

Chris Brillinger  
Executive Director

Brenda Patterson  
Deputy City Manager

Social Development, Finance and Administration  
100 Queen Street West  
14<sup>th</sup> Floor, East Tower, City Hall  
Toronto, Ontario M5H 2N2

Tel: (416) 392-5207  
Fax: (416) 392-8403  
cbrillin@toronto.ca  
www.toronto.ca

---

## BRIEFING NOTE

# Downloaded Program Costs, Provincial Funding Shortfalls and Corresponding Reserve Depletion

---

### Purpose:

This note summarizes the progress that has been made in reducing the impact that downloaded programs and provincial funding shortfalls have on the City's operating budget. It also provides a summary of the status of the reserves that have been used to address these budget pressures.

### Key Messages:

- Significant progress has been made over the past several years to address the impact that downloaded programs and provincial funding shortfalls have on the City's operating budget. Most notably, the Province's implementation of the recommendations of the Provincial Municipal Fiscal and Service Delivery Review (the Review) has resulted in significant cost savings to the City in the area of income support programs.
- By the end of 2012, the City will have realized cumulative cost savings of \$161.1M across the Ontario Drug Program, the Ontario Disability Support Program, Ontario Works Benefits, and Ontario Works Hostel Per-Diems than it would have otherwise been responsible for before the Review. Shortfalls in the cost of administration for Ontario Works have also been eliminated with the introduction of a new funding formula that ended the Province's historical failure to meet its legislated responsibility to fund 50% of these costs.
- Other program areas have realized smaller improvements in their provincial funding arrangements. Toronto Police Service and Court Services have confirmed additional provincial funding for 2012 and 2013 that will help to address the rising costs of court security; however, there are still outstanding provincial funding shortfalls in both of these areas. Funding shortfalls have been eliminated in Land Ambulance services, but Emergency Medical Services continues to encourage the Province to meet their 100% funding obligation for the Central Ambulance Communication Centre.
- The introduction of the provincial Consolidated Homelessness Prevention Initiative (CHPI) funding program will allow the City to move towards an outcome-focused delivery of housing and homelessness services for Toronto. However, CHPI will provide the City with \$3.3M less in provincial funding in 2013 for emergency shelters than it would have received

under the four funding streams it replaces, and the historical under-funding of this area that existed under the cost-shared model remains unaddressed.<sup>1</sup>

- Changes in provincial funding will also include a reduction of \$14.6M in funding for services previously provided under the Community Start Up and Maintenance Benefits (CSUMB), a housing stabilization fund for income support program clients.<sup>1</sup> This loss will exacerbate a \$2.7M reduction in funding for the same client group that will occur as a result of the capping of medical benefits under the OW program.
- In 2013, the City will need to continue to draw on reserves to meet its downloaded and cost shared program responsibilities and its 0% budget increase target. This strategy is projected to eliminate the reserves the City has used to maintain its social housing program during 2013 and the reserves available to support the child care system by 2014.

### **Background:**

The pressures on Toronto that occurred in the latter part of the 1990s as a result of amalgamation were compounded by a major reorganization of roles, responsibilities and cost-sharing arrangements initiated by the provincial government as a part of Local Services Realignment (LSR). Under LSR, Toronto and other municipalities became responsible for the delivery and cost-sharing of a wide range of programs while the Province retained primary control over program policy and service delivery models. This group of changes is commonly referred to as “downloading.”

The mismatch between responsibility and authority created by LSR and related changes has severely constrained the City’s ability to contain the burden created by downloaded programs on the property tax base. Costs in downloaded programs have been driven up over time by policy changes made by the Province, inflation, wage settlements, growing service demand, increasing client service needs, and aging physical infrastructure. At its peak in 2007, the gross annual cost of downloaded programs had risen to \$508.8M.<sup>2</sup>

In many cost-shared programs, the pressure on the City’s budget has been worsened by funding shortfalls and the Province’s failure to honour its own cost-sharing agreements. By the end of 2012, the cumulative impact of the related provincial funding shortfalls will approach \$1.3B.<sup>3</sup>

In 2006, the Province launched the Provincial Municipal Fiscal and Service Delivery Review, the first comprehensive review of provincial-municipal roles and responsibilities since LSR. The Review was broad in scope, covering fiscal relationships, infrastructure and the delivery of

---

<sup>1</sup> In their October 30, 2012 report to Council, the General Managers of Shelter, Support and Housing Administration and of Employment and Social Services reported that the City would receive \$5.5M less in funding for its emergency shelter services under CHPI than it did under the previous funding programs. Since that time, the Province has adjusted its calculations for the fund. As a result of these adjustments, the City’s projected funding decrease in the area of emergency shelter services has been reduced to \$3.3M from the original \$5.5M, and the projected decrease in the CSUMB has increased from \$12.8M to \$14.6M.

<sup>2</sup> Table 1 summarizes these downloaded program costs from 1998 to the present.

<sup>3</sup> Table 2 summarizes these provincial funding shortfalls from 1998 to the present.

human services, and reflected the spirit of the commitment to consultation set out in the *Municipal Act* and the *City of Toronto Act*.

The Review acknowledged the key service delivery and system management role played by municipalities and recognized the inappropriateness of funding provincial programs from the property tax base. As a result, the Province has been uploading funding responsibilities from municipalities in several program areas, and has committed to working with the Association of Municipalities of Ontario (AMO) and the City on the development of outcomes-based policy and funding frameworks in others. The impact that this Review and other recent policy announcements by the Province will have on the City's 2013 operating budget is described by program area in the following sections.

***Income Support Programs: Ontario Disability Support Program, Ontario Drug Benefits, and Ontario Works Benefits***

The most significant impacts on the City's operating budget out of the Review have been in the area of income support programs, including the Ontario Disability Support Program (ODSP), the Ontario Drug Benefits Program (ODB), and Ontario Works Benefits (OW). Prior to the Review, the City had been required to pay 20% of the benefit costs for ODB, ODSP and OW, and 50% of the cost of administration for ODSP and OW.

As a result of the Review's implementation, the City no longer pays any costs associated with the provincial ODB and ODSP program, and will not pay any OW benefit costs once the Review's recommendations have been fully implemented in 2018. Taken together, these changes will allow the City to realize cumulative cost savings of \$161.1M by the end of 2012.<sup>4</sup>

The City has also benefited from the Province's elimination of an historical shortfall in funding for its 50% share of the OW cost of administration. This shortfall was addressed with one-time funding in 2010 and with changes to the funding formula for OW cost of administration for 2011 and beyond. These changes have eliminated an annual budget pressure that had reached approximately \$28M by 2009.<sup>5</sup>

For 2013, the Province has announced significant changes in funding for the OW program. The support available for families and individuals who receive social assistance to move into housing that was formerly provided under the Community Start-Up and Maintenance Benefit will be reduced by 38%, or \$14.6M.<sup>6</sup> Funding available for medical benefits provided through the OW program has also been capped at \$17.1M for 2013, \$2.7M less than would have been received from the Province prior to the cap.

The General Managers of Toronto Employment and Social Services and of Shelter, Support and Housing Administration reported to Council on October 30, 2012 on strategies the City will

---

<sup>4</sup> Table 3 summarizes the projected savings that the upload of these program areas will have on the City's budget through 2018.

<sup>5</sup> Table 2 provides a summary of funding shortfalls in the OW cost of administration from 1998 onwards.

<sup>6</sup> The original projected reduction in the CSUMB of \$12.8M was reported to Council on October 30, 2012. Since that time, the Province has adjusted its calculations, and the City is now projecting a reduction of \$14.6M in the funding available to assist families on income assistance to move into and maintain their housing.

pursue to manage the impact these funding losses will have on OW program clients and other vulnerable residents. In adopting this report, Council directed that the City Manager work with the AMO on a joint campaign to resist reductions in funding formerly provided as a part of the CSUMB.

### ***Policing and Court Services***

The City has also seen improvements in its funding relationship with the Province related to security costs in provincial courts. Starting in 2012, the Province began to phase in a fund that will reach \$125.0M province-wide annually at maturity. In 2012, the City received a total of \$6.6M from this fund: \$6.3M was included in the 2012 Approved Operating Budget of Toronto Police Service to help offset court security costs, and \$0.3M was included in the 2012 Approved Operating Budget of Court Services to help offset the cost of administration for court security.

In 2013 and beyond, the City anticipates receiving an additional \$6.6M annually from this fund to a maximum of \$46.3 when the fund is fully implemented in 2018.<sup>7</sup> This funding will relieve the growing pressure faced by the City as part of the Toronto Police Service budget, where the net cost of the provision of court security is expected to reach \$41.6M by the end of 2013.<sup>8</sup> It will also help to offset the additional annual cost associated with the administration of court security that has impacted the budget of the Court Services division since responsibility for the administration of the Provincial Offences Act was transferred to the City in 2002. In 2013, this additional administrative cost will rise to \$2.5 million.<sup>9</sup>

### ***Emergency Medical Services***

The City has also had some success in its efforts to eliminate provincial funding shortfalls in the area of Emergency Medical Services. These services are funded by a 50/50 cost-sharing agreement for Land Ambulance Services and 100% provincial funding for the Central Ambulance Communications Centre (CACC).

Up until 2006, the Province's decision to cap its contribution to salaries and inflationary increases for both Land Ambulance and CACC had created significant funding shortfalls for the City. In March of that year, the provincial government announced its intention to honour its cost sharing agreement for emergency medical services, and shortfalls in Land Ambulance services were fully eliminated in 2012 when the Ministry increased funding to the City by \$4.6M.

The Ministry has elected to continue to cap its contribution to CACC, and funding shortfalls have been experienced in this area in every year since 2009. In 2011 a budgeted shortfall of \$3.2M in CACC funding was reduced to an actual shortfall of \$1.0 million through the implementation of internal efficiencies and a negotiated funding increase of \$912,000. With the implementation of further efficiencies and one-time gapping, this shortfall will be reduced to a projected \$0.4M in 2012. EMS management continue to negotiate with the Ministry of Health and Long Term Care with the goal of eliminating this funding shortfall for 2013.

---

<sup>7</sup> Table 4 provides a summary of the anticipated funding schedule.

<sup>8</sup> Table 2 includes a summary of court security costs incurred by Toronto Police Service.

<sup>9</sup> Table 1 includes a summary of the administrative costs of court security incurred by Court Services.

### ***Housing and Homelessness: Social Housing and Emergency Shelter***

The City has had mixed success in its efforts to encourage the Province to eliminate funding shortfalls and reduce downloaded costs in the area of social housing and emergency shelter services.

Since the conclusion of the Provincial Municipal Fiscal and Service Delivery Review in 2008, the City has been working with AMO and the Province to consolidate the existing range of housing and homelessness programs across provincial ministries into an outcome-based housing service managed at the municipal level. As a result of this work, the Province will launch the new Community Homeless Prevention Initiative for the 2013 funding year. The program is intended to support a better coordinated and integrated housing and homelessness service delivery system that is people-centered, outcome-focused and reflects a housing-first approach to preventing, reducing and addressing homelessness. This new funding program provides municipalities with opportunities for increased service integration and greater flexibility to meet local needs.

Although the outcome focus of the program is a welcome one, CHPI will not end funding shortfalls that the City has historically experienced in the area of housing and homelessness. Under CHPI, Toronto will receive \$3.3M less in provincial funding in 2013 for its housing and homelessness programs than it was projected to receive under the four funding programs that CHPI replaces. This loss will compound the funding shortfall that the City has experienced since amalgamation for the provision of emergency shelter services.<sup>10</sup>

The City also continues to experience pressures related to the provision of social housing services, where the gross annual downloaded cost of this program will reach \$287.3M in 2013. These costs have impacted the City's budget since they were first downloaded to municipalities in 1999, and have grown because of the widening gap between tenant incomes and market rents, inflation, and the rising cost of maintaining an aging housing stock.

Pressures on the City's operating budget in the area of social housing are also expected to increase as a result of the federal government's continued reduction in funding for this area. The federal government first provided annual funding for social housing in 2003 with a grant of \$175.1M. This funding has been in decline since 2006, and over the next five years, the City will experience a net loss of \$33.4M. Funding will end completely in 2031.

The City will likely experience some relief from these reductions as the mortgage and debenture debts of former federal housing projects expire. However, the City will be solely responsible for replacing the lost federal dollars that have been used to subsidize ongoing social housing operating costs. Toronto will be disproportionately affected by the federal government's withdrawal from the social housing area because it has a disproportionate share of the country's public housing.

### ***Child Care***

---

<sup>10</sup> Table 2 provides a summary of historical funding shortfalls under the cost-shared per-diem funding model for emergency shelter services.

As part of its 2012/13 budget, the Province announced new one-time resources to assist child care operators in addressing the impacts of full-day kindergarten by, among other things, transitioning their services to meet the needs of younger children. These funds will flow through municipalities in their capacity as service system managers, and Toronto has received a \$5.7M allocation. The Children's Services Division will deliver this funding to child care operators through a grants program that will respect provincial guidelines and the investment strategy reported to Council in July 2012. As per provincial guidelines, funds must be used to stabilize existing programs and cannot be used for program or system expansion.

Although these one-time funds are welcomed by the City, they will not address the \$14.0 million core funding shortfall that child care services will face in 2013. This shortfall is primarily a result of the fact that provincial funding for base programs is not indexed to inflation and has been frozen at levels established in 1995. Without base funding increases, the City will be forced to draw on reserve funds to maintain the current service level of 24,000 subsidies and recognize actual costs for child care operators. A total of 2,000 of these subsidies are 100% by the City as a result of the shortfall, rather than at the 80/20 legislated ratio.

### ***Reserve Fund Depletion***

In addition to property taxes, the City has used two sources of revenue to fund its downloaded and cost-shared program responsibilities. First, it has used its Ontario Municipal Partnership Fund (OMPF) grant to offset these obligations since it first became eligible for the fund in 2006 when the phase-out of GTA pooling began.<sup>11</sup> Second, the City has drawn on its reserves to support provincial social programs while meeting its budget targets. During the current planning cycle, the City will continue to rely on these two approaches to balance its Operating Budget.

For 2013, the City will receive funding under the provincial Ontario Municipal Partnership Fund (OMPF), although at a lower level than in 2012. The OMPF was originally established by the Province to help municipalities offset social program costs, and it has clawed back a portion of the grant from all municipalities in parallel with the upload of income support program costs. When this claw-back is taken into account, the City's net OMPF grant will fall from \$170.2M in 2012 to 149.3M in 2013.<sup>12</sup>

The City will also draw on reserves to meet its 2013 Operating Budget targets for downloaded and cost-shared programs. In child care services, the City will draw \$14.0M in unspent 2005/6 Best Start monies from the Child Care Expansion Reserve Fund to partially address budget pressures and maintain current levels of service. However, in 2014 this reserve fund will be depleted. With all possible measures available to address funding shortfalls exhausted, a service level reduction of approximately 2,200 child care subsidies may be required by 2015, with reductions beginning in late 2014.

---

<sup>11</sup> Table 5 summarizes all of the provincial cost offsets, including GTA pooling, that the City has used since amalgamation to meet its obligations for downloaded and cost shared programs.

<sup>12</sup> Table 3 summarizes the full OMPF claw back schedule from 2008 – 2018. The OMPF claw-back schedule was announced as a part of the schedule for the upload of income support program costs.

Shelter Support and Housing Administration projects that it will use \$12.7 million from reserves in 2012, and it has budgeted the use of the remaining \$26.1M of its reserve funds to achieve a 0% increase in 2013. The elimination of these reserves in 2013 could result in a 2014 base pressure on the City budget of over \$26M primarily in the area of social housing.<sup>13</sup>

---

<sup>13</sup> Table 6 summarizes the projected balances of the reserve funds used to support social housing and child care for 2012 – 2014.

**Table 1  
SUMMARY OF DOWNLOADED PROGRAM COSTS  
FOR THE YEARS 1998 TO 2013 (in \$M)**

Downloaded Programs	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012 PA	2013 BGT
	Actual															
ODSP/ODB <sup>1</sup>	-	132.1	137.9	133.0	135.0	143.6	153.9	160.0	169.6	178.8	148.7	143.9	75.7	-	-	-
Social Housing <sub>2,3</sub>	-	242.2	220.4	254.1	287.4	292.9	293.2	311.2	308.1	328.8	316.5	321.2	319.9	329.3	330.7	287.3
Court Services	-	-	-	-	1.0	1.0	1.0	1.0	1.0	1.2	1.2	1.2	2.2	2.3	2.4	2.5
<b>Total Downloaded Programs</b>	<b>-</b>	<b>374.3</b>	<b>358.3</b>	<b>387.1</b>	<b>423.4</b>	<b>437.5</b>	<b>448.1</b>	<b>472.2</b>	<b>478.7</b>	<b>508.8</b>	<b>466.4</b>	<b>466.3</b>	<b>397.8</b>	<b>331.6</b>	<b>333.1</b>	<b>289.8</b>

Notes:

- 1: The Province assumed the full cost for ODB starting in 2008. ODSP Administration was uploaded in 2009, and ODSP benefits were uploaded in 2010 and 2011.
- 2: Social Housing costs are shown before pooling and OMPF revenues.
- 3: From 2005 on, Social Housing costs also include the Strong Communities Rent Supplement, Social Housing Admin, Housing Allowance, Realty Tax, Social Housing Admin System, Housing Allowance Pilot and Affordable Housing Program expenses.



**Table 2  
SUMMARY OF PROVINCIAL FUNDING SHORTFALL  
FOR THE YEARS 1998 TO 2013 (in \$M)**

Provincial Funding Shortfall / Cap	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012 PA	2013 BGT	Total
	Actual																
OW COA <sup>1</sup>	-	-	-	0.6	5.1	12.2	16.9	18.6	19.2	23.1	28.3	27.9	-	-	-	-	<b>151.9</b>
Shelter per diem <sup>2</sup>	2.4	6.5	12.0	7.9	14.1	16.9	22.2	24.7	25.3	27.7	30.2	29.6	33.1	35.2	34.7	-	<b>322.5</b>
Child Care <sup>3</sup>	-	-	-	-	-	-	-	-	-	-	-	0.7	0.9	0.3	6.6	14.0	<b>22.5</b>
Emergency Medical Services	-	0.7	-	0.7	5.7	6.4	9.0	9.8	6.4	-	-	0.4	3.3	1.0	0.4	-	<b>43.8</b>
Police <sup>4</sup>	-	31.2	33.5	35.6	38.3	42.5	43.4	46.0	53.1	53.5	58.8	60.4	63.1	65.7	63.0	61.7	<b>749.8</b>
<b>Total Provincial Funding Shortfall / Cap</b>	<b>2.4</b>	<b>38.4</b>	<b>45.5</b>	<b>44.8</b>	<b>63.2</b>	<b>78.0</b>	<b>91.5</b>	<b>99.1</b>	<b>104.0</b>	<b>104.3</b>	<b>117.3</b>	<b>119.0</b>	<b>100.4</b>	<b>102.2</b>	<b>104.7</b>	<b>75.7</b>	<b>1,290.5</b>

Notes:

- 1: In 2010 the Province honoured its legislated commitment to share the cost of OW cost of administration (COA) at a 50/50 ratio with one-time funding. From April 2011 forward, a change to the funding formula for OW COA eliminated the historical funding shortfall in this area.
- 2: From 1998 – 2012, the per-diem cost of Emergency Shelters was funded using an 80/20 cost-sharing model. The Province's decision to cap its contribution lead to funding shortfalls in this program area from 1998 – 2012. Under the new CHPI program, the City is projected to receive \$3.3M less in provincial funding for its Emergency Shelter program than it would have under the previous cost-shared per-diem model.
- 3: Funding shortfalls in child care prior to 2009 were managed with the Child Care Expansion Reserve Fund and Best Start funds.
- 4: Police includes: policing of criminal courts (\$41.6M), policing of provincial highways (\$1.9M), provision of school crossing guards (\$7.4M), and the Provincial cap on the City's community policing grants (\$10.8M).

**Table 3  
SUMMARY OF PROJECTED SAVINGS FROM INCOME BENEFIT PROGRAM UPLOADS  
FOR THE YEARS 2008 – 2018 (in \$M)**

Program Area	City Cost Shares / Projected Savings from Upload										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Ontario Drug Benefits (2007 City Cost Share: 20%)	- (39.1)	-	-	-	-	-	-	-	-	-	-
Ontario Disability Support Program Administration Costs (2007 City Cost Share: 50%)	50.0% -	- (20.0)	-	-	-	-	-	-	-	-	-
Ontario Disability Support Program Benefits (2007 City Cost Share: 20%)	20.0% -	20.0% -	10.0% (77.5)	- (77.5)	-	-	-	-	-	-	-
Ontario Works Benefits (2007 City Cost Share: 20%)	20.0% -	20.0% -	19.4% (5.8)	18.8% (5.4)	17.2% (15.1)	14.2% (28.3)	11.4% (25.7)	8.6% (25.7)	5.8% (25.7)	2.8% (27.5)	- (25.7)
Ontario Works Hostels Per Diem <sup>1</sup> (2007 City Cost Share: 20%)	20.0% -	20.0% -	19.4% (0.4)	18.8% (0.7)	17.2% (1.7)	-	-	-	-	-	-
OMPF Claw Back	-	19.7	20.8	20.8	20.8	20.8	6.8	6.9	6.8	6.9	6.8
<b>Incremental Savings</b>	<b>(39.1)</b>	<b>(0.3)</b>	<b>(62.9)</b>	<b>(62.8)</b>	<b>4.0</b>	<b>(7.5)</b>	<b>(18.9)</b>	<b>(18.8)</b>	<b>(18.9)</b>	<b>(20.6)</b>	<b>(18.9)</b>
<b>Cumulative Savings</b>	<b>(39.1)</b>	<b>(39.4)</b>	<b>(102.3)</b>	<b>(165.1)</b>	<b>(161.1)</b>	<b>(168.6)</b>	<b>(187.5)</b>	<b>(206.3)</b>	<b>(225.2)</b>	<b>(245.8)</b>	<b>(264.7)</b>

Note 1: Beginning in 2013, the Province will end the cost-shared per-diem funding model for Emergency Shelters that has been a component of the Ontario Works program. The Province has indicated its intention to maintain its commitment to "uploading" the costs of Emergency Shelter from municipalities, but has not yet indicated how this will be addressed as a part of the new Consolidated Homelessness Prevention Initiative.

**Table 4  
SUMMARY OF PROVINCE WIDE COURT SECURITY COST FUNDING  
FOR THE YEARS 2012 – 2018 (in \$M)**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
Phased Funding Percentage	14.0%	29.0%	43.0%	57.0%	71.0%	86.0%	100.0%
Province-Wide Funding <sup>1</sup>	17.5	36.25	53.75	71.25	88.75	107.5	125.0
City of Toronto Funding <sup>2</sup>	6.6	13.2	19.8	26.4	33.0	39.6	46.3

Note 1: Funding will be apportioned to all applicable municipalities.

Note 2: The City's funding allocation has been confirmed by the Province for 2012 and 2013. An annual increase in this funding of \$6.6M has been used to project budgets for both Toronto Police Services and Court Services for 2014 and beyond, but has not yet been confirmed by the Province.

**Table 5**  
**SUMMARY OF OFFSETS TO MANDATED/DOWNLOADED PROGRAM COSTS**  
**FOR THE YEARS 1998 TO 2013 (in \$M)**

Offset	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012 PA	2013 BGT
	Actual															
GTA Pooling <sub>1,2,4</sub>	(100.0)	(95.7)	(89.5)	(133.8)	(155.6)	(171.7)	(181.8)	(189.6)	(196.9)	(176.0)	(143.8)	(115.0)	(86.3)	(57.5)	(28.8)	(0.0)
OMPF <sup>2,3</sup>									(35.0)	(80.8)	(111.0)	(117.5)	(125.5)	(133.4)	(141.4)	(149.3)
<b>Total Offsets</b>	<b>(100.0)</b>	<b>(95.7)</b>	<b>(89.5)</b>	<b>(133.8)</b>	<b>(155.6)</b>	<b>(171.7)</b>	<b>(181.8)</b>	<b>(189.6)</b>	<b>(231.9)</b>	<b>(256.8)</b>	<b>(254.8)</b>	<b>(232.5)</b>	<b>(211.8)</b>	<b>(190.9)</b>	<b>(170.2)</b>	<b>(149.3)</b>

## Notes:

- 1: GTA Pooling revenues include reconciliation adjustments recorded for prior years. Pooling revenues are certified subsequent to the year-end closing.
- 2: In its 2007 budget the Province announced its intention to phase out pooling by GTA municipalities by 2012. The Province is providing sufficient funding under the OMPF to offset the decline in GTA pooling to recipient municipalities, including Toronto.
- 3: The 2009 OMPF amount includes both an increase to offset the phase out of pooling and a claw back as a result of the upload of ODSP administration costs.
- 4: GTA pooling figures include both pooling revenues for social housing and social services.

**Table 6**  
**SUMMARY OF PROJECTED RESERVE FUND BALANCES**  
**FOR THE YEARS 2012 TO 2014 (in \$M)**

Reserve Fund	Projected Balance at Year End		
	2012	2013	2014
Social Housing Federal Reserve Fund/Social Housing Stabilization Reserve Fund	26.1	0.0	0.0
Child Care Expansion Project Reserve Fund	36.2	22.4	0.0

---

**Prepared by:** Chris Brillinger, Executive Director, Social Development, Finance & Administration, 416-392-5207,  
cbrillin@toronto.ca

**Further information:** Chris Brillinger, Executive Director, Social Development, Finance & Administration, 416-392-5207,  
cbrillin@toronto.ca

**Date:** December 3, 2012