



Toronto 2016 BUDGET

OPERATING BUDGET NOTES



Children's Services

2016 OPERATING BUDGET OVERVIEW

Toronto Children's Services promotes access to high quality early learning, and provides child care and supports for families through a well-planned and managed system.

All families in Toronto benefit from a range of services that promote healthy child development and family well-being.

2016 Budget Highlights

The total cost to deliver these services to Toronto residents is \$450.965 million gross and \$75.994 million net as shown below.

(in \$000's)	2015 Approved		Change	
	Budget	2016 Budget	\$	%
Gross Expenditures	452,480.2	450,965.1	(1,515.1)	(0.3%)
Gross Revenues	375,718.2	374,970.7	747.5	0.2%
Net Expenditures	76,762.0	75,994.4	(767.6)	(1.0%)

For 2016, Children Services faced pressures from the reversal of a reserve contribution, historically used to offset base pressures, inflationary increases for purchased child care, as well as operational requirements to deliver an expanded system. The implementation of Council directed 5-year Child Care funding strategy added a further pressure of \$0.900 million. Through service efficiencies and revenue changes, the Program was able to offset these pressures and achieve the -1% reduction target.

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Fast Facts

- Children's Services operates 52 child care centres, and will open 2 new centres in the summer of 2016. These will add 90 new spaces.
- 4 district offices and 1 Application office to manage service delivery.
- Children's Services is the system manager responsible for early learning and child care delivery across the City that provides 65,864 spaces of which 27,300 are currently subsidized, (temporarily providing 25,934 in 2016).
- There are currently 12,000 children on the waitlist, for fee subsidy, down from 19,000 in 2013 as a result of increased Provincial funding.

Trends

- One of the goals of the Children's Services Service Plan is to improve geographic equity of the individual wards so that each ward is at 10% of the equity target.
- The Program uses age and geographic equity targets to help manage system growth to ensure eligible families have equitable access to child care subsidies. The wards meeting equity target has increased from 48% in 2013 to 53% projected for 2015 and is expected to further increase to 54% in 2016.

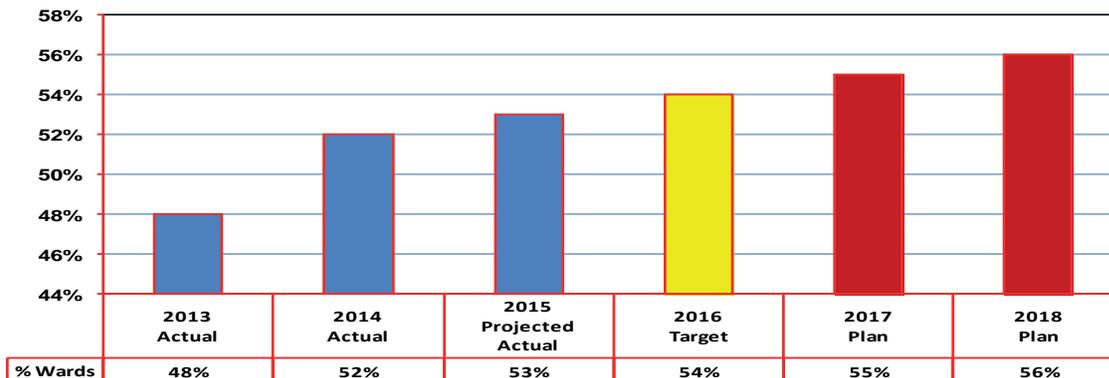
Our Service Deliverables for 2016

Children's Services is responsible for managing Toronto's Child Care system in accordance with the Council approved 2015-2019 Child Care Service Plan and Provincial guidelines.

The 2016 Preliminary Operating Budget will fund the delivery of the following:

- Upwards of 25,934 child care subsidies;
- 669 contracted child care centres with contracts for fee subsidy;
- 10 home child care agencies with fee contracts for subsidy;
- 68 additional child care centres with contracts for wage subsidy and wage improvement;
- 913 centres with agreements for Provincial Wage Enhancement;
- 54 Toronto Early Learning and Child Care Services centres, and 1 home child care agency;
- 21 programs for children with special needs;
- 45 family support programs;
- 34 summer day programs; and
- 45 After School and Recreation Programs (ARC) in partnership with Parks Forestry & Recreation.

% of Wards Meeting Equity Target

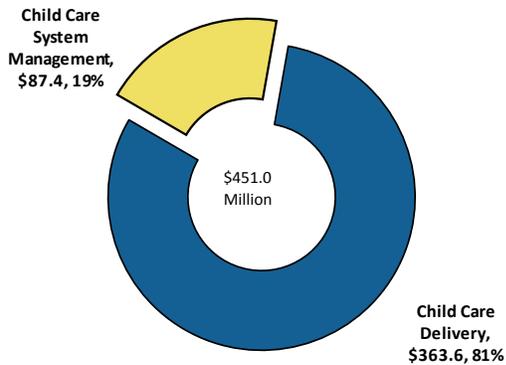


2016 Operating Budget Expenses & Funding

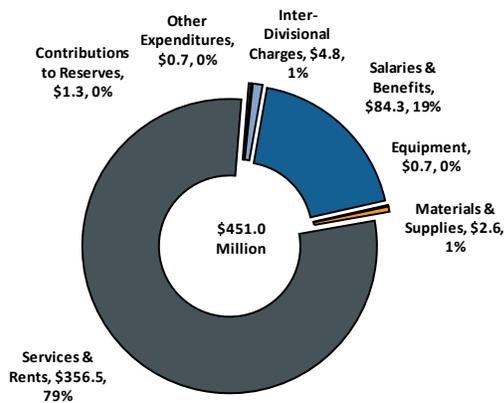
Our Key Issues & Priority Actions

Where the money goes:

2016 Budget by Service

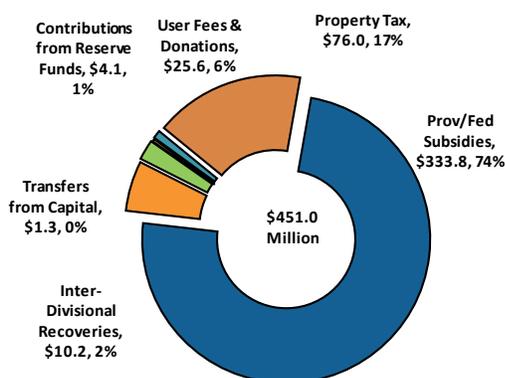


2016 Budget by Expenditure Category



Where the money comes from:

2016 Budget by Funding Source



- **Responding to significant demand for increased child care spaces** - The Program has implemented a number of structural and operational changes to help manage the demand for increased capacity:

 - ✓ Implementing year 1 of a 5-Year Funding Strategy that reduces the reliance on the Child Care Expansion Reserve with an additional \$0.900 million in City funding in 2016, increasing to \$12.3 million by 2020, to extend the life of the Child Care Expansion Reserve Fund;
 - ✓ Transferring \$21.0 million from the Child Care Expansion Reserve Fund to the Child Care Capital Reserve Fund to deliver up to 5 new child care centres in the future with 310 spaces by 2020;
 - ✓ Funding \$0.683 million to add 12.5 caseworker positions to manage system expansion; and 2 district consultant positions to assist with community capacity building, system modernization and compliance; and
 - ✓ Adding 1 capital manager position funded from capital to help deliver the new child care centres.
- **Managing administration and system modifications due to the implementation of the new funding model and Provincial Wage Enhancement program in response to legislative changes**

 - ✓ Funding for 5 temporary positions for \$0.498 million gross \$0 net is included in 2016 to deliver the new Provincial Wage Enhancement program to support child care workers.

2016 Operating Budget Highlights

- The 2016 Preliminary Operating Budget for Children's Services of \$450.965 million in gross expenditures provides funding for two services: Child Care Delivery and Child Care System Management.
- The Program has achieved the -1% reduction target through measures taken based on the following criteria:
 - ✓ The identification of sustainable, on-going savings including line by line reductions (\$0.446 million) and efficiency / productivity gains (\$1.564 million);
 - ✓ Stable revenue adjustments related to parental contributions; Provincial subsidies and the transition of reserve funding to the property tax base over 5 years; and
 - ✓ Target achievement without impacting Council approved Service Levels.

Actions for Consideration

Approval of the 2016 Preliminary Budget as presented in these notes requires that:

1. City Council approve the 2016 Preliminary Operating Budget for Children's Services of \$450.965 million gross, \$75.994 million net for the following services:

<u>Service:</u>	Gross <u>(\$000s)</u>	Net <u>(\$000s)</u>
Child Care Delivery	363,572.8	66,408.7
Child Care System Management	87,392.3	9,585.7
Total Program Budget	<u>450,965.1</u>	<u>75,994.4</u>

2. City Council approve the 2016 preliminary service levels for Children's Services as outlined on pages 15 and 19 of this report, and associated staff complement of 990.9 positions.



Part I:

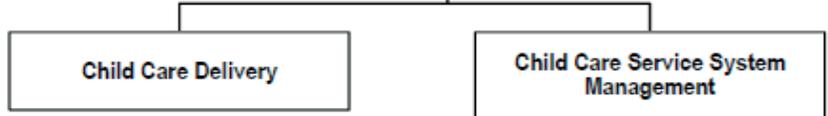
2016 – 2018

Service Overview and
Plan

Program Map

Children's Services

The Children's Services Program is the service system manager of childcare within Toronto. In partnership with the community, the program promotes equitable access to high quality care for children and support for families and caregivers. An integrated approach to planning and management ensures that services to children promote early learning and development, respond to families' needs and choices and respect the diversity of Toronto's communities.



Purpose:
To deliver high quality child care in high needs communities.

Purpose:
To plan and manage Toronto's Child Care system in accordance with Council approved Child Care Service Plan and provincial guidelines. To grant child care subsidies to eligible families in accordance with provincial guidelines and Council approved principles of age and geographic equity.

Legend:

	Program		Activity
	Service		

Service Customer

Child Care Delivery

- Parents / Guardians
- Children in Child Care
- Child Care Service Providers
- Families and Children

Child Care Service System Management

- Parents / Guardians
- Province of Ontario
- Child Care Service Providers
- Children in Child Care
- Families and Children

Table 1
2016 Preliminary Operating Budget and Plan by Service

(In \$000s)	2015		2016 Operating Budget			2016 vs. 2015 Budget		Incremental Change 2017 and 2018 Plan				
	Approved Budget	Projected Actual	2016 Base	2016 New/Enhanced	2016 Budget	Approved Changes		2017		2018		
	\$	\$				\$	\$	\$	%	\$	%	\$
Child Care Delivery												
Gross Expenditures	360,927.8	352,543.2	363,572.8		363,572.8	2,645.0	0.7%	6,832.8	1.9%	6,478.8	1.7%	
Revenue	296,444.2	289,689.6	297,164.1		297,164.1	719.9	0.2%	4,700.0	1.6%	4,100.0	1.4%	
Net Expenditures	64,483.6	62,853.6	66,408.7		66,408.7	1,925.1	3.0%	2,132.8	3.2%	2,378.8	3.5%	
Child Care System Management												
Gross Expenditures	91,552.4	89,798.8	87,392.3		87,392.3	(4,160.1)	(4.5%)	(132.8)	(0.2%)	121.2	0.1%	
Revenue	79,274.0	75,855.6	77,806.6		77,806.6	(1,467.4)	(1.9%)					
Net Expenditures	12,278.4	13,943.2	9,585.7		9,585.7	(2,692.7)	(21.9%)	(132.8)	(1.4%)	121.2	1.3%	
Total												
Gross Expenditures	452,480.2	442,342.0	450,965.1		450,965.1	(1,515.1)	(0.3%)	6,700.0	1.5%	6,600.0	1.4%	
Revenue	375,718.2	365,545.2	374,970.7		374,970.7	(747.5)	(0.2%)	4,700.0	1.3%	4,100.0	1.1%	
Total Net Expenditures	76,762.0	76,796.8	75,994.4		75,994.4	(767.6)	(1.0%)	2,000.0	2.6%	2,500.0	3.2%	
Approved Positions	982.6	935.6	990.9		990.9	8.3	0.8%	(9.0)	(0.9%)			

The Children's Services 2016 Preliminary Operating Budget is \$450.965 million gross and \$75.944 million net, representing a 1% decrease from the 2015 Approved Net Operating Budget and is in line with the -1% reduction target set out in the 2016 Operating Budget Directions and Guidelines.

- Base pressures of \$1.242 million are primarily attributable to the increased cost of purchased child care in the *Child Care Delivery* service, adjustments for the cost of delivering the After School Recreation program, known salary and benefit adjustments, including additional case worker positions to help manage the pressures from delivering expanded services.
- These pressures were partially offset by savings in salaries and benefits through PEP savings of \$1.675 million identified through moving to position-based budgeting with adjustments that aligned the budget with the actual PEP calculated salary and benefit costs.
- Revenue adjustments include a net reduction in the contribution from the Child Care Expansion Reserve Fund of \$10.364 million from \$12.720 million to \$2.356 million, which is partially offset with an increase in parental contributions to the cost of child care.
- To help mitigate base pressures, the Program has achieved savings of \$2.010 million from base reductions and efficiencies, including staffing realignment in the directly operated child care centres, and from renegotiating the food catering contract.
- Approval of the 2016 Preliminary Operating Budget will result in Children's Services increasing its total staff complement by 8.3 positions from 982.6 positions to 990.9 positions.
- The 2017 and 2018 Plan increases result from the implementation of the 5-Year Child Care Funding Strategy, which will add a pressure of \$2.0 million in 2017 and \$2.5 million in 2018. Other increases include known salary and benefit adjustments, as well as inflationary increases for the cost of purchased child care, which will be partially offset by the increased Provincial subsidy and from the contribution from the Child Care Expansion Reserve Fund.

**Table 2
Key Cost Drivers**

(In \$000s)	2016 Operating Budget				2016 Base Budget	
	Child Care Delivery		Child Care System Management		Total	
	\$	Position	\$	Position	\$	Position
Gross Expenditure Changes						
Prior Year Impacts						
Reversal of Budgeted Draw from Child Care Expansion Reserve Fund	11,735.9		983.6		12,719.5	
Annualization of staff for Weston Road Child Care Centre	78.4	5.4			78.4	5.4
Provincial Wage Enhancement	-	5.0	-		-	5.0
After School Recreation Programming	197.3				197.3	-
Economic Factors						
Non payroll, primarily COLA for purchased child care	5,956.1		82.3		6,038.4	
Purchased Child Care Mix Adjustment	(4,342.8)		(220.2)		(4,563.0)	
Salary & Benefit Costs						
Progression Pay, Step Increases and Fringe Benefit adjustments	1,077.5		(429.9)		647.6	
PEP Salary and Benefit Savings	316.5		(1,991.8)		(1,675.3)	
Other Base Changes						
Capital Manager to assist in delivery of new child care centres (funded from capital)		1.0			-	1.0
Additional caseworkers to manage expanded child care system	568.1	12.5			568.1	12.5
Additional district consultants to ensure compliance and operational standards are maintained	115.7	2.0			115.7	2.0
TELCCS staff realignments due to change in case mix	(89.2)	(3.6)			(89.2)	(3.6)
Closure of under-enrolled room at Parkside Child Care Centre *	(173.4)	(2.0)			(173.4)	(2.0)
Delay in hiring staff at Orchard Grove and Weston Road child care centres, scheduled to open in January, delayed until June	(845.4)				(845.4)	-
IDC / IDR adjustment, primarily additional programming through ARC from the Social Assistance Stabilization Reserve Fund and adjusting solid waste fees based on actuals	216.9		(242.0)		(25.1)	
Total Gross Expenditure Changes	14,811.6	20.3	(1,818.0)		12,993.6	20.3
Revenue Changes (Increase) / Decrease					-	
Transition to 8 Year Funding Strategy	500.0				500.0	
Transition to 5-Year Funding Strategy	400.0				400.0	
2016 Draw from Child Care Expansion Reserve Fund *	(3,256.9)				(3,256.9)	
Increase in family fees based on actuals	(6,452.1)		52.1		(6,400.0)	
Increase in Provincial Subsidy	(2,994.7)				(2,994.7)	
Total Revenue Changes	(11,803.7)		52.1		(11,751.6)	
Net Expenditure Changes	3,007.9	20.3	(1,765.9)		1,242.0	20.3

Key cost drivers for Children's Services are discussed below:

- Prior Year Impacts
 - Prior year impacts create a \$12.995 million pressure, primarily from the reversal of the 2015 contribution from the Child Care Expansion Reserve Fund of \$12.720 million required to provide funding for the ongoing cost of programming and economic factors.
- Economic Factors:
 - Non-payroll inflationary increases, primarily COLA for purchased child care will add a pressure of \$6.038 million, which has been partially offset by savings of \$4.563 million from aligning the per diems to the service requirements of the different age groups.
- Salary and Benefit Costs:
 - Known salary and benefits adjustments of \$0.648 million were offset by PEP savings of \$1.675 million, resulting from moving to position-based budgeting where reductions to salary and benefits were included to reflect actual budget requirements. COLA is not included as it is subject to ongoing collective bargaining.
- Other Base Changes:
 - An increase in complement of 15.5 positions for \$0.683 million net, arises from the need to add 12.5 case workers to address caseload management pressures resulting from system expansion and; 2 district consultants to ensure compliance and operational standards are maintained in the expanded system; 1 capital manager to assist with the delivery of current and anticipated capital growth.
 - Savings of \$1.108 million is included through reducing the staff complement by 5.6 vacant positions
 - The closure of the preschool room at Parkside Early Learning and Child Care Centre will reduce 2 vacant positions, due to a flood and under enrollment. While the Parkside centre had provided 49 spaces, it is now scheduled to accommodate 39 children, based on the case mix requirements.
 - ✓ There has been no service impact, as the 4 children who were in the preschool room at the time of the flood have been permanently placed in another centre in close proximity.
 - Delayed construction has resulted in the need to reschedule the opening of Humberlea and Orchard Grove Early Learning and Child Care Centres until the summer. Hiring for these centres will be delayed, with savings of \$0.845 million.
 - There has also been staff realignment in due to a change in case mix in the municipally operated child care centres resulting in a reduction of 3.6 vacant positions.
- Revenue Changes of \$11.752 million are explained below:
 - The 2016 Operating Budget includes funding of \$0.900 million to transition Child Care Expansion Reserve funding to the property tax base to increase the sustainability of the reserve as part of a 5-Year Child Care Funding Strategy approved by Council at its meeting on July 7, 2015.

- Contribution from the Child Care Expansion Reserve Fund of \$3.257 million is required to support 2016 service levels (down from \$12.270 million in 2015.).
- Increase in family fees of \$6.4 million to reflect an alignment of the budget to actual family income levels;
- Increase in Provincial Subsidy of \$2.995 million based on 1.5% projections;
- In order to offset these net pressures, the 2016 service cost changes for Children's Services consists of base expenditure savings of \$0.446 million, and service efficiency savings of \$1.564 million, for total saving of \$2.010 million as detailed below:

Table 3
2016 Total Preliminary Service Change Summary

Description (\$000s)	2016 Service Changes				Total Service Changes			Incremental Change			
	Child Care Delivery		Child Care System		\$	\$	#	2017 Plan		2018 Plan	
	Gross	Net	Gross	Net	Gross	Net	Pos.	Net	Pos.	Net	Pos.
Base Changes:											
Base Expenditure Changes											
<i>Line by Line Review</i>	86.7	86.7	(532.8)	(532.8)	(446.1)	(446.1)					
Base Expenditure Change	86.7	86.7	(532.8)	(532.8)	(446.1)	(446.1)					
Service Efficiencies											
<i>Staffing Realignment</i>	(605.4)	(605.4)	(344.9)	(344.9)	(950.3)	(950.3)	(12.0)	6.4		(4.4)	
<i>Gapping Efficiency Savings</i>	(231.6)	(231.6)	(52.9)	(52.9)	(284.5)	(284.5)					
<i>Catering Contract Renewal</i>	(332.7)	(332.7)	3.8	3.8	(328.9)	(328.9)					
Sub-Total	(1,169.7)	(1,169.7)	(394.0)	(394.0)	(1,563.7)	(1,563.7)	(12.0)	6.4		(4.4)	
Total Changes	(1,083.0)	(1,083.0)	(926.8)	(926.8)	(2,009.8)	(2,009.8)	(12.0)				

Base Expenditure Changes (Savings of \$0.446 million gross & \$0.446 million net)

- Savings of \$0.446 million will be realized through a line-by-line review of expenditures to align the budget with actual experience and projected 2016 requirements, resulting in reduced costs for contracted and other professional services.

Service Efficiencies (Savings of \$1.564 million gross & \$1.564 million net)

- A staffing realignment will result in savings of \$0.950 million through the reduction of 12.0 positions, following the implementation of Full Day Kindergarten, which has resulted in the realignment of services in several directly operated child care centres, as preschool children move into FDK programming, requiring only part-time care before and after school.
- Positions required for Humberlea (Weston Road) and Orchard Grove Early Learning child care centres have been gapped to coincide with the revised schedule of opening these centres resulting in savings of \$0.285 million net.
- Negotiating a new contract for catering services for the delivery of food to directly operated child care centres results in savings of \$0.329 million for the cost of meals for children in child care.

Table 5
2017 and 2018 Plan by Program

Description (\$000s)	2017 - Incremental Increase					2018 - Incremental Increase				
	Gross Expense	Revenue	Net Expense	% Change	# Positions	Gross Expense	Revenue	Net Expense	% Change	# Positions
Known Impacts:										
Progression Pay, Step & Benefit Adjustments	84.0		84.0	0.1%		630.9		630.9	0.8%	
Annualization of opening of Weston Road	845.4		845.4	1.1%						
Other (IDC)	2.7		2.7	0.0%		2.2		2.2	0.0%	
Deletion of temporary positions for the implementation of new Provincial child care service delivery model	(1,201.2)		(1,201.2)	(1.6%)	(9.0)	0.0		0.0		
Revenue										
Provincial Subsidy/ Reserve Draw *		4,700.0	(4,700.0)	(6.2%)			4,100.0	(4,100.0)	(5.3%)	
Sub-Total	(269.1)	4,700.0	(4,969.1)	(6.5%)	(9.0)	633.2	4,100.0	(3,466.8)	(4.4%)	
Anticipated Impacts:										
Other										
Economic Factors, primarily cost of purchased child care	6,969.1		6,969.1	9.2%		5,966.8		5,966.8	7.7%	
Sub-Total	6,969.1		6,969.1	9.2%		5,966.8		5,966.8	7.7%	
Total Incremental Impact	6,700.0	4,700.0	2,000.0	2.6%	(9.0)	6,600.0	4,100.0	2,500.0	3.2%	

* Note: Includes incremental impact of City funding to implement the 5-Year Funding Strategy (please see table on pg 23)

Future year incremental costs are primarily attributable to the following:

Known Impacts:

- The 2017 and 2018 Plans reflect known adjustments to salaries and benefits in 2017 and in 2018. These estimates do not include provision for COLA which is subject to the outcome of collective bargaining.
- Six month annualized opening costs for Humberlea (Weston Road) Early Learning and Child Care Centre, scheduled to open in July, 2016.
- A reduction is included in 2017 for the deletion of 9 temporary positions that were included in the 2014 and 2015 Approved Operating Budgets to implement system changes required for the implementation of the new Provincial funding model.
- Funding of \$4.700 million in 2017 and \$4.100 in 2018 million includes the projected increase in Provincial funding of 1.5% and the projected contribution from the Child Expansion Reserve Fund for the respective years.
- The incremental changes in the net budget for 2017 and 2018 include the additional funding to support the 5-Year Funding Strategy, with \$2.0 million and \$2.5 million in additional City funding respectively.

Anticipated Impacts:

- Actual cost of child care is projected to increase based on COLA and the change in case mix, with 2017 reflecting a larger increase as additional spaces for toddlers and infants are being added to the system, which is more expensive than pre-school spaces.



Part II:

2016 Budget by
Service

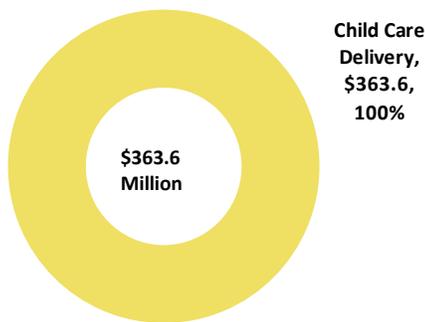
Child Care Delivery



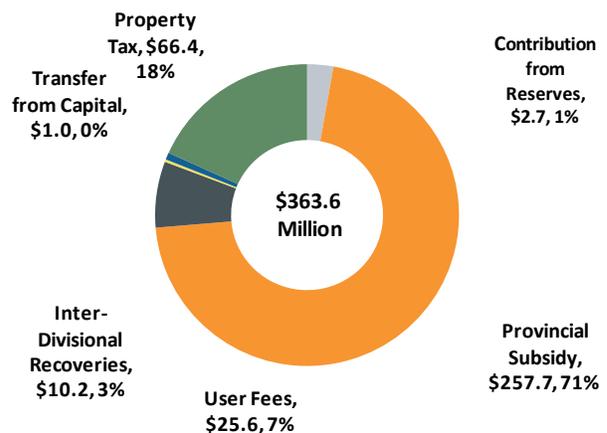
What We Do

- Provide at least 25,934 fee subsidies to help eligible families with the high cost of early learning and care.
- Deliver child care directly through the Toronto Early Learning and Child Care Services that provides enriched early learning and care service to families primarily in high-need and under-served neighborhoods with a focus on skill development and school readiness.
- Deliver in partnership with PF&R After School Recreation programs (ARC).
- Provide Family Well-Being Support services, which include service and supports to improve positive outcomes for families and children.

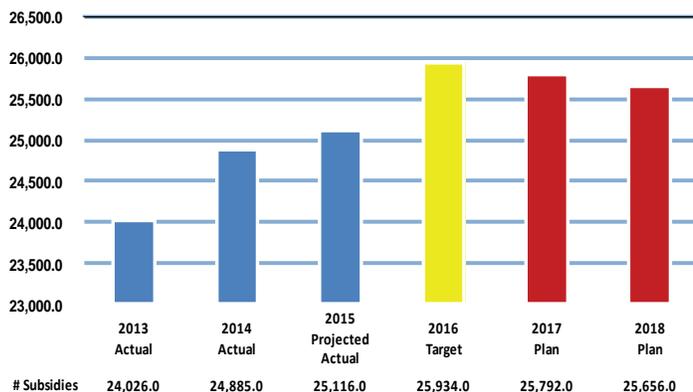
2016 Service Budget by Activity (\$Ms)



Service by Funding Source (\$Ms)



Number of Early Learning and Child Care Subsidies



- Children's Services will deliver 25,934 child care subsidies in 2016 which are allocated across City wards based on the proportion of children in the ward who are living below the property line, reflecting a temporary increase of 818 subsidies from 2015. (Please refer to the Issues section, pg 24.)
- As a result of system expansion, the number of children served in the various programs and services delivered has increased from 58,164 in 2013 to 63,154 or 8.5%.

2016 Service Levels

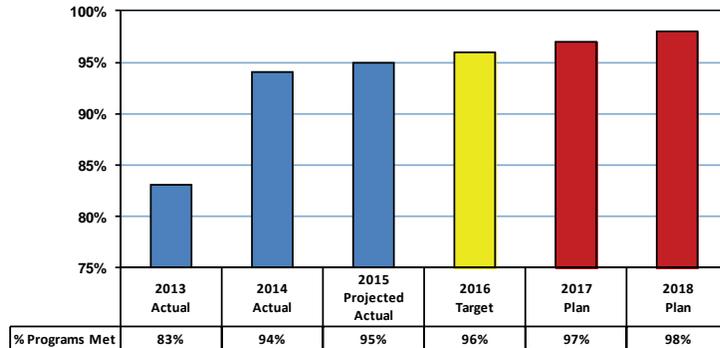
Child Care Delivery

Activity	Sub-Activity/Type	Status	2013	2014	2015	2016
Early Learning and Care Information		Approved		annual		
Enriched Early Learning and Care	School aged Children - % occupancy of school aged children placed through Toronto Early Learning and Child Care Services	Approved			94% of the 98% occupancy target achieved	
	Kindergarten aged Children - % occupancy of Kindergarten aged children placed through Toronto Early Learning and Child Care Services	Approved			98% of the 98% occupancy target achieved	
	Pre-School Children - % occupancy of Pre-school Children placed through Toronto Early Learning and Child Care Services	Approved			98% of the 98% occupancy target achieved	
	Toddlers - % occupancy of Toddlers placed through Toronto Early Learning and Child Care Services	Approved	98% of the 98% occupancy target achieved		96% of the 98% occupancy target achieved	
	Infants - % occupancy of Infants placed through Toronto Early Learning and Child Care Services	Approved			100% of the 98% occupancy target achieved	
	Family Financial Support	Wage Subsidy	Approved		annual	
Special Needs Subsidy		Approved		annual		
Child Care Fee Subsidy		Approved		annual		
Family Resource Centre Subsidy		Approved		annual		
City Funded Grants		Approved		annual		
Family Well-Being Support Care		Approved		annual		

The 2016 Service Levels are consistent with the approved 2015 Service Levels for Child Care Delivery.

Service Performance

Percentage of Programs Meeting Operating Criteria



- All child care centres with a service contract for fee subsidy are assessed for quality standards. This assessment rates a centre's activities, learning, health & safety, adult/child interactions and nutrition by comparing them to the standards laid out in the Assessment for Quality indicators, a tool used to evaluate the City's expectations of quality for child care programs.
- The number of centres meeting operating criteria has increased from 83% in 2013, with projections of 95% in 2015. Centres are projected to be at 97% by 2017.

Table 6
2016 Preliminary Service Budget by Activity

(\$000s)	2015	2016 Operating Budget							2016 Budget vs. 2015 Budget		Incremental Change				
	Approved Budget	Base Budget	Service Changes	2016 Base	Base Budget vs. 2015 Budget	% Change	New/Enhanced	2016 Budget			2017 Plan	2018 Plan			
	\$	\$	\$	\$	\$	%	\$	\$	\$	%	\$	%	\$	%	
GROSS EXP.															
Child Care Delivery	360,927.8	364,655.8	(1,083.0)	363,572.8	2,645.0	0.7%		363,572.8	2,645.0	0.7%	6,832.8	1.9%	6,478.8	1.7%	
Total Gross Exp.	360,927.8	364,655.8	(1,083.0)	363,572.8	2,645.0	0.7%		363,572.8	2,645.0	0.7%	6,832.8	1.9%	6,478.8	1.7%	
REVENUE															
Child Care Delivery	296,444.2	297,164.1		297,164.1	719.9	0.2%		297,164.1	719.9	0.2%	4,700.0	1.6%	4,100.0	1.4%	
Total Revenues	296,444.2	297,164.1		297,164.1	719.9	0.2%		297,164.1	719.9	0.2%	4,700.0	1.6%	4,100.0	1.3%	
NET EXP.															
Child Care Delivery	64,483.6	67,491.7	(1,083.0)	66,408.7	1,925.1	3.0%		66,408.7	1,925.1	3.0%	2,132.8	3.2%	2,378.8	3.5%	
Total Net Exp.	64,483.6	67,491.7	(1,083.0)	66,408.7	1,925.1	3.0%		66,408.7	1,925.1	3.0%	2,132.8	3.2%	2,378.8	3.4%	

The **Child Care Delivery** service provides 25,934 fee subsidies through the use of contracted child care service delivery and through 54 the Toronto Early Learning Child Care (TELCC) centres that help eligible families meet the cost of early learning and care.

The Child Care Delivery's 2016 Operating Budget of \$363.573 million gross and \$66.409 million net is \$1.925 million or 3.0% over the 2015 Approved Net Budget.

- In addition to the base budget pressures and revenues changes common across both services, the pressures in the *Child Care Delivery* service includes the inflationary cost of purchased child care, adjustments for the cost of delivering the After School Recreation program, and \$0.683 million for 15.5 additional positions (12.5 case workers; 2 divisional consultants, and 1 temporary capital manager position) to help manage the pressures of delivering expanded services.
- Significant revenue adjustments for *Child Care Delivery* include a net reduction in the contribution for the Child Care Expansion Reserve Fund of \$9.379 million (\$11.736 in 2015), which is partially offset by an increase in the family contribution to the cost of service.
- To help mitigate the above pressures, \$1.083 million in base reductions and efficiencies has been achieved, primarily through staffing realignment (reduction of 8.3 vacant positions to better match the service requirements in the directly operated child care centres), an increase in gapping, and savings through a new catering contract that supplies meals to the Toronto Early Learning Child Care centres.
- The 2017 and 2018 Plan increases are attributable to known adjustments for progression, step and fringe benefits; the annualization of the opening for the Humberlea (Weston Road) Early Learning and Child Care Centre; the anticipated inflationary cost increase for the cost of purchased child care, costs which are partially offset by the increase in Provincial subsidy and the contribution from the Child Care Expansion Reserve.

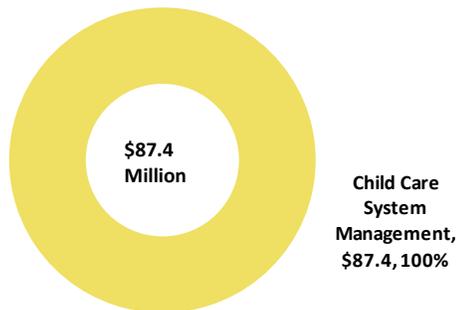
Child Care System Management



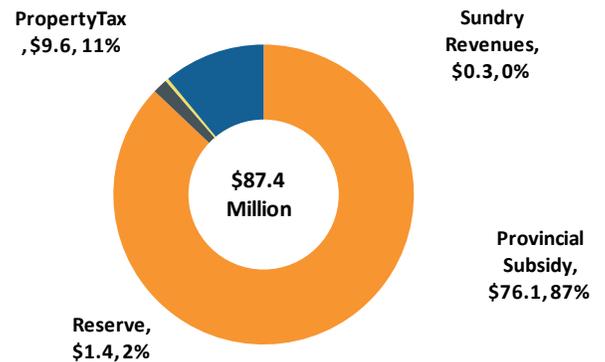
What We Do

- Plan and manage Toronto's Child Care system in accordance with the Council approved Child Care Service Plan and Provincial guidelines.
- As Consolidated Municipal Service Manager (CMSM) for the City of Toronto, plan and implement policies and programs within the Provincial legislative framework that are designed to meet specific local requirements. In this capacity, the City develops and implements planning processes and programs to address service gaps and ensure that local goals are met.
- Through the administration of the new Wage Enhancement program, other wage support programs, and Occupancy grants, providers are assisted in the provision of affordable child care services; as well the Program partners with stakeholders, including community agencies, other levels of government, school boards and families to better meet the needs of Toronto's children and families.

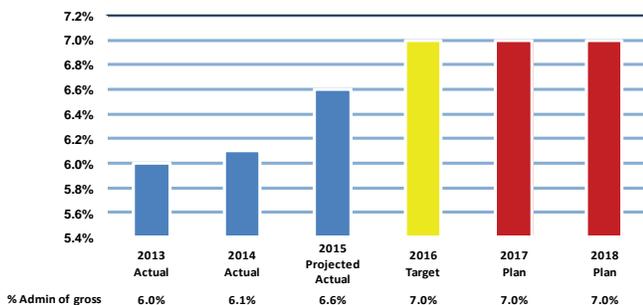
2016 Service Budget by Activity (\$Ms)



Service by Funding Source (\$Ms)



Efficiency: Administration as a Percentage of Total Gross Expenditures



- Historically, the cost of program delivery is between 5% and 6% of the Program's gross expenditures. For 2015 and 2016 through 2017, administrative costs are projected to temporarily increase slightly to 7%, reflecting the impact of managing the expanded child care system, additional Provincial reporting requirements and the new funding model.
- Administrative cost ratios have historically been kept significantly below the Provincial guideline of 10%.

2016 Service Levels Child Care System Management

Activity	Sub-Activity/Type	Status				2016
			2013	2014	2015	
Intergrated Service System Planning	Service Plan	Approved		100%		
	Service Plan - Curriculum Development	Approved		100%		
	Service Plan - Policy Development	Approved		100%		
	Children's Report Card - # children's report cards updated	Approved		Quarterly		
Early Learning and Care Quality		Approved		annual		
Early Learning and Care Capacity		Approved		annual		
Research and Innovation		Approved		annual		
Service Providers Financial Support - # of Service Providers with Financial Support		Approved		Quarterly		

The 2016 Service Levels are consistent with the approved 2015 Service Levels for Child Care System Management.

**Table 6
2016 Preliminary Service Budget by Activity**

(\$000s)	2015		2016 Operating Budget						2016 Budget vs. 2015 Budget		Incremental Change			
	Approved Budget	Base Budget	Service Changes	2016 Base	Base Budget vs. 2015 Budget	% Change	New/Enhanced	2016 Budget	\$	%	2017 Plan		2018 Plan	
	\$	\$	\$	\$	\$	%	\$	\$	\$	%	\$	%	\$	%
GROSS EXP.														
Child Care System Management	91,552.4	88,319.1	(926.8)	87,392.3	(4,160.1)	(4.5%)		87,392.3	(4,160.1)	(4.5%)	(132.8)	-0.2%	121.2	0.1%
Total Gross Exp.	91,552.4	88,319.1	(926.8)	87,392.3	(4,160.1)	(4.5%)		87,392.3	(4,160.1)	(4.5%)	(132.8)	-0.2%	121.2	0.1%
REVENUE														
Child Care System Management	79,274.0	77,806.6		77,806.6	(1,467.4)	(1.9%)		77,806.6	(1,467.4)	(1.9%)				
Total Revenues	79,274.0	77,806.6		77,806.6	(1,467.4)	(1.9%)		77,806.6	(1,467.4)	(1.9%)				
NET EXP.														
Child Care System Management	12,278.4	10,512.5	(926.8)	9,585.7	(2,692.7)	(21.9%)		9,585.7	(2,692.7)	(21.9%)	(132.8)	-1.4%	121.2	1.3%
Total Net Exp.	12,278.4	10,512.5	(926.8)	9,585.7	(2,692.7)	(21.9%)		9,585.7	(2,692.7)	(21.9%)	(132.8)	-1.4%	121.2	1.3%
Approved Positions	40.5	45.8	(3.8)	42.0	1.5	3.7%		42.0	1.5	3.7%	(1.8)	-4.3%		

The **Child Care Service System Management** service plans and manages Toronto's child care system in accordance with the Council approved Service Plan and Provincial guidelines.

The **Child Care System Management Service's** 2016 Operating Budget of \$87.392 million gross and \$9.586 million net is \$2.693 million or 21.9% under the 2015 Approved Net Budget.

- Base reductions in the **Child Care System Management** service include \$1.992 million in salary and benefits savings resulting from moving to position-based budgeting, with an adjustment that aligns the Program's salary and benefits budget to projections calculated by PEP.

- Other base changes include the realignment of budgets between services, including salaries and benefits of \$0.430 million and the cost of ARC programming to better align the Program's budgets with the cost of service.
- Savings of \$0.927 million have been achieved through a line-by-line review that resulted in savings in contracted services, and efficiencies achieved through staffing realignment (reduction of 3.7 vacant positions to better match the needs in program administration).



Part III:

Issues for Discussion

Issues for Discussion

Issues Impacting the 2016 Budget

Child Care Funding Strategy

- The Community Development and Recreation Committee at its meeting of June 24, 2015, considered and adopted the report CD5.9, "*Child Care Funding Strategy*" in which staff recommended a child care fare funding strategy that would incrementally eliminate reliance on reserve funds over an 8-year period.
- At the same meeting, CDRC moved a motion requesting:
"The General Manager, Children's Services to report directly to City Council on July 7, 2015 with an alternative scenario for child care funding that includes:
 - a. a 5 year phase-in replacement of reserve contributions;
 - b. a municipal contribution equivalent to 20% of any new provincial funding received; and
 - c. contributions to child care capital and reserve funds to support the child care service plan and expansion targets.
- City Council, at its meeting of July 7, 2015 considered both scenarios, the staff-recommended 8-year funding strategy as well as the alternative 5-year strategy and approved the implementation of 5-year funding strategy that incrementally eliminates reliance on reserve funds by replacing the reserve funding with funding from property tax over an five year implementation period commencing in 2016.
- In the same report, Council also approved the transfer of \$21.0 million from the Child Care Expansion Reserve Fund to the Child Care Capital Reserve to build an additional five child care facilities, with 310 licensed spaces, between 2016 and 2020 to support the Poverty Reduction Strategy.
- In keeping with Council direction, the 2016 Preliminary Operating Budget for Children's Services includes the implementation of the 5-Year Funding Strategy that will eliminate reliance on reserve funds by 2020 and provide funding of the annual shortfall as follows:
 - Replace the contribution from Child Care Expansion Reserve with City funding over a period of 5-years beginning in 2016, thereby extending the life of the reserve fund beyond 2020 (estimated balance of \$19.8 million in 2020).
 - Incrementally increase the City's contribution from \$76.8 million in 2016 to \$89.5 million by 2020 to provide sustainable funding to help maintain the Program's service levels, which includes funding the additional 2,000 spaces that had been funded through the annual draw from the Child Care Expansion Reserve Fund.
 - Allow the transfer of \$21.0 million from the Child Care Expansion Reserve Fund to the Child Care Capital Reserve Fund in 2016 to build additional child-care facilities and create more licensed spaces between 2016 and 2020, with the implementation of this strategy eliminating the reliance on the reserve funding by 2020.

- The following table compares the 5-Year Funding Strategy to the staff recommended 8-Year Funding Strategy. While the 8-year strategy gradually phases-in \$16.6 million over 2016-2023 to the tax base, the 5-Year Strategy will result in a steeper increase to the City's tax base over 2016-2020 period.

Phased Replacement of Funding from Child Care Expansion Reserve Draw												
In \$ millions										Cummulative contribution/ balance	Incremental Changes	
	2016	2017	2018	2019	2020	2021	2022	2023				
City Contribution Increase (Incremental)												
8 Year Scenario	77.2	0.5	0.5	1.0	1.0	1.0	2.0	4.0	6.6	93.8	16.6	
5 Year Scenario	77.2	0.9	2.0	2.5	3.4	3.5				89.5	12.3	
Difference	77.2	(0.4)	(1.5)	(1.5)	(2.4)	(2.5)	2.0	4.0	6.6	4.3	4.3	
Drawn from Child Care Expansion Reserve Fund (XR1101)												
8 Year Scenario	(2.9)	(4.6)	(5.7)	(7.0)	(8.3)	(8.9)	(7.7)	(4.4)		(49.5)	(49.5)	
5 Year Scenario	(2.5)	(2.7)	(2.3)	(1.2)						(8.7)	(8.7)	
Transfer to Child Care Capital Reserve Fund (XR1103)	(21.0)										(21.0)	(21.0)
Difference	49.5	20.6	(1.9)	(3.4)	(5.8)	(8.3)	(8.9)	(7.7)	(4.4)			
Child Care Expansion Reserve Fund (XR1101) Year End Ending Balance												
8 Year Scenario	46.6	42.0	36.3	29.3	21.0	12.1	4.4			-	49.5	
5 Year Scenario	26.0	23.3	21.0	19.8						19.8	29.7	
Difference	49.5	20.6	18.7	15.3	9.5	21.0	12.1	4.4	-	19.8	19.8	

* \$49.5million projected 2015 year-end balance
 ** Reserve draw assumes 1.5% annual Provincial increase

Sustainment of the Child Care Expansion Reserve Fund:

- Funding on-going programming through the use of reserve funds began in 2006 when the Federal government cancelled the Early Learning and Child Care agreement with Ontario, forcing the Provincial government to reduce the funding which was to be allocated to the municipalities through the Provincial Best Start program.
- In 2006 and 2007, the City received an allocation of \$73.5 million through the Best Start program. The City used the funding to expand programming by 3,351 new child care spaces through a capital expansion program of \$21.0 million, added 2,000 additional child care fee subsidies, with the unused funds being allocated to the Child Care Expansion Reserve to supplement an annual shortfall, primarily due to the Provincial funding formula which at that time did not support the annual inflationary cost of providing services.
- Since 2009, Children's Services has budgeted a contribution from the Child Care Expansion Reserve Fund of between \$8.600 million and \$13.0 million as a strategy to fund the annual shortfall. However, the continued use of these funds is not a sustainable strategy to maintain current service levels or to respond to the growing demand for increased services.

- As noted in the section above, implementation of the 5-Year Strategy, approved by Council, will reduce the contribution from the Child Care Expansion Reserve Fund by \$8.7 million and will also allow a transfer of \$21.0 million to the Child Care Capital Reserve Fund to support the construction of up to 5 new child care centre with 310 new spaces, thereby extending the \$19.0 million life of the Child Care Expansion Reserve Fund for future-year needs beyond 2020.
- Although both the 5 Year and the 8 Year Funding Strategies extend the life of the reserve funds, the Program will continue to experience ongoing inflationary pressure on existing service levels, as well as pressure to increase services to meet community needs. Ongoing, sustainable levels of municipal and provincial funding that addresses inflationary pressures will be required to maintain existing service levels.

Impact of Full Day Kindergarten

- Full-Day Kindergarten (FDK) was introduced in 2010 and phased in over a five year period. The program was fully implemented in September, 2014.
- FDK implementation has resulted in an overall reduction in the cost of child care and the cost of child care fee subsidies for over 30% of the child care system. As children in FDK now require care only before and after school, the average daily fee for this group is \$31. The cost of care for younger age children is significantly higher, with an average daily fee of \$79 for an infant space and \$61 for a toddler space.
- With limited capacity for infants and toddlers, the current service and age mix has resulted in lower than expected per diem costs across the system, allowing the Program to provide more service for older children.
- Additional growth in spaces for infants and toddlers is required to achieve age equity and will not be fully realized for several years, while the Program works closely with school boards, non-profit providers, municipal divisions and other partners to create physical space for younger children. As a result, current age equity targets are not being met, with more child care spaces and subsidies being allocated to Kindergarten and School age children.
- The 2016 Capital Budget and Capital Plan for Children's Services dedicates funding of \$27.577 million for 8 new child care centres with a physical capacity of 457 spaces to the system. Additional spaces are being expanded in schools through various provincial initiatives and in developments through Section 37 contributions.
- In the short term, subsidies for older children will exceed age equity targets. This will be corrected as new spaces for infants and toddlers become available. The Program will continue to monitor and adjust the allocation of fee subsidies to balance growth with Council approved service levels. Any required adjustments to care for older children will be managed through attrition.

Number of Subsidies (750 infant/ toddler increase from 2015)										
Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	Difference
Infant/Toddler										
Preschool/ KG	6,224	6,284	6,357	6,434	6,517	6,608	6,711	6,832	6,974	750
School Age	18,892	19,650	19,435	19,220	19,005	18,790	18,575	18,360	18,142	-750
	25,116	25,934	25,792	25,654	25,522	25,398	25,286	25,192	25,116	0



Appendices:

Appendix 1

2015 Service Performance

2015 Key Service Accomplishments

In 2015, Children's Services accomplished the following:

- ✓ Increased the number of licensed child care spaces in the Toronto system by 3,615, or 1% and fee subsidies by 184, or 1%
- ✓ Developed and received Council direction to implement the 2015-2019 Service Plan
- ✓ Developed the 5-Year Funding Strategy which stabilizes the child care system by reducing reliance on the annual reserve draw and provides funding for 5 new child care centres with 310 new spaces
- ✓ With the Province and other municipal service system managers to develop and implement new legislative and regulatory changes
- ✓ Implemented the new Provincial Wage Enhancement program
- ✓ Increased the availability of middle childhood programs by 1,500 spaces through partnership with Parks, Forestry and Recreation

Appendix 2

2016 Preliminary Operating Budget by Expenditure Category

Program Summary by Expenditure Category

Category of Expense (\$000's)	2013	2014	2015	2015	2016	2016 Change from		Plan	
	Actual	Actual	Budget	Projected	Budget	2015 Approved		2017	2018
	\$	\$	\$	\$	\$	Budget	%	\$	\$
Salaries and Benefits	73,247.5	75,385.2	86,275.6	81,610.4	84,323.7	(1,951.9)	(2.3%)	84,051.9	84,682.8
Materials and Supplies	2,805.1	2,161.5	2,522.4	2,522.4	2,639.1	116.7	4.6%	2,682.1	2,726.1
Equipment	529.1	743.7	725.5	725.5	741.5	16.0	2.2%	755.3	769.6
Services & Rents	303,415.6	313,240.8	356,236.6	350,763.6	356,457.0	220.4	0.1%	363,369.4	369,277.9
Contributions to Capital							-		
Contributions to Reserve/Res Funds	1,190.7	1,194.0	1,280.7	1,280.7	1,280.8	0.1	0.0%	1,280.7	1,280.7
Other Expenditures	68.8	19.3	715.2	715.2	726.6	11.4	1.6%	726.6	726.6
Interdivisional Charges	2,719.3	3,052.2	4,724.2	4,724.2	4,796.4	72.2	1.5%	4,799.1	4,801.3
Total Gross Expenditures	383,976.1	395,796.7	452,480.2	442,342.0	450,965.1	(1,515.1)	(0.3%)	457,665.1	464,265.106
Interdivisional Recoveries	6,320.1	6,017.2	9,475.0	10,200.0	10,200.0	725.0	7.7%	10,200.0	10,200.0
Provincial Subsidies	277,613.5	298,328.8	329,669.8	324,196.8	333,803.6	4,133.8	1.3%	338,303.6	342,803.6
Federal Subsidies							-		
Other Subsidies							-		
User Fees & Donations	22,351.9	24,885.8	19,169.6	27,189.1	25,569.6	6,400.0	33.4%	25,569.6	25,569.6
Transfers from Capital Fund	216.3	264.8	1,764.4	1,764.4	1,280.6	(483.8)	(27.4%)	1,280.6	1,280.6
Contribution from Reserve/Reserve Funds	718.7	626.0	15,639.4	2,194.9	4,116.9	(11,522.5)	(73.7%)	4,316.9	3,916.9
Sundry Revenues	39.1	22.8					-		
Total Revenues	307,259.6	330,145.4	375,718.2	365,545.2	374,970.7	(747.5)	(0.2%)	379,670.8	383,770.754
Total Net Expenditures	76,716.5	65,651.3	76,762.0	76,796.8	75,994.4	(767.6)	(1.0%)	77,994.4	80,494.4
Approved Positions	931.4	930.7	982.6	935.6	990.8	8.2	0.8%	981.9	981.9

* Based on the 2015 9-month Operating Variance Report

For additional information regarding the 2015 Q3 operating variances and year-end projections, please refer to the attached link for the report entitled "Operating Variance Report for the Nine-Month Period Ended September 30, 2015" approved by City Council at its meeting on December 9, 2015.

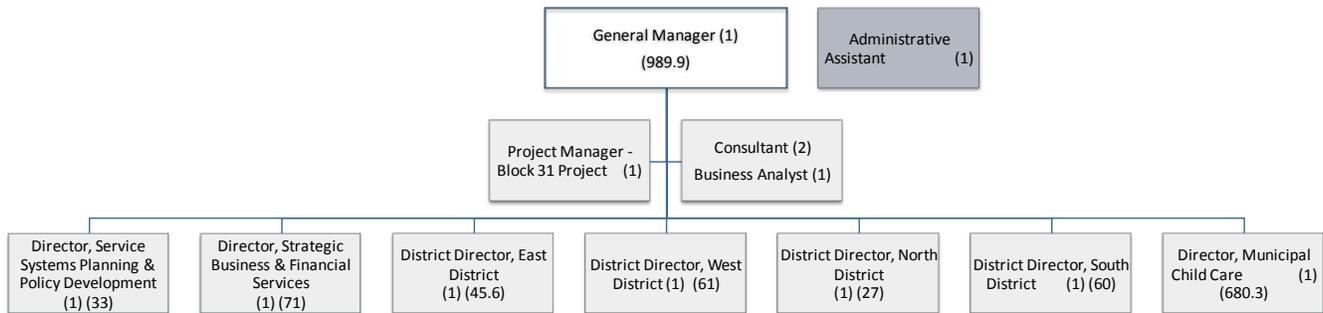
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.BU13.6>

Impact of 2015 Operating Variance on the 2016 Preliminary Budget

The gross and revenue under expenditure is primarily related to the allocation of the Provincial Wage Enhancement program, which will be adjusted based on actual entitlement as part of the base budget in 2016 and future-years. The 2016 contribution from the Child Care Expansion Reserve Fund will be lower than in 2015 reflecting the increase in City's funding resulting from the implementation of the 5-Year Funding Strategy as well as the adjustment to the parental contributions that aligns the family portion of the cost of service to actuals.

Appendix 3

2016 Organization Chart



2016 Complement

Category	Senior Management	Management	Exempt Professional & Clerical	Union	Total
Permanent	1.0	151.0	2.0	566.0	720.0
Temporary		24.0		246.9	270.9
Total	1.0	175.0	2.0	812.9	990.9

Appendix 4

Summary of 2016 Service Changes

2016 Operating Budget - Preliminary Service Changes Summary by Service (\$000's)

Form ID		Citizen Focused Services A Program - Children's Services	Adjustments				2017 Plan Net Change	2018 Plan Net Change
Category	Priority		Gross Expenditure	Revenue	Net	Approved Positions		
2016 Preliminary Base Budget Before Service Changes:			452,528.8	374,970.8	77,558.0	1,002.85	1,993.6	2,504.4

7773	Staffing Realignment
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51	0	Description:
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A staffing realignment will result in savings of \$0.950 million through the reduction of 12.0 positions, following the implementation of Full Day Kindergarten, which has resulted in the realignment of services in several directly operated child care centres, as preschool children move into FDK programming, requiring only part-time care before and after school.

Service Level Impact:

As the Provincial FDK program is introduced in new schools, TELCCS continues to carefully monitor enrollment patterns to ensure efficient group sizes in child care rooms and to ensure the core service is maintained and families continue to receive the same or similar level of service.

Service: Child Care Delivery

Preliminary Service Changes	(605.4)	0.0	(605.4)	(8.24)	7.3	(1.8)
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Service: Child Care System Management

Preliminary Service Changes	(344.9)	0.0	(344.9)	(3.76)	(0.9)	(2.7)
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Total Preliminary Service Changes:	(950.3)	0.0	(950.3)	(12.00)	6.4	(4.4)
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8217	Catering contract renewal
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51	0	Description:
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The negotiation of a new catering contract for the delivery of food to directly operated child care centres (TELCCS) has resulted in savings of \$0.329 million for the cost of meals for children in child care.

Service Level Impact:

The service level including number of locations providing food to children, and amount and types of food served continues to meet approved nutrition standards and has not changed.

Service: Child Care Delivery

Preliminary Service Changes	(332.7)	0.0	(332.7)	0.00	0.0	0.0
-----------------------------	---------	-----	---------	------	-----	-----

Service: Child Care System Management

2016 Operating Budget - Preliminary Service Changes Summary by Service (\$000's)

Form ID	Citizen Focused Services A	Adjustments				2017 Plan Net Change	2018 Plan Net Change
Category	Priority	Program - Children's Services	Gross Expenditure	Revenue	Net	Approved Positions	
		Preliminary Service Changes	3.8	0.0	3.8	0.00	0.0
Total Preliminary Service Changes:			(328.8)	0.0	(328.8)	0.00	0.0
<hr/>							
8640	Gapping Efficiency Savings						
51	0	Description:					
Positions required for Humberlea (Weston Road) and Orchard Grove early learning child care centres have been gapped to coincide with the revised schedule of opening these centres resulting in savings of \$0.285 million net.							
Service Level Impact:							
No service level impact as the centres have not opened yet. The opening of Orchard Grove and Humerberlea is delayed.							
Service: Child Care Delivery							
		Preliminary Service Changes	(231.6)	0.0	(231.6)	0.00	0.0
Service: Child Care System Management							
		Preliminary Service Changes	(52.9)	0.0	(52.9)	0.00	0.0
Total Preliminary Service Changes:			(284.5)	0.0	(284.5)	0.00	0.0
<hr/>							
Summary:							
Total Preliminary Service Changes			(1,563.6)	0.0	(1,563.6)	(12.00)	6.4
Total Preliminary Base Budget:			450,965.1	374,970.8	75,994.4	990.85	2,000.0
			2,500.0				

Appendix 6

Inflows/Outflows to/from Reserves & Reserve Funds

Program Specific Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of \$	Withdrawals (-) / Contributions (+)		
			2016 \$	2017 \$	2018 \$
Projected Beginning Balance		49,936.2	49,936.2	48,012.5	45,727.1
Child Care Expansion Reserve Fund	XR1101				
<i>Proposed Withdrawals (-)</i>			(2,356.9)	(2,700.0)	(2,300.0)
<i>Contributions (+)</i>			433.2	414.6	396.1
Total Reserve / Reserve Fund Draws / Contributions		49,936.2	48,012.5	45,727.1	43,823.2
Other Program / Agency Net Withdrawals & Contributions					
Balance at Year-End		49,936.2	48,012.5	45,727.1	43,823.2

* Based on 9-month 2015 Reserve Fund Variance Report

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2015 * \$	Withdrawals (-) / Contributions (+)		
			2016 \$	2017 \$	2018 \$
Projected Beginning Balance		24,169.0	24,169.0	45,053.0	44,772.0
Child Care Capital Reserve Fund	XR1103				
<i>Proposed Withdrawals (-)</i>			(1,625.0)	(1,846.0)	(1,819.0)
<i>Transfer from Child Care Expansion Reserve Fund *</i>			21,000.0		
<i>Contributions (+)</i>			1,509.0	1,565.0	1,564.0
Total Reserve / Reserve Fund Draws / Contributions		24,169.0	45,053.0	44,772.0	44,517.0
Other Program / Agency Net Withdrawals & Contributions					
Balance at Year-End		24,169.0	45,053.0	44,772.0	44,517.0

* Based on 5-Year Funding Strategy

Corporate Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of \$	Withdrawals (-) / Contributions (+)		
			2016 \$	2017 \$	2018 \$
Projected Beginning Balance		60,355.7	60,355.7	60,517.7	60,679.7
Sick Leave	XR1007				
<i>Proposed Withdrawals (-)</i>					
<i>Contributions (+)</i>			162.0	162.0	162.0
Total Reserve / Reserve Fund Draws / Contributions		60,355.7	60,517.7	60,679.7	60,841.7
Other Program / Agency Net Withdrawals & Contributions					
Balance at Year-End		60,355.7	60,517.7	60,679.7	60,841.7

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of \$	Rec'd Withdrawals (-) / Contributions (+)		
			2016 \$	2017 \$	2018 \$
Projected Beginning Balance		25,335.2	25,335.2	26,134.0	26,932.8
Insurance Reserve Fund	XR1010				
<i>Proposed Withdrawals (-)</i>					
<i>Contributions (+)</i>			798.8	798.8	798.8
Total Reserve / Reserve Fund Draws / Contributions		25,335.2	26,134.0	26,932.8	27,731.6
Other Program / Agency Net Withdrawals & Contributions					
Balance at Year-End		25,335.2	26,134.0	26,932.8	27,731.6