



## STAFF REPORT ACTION REQUIRED

### Shelter, Support and Housing Administration In Year Budget Adjustment for Federal and Provincial Funding

<b>Date:</b>	October 1, 2007
<b>To:</b>	Budget Committee
<b>From:</b>	General Manager, Shelter, Support and Housing Administration
<b>Wards:</b>	All
<b>Reference Number:</b>	

#### SUMMARY

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The purpose of this report is to provide an in-year adjustment to the 2007 gross operating budget to reflect additional revenue from the Federal and Provincial Governments with zero net impact.

By approving this report, the gross budget will more accurately reflect the spending levels attributed to the provision of the programs funded by the other orders of government.

#### RECOMMENDATIONS

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The General Manager, Shelter, Support and Housing Administration, recommends that:

1. the Shelter, Support and Housing Administration 2007 Approved Operating Budget be increased by \$23,923,400 gross and \$0 net to reflect the funding from the Supporting Communities Partnership Initiative, the Homelessness Partnering Strategy, and the Consolidated Homelessness Prevention Program.

#### Financial Impact

Approval of the recommendations will amend the approved 2007 operating budget of Shelter, Support and Housing Administration, from \$692,839,700 gross to \$716,763,100 gross, an increase of \$23,923,400. There is no net impact.

The funding sources are outlined in the following table:

<b>Funding Source</b>	<b>Gross \$(000)</b>	<b>Net \$(000)</b>
Federal Government - Homelessness Partnering Strategy (HPS)	7,511.0	0
Federal Government - Supporting Communities Partnership Initiative (SCPI)	15,229.0	0
Provincial Government - Consolidated Homelessness Prevention Program (CHPP)	1,183.4	0
<b>Total</b>	<b>\$23,923.4</b>	<b>0</b>

As SCPI funds have been extended beyond March 31, 2007, the approved draw from the Social Housing Stabilization Reserve Fund to fund expenditures of \$1.85 million, for the 3 month period April 1 through June 30, 2007, is no longer required.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

## **ISSUE BACKGROUND**

At its meeting of April 16<sup>th</sup>, 2007, Council adopted the recommendations of the Executive Committee Report Ex 7.1, which included the operating budget for Shelter, Support and Housing Administration. As part of the adoption, Council also requested that, “the General Manager of Shelter, Support and Housing Administration report to Budget Committee on the impact on the 2007 Recommended Operating budget from the recently announced Homelessness Partnering Strategy (HPS), once the details are known.” This report addresses the Council directive.

Additional background information, about the new HPS program, can be found in an earlier report, “Federal Homelessness Funding: Authority to Negotiate a New Federal Agreement and Manage the Transition to the New Program,” adopted by Council on March 5, 6, 7, and 8, 2007.

<http://www.toronto.ca/legdocs/mmis/2007/cd/agendas/2007-02-19-cd02-ai.htm>

## **COMMENTS**

The Federal Government has made two commitments this year which will increase the 2007 gross operating budget of the Shelter, Support and Housing Administration Division. First, they agreed to extend the administrative deadline of the former SCPI program. The original spending deadline was March 31, 2007; the new spending deadline is December 31, 2007. This extension provides an opportunity to invest an additional \$15.229 million as follows: \$11.283 million in 20 previously approved and underway capital projects that could not be completed by the original March 31, 2007 deadline, but will be completed by the new December 31, 2007 deadline; \$3.911 million for final payments to other projects previously approved and completed by March 31, 2007; and \$35,000 for audit and assessment work required by the Federal Government as a condition of funding. This investment of \$15.229 million represents the final investment from the SCPI program.

Second, they have agreed to phase in a portion of the new HPS money. For 2007, the Federal Government will provide the City of Toronto with \$7.511 million, to be invested in 48 previously approved service projects. Funding for 2008 and 2009 under HPS will flow to the City once an agreement has been signed with the Federal government, expected before year end. This funding will be included in the Division's 2008 and 2009 budget submissions as appropriate.

Earlier this year, the Province agreed to extend the use of the fiscal year 2006/2007 CHPP fund. The Division successfully negotiated a carry forward of last year's balance of \$1.183 million into 2007. The money will be used for a shelter bed bug management program and drop-in and housing help services, all previously approved initiatives.

Due to the timing of the changes, these revenues, provided by the other orders of government, could not be incorporated into the regular budget process. Therefore, an in-year budget adjustment to increase the Divisional gross budget, is required to match the higher spending activity associated with the provision of SCPI, HPS and CHPP programs. There is no net impact associated with the implementation of these additional revenues.

## **CONTACT**

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## **SIGNATURE**

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