

## Budget Committee

<b>Meeting No.</b>	26	<b>Contact</b>	Kelly McCarthy, Committee Administrator
<b>Meeting Date</b>	Tuesday, May 29, 2012	<b>Phone</b>	416-392-7340
<b>Start Time</b>	2:00 PM	<b>E-mail</b>	buc@toronto.ca
<b>Location</b>	Committee Room 1, City Hall	<b>Chair</b>	Councillor Mike Del Grande

BU26.6	ACTION	Amended		Ward:All
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### **2012 Ontario Budget Impact on Child Care and Status Updates (Item CD12.2)**

#### **Committee Decision**

The Budget Committee recommends to the Executive Committee that:

1. City Council amend the 2012 Approved Operating Budget for Children's Services to replace the \$2.983 million in budgeted contribution from the Child Care Expansion Reserve Fund (CCERF) with \$2.983 million of provincial funding for phase 3 of Full-Day Kindergarten (FDK).
2. City Council request the Province to work with the City to develop a long-term strategy for Child Care funding.

#### **Origin**

(April 24, 2012) Letter from the Community Development and Recreation Committee

#### **Summary**

This report provides information on the implications of the 2012 provincial budget on Toronto's child care system. This report also provides updates on information requested by City Council on the third phase of Full Day Kindergarten (FDK) implementation, nutritional requirements in FDK, the Support Child Care campaign, and Toronto school board plans for implementing FDK.

In addition, this report advises the Community Development and Recreation Committee of the need to amend the 2012 Approved Operating Budget for Children's Services to reflect an

additional \$2.983 million in subsidy from the Ministry of Education for transitional funding for phase 3 of FDK.

### **Financial Impact**

Council approved the 2012 Operating Budget for Children's Services that included new provincial funding of \$1.859 million (\$1.527 million in transitional subsidy and \$0.332 million for capital upgrades) to support phase 2 of FDK transition. The Province has since advised of an additional \$2.983 million in 2012 as transitional funding for phase 3 of FDK, which will replace contributions from the CCERF. After making the recommended adjustment to the CCERF, the projected year-end balance in the CCERF will be \$35.0 million. Based on current service levels, it is expected that the reserve fund will be exhausted in 2014.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

### **Background Information**

(May 24, 2012) Letter from the Community Development and Recreation Committee on 2012 Ontario Budget Impact on Child Care and Status Update

<http://www.toronto.ca/legdocs/mmis/2012/bu/bgrd/backgroundfile-47343.htm>

(April 11, 2012) Report from the General Manager, Children's Services on 2012 Ontario Budget Impact on Child Care and Status Update

<http://www.toronto.ca/legdocs/mmis/2012/bu/bgrd/backgroundfile-47344.pdf>