



City of
Peterborough

TO: Members of the Joint Services Steering Committee

FROM: Ken Doherty, Director of Community Services

MEETING DATE: September 10, 2009

SUBJECT: Report CSSSJSSC09-006A
Social Assistance Restructuring Reinvestment Program
Update

PURPOSE

A follow-up report to CSSSJSSC09-006, Social Assistance Restructuring (SAR) Reinvestment Program, as requested at the May 14, 2009 Joint Services Steering Committee meeting.

RECOMMENDATION

That the Joint Services Steering Committee endorse the recommendation outlined in Report CSSSJSSC09-006A dated September 10, 2009, of the Director of Community Services, as follows:

That the 2009 budget for Social Services be increased by \$101,908 to fund the additional Social Assistance Restructuring Reinvestments outlined in Appendix B and this money be taken from the Social Services Reserve.

BUDGET AND FINANCIAL IMPLICATIONS

The recommendations would result in an increase of \$101,908 in the Social Services budget. This allows the CMSM to meet the total SAR Reinvestment that is eligible for the Ontario Municipal Partnership Fund (OMPF). This also ensures that the City's 2009 OMPF funding remains intact.

There will be no financial implications for the County.

BACKGROUND

On February 3, 2009, correspondence was received from the Ministry of Community and Social Services (MCSS) outlining the new protocols for SAR Municipal Savings and Reinvestment Protocols for 2008/09. The Ministry clearly states in the February 2009 memo, “The province expects these savings to be reinvested to help maintain local programs and continue to build community infrastructure for families and children in need.” The letter also states “after 2009, municipalities are expected to reinvest at least 90% of the available SAR funds within the calendar year”. The Ministry will monitor reinvestment strategies and expenditures through in-year and year-end reports. Based on the first five months of actual savings reports, the estimated 2009 savings that will be expected to be reinvested is approximately \$800,000.

The provincial SAR Reinvestment objectives are:

- **To help prevent and reduce the depth of child poverty;**
- **To promote attachment to the labour market; and**
- **To reduce overlap and duplication of government programs.**

SAR reinvestment is expected to:

- **Enhance programs and benefits geared to low income families with children; and**
- **Create new programs or enhance existing programs, rather than replacing or offsetting current program spending**

By not reinvesting to the full savings level, this CMSM will not fully meet Ministry expectations. Staff is expected to account to the province, beginning May 2009, for under-utilization of the reinvestment and to develop an action plan to ensure maximum reinvestment. While regional staff of the Ministry of Community and Social Services have acknowledged that they cannot compel municipalities to reinvest in the way in which they have recommended, there is still some concern that failure to do so may result in a negative impact on the working relationship between this CMSM and the Ministry. The greater impact of this option is likely the negative view citizens and community groups would have of this position.

As reported by the Ministry of Finance (MOF) and the Ministry of Municipal Affairs and Housing (MMAH), programs funded with SAR savings are eligible for OMPF funding, up to a maximum reinvestment amount as set by the Ministry of Finance. The maximum is based on the level of the Municipal National Child Benefit (NCB) reinvestment from 2006; any investment between this amount and the actual savings will be 100% municipally funded. For this CMSM, the total maximum amount that is eligible is \$523,846, with the City’s portion of this total being \$434,792 and the County’s portion being \$89,054.

At the Joint Services Steering Committee Meeting of May 14, 2009, Report C555J55C09-006 – Social Assistance Restructuring Reinvestment Program was presented. The report was referred back to staff to further investigate the budget for eligible expenditures and review new OMPF information that had just been received at the City at the time the report was presented to the Joint Services Committee.

The Ministry of Finance issued a document that provides the details for the 2009 OMPF Funding. The City's 2009 preliminary funding and budget figure of \$5,634,900 was found to include the City's portion of the \$523,846 reinvestment. If reinvestment to this level is not done, OMPF funding to the City will decrease by the same amount. There are no financial implications for the County since the County is not eligible for OMPF funding.

Staff has further reviewed the 2009 budget and other programs and initiatives were found that meet the objectives of the SAR Reinvestment Program. The list of eligible programs is in Appendix A. Appendix B outlines the new programs recommended by staff to meet our recommendation of reinvesting \$523,846, totalling \$101,908 of new investment. The City would fund the new programs in order to achieve the City's share of the reinvestment program, resulting in an increase in the Social Services budget for the City by \$101,908, and no reduction in the City's OMPF Revenue budget. No further investment is required by the County.

By approving the recommended items listed in Appendix B, emergency assistance and supports to low income families in the City and County would be enhanced during this time when there are increasing demands for services due to the current economic situation. No ongoing financial commitments to this program beyond 2009 have been made.

If the recommended items listed in Appendix B are not approved, the City's 2009 OMPF funding amount would be reduced at the time of reconciliation by \$112,099 (made up of \$101,908 in new programs and \$10,191 of administrative spending that could be claimed under the SAR Reinvestment rules). There would be no financial implications to the County.

Submitted by,

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Attachments:

Appendix A – 2009 Recommended SAR Reinvestment Strategy

Appendix B – New Programs and City Contribution for 2009 to Complete the Proposed SAR Reinvestment Program

APPENDIX A - 2009 Recommended SAR Reinvestment Strategy

Qualifying Items Already Included in 2009 Budget	Total	City Contribution	County Contribution
Learning Earning and Parenting Program (LEAP) – Municipal Portion	\$24,000	\$19,680	\$4,320
Recreation Subsidies	\$36,681	\$36,681	0
Housing Division Social Worker	\$60,000	\$28,620	\$31,380
100% Municipal Contribution to Employment Services Budget (over Ministry Envelope)	\$74,322	\$60,944	\$13,378
Community Social Plan	\$40,000	\$20,000	\$20,000
Community Grants	\$48,150	\$48,150	0
Junior Park Program	\$10,681	\$10,681	0
Teen Get Real Program	\$46,602	\$46,602	0
Portion of County Contribution to PCCHU Food Programs	\$37,000	\$18,500	\$18,500
Mayor's Committee on Poverty	\$3,500	\$3,500	0
Subtotal	\$380,936	\$293,358	\$87,578
10% of Reinvestment to Offset Administrative Costs	* \$48,283	* \$39,526	\$8,757
Total	\$429,219	\$332,884	\$96,335
Maximum OMPF Eligibility	\$523,846	\$434,792	** \$89,054
Funding Required Over Budget	\$94,627	\$101,908	(\$7,281)

* This is the total amount of administrative costs that can be claimed to meet the recommended reinvestment, which would include the approval of \$101,908 of new program spending. Administrative costs are already included in the budget. If the additional spending is not approved, the City's portion of administrative costs that could be claimed would be \$29,335.

** Although the County is not eligible for OMPF funding, this is considered their share of the CMSM's contribution to the program. Maximum OMPF Eligibility figures are taken from the City of Peterborough's 2009 Ontario Municipal Partnership Fund Social Program Costs Report.

APPENDIX B –Recommended Additional 2009 SAR Program Investments for 2009

Recommendations for Balance of SAR Reinvestment	City Contribution – New Costs to the Social Services Budget
City of Peterborough Social Assistance Helping Hand – Program provides emergency support to low income families with medical needs	\$20,000
Community Counselling and Resource Centre Emergency Fund – Program supports families with housing, energy and fuel emergencies, etc.	\$30,000
Sunshine Homes – to enhance the Housing Social Worker program that supports low-income families to retain housing	\$51,908
Total New Reinvestment for 2009	\$101,908