

## Report FR-SS-41-15

**To:** Chair Burley and Members of the Social Services Committee  
**From:** Sandra Manser, Accounting Supervisor  
**Meeting Date:** November 12, 2015  
**Subject:** **To provide a Financial Update and Year End Projection for Social Services as of September 30, 2015.**  
**Status:** Recommendation adopted by Committee as presented per Resolution SSC94-15; Endorsed by County Council November 24, 2015 per Resolution CC159-15;

### Recommendation(s)

**THAT Report FR-SS-41-15 regarding the Financial Update and Year End Projection for Social Services as of September 30, 2015 be received for information.**

### Background

This report provides a financial update and year end projection for the Social Services Department as of September 30, 2015. The financial information is based on forecasted provincial subsidy from the Ministry of Community and Social Services for the Ontario Works programs. Child Care programs are based on approved provincial subsidy from the Ministry of Education.

Based on an analysis of the Social Services Department financial statements as of September 30, 2015, 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 \$93,900. Based on an analysis of trends to date, the year end projection for the Social Services budget is a surplus of \$88,700.

### Summary of 2015 Social Services Year to Date Actuals and Year End Projections

Department	Year to Date Actual Surplus/(Deficit) as of September 30, 2015	2015 Year End Projected Surplus/(Deficit)
Social Assistance	\$25,800	\$30,800
Community Homelessness Prevention Initiative	\$0	\$0

<b>Department</b>	<b>Year to Date Actual Surplus/(Deficit) as of September 30, 2015</b>	<b>2015 Year End Projected Surplus/(Deficit)</b>
Ontario Works Administration	\$0	\$0
Ontario Works	\$68,100	\$57,900
Child Care	\$0	\$0
County Social Initiatives	\$0	\$0
<b>Total</b>	<b>\$93,900</b>	<b>\$88,700</b>

### *Social Assistance*

The Social Assistance budget, which is 91.4% provincially funded, currently has an estimated surplus of \$25,800. The subsidy claim module in the Social Assistance Management System (SAMS) still isn't operational yet so expenses are based on payments substantiated during the bank reconciliation process and are being allocated based on a combination of Ministry reporting along with expenditure trends from last year.

Year to date expenses appear to be fairly close in line with the budget other than the Non Shareable funeral line which is underspent year to date. Revenues such as CPP Reimbursements are higher so far this year than budgeted and if this trend continues as expected, a year end surplus of approximately \$30,800 is anticipated in this budget by year end.

### *Community Homelessness Prevention Initiative (CHPI)*

The Community Homelessness Prevention Initiative (CHPI) is 100% provincially funded and expenditures are currently on budget. Based on year to date expenditures and the need for Sustainable Housing Benefits, the annual funding allocation will be expensed by year end.

### *Ontario Works Administration*

The Ontario Works Administration budget currently has savings in salaries due to staff off on leave along with savings in cellular costs, legal fees and lower rent costs for the relocated Hanover OW Satellite office. In addition, the one-time CHPI funding expensed in the first quarter of 2015 allowed for a greater Interfunctional Administration credit in this budget to assist with the costs of administering the CHPI program.

This budget also contains the costs of the contract caseworker to assist with the increased workload associated with SAMS. To date, no further 100% SAMS funding has been announced from the Ministry, therefore 50% of the costs of this position will be funded with Ministry administration funding and the remaining costs will be funded by

any savings realized in the Social Services budget at year end along with funding from the Caseload Reserve if needed.

### *Ontario Works*

The Employment Support and Van Program budgets are 91.4% provincially funded up to a capped expenditure level with the remaining expenses funded at 50%. There has been a delay in the Ministry budgeting process this year due to the difficulties with SAMS and the 2015 municipal budget was based on the Ministry of Community and Social Services' forecasted funding which could change once final approval of the County of Grey's 2015 budget is approved by the Ministry. It's expected that the funding will actually increase from the forecast because of the increased caseload between 2012 and 2014. These statistics are used by the Ministry in the allocation of funding and the expected increase in funding will contribute to a year end surplus.

Along with some savings in salaries, the Employment Support budget is showing a decrease in the cost of employment related expenses. These lower costs are contributing to the year to date surplus of approximately \$68,100 in this budget. The challenges with SAMS have redirected staff's focus away from employment related activities for clients to deal instead with the challenges in the generation of Basic Needs, Shelter and other Social Assistance benefits.

If the employment related expenses continue to remain low through to the end of the year, along with the higher provincial funding; a surplus of approximately \$69,700 is expected in the Employment Support budget at year end. A portion of the surplus will be used to offset any remaining unfunded costs of the SAMS Contract Caseworker resulting in an estimated \$57,900 surplus remaining in this budget at year end.

### *Child Care*

The Ontario Early Years Operating budget has year to date savings due to lower part-time staff salary costs and lower cleaning costs which are expected to continue through to year end. However, the Child Care Capital budget will have a year end deficit of approximately \$4,300 due to the completion of unexpected steel beam repairs which were necessary after severe rusting was discovered during the brick repointing work done this year at the centre. It's expected that the surplus in the Ontario Early Years Operating budget will be adequate to cover the deficit caused by this additional work.

### *County Social Initiatives*

The County Social Initiatives budget which is 100% municipally funded includes payments to Safe n Sound, Beaver Valley Outreach, Owen Sound Family Y, Keystone, The Poverty Task Force, The Crystal Meth Task Force and United Way and is expected to end the year on budget.

## Financial / Staffing / Legal / Information Technology Considerations

Based on a review of the Social Services financial statements as of September 30, 2015, a year end surplus of approximately \$88,700 is projected. 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.

## Attachments

None

Respectfully submitted by,

Sandra Manser  
Accounting Supervisor

Director Sign Off: *Barb Fedy, Director*