

Toronto 2018 BUDGET



OPERATING BUDGET NOTES



Toronto Employment & Social Services

2018 OPERATING BUDGET OVERVIEW

Toronto Employment and Social Services (TESS) manages the third largest social assistance delivery system in Canada. Under the authority of the Ontario Works (OW) Act and Regulations, TESS provides employment services, financial assistance and social supports to Toronto residents to strengthen their social and economic well-being in their communities.

2018 Budget Summary

The total cost to deliver these services to Toronto residents is \$1,096.476 million gross and \$90.517 million net as shown below:

(in \$000's)	2017 Budget	2018 Preliminary Budget	Change	
			\$	%
Gross Expenditures	1,083,491.5	1,096,476.0	12,984.6	1.2%
Revenues	972,955.1	1,005,959.6	33,004.4	3.4%
Net Expenditures	110,536.3	90,516.5	(20,019.9)	(18.1%)

Through the Provincial Ontario Works (OW) benefits upload savings, operational efficiencies, and recovery of \$2.700 million from the OW reserve as a bridging strategy, TESS has been able to fully offset the operating pressures generating savings of \$20.020 million. The 2018 caseload has been set at 84,000, the same level as 2017 and in-line with current caseload levels.

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CONTACTS

Program:

Patricia Walcott

General Manager

Tel: (416) 392-8952

Email: Patricia.Walcott@toronto.ca

Corporate:

Ritu Sadana

Manager, Financial Planning

Tel: (416) 395-6449

E-Mail: Ritu.Sadana@toronto.ca

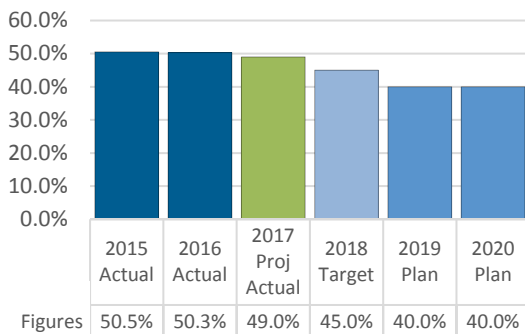
FAST FACTS

- Third largest social assistance delivery system in Canada, providing benefits and services through a network of 19 offices across the City.
- Contracts with 58 community agencies and organizations across the City to deliver a broad range of employment programs.
- Implementation lead for the City’s Workforce Development Strategy, which aims to assist employers to address their workforce challenges and actively support job seekers to compete in the labour market.
- Supports Social Development, Finance & Administration in implementing key recommendations from the City’s Poverty Reduction Strategy.
- Co-locating with Toronto Children’s Services (TCS) and Ontario Disability Support Program (ODSP) at multiple sites in order to improve and streamline services to mutual clients.
- Supported 28,200 clients to either exit Ontario Works (OW) for employment or start a job placement.
- Assessed 49,200 applications for OW.
- Developed/updated 200,000 individual service plans.

TRENDS

- The projected average caseload for 2017 is expected to remain on budget at 84,000.
- On average, the percentage of people on assistance for more than 2 years is projected to be 49.0% in 2017 versus 50.3% in 2016.
- Increasingly people remaining on OW are more distant from the labour market, remain on social assistance longer and require more intensive supports to transition to employment. The target is to continue to reduce the % of people on assistance for more than 2 years as shown below.

% of Caseload on Assistance More Than 2 Years



KEY SERVICE DELIVERABLES FOR 2018

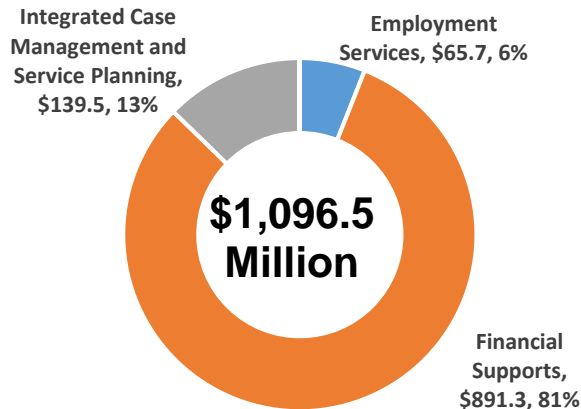
Toronto Employment and Social Services (TESS) offers financial assistance for basic needs like shelter, food, clothing and health related items for clients and their families. In addition, it provides employment assistance such as one on one service planning, and skills/job-specific training.

The 2018 Preliminary Operating Budget will enable TESS to continue to:

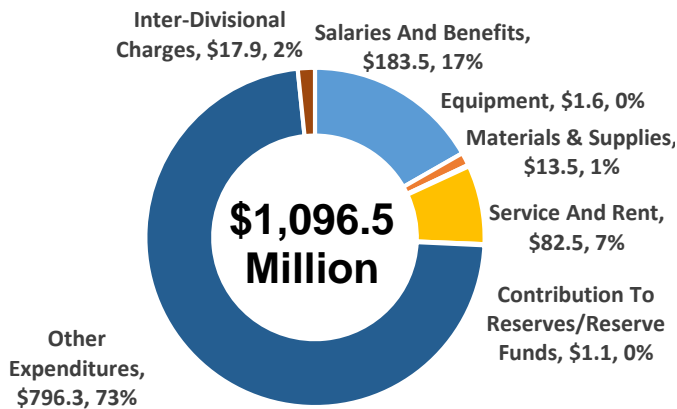
- Manage an average caseload of 84,000 and assist 28,000 unemployed City residents find and/or sustain employment.
- Continue to modernize the delivery of Ontario Works in Toronto to improve effectiveness and efficiency, for example:
 - ✓ Implementation of the first phase of the new Service Delivery Model
 - ✓ Implementation of Two-Way Secure E-mail which will add secure e-mail as a new communication channel with clients
- Pilot and implement a common service planning model in order to improve client experience and outcomes.
- Increase the profile and success of the City’s Workforce Development Initiatives:
 - ✓ Through the Partnership to Advance Youth Employment (PAYE) program to increase the number of employers offering employment opportunities to youth.
 - ✓ Increase work-based learning opportunities for Toronto youth (18-29) through the implementation of the City’s Youth Employment Action Plan.
 - ✓ Work with employers to develop new sector based approaches to expand job opportunities for unemployed low income Toronto residents, specifically OW clients.
- Enhancing customer service and operational efficiencies through cluster-wide integration by implementing the Human Services Integration (HSI) project.
- Implement key recommendations in the 2018 City of Toronto Poverty Reduction Work plan as well as support the implementation of broader Poverty Reduction Strategy objectives.

Where the money goes:

2018 Budget by Service

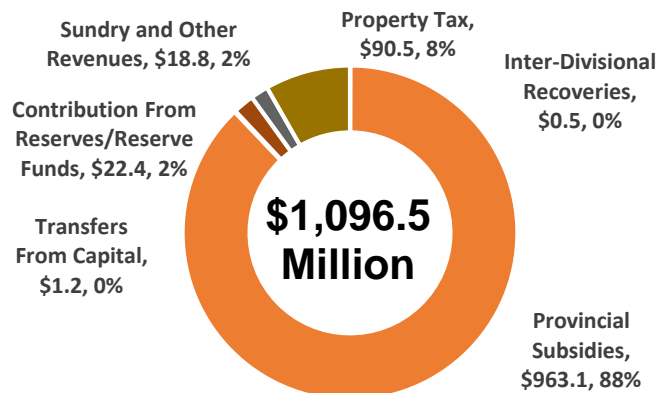


2018 Budget by Expenditure Category



Where the money comes from:

2018 Budget by Funding Source



OUR KEY ISSUES & PRIORITY ACTIONS

- **OW recipients are increasingly more distant from the labour market**, remain on social assistance longer and require more intensive supports to transition to employment.
 - ✓ Increase the profile and success of the City's Workforce Development initiatives.
- **Provincial funding caps with no annual inflation adjustments** puts pressure on the City as expenditures above the funding envelope are 100% funded by the City.
 - ✓ Provincial program delivery funding for the OW business cycle that commenced April 1st 2017 dropped by \$16.093 million due to a decline in caseload over the previous two years. The 2017 budget included a reduction in funding of \$12.002 million, with the remaining \$4.091 million included in the 2018 Preliminary Operating Budget.
 - ✓ The reduction has been mitigated through a combination of new efficiency savings (\$4.201 million) on top of efficiencies introduced in the 2017 budget (\$2.992 million) and reserve draws.
 - ✓ To ensure evolving client needs continue to be addressed, several modernization and transformation initiatives are underway to improve operational efficiency.

2018 OPERATING BUDGET HIGHLIGHTS

- The 2018 Preliminary Operating Budget for TESS is \$1,096.476 million gross and \$90.517 million net representing a decrease of 18.1% to the 2017 Approved Operating Budget. The Program exceeded the budget target due to the following:
 - ✓ OW benefits upload savings (\$21.774 million)
 - ✓ Base expenditure reductions (\$0.421 million).
 - ✓ Efficiency savings (\$4.201 million).
- Staff complement will decrease by 32 positions from 2017 to 2018.
- The 2018 Preliminary Operating Budget provides funding to:
 - ✓ Deliver integrated employment services to 28,000 City residents.
 - ✓ Manage 84,000 cases and planning services for 200,000 individualized service plans.
 - ✓ Provide over \$854 million financial assistance and employment benefits to eligible residents.

Actions for Consideration

Approval of the 2018 Preliminary Budget as presented in these notes requires that:

1. City Council approve the 2018 Preliminary Operating Budget for Toronto Employment and Social Services of \$1,096.476 million gross, \$90.517 million net for the following services:

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Employment Services:	65,683.6	16,732.1
Integrated Case Management & Service Planning:	139,518.1	59,216.0
Financial Supports:	891,274.3	14,568.3
Total Program Budget	<u>1,096,476.0</u>	<u>90,516.5</u>

2. City Council approve the 2018 service levels for Toronto Employment and Social Services as outlined on pages 16, 20, and 24 of this report, and associated staff complement of 1,979 positions, comprising 11 capital project delivery positions and 1,968 operating service delivery positions.



Part 1:

2018-2020 Service Overview and Plan



Part 3:

Issues for Discussion

Upload of ODSP/ODB and OW Benefits

- In August 2007, the Province announced that it would assume responsibility for funding Ontario Disability Support Program (ODSP) and Ontario Drug Benefit (ODB) client benefits and ODSP administration costs in a phased approach over the 2008 to 2011 time period.
- In the fall of 2008, the Province announced it would assume responsibility for funding Ontario Works (OW) benefits costs in a phased-in approach over the 2010 to 2018 time period. The City share of costs, which was 20% before the uploading commenced, is 2.8% in 2017 and will drop to 0% in 2018 and onwards.
- The Province also confirmed through the "Provincial-Municipal Fiscal and Service Delivery Review" report in fall 2008 that "... Ontario Municipal Partnership Fund (OMPF) remains responsive to changes in municipal circumstances, such as upload of the ODB, and ODSP and OW Benefit and would be adjusted to reflect the reduction in municipal costs for these programs as the uploads are phased in".
- The phase-out of the social services component of the OMPF was completed in 2016.
- The following table illustrates the impact of the provincial upload from 2008 through 2018, net of the claw back of the OMPF.

	City Cost Share Before Uploading %	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
		(\$M)	(\$M)	(\$M)	(\$M)	(\$M)	(\$M)	(\$M)	(\$M)	(\$M)	(\$M)	(\$M)
Ontario Drug Benefits	20%	(39.1)										
		→	0%									
Ontario Disability Support Program (Administration Costs)	50%		(20.0)									
		→	0%									
Ontario Disability Support Program (Benefits Costs)	20%			(77.5)	(77.5)							
		→		10%	0%							
Ontario Works Benefit Upload (Benefits Costs)	20%			(5.8)	(5.4)	(15.1)	(28.3)	(24.0)	(23.0)	(22.1)	(23.6)	(21.8)
		→		19.4%	18.8%	17.2%	14.2%	11.4%	8.6%	5.8%	2.8%	0.0%
Savings from Upload		(39.1)	(20.0)	(83.3)	(82.9)	(15.1)	(28.3)	(24.0)	(23.0)	(22.1)	(23.6)	(21.8)
Original OMPF Clawback			19.7	20.8	20.8	20.8	20.8	6.8	6.9	6.8		
Accelerated loss in Provincial funding assistance								5.0	4.9	5.0		
Incremental Savings		(39.1)	(0.3)	(62.5)	(62.1)	5.7	(7.5)	(12.2)	(11.2)	(10.3)	(23.6)	(21.8)
Commulative Savings		(39.1)	(39.4)	(101.9)	(164.0)	(158.3)	(165.8)	(178.0)	(189.2)	(199.5)	(223.1)	(244.9)

- 2018 marks the end of the upload. From 2018 onwards, the province will fund 100% of OW benefits. Projected upload savings in 2018 are \$21.8 million, bring the total savings from uploading to \$244.9 million.

Program Delivery Funding Envelope Funding Gap

- The Provincial funding envelope supports program administration and the provision of employment services to eligible OW and ODSP recipients. Eligible costs include salaries and benefits, office lease costs, travel, staff training, general office expenses, direct employment benefits for clients and employment services purchased from community agencies.
- Annual provincial funding is based on a subsidy per case, with caseload reset at the beginning of each two-year Ontario Works business cycle.
 - The caseload is calculated as the average monthly caseload for 24 months before the beginning of the business cycle and is fixed for the two-year business cycle.
 - The funding formula does not provide for annual inflationary increases.
- As a result of the lower caseload, the maximum provincial program delivery funding for the current OW business cycle that commenced in April 1, 2017 dropped by \$16.093 million. The 2017 operating budget included a reduction of \$12.002 million and the remaining \$4.091 million is built into the 2018 budget.
- As was the case in 2017, the reduction in provincial funding has been mitigated by a combination of efficiency savings and draws from the Ontario Works Reserve consistent with the purpose of the reserve.

Issues Impacting Future Years

Business Modernization & Transformation Initiatives

- Several multi-year modernization and transformation initiatives are underway aimed at increasing efficiency and implementing innovative service delivery approaches to meet the evolving needs of OW clients. Below are some of the initiatives underway for the coming years:
 - The Two Way Secure Email Communication project (savings of \$2.389 million and 28 position reductions starting in 2018) will expand the existing channels of communication available for clients and staff to include the use of two way secure e-mail communication in addition to "in person" and "phone" channels. Once implemented, the system will reduce administration, increase staff productivity, decrease the number of lost documents, and improve customer service for residents accessing the OW program.
 - The objective of the Paperless Office project is to transition the Program's paper-driven client file management system to a more efficient digitalized operation. Upon completion at the end of 2018, the project will eliminate costs associated with file creation, photocopying, filing, and retrieval of physical files, reduce paper usage and over the longer term, reduce space requirements in the Program's offices (savings of \$1.145 million and 14 position reductions starting in 2019).
 - The Service Delivery Model (SDM) Renewal project (savings of \$2.594 million and 30 position reductions starting in 2019) focuses on the processes and paths by which TESS delivers services to City residents. It will provide a framework for transformation and continuous improvement to simplify, streamline and increase system access for the public.
 - The Human Services Integration project (savings of \$2.391 million for the three partner divisions starting in 2022) is a partnership between Children's Services, Shelter, Support and Housing Administration, and TESS that is focused on transforming delivery of services across the primary income support programs: rent geared to income (RGI) housing subsidies (SSHA), Child Care Fee Subsidy (TCS), and OW (TESS). This project is included in the 2018-2027 Preliminary Capital Plan.

Issues Referred to the 2018 Operating Budget Process

New & Enhanced Not Included in the 2018 Preliminary Operating Budget

Transit Fare Program Administration

- At its meeting on December 13, 2016 (EX20.10), City Council directed that the funding for Phase 1 of the Transit Fare Equity Program be included for consideration in the 2018 Operating Budget. Under Phase 1, starting in March 2018, Ontario Disability Support Program and Ontario Works clients not in receipt of employment transportation supports will be eligible to receive a 33% discount on the cost of the adult single fare and a 21% percent on the cost of the adult monthly pass level. The link to the report is as below:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.EX20.10>

Description (\$000s)	New and Enhanced						Total New and Enhanced			Incremental Change			
	Employment Services		Financial Supports		Integrated Case Management and Service Planning		\$		Position	2019 Plan		2020 Plan	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	#	Net	Pos.	Net	Pos.
New Service Priorities													
Referred to Budget Process - Poverty Reduction:													
Add. Positions to Administer Transit Fare Equity Program			421.4				421.4		6.0				
Total New / Enhanced Services			421.4				421.4		6.0				

- Phase 1 of the project will be led by Social Development, Financial and Administration (SDFA), requiring an estimated \$4.600 million net cost, with TESS supporting the eligibility assessment and card production (\$0.421 million gross, zero net with 6 additional positions). The new and enhanced priority is not included in the 2018 Preliminary Budget; however it is included for Budget Committee's consideration in the 2018 Budget process.



Appendices

Appendix 1

2017 Service Performance

Key Service Accomplishments

In 2017, Toronto Employment and Social Services accomplished the following:

- ✓ Supported 28,200 clients to either exit OW for employment or start a job placement.
- ✓ Managed an average monthly caseload of 84,000 and assessed 49,200 applications for Ontario Works (OW).
- ✓ Issued \$848.8 million in financial, employment and medical benefits.
- ✓ Developed / updated 200,000 individual service plans.
- ✓ Implemented key recommendations of the City's Poverty Reduction Plan:
 - Introducing new intensive case management programs aimed at reducing the proportion of long-term cases on social assistance.
 - Developed an information sharing agreement with Toronto Community Housing Corporation (TCHC) to reduce/prevent evictions.
 - Refocussing of the Family Support Program towards financial empowerment to better support single parent families.
- ✓ Leveraging opportunities to more effectively and efficiently deliver social assistance to City residents:
 - TESS and ODSP will be co-locating at multiple sites to improve and streamline services to mutual clients.
 - Introduced innovative business solutions including expansion of e-services for OW clients, automated registration services and paperless office strategies.
 - Expanded co-located sites with Children's Services (from 2 to 3).
- ✓ In conjunction with Toronto Children's Services (TCS), and Shelter, Support and Housing Administration (SSHA) continue to advance the City's Human Services Integration initiative with active planning towards a single access number for the phone channel.
- ✓ Continue to advance the objectives of the City's Workforce Development Strategy:
 - Launched an integrated service delivery site with the Province to connect unemployed residents to new training opportunities and jobs arising from Crosstown Eglinton Construction.
 - Met our Partnership to Advance Youth Employment (PAYE) targets of serving over 2000 youth and working with more than 210 employers to connect 1000 youth to jobs.
 - Over 150 City staff participated in the NetWORKS youth mentoring program.
 - Completed the City's first youth internship program with Corporate HR.
 - Leading the City's Workforce Development Month activities including 30+ events held across the City, held in partnership with a range of City Divisions and Community partners.
- ✓ Recipient of Toronto Ombudsman Award for the new Decision Review Model that features conflict resolution principles, transparency, and effective communication.
- ✓ Recipient of the City Manager's Award – Employee Experience, engaging front line staff to design, test, and refine the initial client interfaces with the Program.

Appendix 2

2018 Preliminary Operating Budget by Expenditure Category

Program Summary by Expenditure Category

Category of Expense (\$000's)	2015	2016	2017	2017	2018	2018 Change from		Plan	
	Actual	Actual	Budget	Projected	Preliminary	2017 Approved		2019	2020
	\$	\$	\$	\$	\$	\$	%	\$	\$
Salaries And Benefits	185,842.3	186,227.1	184,609.3	184,702.6	183,507.1	(1,102.1)	(0.6%)	178,755.9	180,718.4
Materials & Supplies	12,437.2	11,507.2	14,166.2	11,606.4	13,491.2	(675.0)	(4.8%)	13,491.2	13,491.2
Equipment	907.4	687.1	1,615.9	739.5	1,615.9			1,615.9	1,615.9
Service And Rent	76,774.8	77,024.1	89,346.5	79,236.1	82,499.7	(6,846.8)	(7.7%)	82,563.7	82,563.7
Contribution To Capital			350.0	350.0		(350.0)	(100.0%)	350.0	350.0
Contribution To Reserves/Reserve Funds	7,828.2	1,028.2	1,143.3	1,143.3	1,147.2	3.9	0.3%	1,147.2	1,147.2
Other Expenditures	748,492.6	762,365.1	774,376.7	793,388.5	796,325.5	21,948.8	2.8%	796,375.5	796,375.5
Inter-Divisional Charges	23,055.8	13,565.2	17,883.5	18,306.1	17,889.3	5.8	0.0%	17,573.1	14,458.1
total Gross Expenditures	1,055,338.3	1,052,404.0	1,083,491.5	1,089,472.5	1,096,476.0	12,984.6	1.2%	1,091,872.6	1,090,720.0
Inter-Divisional Recoveries	425.6	611.9	875.3	875.3	505.0	(370.4)	(42.3%)	505.0	505.0
Provincial Subsidies	889,872.7	898,147.2	930,507.0	944,726.6	963,059.0	32,552.0	3.5%	963,058.9	963,058.9
User Fees & Donations	87.7	36.3	150.0			(150.0)	(100.0%)		
Transfers From Capital					1,205.1	1,205.1	-	1,393.4	1,428.8
Contribution From Reserves/Reserve Funds	8,558.1	1,468.2	23,622.9	16,253.6	22,355.7	(1,267.2)	(5.4%)	13,897.6	10,770.7
Sundry and Other Revenues	17,784.5	18,225.8	17,800.0	17,080.5	18,834.9	1,034.9	5.8%	18,834.9	18,834.9
total Revenues	916,728.6	918,489.4	972,955.1	978,936.2	1,005,959.6	33,004.4	3.4%	997,689.8	994,598.4
total Net Expenditures	138,609.7	133,914.6	110,536.3	110,536.3	90,516.5	(20,019.9)	(18.1%)	94,182.8	96,121.7
approved Positions	2,042.0	2,064.0	2,011.0	1,999.0	1,979.0	(32.0)	(1.6%)	1,882.0	1,882.0

The Program is projecting a zero net variance with higher gross expenditures fully offset by higher expenditure-based provincial subsidies.

For additional information regarding the 2017 Q3 operating variances and year-end projections, please refer to the attached link for the report entitled "Operating Variance Report for the Nine-Month Period Ended September 30, 2017" to be considered by City Council at its meeting on December 5, 2017.

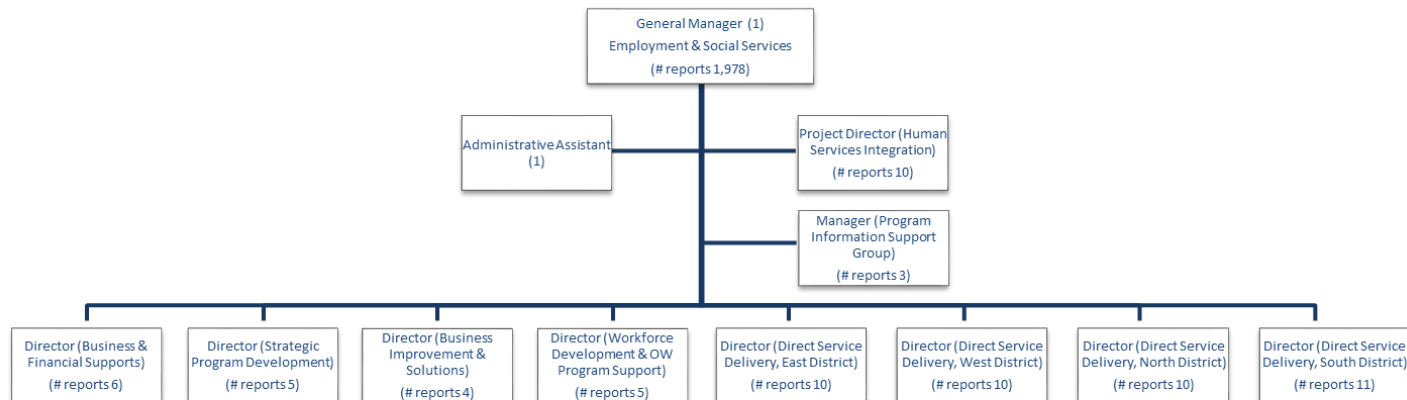
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.BU37.2>

Impact of 2017 Operating Variance on the 2018 Preliminary Operating Budget

- The 2018 caseload budget has been set at 84,000 cases, the same level as 2017. As the projected actuals in 2017 are expected to be in line with the 2017 Approved Operating Budget, there is no anticipated impact of on the 2018 Preliminary Operating Budget.

Appendix 3

2018 Organization Chart



2018 Total Complement

	Category	Senior Management	Management with Direct Reports	Management without Direct Reports/Exempt Professional & Clerical	Union	Total
Operating	Permanent	9.0	214.0	84.0	1,625.0	1,932.0
	Temporary		10.0	2.0	24.0	36.0
	Total Operating	9.0	224.0	86.0	1,649.0	1,968.0
Capital	Permanent			-	-	-
	Temporary	1.0		10.0	-	11.0
	Total Capital	1.0	-	10.0	-	11.0
Grand Total		10.0	224.0	96.0	1,649.0	1,979.0

Appendix 4

Summary of 2018 Service Changes

2018 Operating Budget - Preliminary Service Changes Summary by Service (\$000's)

Form ID	Citizen Focused Services A	Adjustments				2019 Plan Net Change	2020 Plan Net Change	
Category	Equity Impact	Program - Toronto Employment & Social Services	Gross Expenditure	Revenue	Net	Approved Positions		
		2018 Preliminary Base Budget Before Service Changes:	1,100,527.3	1,005,809.6	94,717.7	2,021.00	4,788.9	1,992.9

14358	Reduced Admin Burden due to Two Way Secure Email Project
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51	Positive
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Description:

The new initiative will add two way secure e-mail communications as a new channel. Once implemented, the system will reduce administration, increase staff productivity, decrease the number of lost documents, and improve customer service for residents accessing the OW program. The project is expected to be fully implemented in 2018 and will result in savings of \$2.389 million net in 2018 (28.0 FTE reduction)

Service Level Impact:

The initiative is expected to increase staff productivity and improve customer service to Toronto residents.

Equity Statement:

This initiative will have a positive impact on OW clients, who are persons with low-income. The impacts include: increased access to City services and City information.

Service: SS-Employment Services

Preliminary Service Changes:	(396.6)	0.0	(396.6)	(4.65)	(5.9)	(0.7)
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Service: SS-Financial Supports

Preliminary Service Changes:	(191.1)	0.0	(191.1)	(2.24)	(2.8)	(0.3)
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Service: SS-Integrated Case Management and Service Planning

Preliminary Service Changes:	(1,801.4)	0.0	(1,801.4)	(21.11)	(26.7)	(3.2)
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Total Preliminary Service Changes:	(2,389.1)	0.0	(2,389.1)	(28.00)	(35.5)	(4.2)
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14392	Family Support Admin Realignment due to Provincial Changes
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51	Positive
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Description:

Due to legislative changes, child support would be fully exempt as income and OW recipients would no longer be required to pursue child support in order to qualify for social assistance. As a result, TESS has experienced a decrease in administration activities that led to reduction of 6 positions in 2017 and a further reduction of 7 positions in 2018. The existing staff will be reallocated as the organization goes through its attrition process.

2018 Operating Budget - Preliminary Service Changes Summary by Service (\$000's)

Form ID	Citizen Focused Services A	Adjustments				2019 Plan Net Change	2020 Plan Net Change	
Category	Equity Impact	Program - Toronto Employment & Social Services	Gross Expenditure	Revenue	Net	Approved Positions		
Service Level Impact:								
While certain administrative activities are no longer necessary, TESS will continue to provide a full range of services and supports to families, assist in the pursuit of spousal support and engage with other City divisions and community partners to provide more integrated services. With staff now focussed more on supporting families rather than administrative requirements, the proposal will increase the impacted residents' access to City services.								
Equity Statement:								
The initiative will have a net positive impact on single women with children in receipt of Ontario Works.								
Service: SS-Financial Supports								
Preliminary Service Changes:			(336.1)	0.0	(336.1)	(3.50)	(5.1)	(0.7)
Service: SS-Integrated Case Management and Service Planning								
Preliminary Service Changes:			(336.1)	0.0	(336.1)	(3.50)	(5.0)	(0.7)
Total Preliminary Service Changes:			(672.1)	0.0	(672.1)	(7.00)	(10.1)	(1.3)

12938	Payment Processing Savings due to New Service Provider							
51	No Impact	Description:						
The migration of payment cards to the new payment provider was completed in 2017. As a result, TESS has saved \$0.140 million in 2017, and will be saving an additional \$0.140 million in 2018.								
Service Level Impact:								
There is no service level impact from this initiative.								
Equity Statement:								
There are no equity impacts.								
Service: SS-Financial Supports								
Preliminary Service Changes:			(140.0)	0.0	(140.0)	0.00	0.0	0.0
Total Preliminary Service Changes:			(140.0)	0.0	(140.0)	0.00	0.0	0.0

2018 Operating Budget - Preliminary Service Changes Summary by Service (\$000's)

Form ID		Citizen Focused Services A	Adjustments				2019 Plan Net Change	2020 Plan Net Change																														
Category	Equity Impact		Program - Toronto Employment & Social Services	Gross Expenditure	Revenue	Net			Approved Positions																													
13042		Rent from Wellesley Office Co-location																																				
51	No Impact	Description:																																				
<p>TESS and Ontario Disability Support Program (ODSP) will be co-locating at Wellesley Place, which will generate \$0.300 million rental revenue annually. Rental revenue of \$0.150 million was included in 2017 Operating Budget as the co-location was initially slated to start mid-2017 upon completion of the Wellesley Place renovation. Due to construction delays, TESS and ODSP will be moving in 2018, representing an incremental savings of \$0.150 million in 2018.</p> <p>Service Level Impact:</p> <p>There is no service level impact from this initiative.</p> <p>Equity Statement:</p> <p>There are no equity impacts.</p> <p>Service: SS-Employment Services</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 40%;">Preliminary Service Changes:</td> <td style="width: 15%; text-align: right;">0.0</td> <td style="width: 15%; text-align: right;">24.9</td> <td style="width: 15%; text-align: right;">(24.9)</td> <td style="width: 10%; text-align: right;">0.00</td> <td style="width: 10%; text-align: right;">(24.9)</td> <td style="width: 10%; text-align: right;">0.0</td> </tr> </table> <p>Service: SS-Financial Supports</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 40%;">Preliminary Service Changes:</td> <td style="width: 15%; text-align: right;">0.0</td> <td style="width: 15%; text-align: right;">12.0</td> <td style="width: 15%; text-align: right;">(12.0)</td> <td style="width: 10%; text-align: right;">0.00</td> <td style="width: 10%; text-align: right;">(12.0)</td> <td style="width: 10%; text-align: right;">0.0</td> </tr> </table> <p>Service: SS-Integrated Case Management and Service Planning</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 40%;">Preliminary Service Changes:</td> <td style="width: 15%; text-align: right;">0.0</td> <td style="width: 15%; text-align: right;">113.1</td> <td style="width: 15%; text-align: right;">(113.1)</td> <td style="width: 10%; text-align: right;">0.00</td> <td style="width: 10%; text-align: right;">(113.1)</td> <td style="width: 10%; text-align: right;">0.0</td> </tr> </table> <p>Total Preliminary Service Changes:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 40%;"></td> <td style="width: 15%; text-align: right;">0.0</td> <td style="width: 15%; text-align: right;">150.0</td> <td style="width: 15%; text-align: right;">(150.0)</td> <td style="width: 10%; text-align: right;">0.00</td> <td style="width: 10%; text-align: right;">(150.0)</td> <td style="width: 10%; text-align: right;">0.0</td> </tr> </table>									Preliminary Service Changes:	0.0	24.9	(24.9)	0.00	(24.9)	0.0	Preliminary Service Changes:	0.0	12.0	(12.0)	0.00	(12.0)	0.0	Preliminary Service Changes:	0.0	113.1	(113.1)	0.00	(113.1)	0.0		0.0	150.0	(150.0)	0.00	(150.0)	0.0		
Preliminary Service Changes:	0.0	24.9	(24.9)	0.00	(24.9)	0.0																																
Preliminary Service Changes:	0.0	12.0	(12.0)	0.00	(12.0)	0.0																																
Preliminary Service Changes:	0.0	113.1	(113.1)	0.00	(113.1)	0.0																																
	0.0	150.0	(150.0)	0.00	(150.0)	0.0																																

14362		Savings from Increased Supervisory Span of Control							
51	No Impact	Description:							
<p>The 2018 budget includes service efficiency savings of \$0.850 million net resulting from an increase in the span of control in the local offices to a ratio of 11 staff to 1 supervisor from 10 staff to 1 supervisor over a two year period. This will result in a reduction in supervisory positions by 7.0 FTE in 2018, and a further reduction of 7.0 FTE in 2019. The reductions will be achieved through attrition process.</p> <p>Service Level Impact:</p> <p>There is no service level impact from this initiative.</p>									

2018 Operating Budget - Preliminary Service Changes Summary by Service (\$000's)

	Form ID	Citizen Focused Services A	Adjustments				2019 Plan Net Change	2020 Plan Net Change
Category	Equity Impact	Program - Toronto Employment & Social Services	Gross Expenditure	Revenue	Net	Approved Positions		
Equity Statement:								
There are no equity impacts.								
Service: SS-Employment Services								
		Preliminary Service Changes:	(141.1)	0.0	(141.1)	(1.16)	(155.7)	(8.1)
Service: SS-Financial Supports								
		Preliminary Service Changes:	(68.0)	0.0	(68.0)	(0.56)	(125.1)	(5.2)
Service: SS-Integrated Case Management and Service Planning								
		Preliminary Service Changes:	(640.9)	0.0	(640.9)	(5.28)	(646.2)	(35.3)
		Total Preliminary Service Changes:	(850.1)	0.0	(850.1)	(7.00)	(927.0)	(48.6)
<hr/>								
Summary:								
		Total Preliminary Service Changes:	(4,051.3)	150.0	(4,201.3)	(42.00)	(1,122.6)	(54.1)
		Total Preliminary Base Budget:	1,096,476.0	1,005,959.6	90,516.5	1,979.00	3,666.4	1,938.8

Appendix 6

Inflows/Outflows to/from Reserves & Reserve Funds

Program Specific Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2017 * \$	Withdrawals (-) / Contributions (+)		
			2018	2019	2020
			\$	\$	\$
Projected Beginning Balance		31,027.6	31,027.6	21,714.9	12,721.7
National Child Benefit Supplement	XR2102				
<i>Proposed Withdrawals (-)</i>			(9,623.0)	(9,123.5)	(6,723.5)
<i>Contributions (+)</i>			310.3	130.3	76.3
Total Reserve / Reserve Fund Draws / Contributions		31,027.6	21,714.9	12,721.7	6,074.5
Balance at Year-End		31,027.6	21,714.9	12,721.7	6,074.5

* Based on 9-month 2017 Reserve Fund Variance Report

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2017 * \$	Withdrawals (-) / Contributions (+)		
			2018	2019	2020
			\$	\$	\$
Projected Beginning Balance		4,222.3	4,222.3	2,747.6	1,264.1
Kids at Computer Scholarship Project	XR2104				
<i>Proposed Withdrawals (-)</i>			(1,500.0)	(1,500.0)	(1,271.7)
<i>Contributions (+)</i>			25.3	16.5	7.6
Total Reserve / Reserve Fund Draws / Contributions		4,222.3	2,747.6	1,264.1	0.0
Balance at Year-End		4,222.3	2,747.6	1,264.1	0.0

* Based on 9-month 2017 Reserve Fund Variance Report

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2017 * \$	Withdrawals (-) / Contributions (+)		
			2018	2019	2020
			\$	\$	\$
Projected Beginning Balance		16,918.9	16,918.9	8,838.5	8,891.5
Ontario Works	XR2101				
<i>Proposed Withdrawals (-)</i>			(8,181.9)		
<i>Contributions (+)</i>			101.5	53.0	53.3
Total Reserve / Reserve Fund Draws / Contributions		16,918.9	8,838.5	8,891.5	8,944.8
Balance at Year-End		16,918.9	8,838.5	8,891.5	8,944.8

* Based on 9-month 2017 Reserve Fund Variance Report

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2017 * \$	Withdrawals (-) / Contributions (+)		
			2018	2019	2020
			\$	\$	\$
Projected Beginning Balance		18,663.8	18,663.8	11,802.9	7,319.8
Social Assistance Stabilization Reserve Fund	XQ1054				
<i>Proposed Withdrawals (-)</i>			(6,860.8)	(4,483.1)	(3,440.0)
<i>Contributions (+)</i>					
Total Reserve / Reserve Fund Draws / Contributions		18,663.8	11,802.9	7,319.8	3,879.8
Balance at Year-End		18,663.8	11,802.9	7,319.8	3,879.8

* Based on 9-month 2017 Reserve Fund Variance Report

Corporate Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2017 \$	Withdrawals (-) / Contributions (+)		
			2018 \$	2019 \$	2020 \$
Projected Beginning Balance		25,981.1	25,981.1	26,864.7	27,748.3
Insurance Reserve Fund	XR1010				
<i>Proposed Withdrawals (-)</i>					
<i>Contributions (+)</i>			883.6	883.6	883.6
Total Reserve / Reserve Fund Draws / Contributions		25,981.1	26,864.7	27,748.3	28,631.9
Balance at Year-End		25,981.1	26,864.7	27,748.3	28,631.9

* Based on 9-month 2017 Reserve Fund Variance Report

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2017 \$	Withdrawals (-) / Contributions (+)		
			2018 \$	2019 \$	2020 \$
Projected Beginning Balance		28,251.5	28,251.5	28,515.1	28,778.7
Sick Leave Reserve Fund	XR1007				
<i>Proposed Withdrawals (-)</i>					
<i>Contributions (+)</i>			263.6	263.6	263.6
Total Reserve / Reserve Fund Draws / Contributions		28,251.5	28,515.1	28,778.7	29,042.3
Balance at Year-End		28,251.5	28,515.1	28,778.7	29,042.3

* Based on 9-month 2017 Reserve Fund Variance Report