

November 26, 2024

Re: Open Letter to Tropicana Community Services Allies & Advocates

Dear Allies & Advocates,

As we near the end of a transformative period for Tropicana Community Services, I am writing to update you on the organization's current state and path forward. This letter addressed to our ecosystem of team members, community stakeholders, funders, and partners, whose support has been pivotal to our success.

Over the past two years, Tropicana has undergone significant structural and operational changes to address longstanding challenges. These efforts were necessary to secure the organization's future and ensure we remain a trusted leader in providing critical services to the community. Throughout 2023, the Board of Directors, led by the Executive Committee, undertook a comprehensive assessment of Tropicana's operations. We analyzed every aspect of the programs and services that we operated. The results of the analysis were as follows:

- We had "funded" programs and services that were not fully funded by the grantor. In fact, many of the programs had been operating in a financial deficit. These programs were being supplemented by donations and some self-generated revenues. However, with the socio-economic climate as it was, these supplemental sources of revenue were no longer available.
- We had some programs that had year-over-year increases in service output targets but had not had funding increase since 2014. As per the Bank of Canada, a \$100 basket of goods in 2014 would cost \$128.51 in 2023. That's a 28.51% increase!
- We found that some of our commercial service provider contracts had over-provisioned services to Tropicana, meaning we were paying for services that we could do without.
- We had operations that had been running for years, without a comprehensive review to determine if efficiencies were possible.
- We had departments operating autonomously, foregoing economies of scale or synergistic operating practices.
- We had numerous structural and operational risks and opportunities that if left unaddressed, would have resulted in an uncertain future for the organization.

These revelations resulted in the Board of Directors stepping in to address these issues in late 2023. What took place thereafter were the following:

- Every commercial contract was renegotiated and renewed with our suppliers. The results of which yielded significant cost savings month-over-month.
- We consolidated and rationalized our spending across all operations. General spending guidelines were reviewed and where appropriate, new policies and procedures were put in place to maximize our buying power and reduce the actual cost of services.
- We met with each of our program funding partners and engaged in financial discussions. Using, detailed financial analysis of the full cost of operating the commissioned program within the community. The outcomes have been incredibly positive, and, in some cases, the funding envelope has been increased to match the cost of delivery of the services, in others we redesigned the program to operate within the approved funding envelope.
- Programs and activities that were not financially viable, were paused. This pause allowed for a comprehensive financial and operational evaluation which resulted in a decision as to whether to “Restart” or “Redesign”, or in the extreme cases of non-viability, “Stop” the activity.
- The final major financial activity was to review our human resources. This review was conducted with the greatest care and compassion possible in collaboration with the Union Leadership at Tropicana. We found that we needed to reduce our staffing levels across multiple functions. These activities took place during the summer and into the fall given the terms of the CBA (Collective Bargaining Agreement) rules related to seniority and bumping of displaced individuals. This major activity concluded in late September 2024.
- Finally, after cleaning up the program portfolio, operations, financial management, restructuring the Operations Leadership team, [restocking the Board of Directors](#), we began the search for a new Executive Director. The search continues, but in the meantime, the Executive Committee is acting in the role supporting the Operations Leadership team in managing the business of Tropicana Community Services. Finding the right candidate to lead Tropicana is our highest priority, and we will not compromise on the qualifications for this critical long-term leadership role.

In summary, it was a particularly challenging two (2) years for Tropicana. I am happy to report that the majority of structural changes and transformation have been completed as of October 2024.

The New State of Tropicana: Stable and Poised for Growth

I am happy to report that the operations and fiscal management discipline that we have instituted is yielding positive results. At the beginning of the 2024-2025 fiscal period, we had forecasted a deficit of ~\$800,000, we are now on track to achieve a balanced budget by March 31, 2025. Our financial discipline and teamwork are yielding positive results.

We have begun the cultural healing process across all aspects of Tropicana. The type of fundamental change that the organization has experienced in the past 6 years requires care and

attention to heal the organization. During those six years, culture took a back seat to surviving the COVID-19 Pandemic. During that time, Tropicana did not layoff any staff and took on additional financial challenges related to Unionization, all these impacted Tropicana's workplace culture. We are actively working to address these issues through the engagement of some new initiatives and support teams inside the organization. This will take time. We are seeing positive signs of change even in these early days.

Tropicana Community Services continues to be an important community services organization in the GTA (Greater Toronto Area), and the past 5 years, our impact has been felt across Canada as a founding member of the [SBCCI \(Supporting Black Canadian Communities Initiative\)](#). We have recently been awarded a new Youth Justice Program, and restarted many of the paused programs, and partnered with a leading global company to create a new STEAM (Science, Technology, Engineering, Arts, and Math) program. We have instituted the type of management discipline that will govern the business activities of Tropicana for years to come.

We have integrated a new financial management platform from Oracle and configured an enterprise Client Relationship Management (CRM) platform from Microsoft in ensure that we have the tools to support our current portfolio of services and can scale as we grow. Further this will allow us to pull data and develop insights to support our case with funders as to why Tropicana is the place to invest in.

As stated previously, the state of Tropicana Community Services is stable, and our intention is to continue to expand the service that we provide to the Black, Caribbean, and other diverse communities in need of support.

We welcome your continued support as we embark on this next chapter. If you have any questions or wish to meet with our leadership team please contact us at info@tropicanacommunity.org.

Sincerely,



Anthony Grey,
President & Chair
Board of Directors
Tropicana Community Services Organization

*Please join us in promoting our social change message **#ISEEYOURHUMANITY #JEVOISVOTREHUMANITÉ** with the goal of starting interactions acknowledging the shared origins of each of us.*