



# Toronto 2015 BUDGET

## OPERATING PROGRAM SUMMARY



## Toronto Employment and Social Services

### 2015 OPERATING BUDGET OVERVIEW

Toronto Employment and Social Services (TESS) provides employment services, financial assistance and social supports to Torontonians to strengthen their social and economic well-being in their communities.

#### 2015 Budget Highlights

The total cost to deliver this service to Toronto residents in 2015 is \$1,113.171 million gross and \$151.348 million net as shown below.

(in \$000's)	2014 Budget	2015 Budget	Change	
			\$	%
Gross Expenditures	1,172,327.6	1,113,171.2	(59,156.4)	(5.0%)
Gross Revenues	999,963.3	961,823.7	(38,139.6)	(3.8%)
<b>Net Expenditures</b>	<b>172,364.3</b>	<b>151,347.5</b>	<b>(21,016.8)</b>	<b>(12.2%)</b>

Savings from the reduction in the Ontario Works (OW) caseload and the upload of OW financial benefits, provides the offsets for Program base budget pressures, primarily resulting from inflationary increases in salary and non-payroll expenses, provincial policy and rate changes and the accelerated loss in Provincial funding assistance.

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7. 2015 User Fee Rate Changes N/A

**Fast Facts**

- TESS is the 3rd largest social assistance (SA) delivery system in Canada with 19 Employment Centres (EC).
- Assisted 240,000 people, 1 in 10 Torontonians.
- Assessed 55,000 applications for OW.
- Assisted 26,000 OW clients find work.
- 245,000 clients visited Employment Centres.
- 46,500 participants are enrolled in employment readiness programs.
- Over 60% of OW clients identified multiple barriers to employment and less than 50% have Canadian work experience.

**Trends**

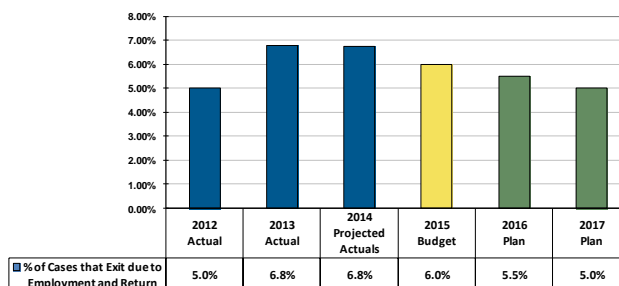
- In 2013 and 2014, 6.8% of new OW cases had previously left OW for employment.
- The percentage of clients that return to OW after leaving for employment will steadily decline over the next three years due to a range of responsive employment service strategies available to OW clients that will allow them to realize their career goals and transition to sustainable employment.
- On an average, OW clients are on assistance for more than 2 years.

**Our Service Deliverables for 2015**

TESS has established the following service deliverables for 2015:

- Manage an average monthly caseload of 93,500;
- Process 55,000 applications for OW and manage the ongoing eligibility for financial assistance for 172,500 families and singles;
- Ensure high quality employment service plans are in place for all clients;
- Assist 28,000 unemployed City residents find and/or sustain employment;
- Provide medical benefits to eligible social assistance and low income Toronto residents;
- Continue to advance the City's Workforce Development Strategy, including:
  - The development of a Youth Employment Strategy
  - Expanding the Partnership to Advance Youth Employment (PAYE)
  - Supporting the employment objectives of other key City strategies such as the Seniors Strategy, Newcomer Strategy and the Youth Equity Strategy
- Transform TESS' service delivery model to better support OW clients transition to employment, improve service and realize operational efficiencies.

**Job Retention Percentage –  
% of cases that exit due to employment and return**

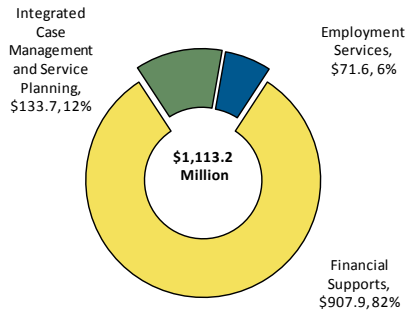


2015 Operating Budget Expenses & Funding

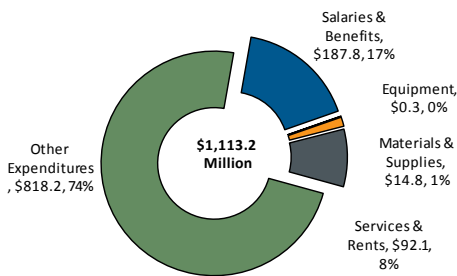
Our Key Challenges & Priority Actions

Where the money goes:

**2015 Budget by Service**  
\$1,113.2 Million

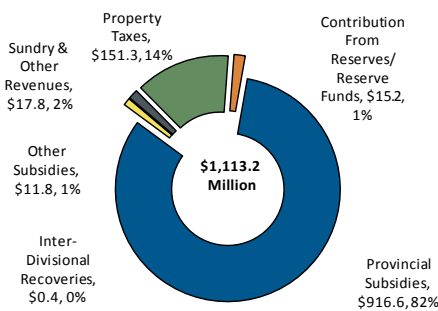


**2015 Budget by Expenditure Category**



Where the money comes from:

**2015 Budget by Funding Source**



- Increasing number of people on OW are more distant from the labour market, and require more intensive supports to transition to employment.

- ✓ The 2015 Operating Budget includes \$1.889 million in increased employment supports for OW recipients.
- ✓ Continue to advance the City's Workforce Development Strategy by connecting job seekers to employers and job opportunities arising from local and City-wide initiatives.
- ✓ Continue to improve the design and delivery of employment services and access to employment opportunities for social assistance recipients, including residents from disadvantaged groups (eg youth, newcomers, older workers and those with disabilities).
- ✓ Utilize the new provincial Employment Related Benefit program to better meet the employment service needs of social assistance recipients.
- ✓ Work with employers to expand the Partnership to Advance Youth Employment (PAYE) model.

- Potential impacts of the ongoing implementation of the new provincial social assistance delivery technology, Social Assistance Management System (SAMS):

- ✓ TESS will continue to work with the Province and other municipalities to develop strategies and prioritize actions to improve SAMS functionality and address critical deficiencies.

2015 Operating Budget Highlights

- The 2015 Operating Budget for Toronto Employment and Social Services of \$151.348 million net is \$21.017 million or 12.2% lower than the 2014 Approved Budget and will enable the Program to maintain the 2014 service levels as well as:

- Advance the City's Workforce Development strategy;
- Provide increased funding for employment services;
- Manage an average monthly caseload of 93,500;
- Provide financial and employment benefits for 172,500 families and singles.

## COUNCIL APPROVED BUDGET

City Council approved the following recommendations:

City Council approved the 2015 Operating Budget for Toronto Employment and Social Services of \$1,113.171 million gross, \$151.348 million net for the following services:

<u>Service</u>	Gross (\$000s)	Net (\$000s)
Employment Services:	71,566.8	19,252.5
Financial Supports:	907,935.7	80.284.2
Integrated Case Management and Service Planning:	133,668.7	51.811.8
Total Program Budget	<u>1,113,171.2</u>	<u>151,347.5</u>

1. City Council approved the 2015 service levels for Toronto Employment and Social Services as outlined on pages 16, 20, and 24 of this report and associated staff complement of 2,091.0 positions.



## **Part I:**

2015 – 2017

Service Overview and  
Plan

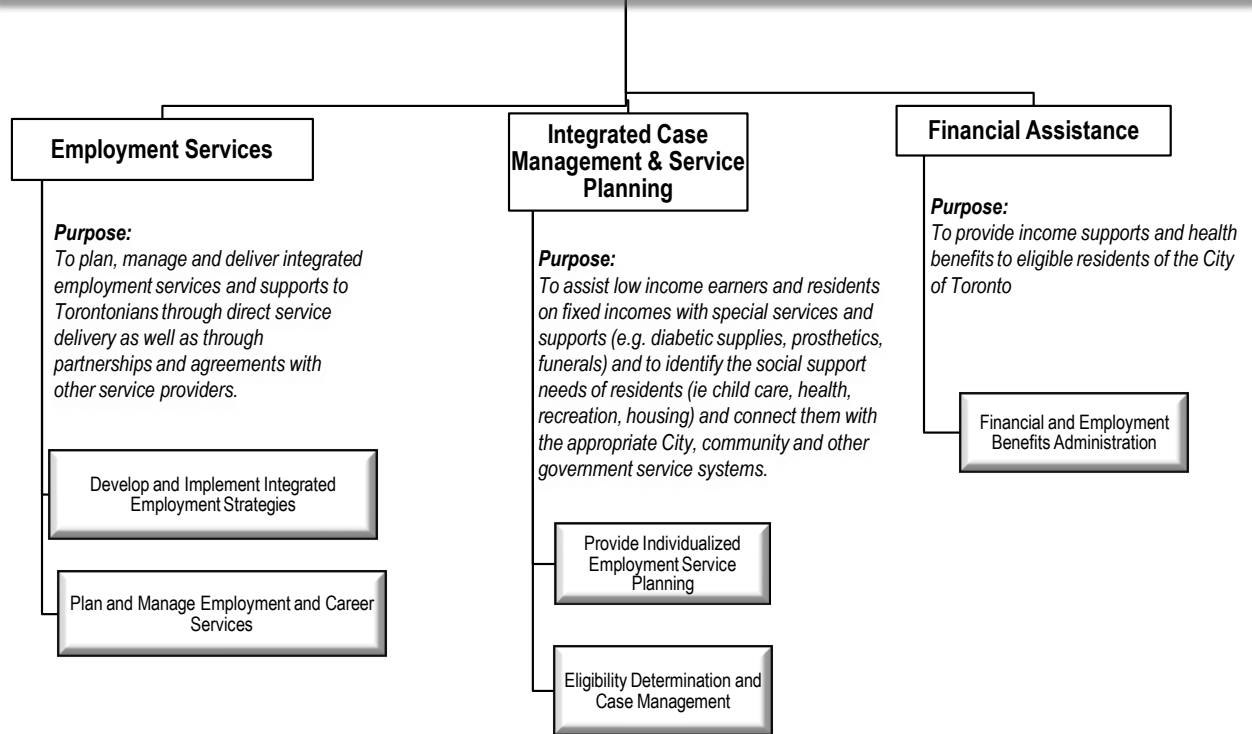
# Program Map

**Toronto Employment and Social Services**

*Our vision is to strengthen the social and economic well-being of Torontonians in their communities. Our mission is to provide employment services, financial benefits and social supports that make our vision a reality.*

*Our work is to:*

- Develop and provide integrated employment services, supports and opportunities.
- Deliver financial benefits.
- Advocate for policies, programs and services that better support Torontonians in their communities.
- Invest in skilled staff at all levels to respond to a dynamic environment.



Service Customer

**Employment Services**

- Low income Toronto Residents
- Unemployed & under-employed Toronto Residents
- Ontario Works (OW) Program Recipients and Adult Dependents
- Ontario Disability Support Program (ODSP) Program Recipients and Adult Dependents
- Community Agencies and Networks
- Employers
- Provincial Ministries (Ministry of Community & Social Services, Ministry of Training, Colleges and Universities, Ministry of Citizenship and Immigration)
- Service Canada
- Other City divisions / Agencies

**Financial Assistance**

- Ontario Works (OW) Program Participants and Dependents
- Ontario Disability Support Program (ODSP) Program Participants and Dependents
- Ministry of Community & Social Services

**Social Supports**

- Low-Income Residents, including seniors and youth
- Ontario Works (OW) Program Participants and Dependents
- Ontario Disability Support Program (ODSP) Program Participants and Dependents
- Ministry of Community & Social Services
- Other City divisions / Agencies
- Community Agencies

## 2015 Service Deliverables

The 2015 Operating Budget of \$1,113.171 million gross and \$151.348 million net for Toronto Employment and Social Services will allow the Program to:

- Manage an average monthly caseload of 93,500;
- Process 55,000 applications for OW and manage the ongoing eligibility for financial assistance for 172,500 families and singles;
- Ensure high quality employment service plans are in place for all clients;
- Assist 28,000 unemployed City residents find and/or sustain employment;
- Provide consultation and support for 260,000 visits to Employment Centres (EC) across the City;
- Manage the Housing Stabilization Fund (HSF) to meet the emergency housing need of Torontonians on social assistance, including streamlining the process for ODSP recipients;
- Provide medical benefits to eligible social assistance and low income Toronto residents;
- Continue to advance the City's Workforce Development Strategy, including:
  - ✓ The development of a Youth Employment Strategy
  - ✓ Expanding the Partnership to Advance Youth Employment (PAYE)
  - ✓ Supporting the employment objectives of other key City strategies such as the Seniors Strategy, Newcomer Strategy and the Youth Equity Strategy
- Transform TESS' service delivery model to better support OW clients transition to employment, improve service and realize operational efficiencies;
- Support local and City-wide initiatives that promote workforce development, including establishing and executing employment plans (i.e. Alexandra Park, Metrolinx) , establishing joint employment service delivery and planning initiatives with Economic Development & Culture and Social Development, Finance & Administration Divisions and developing responsive local employment plans in each office/district;
- Establish a risk management framework as a basis for ensuring the appropriate stewardship of financial benefits and employment services delivered by the division;
- Identify opportunities for increased business and administrative efficiencies in conjunction with relevant City and Cluster and corporate priorities; and
- Leverage opportunities to increase online channels of access, including social media, to effectively serve customers.

**Table 1**  
**2015 Approved Operating Budget and Plan by Service**

(In \$000s)	2015 Operating Budget					2015 vs. 2014		Incremental Change			
	2014		2015			Budget Approved		2016		2017	
	Approved Budget	Actual	2015 Base	New/Enhanced	2015 Budget	Changes	%	2016	%	2017	%
By Service	\$	\$	\$	\$	\$	\$	%	\$	%	\$	%
<b>Employment Services</b>											
Gross Expenditures	71,864.2	64,396.8	71,076.3	490.5	71,566.8	(297.4)	(0.4%)	207.7	0.3%	301.5	0.4%
Revenue	50,966.5	45,914.4	52,023.7	290.5	52,314.2	1,347.7	2.6%	476.7	0.9%	584.4	1.1%
<b>Net Expenditures</b>	<b>20,897.7</b>	<b>18,482.4</b>	<b>19,052.5</b>	<b>200.0</b>	<b>19,252.5</b>	<b>(1,645.2)</b>	<b>(7.9%)</b>	<b>(269.0)</b>	<b>(1.4%)</b>	<b>(282.9)</b>	<b>(1.5%)</b>
<b>Financial Supports</b>											
Gross Expenditures	957,410.2	864,296.5	907,769.7	166.0	907,935.7	(49,474.5)	(5.2%)	(2,035.1)	(0.2%)	(2,128.3)	(0.2%)
Revenue	864,042.5	778,392.4	827,511.5	140.0	827,651.5	(36,391.0)	(4.2%)	10,203.4	1.2%	23,455.6	2.8%
<b>Net Expenditures</b>	<b>93,367.7</b>	<b>85,904.1</b>	<b>80,258.3</b>	<b>26.0</b>	<b>80,284.3</b>	<b>(13,083.4)</b>	<b>(14.0%)</b>	<b>(12,238.4)</b>	<b>(15.2%)</b>	<b>(25,583.8)</b>	<b>(37.6%)</b>
<b>Integrated Case Management and Service Planning</b>											
Gross Expenditures	143,053.2	129,140.5	132,349.2	1,319.5	133,668.7	(9,384.5)	(6.6%)	752.9	0.6%	1,081.5	0.8%
Revenue	84,954.3	76,533.0	80,538.5	1,319.5	81,858.0	(3,096.3)	(3.6%)	340.6	0.4%	626.4	0.8%
<b>Net Expenditures</b>	<b>58,098.9</b>	<b>52,607.5</b>	<b>51,810.8</b>	<b>-</b>	<b>51,810.8</b>	<b>(6,288.1)</b>	<b>(10.8%)</b>	<b>412.3</b>	<b>0.8%</b>	<b>455.1</b>	<b>0.9%</b>
<b>Total</b>											
Gross Expenditures	1,172,327.6	1,057,833.8	1,111,195.2	1,976.0	1,113,171.2	(59,156.4)	(5.0%)	(1,074.4)	(0.1%)	(745.2)	(0.1%)
Revenue	999,963.3	900,839.8	960,073.6	1,750.0	961,823.6	(38,139.7)	(3.8%)	11,020.7	1.1%	24,666.4	2.5%
<b>Total Net Expenditures</b>	<b>172,364.3</b>	<b>156,994.0</b>	<b>151,121.5</b>	<b>226.0</b>	<b>151,347.5</b>	<b>(21,016.8)</b>	<b>(12.2%)</b>	<b>(12,095.1)</b>	<b>(8.0%)</b>	<b>(25,411.6)</b>	<b>(18.2%)</b>
<b>Approved Positions</b>	<b>2,151.5</b>	<b>2,065.0</b>	<b>2,066.0</b>	<b>25.0</b>	<b>2,091.0</b>	<b>(60.5)</b>	<b>(2.8%)</b>				

The 2015 Operating Budget for Toronto Employment and Social Services is \$1,113.171 million gross and \$151.348 million net which is \$21.016 million or 12.2% lower than the 2014 Budget of \$172.364 million net due to the following:

- Base expenditure changes of \$7.702 million are primarily attributable to salary and non-salary inflationary increases and the impact of provincial policy and rate changes which have been offset by savings in OW caseload and elimination of contribution to reserve funds no longer required.
- The other base adjustments include revenue changes of \$11.891 million from provincial uploading of costs that have been reduced by the accelerated loss in Provincial funding assistance, as highlighted on age 31.
- The 2016 and 2017 Plans reflect inflationary increases for salary related and non-payroll expenditures. The 2016 Plan includes the operating pressure resulting from the final year of the accelerated loss in Provincial funding assistance (Please refer to page 31 for further details). The base pressures are expected to be more than offset by reduced OW benefit costs from the continuing provincial uploading and reduced contributions to the NCBS reserve fund. As 2016 is a collective bargaining year, no cost of living allowance estimate has been included.

Approval of the 2015 Operating Budget will result in Toronto Employment and Social Services reducing its total staff complement by 60.5 positions, across all services, from 2,151.5 to 2,091.0, as highlighted in the table below:



**Table 2**  
**2015 Total Staff Complement**

Changes	2015 Budget				Plan	
	Employment Services	Financial Services	Integrated Case Management and Service Planning	Total	2016	2017
<b>2014 Approved Complement</b>	372.5	306.6	1,472.5	2,151.5	2,151.5	2,151.5
<b>Adjusted 2014 Staff Complement</b>	372.5	306.6	1,472.5	2,151.5	2,151.5	2,151.5
<b>Recommended Change in Staff Complement</b>						
OW Average Monthly Caseload	(13.0)	(6.3)	(59.2)	(78.5)	(78.5)	(78.5)
Staffing Changes	1.7	0.7	15.6	18.0	18.0	18.0
<b>Total</b>	<b>361.1</b>	<b>301.0</b>	<b>1,428.9</b>	<b>2,091.0</b>	<b>2,091.0</b>	<b>2,091.0</b>
<b>Position Change Over Prior Year</b>	<b>(11.4)</b>	<b>(5.6)</b>	<b>(43.6)</b>	<b>(60.5)</b>	<b>(60.5)</b>	<b>(60.5)</b>
<b>% Change Over Prior Year</b>	<b>(3.05%)</b>	<b>(1.82%)</b>	<b>(2.96%)</b>	<b>(2.81%)</b>	<b>(2.81%)</b>	<b>(2.81%)</b>

- The 2015 Base Budget includes a decrease of 60.5 positions as follows:
  - A decrease of 78.5 FTE in caseload contingent staff is based on a caseload reduction of 7,500 at a staffing ratio of 10.5 FTE per 1,000 cases.
  - 6 vacant management positions and 2 vacant bargaining unit positions are being deleted with no impact on service levels.
  - 1 temporary director position is being added to manage the service integration initiative. The position will be cost shared with Children's Services.
  - Increase of 25 temporary positions to manage SAMS system integration

The 2015 Operating Budget for Toronto Employment and Social Services includes base expenditures charges of \$9.352 million and base revenue changes of \$11.891 million as detailed below:

**Table 3**  
**Key Cost Drivers**

(In \$000s)	2015 Operating Budget			Total Rec'd 2015 Base Budget
	Employment Services	Financial Supports	Integrated Case Management and Service Planning	
<b>Gross Expenditure Changes</b>				
<b>Prior Year Impacts</b>				
Reversal of SAS Reserve Draw in 2014		4,980.0		4,980.0
<b>Economic Factors</b>				
Corporate Economic Factors	7.8	5.6	31.1	44.6
<b>COLA and Progression Pay</b>				
Cola, Progression Pay, step increases and other changes to align salary budget with actual experience	537.4	300.5	1,473.8	2,311.7
<b>Other Base Changes</b>				
Cost of Administration (COA) Subsidy Adjustment	662.2	(286.7)	1,872.8	2,248.2
Provincial Rate Increase (1% rate adult OW recipients, additional top-up, and Ontario Child Benefit adjustment)		1,528.6		1,528.6
Increase in the Employment Assistance (EA) Envelope	103.2	1,785.4		1,888.6
Discretionary Benefits		26.3		26.3
Increase in Client Benefit Payments	39.5	32.1	162.4	234.0
Capital Budget Elimination and Resources for Technology initiatives	83.1	67.3	341.1	491.4
Reversal of Reserve Draws (no longer required)	(1,862.0)	(4,598.5)	(7,643.0)	(14,103.4)
OW Average Monthly Caseload - caseload reduction of 7,500	(538.6)	(5,583.1)	(2,497.9)	(8,619.6)
Special Diet - align budget with current demand		(258.0)		(258.0)
Other Non-Salary Expenditures	(419.9)	492.9	92.1	165.1
Staff Changes	(108.0)	(36.3)	(120.6)	(264.9)
SAS Draw - SPIDER Program		(24.3)		(24.3)
<b>Total Gross Expenditure Changes</b>	<b>(1,495.2)</b>	<b>(1,568.4)</b>	<b>(6,288.1)</b>	<b>(9,351.7)</b>
<b>Revenue Changes</b>				
Original Ontario Municipal Partnership Fund (OMPF Clawback)		6,900.0		6,900.0
Accelerated loss in Provincial funding assistance		4,900.0		4,900.0
Upload Adjustment to Subsidies	(350.0)	(23,341.1)		(23,691.1)
<b>Total Revenue Changes</b>	<b>(350.0)</b>	<b>(11,541.1)</b>		<b>(11,891.1)</b>
<b>Net Expenditure Changes</b>	<b>(1,845.2)</b>	<b>(13,109.4)</b>	<b>(6,288.1)</b>	<b>(21,242.8)</b>

Key cost drivers for Toronto Employment and Social Services are discussed below:

- Prior year impacts create a \$4.980 million pressure on the budget due to the reversal of the one-time contribution from the SAS reserve fund to mitigate the impact of the accelerated loss in Provincial funding assistance in 2014.
- Cost of living adjustments, including contractually obligated cost of living allowance, progression pay and associated fringe benefit adjustments add a pressure of \$2.312 million.
- Other key changes to the base budget are discussed below:

#### *Provincial Rate Changes*

- Ontario Works (OW) rate changes announced in the Provincial budget effective October 2014 include a 1% rate increase for OW families, a \$30 per month rate increase (about 5%) for adult singles without children receiving OW, and \$8 monthly reduction for children's supplement due to the increase in Ontario Child Benefit (OCB) in July 2014. The resulting pressure on *Financial Supports* service is \$1.529 million net in 2015.

#### *Increase in Employment Assistance (EA) Envelope*

- An increased investment in employment supports for OW recipients adds a pressure of \$1.889 million net primarily in the *Financial Supports* Service. This added investment will help support clients currently on OW who are more distant from the labour market and require more intensive interventions and supports to help them find sustainable employment.

#### *Ontario Works (OW) Average Monthly Caseload*

- A reduction of 7,500 cases from the 2014 budgeted average annual monthly caseload of 101,000 to reflect historical trends and economic forecasts of Toronto's labour market will generate savings of \$8.620 million net across all services.

#### *Reversal of Reserve Draws*

- The contributions to the Ontario Works and National Child Benefit Supplement reserve fund have been eliminated as the contributions to reserves is no longer required and will result in savings of \$14.103 million as follows:
  - The Ontario Works reserve provides flexibility to manage and mitigate the risks associated with a program delivery funding envelope based on caseload. As the projected 2014 year-end balance of \$22.191 million is sufficient to protect against the staffing impact of an unbudgeted 10,000 caseload increase, no contribution is required for 2015. The 2014 budgeted contribution was \$11.000 million.
  - The City's share of child benefit restructuring savings generated by changes to OW benefit rates made with the introduction of the Ontario Child Benefit are contributed to National Child Benefit Supplement (NCBS) reserve fund and drawn as required to fund various initiatives benefiting families with children. The City's share of the savings will

fall by \$3.103 million for *Financial Supports* in 2015 due to the ongoing provincial upload of OW benefits.

*Upload Adjustment to Subsidies and the accelerated loss in Provincial funding assistance*

- An increase in provincial subsidies for financial, medical and employment benefits reflect 2015's cost sharing ratio of 91.4% Provincial and 8.6% City, and will generate savings of \$23.691 million. The above savings will be reduced by the accelerated loss in Provincial funding assistance, as highlighted on page 31. These changes are predominately affecting the 2015 budget for *Financial Supports Services*.

*Housing Stabilization Fund (HSF)*

- The 2015 budget for HSF of \$27.957 million gross and \$1.525 million net is unchanged from 2014 and, based on actual experience, is sufficient to meet the projected service demands in 2015. The HSF provides resources to prevent evictions and assist social assistance clients to obtain housing, retain their housing or relocate to more appropriate or affordable accommodation.

*Hardship Fund*

- The Hardship Fund provides financial assistance to help cover the costs of specific medical benefits including prescription drugs, medically based items (i.e. prosthetics), dental and denture needs, eyeglasses, and funerals for low-income individuals who are ineligible for OW or ODSP. The 2015 Operating Budget includes \$1.000 million gross and net for the Hardship Fund, the same level as in 2014.

Table 5

## 2015 New &amp; Enhanced Service Priorities Summary

Description (\$000s)	New and Enhanced						Total Appr'd Service			Incremental Change			
	Employment Services		Financial Supports		Integrated Case Management and Service Planning		\$'s	\$'s	Position	2016 Plan		2017 Plan	
	Gross	Net			Gross	Net	Gross	Net	#	Net	Pos.	Net	Pos.
<b>Enhanced Services Priorities</b>													
Additional Staff to Manage SAMS Issues	290.5		140.0		1,319.5		1,750.0		25.0				
Poverty Reduction - Employment Program	200.0	200.0					200.0	200.0					
Poverty Reduction - Hardship Funding Inflationary Increase			26.0	26.0			26.0	26.0					
<b>Sub-Total</b>	490.5	200.0	166.0	26.0	1,319.5		1,976.0	226.0	25.0				
<b>Total</b>	490.5	200.0	166.0	26.0	1,319.5		1,976.0	226.0	25.0				

**New & Enhanced Service Priorities (\$1.976 million gross & \$0.226 million net)**

*Additional Staff to Manage SAMS Issues \$1.750 million gross and \$0 net*

- 25 additional temporary positions are included in the Program's complement for \$1.760 million gross required to assist the Program manage client data base issues that have occurred through the transition to the new SAMS (Social Assistance Management System) IT system that was implemented in November, 2014.

*Employment Program for Single Parents \$0.200 million gross and net*

- As part of the Poverty Reduction Initiatives \$0.200 million gross and net is included as a pilot program to assist single parents on OW achieve meaningful employment, with to a portion of child cares subsidies provided Children's Services earmarked to assist young mothers manage their family responsibilities.

*Hardship Funding Inflationary Increase \$0.026 million gross and net*

- As part of the Poverty Reduction Initiatives \$0.026 million gross and net is included to support the inflationary pressures experienced by TESS as part of its ongoing programming

The 2015 Operating Budget will result in a 2016 incremental net savings of \$12.095 million and a 2017 incremental net savings of \$25.412 million while maintaining the 2015 level of service as discussed in the following section.

**Table 6**  
**2016 and 2017 Plan by Program**

Description (\$000s)	2016 - Incremental Increase					2017 - Incremental Increase				
	Gross Expense	Revenue	Net Expense	% Change	# Positions	Gross Expense	Revenue	Net Expense	% Change	# Positions
<b>Known Impacts:</b>										
Upload Adjustment to Subsidies		22,357.0	(22,357.0)	(14.6%)			23,953.9	(23,953.9)	(17.2%)	
Contribution to the NCBS Reserve	(2,193.0)		(2,193.0)	(1.4%)		(2,372.0)		(2,372.0)	(1.7%)	
Original Ontario Municipal Partnership Fund (OMPF Clawback)		(6,800.0)	6,800.0	4.5%						
Accelerated loss in Provincial funding assistance		(4,999.5)	4,999.5	3.6%						
Salary and Benefit Adjustment	1,110.3	555.2	555.2	0.4%		1,598.5	799.3	799.3	0.6%	
Economic Factors - Non-Salary	8.2	(92.0)	100.2	0.1%		28.2	(86.8)	115.1	0.1%	
<b>Sub-Total</b>	<b>(1,074.4)</b>	<b>11,020.7</b>	<b>(12,095.1)</b>	<b>(7.9%)</b>		<b>(745.2)</b>	<b>24,666.4</b>	<b>(25,411.6)</b>	<b>(18.2%)</b>	
<b>Total Incremental Impact</b>	<b>(1,074.4)</b>	<b>11,020.7</b>	<b>(12,095.1)</b>	<b>(7.9%)</b>		<b>(745.2)</b>	<b>24,666.4</b>	<b>(25,411.6)</b>	<b>(18.2%)</b>	

Future year incremental costs are primarily attributable to the following:

#### Known Impacts

- The ongoing Provincial uploading of OW Benefits will reduce the City's share from 8.6% in 2015 to 5.8% in 2016 and 2.8% in 2017. The budget impact will be \$22.357 million in 2016 and \$23.954 million in 2017;
- The City's share of child benefit restructuring savings which are contributed to the NCBS reserve fund will fall by \$2.193 million in 2016 and \$2.372 million in 2017 due to the upload of OW benefits.
- The last year of the accelerated loss in Provincial funding assistance will result in an additional \$5.0 million pressure in 2016.
- Progression pay, step and fringe benefits increases will result in increased pressure in future years. Since 2016 is a collective bargaining year, no cost of living allowance is included.
- Inflationary increases for non-payroll expenditures are anticipated to be of \$0.100 million in 2016 and \$0.115 million in 2017.



## **Part II:**

Council Approved  
Budget

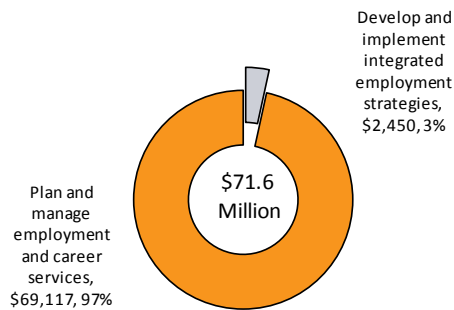
### Employment Services



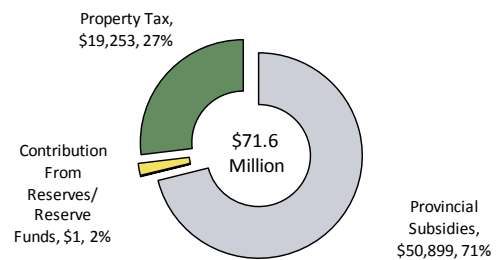
#### What We Do

- Plan, manage and deliver employment services.
- Provide employment services to city residents and employers in partnership with community agencies.
- Work with other governments to create an integrated employment service system for the City.

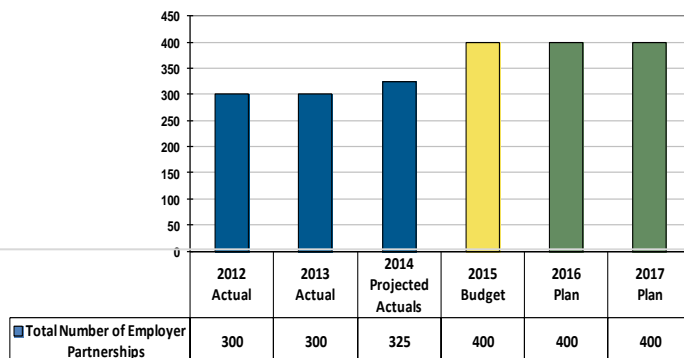
#### 2015 Service Budget by Activity (\$000s)



#### Service by Funding Source (\$000s)



#### Annual number of employer partnerships



- The number of employers currently registered in the WorkOne database that participate in employment service initiatives with the City has increased from 300 in 2013 to 325 in 2014.
- The number of employer partnerships is targeted to increase to 400 in 2015 to advance the Workforce Development Strategy.



## 2015 Service Levels

### Employment Services

Activity	Type	Status	Service Levels				Comments
			2012	2013	2014	2015	
Develop and Implement Integrated Employment Strategies	Coordinated and accessible employment service system that meets the needs of employers, residents and communities.	Approved	Initiate implementation of plan	Initiate implementation of plan	Continue implementation of plan		See note 1.
	Employer Partnerships, Redevelopment, Commercial and Sectoral Employment Plans	Approved	Ongoing implementation of 13 designated initiatives	Ongoing implementation of 13 designated initiatives	23 employment initiatives	23 active employment initiatives	
	Local Employment Service Plans	Approved	Complete implementation of 5 plans and begin implementation of remaining 13	Continue implementation of 18 local employment service plans	Continue implementation of 18 local employment service plans		See note 1.
	Government Partnerships; Interdivisional partnerships;	Approved	Continue existing inter-governmental planning and co-ordination groups	Continue existing inter-governmental planning and co-ordination groups	Continue existing inter-governmental planning and co-ordination groups		See note 1.
Plan and Manage Employment and Career Services	External training program and employment placements (Private Sector and Non-Profit) to increase job prospects and employment	Approved	30,000 people attend education / upgrading programs	30,000 people attend education / upgrading programs	38,700 people attend education / upgrading programs		See notes 1 & 2.
	# of OW clients attending an education, training, pre-employment, job search, work placement or self employment development program	Approved				47,500 OW clients	See note 3.
	Range of activities to help people find jobs (eg Job Search Assistance, Skill Training / Upgrading, Self-employment programs, Career Planning, Job Matching, Workshops/Job Fairs, labour market information/ job search support, referral to employment program	Approved	214,200 visits to employment centres	214,200 visits to employment centres	255,000 visits to employment centres	260,000 visits to employment centres	
	Recruitment Services for Employers	Approved	Provide a range of recruitment services from job matching to job fairs with 150 employers	Provide a range of recruitment services from job matching to job fairs with 200 employers	Provide a range of recruitment services from job matching to job fairs with 400 individual employers	Provide a range of recruitment services with 400 individual employers	
	Provision of job retention services and supports (eg extended employment health benefits, support referrals and case management)	Approved	700 cases per month receive extended employment health benefits	700 cases per month receive extended employment health benefits	700 cases per month receive extended employment health benefits	11% of eligible recipients receive extended employment health benefits	

*Note 1: As part of the 2015 Budget Process, TESS reviewed its 2014 service levels to ensure they were relevant, measurable and client focused. As a result of the review, 4 service levels were deleted and 1 new one was added.*

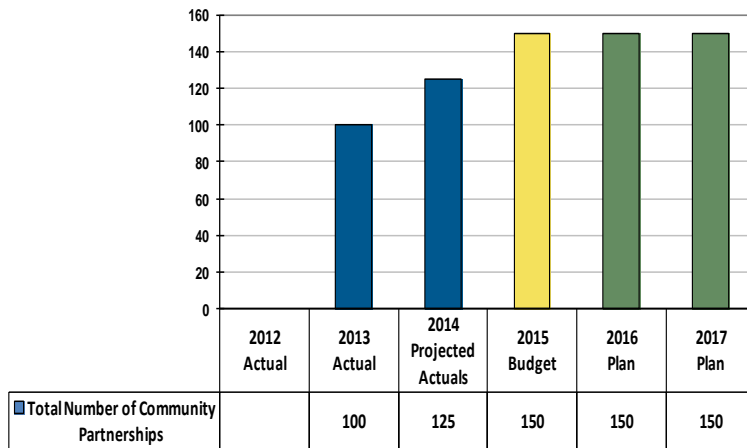
*Note 2: The service level "External training program and employment placements (Private Sector and Non-Profit) to increase job prospects and employment" was replaced by "# of OW clients attending an education, training, pre-employment, job search, work placement or self employment development program".*

*Note 3: New for 2015 and replaces "External training program and employment placements (Private Sector and Non-Profit) to increase job prospects and employment".*

The 2015 Service Levels are consistent with the 2014 Service Levels. Several technical adjustments to realign service level types have been reflected here.

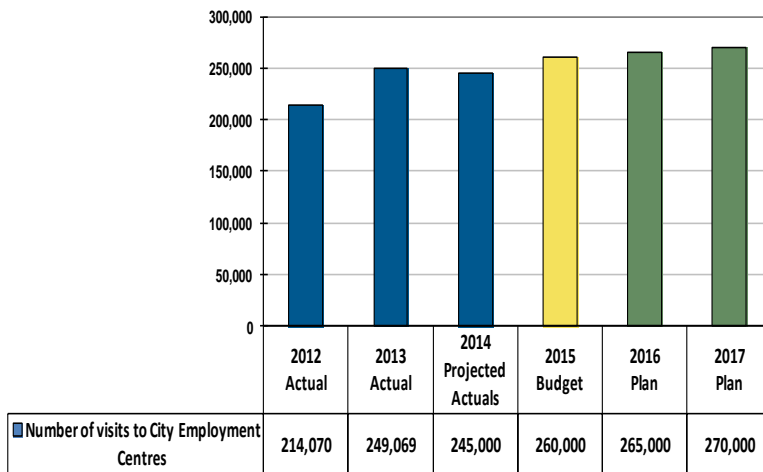
## Service Performance

### Annual number of Community Partnerships



- The number of community partners involved in employment planning or employment service initiatives has steadily increased from 100 in 2013 to 125 in 2014.
- The number of community partnerships is targeted to further increase to 150 in 2015 to advance the Workforce Development Strategy.

### Annual number of visits to City Employment Centres



- The number of OW and ODSP clients and other City residents who utilize services in the City's employment centres has decreased from 249,069 in 2013 to 245,000 in 2014 due to the caseload decrease.
- The number of visits to City Employment Centres is targeted to increase from 245,000 in 2014 to 270,000 in 2017 to better support OW client's transition to employment.

**Table 7**  
**2015 Service Budget by Activity**

(\$000s)	2014	2015 Operating Budget								Incremental Change				
	Approved Budget	Base Budget	Service Changes	2015 Base	Base Budget vs. 2014 Budget	% Change	New/Enhanced	2015 Budget	2015 Budget vs. 2014 Budget		2016 Plan		2017 Plan	
	\$	\$	\$	\$	\$	%	\$	\$	\$	%	\$	%	\$	%
<b>GROSS EXP.</b>														
Develop and Implement Integrated Employment Strategies	3,229.5	2,449.6		2,449.6	(779.9)	(24.1%)		2,449.6	(779.9)	(24.1%)	17.1	0.7%	24.5	1.0%
Plan and Manage Employment and Career Services	68,634.7	68,626.7		68,626.7	(8.0)	(0.0%)	490.5	69,117.2	482.5	0.7%	190.6	0.3%	277.0	0.4%
<b>Total Gross Exp.</b>	<b>71,864.2</b>	<b>71,076.3</b>		<b>71,076.3</b>	<b>(787.9)</b>	<b>(1.1%)</b>	<b>490.5</b>	<b>71,566.8</b>	<b>(297.4)</b>	<b>(0.4%)</b>	<b>207.7</b>	<b>0.3%</b>	<b>301.5</b>	<b>0.4%</b>
<b>REVENUE</b>														
Develop and Implement Integrated Employment Strategies	3,136.1	2,528.8		2,528.8	(607.3)	(19.4%)		2,528.8	(607.3)	(19.4%)	13.2	0.5%	20.0	0.8%
Plan and Manage Employment and Career Services	47,830.4	49,494.9		49,494.9	1,664.5	3.5%	290.5	49,785.4	1,955.0	4.1%	463.5	0.9%	564.4	1.1%
<b>Total Revenues</b>	<b>50,966.5</b>	<b>52,023.7</b>		<b>52,023.7</b>	<b>1,057.2</b>	<b>2.1%</b>	<b>290.5</b>	<b>52,314.2</b>	<b>1,347.7</b>	<b>2.6%</b>	<b>476.7</b>	<b>0.9%</b>	<b>584.4</b>	<b>1.1%</b>
<b>NET EXP.</b>														
Develop and Implement Integrated Employment Strategies	93.4	(79.2)		(79.2)	(172.6)	(184.8%)		(79.2)	(172.6)	(184.8%)	3.9	-4.9%	4.5	(6.0%)
Plan and Manage Employment and Career Services	20,804.3	19,131.7		19,131.7	(1,672.6)	(8.0%)	200.0	19,331.7	(1,472.6)	(7.1%)	(272.9)	-1.4%	(287.4)	(1.5%)
<b>Total Net Exp.</b>	<b>20,897.7</b>	<b>19,052.5</b>		<b>19,052.5</b>	<b>(1,845.2)</b>	<b>(8.8%)</b>	<b>200.0</b>	<b>19,252.5</b>	<b>(1,645.2)</b>	<b>(7.9%)</b>	<b>(269.0)</b>	<b>-1.4%</b>	<b>(282.9)</b>	<b>(1.5%)</b>
<b>Approved Positions</b>	<b>372.5</b>	<b>356.9</b>		<b>356.9</b>	<b>(15.6)</b>	<b>(4.2%)</b>	<b>4.2</b>	<b>361.1</b>	<b>(11.4)</b>	<b>(3.1%)</b>				

The 2015 Operating Budget for *Employment Services* of \$71.567 million gross and \$19.253 net is \$1.645 million or 7.9% below the 2014 Approved Net Budget.

**Employment Services** plans, manages and delivers integrated employment services and supports to Torontonians through direct service delivery as well as through partnerships and agreements with other service providers. The service provides two activities, namely *Development and Implement Integrated Employment Strategies* and *Plan and Manage Employment and Career Services*, as below:

- Base budget pressures impact both activities relate to inflationary increases for salaries and benefits and non-payroll expenditures totaling \$0.545 million.
- Other base budget pressures, predominately in *Plan and Manage Employment Career Services* reflect an increase of \$0.103 million for an investment in employment supports for Ontario Works (OW) recipients.
- The above base budget pressures were more than offset by savings resulting from lower OW caseload, savings from Provincial uploading of OW benefit costs, as well as reduced contribution to the OW reserve.
- The 2016 and 2017 Plans reflect inflationary increases for salary related and non-payroll expenditures. The base pressures are expected to be partially offset by the reduced OW benefit costs from the ongoing Provincial uploading of OW costs. As 2016 is a collective bargaining year, no cost of living allowance estimate has been included.

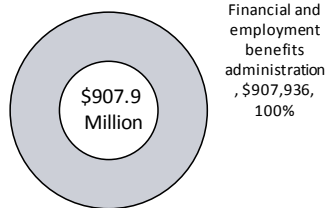
## Financial Supports



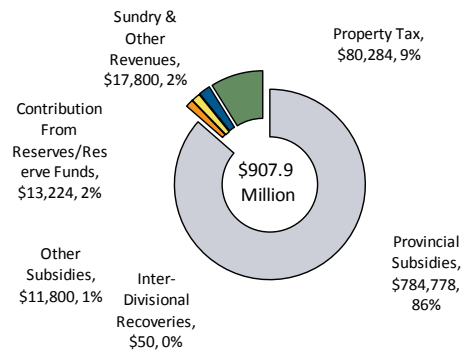
### What We Do

- Deliver Ontario Works financial assistance and employment benefits to eligible residents.

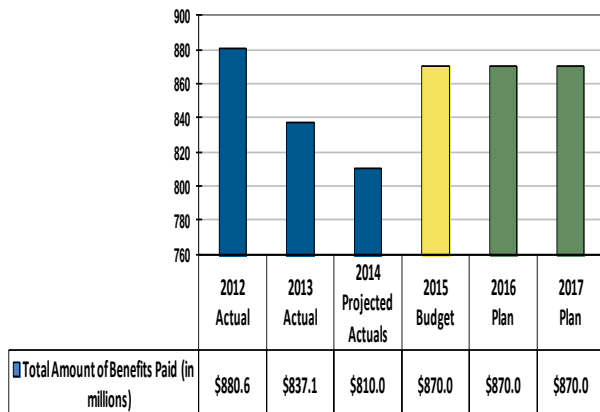
### 2015 Service Budget by Activity (\$000s)



### Service by Funding Source (\$000s)



### Total amount of benefits paid to OW recipients



- Client benefits for social assistance and employment decreased from \$837.0 million in 2013 to \$810.0 million in 2014 due to the lower caseload.
- The 2015 budget is \$870 million, \$60.0 million higher than 2014 due to provincial rate increases and higher caseload.
- Payments are driven by provincial policies, demand and caseload dynamics (i.e singles versus families).

## 2015 Service Levels

### Financial Supports

Activity	Type	Status	Service Levels				Comments
			2012	2013	2014	2015	
Financial and Employment Benefits Administration	Payment issuance and reconciliation	Approved	1.5 million benefit payments per year	1.5 million benefit payments per year	1.5 million benefit payments per year	<b>1.3 million benefit payments per year</b>	
	Creation and maintenance of internal control systems, policies and procedures.	Approved	Maintain a reasonable level of compliance and program integrity.	Maintain a reasonable level of compliance and program integrity.	Maintain a reasonable level of compliance and program integrity.		See note 1.
	Management of overpayments and collections	Approved	Maintain a reasonable level of compliance and program integrity.	Maintain a reasonable level of compliance and program integrity.	Maintain a reasonable level of compliance and program integrity.	<b>\$15 million in overpayment recoveries per year</b>	
	Detection, prevention and prosecution of fraud;	Approved		100% of allegations are investigated	Investigate approximately 10,000 allegations (100% of allegations received)	<b>Investigate 10,000 allegations (100% of allegations received)</b>	
	Disclosure of information and personal privacy	Approved	100% compliance to all requests	100% compliance to all requests	100% compliance to all requests		See note 1.
	Record Management System	Approved			100% compliance to legislated documentation requirements		See note 1.
	Regular Internal Audits/Reviews to monitor program delivery, staff practices and to identify areas for improvement and validate compliance.	Approved	Compliance to all requests	Comply with provincial directives	Comply with provincial directives		See note 1.
	Assisting single parents on OW obtain legal child support agreements.	Approved	21,000 single parent families	21,000 single parent families	24,200 single parent families	<b>27% of single parent families covered by support</b>	
	Employment Related Expenses (ERE)	Approved	Comply with provincial directives	Comply with provincial directives	Comply with provincial directives		See note 1.
	HSF Utilization	Approved				<b>3,600 monthly payments to OW &amp; ODSP</b>	See note 3.

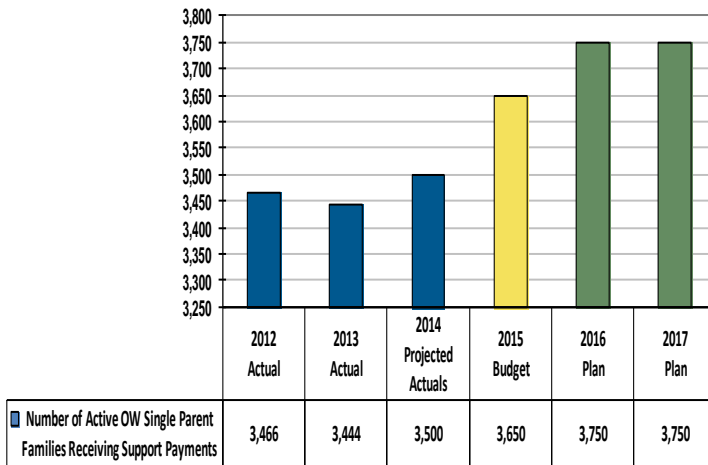
*Note 1: As part of the 2015 Budget Process, TESS reviewed its 2014 service levels to ensure they were relevant, measurable and client focused. As a result of the review, 5 service levels were deleted and 1 new one was added.*

*Note 3: HSF Utilization is new for 2015.*

The 2015 Service Levels are consistent with the 2014 Service Levels. Several technical adjustments to realign service level types have been reflected here.

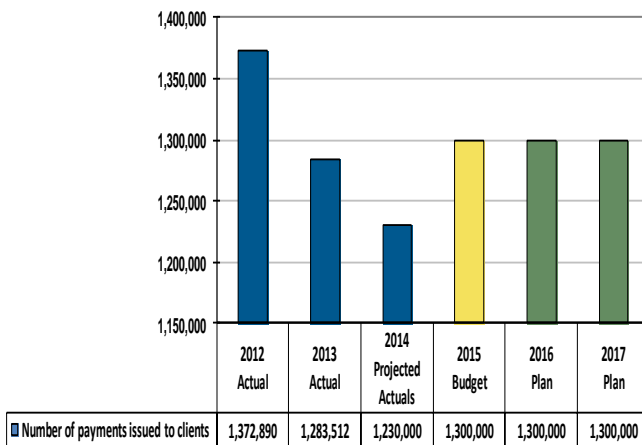
## Service Performance

### Number of single parent families with child support agreements



- The number of active OW single parent families receiving support payments has increased from 3,444 in 2013 to 3,500 in 2014 and is expected to increase further to 3,750 by 2017.
- Increasing the number of cases with support payments reduces the social assistance benefits paid by the City. The support payments stay with the family after they leave OW, which improves their chances of remaining off assistance in the long term.

### Number of payments issued to clients



- The total number of cheques, direct banking deposits and Client Service Benefit Card payments has decreased from 1,283,512 in 2013 to 1,230,000 in 2014 due to the lower caseload.
- The number of payments issued to clients is expected to increase from 1,230,000 in 2014 to 1,300,000 in 2015 and expected to be maintained in future years.

**Table 7**  
**2015 Service Budget by Activity**

(\$000s)	2014	2015 Operating Budget							2015 Budget vs. 2014 Budget		Incremental Change			
	Approved Budget	Base Budget	Service Changes	2015 Base	Base Budget vs. 2014 Budget	% Change	New/Enhanced	2015 Budget			2016 Plan	2017 Plan		
	\$	\$	\$	\$	\$	%	\$	\$	\$	%	\$	%		
<b>GROSS EXP.</b>														
Financial and Employment Benefits Administration	957,410.2	907,769.7		907,769.7	(49,640.5)	(5.2%)	166.0	<b>907,935.7</b>	(49,474.5)	(5.2%)	(2,035.1)	-0.2%	(2,128.3)	(0.2%)
<b>Total Gross Exp.</b>	<b>957,410.2</b>	<b>907,769.7</b>		<b>907,769.7</b>	<b>(49,640.5)</b>	<b>(5.2%)</b>	<b>166.0</b>	<b>907,935.7</b>	<b>(49,474.5)</b>	<b>(5.2%)</b>	<b>(2,035.1)</b>	<b>-0.2%</b>	<b>(2,128.3)</b>	<b>(0.2%)</b>
<b>REVENUE</b>														
Financial and Employment Benefits Administration	864,042.5	827,511.5		827,511.5	(36,531.0)	(4.2%)	140.0	<b>827,651.5</b>	(36,391.0)	(4.2%)	10,203.4	1.2%	23,455.6	2.8%
<b>Total Revenues</b>	<b>864,042.5</b>	<b>827,511.5</b>		<b>827,511.5</b>	<b>(36,531.0)</b>	<b>(4.2%)</b>	<b>140.0</b>	<b>827,651.5</b>	<b>(36,391.0)</b>	<b>(4.2%)</b>	<b>10,203.4</b>	<b>1.2%</b>	<b>23,455.6</b>	<b>2.7%</b>
<b>NET EXP.</b>														
Financial and Employment Benefits Administration	93,367.7	80,258.3		80,258.3	(13,109.4)	(14.0%)	26.0	<b>80,284.3</b>	(13,083.4)	(14.0%)	(12,238.4)	-15.2%	(25,583.9)	(37.6%)
<b>Total Net Exp.</b>	<b>93,367.7</b>	<b>80,258.3</b>		<b>80,258.3</b>	<b>(13,109.4)</b>	<b>(14.0%)</b>	<b>26.0</b>	<b>80,284.3</b>	<b>(13,083.4)</b>	<b>(14.0%)</b>	<b>(12,238.4)</b>	<b>-15.2%</b>	<b>(25,583.9)</b>	<b>(60.3%)</b>
<b>Approved Positions</b>	<b>306.6</b>	<b>299.0</b>		<b>299.0</b>	<b>(7.6)</b>	<b>(2.5%)</b>	<b>2.0</b>	<b>301.0</b>	<b>(5.6)</b>	<b>(1.8%)</b>				

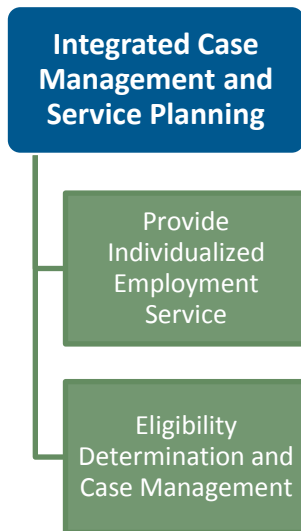
The 2015 Operating Budget for *Financial Supports* Service of \$907.936 million gross and \$80.284 million net is \$13.083 million or 14% below the 2014 Net Budget.

**Financial Supports** Service provides income supports and health benefits to eligible residents of the City of Toronto. This service provides the activity *Financial and Employment Benefits Administration* as discussed below:

- Increased investment in employment supports for OW recipients, impact of provincial policy and rate changes, as well as the accelerated loss in Provincial funding assistance are all contributing to the base pressures for this service.
- Other base budget pressures reflect an increase of \$0.306 million for inflationary increases for salaries and benefits and non-payroll expenditures as well as the reversal of one-time contribution of \$4.980 million from the SAS reserve fund to mitigate the impact of the accelerated loss in Provincial funding assistance in 2014.
- The above base budget pressures have been offset by savings of \$5.583 million resulting from the declining OW caseload which has been set 7,500 cases below the 2014 budget, reduced OW benefit costs of \$23.341 million due to Provincial uploading of costs as well as the reduced contribution to the OW and National Child benefit Supplement reserves generating \$4.599 million in savings.
- The 2016 and 2017 plans reflect the inflationary increases for salary related and non-payroll expenditures. The 2016 Plan include operating pressure resulting from the final year of the accelerated loss in Provincial funding assistance (Please refer to Page 31 for further details). The base pressures are expected to be partially offset by the reduced OW benefit costs from the continuing provincial uploading of costs and reduced contribution to the NCBS reserve fund. As 2016 is a collective bargaining year, no cost of living allowance estimate has been included.



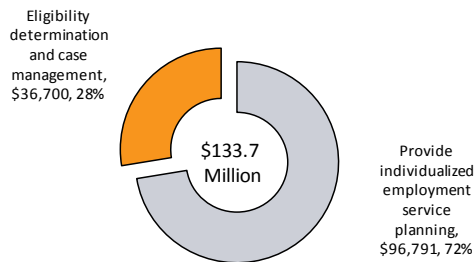
## Integrated Case Management and Service Planning



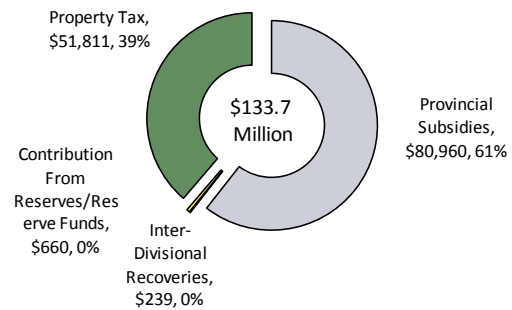
### What We Do

- Assess eligibility for OW benefits and services for City residents.
- Develop and update service plans that support employment goals and link individuals and families to key social supports.

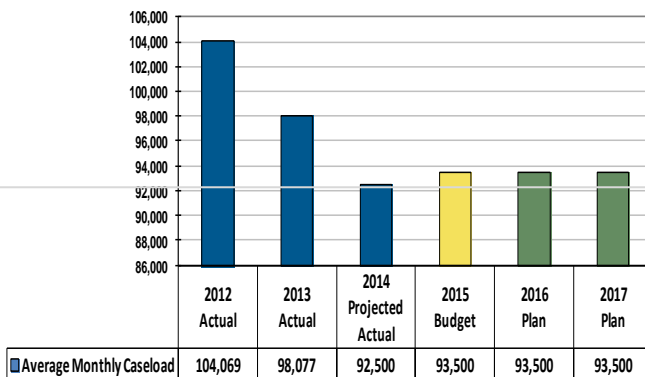
### 2015 Service Budget by Activity (\$000s)



### Service by Funding Source (\$000s)



### Ontario Works Average Monthly Caseload (including cases accessing OW)



- The OW caseload is mainly driven by the City's economic environment and provincial policies
- The average monthly caseload dropped from 104,069 in 2012 to 92,500 in 2014 as a result of economic recovery. The 2015 budget has been set at 93,500 to mitigate the financial risks to the City that would result if actual caseloads significantly exceeded budgeted caseload levels.
- Caseload volumes in-term drive both direct client benefits and administration costs.

### 2015 Service Levels Integrated Case Management and Service Planning

Activity	Type	Status	Service Levels				Comments
			2012	2013	2014	2015 Recommended	
Provide Individualized Employment Service Planning	Develop and document Individual Service Plans, including referrals to employment programs, education, language and accreditation service and funds to eligible individuals to participate in employment or skills training	Approved	269,000 personal service plans completed or updated	269,000 personal service plans completed or updated	260,000 individual plans	245,000 individual plans	
	% of caseload with Employment Income	Approved				9% of clients with employment income	See note 3.
Eligibility Determination and Case Management	<b>The average response time from initial screening of the OW application to the time an eligibility decision is rendered.</b>	Approved	An eligibility decision within 7.0 business days	An eligibility decision within 7.0 business days	An eligibility decision within 7.0 business days	<b>An eligibility decision within 5.0 business days</b>	
	Referrals to other relevant services and supports (i.e. shelter, ODSP, food banks, etc.)	Approved	100% of referrals identified through completed service plans	100% of referrals identified through completed service plans	100% of referrals identified through completed service plans		See note 1.
	Review of appeals regarding ineligibility decisions	Approved	Maintain 100% of all appeals and Internal Reviews reviewed	Maintain 100% of all appeals and Internal Reviews reviewed	Maintain 100% of all appeals and Internal Reviews reviewed	<b>100% of all appeals and Internal Reviews reviewed within legislated timeframes (30 days)</b>	
	<b>Deliver and administer a range of medically related benefits to eligible social assistance residents, including funerals and burials, prosthetics, orthotics, bath and toilet aids, newborn allowance, eyeglasses, and surgical supplies</b>	Approved	18,150 residents receive medical benefits	18,500 residents receive medical benefits	20,000 residents receive medical benefits	<b>25,000 OW and ODSP recipients receive medical benefits</b>	
	Manage ongoing eligibility for financial assistance (eg Basic Living Allowance, Shelter Allowance, and Other Benefits mandated by the Province)	Approved	169,000 families and single Torontonians	169,000 families and single Torontonians	176,000 families and single Torontonians	<b>172,500 families and single Torontonians</b>	
	Provide assessment and referrals to appropriate social supports (e.g. Housing, Addictions Counselling, etc/)	Approved	169,000 families and single Torontonians	169,000 families and single Torontonians	176,000 families and single Torontonians		See note 1.
	Extended Employment Health Benefit (EEHB)	Approved			Housing Stability Plan to be submitted to Council in Fall 2013		See note 1.
	<b>Welcome Policy Applications</b>	Approved				<b>150,000 approved applications</b>	See note 3.
	<b>Percent of Social Assistance Cases on Assistance for more than 24 months</b>	Approved				<b>50% of caseload on assistance more than 2 years</b>	See note 3.
	<b>Ow Caseload</b>	Approved				<b>Average monthly caseload of 93,500</b>	See note 3.
<b>Applications for Ontario Works</b>	Approved				<b>55,000 OW applications processed annually</b>	See note 3.	

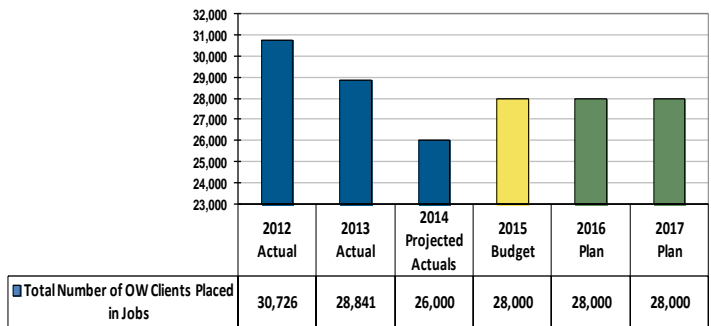
Note 1: As part of the 2015 Budget Process, TESS reviewed its 2014 service levels to ensure they were relevant, measurable and client focused. As a result of the review, 3 service levels were deleted and 5 new ones was added.

Note 3: New for 2015.

The 2015 Service Levels are consistent with the 2014 Service Levels. Several technical adjustments to realign service level types have been reflected here.

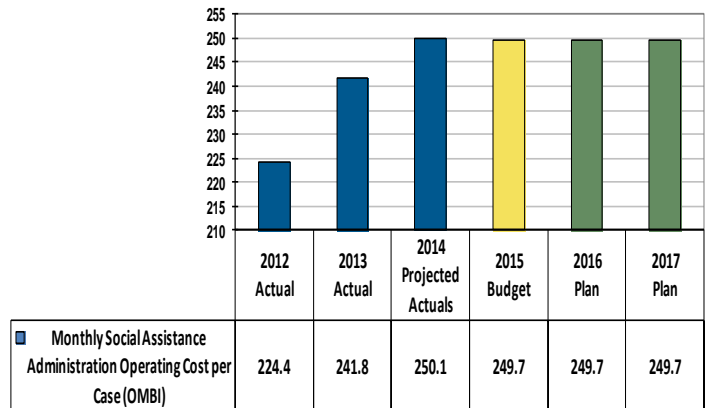
## Service Performance

### Number of Ontario Works clients placed in jobs



- The number of OW clients that exited OW for employment decreased from 28,841 in 2013 to 26,000 in 2014 due to the lower caseload.
- The number of OW clients placed in jobs is projected to increase to 28,000 in 2015 due to improvements in the design and delivery of employment services.
- An increasing number of people on OW are more distant from the labour market, and require more intensive supports to transition to employment.

### Monthly Social Assistance Administration Operating Cost per Case (OMBI)



- Reflects all costs associated with management and delivery of social assistance and employment programs, including salaries & benefits, materials & supplies, services & rents and full share of all corporate overhead.
- The OMBI average monthly administrative operating cost per case is expected to decrease from \$250.1 in 2014 to \$249.7 in 2015 due to lower complement.

**Table 7**  
**2015 Service Budget by Activity**

(\$000s)	2014	2015 Operating Budget							2015 Budget vs. 2014 Budget		Incremental Change			
	Approved Budget	Base Budget	Service Changes	2015 Base	Base Budget vs. 2014 Budget	% Change	New/Enhanced	2015 Budget			2016 Plan	2017 Plan		
	\$	\$	\$	\$	\$	%	\$	\$	\$	%	\$	%		
<b>GROSS EXP.</b>														
Provide Individualized Employment Service Planning	102,113.2	96,005.2		96,005.2	(6,108.0)	(6.0%)	785.8	<b>96,791.0</b>	(5,322.2)	(5.2%)	413.2	0.4%	596.0	0.6%
Eligibility Determination and Case Management	40,940.0	36,344.0		36,344.0	(4,596.0)	(11.2%)	533.8	<b>36,877.8</b>	(4,062.2)	(9.9%)	339.7	0.9%	485.5	1.3%
<b>Total Gross Exp.</b>	<b>143,053.2</b>	<b>132,349.1</b>		<b>132,349.1</b>	<b>(10,704.1)</b>	<b>(7.5%)</b>	<b>1,319.6</b>	<b>133,668.7</b>	<b>(9,384.5)</b>	<b>(6.6%)</b>	<b>752.9</b>	<b>0.6%</b>	<b>1,081.5</b>	<b>0.8%</b>
<b>REVENUE</b>														
Provide Individualized Employment Service Planning	55,940.1	53,836.2		53,836.2	(2,103.9)	(3.8%)	785.8	<b>54,622.0</b>	(1,318.1)	(2.4%)	175.4	0.3%	332.9	0.6%
Eligibility Determination and Case Management	29,014.2	26,702.1		26,702.1	(2,312.1)	(8.0%)	533.8	<b>27,235.9</b>	(1,778.3)	(6.1%)	165.2	0.6%	293.5	1.1%
<b>Total Revenues</b>	<b>84,954.3</b>	<b>80,538.4</b>		<b>80,538.4</b>	<b>(4,415.9)</b>	<b>(5.2%)</b>	<b>1,319.6</b>	<b>81,858.0</b>	<b>(3,096.3)</b>	<b>(3.6%)</b>	<b>340.6</b>	<b>0.4%</b>	<b>626.4</b>	<b>0.8%</b>
<b>NET EXP.</b>														
Provide Individualized Employment Service Planning	46,173.1	42,168.9		42,168.9	(4,004.2)	(8.7%)		<b>42,168.9</b>	(4,004.2)	(8.7%)	237.8	0.6%	263.1	0.6%
Eligibility Determination and Case Management	11,925.8	9,641.8		9,641.8	(2,284.0)	(19.2%)		<b>9,641.8</b>	(2,284.0)	(19.2%)	174.5	1.8%	192.0	2.0%
<b>Total Net Exp.</b>	<b>58,098.9</b>	<b>51,810.8</b>		<b>51,810.8</b>	<b>(6,288.1)</b>	<b>(10.8%)</b>		<b>51,810.8</b>	<b>(6,288.1)</b>	<b>(10.8%)</b>	<b>412.3</b>	<b>0.8%</b>	<b>455.1</b>	<b>0.9%</b>
<b>Approved Positions</b>	<b>1,472.4</b>	<b>1,410.1</b>		<b>1,410.1</b>	<b>(62.3)</b>	<b>(4.2%)</b>	<b>18.8</b>	<b>1,428.9</b>	<b>(43.5)</b>	<b>(3.0%)</b>				

The 2015 Operating Budget for *Integrated Case Management and Service Planning* of \$133.669 million gross and \$51.819 million net is \$6.288 million or 10.8% below the 2014 Net Budget.

The **Integrated Case Management and Service Planning** service assists low income earners and residents on fixed incomes with special services and supports (e.g. diabetic supplies, prosthetics, funerals) and identifies the social support needs of residents (i.e. child care, health recreation, housing) and connect them with the appropriate City, community and other government service systems. This service provides two activities, namely *Provide Individualized Employment Service Planning* and *Eligibility Determination and Case Management*, as below.

- Base budget changes that are common to both activities, relate primarily to inflationary increases for salaries and benefits and non-payroll expenditures totaling \$1.505 million.
- The above base budget pressures was offset by savings of \$2.498 million resulting from lower OW caseload as well as reduced contribution to the OW reserve generating \$7.643 million in savings.
- The 2016 and 2017 Plans reflect inflationary increases for salary related and non-payroll expenditures. As 2016 is a collective bargaining year, no cost of living allowance estimate has been included.



## **Part III:**

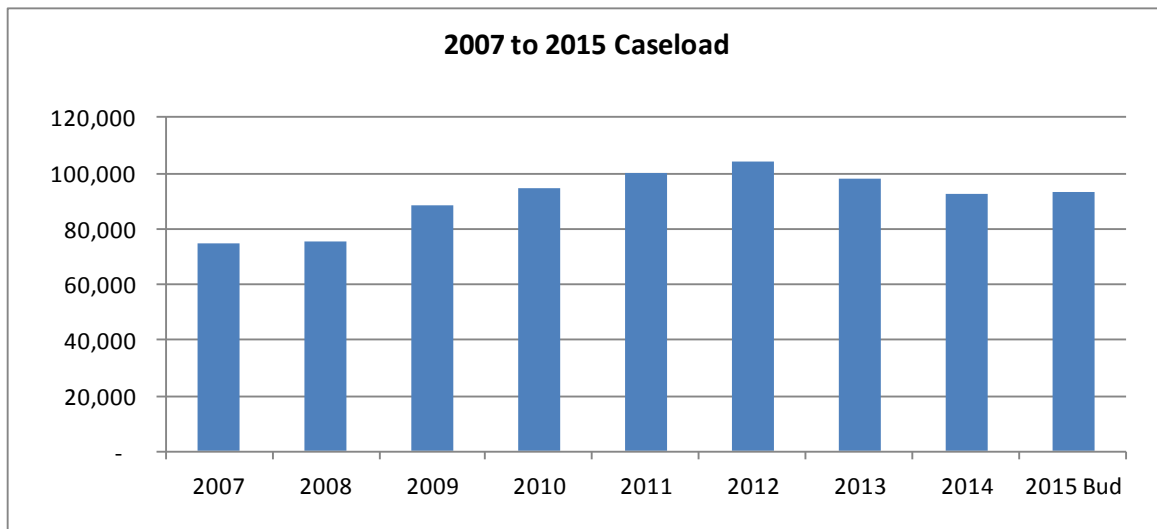
Issues for Discussion

## Issues for Discussion

### Impacting the 2015 Budget

#### Ontario Works Caseload

- Ontario Works (OW) is a mandatory province-wide program delivered under the OW Act and regulations that provides financial assistance to eligible Torontonians to help cover the costs of basic needs (e.g. food) and housing costs, and provide employment assistance to help social assistance recipients find a job.
- The average annual monthly caseload represents the number of families and singles served during the year and is the Program's key budget driver. As presented in the chart below, caseload increased by 37% from 2008 through the peak in 2012 due to the impact of the recession. The subsequent recovery in Toronto's economy has seen a significant number of residents exiting OW and smaller numbers of residents needing assistance, resulting in declining caseloads.



- Actual caseload was 104,069 in 2012 and 98,077 in 2013 and was budgeted to be 101,000 in 2014. As a result of the better than expected economic environment in Toronto, caseload is currently projected to be 92,500 in 2014, 8,500 cases lower than budget and 5,577 cases or 5.7% lower than in 2013.
- The caseload and budget forecasts are developed while taking into consideration the potential impacts of a broad range of factors, including:
  - Historical trends, including previous recession experience,
  - Economic forecasts related to Toronto's labour market,
  - Broader macroeconomic trends,
  - Corporate Finance's caseload model, which is based on a set of multiple-regressions of the monthly caseload with unemployment rate (UR) and participation rate (PR) over a historical time series,

- Trends in caseload demographics,
- Provincial social assistance policy changes that impact caseload, and

Program objectives and initiatives.

- Based on an in-depth analysis of the above factors, caseload in the 2015 Operating Budget has been set at 93,500, 7,500 or 7.4% lower than the 2014 budget of 101,000. The operating budget impact is \$69.608 million gross and \$8.620 million net.
  - The caseload staffing ratio is 10.5 staff per 1,000 cases. A 7,500 caseload reduction is expected to reduce the budgeted complement by 78.5 FTEs in 2015.
- As always, there are many forecast risks that could materially impact the caseload in 2015, notably the pace of the economic recovery, Canadian exchange rates, oil prices and geopolitical events. Changing global and domestic economic conditions could significantly impact the labour market in Toronto, either positively or negatively, employment opportunities and hence caseload.
  - The proposed caseload budget of 93,500 has been set 1,000 cases above the projected 2014 caseload levels to mitigate the financial risks to the City that would result if actual caseloads significantly exceeded budgeted caseload levels.

*Ontario Works Rate Changes*

- Implementation of a number of Provincial social assistance rate and policy changes announced in the 2014 Provincial Budget and implemented in October 2014, as shown in the following table and discussed below, will impact the 2015 Operating Budget by \$17.774 million gross and \$1.529 million net and are expected to have an upward pressure on caseload and financial benefits in 2016 and beyond:

	Gross Expense (\$000s)	Net Expense (\$000s)
<b>Provincial Social Assistance and Policy Changes</b>		
Single Adults Rate Increase	15,480	1,331
OW recipients excluding Single Adults	4,140	356
Sole Support Supplement	(1,846)	(159)
<b>Total</b>	<b>17,774</b>	<b>1,529</b>

- \$30 per month rate increase (or about 5%) for adult singles without children receiving OW.
- OW benefit rates will be increased by 1% for OW families.
- \$8 monthly reduction in the children’s supplement due to the increase in the OCB.
- The rate changes were effective October 1, 2014. The Province is fully funding the impact of the changes in 2014 and effective January 2015, the costs will be subject to the normal cost-sharing ratios (ie the City share is 8.6% in 2015).

*Housing Stabilization Fund*



- As a result of the housing program consolidation and introduction of the new Community Homelessness Prevention Initiative (CHPI) by the Province in 2013 and the concurrent elimination of the Community Start-Up and Maintenance Benefit (CSUMB), City Council directed TESS and Shelter Support and Housing Administration to establish a Housing Stabilization Fund (HSF) effective January 2013.
- Using mainly CHPI funding, and consistent with the objectives of that program, the HSF provides resources to prevent evictions and assist Ontario Works (OW) and Ontario Disability Support Program (ODSP) clients to obtain housing, retain their housing or relocate to more appropriate or affordable accommodation.
- The 2014 budget for HSF was \$27.957 million gross and \$1.525 million net, with \$26.5 million funded by the Province, \$23.9 million through CHPI and \$2.5 million through one-time transition funding. While the caseload is projected to decrease by 5.7% in 2014, gross HSF expenditures are projected to be \$25.9 million, \$0.9 million or 3.5% higher than last year.
- The year-over-year increase in HSF expenditures is due to a number of changes that were made to ensure more residents get access to needed supports. These include better external and internal outreach and communication to social assistance clients and community agencies, improved training of TESS staff, as well as revised eligibility criteria and asset levels to increase access to HSF.
- Expenditures are expected to continue to increase in 2015, and hence the 2015 Operating Budget for HSF has been set at \$27.957 million gross, the same level as the 2014 budget and 7.8% higher than the projected actual for 2014. The net HSF budget at \$1.5 million remains unchanged from the 2014 level of funding. The one-time transition funding of \$2.5 million received in 2014 was reinstated in 2015 resulting in no impact on the net HSF budget of \$1.5million.

#### *Discretionary Benefits for Social Assistance Recipients*

- Under the authority of the OW Act, a range of health related items are available to eligible OW and ODSP recipients, including dental benefits, funerals, vision care, hospital beds, wheelchairs, orthotics, etc.
- More than 50,000 households receive support for medical benefits annually, many of them seniors and people with significant health issues. Over time, changes in social assistance policies, health care and demographics have created growing demands and increasing costs for medical benefits. These demands are being exacerbated by the changing age structure in Toronto with the two fastest growing age groups aged 60-64 and 85+ years.
- Prior to 2012, provincial funding for medical benefits was open-ended and demand-based with no funding cap. In 2012, the province introduced a funding cap for medical benefits based on a fixed per case amount. Total funding equals \$10 multiplied by the sum of the combined OW, ODSP and Assistance for Children with Severe Disabilities average monthly caseload for Toronto. As the cap was implemented in mid year, it had no impact on the City in the first year.
- In 2013, medical expenses were budgeted to be \$1.500 million above the provincial funding cap. Actual expenses were \$0.355 million above the \$18.898 million cap. Expenses up to the funding cap were cost shared at the legislated cost sharing ratio (ie 85.8% province, 14.2% City) while the \$0.355 million above the cap were 100% funded by the City.

- For 2014, the funding cap is projected to be \$18.500 million, down \$0.398 million or 2.1% from 2013 due to the lower caseload. Expenses are projected to be on budget at \$1.500 million above the funding cap.
- To minimize the impact of the funding cap, TESS has undertaken a number of initiatives aimed at maintaining service levels and improving the cost effectiveness and efficiency of providing medical benefits, including leveraging the City's purchasing processes through Request for Information/Quotes.
- In order to maintain the 2014 funding levels, and in response to a recently posted Request for Information, the reimbursements for orthotics will be lowered to coincide with the lower end of the market rate for the industry and to bring it more in-line with other municipalities. The savings from the rate change have been incorporated in the 2015 Operating Budget and, as a result, medical benefits are budgeted to be \$1.500 million above the provincial funding cap in 2015, the same level as in 2014.
- Based on the growing demands and increasing costs for medical benefits, maintaining service levels beyond 2015 may result in significant budget pressures.

*Upload of ODSP/ODB and OW Benefits and the accelerated loss in Provincial funding assistance*

- 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 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 11.4% in 2014 and is scheduled to drop to 8.6% in 2015.
- 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".
- In 2013, the withdrawal of the social services component of the OMPF was \$20.8 million and it was expected that the remaining \$35 million would be withdrawn at a rate of approximately \$6.8 million per year through 2018.
- In June 2013, and without notice, the Province announced that it would be accelerating the phase-out of the social services component and would also be phasing-out the housing funding component. Under the revised schedule, the province is withdrawing Provincial funding assistance over three years that commenced in 2014. The social services component in TESS of \$35.4 million is now being withdrawn at a rate of \$11.8 million per year, as opposed to \$6.8 million in the previous Provincial schedule, while the housing component of \$113.940 million in Shelter, Support & Housing Administration (SSHA) is being withdrawn at a rate of \$37.980 million per year. For details on the impact on SSHA, please refer to the 2015 Operating Budget Analyst notes for SSHA.

- The Provincial announcement in June 2013, necessitated the accelerated loss in Provincial funding assistance by 2016, two years earlier than originally scheduled. The accelerated phase out will negatively impact TESS' operating budget by \$5.0 million per year for 2014 through 2016.
- In the 2014 budget, a \$5.0 million draw from the Social Assistance Stabilization (SAS) reserve was used to offset the \$5.0 million reduction in Provincial funding assistance.
- The savings from lower caseload in 2015, which otherwise would have been reinvested in program activities were applied to bridge the \$5.0 million funding gap resulting from the revised accelerated phase-out schedule.
- The following table illustrates the impact of the OW and ODSP upload from 2008 through 2018 net of the Loss Provincial funding formula. The aggregate budget savings to the City from 2008 through 2015 is \$188.9 million and will rise to \$246.6 million by 2018 when the upload of OW benefits is completed.

	City Cost Share Before Uploading %	2008 (\$M)	2009 (\$M)	2010 (\$M)	2011 (\$M)	2012 (\$M)	2013 (\$M)	2014 (\$M)	2015 (\$M)	2016 (\$M)	2017 (\$M)	2018 (\$M)
Ontario Drug Benefits	20%	(39.1)	0%									
Ontario Disability Support Program (Administration Costs)	50%		(20.0)									
Ontario Disability Support Program (Benefits Costs)	20%			(77.5)	(77.5)							
Ontario Works Benefit Upload (Benefits Costs)	20%			(5.8)	(5.4)	(15.1)	(28.3)	(24.0)	(22.7)	(22.7)	(24.2)	(22.7)
Savings from Upload		(39.1)	(20.0)	(83.3)	(82.9)	(15.1)	(28.3)	(24.0)	(22.7)	(22.7)	(24.2)	(22.7)
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		
<b>Incremental Savings</b>		<b>(39.1)</b>	<b>(0.3)</b>	<b>(62.5)</b>	<b>(62.1)</b>	<b>5.7</b>	<b>(7.5)</b>	<b>(12.2)</b>	<b>(10.9)</b>	<b>(10.9)</b>	<b>(24.2)</b>	<b>(22.7)</b>
<b>Commulative Savings</b>		<b>(39.1)</b>	<b>(39.4)</b>	<b>(101.9)</b>	<b>(164.0)</b>	<b>(158.3)</b>	<b>(165.8)</b>	<b>(178.0)</b>	<b>(188.9)</b>	<b>(199.7)</b>	<b>(224.0)</b>	<b>(246.6)</b>

*Provincial Subsidy Stabilization*

- The Provincial funding envelope for program delivery 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.
- Under the revised Ontario Works (OW) funding approach for program delivery expenditures implemented by the Province in 2011, the City receives a fixed amount per case for each year of the two year OW business cycle. The caseload is calculated as the average monthly caseload for 24 months before the beginning of the business cycle, and funding is fixed for the business cycle regardless of caseload changes during the business cycle.
  - In a rising caseload environment, provincial funding will be less than required, and the OW program will either have to be run with less than optimal resources or the City will have to fund 100% of the cost of the incremental resources until the start of the next business cycle.

- In a decreasing caseload environment, resources will have to be carefully managed down to reflect a projected drop in funding in the next business cycle, which could make fully utilizing provincial funding problematical.
- To manage and mitigate the risks associated with a funding envelope based on caseload, TESS' has contributed \$11.0 million to the Ontario Works Reserve in both 2013 and 2014, funded through Provincial subsidy generated by indirect costs allocated to the social assistance program through the City's Full-Costing model. Funding will be drawn as necessary in future years to provide TESS with the flexibility to manage program delivery resources as a result of caseload changes while protecting the City against a property tax impact.
- As the 2014 year-end balance in the OW reserve of \$22.0 million is sufficient to protect the City against the impact of an unbudgeted 10,000 caseload increase for two years, it is Approved that the OW reserve be maintained at current levels and therefore no contribution to the OW Reserve has been built into the TESS' 2015 Operating budget.
  - The 2014 Operating Budget included a \$11.0 million contribution to the OW reserve

#### *Employment Assistance Benefits*

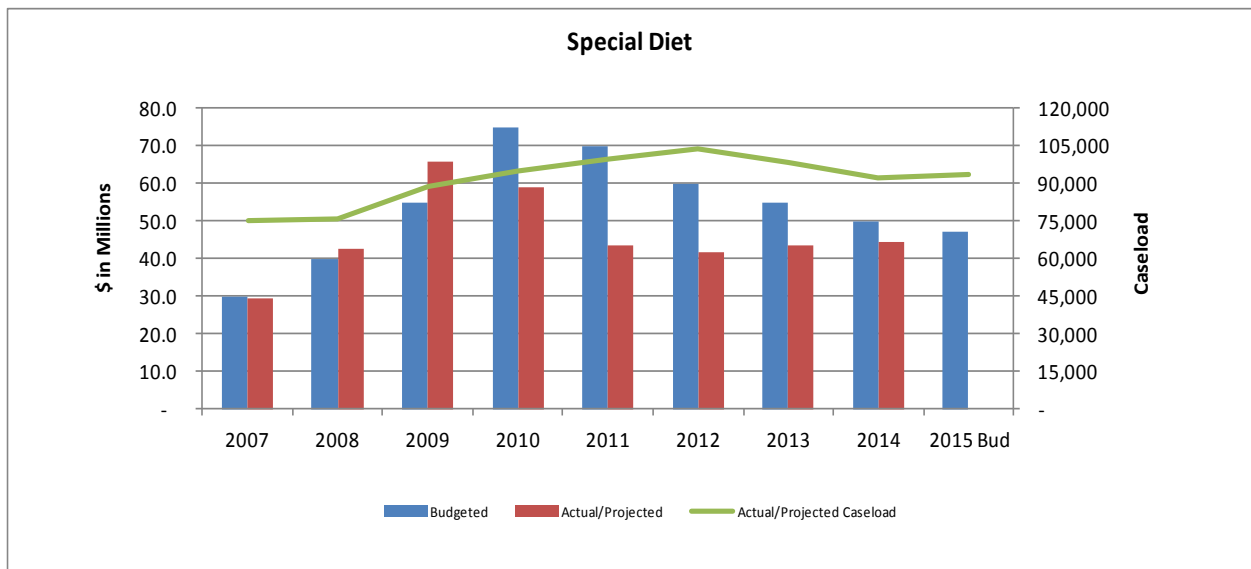
- OW clients, ODSP dependent adults and ODSP non-disabled spouses without care-giving responsibilities are required to participate in approved employment assistance activities as a condition of eligibility for financial assistance. The approved employment assistance activities are tailored to individual client needs and designed to aid clients to prepare for, find and maintain employment. Approved employment assistance activities include pre-employment development programs that help OW clients to explore career options and set goals, volunteering, skills training, and education/upgrading classes.
  - The economic recovery in the aftermath of the 2008/2009 recession has seen the caseload drop as many of the most job-ready OW clients found employment. As well as declining, the composition of the caseload has also changed. The majority of those remaining on assistance now face multiple barriers to employment, and the average length of stay has increased.
  - Over 60% of OW clients identified multiple barriers to employment;
  - Fewer than 50% have Canadian work experience;
  - 1/3rd of OW applicants have less than high school education while 26% have Canadian post secondary education;
  - 20% of cases served in 2013 were newcomers – 42% had not worked in the past two years
  - On average, OW clients are on assistance for more than two years
- TESS continues to transform its employment services to respond to this changing environment and to better meet the different needs of the changing caseload. In 2014, new guidelines for Employment Related Benefits were approved and implemented and a new RFP for contracted employment services was completed, with enhanced services for jobseekers most distant from the labour market, more individual support and a focus on more sector-based training with more partnerships with employers.
- For 2015, TESS's Operating Budget includes an increase to the investment in employment supports for OW recipients of \$4.433 million gross and \$1.889 million net to increase the number of clients

who receive employment supports, to update the mix and range of employment programming and to align existing benefits with actual costs.

- Moving forward, TESS will continue to review and update the employment benefits and services it provides to align them with changing caseload needs and to ensure unemployed residents can acquire the skills they need to find and keep work.

*Reduction in Special Diet Allowance Costs*

- The Special Diet Allowance (SDA) is a provincially mandated benefit under the OW Act that helps eligible social assistance recipients with the extra costs of food due to an approved medical condition for which the special diet is considered to be an adjuvant to the treatment of the medical condition and results in additional costs above a normal diet. The maximum amount for an SDA is \$250 per month, per benefit unit member. The allowance amounts are based on recommendations made by the Provincial Special Diets Expert Review Committee and are in compliance with the Ontario Human Rights Code.
- All applications, which include the medical condition and length of time a special diet is required, must be certified by a health professional (ie a physician, a registered nurse in the extended class, a registered dietitian or a registered midwife). An eligibility review is required at least once every twelve months. Medical conditions that are eligible for the SDA include Celiac Disease, chronic wounds or burns, conditions causing unintentional weight loss/body wasting (eg. Crohn’s Disease, congestive heart failure, HIV/AIDS), Diabetes, Hypertension and lactose intolerance among others.
- As the current trends show that SDA expenditures are tracking well below budget in 2014, the 2015 budget for Special Diet Allowance costs has been reduced by \$3.0 million gross and \$0.256 million net to bring it more in-line with current expenditure levels.





## **Appendices:**

## Appendix 1

### 2014 Service Performance

#### 2014 Key Service Accomplishments

In 2014, Toronto Employment and Social Services accomplished the following:

- ✓ Managed an average monthly caseload of 92,500;
- ✓ Processed 55,000 applications for Ontario Works;
- ✓ Managed the ongoing eligibility for financial assistance for 165,000 families and single Torontonians;
- ✓ Ensured high quality employment service plans were in place for all clients and assisted 26,000 residents find employment;
- ✓ Provided consultation and support for 245,000 visits to Employment Centres (EC) across the City;
- ✓ Developed and implemented a formalized employment benefits and services planning framework that refocused and realigned benefits and services to better support jobseekers at all distances from the labour market. An RFP for contracted services aligned to the new planning framework was issued and contracts were signed with a number of external agencies;
- ✓ Advanced the City's Workforce development Strategy by continuing to develop employment plans for city initiatives, working with employers across sectors and with other City divisions, notably Economic Development & Culture;
- ✓ Continued to strengthen relationships with employers through sector-specific training, employment, and recruitment strategies, by enhancing and expanding existing programs to support small businesses and entrepreneurs and by improving coordination in employer engagement at the service system level;
- ✓ Continued to work with the Province, notably the Ministry of Community and Social Services (MCSS), the Ministry of Training Colleges and Universities (MTCU) and the Ministry of Citizenship and Immigration (MCI), to support workforce development in Toronto. This work focused on addressing client needs, improving service coordination, and building staff capacity;
- ✓ Established a Workforce Development Leadership Table, bringing together government, employers, community organizations and other stakeholders to advance a streamlined, responsive and coordinated workforce development system in Toronto
- ✓ Processed 45,000 payments from the Housing Stabilization Fund (HSF) to meet the emergency housing need of Torontonians on social assistance (Ontario Works and Ontario Disability Support Program). Implemented the key recommendations from the Council Report "2013 Year-End Report on Housing Stabilization Fund" to streamline and improve access, to Improve consistency of delivery and to ensure timely and transparent decisions;
- ✓ Provided medical benefits to eligible social assistance recipients and low income residents;
- ✓ Conducted a large scale client need and client satisfaction survey;

- ✓ Established a client service representative function in every service location and reviewed and revised client service protocols/standards to ensure consistent customer service across all service locations;
- ✓ Promoted customer service excellence through engagement processes, including establishing mechanisms to consult clients and stakeholders in major divisional projects/initiatives (e.g Social Assistance Management System (SAMS));
- ✓ Planned and coordinated the implementation of the Social Assistance Management System (SAMS), the replacement system to Service Delivery Model Technology (SDMT), ensuring business continuity throughout the process. Clients and stakeholders were engaged and over 2,700 TESS and City staff were trained and prepared for the implementation of the new system in November;
- ✓ Initiated a review of the service delivery model (SDM), and developed options for redesigning/adjusting specific SDM functions (to capitalize on Social Assistance Management System (SAMS) opportunities), roles, activities;
- ✓ Implemented a new divisional administrative structure and supporting processes to strengthen service management, service delivery, and accountability;
- ✓ Developed a long-term Human Resource, Talent and Succession Management Plan;
- ✓ Advanced City & Cluster A service integration approaches by establishing a longer term vision for service integration within Cluster A, establishing common service counters in City service locations (a second joint location with Children Services in the north east section of the city) and refining and improving service delivered through existing common counters including further integration of staff roles;
- ✓ Implemented a comprehensive stakeholder advisory process focusing on Ontario Works clients, Employers, and Community Agencies.
- ✓ Coordinated the City's third annual Workforce Development Week. The event showcased the broad range of workforce development activities that take place throughout the year, promoted participation in a variety of initiatives and highlighted successful outcomes.



## 2014 Financial Performance

## 2014 Budget Variance Analysis

(\$000s)	2012	2013	2014	2014	2014 Approved Budget vs.	
	Actuals	Actuals	Approved Budget	Actuals	Actual Variance	
	\$	\$	\$	\$	\$	%
<b>Gross Expenditures</b>	1,130,435.8	1,095,171.3	1,172,327.6	1,057,833.8	(114,493.8)	(9.8%)
<b>Revenues</b>	954,181.1	926,482.5	999,963.3	900,839.8	(99,123.5)	(9.9%)
<b>Net Expenditures</b>	176,254.7	168,688.8	172,364.3	156,994.0	(15,370.3)	(8.9%)
<b>Approved Positions</b>	2,148.4	2,098.8	2,151.5	2,065.0	(86.5)	(4.0%)

## 2014 Experience

- Toronto Employment and Social Services reported a favourable net variance of \$15.370 million or 8.9% for the year ended December 31, 2014. The variance was mainly attributed to a lower Ontario Works average monthly caseload (92,500 actual vs budget of 101,000), reflecting better than expected economic environment. As a result, financial, employment, and medical benefits for clients and staff salaries were lower than budget.
- At year-end, TESS reported a strength of 2,065 positions, or 86.5 positions or 4.0% below the approved complement of 2,151.5 positions, which represented a vacancy rate of 2.4% after gapping. TESS budgets complement based on the budgeted caseload but only hires to the actual caseload. The lower than budgeted complement had no impact on service levels.
- Financial, employment and medical benefits for clients are processed and paid through the Provincial Ontario Works technology. The Provincial reports used to enter these expenditures in the City's financial statements were not available for November and December due to the implementation of the Social Assistance Management System (SAMS) in November. For year-end closing purposes, TESS, in collaboration with Social Development, Finance and Administration and Corporate Finance, accrued November and December payments from SAMS based on total draws from the City's Ontario Works bank account. TESS and SDFA are working closely with the Province to resolve these reporting issues.

## Impact of 2014 Operating Variance on the 2015 Budget

- The declining trend in Ontario Works caseload experienced in 2014 is expected to continue into 2015. The 2015 Operating Budget for Toronto Employment and Social Services is based on 93,500 cases, 7,500 or 7.4% lower than the 2014 Approved Operating budget of 101,000.

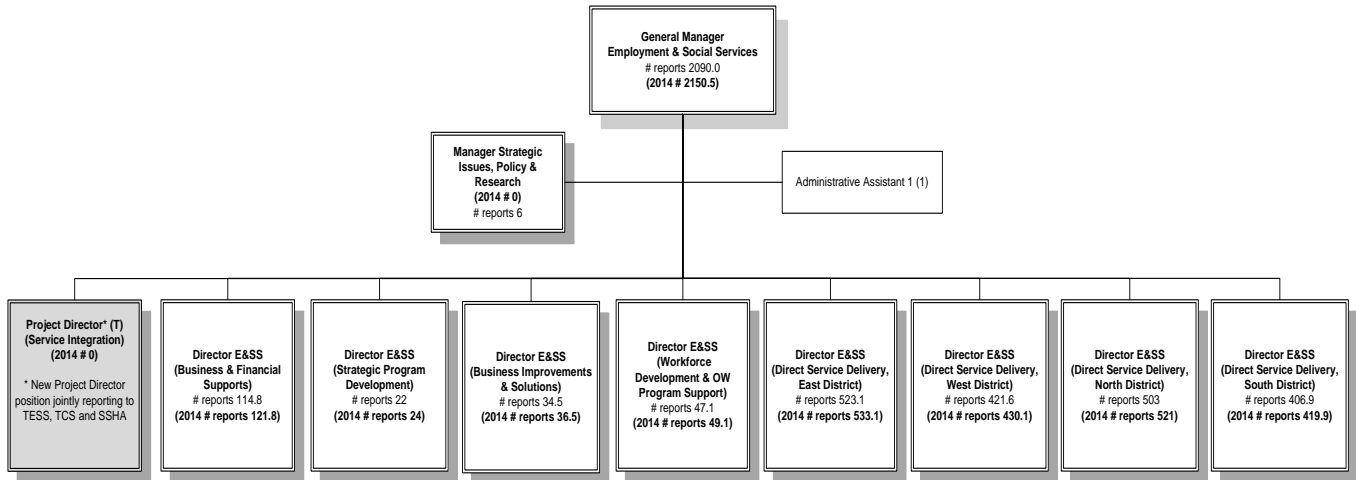
## Appendix 2

### 2015 Operating Budget by Expenditure Category

#### Program Summary by Expenditure Category

Category of Expense (\$000's)	2012	2013	2014	2014	2015	2015 Change from		Plan	
	Actual	Actual	Budget	Actual	Budget	2014		2016	2017
	\$	\$	\$	\$	\$	\$	%	\$	\$
Salaries and Benefits	187,974.7	189,040.4	190,739.9	185,179.5	187,755.9	(2,984.0)	(1.6%)	188,866.2	190,464.8
Materials and Supplies	15,272.2	13,923.7	14,102.3	13,851.4	14,833.8	731.5	5.2%	14,833.8	14,835.2
Equipment	826.4	779.0	275.0	177.7	275.0	(0.0)	(0.0%)	275.0	275.0
Services & Rents	50,111.8	77,751.7	88,987.9	77,575.3	92,137.8	3,149.9	3.5%	92,137.8	92,146.7
Contributions to Capital		141.0	1,100.0	586.4		(1,100.0)	(100.0%)		0.1
Contributions to Reserve/Res Funds	15,736.7	23,912.8	22,317.1	20,685.8	7,626.7	(14,690.4)	(65.8%)	5,433.7	3,064.0
Other Expenditures	838,622.4	770,296.3	831,240.3	740,736.3	786,426.9	(44,813.4)	(5.4%)	786,426.9	786,436.3
Interdivisional Charges	21,891.6	19,326.3	23,565.0	19,041.5	24,115.1	550.0	2.3%	24,123.3	24,129.6
<b>Total Gross Expenditures</b>	<b>1,130,435.8</b>	<b>1,095,171.3</b>	<b>1,172,327.6</b>	<b>1,057,833.8</b>	<b>1,113,171.2</b>	<b>(59,156.4)</b>	<b>(5.0%)</b>	<b>1,112,096.7</b>	<b>1,111,351.5</b>
Interdivisional Recoveries			218.2	218.2	354.4	136.2	62.4%	354.4	354.4
Provincial Subsidies	863,938.5	860,662.0	938,590.4	851,495.1	916,636.8	(21,953.6)	(2.3%)	939,848.9	964,935.3
Federal Subsidies									
Other Subsidies	56,192.7	35,375.9	23,599.5	23,852.3	11,799.5	(11,800.0)	(50.0%)		
User Fees & Donations	204.9	184.5							
Transfers from Capital Fund	376.6	437.8	616.4	499.9		(616.4)	(100.0%)		
Contribution from Reserve/Reserve F	16,077.6	12,967.8	20,138.9	7,665.5	15,233.0	(4,905.9)	(24.4%)	14,841.0	14,421.0
Sundry Revenues	17,390.9	16,854.4	16,800.0	17,108.9	17,800.0	1,000.0	6.0%	17,800.0	17,800.0
Required Adjustments									
<b>Total Revenues</b>	<b>954,181.2</b>	<b>926,482.4</b>	<b>999,963.3</b>	<b>900,839.8</b>	<b>961,823.7</b>	<b>(38,139.7)</b>	<b>(3.8%)</b>	<b>972,844.3</b>	<b>997,510.7</b>
<b>Total Net Expenditures</b>	<b>176,254.6</b>	<b>168,688.8</b>	<b>172,364.3</b>	<b>156,994.0</b>	<b>151,347.5</b>	<b>(21,016.8)</b>	<b>(12.2%)</b>	<b>139,252.4</b>	<b>113,840.8</b>
<b>Approved Positions</b>	<b>2,148.4</b>	<b>2,098.8</b>	<b>2,151.5</b>	<b>2,065.0</b>	<b>2,091.0</b>	<b>(60.5)</b>	<b>(2.8%)</b>	<b>2,091.0</b>	<b>2,091.0</b>

### Appendix 3 2015 Organization Chart



### 2015 Complement

Category	Senior Management	Management	Exempt Professional & Clerical	Union	Total
Permanent	1.0	304.0	1.0	1,703.0	2,009.0
Temporary		24.0		58.0	82.0
<b>Total</b>	<b>1.0</b>	<b>328.0</b>	<b>1.0</b>	<b>1,761.0</b>	<b>2,091.0</b>

## **Appendix 5**

### **Summary of 2015 New / Enhanced Service Priorities**

**2015 Operating Budget - Council Approved New and Enhanced Services  
Summary by Service  
(\$000s)**

Form ID		Citizen Focused Services A Program: Toronto Employment & Social Services	Adjustments				2017 Plan Net Change	2018 Plan Net Change
Category	Priority		Gross Expenditure	Revenue	Net	Approved Positions		

**6218 Poverty Reduction - Initiatives**

**72 Description:**

This priority increases the 2015 Operating Budget for TESS by \$0.226 million gross and net to fund the following Poverty Reduction Initiatives: \$0.200 million gross and net to support an employment program for single parents; and \$0.026 million for inflationary impact of funds available through the Hardship Fund.

**Service Level Impact:**

This investment will help support a pilot employment for single parents on OW, and provide funding for special health-related items for individuals not on social assistance.

**Service: SS-Employment Services**

Staff Recommended:	0.0	0.0	0.0	0.0	0.0	0.0
BC Recommended Change:	200.0	0.0	200.0	0.0	0.0	(200.0)
EC Recommended Change:	0.0	0.0	0.0	0.0	0.0	0.0
CC Recommended Change:	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Council Approved:</b>	<b>200.0</b>	<b>0.0</b>	<b>200.0</b>	<b>0.0</b>	<b>0.0</b>	<b>(200.0)</b>

**Service: SS-Financial Supports**

Staff Recommended:	0.0	0.0	0.0	0.0	0.0	0.0
BC Recommended Change:	26.0	0.0	26.0	0.0	0.0	(26.0)
EC Recommended Change:	0.0	0.0	0.0	0.0	0.0	0.0
CC Recommended Change:	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Council Approved:</b>	<b>26.0</b>	<b>0.0</b>	<b>26.0</b>	<b>0.0</b>	<b>0.0</b>	<b>(26.0)</b>

<b>Staff Recommended:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Budget Committee Recommended:</b>	<b>226.0</b>	<b>0.0</b>	<b>226.0</b>	<b>0.0</b>	<b>0.0</b>	<b>(226.0)</b>
<b>Executive Committee Recommended:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>City Council Approved:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Category:**

71 - Operating Impact of New Capital Projects      74 - New Services  
72 - Enhanced Services-Service Expansion      75 - New Revenues



**2015 Operating Budget - Council Approved New and Enhanced Services  
Summary by Service  
(\$000s)**

Form ID		Citizen Focused Services A Program: Toronto Employment & Social Services	Adjustments				2017 Plan Net Change	2018 Plan Net Change
Category	Priority		Gross Expenditure	Revenue	Net	Approved Positions		
		<b>Council Approved New/Enhanced Services:</b>	<b>226.0</b>	<b>0.0</b>	<b>226.0</b>	<b>0.0</b>	<b>0.0</b>	<b>(226.0)</b>

**Category:**

- 71 - Operating Impact of New Capital Projects      74 - New Services
- 72 - Enhanced Services-Service Expansion      75 - New Revenues

**2015 Operating Budget - Council Approved New and Enhanced Services**  
**Summary by Service**  
(\$000s)

Form ID		Citizen Focused Services A Program: Toronto Employment & Social Services	Adjustments				2016 Plan Net Change	2017 Plan Net Change
Category	Priority		Gross Expenditure	Revenue	Net	Approved Positions		

6219	<b>Add 25 staff to Manage SAMS issues</b>	
------	---	--

72	0	<b>Description:</b>
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Motion from Councillor Crawford Feb 20th # 4 recommends adding 25 temporary positions to staff complement to provide administrative support to help implement client applications through the Provincial Social Assistance Management System the (SAMS) client processing system; 50% Provincially funded and 50% funded from the OW Reserve.

**Service Level Impact:**

The additional staff are required to assist the program manage client data base issues that have occurred through the transition to the new SAMS IT System that was implemented November, 2014.

Staff Recommended:	0.0	0.0	0.0	0.0	0.0	0.0
BC Recommended Change:	290.5	290.5	0.0	0.0	0.0	0.0
EC Recommended Change:	0.0	0.0	0.0	0.0	0.0	0.0
CC Recommended Change:	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Council Approved:</b>	<b>290.5</b>	<b>290.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Service: SS-Financial Supports

Staff Recommended:	0.0	0.0	0.0	0.0	0.0	0.0
BC Recommended Change:	140.0	140.0	0.0	0.0	0.0	0.0
EC Recommended Change:	0.0	0.0	0.0	0.0	0.0	0.0
CC Recommended Change:	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Council Approved:</b>	<b>140.0</b>	<b>140.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Service: SS-Integrated Case Management and Service Planning

Staff Recommended:	0.0	0.0	0.0	0.0	0.0	0.0
BC Recommended Change:	1,319.5	1,319.5	0.0	0.0	0.0	0.0

**Category:**

71 - Operating Impact of New Capital Projects	74 - New Services
72 - Enhanced Services-Service Expansion	75 - New Revenues

**2015 Operating Budget - Council Approved New and Enhanced Services**  
**Summary by Service**  
(\$000s)

Form ID		Citizen Focused Services A Program: Toronto Employment & Social Services	Adjustments				2017 Plan Net Change	2018 Plan Net Change
Category	Priority		Gross Expenditure	Revenue	Net	Approved Positions		
		EC Recommended Change:	0.0	0.0	0.0	0.0	0.0	0.0
		CC Recommended Change:	0.0	0.0	0.0	0.0	0.0	0.0
		<b>Total Council Approved:</b>	<b>1,319.5</b>	<b>1,319.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
		<b>Staff Recommended:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
		<b>Budget Committee Recommended:</b>	<b>1,750.0</b>	<b>1,750.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
		<b>Executive Committee Recommended:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
		<b>City Council Approved:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
		<b>Council Approved New/Enhanced Services:</b>	<b>1,750.0</b>	<b>1,750.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Category:**

71 - Operating Impact of New Capital Projects      74 - New Services  
72 - Enhanced Services-Service Expansion      75 - New Revenues





**2015 Operating Budget - Council Approved New and Enhanced Services  
Summary by Service  
(\$000s)**

Form ID		Citizen Focused Services A Program: Toronto Employment & Social Services	Adjustments				2017 Plan Net Change	2018 Plan Net Change
Category	Priority		Gross Expenditure	Revenue	Net	Approved Positions		

**Summary:**

<b>Staff Recommended:</b>	0.0	0.0	0.0	0.0	0.0	0.0
<b>Budget Committee Recommended:</b>	1,976.0	1,750.0	226.0	0.0	0.0	(226.0)
<b>Executive Committee Recommended:</b>	0.0	0.0	0.0	0.0	0.0	0.0
<b>City Council Approved:</b>	0.0	0.0	0.0	0.0	0.0	0.0
<b>Council Approved New/Enhanced Services:</b>	<u>1,976.0</u>	<u>1,750.0</u>	<u>226.0</u>	<u>0.0</u>	<u>0.0</u>	<u>(226.0)</u>

**Category:**

71 - Operating Impact of New Capital Projects      74 - New Services  
72 - Enhanced Services-Service Expansion      75 - New Revenues

## Appendix 6

### Inflows/Outflows to/from Reserves & Reserve Funds

Table 8

#### Program Specific Reserve / Reserve Funds

Reserve / Reserve Fund Name (\$000s)	Reserve / Reserve Fund Number	Balance as of Dec. 31, 2014 \$	Withdrawals (-) / Contributions (+)		
			2015 \$	2016 \$	2017 \$
<b>Projected Beginning Balance</b>		<b>22,384.1</b>	<b>22,079.1</b>	<b>21,022.1</b>	<b>21,022.1</b>
Social Assistance Stabilization Reserve Fund	XQ1054				
<i>Proposed Withdrawals (-)</i>		(305.0)	(223.0)		
<i>Contributions (+)</i>					
<b>Total Reserve / Reserve Fund Draws / Contributions</b>		<b>22,079.1</b>	<b>21,856.1</b>	<b>21,022.1</b>	<b>21,022.1</b>
<b>Other Program / Agency Net Withdrawals &amp; Contributions</b>			<b>(834.0)</b>		
<b>Balance at Year-End</b>		<b>22,079.1</b>	<b>21,022.1</b>	<b>21,022.1</b>	<b>21,022.1</b>

Reserve / Reserve Fund Name (\$000s)	Reserve / Reserve Fund Number	Balance as of Dec. 31, 2014 \$	Withdrawals (-) / Contributions (+)		
			2015 \$	2016 \$	2017 \$
<b>Projected Beginning Balance</b>		<b>36,394.5</b>	<b>39,449.5</b>	<b>34,456.8</b>	<b>27,624.9</b>
National Child Benefits Supplement Reserve	XR2102				
<i>Proposed Withdrawals (-)</i>		(6,145.0)	(12,109.7)	(11,717.7)	(11,297.7)
<i>Contributions (+)</i>		9,200.0	7,117.0	4,885.8	2,454.5
<b>Total Reserve / Reserve Fund Draws / Contributions</b>		<b>39,449.5</b>	<b>34,456.8</b>	<b>27,624.9</b>	<b>18,781.7</b>
<b>Other Program / Agency Net Withdrawals &amp; Contributions</b>					
<b>Balance at Year-End</b>		<b>39,449.5</b>	<b>34,456.8</b>	<b>27,624.9</b>	<b>18,781.7</b>

Reserve / Reserve Fund Name (\$000s)	Reserve / Reserve Fund Number	Balance as of Dec. 31, 2014 \$	Withdrawals (-) / Contributions (+)		
			2015 \$	2016 \$	2017 \$
<b>Projected Beginning Balance</b>		<b>9,204.6</b>	<b>7,765.6</b>	<b>5,805.6</b>	<b>3,829.6</b>
Kids at Computers Scholarship Reserve Fund	XR2104				
<i>Proposed Withdrawals (-)</i>		(1,521.0)	(2,025.0)	(2,025.0)	(2,025.0)
<i>Contributions (+)</i>		82.0	65.0	49.0	30.0
<b>Total Reserve / Reserve Fund Draws / Contributions</b>		<b>7,765.6</b>	<b>5,805.6</b>	<b>3,829.6</b>	<b>1,834.6</b>
<b>Other Program / Agency Net Withdrawals &amp; Contributions</b>					
<b>Balance at Year-End</b>		<b>7,765.6</b>	<b>5,805.6</b>	<b>3,829.6</b>	<b>1,834.6</b>

Reserve / Reserve Fund Name (\$000s)	Reserve / Reserve Fund Number	Balance as of Dec. 31, 2014 \$	Withdrawals (-) / Contributions (+)		
			2015 \$	2016 \$	2017 \$
<b>Projected Beginning Balance</b>		<b>11,191.1</b>	<b>22,288.1</b>	<b>21,413.1</b>	<b>20,538.1</b>
Ontario Works Reserve Fund	XR2101				
<i>Proposed Withdrawals (-)</i>			(875.0)	(875.0)	(875.0)
<i>Contributions (+)</i>		11,097.0			
<b>Total Reserve / Reserve Fund Draws / Contributions</b>		<b>22,288.1</b>	<b>21,413.1</b>	<b>20,538.1</b>	<b>19,663.1</b>
<b>Other Program / Agency Net Withdrawals &amp; Contributions</b>					
<b>Balance at Year-End</b>		<b>22,288.1</b>	<b>21,413.1</b>	<b>20,538.1</b>	<b>19,663.1</b>

**Table 9**  
**Corporate Reserve / Reserve Funds**

Reserve / Reserve Fund Name (\$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2014 \$	Withdrawals (-) / Contributions (+)		
			2015 \$	2016 \$	2017 \$
<b>Projected Beginning Balance</b>		<b>44,678.1</b>	<b>44,678.1</b>	<b>44,941.7</b>	<b>45,205.3</b>
Sick Leave Reserve Fund	XR1007				
<i>Proposed Withdrawals (-)</i>					
<i>Contributions (+)</i>			263.6	263.6	263.6
<b>Total Reserve / Reserve Fund Draws / Contributions</b>		<b>44,678.1</b>	<b>44,941.7</b>	<b>45,205.3</b>	<b>45,468.9</b>
<b>Other Program / Agency Net Withdrawals &amp; Contributions</b>					
<b>Balance at Year-End</b>		<b>44,678.1</b>	<b>44,941.7</b>	<b>45,205.3</b>	<b>45,468.9</b>

Reserve / Reserve Fund Name (\$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2014 \$	Withdrawals (-) / Contributions (+)		
			2015 \$	2016 \$	2017 \$
<b>Projected Beginning Balance</b>		<b>21,307.7</b>	<b>21,307.7</b>	<b>21,870.8</b>	<b>22,433.9</b>
Insurance Reserve Fund	XR1010				
<i>Proposed Withdrawals (-)</i>					
<i>Contributions (+)</i>			563.1	563.1	563.1
<b>Total Reserve / Reserve Fund Draws / Contributions</b>		<b>21,307.7</b>	<b>21,870.8</b>	<b>22,433.9</b>	<b>22,997.0</b>
<b>Other Program / Agency Net Withdrawals &amp; Contributions</b>					
<b>Balance at Year-End</b>		<b>21,307.7</b>	<b>21,870.8</b>	<b>22,433.9</b>	<b>22,997.0</b>