

## **2014/2015 Financial Forecast & Update**

November 5, 2014



**Dear PWA Clients, Volunteers, Partners and Staff**

This update provides information about changes PWA has recently made to address a projected budget deficit for this fiscal year ending March 31, 2014.

PWA staff and Board worked hard to create a responsible, sustainable budget for 2014/2015 that would allow us to provide all of PWA's important services. As always, this was a balance of government core funding, government project funding (regional, provincial and federal) as well as fundraising sources, most notably, the Friends for Life Bike Rally. We began to identify in late spring that there would be a likely deficit (for the fiscal year ending March 31, 2015) and have monitored and planned through the summer. We were able to begin formally responding in the early fall. Adjustments were made with the intent of minimizing the impact on clients and services, achieving a manageable and fiscally responsible year-end deficit as well as recognizing the important roles and support provided by staff and volunteers.

The key factors that impacted this budget and primarily contributed to the forecasted financial deficit for 2014-2015 include:

- **City of Toronto TUHF (Toronto Urban Health Fund)** introduced a new grant process this year and PWA, along with many AIDS Service Organizations, was not successful in receiving our requested grants.
- **2014 Friends for Life Bike Rally** while incredibly successful in many ways, including the highest fundraising total per person that we've ever reached, didn't match the net revenues that had been built into the 2014-2015 budget.

Our response to this situation has been focused in three areas:

### **1. *Board approved access to internally restricted funds***

I'm very pleased to announce that PWA's Board of Directors has approved making some internally restricted funds accessible to apply against the forecasted deficit. This was given significant consideration as maintaining an appropriate level of internally restricted funds is a standard and prudent accounting practice recognized and sometimes required by funders. This approval has provided flexibility to maintain services, although with some manageable reductions and to minimize the impact on programs and available staff support for clients and services.

## 2. *Changes to specific programs*

I can confirm that in addition to numerous smaller changes, specific program adjustments will include those noted below. It's also important to note that adjustments had to be made within programs that would currently be funded through PWA fundraising efforts.

- Financial Assistance for Medication and Treatment Costs
  - While we will continue to provide some Financial Assistance programming, the last date for reimbursement of medication and treatment costs (category 2 within the Financial Assistance guidelines) will be November 30, 2014. Reimbursement for eligible receipts submitted prior to this date will be available on December 15<sup>th</sup>.
  
- Holiday Programs
  - We are pleased to be providing 700 Holiday Bags this season and have been able to save costs by focusing distribution over longer hours within a single day. You can get details of how to register for this program by calling ext. 264 or emailing [register@pwatoronto.org](mailto:register@pwatoronto.org).
  - We will also be holding Starry Night again this year. This year's event will not feature food but will keep its focus on providing an opportunity for social connection during the holiday seasons.
  
- Essentials Market
  - In planning and budgeting reduced costs, we understand there may be a small impact on available items but will continue to purchase key items such as protein sources and fresh produce which expand upon the donated food available.

## 3. *Staff changes*

The position of PHA Engagement Coordinator has been eliminated effective October 10<sup>th</sup> due to the loss of City of Toronto funding and the overall financial forecast. Philosophically this was a challenging decision given our agency belief and commitment related to the program.

We will be maintaining both Speakers Bureau and Poz Prevention programming although in a more limited capacity through March 31, 2015. Please note that as a result of this change, Tony Cefaratti has moved into the role of Therapeutic Care Coordinator and Piera Bonventre has been laid off.

In addition, we have made internal adjustments and will not be filling the vacancy for a Service Access Manager (SAM) position left by Greg Downer's departure.

During this period, core support for programs affected by these staff changes will be as follows:

- Speakers Bureau      Roy Schuurhuis    [rschuurhuis@pwatoronto.org](mailto:rschuurhuis@pwatoronto.org)    ext. 211
- Poz Prevention      Chris Godi      [cgod@pwatoronto.org](mailto:cgod@pwatoronto.org)      ext. 261
- Service Access team    Ed Argo      [eargo@pwatoronto.org](mailto:eargo@pwatoronto.org)      ext. 207

These adjustments are in effect for the current fiscal year ending March 31, 2015 and as we develop the 2015/2016 budget in the coming months, every effort will be made to identify effective ways to appropriately resource and support all of these important programs and services.

It's also important to note that although PWA is undertaking some new projects this year, they are based on one-time or targeted funding that is not able to be applied against other expenses. This has included targeted support for program evaluation and research as well as strengthening organizational infrastructure to even further strengthen PWA's ongoing support services and response to HIV.

I can also assure you that in addition to the forecast adjustments referenced, we will continue to make extra efforts to raise additional revenue within the 2014-2015 fiscal year.

In the coming days, more information related to specific program details will be available. If you have any questions, please do not hesitate to contact me at ext. 218 or [mjose@pwatoronto.org](mailto:mjose@pwatoronto.org).

Sincerely

A handwritten signature in black ink, appearing to read 'Murray Jose-Boerbridge', written in a cursive style.

Murray Jose-Boerbridge  
Executive Director