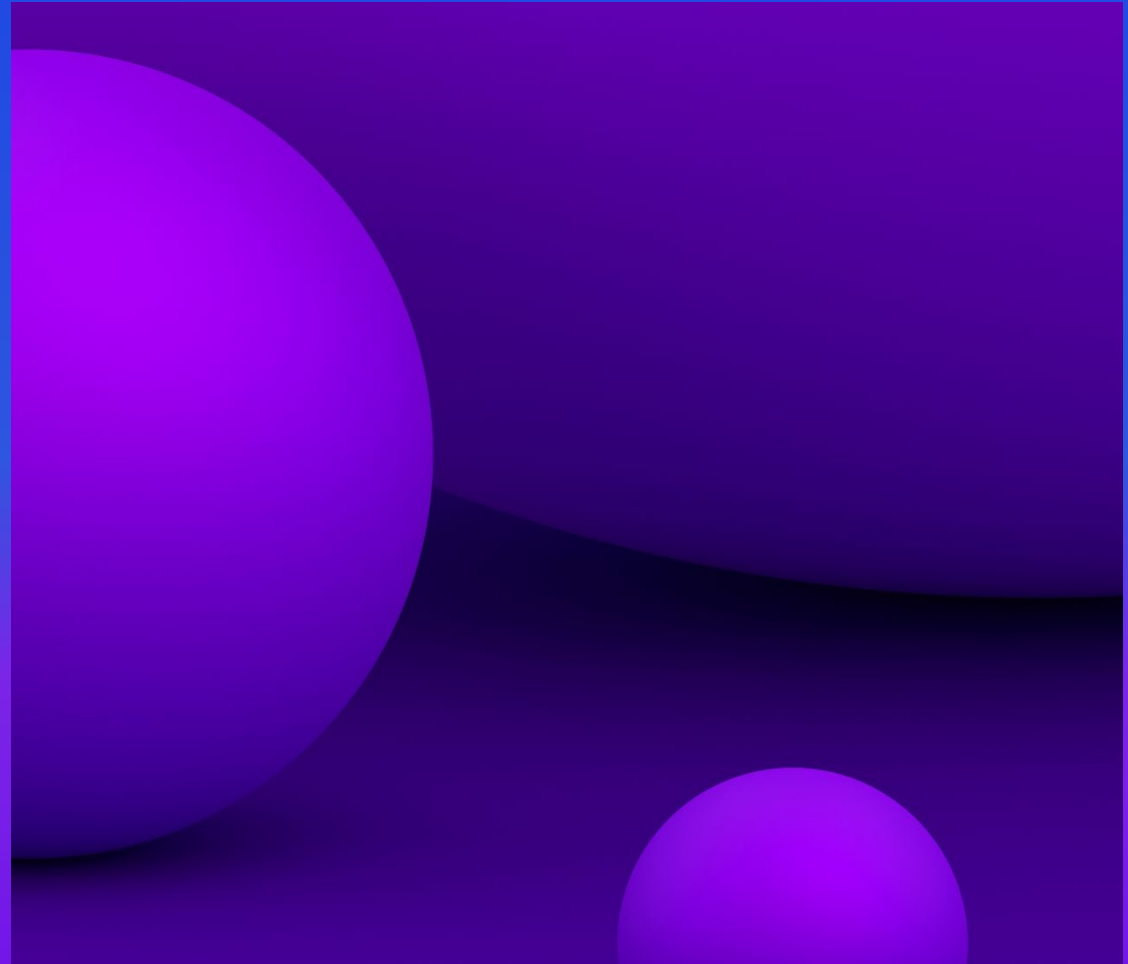
A monthly Canadian newsletter that provides the latest insights on international financial reporting standards and IASB activities.





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Community Care
NORTHUMBERLAND

Q3 Financial Report

For the period ending December 31st, 2023

Prepared by: **Jordyn Boivin**

Prepared for: **Finance Committee**

Version 1.4



Statement of Financial Position

For the 9 months ended December 31, 2024

Highlights:

- **Total Assets & Liabilities have remained static for the quarter**
- **Liquidity* remains strong**

*Liquidity is measured by an organization's ability to cover short-term obligations with easily-accessible cash. This measure is called the Current Ratio, which is calculated as:

$$\text{Current Ratio} = \text{Current Assets} / \text{Current Liabilities}$$

CCN's Current Ratio is 1.8, is very healthy & means the organization could easily cover all of its short-term liabilities.

	December 31, 2023	September 30, 2023
	\$	\$
CURRENT ASSETS		
Cash and bank		
Operating Account	605,741	105,455
Lottery Account	45,067	44,454
Eds High Interest Savings Account	1,421,441	1,603,321
Petty Cash	2,292	2,292
Accounts receivable	568,784	729,696
Prepaid Expenses	42,932	51,606
Investments		
RBC GICs	50,662	67,799
Accrued Interest on Investments	12,318	36,082
Port Hope - Credit Union Shares	2,141	2,131
Total Current Assets	2,751,378	2,642,838
Property, Plant & Equip		
Land	236,188	236,188
Equipment	257,177	263,777
Leasehold Improvements	4,412	4,980
Building	6,365,414	6,460,895
Vehicle	84,230	96,416
Total Property, Plant & Equip	6,947,421	7,062,257
Total Assets	9,698,799	9,705,094
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	634,306	417,302
Emp Remittances	224,768	148,465
Deferred grant revenue	638,539	819,347
Total Current Liabilities	1,497,614	1,385,113
Deferred Contributions	6,943,462	7,062,258
Long Term Liability		
Total LT Liabilities	6,943,462	7,062,258
Fund Balances		
Net Assets	1,257,723	1,257,723
Total Liabilities & Fund Balances	9,698,799	9,705,094



Operating Statement

For the 9 months ended December 31, 2024

Highlights:

- **CCN is operating in a balanced position, outperforming prior year results**
- **Higher 1x funding explains this improvement**
- **Forecast: based on the current run rate*, a negligible deficit (\$2.3K) is expected at year-end**

$$\text{run rate} = \frac{\text{YTD surplus or deficit}}{\text{periods in year}}$$

Community Care Northumberland	YTD Actual	YTD Budget	YTD Variance	YTD Variance %	PY YTD Actual	Annual Budget
Funding- LHIN	2,003,962	1,943,690	71,888	3.7%	1,924,686	2,591,587
Funding- LHIN - One time	324,348	0	312,732		104,334	0
Client fee recoveries	619,602	675,026	-55,424	-8.2%	558,266	900,034
Fundraising	72,881	174,377	-101,496	-58.2%	269,472	232,503
Donations	806,224	1,081,718	-275,494	-25.5%	795,852	1,442,291
Grants	398,955	224,505	174,450	77.7%	378,304	299,340
Interest income/loss	71,845	13,500	58,345	432.2%	25,701	18,000
Amortization of Capital Contributor	355,360	312,522	42,838	13.7%	328,717	416,696
Other revenue	8,838	0	8,838		10,035	0
Total Revenue	4,662,015	4,425,338	236,677		4,395,367	5,900,451
Operating Expenses						
Salaries, Wages	2,483,547	2,429,120	54,427	2.2%	2,395,032	3,238,827
Benefits	400,067	397,524	2,543	0.6%	382,011	530,031
Medical Staffing	48,413	53,850	-5,437	-10.1%	46,049	71,800
Supplies	400,311	402,934	-2,623	-0.7%	371,255	537,245
General Sundry	200,034	186,319	13,715	7.4%	177,224	248,426
Travel - Staff & Service Delivery	256,693	253,966	2,727	1.1%	258,069	338,622
Professional fees	156,682	141,431	15,251	10.8%	143,742	188,575
Volunteer Recognition	7,727	7,313	414	5.7%	8,929	9,750
Fundraising	32,703	16,125	16,578	102.8%	65,077	21,500
Equipment Maintenance/Purchase	92,086	48,925	43,161	88.2%	60,737	65,233
Amortization of Capital Assets	351,400	310,325	41,075	13.2%	334,848	413,766
Contracted Out Services	73,127	49,594	23,533	47.5%	88,065	66,126
Occupancy - Rent/Lease/Taxes	160,981	127,913	33,068	25.9%	139,581	170,550
Total Expenses	4,663,771	4,425,339	238,432		4,470,619	5,900,451
Surplus or Deficit before Transfers	-1,756	-1	-1,755		-75,252	0

Revenue Highlights:

Ontario Health Funding – The \$313K favourable 1x funding variance was driven by:

- \$250K for Hospice Services (confirmed in Q3 and received in early Jan), *plus*
- \$54K relating to a 3% increase for CSS, *and*
- \$6K relating to a 3% increase for PALC (confirmed in Q2; CCN has received \$30K of that increase as of end of Dec).

Donations & Fundraising – \$376K unfavourable variance was driven by a diversion of donations directly to the Foundation – this is expected to continue to year-end.

Client Fees – \$55K (8%) unfavourable variance driven by lower than expected demand for Meals on Wheels services due to increased price to cover inflationary pressures in food.

Interest Income– \$58K (432%) favourable variance driven by conservative budgeting and improved interest rates.

Unexpected equipment & building costs are driving the majority of the total expense variance

Expense Highlights:

Salaries & benefits – \$54K (2%) unfavourable budget variance driven predominantly by retro pay.

Equipment Maintenance/Purchase – \$43K (88%) unfavourable variance driven by increased IT equipment needs & unexpected part replacements in transportation.

Occupancy – \$33K (26%) unfavourable variance driven by unexpected building costs for Ed's House.

Contracted Out Services – \$24K (48%) unfavourable variance driven by:

- an increase in hired transportation due to higher than anticipated patient volumes, and
- Increase use of brokered workers to satisfy higher than expected demand.

Fundraising – \$17K (103%) unfavourable variance driven by underbudgeting.

Professional Fees – \$15K (11%) unfavourable budget variance driven by higher than expected costs for consulting services to complete the design of the 4 Ed's House suites as well as some IT processing costs.

Hospice Services

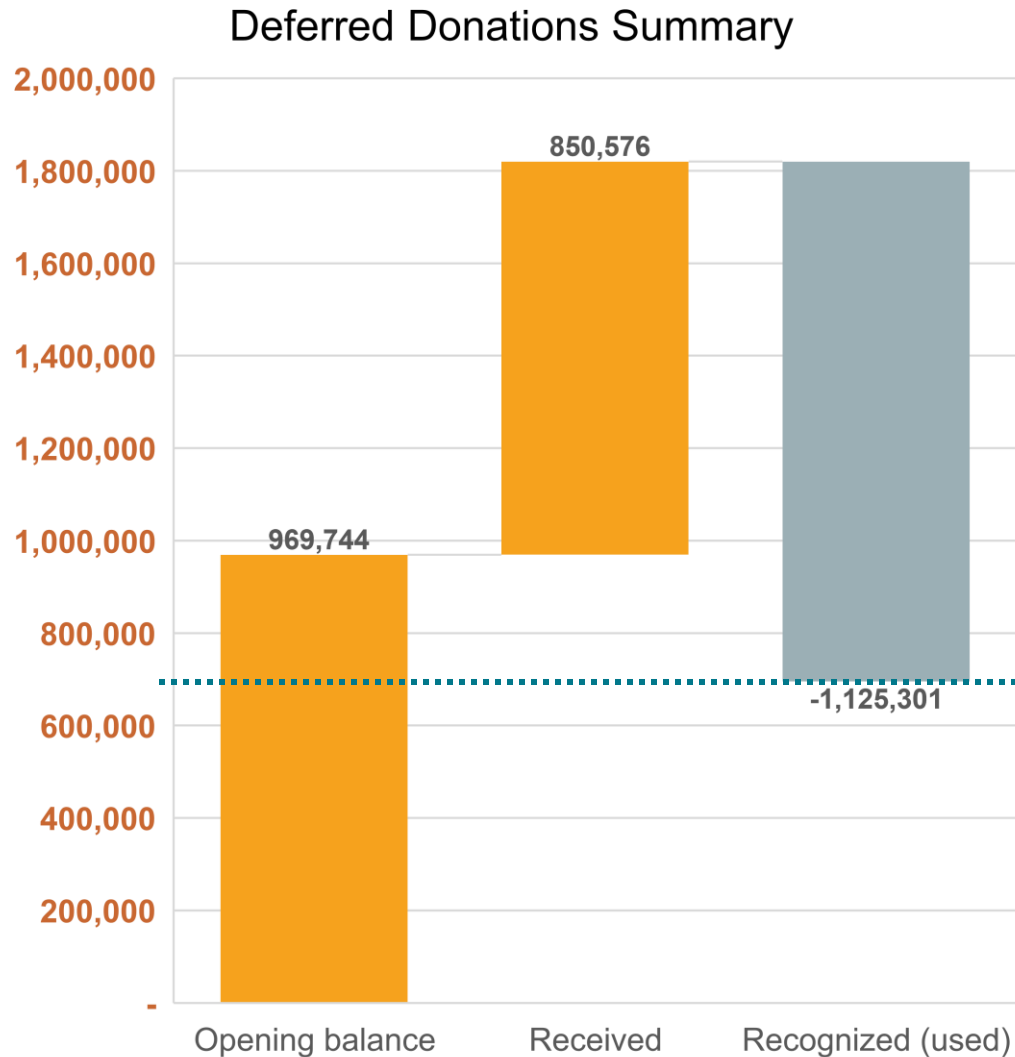
Statement of Operations

Highlights:

- Hospice Services is operating at a balanced position, however
- Ed's house is reliant on Deferred Revenues to cover expenses – discussed on next slide
- Unexpected Ed's House maintenance costs are coded under 'Occupancy' line item

	PCCT	Hospice	Ed's House	TOTAL
Hospice Services				
Funding- LHIN	\$270,510	\$151,516	\$526,940	\$944,765
Funding- LHIN - One time			283,800	288,001
Fundraising			427	427
Donations			79,492	79,492
Deferred Revenue	69,203	46,554	352,830	468,587
Interest income/loss			49,815	49,815
Amortization of Capital Contribution			310,901	310,901
Total Revenue	339,713	198,070	1,604,205	2,141,988
Operating Expenses				
Salaries, Wages	217,259	140,804	893,584	1,251,647
Benefits	33,466	24,500	119,554	177,520
Medical Staffing			48,413	48,413
Management fee transfers	55,890	17,973	77,390	151,253
Supplies	2,747	1,136	72,140	76,023
General Sundry	11,508	3,913	39,735	55,156
Travel - Staff & Service Delivery	5,641	568	2,766	8,975
Professional fees			5,065	5,065
Volunteer Recognition	1,051	62	131	1,244
Fundraising			12,308	12,308
Equipment Maintenance/Purchase			346	346
Amortization of Capital Assets			311,361	311,361
Occupancy - Rent/Lease/Taxes	12,152	9,114	21,495	42,761
Total Expenses	339,714	198,070	1,604,288	2,142,072
Surplus or Deficit before Transfers	(1)	0	(83)	(84)

Deferred donations cannot be used to fund Ed's House indefinitely, however, a plan exists.



Discussion:

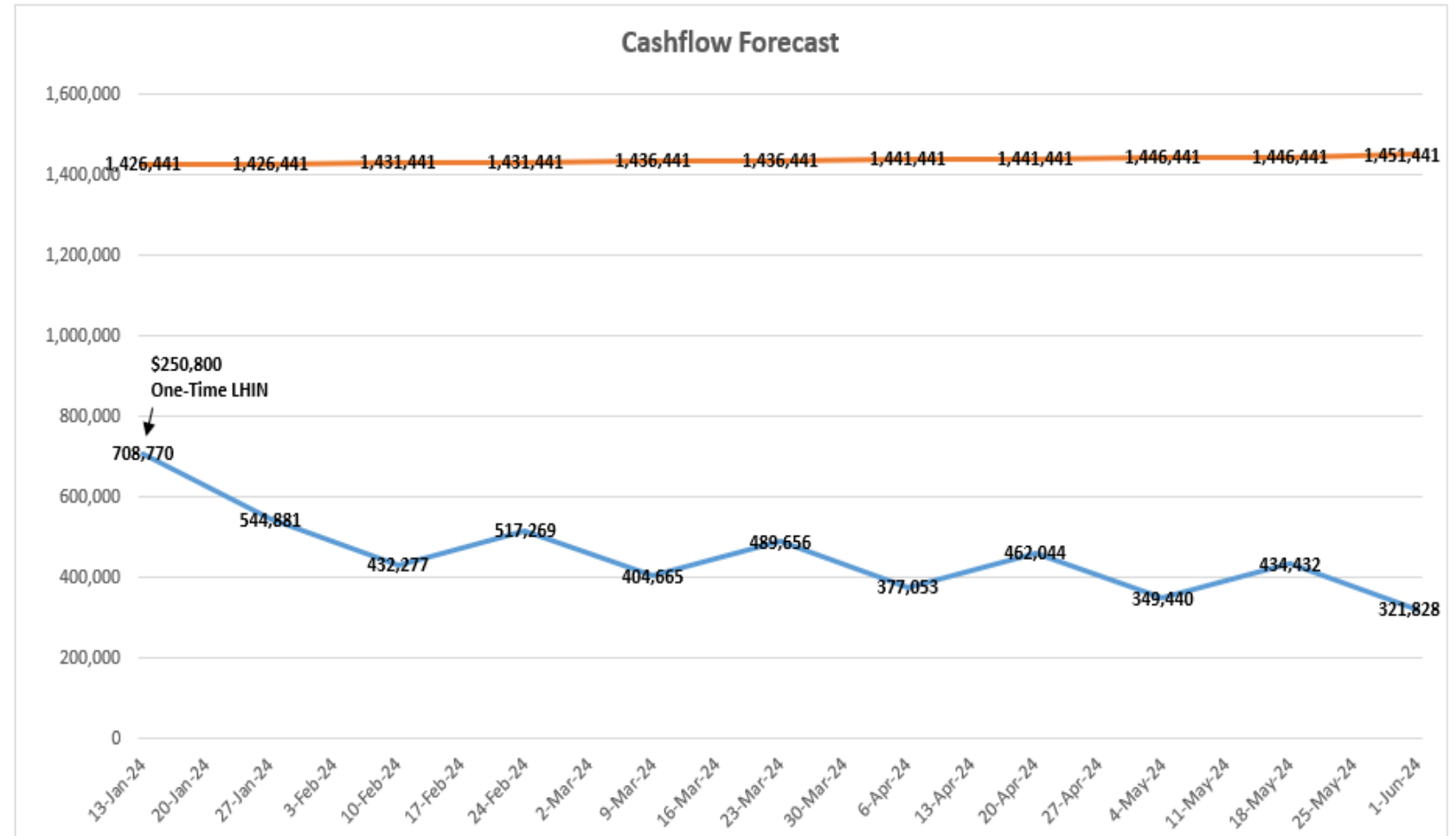
- Ed's House is using an average of \$60K of Deferred Revenue to balance the program each month.
- Currently, \$468K is sitting in hospice deferred revenue which means there is ~7 months until that money runs out.
- The plan going forward is to begin drawing cash from the Foundation to balance.

\$695K remains in Deferred Donations

Cashflows are stable & the HISA is growing steadily

Highlights:

- High-Interest Savings Account has an average YTD interest rate of 3.41%
- Cash is stable and forecasted to remain stable for the foreseeable future – no liquidity risk is forecasted at this time.



Orange Line is CIBC High Interest Savings Account

Blue line is RBC Operating Account



Performance Key

	Performance Meets or Exceeds
	Performance Below Standard

PERFORMANCE INDICATORS 2023-2024 Q3

PERFORMANCE INDICATORS 2023-2024 Q3			Year to Date			
SERVICE ACTIVITY	2023/2024 Target	Q3 2022-2023	Q3 2023-2024	Budget to Date	Variance	Comments
Home Help/Home Maintenance - # of Matches	470	420	540	353	188	Home Help and Maintenance matches are up significantly over the last year due to increased recruitment of new workers.
Home Help/Home Maintenance- Individuals	395	374	462	296	166	Individuals served is also up as many waitlisted clients are now matched. 64 people remain on the waitlist.
Home at Last/Home First Hospital Referrals - Visits	540	575	481	405	76	Referrals are down compared to last year but still meeting target.
Home at Last/Home First Hospital Referrals - Individuals	440	448	394	330	64	Individuals are down from this time last year but are still meeting target.
Meals Delivery - Meals Delivered	39,000	29,802	26,503	29,250	-2,747	Due to price increase as of April 1, 2023 - we have seen a decrease in our HMOW and FMOW client's. Currently - we continue to have funding available to help some clients with subsidies The Nutrition Team has been working on and will continue to work on promotional activities to increase clients to meet ministry targets.
Meals Delivery - Individuals	590	525	493	443	51	We are still meeting ministry targets for individuals served but are slightly down from this time last year and this would be attributed to the price increase.
Social and Congregate Dining/Exercise & Falls - Attendance Days	15,000	8,761	14,553	11,250	3,303	Congregate dining program still going strong. Numbers continue to increase and people feel comfortable attending. There are 35 exercise and falls classes running across the County. Full time instructor. Number of workshops increasing.
Social and Congregate Dining/Exercise & Falls - Individuals	1,500	932	1,316	1,125	191	We continue to reach new people with workshops and classes.
Transportation - Visits	35,000	24,028	24,503	26,250	-1,747	In 3rd Quarter many clients experienced increased cancellations and reschedules from their doctors as they had begun using virtual appointments due to the increase flu and COVID concerns. We have found that many volunteers have began taking longer periods of time off for their own personal travel. The reduction in volunteers has limited us to in number of trips we are able to complete.
Transportation - Individuals	2,500	1,482	1,516	1,875	-359	We had many inquiries about our services and options available. But with many clinics being restricted due to levels of COVID and Flu, many clinics were often rescheduled for next quarter or changed to virtual visits.
Home at Last/Home First PSW - Hours of Care	1,100	832	692	825	-133	Hours are down due to a lower volume of referrals for PSW respite and a higher rate of HAL settlement cancellations by hospitals this year - 20% of referrals have been cancelled this year vs. 13% last yer.

Home at Last/Home First PSW Hours - Individuals	230	190	181	173	9	Individuals served meets target
Caregiver Support - Visits	310	239	172	233	-61	Visits are down due to some active matches ending this year.
Caregiver Support - Individuals	12	14	8	9	-1	Individuals served are also down due to active matches ending this year.
Visiting - Social & Safety - Visits	20,750	11,912	11,013	15,563	-4,550	Numbers indicate we are making up some ground from last quarter. However, still lower than last year. Adopt a Grandparent helped this quarter. Pen Pal program and Senior Centre Without Walls stats help. Still need Friendly Visiting volunteers for traditional friendly visit. We still have waitlist all areas with the exception of
Visiting - Social & Safety - Individuals	225	282	311	169	142	We reached 130 clients with Adopt a Grandparent - many were new to the functional centre, therefore numbers have surpassed target.
Visiting - Hospice - Visits	4,500	4,438	4,363	3,375	988	Direct support volunteer visits in the residence have been removed from this category and the numbers remain high. This statistic is now just for visit in a community setting.
Visiting - Hospice - Individuals	430	412	616	323	294	Numbers continue to rise due to engagement with the community partners and increased demand for service.
Hospice Residents - Individuals Served		116	93	0	93	Number of residents are down from this time last year.
Hospice Residents - Occupancy rate	80%	82%	90%	0		Occupancy rate is above Ministry requirement. Average length of stay is slightly longer for Q3 at 18.7 days with a YTD figure of 15.3 days. This continues to meet our Ministry requirements.
Personal Distress Alarms - Individuals	140	144	133	105	28	No waitlist. Numbers are within goals, however, numbers are declining due to units only working with land lines. Our units are becoming obsolete.
Total Individuals Served	8,100	4,508	4,070	6,075	-2,005	A re-calculation was completed on individuals served by the organization. The current figure represents 'unique' individuals served whereas the previous number double counted clients if they used multiple programs.
Total Visits	61,570	41,612	41,072	46,178	-5,106	Total visits is tracking lower than anticipated but as we increase our programs such as friendly visiting, transportation and Meals on Wheels this number should increase. Lack of volunteers in these program areas is key to visits being down.
# of Volunteers - Individuals	872	466	601	654	-53	Focused recruitment this past quarter has enabled us to recruit more volunteers. Currently sitting closer to pre-COVID numbers but still have a way to go.
# of Volunteers - Hours	91,193	29,049	28,461	68,395	-39,934	Volunteers tend to go on vacation and leave their homes less in the winter months as reflected in Q3 numbers.

Appendix – Deferred donations detail

Community Care Northumberland Deferred Donations Summary For year ending March 31, 2024

		OCSA MOW	OCSA Vaccine	OTF	SSAH	NEARN	BRI MOW	MTO	Good Companions Senior Centre without	General Donations Wellness	Petro Canada Caremakers for MOW and TR	Central Transportation	Deferred THR Grants	Lakeshore	Tate Memorial	Eds House Deferred-Curr YR Operating	Estates	Unsolicited Donations
		Grant	Grant		Grant		Donation											
OPENING	969,743.94	- 122	8,000	10,938	7,126		10,000	26,862	3,914	1,664	7,500	71,897	45,500	11,037	3,646	772,281	- 22,175	11,675
Received Current Year	850,574.94	-	-	42,700	13,333	3,027	5,500	10,000	-	300	-	509,450	17,247	21,685	-	227,333		
Recognized Current Year	-1,125,300.80	-	696	- 53,638	- 13,330	-	- 2,132	- 39,001	- 3,923	- 1,964	- 7,500	- 456,768	-	-	- 3,646	- 531,027		- 11,675
BALANCE	695,018.08	- 122	7,304	-	7,129	3,027	13,368	- 2,139	- 9	-	-	124,579	62,747	32,722	-	468,587	- 22,175	-

GL

01-1-43846--00	-	122	7,304	-	7,129	3,027	13,368	-	9	-	-						-	22,175	-
00-1-43846--90								-	2,139										
00-1-43846--70													62,747						
00-1-43846--95												124,579							
00-1-43846--80														32,722					
00-1-43846--50																			
00-1-43846--30																			468,587

Memo

To: CCN Board of Directors

From: Trish Baird

RE: Suggested Changes to Eds House Foundation By-Laws.

The Foundation has been working with SMM Law to review their By-Laws so that they are compliant with the Ontario Not-for-profit Corporations Act. The changes recommended by SMM Law are fairly standard with no extraordinary changes.

While updating the current By-Laws, the Foundation would like to propose that it is time to expand the membership of the Foundation and begin to separate the 'control' that CCN Board currently has over many of the Foundation responsibilities and activities. Recruiting additional community members will assist in increasing donations to the Foundation, create longer term strategic outcomes for the Foundation and heighten awareness and education both of the Foundation and the work that they are supporting through CCN Hospice Services.

The main changes that the Foundation are as follows.

1. Directors – Composition. – **Item 2.1**

Currently the Board is made up of 5 Directors with 3 of those Directors being members of the Board of Directors of Community Care Northumberland.

Proposed Change – The Board is to be made up of a minimum of 9 Directors and a maximum of 11 Directors. One of the Directors shall be a member of the board of directors of Community Care Northumberland.

2. Directors – Filling Vacancies - **Item 2.3**

Currently when the Foundation Board needs to fill a vacancy it must be done in consultation and with the approval of the board of directors of CCN.

Proposed Change – A vacancy can be filled amongst the current Directors.

3. **Members** – **Item 8.1**

Currently – The membership of the Corporation (of the Foundation) is made up of the Foundation Directors and the Directors of Community Care Northumberland and any such other persons interested in furthering the Corporations purposes and who have been accepted into membership by approval of the board of directors of Community Care Northumberland. This would be for voting purposes at a 'Special' or 'Annual' meeting.

Proposed – The membership of the Corporation shall consist of the Directors and any such other persons interested in furthering the Corporations purposes and who have been accepted into membership by approval of the board of directors.

4. Quorum of Member Meetings – **Item 9.4**

Currently a quorum requires a majority of those present to be Directors of Community Care Northumberland Community Care Northumberland.

Proposed – remove the requirement for Directors of CCN Board to be part of the quorum.

I have attached the latest revised copy of the By-Laws that I received so that you can cross reference these sections for your information. The changes suggested in this document have not been incorporated into the By-Laws until there is consensus on these changes.

Please review and we will discuss options at our Board meeting on Feb 23rd.

If you have any questions, please do not hesitate to connect with myself, Elaine, Stephen or Cindy who were part of the conversation at our Foundation meeting Tuesday Feb 13th.

Ed's House Northumberland Hospice Care Centre Foundation

By-Law #1

Section 1 – General 2

 1.1. Definitions 2

 1.2. Interpretation..... 2

 1.3. Severability and Precedence 2

 1.4. Seal 2

 1.5. Execution of Documents 2

2. Directors..... 3

 2.1. Composition, Election and Term..... 3

 2.2. Vacancies 3

 2.3. Filling Vacancies 3

 2.4. Committees..... 4

 2.5. Remuneration of Directors 4

 2.6. Power to Direct Chief Executive Officer..... 4

 2.7. Limitation on Delegation of Powers 4

Section 3 – Board Meetings 5

 3.1. Calling of Meetings 5

 3.2. Regular Meetings 5

 3.3. Notice..... 5

 3.4. Chair 5

 3.5. Quorum and Voting 5

 3.6. Participation by Telephone or Other Communications Facilities 6

Section 4 – Financial..... 6

 4.1. Banking..... 6

 4.2. Financial Year 6

Section 5 – Officers 6

 5.1. Officers..... 6

 5.2. Office Held at Board’s Discretion 6

5.3. Duties	6
Section 6 – Protection of Directors and Others	6
6.1. Protection of Directors and Officers	6
Section 7 – Conflict of Interest.....	7
7.1. Conflict of Interest	7
7.2. Disclosure - Directors	7
7.3. Disclosure – non-Director Officers.....	7
7.4. Charitable Corporations.....	8
Section 8 – Members	8
8.1. Members.....	8
8.2. Membership.....	8
8.3. Disciplinary Act or Termination of Membership for Cause	8
Section 9 – Members Meetings	8
9.1. The Annual Meeting.....	8
9.2. Special Meetings	9
9.3. Notice.....	9
9.4. Quorum	9
9.5. Chair of the Meeting.....	10
9.6. Virtual Participation at Members’ Meetings	10
9.7. Voting of Members	10
9.8. Adjournments	10
9.9. Persons Entitled to be Present.....	11
Section 10 – Notices.....	11
10.1. Service.....	11
10.2. Computation of Time	11
10.3. Error or omission in notice.....	11
Section 11 – Adoption and Amendment of By-Laws	11

Section 1 – General

1.1. Definitions

In this by-law, unless the context otherwise requires:

1. “Act” means the Ontario *Not-for-Profit Corporations Act, 2010*, and includes the regulations made under it, as amended or re-enacted from time to time.
2. “Articles” means the letters patent of the Corporation, the articles, or restated articles of incorporation or articles of amendment, amalgamation, continuance, reorganization, arrangement or revival of the Corporation;
3. “Board” means the board of directors of the Corporation;
4. “By-laws” means this by-law (including the schedules to this by-law) and all other by-laws of the Corporation as amended and which are, from time to time, in force;
5. “Chair” means the chair of the Board;
6. “Corporation” means the corporation that has passed these by-laws under the Act or that is deemed to have passed these by-laws under the Act;
7. “Director” means an individual occupying the position of director of the Corporation by whatever name he or she is called;
8. “Member” means a member of the Corporation;
9. “Members” means the collective membership of the Corporation; and
10. “Officer” means an officer of the Corporation.

1.2. Interpretation

Other than as specified in Section 1.1, all terms contained in this by-law that are defined in the Act shall have the meanings given to such terms in the Act. Words importing the singular include the plural and vice versa; words importing one gender include all genders; “person” includes an individual, body corporate, partnership, trust and unincorporated organization.

1.3. Severability and Precedence

The invalidity or unenforceability of any provision of this by-law shall not affect the validity or enforceability of the remaining provisions of this by-law. If any of the provisions contained in the By-laws are inconsistent with those contained in the Articles or the Act, the provisions contained in the Articles or the Act, as the case may be, shall prevail.

1.4. Seal

The seal of the Corporation, if any, shall be in the form determined by the Board.

1.5. Execution of Documents

Deeds, transfers, assignments, contracts, obligations and other instruments in writing requiring execution by the Corporation may be signed by any two of its Officers. In addition, the Board may from time to time direct the manner in which and the person by whom a particular document or type of document shall be executed. Any person authorized to sign any document may affix the corporate seal, if any, to the

document. Any Director or Officer may certify a copy of any instrument, resolution, by-law or other document of the Corporation to be a true copy thereof.

2. Directors

2.1. Composition, Election and Term

1. The affairs of the Corporation shall be managed by a Board of five (5) Directors. The Directors shall be Members of the Corporation. At least sixty percent (60%) of the Directors on the Board shall be members of the board of directors of Community Care Northumberland. The remaining Directors shall be elected from the community.
2. Subject to the Articles, the Members will elect the Directors at the first meeting of Members and at each succeeding annual meeting at which an election of Directors is required, and the Directors shall be elected to hold office for a term expiring not later than the close of the third annual meeting of Members following the election. The maximum term of officer for a Director is six years, or two consecutive three-year terms. However, if a Director holds the position of Chair or Vice-Chair, they are entitled to one further three-year term.

2.2. Vacancies

The office of a Director shall be vacated immediately:

1. if the Director resigns office by written notice to the Secretary, which resignation shall be effective at the time it is received by the Secretary or at the time specified in the notice, whichever is later;
2. if the Director dies or becomes bankrupt;
3. if the Director is found to be incapable of managing property by a court or under Ontario law; or
4. if, at a meeting of the Members, a resolution is passed by at least a majority of the votes cast by the Members removing the Director before the expiration of the Director's term of office.

2.3. Filling Vacancies

A vacancy on the Board shall be filled as follows:

1. a quorum of Directors may fill a vacancy among the Directors, which shall be made in consultation with and shall be approved by the board of directors of Community Care Northumberland;
2. if there is not a quorum of Directors or there has been a failure to elect the minimum number of Directors set out in the articles, the Directors in office shall, without delay, call a special meeting of Members to fill the vacancy and, if they fail to call such a meeting, the meeting may be called by any Member;

3. if the vacancy occurs as a result of the Members removing a Director, the Members may fill the vacancy by a majority vote and any Director elected to fill the vacancy shall hold office for the remainder of the removed Director's term; and
4. the Board may fill any other vacancy by a majority vote, and the appointee shall hold office for the remainder of the unexpired portion of the term of the vacating Director. After that, the appointee shall be eligible to be elected as a Director.

2.4. Committees

The Board may from time to time establish, appoint, or dissolve any committee or other advisory body, as it deems necessary or appropriate for such purposes and, subject to Section 2.7, with such powers as the Board shall see fit. Any such committee may formulate its own rules of procedure, subject to such regulations or directions as the Board may from time to time make. The Board shall determine the composition and terms of reference for any such committee. Any committee member may be removed by resolution of the Board.

2.5. Remuneration of Directors

The Directors shall serve as such without remuneration and no Director shall directly or indirectly receive any profit from his or her position as such, provided that a Director may be reimbursed reasonable expenses incurred by the Director in the performance of his or her duties.

2.6. Power to Direct Chief Executive Officer

1. The Chief Executive Officer ("CEO") shall be the Chief Executive Officer of Community Care Northumberland and the Board may delegate to that person full power to manage the business and affairs of the Corporation, subject to Section 2.7, and to employ and discharge agents and employees of the Corporation or may delegate to that person any lesser authority.
2. The CEO shall conform to all lawful orders given by the Board and shall at all reasonable times give to the Board all information they may require regarding the affairs of the Corporation.
3. The CEO may not be a Member and may not be appointed to the Board.

2.7. Limitation on Delegation of Powers

The Board may not delegate any of the following powers to any committee or advisory board established under Section 2.4 or the CEO referred to in Section 2.6:

1. To submit to the Members any question or matter requiring the approval of the Members.
2. To fill a vacancy among the Directors or in the position of auditor or of a person appointed to conduct a review engagement of the Corporation.
3. To appoint additional Directors.

4. To issue debt obligations except as authorized by the Board.
5. To approve any financial statements of the Corporation.
6. To adopt, amend or repeal By-laws.
7. To establish contributions to be made, or dues to be paid, by Members.

Section 3 – Board Meetings

3.1. Calling of Meetings

Meetings of the Directors may be called by the Chair or any two (2) Directors at any time and any place on notice as required by this by-law, provided that, for the first organizational meeting following incorporation, an incorporator or a Director may call the first meeting of the Directors by giving not less than five (5) days' notice to each Director, stating the time and place of the meeting.

3.2. Regular Meetings

The Board may fix the place and time of regular Board meetings and send a copy of the resolution fixing the place and time of such meetings to each Director, and no other notice shall be required for any such meetings.

3.3. Notice

Notice of the time and place for the holding of a meeting of the Board shall be given in the manner provided in Section 10 of this by-law to every Director not less than seven (7) days before the date that the meeting is to be held. Notice of a meeting is not necessary if all of the Directors are present, and none objects to the holding of the meeting, or if those absent have waived notice or have otherwise signified their consent to the holding of such meeting. If a quorum of Directors is present, each newly elected or appointed Board may, without notice, hold its first meeting immediately following the annual meeting of the Corporation.

3.4. Chair

The Chair shall preside at Board meetings. In the absence of the Chair, the Directors present shall choose one of their number to act as the chair of that meeting.

3.5. Quorum and Voting

Quorum at a meeting of Directors is achieved by the presence at that meeting of at least a majority of the voting Directors of the Corporation. Each Director has one vote. Questions arising at any Board meeting shall be decided by a majority of votes. In case of an equality of votes, the Chair shall not have a second or casting vote, and the motion shall fail.

3.6. Participation by Telephone or Other Communications Facilities

If all of the Directors of the Corporation consent, a Director may participate in a meeting of the Board or of a committee of Directors by telephonic or electronic means that permits all participants to communicate adequately with each other. A Director participating by such means is deemed to be present at that meeting.

Section 4 – Financial

4.1. Banking

The Board shall by resolution from time to time designate the bank in which the money, bonds or other securities of the Corporation shall be placed for safekeeping.

4.2. Financial Year

Unless otherwise ordered by the Board, the fiscal year of the Corporation shall be determined by the Board.

Section 5 – Officers

5.1. Officers

The Board shall appoint from among the Directors a Chair, a Vice-Chair, and may appoint any other Directors to be Treasurer and Secretary at its first meeting following the annual meeting of the Corporation. The offices of Treasurer and Secretary may be held by the same Director and may be known as the Secretary-Treasurer. The Board may appoint such other Officers and agents as it deems necessary, and who shall have such authority and shall perform such duties as the Board may prescribe from time to time.

5.2. Office Held at Board's Discretion

Any Officer shall cease to hold office upon resolution of the Board. If the office of any Officer of the Corporation shall become vacant, the Board may, by resolution, appoint a person to fill such vacancy.

5.3. Duties

Officers shall be responsible for the duties assigned to them and, subject to the Act, they may delegate to others the performance of any or all of such duties. The Board will determine, and from time to time review and update, the powers and duties of the Officers, subject to the Act.

Section 6 – Protection of Directors and Others

6.1. Protection of Directors and Officers

No Director, Officer or committee member of the Corporation is liable for the acts, neglects or defaults of any other Director, Officer, committee member or employee of the Corporation or for joining in any receipt or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by resolution of the Board or for or on behalf of the Corporation or for the insufficiency or deficiency of any security in or upon which any of the money of or belonging to the Corporation shall be placed out or invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, firm or corporation with whom or which any moneys, securities or effects shall be lodged or deposited or for any other loss, damage or misfortune whatever which may happen in the execution of the duties of his or her respective office or trust provided that they have:

1. complied with the Act and the Corporation's Articles and By-laws; and
2. exercised their powers and discharged their duties in accordance with the Act.

Section 7 – Conflict of Interest

7.1. Conflict of Interest

A Director or Officer who is in any way directly or indirectly interested in a contract or transaction, or proposed contract or transaction, with the Corporation shall disclose to the Corporation or request to have entered in the minutes of meetings of the Directors the nature and extent of his or her interest. Except as provided by the Act, no such Director shall attend any part of a meeting of Directors, or vote on any resolution, to approve any such contract or transaction.

7.2. Disclosure - Directors

The disclosure required by Section 7.1 shall be made, in the case of a Director:

1. at the meeting at which a proposed contract or transaction is first considered;
2. if the Director was not then interested in a proposed contract or transaction, at the first meeting after he or she becomes so interested;
3. if the director becomes interested after a contract is made or a transaction is entered into, at the first meeting after he or she becomes so interested; or
4. if an individual who is interested in a contract or transaction later becomes a director, at the first meeting after he or she becomes a Director.

7.3. Disclosure – non-Director Officers

The disclosure required by Section 7.1 shall be made, in the case of an Officer who is not a Director:

1. forthwith after the Officer becomes aware that the contract or transaction or proposed contract or transaction is to be considered or has been considered at a meeting of Directors;

2. if the Officer becomes interested after a contract is made or a transaction is entered into, forthwith after he or she becomes so interested; or
3. if an individual who is interested in a contract or transaction later becomes an Officer, forthwith after he or she becomes an Officer.

7.4. Charitable Corporations

No Director shall, directly or through an associate, receive a financial benefit, through a contract or otherwise, from the Corporation as it is a charitable corporation, unless the provisions of the Act and the law applicable to charitable corporations are complied with.

Section 8 – Members

8.1. Members

Membership in the Corporation shall consist of the Directors, the directors of Community Care Northumberland, and any such other persons interested in furthering the Corporation's purposes and who have been accepted into membership by approval of the board of directors of Community Care Northumberland.

8.2. Membership

1. A membership in the Corporation is not transferable and automatically terminates if the Member resigns, dies, or such membership is otherwise terminated in accordance with the Act.
2. Members must be at least eighteen (18) years of age; not be a current employee; and be a resident of or carry on business in Northumberland County.

8.3. Disciplinary Act or Termination of Membership for Cause

Upon fifteen (15) days' written notice to a Member, the Board may pass a resolution authorizing disciplinary action or the termination of membership for violating any provision of the Articles or By-laws.

The notice shall set out the reasons for the disciplinary action or termination of membership. The Member receiving the notice shall be entitled to give the Board a written submission opposing the disciplinary action or termination not less than five (5) days before the end of the 15-day period. The Board shall consider the written submission of the Member before making a final decision regarding disciplinary action or termination of membership.

Section 9 – Members Meetings

9.1. The Annual Meeting

The annual meeting shall be held on a day and at a place within Northumberland County fixed by the Board. Any Member, upon request, shall be provided, not less than twenty-one (21) days before the

annual meeting, with a copy of the approved financial statements, auditor's report or review engagement report and other financial information required by the By-laws or Articles.

The business transacted at the annual meeting shall include:

1. receipt of the agenda;
2. receipt of the minutes of the previous annual and subsequent special meetings;
3. consideration of the financial statements that have been approved by the Board;
4. report of the auditor or person who has been appointed to conduct a review engagement;
5. reappointment or new appointment of the auditor or a person to conduct a review engagement for the coming year;
6. election of Directors; and
7. such other or special business as may be set out in the notice of meeting.

No other item of business shall be included on the agenda for annual meeting unless a Member's proposal has been given to the Secretary at least sixty (60) days prior to the date of the annual meeting, so that such item of new business can be included in the notice of annual meeting.

9.2. Special Meetings

The Board may at any time call a special meeting of the Members. The Board shall convene a special meeting on written requisition of not less than one-tenth of the Members, sent to every Director and the registered head office of the Corporation, for any purpose connected with the affairs of the Corporation that does not fall within the exceptions listed in the Act or is otherwise inconsistent with the Act, within twenty-one (21) days from the date of the deposit of the requisition. The written requisition must state the business to be transacted at the meeting.

9.3. Notice

Subject to the Act, not less than ten (10) and not more than fifty (50) days' written notice of any annual or special Members' meeting shall be given in the manner specified in the Act to each Member and to the auditor or person appointed to conduct a review engagement. Notice of any meeting where special business will be transacted must contain sufficient information to permit the Members to form a reasoned judgment on the decision to be taken. Notice of each meeting must remind the Member of the right to vote by proxy.

9.4. Quorum

A quorum for the transaction of business at a Members' meeting is the higher of sixty percent (60%) or one-third of the Members entitled to vote, whether present in person, by proxy, or by telephonic or electronic means, provided that at least a majority of the Members in attendance are also members of

Community Care Northumberland. If a quorum is present at the opening of a meeting of the Members, the Members present may proceed with the business of the meeting, even if a quorum is not present throughout the meeting.

9.5. Chair of the Meeting

The Chair shall be the chair of the Members' meeting. In the Chair's absence, the Members present at any Members' meeting shall choose another Director as chair and if no Director is present or if all of the Directors present decline to act as chair, the Members present shall choose one of their number to chair the meeting.

9.6. Virtual Participation at Members' Meetings

If all of the Members consent, a Member may participate in the meeting by telephonic or electronic means that permits all participants to communicate adequately with each other during the meeting. A Member participating by such means is deemed to be present at that meeting.

9.7. Voting of Members

Business arising at any Members' meeting shall be decided by a majority of votes unless otherwise required by the Act or the By-law, provided that:

1. each Member shall be entitled to one vote at any meeting;
2. votes shall be taken by a show of hands among all Members present and the chair of the meeting, if a Member, shall have a vote;
3. an abstention shall not be considered a vote cast;
4. before or after a show of hands has been taken on any question, the chair of the meeting may require, or any Member may demand, a written ballot. A written ballot so required or demanded shall be taken in such manner as the chair of the meeting shall direct;
5. if there is a tie vote, the chair of the meeting shall require a written ballot, and shall not have a second or casting vote. If there is a tie vote upon written ballot, the motion is lost; and
6. whenever a vote by show of hands is taken on a question, unless a written ballot is required or demanded, a declaration by the chair of the meeting that a resolution has been carried or lost and an entry to that effect in the minutes shall be, in the absence of evidence to the contrary, conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour of or against the motion.

9.8. Adjournments

The Chair may, with the majority consent of any Members' meeting, adjourn the same from time to time and no notice of such adjournment need be given to the Members, unless the meeting is adjourned by one or more adjournments for an aggregate of thirty (30) days or more. Any business may be brought

before or dealt with at any adjourned meeting which might have been brought before or dealt with at the original meeting in accordance with the notice calling the same.

9.9. Persons Entitled to be Present

The only persons entitled to attend a Members' meeting are the Members, the Directors, the auditors of the Corporation (or the person who has been appointed to conduct a review engagement, if any) and others who are entitled or required under any provision of the Act or the Articles to be present at the meeting. Any other person may be admitted only if invited by the chair of the meeting or with the majority consent of the Members present at the meeting.

Section 10 – Notices

10.1. Service

Any notice required to be sent to any Member or Director or to the auditor or person who has been appointed to conduct a review engagement shall be provided by telephone, delivered personally, or sent by prepaid mail, facsimile, email or other electronic means to any such Member or Director at their latest address as shown in the records of the Corporation and to the auditor or the person who has been appointed to conduct a review engagement at its business address, or if no address be given then to the last address of such Member or Director known to the Secretary; provided always that notice may be waived or the time for the notice may be waived or abridged at any time with the consent in writing of the person entitled thereto.

10.2. Computation of Time

Where a given number of days' notice or notice extending over any period is required to be given, the day of service or posting of the notice shall not, unless it is otherwise provided, be counted in such number of days or other period.

10.3. Error or omission in notice

No error or omission in giving notice of any annual or general meeting or any adjourned meeting, whether annual or general, of the Members shall invalidate such meeting or make void any proceedings taken thereat and any Member may at any time waive notice of any such meeting and may ratify, approve and confirm any or all proceedings taken or had thereat. For the purpose of sending notice to any Member, Director or Officer for any meeting or otherwise, the address for any Member, Director or Officer shall be his last address recorded on the books of the Corporation.

Section 11 – Adoption and Amendment of By-Laws

1. The Members may from time to time amend this by-law by a majority of the votes cast.
2. The Board may from time to time in accordance with the Act pass or amend this by-law other than a provision respecting the transfer of a membership or to change the method of voting by Members not in attendance at a meeting of Members.

Enacted [insert date, except where Corporation is deemed to have passed this by-law under Section 18(1) of the Act.].

Gordon Ley, Chair

Date

Beth Brook, Secretary-Treasurer

Date

DRAFT