

210 boul Mead Blvd Espanola, ON P5E 1R9 Telephone/Téléphone: (705) 862-7850 Fax/Télécopieur: (705) 862-7805 http://www.msdsb.net

December 5, 2012

Honourable Dalton McGuinty Premier of Ontario Queen's Park Toronto ON M7A 1A1

Dear Premier,

## Re: Net Reduction in Annualized Provincial Funding

The purpose of this letter is to bring to your attention that, at its regularly monthly meeting of November 22, 2012, the Manitoulin-Sudbury District Services Board adopted Resolution No. 12-109. This resolution approves and endorses the Net Reduction in Annualized Provincial Funding Issue Report.

Firstly, we would like to thank the Premier and his government for the Provincial upload of Social Assistance costs. While this upload was required and supported by municipalities there was no net benefit to our municipalities who were in receipt of the Ontario Municipal Partnership Fund (OMPF) as any savings resulting from the provincial upload of social assistance were deducted dollar for dollar from the OMPF grants.

The Manitoulin-Sudbury DSB has seen a net annualized funding reduction by the Province of Ontario in excess of 1 million dollars over the past several years. This was funding that went directly to families and children in order to prevent homelessness, assist victims of family violence, make necessary repairs to homes and to assist with rent, hydro and heat arrears. This loss of funding means that the 1 million dollar reduction has been taken right out of our local economy. These are dollars that went to our local business, non-profits organizations, contractors, suppliers and merchants.

From a Northern perspective, it seems that every time the province comes up with a new funding formula, whether it be Ontario Works Cost of Administration or Consolidated Homelessness Prevention Initiative, the north and specifically small rural communities are adversely affected. We do understand the need to rationalize provincial funding in these tough economic times but it feels like small Northern and rural communities are being asked to contribute more than their fair share.

The Manitoulin-Sudbury DSB calls upon the Premier of Ontario, the Minister of Municipal Affairs and Housing and the Minister of Community and Social Services to continue to work with the Association of Municipalities to re-evaluate the various funding allocations.

A duly authorized copy of the Manitoulin-Sudbury DSB Resolution No. 12-109 and Issue Report are attached for your review.

Respectfully yours,

Terla Jamble

Les Gamble, Chair

cc. Bob Chiarelli, Minister of Municipal Affairs and Housing John Milloy, Minister of Community and Social Services AMO

> OMSSA NOSDA



#### **RESOLUTION 12-109**

DATE: November 22, 2012

MOVED BY: Derek Stephens SECONDED BY: Paul Moffatt

WHEREAS the Provincial upload of Social Assistance costs while required and supported by municipalities is recognized, there was no net benefit to Northern municipalities who were in receipt of the Ontario Municipal Partnership Fund (OMPF) as any savings resulting from the provincial upload of social assistance were deducted dollar for dollar from the OMPF grants; and

WHEREAS the Manitoulin-Sudbury District Services Board has reviewed the Net Reduction in Annualized Provincial Funding Issue Report; and

WHEREAS the Manitoulin-Sudbury DSB has seen a net annualized funding reduction by the Province of Ontario in excess of 1 million dollars over the past several years; and

WHEREAS this million dollar annualized funding reduction was, for the most part, funding that went directly to families and children in order to prevent homelessness, assist victims of family violence, make necessary repairs to homes and assist with rent, hydro and heat arrears.

THEREFORE BE IT RESOLVED THAT the Manitoulin-Sudbury District Services Board approve the Net Reduction in Annualized Provincial Funding Issue Report; and

FURTHER BE IT RESOLVED THAT the Manitoulin-Sudbury DSB calls upon the Premier of Ontario, the Minister of Municipal Affairs and Housing (MMAH) and the Minister of Community and Social Services to continue to work with the Association of Municipalities (AMO) to re-evaluate the various funding allocations; and

FURTHER BE IT RESOLVED THAT this resolution and Issue Report be forwarded to the Premier of Ontario, Minister of Municipal Affairs and Housing, Minister of Community and Social Services, AMO, OMSSA and NOSDA.

Carried

CHAIR NAYS MEMBER YEAS MEMBER YEAS NAYS ADDISON, LOU LEONARD, DAVID BYHAM, ANDRE McMILLAN, JACK FLYNN, SONJA PITFIELD, MORGAN MOFFATT, PAUL GAMBLE, LESLIE **GOLDEN, DENNIS** KILLAH, BRUCE STEPHENS, DEREK LEHOUX, MIKE TURCOT, DENIS



210 boul Mead Blvd Espanola, ON P5E 1R9 Telephone/Téléphone: (705) 862-7850

Fax/Télécopieur: (705) 862-7850 http://www.msdsb.net

Report To: Manitoulin-Sudbury DSB Board

From: Donna Moroso, Director of Integrated Social Services

Date: November 22, 2012

Re: Net Reduction in Annualized Provincial Funding - Issue Report

## **Recommendations:**

That the Manitoulin-Sudbury DSB calls upon the Ministry of Municipal Affairs and Housing (MMAH) and the Ministry of Community and Social Services to continue to work with Association of Municipalities (AMO) to re-evaluate the various funding allocations.

# **Purpose:**

To provide a summary of the significant impact of the net reduction in annualized funding for the Manitoulin-Sudbury DSB in a variety of programs that we offer to low income families in our communities to prevent hardship and homelessness.

# **Background:**

The <u>Community Start-Up and Maintenance Benefit</u> (CSUMB) is a mandatory social assistance benefit that provides funding to assist in preventing eviction, in establishing a new residence or in the discontinuation of utilities. This benefit will be removed from the Social Assistance system effective January 1, 2013.

The <u>Discretionary Home Repairs</u> is a discretionary benefit available to Ontario Works and Ontario Support Disability Program recipients to assist them with home repairs, such as the repair of a furnace, sewage system or water system. This benefit will be removed from the Social Assistance system effective January 1, 2013.

The <u>Residential Rehabilitation Assistance Program</u> (RRAP) was a program that offered financial assistance to low-income home owners for mandatory home repairs that would preserve the quality of affordable housing. This program helped people who live in substandard dwellings and those who couldn't afford to pay for necessary repairs to their home. This program has been cancelled and rolled into the Investment in Affordable Housing program with significantly less funding.

The Affordable Housing Northern Repair Program now called the Investment in Affordable Housing program is a program that supports the development of new rental housing stock, provides assistance to rental households to purchase affordable homes and provides monies to assist low to moderate income homeowners with repairs to their existing residences.

The Consolidated Homelessness Prevention Program provides financial security to low income families to support them in emergency situations, such as becoming homeless. This program has been consolidated into one funding envelope called the <a href="Community Homelessness Prevention Initiative">Community Homelessness Prevention Initiative</a> (CHPI) with significantly less funding.

The Emergency Energy Fund assists low-income families with one-time energy emergency funds who are facing energy-related emergencies. This program has been consolidated into one funding envelope called the <a href="Community Homelessness">Community Homelessness</a> <a href="Prevention Initiative">Prevention Initiative</a> (CHPI) with significantly less funding.

The Rent Bank Fund provides immediate assistance to low-income households that, due to an emergency or unforeseen circumstance, are in short-term arrears and are facing eviction. This program has been consolidated into one funding envelope called the <a href="Community Homelessness Prevention Initiative">Community Homelessness Prevention Initiative</a> (CHPI) with significantly less funding.

In February 2011 the Ministry of Community & Social Services introduced a <u>Revised Ontario Works Funding Approach</u>. This change in funding Ontario Works delivery agents affected the provincial funding provided for Cost of Administration, Employment programs and the 100% Provincial Initiative Funding.

# **Analysis & Discussion:**

Program Name	Funding Ministry	Annualized Amount
Community Start-Up and Maintenance Benefit	MCSS	(\$262,490)
Discretionary Benefit Home Repairs	MCSS	(\$6,996)
CMHC Residential Rehabilitation Assistance Program	MMAH	(\$386,500)
Affordable Housing Northern Repair Program	MMAH	(\$639,250)
Consolidated Homelessness Prevention Program	MCSS	(\$68,372)
Emergency Energy Fund	MCSS	(\$7,930)
Domiciliary Hostel Program	MCSS	\$0
Emergency Hostel Services	MCSS	\$0
Provincial Rent Bank	MMAH	(\$13,967)
Ontario Works Employment Funding	MCSS	(\$140,097)
Ontario Works 100% Initiative Funding (CVP/ ERO)	MCSS	(\$58,567)
Total Reduction in annualized funding		(\$1,584,169)

New Funding		
Community Homelessness Prevention Initiative	MMAH	\$185,214
Investment in Affordable Housing Program	MMAH	\$253,794
Ontario Works Cost of Admin	MCSS	\$44,013
Net reduction in Provincial funding		(\$1,101,142)

With the removal of many of these fundamental programs, the Ministry of Community Social Services and the Ministry of Municipal Affairs and Housing are putting low income residents and families on social assistance at risk of being homeless and/or creating hardship due to these significant funding cuts. The burden both in societal and monetary costs will fall on the shoulders of the municipalities who cannot afford it.

The Manitoulin-Sudbury DSB is seeing a total net reduction of \$1,101,148 in annualized funding due to the decisions that the Provincial government has made to date.

### Conclusion:

As stated in a previous issue report, it remains unclear as to how we will be able to fill the gaps created by the discontinuation of these programs. There are serious implications to these decisions that will further expose our residents to the risk of being homeless or to hardship due to these significant funding cuts. We are already struggling with reduced budgets and are concerned with the ability to meet local needs.