
2008 BUDGET BRIEFING NOTE

Toronto Social Services Caseload

For 2008 the recommended budget is based on an average caseload of 79,000, an increase of 4,000 cases from the 2007 approved budget. As in previous years, the Budget Analyst notes recommend that “the General Manager of Social Services report to Budget Committee at the 2008 Operating Budget wrap-up meeting on the actual year-to-date Ontario Works monthly caseload with possible revisions to the 2008 recommended average monthly caseload estimate of 79,000.”

Key Points:

- Provision has been made in the 2008 recommended budget for a higher average caseload than experienced in 2007 to accommodate potential changes in the economy together with recent OW program changes and new program changes that could occur through the year.
- The 2008 recommended budget is based on an average caseload of 79,000. This is an increase of 4000 cases from the 2007 approved budget.
- The 2007 average actual monthly caseload was 75,021 vs. the average budgeted caseload of 75,000.
- The January 2008 caseload was 74,726, an increase of 1942 cases or 2.7% increase over the December 2007 caseload of 72,784. A caseload increase from December to January is consistent with the past seasonal fluctuations in caseload, but this increase is higher than in previous years.
- The caseload costs are funded 80% from the Province with remainder from a combination of reserve draws and the municipal tax base. Included in the 2008 Recommended Operating Budget are draws of \$5.3 million from the SAS and OW reserve funds. These draws will exhaust both reserve funds and results in budget pressures in 2009.
- The City is currently participating in the Provincial Municipal Fiscal and Service Delivery Review (PMFSDR) and through that advocating for changes in funding responsibilities including the upload of costs of income redistributive programs such as Ontario Works. PMFSDR is expected to report out in the spring of 2008, so that favourable changes in funding responsibilities through this review could resolve some of the impending budget pressures in 2009.
- The 2008 Recommended Operating Budget for Social Services represents a \$12.3 million or 4.6% increase over the 2007 Approved Operating Budget.

- While the caseload increase in January noted above is significant, the unemployment figures, which are a leading indicator of caseload increases, remains relative stable. In that context, it is deemed prudent to reduce the 2008 budgeted caseload by 2,000 cases from 79,000 to 77,000. It must be noted, that this is still a 2,000 case increase over 2007 (2.7%). This type of adjustment is consistent with past budget years (i.e. in 2007), the budgeted caseload was adjusted down by 2,000 cases during the budget process.
- Reducing the caseload by 2,000 to 77,000 would result in a decrease in the TSS 2008 Recommended Operating Budget by \$20 million gross and \$4.2 million net. With this caseload adjustment, the increase from the 2007 approved net budget to the 2008 recommended net budget would be reduced from \$12.3 million to \$8.1 million.
- TSS will carefully monitor the caseload position over the next few months. Given the increase in January, the actual caseloads from February and March will be critical in terms of understanding the caseload trends. Any changes will be reported to Council through the Quarterly Variance reports.

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