



City of
Peterborough

To: **Members of the Joint Services Steering Committee**

From: **Richard Freymond
Commissioner of Corporate and Legislative Services**

Meeting Date: **November 28, 2019**

Subject: **Report CLSFSJSSC19-003
POA and Social Services Draft 2020 Budgets**

Purpose

A report to present the Draft 2020 POA and Social Services Budgets, and to recommend that the Joint Services Steering Committee endorse the budgets and recommend to City and County Councils that the budgets are to be reflected in their respective Draft 2020 Municipal Budget documents.

Recommendation

That the Joint Services Steering Committee approve the recommendation outlined in report CLSFSJSSC19-003, dated November 28, 2019, of the Commissioner of Corporate and Legislative Services, as follows:

That the Joint Services Steering Committee endorse the draft 2020 POA and Social Services Budgets, as set out in Appendix A to report CLSFSJSSC19-003 and recommend to City and County Councils that the budgets be reflected in their respective draft 2020 Municipal Budget documents.

Budget and Financial Implications

The following chart summarizes the net tax levy impacts for the City and County.

Description	2019 Net Funding Requirement	2020 Net Funding Requirement	\$ Change	% Change
Col 1	Col 3	Col 3	Col 4	Col 5
County				
POA (Net Revenues)	-537,744	-520,413	17,331	3.2%
Social Assistance	820,247	822,428	2,181	0.3%
Children's Services	538,895	606,963	68,068	12.6%
Community Development Program	216,504	215,753	-751	-0.3%
Housing & Homelessness	6,255,608	6,091,645	-163,963	-2.6%
Total County Operating	7,293,510	7,216,376	-77,134	-1.1%
Capital				
Housing Repair Costs	81,750	82,200	450	0.6%
Total County Capital	81,750	82,200	450	0.6%
Total County	7,375,260	7,298,576	-76,684	-1.0%

City				
POA (Net Revenues)	-443,541	-429,245	14,296	3.2%
Social Assistance	4,511,508	4,414,452	-97,056	-2.2%
Children's Services	1,257,423	1,394,689	137,266	10.9%
Community Development Program	349,241	348,618	-623	-0.2%
Housing & Homelessness	5,481,963	5,568,673	86,710	1.6%
Total City Operating	11,156,594	11,297,187	140,593	1.3%
Capital				
Housing Repair Costs	68,250	67,800	-450	-0.7%
Total City Capital	68,250	67,800	-450	-0.7%
Total City	11,224,844	11,364,987	140,143	1.2%

Background

The draft 2020 budgets for the POA, Social Services, and Housing are attached as Appendix A.

The County/City share of the prior year's weighted assessment is 54.8%/45.2% (2019 - 54.8%/45.2%). The overall Operating Budget for the County decreased by \$77,134 or - 1.1% while the City is experiencing an increase of \$140,593 or 1.3%. This is being driven by several factors:

- Within Children's Services:
 - o Provincial changes to the funding for Expansion Programs from 100% to 80% and changes to the threshold for allowable administration funding from 10% to 5% have both increased the net municipal requirement.
 - o There is an anticipated increase in licensed child care spaces in both the City and the County, primarily due to expansion of spaces in two licensed child care programs. This growth will shift the cost share to 69% City, 31% County in 2020 from 70% City, 30% County in 2019.
 - o The Budget proposes that the City transitions out of operating the Directly Operated Municipal Child Care Programs mid 2020.
- Housing and homelessness
 - o Additional 100% Federal and Provincial funding will be received under 2 new streams of funding, the Canada-Ontario Community Housing Initiative and the Ontario Priorities Housing Initiative.
 - o For the City, a reduction in contribution from Reserve in various Housing and Homelessness programs has resulted in an increase in net tax levy requirement year over year.
- Social Assistance
 - o Social Assistance Ontario Works caseloads have been budgeted with a 6.7% decline from 2019 budgeted levels, with the average cost per case increasing 0.5% to \$730.05.
 - o For the City, Discretionary Benefits have been reduced by 5.8%.
- Community Development Program
 - o For the Community Development Program and Homemakers, funding is shared on a 50/50 City/County basis with funding for Community Care Peterborough funded 100% by the City.

Submitted by,

Richard Freymond
Commissioner of Corporate and Legislative Services

Contact Name

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Attachments:

Appendix A Draft 2020 Budgets for:

- POA
- Social Services Capital
- Social Services
- Childrens Services
- Community Development
- Housing

CITY OF PETERBOROUGH

2020 Operating Budget

Description	2019 Approved	2019 Preliminary Actual	2020 Recommended	Variances 2019 - 2020 Budget	
				Over (Under) 2019 Budget %	Over (Under) 2019 Budget \$
POA Office					
Expenditures					
Provincial Offences Act Office	1,368,715	1,370,782	1,400,342	2.3%	31,627
	1,368,715	1,370,782	1,400,342	2.3%	31,627
Revenues					
Provincial Offences Act Office	1,812,256	1,781,749	1,829,587	1.0%	17,331
	1,812,256	1,781,749	1,829,587	1.0%	17,331
Net Requirements					
Provincial Offences Act Office	-443,541	-410,967	-429,245	3.2%	14,296
	-443,541	-410,967	-429,245	-3.2%	14,296

2020 - Note: The \$1,829,587 Budgeted Revenues for POA is comprised of Gross Budgeted POA Revenues (\$2,350,000) less the County's share of POA Net Revenues (520,413)

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2020 - 2029 Capital Budget Justification
Other Capital Assets

Printed on: 2019/11/12 8:55 am
 CAP Form 1 (Other)

Department: Community Services

Budget Reference #: 6-9.03

Division: Social Housing - Social Services

Project Name & Description

Housing - Capital Repairs

Commitments Made

None.

Effects on Future Operating Budgets

This investment in upgrading and maintaining the existing aging portfolio will help provide safe reliable housing, reduce operating costs, reduce waiting lists, and enable the City to maintain the portfolio to meet the Province's required service level standard.

Project Detail, Justification & Reference Map

The \$150,000 per year is to be utilized to assist social housing providers with necessary capital repairs and upgrades that are considered a priority, and beyond the ability of the housing provider to fund by themselves. This funding, when expended, will be paired with available incentives, funding from federal and provincial levels of government, or as cost sharing opportunities whenever possible. These projects can be prioritized based on capital asset management data, updated through Building Condition Audits. This capital reserve will be funded from City and County contributions based on the weighted assessment sharing ratios and allowed to accumulate until required. In 2020, \$67,800 will be funded from the Social Housing Reserve and the remaining \$82,200 will be funded from the capital levy.

Municipal investment is key where there is a disconnect between social housing repair needs, including unexpected or emergency repairs, and available funding programs from higher levels of government. This capital project provides a funding stream for such circumstances. Under the National Housing Strategy, the federal government has allocated capital funds for social housing provider regeneration. The Housing Division assists providers to pursue available funds to supplement/replace municipal investment.

Other Capital Assets

Ten Year Capital Budget Estimates

2020-2029 & Subsequent Years
(\$000)

	Project Total	Approved Pre-2020	REQUESTED					2025 to 2029	2030 to 2044
			2020	2021	2022	2023	2024		
Department	Community Services								
Division	Social Housing - Social Services								
Project Description	Housing - Capital Repairs								
Project #	6-9.03								
Expenditures									
Contractual Services	5,675.0	825.0	150.0	150.0	150.0	150.0	175.0	900.0	3,175.0
Total Direct Revenue									
Direct Revenue									
Other Mun-grants & fees	3,113.1	445.9	82.2	82.5	82.5	82.5	96.3	495.0	1,746.3
Total Direct Revenue	<u>3,113.1</u>	<u>445.9</u>	<u>82.2</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>96.3</u>	<u>495.0</u>	<u>1,746.3</u>
Net Requirements	<u>2,562.0</u>	<u>379.2</u>	<u>67.8</u>	<u>67.5</u>	<u>67.5</u>	<u>67.5</u>	<u>78.8</u>	<u>405.0</u>	<u>1,428.8</u>
To Be Financed From:									
Reserves									
Social Housing Reserve	114.1	46.3	67.8						
Total Reserves	<u>114.1</u>	<u>46.3</u>	<u>67.8</u>						
Capital Levy	<u>2,447.9</u>	<u>332.9</u>		<u>67.5</u>	<u>67.5</u>	<u>67.5</u>	<u>78.8</u>	<u>405.0</u>	<u>1,428.8</u>

ERROR BALANCE CHECK:

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CITY OF PETERBOROUGH

2020 Operating Budget

Description	2019 Approved	2019 Preliminary Actual	2020 Recommended	Variances 2019 - 2020 Budget	
				Over (Under) 2019 Budget %	Over (Under) 2019 Budget \$
Social Assistance					
Expenditures					
Ontario Works Administration and Employment Services	12,056,184	11,944,340	11,829,050	-1.9%	-227,134
Ontario Works Mandatory Benefits	32,476,640	30,750,759	30,751,218	-5.3%	-1,725,422
Discretionary Benefits	1,953,438	1,953,438	1,856,459	-5.0%	-96,979
Addiction Services	546,233	313,775	0	-100.0%	-546,233
	47,032,496	44,962,312	44,436,727	-5.5%	-2,595,769
Revenues - County Contribution					
Ontario Works Administration and Employment Services	769,164	769,164	772,762	0.5%	3,598
Ontario Works Mandatory Benefits	0	0	0	0.0%	0
Discretionary Benefits	49,666	49,666	49,666	0.0%	0
Addiction Services	1,417		0	-100.0%	-1,417
	820,247	818,830	822,428	0.3%	2,181
Revenues - Provincial & Other					
Ontario Works Administration and Employment Services	7,531,692	7,291,099	7,291,099	-3.2%	-240,593
Ontario Works Mandatory Benefits	32,476,640	30,750,759	30,751,218	-5.3%	-1,725,422
Discretionary Benefits	1,154,509	1,154,509	1,157,530	0.3%	3,021
Addiction Services	537,900	313,775	0	-100.0%	-537,900
	41,700,741	39,510,142	39,199,847	-6.0%	-2,500,894
Net Requirements					
Ontario Works Administration and Employment Services	3,755,328	3,884,077	3,765,189	0.3%	9,861
Discretionary Benefits	749,263	749,263	649,263	-13.3%	-100,000
Addiction Services	6,916	0	0	-100.0%	-6,916
	4,511,508	4,633,340	4,414,452	-2.2%	-97,056

CITY OF PETERBOROUGH

2020 Operating Budget

Description	2019 Approved	2019 Preliminary Actual	2020 Recommended	Variances 2019 - 2020 Budget	
				Over (Under) 2019 Budget %	Over (Under) 2019 Budget \$
Children's Services					
Expenditures					
Children's Services Administration	719,778	750,072	706,062	-1.9%	-13,716
Directly Operated Child Care	2,151,253	2,151,253	1,105,270	-48.6%	-1,045,983
Expansion Funding	2,048,083	2,179,542	2,179,543	6.4%	131,460
CS - Core Funding	11,908,025	11,989,920	11,989,670	0.7%	81,645
EarlyON Child and Family Centres	1,236,657	1,236,657	1,236,657	0.0%	0
Early Learning Child Care	792,960	792,960	792,960	0.0%	0
	18,856,756	19,100,404	18,010,162	-4.5%	-846,594
Revenues - County Contribution					
Children's Services Administration	58,230	58,230	51,360	-11.8%	-6,870
Directly Operated Child Care	153,495	153,495	82,396	-46.3%	-71,099
Expansion Funding	0	0	135,132	0.0%	135,132
CS - Core Funding	327,170	327,170	338,075	3.3%	10,905
Early Learning Child Care	0	0	0	0.0%	0
	538,895	538,895	606,963	12.6%	68,068
Revenues - Provincial & Other					
Children's Services Administration	525,680	556,603	501,554	-4.6%	-24,126
Directly Operated Child Care	1,639,600	1,639,600	834,601	-49.1%	-804,999
Expansion Funding	2,048,083	2,179,542	1,743,634	-14.9%	-304,449
CS - Core Funding	10,817,459	10,899,354	10,899,104	0.8%	81,645
EarlyON Child and Family Centres	1,236,657	1,236,657	1,236,657	0.0%	0
Early Learning Child Care	792,960	792,960	792,960	0.0%	0
	17,060,439	17,304,716	16,008,510	-6.2%	-1,051,929
Net Requirements					
Children's Services Administration	135,868	135,239	153,148	12.7%	17,280
Directly Operated Child Care	358,158	358,158	188,273	-47.4%	-169,884
Expansion Funding	0	0	300,777	0.0%	300,777
CS - Core Funding	763,396	763,396	752,491	-1.4%	-10,905
	1,257,422	1,256,793	1,394,689	10.9%	137,267

CITY OF PETERBOROUGH

2020 Operating Budget

Description	2019 Approved	2019 Preliminary Actual	2020 Recommended	Variances 2019 - 2020 Budget	
				Over (Under) 2019 Budget %	Over (Under) 2019 Budget \$
Community Development Program Expenditures					
Community Development Program	394,059	394,059	404,685	2.7%	10,627
Homemakers	150,000	150,000	140,000	-6.7%	-10,000
Social Assistance Restructuring	141,686	141,686	141,686	0.0%	0
	685,745	685,745	686,371	0.1%	627
Revenues - County Contribution					
Community Development Program	186,417	186,417	186,666	0.1%	249
Homemakers	6,000	6,000	5,000	-16.7%	-1,000
Social Assistance Restructuring	24,087	24,087	24,087	0.0%	0
	216,504	216,504	215,753	-0.3%	-751
Revenues - Provincial & Other					
Community Development Program	0		10,000	0.0%	10,000
Homemakers	120,000	120,000	112,000	-6.7%	-8,000
	120,000	120,000	122,000	1.7%	2,000
Net Requirements					
Community Development Program	207,642	207,642	208,019	0.2%	378
Homemakers	24,000	24,000	23,000	-4.2%	-1,000
Social Assistance Restructuring	117,599	117,599	117,599	0.0%	0
	349,241	349,241	348,618	-0.2%	-622

CITY OF PETERBOROUGH

2020 Operating Budget

Description	2019 Approved	2019 Preliminary Actual	2020 Recommended	Variances 2019 - 2020 Budget	
				Over (Under) 2019 Budget %	Over (Under) 2019 Budget \$
Housing & Homelessness					
Expenditures					
Housing Administration	945,370	922,439	893,508	-5.5%	-51,862
Peterborough Housing Corporation	3,750,000	3,750,000	3,804,000	1.4%	54,000
Rent Supplement Programs	2,178,250	2,178,250	2,153,250	-1.1%	-25,000
Non Profit and Native Housing Providers	7,140,000	7,140,000	7,165,000	0.4%	25,000
Housing Resource Centre	308,000	308,000	314,000	1.9%	6,000
Homelessness	4,554,844	4,529,985	4,433,344	-2.7%	-121,499
Home for Good	983,236	983,236	983,236	0.0%	0
Housing Access Peterborough	145,500	145,500	148,363	2.0%	2,863
Special Program Funding - DOOR	125,000	125,000	250,000	100.0%	125,000
Special Program Funding - IAH	1,547,000	1,547,000	1,869,365	20.8%	322,365
	21,677,200	21,629,410	22,014,066	1.6%	336,866
Revenues - County Contribution					
Housing Administration	508,473	508,473	480,052	-5.6%	-28,421
Peterborough Housing Corporation	1,750,312	1,750,312	1,635,742	-6.5%	-114,570
Rent Supplement Programs	893,240	893,240	870,126	-2.6%	-23,114
Non Profit and Native Housing Providers	2,646,815	2,646,815	2,644,100	-0.1%	-2,715
Housing Resource Centre	168,784	168,784	172,072	1.9%	3,288
Homelessness	208,250	208,250	208,250	0.0%	0
Housing Access Peterborough	79,734	79,734	81,303	2.0%	1,569
	6,255,608	6,255,608	6,091,645	-2.6%	-163,963
Revenues - Provincial & Other					
Housing Administration	17,500	21,500	17,500	0.0%	0
Peterborough Housing Corporation	665,719	665,719	819,070	23.0%	153,351
Rent Supplement Programs	610,480	610,480	565,428	-7.4%	-45,052
Non Profit and Native Housing Providers	2,310,045	2,310,045	2,340,000	1.3%	29,955
Homelessness	3,680,649	3,655,790	3,509,149	-4.7%	-171,500
Home for Good	983,236	983,236	983,236	0.0%	0
Special Program Funding - DOOR	125,000	125,000	250,000	100.0%	125,000
Special Program Funding - IAH	1,547,000	1,547,000	1,869,365	20.8%	322,365
	9,939,629	9,918,770	10,353,748	4.2%	414,119

CITY OF PETERBOROUGH

2020 Operating Budget

Description	2019 Approved	2019 Preliminary Actual	2020 Recommended	Variances 2019 - 2020 Budget	
				Over (Under) 2019 Budget %	Over (Under) 2019 Budget \$
Net Requirements					
Housing Administration	419,397	392,466	395,956	-5.6%	-23,441
Peterborough Housing Corporation	1,333,969	1,333,969	1,349,188	1.1%	15,219
Rent Supplement Programs	674,530	674,530	717,696	6.4%	43,166
Non Profit and Native Housing Providers	2,183,140	2,183,140	2,180,900	-0.1%	-2,240
Housing Resource Centre	139,216	139,216	141,928	1.9%	2,712
Homelessness	665,945	665,945	715,945	7.5%	50,001
Housing Access Peterborough	65,766	65,766	67,060	2.0%	1,294
	5,481,963	5,455,032	5,568,673	1.6%	86,710