

REGION OF OTTAWA-CARLETON  
RÉGION D'OTTAWA-CARLETON

REPORT  
RAPPORT

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DATE 31 May 2000

TO/DEST. Co-ordinator  
 Corporate Services & Economic Development Committee

FROM/EXP. Acting Finance Commissioner

SUBJECT/OBJET **2000 BUDGET ADJUSTMENTS:  
 ARTS GRANTS / LAND AMBULANCE / SOCIAL HOUSING**

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**DEPARTMENTAL RECOMMENDATION**

**That the Corporate Services & Economic Development Committee and Council receive this report for information.**

**BACKGROUND**

The purpose of this report is to address two specific funding issues - an increase to the 2000 Arts Grant program and the funding of the short term action plan for Land Ambulance services. Staff was directed by Council and the Community Services Committee to prepare a report on these two funding issues.

The first direction emanated from the review of the 2000 budget on December 22, 1999. During the review, Council adopted Motion 238 which stated:

*“RESOLVED THAT should there not be the need for the level of reductions as outlined in the 2000 Draft Estimates – Recommended Adjustment – and should there be the funds available that staff present a report providing for \$500,000 increased funding for Arts Grants (\$1.75 per capita).”*

The second direction originated during the Community Services Committee meeting of May 18, 2000. Specifically, Committee adopted the following motion in response to the report from the Medical Officer of Health on Land Ambulance services.

*“Further that Committee and Council allocate \$1.8 million to implement the short-term ambulance action plan, prioritizing more hours of service and more ambulances on the road in 2000, notwithstanding the province’s refusal to fund it’s share of these improvements, subject to the Finance Department identifying the source of funding, prior to Council approval;”*

#### 2000 BUDGET - LAND AMBULANCE / SOCIAL HOUSING COSTS

The 2000 draft operating estimates for Land Ambulance and Social Housing costs were prepared in the fall of 1999 and were based on the best information available to staff at that time. It was forecast that the net regional cost to be billed by the province would be \$8.0 million for Land Ambulance costs and \$60.2 million for Social Housing costs, for a combined total of \$68.2 million. Staff have now been notified by the Province that these costs are now projected to be \$7.2 million and \$58.6 million respectively for 2000, for a revised total of \$65.8 million.

As a result of this notification, excess funding totalling \$2.4 million exists in the 2000 budget for these two program areas. In response to the inquiries to staff from Council and the Community Services Committee, it is identified that \$0.5 million and \$1.8 million of these additional funds could be redirected to fund the proposed increases to the Arts Grant program and the Land Ambulance service as shown in the following table.

	<b>Social Housing</b>	<b>Land Ambulance</b>	<b>Arts Grant</b>	<b>Total</b>
	\$M	\$M	\$M	\$M
<b>2000 Budget</b>	60.2	8.0	0.8	69.0
<b>Revised Forecast</b>	58.6	7.2	0.8	66.6
<b>Additional Funds</b>	<b>1.6</b>	<b>0.8</b>	-	<b>2.4</b>
<b>Proposed Adjustments</b>	<b>(1.5)</b>	<b>1.0</b>	<b>0.5</b>	-
<b>Revised 2000 Budget</b>	<b>58.7</b>	<b>9.0</b>	<b>1.3</b>	<b>69.0</b>

The preceding outline to fund the Arts Grant program and the Land Ambulance short term action plan from within existing operating budgets is based on the principle that ongoing operating requirements should be funded from the base budget and not from one time funding sources such as reserve funds.

An additional alternative to the above adjustments would be to contribute the surplus in the Social Housing budget provision to a Social Housing Reserve Fund. The requirement for such a reserve fund was introduced in *The Progress Report on the Action to End Homelessness*, March, 2000 report to Council.

Should Committee and Council wish to make any adjustments to the 2000 program budgets, approval by the Ottawa Transition Board will be required. Financial Guideline 5.2.d) states:

*“Transition Board approval is required if there will be any variation from or substitution for, any transaction specifically provided for in the adopted budget for 2000 where such variation or substitution is greater than \$100,000.”*

Related to the issue of increased Arts Grants, staff have received an inquiry from Councillor Legendre regarding the eligibility of a project involving the Crichton School of Dance.

*Approved by  
Kent Kirkpatrick  
Acting Commissioner of Finance*