

Report SSR-SS-02-15

To: Chair Burley and Members of the Social Services Committee
From: Barbara Fedy, Director of Social Services
Meeting Date: January 14, 2015
Subject: **Draft 2015 Social Services Budget Overview**
Status: Recommendation adopted by Committee as amended by removing the \$1,000 allocation for the Social Services Pantry Fund within the budget per Resolution SSC20-15; Endorsed by County Council per Resolution CC33-15 February 3, 2015;

Recommendation(s)

THAT Report SSR-SS-02-15 regarding the Draft 2015 Social Services Budget be received;

AND THAT the 2015 Social Services Budget as presented/amended be forwarded to County Council for its consideration.

Background

The Social Services Committee is responsible to oversee the Social Assistance, Community Homelessness Prevention Initiative Program, Ontario Works Administration and Employment Support, and Child Care budgets.

The overall net budget of Social Services' combined operating and capital totals \$4,211,667 and has a net levy decrease of \$368,467 which is an 8.04% decrease from the approved 2014 budget. This reflects a 0.71% decrease to the corporate tax levy requirement for 2015.

Provincial cost sharing for Social Assistance, Employment Support and the Van Program will increase from 88.6% to 91.4% in 2015. This funding increase has resulted in total net savings of \$370,022 in the Social Services budget.

As in past years, the 2015 Social Services budget also contains a transfer of \$200,000 from the Caseload Reserve to assist with the cost of the increased caseload. This

transfer from reserve will continue until the cost of Social Assistance is fully uploaded in 2018.

Social Assistance

The Social Assistance budget has a net levy decrease of \$231,822 for 2015 and contains an estimated \$337,856 in upload savings as a result of the increased provincial funding. This budget is based on an expected 2% caseload increase for 2015 and an average cost per case increase of 5.1% for Basic Needs and 2.5% for Shelter.

A 1.8% rate increase for funeral services has been added which is based on the average increase in the Consumer Price Index (CPI) for Ontario for the period of August 2013 to July 2014. In addition to the CPI increase for Non Social Assistance Recipients' funerals in The Non Shareable budget line, the amount budgeted under this expense to assist seniors with dentures has been increased by \$2,500.

Community Homelessness Prevention

The Community Homelessness Prevention Initiative is a 100% provincially funded program. The Dom Hostels expense includes a 1% Personal Needs Allowance rate increase which is mandated by the province, as well as a 1.8% per diem rate increase based on the average CPI increase.

Ontario Work Administration

The 2015 Ontario Works Administration budget is cost shared 50/50 with the province and has a net levy increase of \$44,662. This budget includes a 2% salary increase for staff as well as hours for two contract caseworkers. One contract caseworker will be funded with 100% provincial funding to assist with the SAMS implementation and the workload increase that has resulted from problems with the new provincial software program. The second contract caseworker will cover a maternity leave with some overlapping hours in the first quarter of the year. The cost of these additional hours will be funded from the Caseload Reserve. Also included in the 2015 budget and funded from reserve is the cost of relocating the Hanover OW satellite office due to ongoing air quality problems in the current location.

Ontario Works

The Employment Support budget has a net levy increase of \$21,253. This budget includes a 2% salary increase for staff. \$1,050,000 of the budgeted expenses in the combined Employment Support and Van Program budgets are provincially cost shared

at 91.4% with the remaining expenses being funded at 50%; the increased 2015 provincial funding will result in an estimated \$27,445 savings in the Employment Support budget.

Employment Related Expenses such as Transportation, Supplies and Services and Support were over budget throughout 2014 and expenses are expected to continue to increase in 2015. These expenses help clients who need assistance to become job ready and to attend training, work placements and job interviews. The 2015 budgeted Support expense includes assistance with the cost of lunches for clients who are participating in community work placements during the day.

Children's Services

The total 2015 Child Care Operating budget has a net levy decrease of \$223,440. The Child Care budgets contain funding from the Ministry of Education and the Ministry of Youth and Children's Services. The provincial funding in these budgets is based on the 2014 funding entitlement as the 2015 allocations have not yet been announced but are expected to be consistent with 2014 funding.

The 2014 Child Care budget contained a total of \$364,441 in 100% municipal funding; however, additional provincial funding was received in 2014 along with ongoing savings in the General Operating Grant and Purchase of Service budgets. For 2015, the 100% municipal contributions have been removed other than in the Early Child Development Planning and the Ontario Early Years and Literacy budgets. These two budgets contain a total of \$141,001 in 100% municipal contributions but the remaining budgets contain only the required municipal contribution totaling \$978,433 along with \$404,380 in Mitigation Funding. \$200,000 of this Mitigation Funding will be used toward the cost of the Dundalk Proton Community School Retrofit Capital Project; this project will be cost shared with the Bluewater District Schoolboard. Staff salaries within the Child Care budget contain a 2% increase.

Private Home Day Care

The 2015 Private Home Day Care budget is provincially funded at 80% and is showing a net levy decrease of \$439. With the provision of fee subsidy, expenses in this budget support families using Private Home Day Care and also fund ongoing supervision and support for these home agencies. The decreased net levy is a result of more funding being available for this budget compared to 2014, along with the elimination of the 100% municipal contribution.

Child Care Administration

The Child Care Administration budget which is provincially cost shared 50/50 has a net levy decrease of \$64,421. The Professional & Consulting Fees expense line includes \$5,000 to fund costs associated with data compilation in preparation for the Child Care Service Plan Review which is a review that is periodically requested by the Ministry of Education. \$20,000 is also included for the completion of a departmental Children's Services Review which is an external assessment of the procedures and policies of the Child Care department. The net levy decrease in the Administration budget is due to the removal of the 100% municipal contribution in combination with the use of more mitigation funding.

Health and Safety

The 2015 Health and Safety budget includes a total of \$47,417 in 100% provincial funding which is allocated to Child Care Operators for repairs and maintenance. Also included is \$12,815 for Small Waterworks which is used for rural child care centre water quality monitoring.

Early Child Development Planning

This budget contains expenses to fund the cost of meetings in relation to Early Learning and Child Development and also to work with Aboriginal partners to deliver integrated services for Aboriginal children and families. The province provides 100% provincial funding with no required municipal contribution; however, the provincial funding has not been adequate to cover all of the expenditures. A transfer from the Best Start Reserve of \$7,500 is included to cover the costs associated with the Let's Grow Implementation Committee and the Quality Assurance Committee but a net levy of \$9,989 remains for this budget in 2015 which is a small increase over the 2014 net levy.

Ontario Early Years and Literacy (OEYC)

The Ontario Early Years and Literacy budget supports services and programs for children aged six and under and also contains 100% municipal contribution due to insufficient provincial funding. As in previous years, a \$12,000 transfer from reserve is budgeted to assist with payments to organizations for Ontario Early Years programs but a net levy of \$131,033 remains which is an increase of \$13,205 over the 2014 net levy for this budget.

Purchase of Service

The Purchase of Service budget is provincially funded at 80% and contains Child Care fee subsidy expenses for Non Profit and For Profit Child Care Operators, Ontario Works Formal and Informal Child Care, and Extended Day plus Recreation Program fee subsidies. The net levy decrease of \$24,166 is a mainly a result of declining fee subsidy needs as full day kindergarten is now entirely implemented, and is also a result of changing demographics and the economic impact of job loss in the area.

General Operating Grant

The General Operating Grant budget is a 100% provincially funded program and contains wage subsidy, wage improvement and pay equity costs for Child Care Operators. The expenses in the 2015 budget have decreased by \$192,531 as savings have been recognized after the Salvation Army Day Care centre closure in 2014. The net levy decrease of \$117,956 in this budget is a result of the elimination of the 100% municipal contribution which was contained in the 2014 budget.

Specialized Child Care

The Specialized Child Care budget, which contains 80% provincial funding for staffing, equipment and supplies for children with special needs, contains a \$30,379 net levy decrease for 2015. Special Needs Resourcing expenditures have been reduced by \$50,000 for 2015 and the 100% municipal contribution which was contained in the 2014 budget has been eliminated.

County Social Initiatives

The County Social Initiatives budget contains items that are not funded by provincial subsidy and have been approved in the past using 100% municipal dollars. Expenses which were included in the 2014 budget remain the same in the 2015 budget with the exception of the Crystal Meth Task Force funding which has been reduced by \$20,000. Additional expenditures which have been added to this budget include \$20,000 for the Grey Bruce Poverty Task Force and \$1,000 to assist with food and supplies for the Social Services' Pantry Fund. The Community Support budget expense line which contained \$24,000 in 2014 funding to Safe'n Sound, has been increased by \$16,000 to assist other community organizations with poverty initiatives.

In 2015, this budget contains a \$10,000 decrease in funding from the Best Start Reserve. Funding from this reserve has been included in the past to fund a portion of the Recreation Program and Children's Mental Health Program. The balance in the

Best Start Reserve is decreasing and is not expected to be sufficient to fund this budget long term, therefore the annual transfer from reserve is being reduced in an effort to lessen the impact on the net levy in the year that the Best Start Reserve funding is no longer available. The 2015 net levy is showing an increase of \$27,000 which is a result of the reduced reserve funding and the increase in budgeted expenditures.

The Van Program

The 2015 Van Program budget has a net levy decrease of \$4,420. A portion of the Employment Support subsidy is used to fund this budget because it falls within the guidelines for Ontario Works funding. However, this is a program that the County of Grey has made the decision to operate and is not mandated by the province. \$30,000 in expenditures has been included in the 2015 budget to initiate phase one of the Grey County Transportation Collaborative and is funded from the Social Services Caseload Reserve.

The Van Program has provincial funding which has increased to 91.4% in this budget, resulting in savings of approximately \$4,721.

Social Services Administration Capital

The Social Services Administration Capital budget includes costs for desktops and computer related hardware replacement. These items are funded from the Computer Replacement Reserve.

Child Care Capital

The Child Care Capital budget contains \$89,820 in 100% provincially funded costs to assist with Child Care Operators' transition to the Full Day Learning Program and will be used to assist with the cost of the Dundalk Proton Community School Capital Retrofit project in 2015. In addition to this provincial funding, \$200,000 is included as a transfer from the Mitigation Funding Reserve. This combined funding will support up to \$289,820 in expenses as the County of Grey's contribution to this capital project.

Also included in the Child Care capital budget is \$29,100 in expenditures funded from the OEYC Capital Reserve for the parking lot and sidewalk capital project at the Ontario Early Years Centre. A transfer of \$25,950 from the OEYC Accessibility Reserve for an Engineering report is contained in this budget as well, which will determine the best future location in that building for the placement of an elevator which would allow all clients to access the second floor.

As in the 2014 budget, a transfer to reserve of \$25,000 as a contribution towards future accessibility related renovation costs for the Ontario Early Years Centre is included. The annual contribution to the Ontario Early Years Centre Capital Reserve has been reduced to \$18,600 as shown in the 2015-2019 Five Year Capital Forecast, resulting in a net levy decrease in the Child Care Capital budget of \$1,700.

Financial / Staffing / Legal / Information Technology

Considerations

The proposed 2015 Social Services budget as presented results in a net levy decrease of \$368,467. This budget contains two contract caseworker positions; one which will assist with the implementation of SAMS and is 100% provincially funded and a second position to cover a maternity leave. Additional hours due to a staffing overlap with the latter contract position will be funded from the Caseload reserve.

There are no legal or Information Technology considerations in this report.

Link to Strategic Goals / Priorities

The annual budget is a key tool used to ensure the County's long term financial sustainability and for the provision of ongoing accountability. Operating and Capital budgets are utilized to achieve the approved strategic goals and objectives of the corporation.

Attachments

[Attachment to SSR-SS-02-15 Draft 2015 Social Services Budget](#)

Respectfully submitted by,

Barbara Fedy
Director of Social Services