



2009 annual 2010 report

FAMILY AND CHILDREN'S SERVICES OF THE WATERLOO REGION
1894-2010

OUR MISSION

Finding the way forward with our community to protect children, to support all children and strengthen families, and to develop a caring environment for children.

OUR VISION

A community where all children can grow up being safe, healthy and loved.





report

of the PRESIDENT and EXECUTIVE DIRECTOR

Endings and Beginnings

This past year saw the retirement of our Executive Director, Peter Ringrose, after 30 years of dedicated service to the agency and to the community. Peter's exceptional leadership in the organization was celebrated in January of 2010 and in February, Family and Children's Services of the Waterloo Region embarked on the next chapter of our 116 year history, with the appointment of our new Executive Director, Alison Scott. It may seem odd to begin an annual report with an ending, but endings provide opportunities for new beginnings and for renewal, and this year is no exception. Although Peter's daily presence in the agency has been missed, Peter has continued to devote a significant amount of time to community service and now that the summer is approaching, he is also looking forward to devoting time to his garden.

In the past few months, the agency Board and Senior Management Team has embarked on a journey of Appreciative Inquiry using the concepts of Eco-Cycle Planning. Eco Cycle planning promotes the evolution and sustainability of complex systems, like Family and Children's Services, through the "natural and necessary" process of destruction and renewal. Like a garden or a forest, a healthy organization is dependent on its capacity to adapt and to have all stages of the eco cycle evident in the organization at any point in time. Incubation and preservation of critical services is essential, as is the capacity to scan the environment and create opportunities to nurture new growth.

Now as much as ever, as the province is struggling to survive the recent economic downturn, it is essential for organizations like ours and for communities in which we serve, to reflect upon the importance of our services; to keep what is critical to our mission, to advocate for what must be preserved, and to be creative in the development of new services that improve outcomes for the children and families of our community.

Model of Service Developments

As 2009-10 draws to a close, the agency is aware that we need to be strategic in our planning for the future. We remain committed to the Transformation Agenda. In 2009-10 we continued with a Family Centred approach to our work. This means involving families in decision making in a genuine way, and engaging them in meaningful services located within local community centres, with a focus on their strengths. The ultimate goal of this approach is to ensure child safety and permanency.

Last year at this time, we told you about a new pilot we had for Family Centred Planning. RED (Review Evaluate Decide) meetings are internal weekly facilitated discussions that utilize the Signs of Safety Assessment and Planning Framework. The RED team is comprised of a wide variety of staff, supervisors and senior managers from across the agency. RED team members brainstorm around difficult situations/decisions brought to the team by other staff and then make recommendations regarding service direction. While many RED meetings involve only staff and foster parents from our agency, there are times when other community partners who are working with the family, caregivers and family members are invited to participate in RED meetings.



Since the inception of RED in March of 2008, approximately 200 families have been served through the RED process. In addition, many supervisors are now using the Signs of Safety Assessment and Planning Form when reviewing families in the course of supervision with staff. A similar framework is being used in the development of Service Plans with families with positive results.

Where children cannot live with their primary families, living with kin is the next best option for children. We know through research that children placed with relative caregivers have a greater sense of attachment, are happier and experience more successful outcomes overall. For this reason, in 2010-11 the agency is moving forward with the development of a Kinship Services Team. The goal of this team will be to provide specialized supports that meet the unique needs of kin, e.g. grandparents raising their grandchildren, and to provide a specialist role that will actively seek kinship homes for children requiring out of home care.

Permanency for children is essential to our work. In 2009-10 the agency embarked on a targeted recruitment strategy to find homes for children and youth who are Crown Wards and available for adoption. We have learned that seeking homes for children within their natural networks is often very successful. An example of targeted recruitment may include speaking with a child's coach, teacher or a member of the faith community involved with the child about the child's need for a permanent family.

This past year our agency completed 65 adoptions. In this upcoming year we are planning an adoption recruitment strategy aimed at informing the public about the value of adopting older special needs children. We believe that all children in our permanent care are adoptable and plan to more actively share this message with community members. Family and Children's Services of Waterloo Region is one of the few Children's Aid Societies in the Province to have an Unplanned Pregnancy Counsellor as part of the Adoption unit. On an annual basis our Unplanned Pregnancy Counsellor supports approximately 14 birth parents in their decision to choose adoption for their children.

For our 177 Crown Wards who are in their teen and young adult years, we have a responsibility to help them transition to adulthood as productive and healthy members of our society. In 2009-10 we increased our supports to youth through the development of a Peer Mentor Program, individualized tutoring, enhanced Extended Care and Maintenance supports and dollars from our Foundation to pursue post secondary education. This year 33 youth are being helped financially to attend college, university or a trade school. We can help our youth by breaking the cycle of poverty and lack of positive community connections. Breaking the cycle means our youth will not require child protection services as young parents themselves.

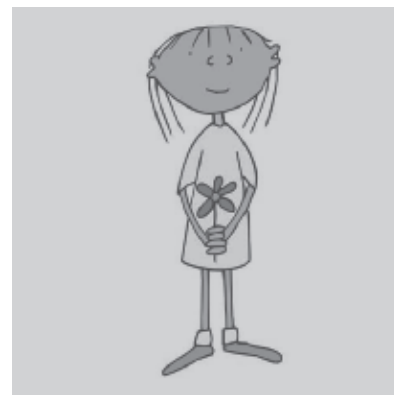
The Commission to Promote Sustainable Child Welfare.

In November 2009, the Minister of Children and Youth Services announced the appointment of a Commission to Promote Sustainable Child Welfare. The commission was established to review the financial sustainability of Children's Aid Societies over the long term while improving outcomes for children and youth receiving services. There are three members of the Commission and they bring a wealth of experience and different perspectives to this work.

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The Commission reports directly to the Minister of Children and Youth Services. The Commission has the authority to make recommendations and implement change over its three year mandate in relation to the development of strategies that contain costs, and the establishment of performance measures to improve services. Recommendations can also be made with respect to ministry processes and policy, including the funding model, standards and legislation. The key issue that is not within the scope of the Commission is the capacity to make changes to the Child Welfare Funding envelope. This may prove to be a significant challenge as their work progresses.

In early March, the chair, Ene Underwood visited our agency where she met with representatives from our management staff, board, foster parents and community partners. It was a very positive meeting and our initial experience with the Commission has been promising. We anticipate a balanced approach towards creating an adaptive child welfare system.



The Financial Picture

2009-10 proved to be another year of significant challenge in relation to our Child Welfare budget. Although the province made a few positive changes to the Child Welfare Funding Model by updating the baseline year for service volume and recognizing volume sensitivity for several key Transformation activities such as Kinship Service, Admission Prevention, Community Links and Legal Custody, these benefits were outweighed by several critical reductions. In our 2009-10 funding allocation, we experienced a retroactive reduction of the 2% economic adjustment provided in 2008-09 to 1.7% prior to a 0% economic adjustment going forward into 2009-10. In addition, the Ministry capped allocations for Infrastructure funding at 10% of Funding Model Eligibility and removed the Funding Model Allocation for Minor Capital. These reductions, combined with a reduction in our Revenue, provided less money to us at the same time that the cost of delivering the same services to the public increased. By the end of the second quarter of 2009-10, when our funding allocation was announced, we were projecting a deficit of \$908,000. Through a series of cost containment strategies, which included the reduction of approximately 14 FTE staffing positions, reductions in staff training, transportation services and client services, we were able to trim our expenditures significantly during the year. We ended the year with a deficit of \$378,930 (0.8%), which was significantly less than expected, and thanks goes to the Management team and staff for their sound fiscal management.

However, the cost constraints came at a price. The expenditure reductions have taken the agency beyond a limit it can manage reasonably with no wiggle room. Workload pressures are rising and the cumulative impact of the cost containment strategies that will be carried over into 2010-11 leave little room for further cuts. There is no question that additional reductions will seriously compromise our capacity to respond to safety and risk issues in our community. Without increased funding, this will be an untenable situation.

It should be noted that the agency is now carrying approximately \$1.3 Million in accumulated deficits into 2010-11 as a result of underfunding in the past by the province for child protection services required by the community. This will require the use of our line of credit to sustain operations and will add to the pressures of managing agency operations going into 2010-11.

The provincial economic downturn has forced the government into making some very difficult choices over the past few years. At the time of writing this report, the agency is still awaiting its funding allocation from the Ministry for 2010-11. In reviewing the past year, our agency's senior management team and Board of Directors have spent a disproportionate amount of time on the funding crisis and the need for continued advocacy. Perhaps the most troubling outcome has been the process by which the government has made its decisions on funding and communicated them to the field and to the public. The messages communicated have implied that Children's Aid Societies' spending is out of control, when in actual fact, over the past 5 years, the child welfare sector has had the slowest growth of spending in the province; lower than Health, lower than Education and even lower than the government itself. (See figures 1 and 2.) And yet the perception is pushed forward, without any apparent concern for the impact this message has on the children and families in our community. When our most vulnerable population is in need of service, it is essential that mandated child protection services are provided in a timely way. It is also essential that the community has confidence in our service. The erosion of service delivery and the erosion of public confidence will have a long term detrimental impact, and it is simply not necessary. It is our wish that through education and advocacy, and through a renewed commitment to rebuilding our relationship with our funders, this message will change in 2010-11. The delivery of child welfare services in Ontario is a mandated responsibility; our funders share in the responsibility to ensure these services are delivered in all communities across the province. We firmly believe that the way to create a sustainable system is to preserve the core principles of Provincial Transformation. It is our sincere hope that the government will recognize the benefits of the Transformation Directions and support them through adequate funding.



The Development of the Family Centre

In the spirit of renewal and growth, we are excited to share with you our plans for a new Family Centre. In 2001 our agency purchased a 60,000 square foot facility at 65 Hanson/300 Ardelt Avenue with the view to long term planning. Between 2001 and 2009, 49,000 sq. ft. was rented out to a local company. Last fall, our agency was successful in receiving a \$5.33 Million dollar Federal and Provincial Infrastructure grant to build a new \$8 Million dollar Family Centre at this site.

The new Family Centre will provide space for volunteer and training services, a family visiting centre, classrooms, a gymnasium, life skills, and a community kitchen, as well as much needed community space, with flexible hours for a variety of group rooms and program space for all of our community partners in Education, Health, Recreation, Mental Health and Addiction Services. Working together under one roof at the Family Centre, Family and Children's Services and all of our community partners will be able to pool our resources and work together to plan and deliver programs and services to help us build on the strengths of children and families. This community hub will be a place where families can easily access services that can be customized for their needs.

The initial design for the space was based on the valuable feedback we received from our community partners through several community consultations on the development of the centre. We have been pleased by the tremendous interest of partners in the development of this project. Twelve-thousand sq. ft. of the centre will be leased to community partners and this will provide revenue to support the operation of the centre. For agencies who cannot lease space, we will offer the opportunity to co-locate with us for the delivery of specific programs and services.

The development of the centre allows our agency to terminate costly leases and relocate into owned facilities. This fall you will hear more about a capital campaign that will be led by our Foundation, to raise an additional \$2.5 Million to complete the Family Centre by March 31, 2011. The staff and board are enthusiastic about the potential for the Centre and are looking forward to the increased benefits it will provide to children and families within our Region.

There is no doubt that as we move into 2010-11, we will continue to be challenged to balance the needs of the children and families in our community, with the need to be fiscally responsible. However challenging, we will not compromise our Mission and our child protection mandate. The delivery of quality child protection services is hard work. In Waterloo Region we have long valued our shared vision for children and youth in our community, and the partnerships that we have developed are an essential component of our service delivery model. Our agency is truly appreciative of the relationships with our families, with our partners, with our funders, with our Foundation, and with our community at large. The dedication of our volunteers, Board members, resource families, staff and management team has carried us through some difficult times, and will continue to serve us well into the future. To each and every one of you, we thank you.

Keren Adderley,
President

Alison Scott,
Executive Director

FIGURE 1

Child Welfare Growth versus Other Sectors

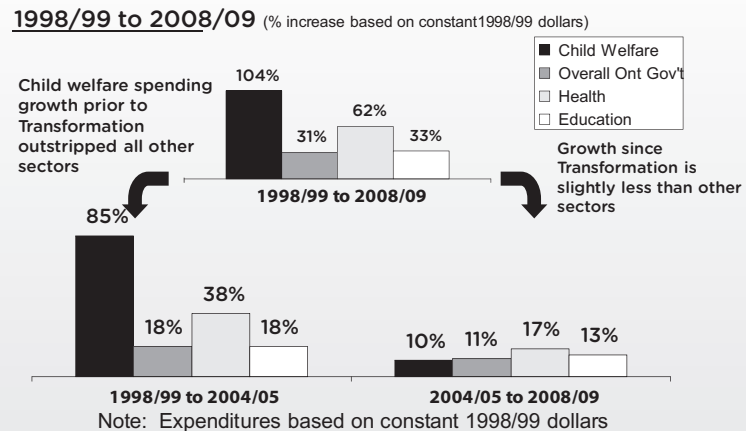
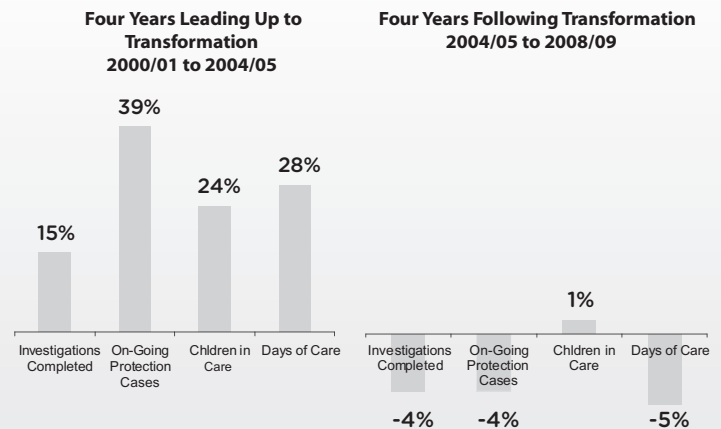


FIGURE 2

Impacts of the Transformation Agenda

Service Volumes



Information from Commission to Promote Sustainable Child Welfare, 2010.





2009/2010 condensed financial report

BALANCE SHEET AS AT MARCH 31, 2010

ASSETS

Operating funds	\$ 2,497,470
Special Funds	1,880
Building Fund	7,344,750
Ontario Child Benefit Equivalent	536,719

Accounts Payable	\$ 3,068,681
Accrued Sick Pay Benefits	68,800
Deferred Revenue	155,908
Deferred Contributions	1,324,031
Building Fund - Debt	1,732,048
Special Funds	1,880
Building Fund	4,798,074
Fund Balance, End of Year	(768,603)
	<u>\$ 10,380,819</u>

LIABILITIES AND EQUITY

CHILD WELFARE STATEMENT OF NET EXPENDITURES FOR THE YEAR ENDED MARCH 31, 2010

EXPENDITURES

Salaries & Benefits	\$ 24,475,849
Child in Care Related	
- Boarding Rates, Clothing, Health, Education	18,179,180
Travel & Transportation	1,099,192
Professional Services - Client	563,103
Technology	1,507,805
Building Occupancy	773,885
Capital & Non-Recurring	-
All Other Expenses	1,290,115

REVENUE

Province of Ontario	\$ 45,393,768
Family Allowance/	
Child Tax Benefit	1,418,071
Interest Income	6,232
Maintenance from Parents	27,038
All Other Income	168,666
Grants from Foundation	443,109
Rebates	133,503
	<u>47,590,387</u>
Net Surplus (Deficit)	(298,742)
Fund Balance, Beg. of Year	(469,861)

\$ 47,889,129

\$ (768,603)

SEXUAL ABUSE TREATMENT PROGRAM NET EXPENDITURES FOR THE YEAR ENDED MARCH 31, 2010

Expenditures	\$ 324,181	Revenue	324,181
		Net Surplus (Deficit)	\$ -

SPECIAL SERVICE PROGRAMS NET EXPENDITURES (12 MONTHS ENDED DECEMBER 31, 2009)

Expenditures	\$ 356,087	Revenue	356,087
		Net Surplus (Deficit)	\$ -

(Extracted from Audited Statements audited by KPMG LLP Chartered Accountants.)
Details for other programs are contained in the audited financial statements.

HIGHLIGHTS OF SERVICES PROVIDED

	2008 - 2009	2009 - 2010
Investigations Completed & Closed	3,539	3,747
Investigations Opened for Ongoing Service	855	787
Ongoing Child Protection Cases Served	2,074	2,026
Children Receiving Residential Care	827	815
Kinship Services: Average Children Placed	107	88
Average No. of Kin Families	113	97
Days of Paid Care	149,303	151,428
Foster Homes Available	296	280
Volunteers Available	280	280
Children Adopted	70	65

2009-2010 board of directors

President

Ms. Keren Adderley

Vice-President

Mr. Royston Simon

Secretary-Treasurer

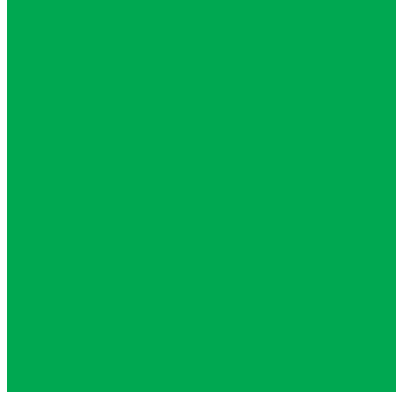
Ms. Ann Eby

Directors

Mr. Martin Avevor
Ms. Cindy Benedetti
Ms. Dhammika Devotta
Mr. Lee Fitzpatrick
Ms. Sadia Gassim*
Mr. Anthony Giovinazzo
Ms. Marion Good
Mr. Santiago Grande**
Mr. Gus Hill
Mr. Brian Kelly
Ms. Janice Kroetsch
Ms. Kathy Lind
Ms. Joe-Ann McComb
Mr. Shawn Morrison
Ms. Karen Quigley-Hobbs
Inspector Barry Zehr

* Resigned mid-term

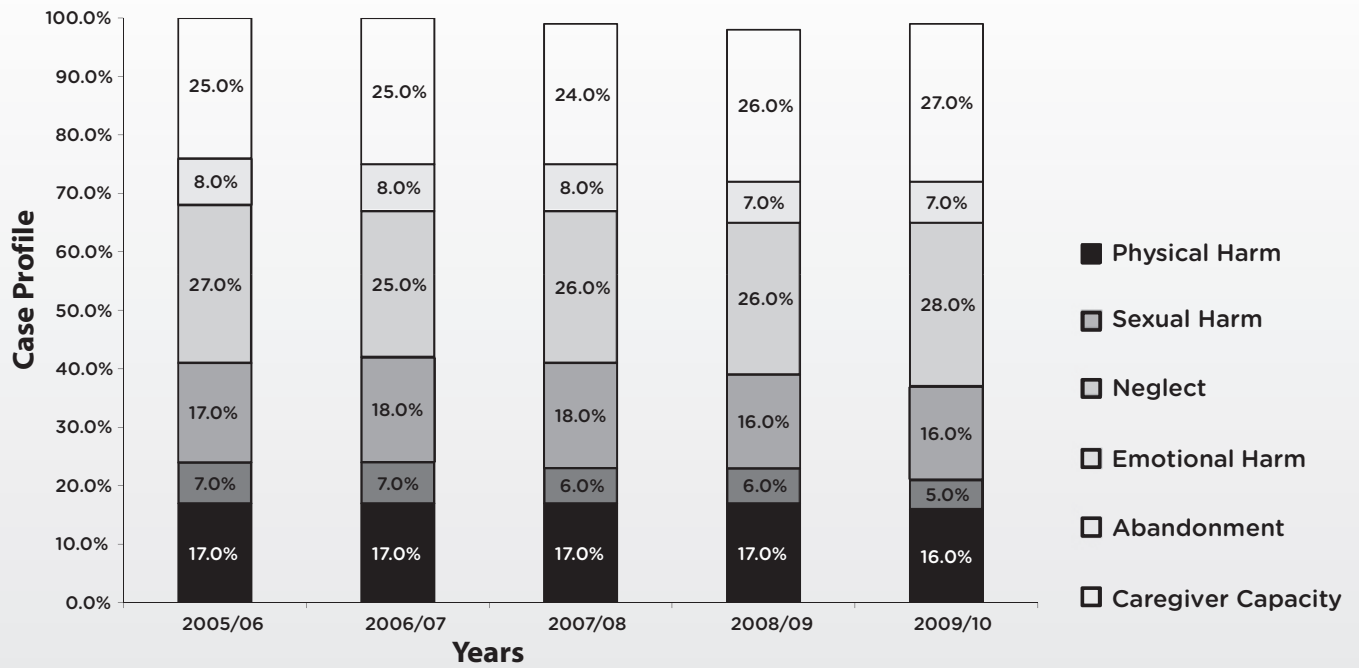
** Appointed mid-term



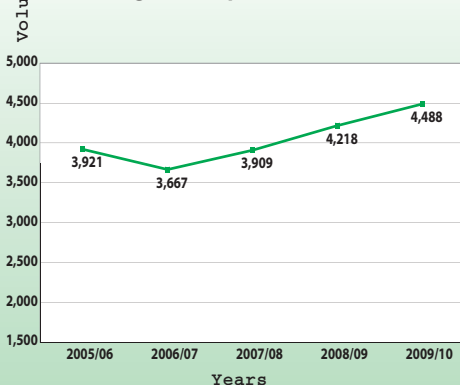
service trends

Service Trends 2005 - 2010

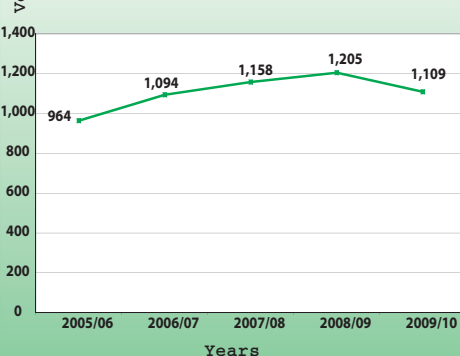
Profile of Major Reasons for Referral at Intake



Service Trends 2005-2010
Investigations Opened at Intake



Service Trends 2005-2010
Average Ongoing Child Protection Cases at Month-End



Service Trends 2005-2010
Average Children in Care at Month-End

