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2016 OPERATING BUDGET BRIEFING NOTE

Children's Services Office Supplies and Travel Expenditures for the 2016 Preliminary Budget Estimates

Issue/Background:

At its meeting on January 11, 2016, the Budget Committee requested that the General Manager of Children's Services submit a briefing note with details on expenditures for office supplies and travel.

Key Points:

- Children's Services is responsible for planning and managing the second largest child care system in Canada. There are currently 946 locations providing licensed group child care in Toronto and Children's Services has a service contract with 669 of these locations. Since 2010, the child care system in Toronto has seen unprecedented growth, with a 24% increase in licensed child care spaces from 53,000 spaces to 65,864. This expansion includes the addition of 8,200 before and after school spaces for kindergarten children. This expansion has required the division to undertake more than 280 additional quality assessments and financial reviews annually and to provide fee subsidy assessments and placements for over 3,600 new families.
- Fee subsidies have increased from 24,000 to 26,900 since 2012, requiring significantly more fee subsidy assessments and placements for families seeking financial support for child care.
- Growth in child care delivery and system management has resulted in increases in the 2016 budget estimates for office supplies and travel. Between 2015 and 2016 alone, system growth included 7839 new licensed child care spaces, 150 new child care programs requiring oversight, and more than 1600 new families served in District Offices.
- Office supply expenses for 2016 of \$0.243 million are projected to be \$0.034 million higher than the 2013-2015 average actual costs of \$0.209 million; and travel expenses of \$0.208 million for 2016 are projected to be \$0.073 million higher than the 2013-2015 average actual costs of \$0.135 million. The following tables explain these increases by specific budget lines.
- Office supplies and travel expenses are required to manage the early years sector in Toronto. As administrative expenses, funding for these items are cost shared with the province with a cost share ration of 50/50.

Budget Lines	Average Expenditure 2013-2015	2016 Budget Gross	Rational
Office Supplies			
Stationery, Office Supplies & Books	\$160,800	\$174,970	The 2016 Budget estimate is based on 2015 actual expenses plus increases for inflation and to reflect the growth in the child care sector. System growth from 2015 to 2016 includes more than 150 new child care programs and an increase in the number of families served by the district offices from 35,426 to 37,000, resulting in increased activity for case workers and support staff in all district offices, child care consultants and quality assurance analysts.
Paper and Printing Supplies	\$28,411	\$29,280	Same as above.
Machinery & Equipment Office	\$7,293	\$19,501	The increase in the 2016 Budget estimate reflects the need to replace telephone headsets for staff. More than 100 staff in the division use headsets to deliver service to clients as part of their daily responsibilities. Headsets are needed to comply with Health and Safety requirements.
Print & Reproduction	\$12,659	\$19,303	The 2016 Budget estimate reflects the anticipated need to deliver increased service system management activities. A number of significant provincial policy and legislative initiatives will be implemented 2016, as will be the new funding model for child care operators, requiring an increase in printed materials for consultation, communication and training in the early years sector.
Total	\$209,163	\$243,054	
Travel			
Business Travel – Public Transit for Program Administration	\$8,249	\$10,702	The 2016 Budget estimate includes tokens for: child care centre staff to supervise children on field trips and staff completing program visits to 892 contracted child care programs. More than 7,400 visits are completed annually to ensure compliance with legislated and quality standards and to support children, families and child care operators. Program visits are expected to increase in 2016 due to the introduction of a new funding model and the expansion of quality assessment visits for new child care programs. Token use is expected to increase in directly operated child care programs in 2016 as two new centres will open and the number of field trips will increase.
Toronto Early Learning and Care Services	\$5,707	\$10,760	
Total	\$13,956	\$21,462	

Parking Expenses–In Town	\$28,862	\$51,882	<p>The 2016 Budget estimate is based on 2015 actual expenses plus an increase in parking and meterage expenses for staff supporting early years programs in Toronto. Over 900 programs are visited annually including licensed child care, home child care, summer camp programs, ARC programs and family resource programs.</p> <p>Programs and home child care locations requiring visits have expanded by more than 150 and more than 7,400 visits are projected to be completed in 2016.</p> <p>Program visits in 2015 were partially deferred to 2016, pending new legislation and funding model implementation. As a result, 2015 expenditures were lower than projected.</p>
Meterage Expenses–In Town	\$92,310	\$134,554	Same as above.
Total	\$135,128	\$207,898	

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