

Report FR-SS-34-14

To: Chair Burley and Members of the Social Services Committee
From: Sandra Manser, Accounting Supervisor
Meeting Date: November 12, 2014
Subject: **To provide a Financial Update and Year End Projection for Social Services as of September 30, 2014**
Status: Recommendation adopted by Committee as presented per Resolution SSC67-14; Endorsed by County Council November 25, 2014 per Resolution CC164-14;

Recommendation(s)

THAT the Social Services Committee receive Report FR-SS-34-14 regarding a Financial Update and Year End Projection for Social Services as of September 30, 2014.

Background

This report provides a financial update and year end projection for the Social Services Department as of September 30, 2014. The financial information is based on approved provincial subsidies and includes the use of mitigation funding from the Ministry of Education for Child Care.

Based on an analysis of the Social Services Department financial statements as of September 30, 2014, the following financial projections for each program are brought forward for the Committee's information. As of the end of September, the total Social Services budget has an estimated year to date surplus of \$227,400. Based on an analysis of trends to date, the year end projection for the Social Services budget is a surplus of \$266,000.

Summary of 2014 Social Services Year to Date Actuals and Year End Projections

Department	Year to Date Actual Surplus/(Deficit) as of September 30, 2014	2014 Year End Projected Surplus/(Deficit)
Social Assistance	\$6,100	\$3,800
Ontario Works	\$13,700	\$11,500

Department	Year to Date Actual Surplus/(Deficit) as of September 30, 2014	2014 Year End Projected Surplus/(Deficit)
Administration		
Ontario Works	\$13,800	\$8,200
Child Care	\$185,800	\$234,500
County Social Initiatives	\$8,000	\$8,000
Total	\$227,400	\$266,000

Social Assistance

The Social Assistance budget, which is 88.6% provincially funded, has a year to date surplus of \$6,100 and is expected to end the year with a surplus of approximately \$3,800. The average Ontario Works caseload as of the end of September, not including Temp Care, is 1372 which is 0.09% above the 2013 average caseload. The 2014 budget was prepared using an estimated January to September average caseload of 1392.

Although the year to date caseload is below budgeted assumptions, current over expenditures in both Basic Needs and Shelter will continue to the end of the year due to higher costs per case. However, it's anticipated that under expenditures in Temp Care and Special Assistance will contribute in offsetting these deficits, resulting in a small surplus by December if the caseload remains consistent with past trends.

Community Homelessness Prevention Initiative (CHPI)

The Community Homelessness Prevention Initiative (CHPI) is a 100% provincially funded program. At the beginning of 2014, \$149,000 of the additional 2013/14 one-time funding was remaining and was fully committed by March 31st.

In addition to the annual 2014/15 funding allocation, The Ministry of Municipal Affairs and Housing has recently announced an additional \$305,745 in one-time funding for Grey County which must be committed by March 31, 2015. Based on year to date requests for Sustainable Housing Benefits such as Utility Arrears, Rental Arrears, Last Month's Rent and Moving Costs, the total 2014/15 CHPI funding allotment of \$1,673,118 will be fully expensed within the fiscal period.

Ontario Works Administration

The Ontario Works Administration budget has a year to date surplus of \$13,700 which is mainly due to additional first quarter Interfunctional Administration funding received to assist with the cost of administering the CHPI program. This additional funding will offset the year end deficit in salaries resulting from the non-union wage grid adjustment

as well as the postage and courier over expenditure following the significant postage rate increase. An estimated year end surplus of \$11,500 is expected in Ontario Works Administration at year end.

The County is receiving \$66,000 in unbudgeted 100% provincial funding to support the implementation of the Social Assistance Management System (SAMS). This funding is being used for staff training, workspace modifications and wages for the Team Assistant whose role during the implementation will be focused on assisting with staffing workload.

Ontario Works

The combined budgets for Ontario Works have a year to date surplus of \$13,800 and a projected year end surplus of \$8,200. The Employment Support and Van Program budgets are 88.6% provincially funded up to an annual expenditure of \$1,182,638. Costs in excess of this amount are then funded at 50% with unused Administration funding.

While there are salary over expenditures in the Employment Support budget due to the non-union wage adjustments and over expenditures in some employment related expenses such as Transportation, Supplies and Services and Support; savings in Employment Placement Costs, Clothing and Tuition are negating the budget deficit. A \$6,900 year end surplus is estimated for the Employment Support budget due to a higher provincial funding allotment than anticipated.

The Van Program currently has a surplus of \$1,500 due to savings in staffing costs with the casual van driver not hired until mid-year to assist with vacation coverage. A surplus of approximately \$1,300 is expected at year end.

Child Care

The total Child Care budgets currently have a year to date surplus of approximately \$185,800. In 2014, the County is receiving an additional \$195,429 in 100% funding from the Ministry of Education. This funding, along with savings in the General Operating Grant budget due to the closure of the Salvation Army Day Care Centre and savings in Purchase of Service due to the full implementation of the Early Learning Program, has eliminated the need for the budgeted 100% municipal contribution.

By contributing only the required municipal contribution of \$978,433, along with the use of approximately \$193,000 of mitigation funding, the total Child Care budgets are expected to end the year with a surplus of \$234,500.

County Social Initiatives

The County Social Initiatives budget is projected to end the year with an \$8,000 surplus. The first quarter payments of \$6,000 to Safe'n Sound and \$2,000 to Beaver Valley Outreach were expensed through the CHPI program and funded with 2013/14 one-time funding.

Financial / Staffing / Legal / Information Technology

Considerations

Based on a review of the Social Services financial statements as of September 30, 2014, a year end surplus of approximately \$266,000 is projected. A report will be brought forward to the December Social Services Committee meeting in regards to the treatment of the estimated year end surplus. There are no staffing, legal or IT considerations related to this report.

Link to Strategic Goals / Priorities

The analysis of current financial statements compared to the approved budget is a key mechanism to ensure that Council's goals of ensuring financial sustainability and ongoing public accountability are maintained.

Respectfully submitted by,

Sandra Manser
Accounting Supervisor

Director Sign Off: *Barbara Fedy, Director*