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May 29th, 2024

Mayor Elmslie
City of Kawartha Lakes
26 Francis Street, P.O. Box 9000
Lindsay, ON K9V 5R8
Sent via email: delmslie@kawarthalakes.ca

Dear Mayor Elmslie

On behalf of Kawartha-Haliburton Children's Aid Society ("the Society"), we are writing today to provide you with an update on the challenges facing our respective communities that have led to significant financial challenges.

As you are aware, from our previous engagements in the spring of 2023 and follow-up communications since that time, the Society reported a deficit budget of \$2.74 million for the fiscal year 2022/2023 and was anticipating a deficit of \$5.7 million for fiscal 2023/2024. The cause of the deficits, as shared, are a result of decreased funding to the Society year over year, combined with increased costs to deliver services to children, youth and families, particularly for the growing number of children and youth we are working with who have complex special needs.

The Society's Board of Directors and Senior Leadership Team are acutely aware of the legislated obligations to deliver mandated child protection services under the *Child, Youth and Family Services Act, 2017* and that Ontario Regulation 156/18 requires the Society to deliver these services within the annual Funding Allocation provided. As a result, the Board and Senior Leadership Team have been regularly engaged with the Ministry via the Regional Office and agreed to participate in a Collaborative Operational Review (the 3rd review since 2016) which commenced in January of 2024 and concluded on March 28th, 2024. The focus of the Review was how service decisions intersect with finances. To date, the Board and Senior Leadership Team have been provided high-level observations from the Review Team and similar to previous reviews, the initial observations provided have not identified any significant opportunities for cost savings.

Committed to the requirement to deliver mandated services with the requirement to do so within the Funding Allocation, the Board and Senior Leadership Team have taken steps to reduce expenditures that have no direct impact to services delivered to children, youth and families. However, costs continue to increase, particularly for children in care and with no tangible immediate savings identified by the preliminary Review Report, the Board are left in an untenable position to make decisions to reduce expenditures in the areas that will have the most direct impact to children, youth and families including staffing reductions.

Our outreach to you is simple. We are asking for your support on behalf of children, youth and families, our staff and communities, to join our advocacy to the Ministry of Children, Youth and Social Services to immediately address the chronic underfunding of the Society (13.1% funding reduction over 10 years) by way of:

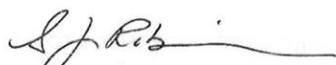
- Stopping the annual 2% funding reductions
- Stopping the administrative constraint that further impacts funding
- Fully funding policy priority programs such as the Ready, Set, Go program for youth over 18 and Targeted Subsidies
- Find funding alternatives for children and youth with complex needs
- Implement a Funding Formula that recognizes the disparities that small rural societies face who do not have consistent access to children and youth services (i.e.: children and youth residential mental health and behavioural placements)

Sustainable and adequate funding is required to support service delivery to vulnerable children, youth and families, which includes investments in Society Foster Care resources to ensure appropriate placements can be secured locally for children who need out-of-home placements. Without sustainable funding year over year that aligns appropriately with the true costs to deliver critical mandated services, services to children, youth and families in the communities we serve will be significantly impacted.

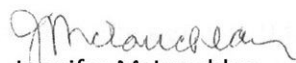
More broadly, we are also advocating for a whole provincial investment in additional supports for mental health, addictions, affordable housing and other core services to assist families in meeting their basic needs so that they can ensure the safety and well-being of their children.

Thank you for your continued support of the work the Society does. If you have any questions or would like to meet with us to process further how you can support our work, including the opportunity to present at a Council meeting, please contact Jennifer McLauchlan, Executive Director at (705) 743-9751.

Yours sincerely,



Sandra Robinson
Board Chair



Jennifer McLauchlan
Executive Director

c.c.: Board of Directors
Minister Parsa
Deputy Minister, Denise Cole
Assistant Deputy Minister, Linda Chihab
Jeff Gill, Regional Director
Solomon Owoo, Interim Chief Executive Officer, OACAS
Mayor Jeff Leal
Warden Bonnie Clark
Mayor Dave Burton