



# Toronto 2016 BUDGET

## CAPITAL BUDGET NOTES



## Children's Services

### 2016 – 2025 CAPITAL BUDGET AND PLAN OVERVIEW

Children's Services provides high-quality licensed child care services across the City through 52 Early Learning and Child Care Centres (TELCC), with 24 in City owned facilities valued at \$53.080 million, and through 1 home care agency.

The primary focus of the 2016-2025 Capital Budget and Plan is to dedicate significant funding to add child care centres to support growth in licensed child care spaces in under-served communities while maintaining City owned facilities in a state of good repair.

The 2016-2025 Capital Budget and Plan provides \$42.907 million in funding for Service Improvement projects, including 8 new child care centres with 457 new spaces, IT system upgrades that will result in operational efficiencies and improve customer service; as well as annual state of good repair funding required to maintain the existing centres in a SOGR for the delivery of child care services.

### Highlights

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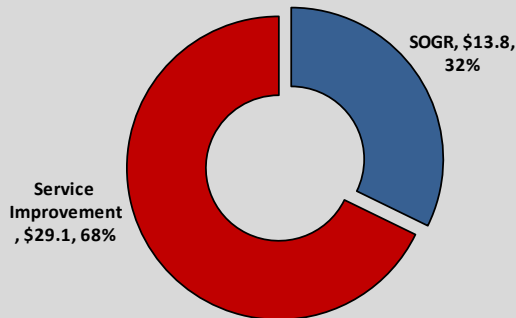
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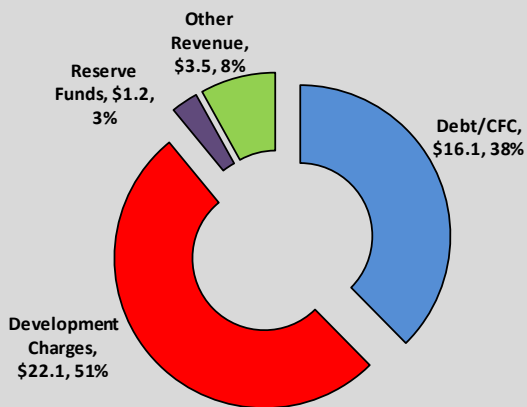
### Capital Spending and Financing

2016-2025 Capital Budget and Plan by Expenditures Category



\$42.907 Million

2016-2025 Capital Budget and Plan by Funding Source



\$42.907 Million

### Where does the money go?

The 2016–2025 Capital Budget and Plan totals \$42.907 million and provides funding for projects in the following areas:

- Service Improvement projects that include the construction of 8 new child care centres in underserved neighborhoods with 457 new spaces; and the development of the Customer Service Improvements project, a technology project that will deliver operating efficiencies and customer service improvements.
- State of Good Repair funding in directly operated Toronto Early Learning Child Care Centres (TELCC).

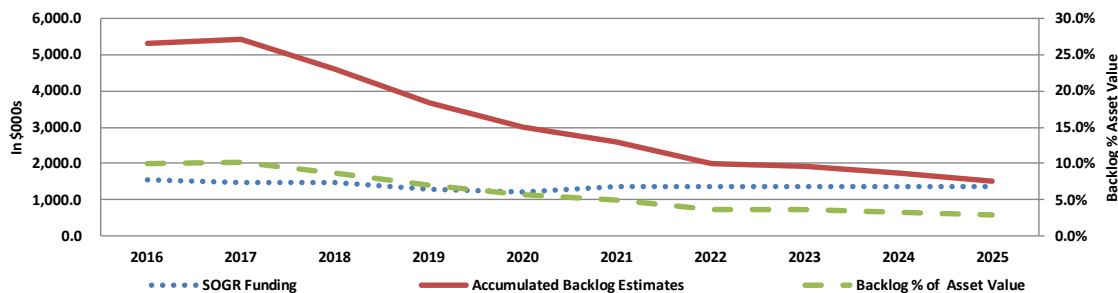
### Where does the money come from?

The 10-Year Capital Plan is funded by 4 sources.

- New debt funding of \$16.148 million comprises 37.6% of the Program's funding which meets the debt target guidelines over the 10-Year planning period;
- Development Charge funding of \$22.063 million or 51.4% based on the portion of projects that are eligible for growth related funding;
- Other Revenues, (Section 37 reserves) provide funding of \$3.547 million and account for 8.1% of the funding requirements ; and
- Child Care Capital Reserve Fund will provide \$1.239 million, or 2.9% of the required cash flow.

### State of Good Repair Backlog

The 10-Year Capital Plan includes cash flow funding of \$13.830 million for State of Good Repair, which will reduce the backlog of \$5.328 million or 10% of the asset replacement value in 2016 to 2.8% in 2025.



**Key Issues & Priority Actions**

- **Expanding System Capacity in Under-served Communities**  
 Improving licensed capacity in the system which currently lacks the infrastructure to meet the needs of families.

  - ✓ 10-Year Capital Plan includes funding of \$27.577 million to increase the number of licensed Child Care Centres by 8 with 457 spaces, thereby increasing access to child care in communities that have the most insufficient licensed capacity.
  
- **Deliver the Capital Upgrades through the SOGR Program**  
 Reducing the backlog and implementing accessibility upgrades continues to be a priority.

  - ✓ \$13.830 million in SOGR funding is included to reduce the backlog in 24 of the City owned child care centres; to implement accessibility upgrades required by Provincial legislation; and to manage ongoing maintenance requirements.

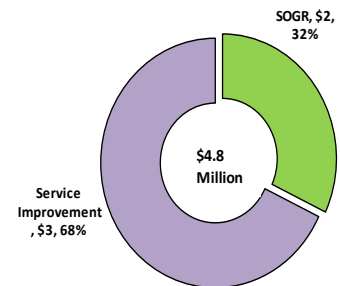


**2016 Capital Budget Highlights**

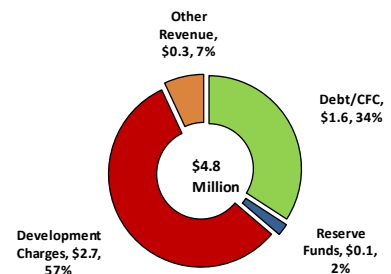
The 2016 Capital Budget for Children's Services of \$4.807 million, excluding carry forward funding, will:

- Deliver capital upgrades in the municipally owned child care centres located in City-owned facilities.
- Begin the planning and design phase of the Bridletown Community and Child Care Centre (\$0.500 million, 62 spaces); and the Advent Child Care Centre (\$0.500 million, 49 spaces);
- Complete project planning and design for Block 31 Child Care Centre (\$0.130 million, 52 spaces);
- Continue the development and construction of the Avondale Child Care Centre (\$2.035 million, 72 spaces); and
- Continue the development of the Customer Service Improvement project (\$0.100 million) to enhance online service for families and child care operators.

2016 Capital Budget by Category



2016 Capital Budget by Funding Source



## Actions for Consideration

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

1. City Council approve the 2016 Capital Budget for Children's Services with a total project cost of \$8.152 million, and 2016 cash flow of \$7.409 million and future year commitments of \$14.112 million comprised of the following:
  - a) New Cash Flow Funds for:
    - i. 3 new / change in scope sub-projects with a 2016 total project cost of \$8.152 million that requires cash flow of \$2.542 million in 2016 and future year cash flow commitments of \$3.210 million for 2017; \$1.720 million for 2018; \$0.680 million for 2019;
    - ii. 4 previously approved sub-projects with a 2016 cash flow of \$2.265 million; and future year cash flow commitments of \$3.872 million for 2017; \$3.633 million for 2018; and \$0.997 million for 2019; and
  - b) 2015 approved cash flow for 4 previously approved sub-projects with carry forward funding from 2015 into 2016 totalling \$2.602 million.
2. City Council approve the 2017 - 2025 Capital Plan for Children's Services totalling \$23.988 million in project estimates, comprised of \$1.969 million in 2017; \$2.973 million for 2018; \$2.505 million for 2019; \$2.406 million for 2020; \$2.867 million for 2021; \$2.587 million for 2022; \$2.547 million for 2023; \$3.037 million for 2024; and \$3.097 million in 2025.
3. All sub-projects with third party financing be approved conditionally, subject to the receipt of such financing in 2016 and if such funding is not forthcoming, their priority and funding be reassessed by City Council relative to other City-financed priorities and needs.
4. City Council grant the General Manager, Children's Services, delegated authority to negotiate and execute agreements on behalf of the City with the Advent Health Corporation for the purpose of initiating and managing the construction of a new child care centre to be located within the Long Term Healthcare Facility at 541 Finch Avenue West, which is under the ownership of Advent Health Care Corporation on terms and conditions satisfactory to the General Manager of Children's Services and the City Solicitor.

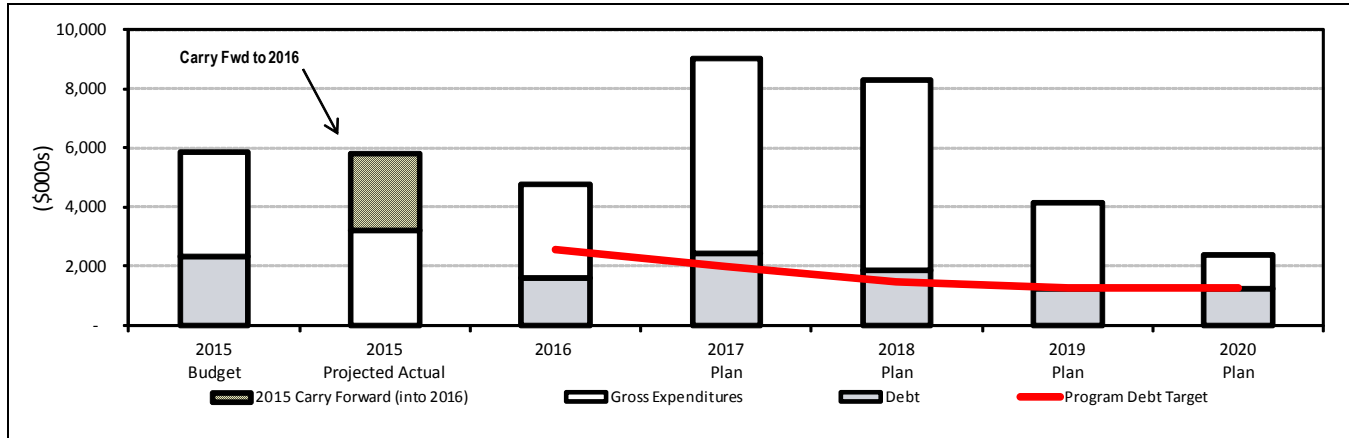


## **Part I:**

### 10-Year Capital Plan

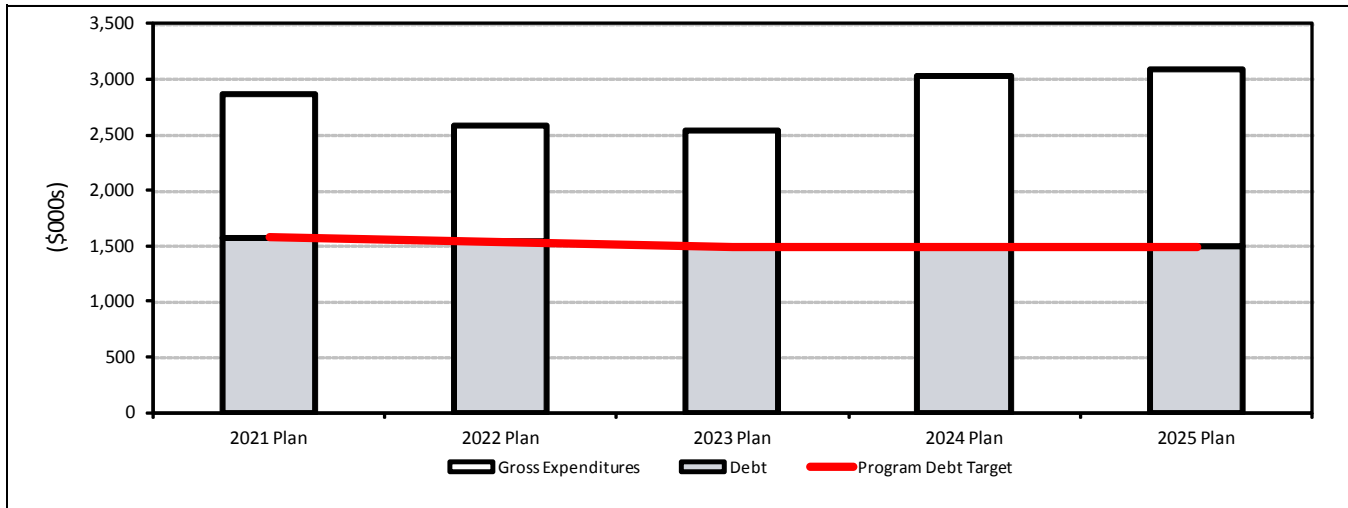
10 Year Capital Plan

**Table 1a**  
**2016 Preliminary Budget, 2017-2020 Preliminary Capital Plan**



	2015		2016 Capital Budget and 2017 - 2020 Capital Plan							5-Year Total Percent
	Budget	Projected Actual	2016	2017	2018	2019	2020	2016 - 2020		
<b>Gross Expenditures:</b>										
2015 Capital Budget & Approved FY Commitments	5,862	3,243	4,861	4,586	1,300			10,747	37.4%	
Changes to Approved FY Commitments			(2,596)	(714)	2,333	997		20	0.1%	
2016 New/Change in Scope and Future Year Commitments			2,542	3,210	1,720	680		8,152	28.3%	
2017 - 2020 Capital Plan Estimates				1,969	2,973	2,505	2,406	9,853	34.2%	
2-Year Carry Forward for Reapproval										
1-Year Carry Forward to 2016		2,602								
<b>Total Gross Annual Expenditures &amp; Plan</b>	<b>5,862</b>	<b>5,845</b>	<b>4,807</b>	<b>9,051</b>	<b>8,326</b>	<b>4,182</b>	<b>2,406</b>	<b>28,772</b>	<b>100.0%</b>	
<b>Program Debt Target</b>			<b>2,542</b>	<b>1,969</b>	<b>1,473</b>	<b>1,285</b>	<b>1,276</b>	<b>8,545</b>		
<b>Financing:</b>										
Debt	2,355		1,642	2,469	1,873	1,285	1,276	8,545	29.7%	
Reserves/Reserve Funds	265		100	446	419	247	27	1,239	4.3%	
Development Charges	2,956		2,731	5,243	3,804	2,650	1,103	15,531	54.0%	
Provincial/Federal										
Debt Recoverable										
Other Revenue	286		334	893	2,230			3,457	12.0%	
<b>Total Financing</b>	<b>5,862</b>		<b>4,807</b>	<b>9,051</b>	<b>8,326</b>	<b>4,182</b>	<b>2,406</b>	<b>28,772</b>	<b>100.0%</b>	
<b>By Project Category:</b>										
Health & Safety										
Legislated										
SOGR	1,637		1,542	1,469	1,473	1,285	1,226	6,995	24.3%	
Service Improvement	4,225		3,265	7,582	6,853	2,897	1,180	21,777	75.7%	
Growth Related										
<b>Total by Project Category</b>	<b>5,862</b>		<b>4,807</b>	<b>9,051</b>	<b>8,326</b>	<b>4,182</b>	<b>2,406</b>	<b>28,772</b>	<b>100.0%</b>	
<b>Asset Value (\$) at year-end</b>	<b>53,080</b>		<b>53,080</b>	<b>53,080</b>	<b>53,080</b>	<b>53,080</b>	<b>53,080</b>	<b>53,080</b>		
Yearly SOGR Backlog Estimate (not addressed by current plan)			563	88	(794)	(936)	(697)	(1,776)		
Accumulated Backlog Estimate (end of year)	4,765		5,328	5,416	4,622	3,686	2,989	2,989		
<b>Backlog: Percentage of Asset Value (%)</b>	<b>9.0%</b>		<b>10.0%</b>	<b>10.2%</b>	<b>8.7%</b>	<b>6.9%</b>	<b>5.6%</b>			
Debt Service Costs			22	215	306	234	169	946		
Operating Impact on Program Costs					51	52		103		
New Positions					1					

**Table 1b**  
**2021 - 2025 Preliminary Capital Plan**



	2021 - 2025 Capital Plan						
	2021	2022	2023	2024	2025	2016 - 2025	10-Year Total Percent
<b>Gross Expenditures:</b>							
2015 Capital Budget & Approved FY Commitments						10,747	25.0%
Changes to Approved FY Commitments						20	0.0%
2016 New/Change in Scope and Future Year Commitments						8,152	19.0%
2021 - 2025 Capital Plan Estimates	2,867	2,587	2,547	3,037	3,097	23,988	55.9%
2-Year Carry Forward for Reapproval							
<b>Total Gross Annual Expenditures &amp; Plan</b>	<b>2,867</b>	<b>2,587</b>	<b>2,547</b>	<b>3,037</b>	<b>3,097</b>	<b>42,907</b>	<b>100.0%</b>
<b>Program Debt Target</b>	<b>1,575</b>	<b>1,540</b>	<b>1,496</b>	<b>1,496</b>	<b>1,496</b>	<b>16,148</b>	
<b>Financing:</b>							
<b>Debt</b>	<b>1,575</b>	<b>1,540</b>	<b>1,496</b>	<b>1,496</b>	<b>1,496</b>	<b>16,148</b>	<b>37.6%</b>
Reserves/Reserve Funds						1,239	2.9%
Development Charges	1,292	1,047	1,051	1,541	1,601	22,063	51.4%
Provincial/Federal							
Debt Recoverable							
Other Revenue						3,457	8.1%
<b>Total Financing</b>	<b>2,867</b>	<b>2,587</b>	<b>2,547</b>	<b>3,037</b>	<b>3,097</b>	<b>42,907</b>	<b>100.0%</b>
<b>By Project Category:</b>							
Health & Safety							
Legislated							
SOGR	1,367	1,367	1,367	1,367	1,367	13,830	32.2%
Service Improvement	1,500	1,220	1,180	1,670	1,730	29,077	67.8%
Growth Related							
<b>Total by Project Category</b>	<b>2,867</b>	<b>2,587</b>	<b>2,547</b>	<b>3,037</b>	<b>3,097</b>	<b>42,907</b>	<b>100.0%</b>
<b>Asset Value(\$)</b> at year-end	<b>53,080</b>	<b>53,080</b>	<b>53,080</b>	<b>53,080</b>	<b>53,080</b>	<b>53,080</b>	
Yearly SOGR Backlog Estimate (not addressed by current plan)	(405)	(606)	(43)	(202)	(231)	(3,263)	
Accumulated Backlog Estimate (end of year)	2,584	1,978	1,935	1,733	1,502	1,502	
<b>Backlog: Percentage of Asset Value (%)</b>	<b>4.9%</b>	<b>3.7%</b>	<b>3.6%</b>	<b>3.3%</b>	<b>2.8%</b>		
Debt Service Costs	174	207	202	197	197	1,924	
Operating Impact on Program Costs						103	
New Positions							

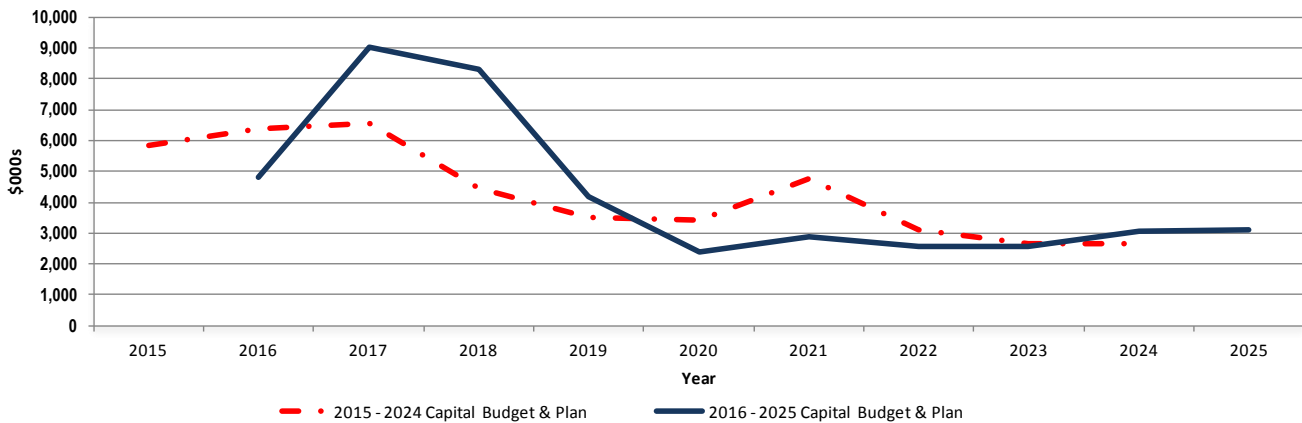


### Key Changes to the 2015 - 2024 Approved Capital Plan

The 2016 Capital Budget and the 2017 – 2025 Capital Plan is \$0.447 million lower than the 2015 - 2024 Approved Capital Plan.

The table and chart below provides a breakdown of the \$0.447 million or 1.0 % decrease in the Capital Program on an annual basis from 2015 to 2025, primarily based on the changes in cash flows for construction of the new child care centres and the timing of the Customer Service Improvements project.

**Chart 1**  
**Changes to the 2015 -2024 Approved Capital Plan (In \$000s)**



(\$000s)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	10-Year Total
2015 - 2024 Capital Budget & Plan	5,862	6,403	6,555	4,443	3,515	3,396	4,767	3,097	2,658	2,658		43,354
2016 - 2025 Capital Budget & Plan		4,807	9,051	8,326	4,182	2,406	2,867	2,587	2,547	3,037	3,097	42,907
Change %		(24.9%)	38.1%	87.4%	19.0%	(29.2%)	(39.9%)	(16.5%)	(4.2%)	14.3%		(1.0%)
Change \$		(1,596)	2,496	3,883	667	(990)	(1,900)	(510)	(111)	379		(447)

As indicated in the chart above, the \$0.447 million decrease in the Capital Program reflects the changes made to cash flow funding estimates to better reflect updated project schedule timelines and historical spending patterns.

As reflected in Table 2 on the following page, changes to the 2015 – 2024 Approved Capital Plan, specifically the \$2.318 million increase in capital funding over the nine common years of the Capital Plans (2016 – 2024) arise from the reprioritization of Children's Services capital projects based on the following factors:

- A requirement to move the delivery of Child Care Centre 9 to future years based on the need to identify the location of the new centre in the community;
- Additional funding of \$0.020 million required for the planning and design of the Block 31 Child Care Centre, a joint project with Parks, Forestry, and Recreation (PFR) and the Toronto District and Toronto Catholic School Boards, located in the former Railway Lands; and
- Addition funding of \$2.710 million for a new child care centre in Ward 10 in partnership with the Advent Health Care Corporation, located in the former Branson Hospital, which is ready to proceed and the necessary funding is available.



**Table 2  
Summary of Project Changes (In \$000s)**

\$000s	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2016 - 2024 Total
2015 - 2024 Capital Budget & Plan	5,863	6,403	6,555	4,443	3,515	3,396	4,767	3,097	2,658	2,658	3,037	37,492
2016 - 2025 Capital Budget & Plan		4,807	9,051	8,326	4,182	2,406	2,867	2,587	2,547	3,037	3,097	42,907
<b>Capital Budget &amp; Plan Changes (2016 - 2024)</b>		(1,596)	2,496	3,883	667	(990)	(1,900)	(510)	(111)	379		<b>2,318</b>

	Total Project Cost	2016	2017	2018	2019	2020	2021	2022	2023	2024	2016 - 2024	2025	Revised Total Project Cost
<i>Previously Approved</i>													
St John the Evangelist Catholic School	3,900	(1,262)	134	557	571						-		3,900
Customer Service Improvement	3,175	(900)	500	400							-		3,175
Avondale Public School	3,900	365	(365)								-		3,900
Block 31 Child Care Centre	3,628	(799)	(983)	1,376	426						20		3,648
David & Mary Thompson (Centre 7)	3,900		500	1,500	720	(990)	(1,730)				-		3,900
New Child Care Centre 8	3,900						(170)	(510)	680		-		3,900
New Child Care Centre 9	3,900								(791)	379	(412)	1,730	3,900
<b>Total Previously Approved</b>	<b>26,303</b>	<b>(2,596)</b>	<b>(214)</b>	<b>3,833</b>	<b>1,717</b>	<b>(990)</b>	<b>(1,900)</b>	<b>(510)</b>	<b>(111)</b>	<b>379</b>	<b>(392)</b>	<b>1,730</b>	<b>26,323</b>
<i>New</i>													
Advent Health Care Centre	2,710	500	1,710	500							2,710		2,710
Bridletown (Centre 6)	3,900	500	1,000	(450)	(1,050)						-		3,900
<b>Total New</b>	<b>6,610</b>	<b>1,000</b>	<b>2,710</b>	<b>50</b>	<b>(1,050)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,710</b>	<b>-</b>	<b>6,610</b>
<b>Total Changes</b>	<b>32,913</b>	<b>(1,596)</b>	<b>2,496</b>	<b>3,883</b>	<b>667</b>	<b>(990)</b>	<b>(1,900)</b>	<b>(510)</b>	<b>(111)</b>	<b>379</b>	<b>2,318</b>	<b>1,730</b>	<b>32,933</b>

**Significant Capital Project Changes in Children's Services:**

As outlined below, cash flow funding for the following previously approved capital projects have been smoothed based on revised project schedules, historical spending rates, and readiness to proceed:

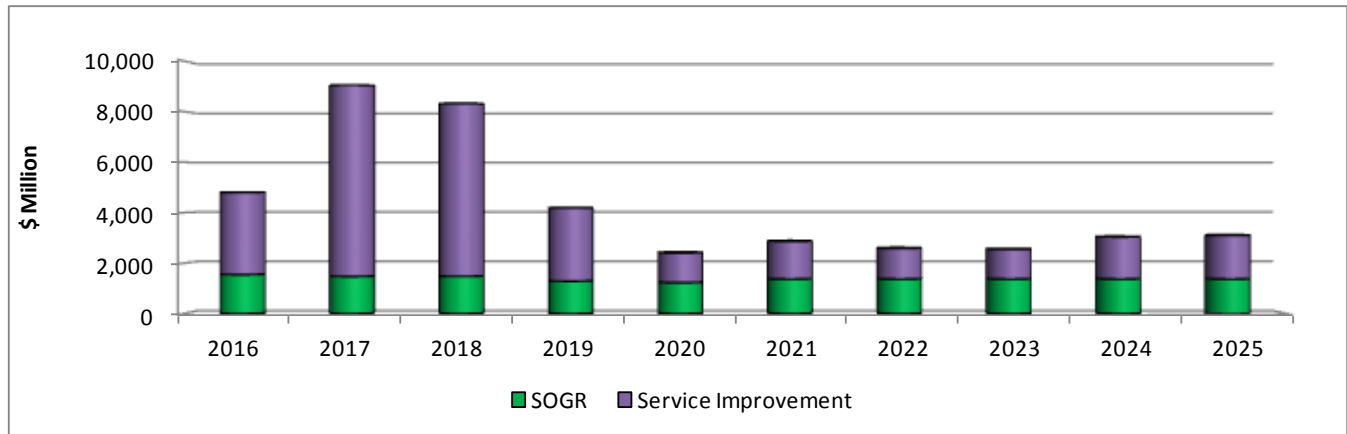
- The overall cost to deliver the previously approved child care centres has increased by \$0.020 million, reflecting additional cost for planning and designing the Block 31 Child Care Centre;
- The timing of the cash flow funding estimates for other previously approved and future-year centres have been adjusted to better reflect historical spending patterns for the construction of child care centres and for site selection; and
- The cash flow funding estimates for the Customer Service Improvements project have been adjusted to reflect the project progress that has a revised completion date of 2018.

Two new projects are included, with a start date in 2016 as these projects are ready to proceed and the funding is available:

- The Advent Health Care Centre will be built in the former Branson Hospital through an agreement with the Advent Health Care Corporation. This project will provide 49 new spaces in a high needs, underserved neighbourhood in Ward 10.
- The Bridletown Child Care Centre will be built as part of a community hub to be located on the former Timothy Eaton school site and will be developed by the YMCA in partnership with the United Way and the City. This project will provide 62 new child care spaces in Ward 40.
  - This project had previously been included in the 2015 -2024 Approved Capital Plan, with 2017-2019 funding estimates. It has been accelerated to 2016 through 2017, as the partnership with YMCA and United Way creates the opportunity to develop the centre as part of the 2016 Capital Budget.

2016 – 2025 Preliminary Capital Plan

Chart 2  
2016 – 2025 Capital Plan by Project Category (In \$000s)



As illustrated in the chart above, the 10 –Year Capital Plan for Children's Services of \$42.907 million allocates 67.8% to Service Improvement projects, and 32.2% to State of Good Repair over the 10-Year period.

- Service Improvements projects account for \$29.077 million to fund the delivery of 8 new child care centres to add physical capacity in the system, as well as the technology project that provides on-line access to support budget submissions for child care operators, and self-service functionality for families receiving subsidy.
- Cash flow funding of \$13.830 million is dedicated to State of Good Repair projects to maintain the existing inventory of child care centres.

The following table details the cash flow funding by project category and by year within the 2016 – 2025 Preliminary Capital Budget and Plan for Children's Services:

Table 3  
Summary of Capital Projects by Category (In \$000s)

	Total App'd Cash Flows to Date	2016 Budget	2017 Plan	2018 Plan	2019 Plan	2020 Plan	2021 Plan	2022 Plan	2023 Plan	2024 Plan	2025 Plan	2016 - 2025 Total	Total Project Cost
<b>Total Expenditures by Category</b>													
<b>State of Good Repair</b>													
TELCCS State of Good Repair	N/A	1,542	1,469	1,473	1,285	1,226	1,367	1,367	1,367	1,367	1,367	13,830	13,830
<b>Sub-Total</b>		<b>1,542</b>	<b>1,469</b>	<b>1,473</b>	<b>1,285</b>	<b>1,226</b>	<b>1,367</b>	<b>1,367</b>	<b>1,367</b>	<b>1,367</b>	<b>1,367</b>	<b>13,830</b>	<b>13,830</b>
<b>Service Improvements</b>													
St John The Evangelist Catholic School	1,610		750	969	571							2,290	3,900
Bridletown Community Centre (6)		500	1,500	1,220	680							3,900	3,900
David and Mary Thompson (7)			500	1,500	1,220	680						3,900	3,900
New Child Care Centre No. 8						500	1,500	1,220	680			3,900	3,900
New Child Care Centre No. 9									500	1,670	1,730	3,900	3,900
Avondale Public School	500	2,035	1,365									3,400	3,900
Block 31	51	130	757	2,264	426							3,577	3,628
Advent Child Care Centre			500	1,710	500							2,710	2,710
Customer Service Improvements	1,675	100	1,000	400								1,500	3,175
<b>Sub-Total</b>	<b>3,836</b>	<b>3,265</b>	<b>7,582</b>	<b>6,853</b>	<b>2,897</b>	<b>1,180</b>	<b>1,500</b>	<b>1,220</b>	<b>1,180</b>	<b>1,670</b>	<b>1,730</b>	<b>29,077</b>	<b>32,913</b>
<b>Total Expenditures by Category (excluding carry forward)</b>	<b>3,836</b>	<b>4,807</b>	<b>9,051</b>	<b>8,326</b>	<b>4,182</b>	<b>2,406</b>	<b>2,867</b>	<b>2,587</b>	<b>2,547</b>	<b>3,037</b>	<b>3,097</b>	<b>42,907</b>	<b>46,743</b>

\*Life to Date approved cash flows are provided for multi-year capital projects with cash flow approvals prior to 2016, excluding ongoing capital projects (i.e. Civic Improvement projects)

2016 – 2025 Capital Projects

The 10-Year Capital Plan supports Children's Services objectives of maintaining child care facilities in a state of good repair, while providing improved access and equity by enabling incremental growth of

childcare spaces in underserved neighbourhoods; as well as and by implementing technology solutions to enhance public access to Children's Services.

#### *State of Good Repair (SOGR)*

- The 10-Year Capital Plan supports Children Services by dedicating \$13.830 million in funding towards maintaining existing assets in a state of good repair that will reduce the backlog from 9.0% at the end of 2015 to 2.8% at the end of the 10 year period, reflecting a reduction of \$3.263 million in backlog in 24 of the City operated child care centres.

#### *Service Improvements*

- Service Improvement projects account for \$29.077 million or 67.8% of the total 10-Year Capital Plan's project funding.
- New Child Care Centres (\$27.577 million) – Funding is provided for the construction of 8 new child care centres to provide 457 new spaces in underserved neighbourhoods in support of the Program's 2015-2019 Service Plan.
  - Two of the centres are new partnership projects, the Advent Child Care Centre (49 new spaces, Ward 10) and the Bridletown Community Centre (62 new spaces, Ward 10), and are scheduled to begin construction in 2016, with scheduled completion dates of 2018 and 2019 respectively;
  - Three of the centres are previously approved projects: Avondale Public School (72 spaces, 2016 – 2017, Ward 23); St. John the Evangelist Catholic School (36 spaces, 2016-2019, Ward 11); and Block 31 (52 spaces, 2016-2019, Ward 20)
  - Three of the centres remain as future-year projects, although the former Centre 7 is designated as the David and Mary Thompson Child Care Centre (62 spaces, 2017 – 2020, Ward 37), which is planned to be constructed as part of the multi-service community hub in Dorset Park. Two of the future-year projects still require their locations to be finalized.
    - The Program continues to engage school boards, non-profit providers, and municipal divisions and agencies within the underserved neighbourhoods to identify sites for development and possible partnership opportunities.
  - Customer Service Improvements project is a previously approved project that requires funding of \$1.500 million and is scheduled for completion in 2018. This project will improve access to services through providing online applications to parents and support online budget submissions for operators, which will result in operating efficiencies and improved customer service.

### 2016 Capital Budget and Future Year Commitments

Included as a sub-set of the 10-Year Capital Plan is the 2016 Budget and Future Year Commitments, that consists of 2016 and future year cash flows for projects previously approved by Council; as well as new projects that collectively require Council approval to begin, continue or complete capital work.

- Table 3a below lists the 2016 Cash Flow and Future Year Commitments for Children's Services

**Table 3a**

**2016 Cash Flow & Future Year Commitments (in \$000s)**

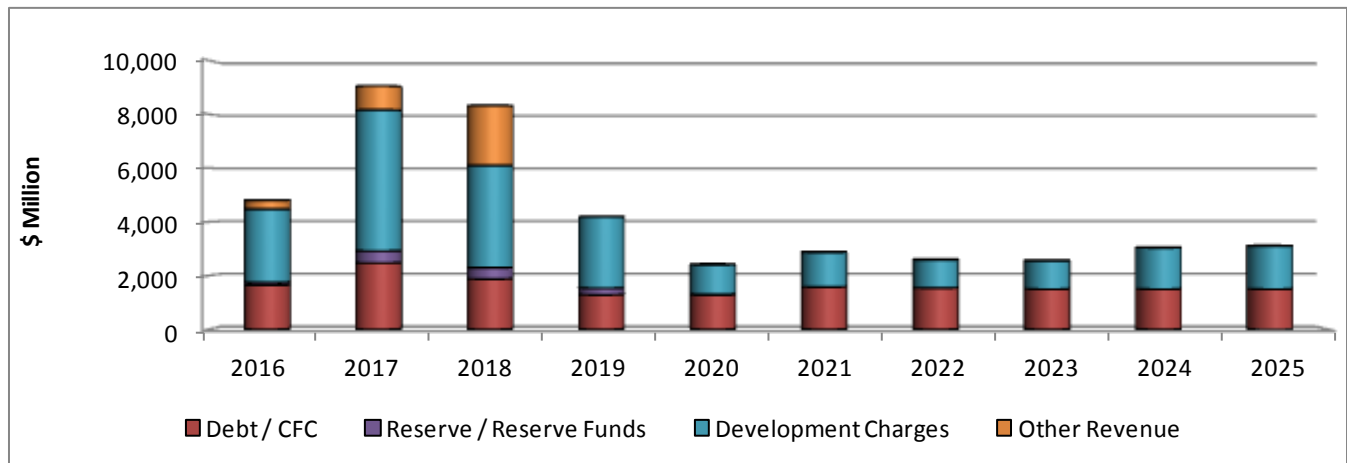
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Total 2016 Cash Flow & FY Commits
<b>Expenditures</b>											
Previously Approved											
<i>St John the Evangelist     Catholic School</i>		750	969	571							2,290
<i>Avondale Public School</i>	2,035	1,365									3,400
<i>Block 31 Child Care Centre     Customer Service     Improvements</i>	130	757	2,264	426							3,577
	100	1,000	400								1,500
Subtotal	2,265	3,872	3,633	997							10,767
New w/Future Year											
<i>TELCCS State of Good Repair</i>	1,542										1,542
<i>Bridletown Community Centre</i>	500	1,500	1,220	680							3,900
<i>Advent Child Care Centre</i>	500	1,710	500								2,710
Subtotal	2,542	3,210	1,720	680							8,152
<b>Total Expenditures</b>	<b>4,807</b>	<b>7,082</b>	<b>5,353</b>	<b>1,677</b>							<b>18,919</b>
<b>Financing</b>											
Debt	1,642	1,000	400								3,042
Debt Recoverable											
Other	334	893	2,230								3,457
Reserves/Res Funds	100	396	269	125							890
Development Charges	2,731	4,793	2,454	1,552							11,530
Provincial/Federal											
<b>Total Financing</b>	<b>4,807</b>	<b>7,082</b>	<b>5,353</b>	<b>1,677</b>							<b>18,919</b>

Approval of the 2016 Capital Budget of \$4.807 million will result in the future cash flow commitments of \$7.082 million in 2017; \$5.353 million in 2018; and \$1.677 million in 2019 for a total of \$18.919 million

- The 2016 Capital Budget provides funding of \$2.265 million for previously approved projects that are already underway. Cash flow funding is dedicated to ongoing and multi-year projects for the following:
- Three new and multi-year funding of \$2.542 million have been added to the 2016 Capital Budget as noted in the table above.

Chart 3

2016 – 2025 Capital Plan by Funding Source (In \$000s)

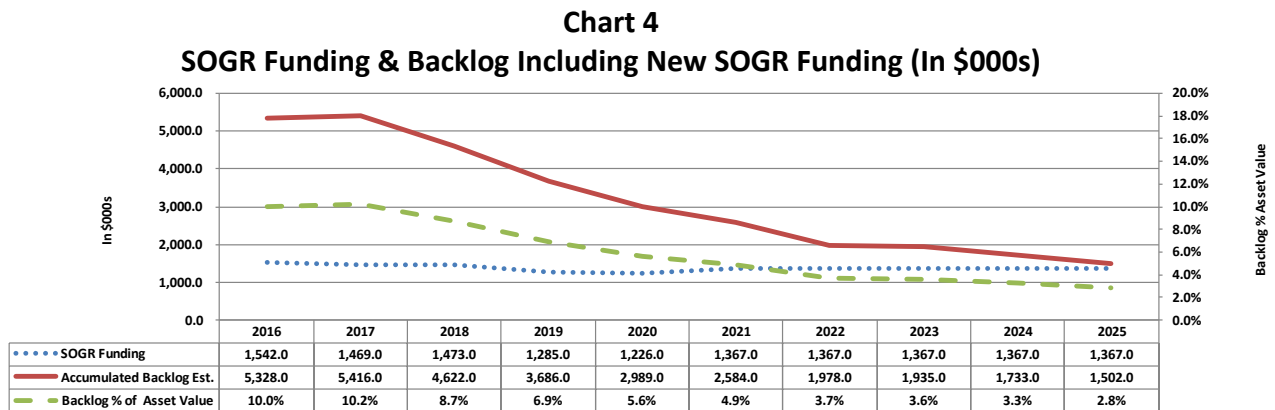


A combination of debt, Section 37 funding, Development Charge funding and reserve funds are used to finalize the construction of Child Care Centres, whereas the Information Technology project and SOGR project are fully debt funded.

As illustrated in the chart above, the 10 year total cash flow funding of \$42.907 million will be financed by the following sources:

- Debt accounts for \$16.148 million or 37.6% of the financing over the 10-year period.
  - The 10-Year Plan meets the debt target over the 10-year planning period.
  - The funding is below the debt guideline target by \$0.900 million in 2016 and above by \$0.500 million and \$0.400 million in years 2017 and 2018 respectively. The cash flows for the Customer Service Improvements project has been smoothed to better match the progress of the project development.
- Development Charge funding of \$22.063 million represents 51.4% of total financing for the 10 year period.
  - Development Charge funding has been fully utilized for the 10-Year period and is based on the eligible growth component of capital projects and the availability of funds within the given year.
- Other Revenue represents secured Section 37 Reserve funding of \$3.457 million or 8.1% and will partially fund Avondale Public School and Block 31 child care centre projects.
- The Child Care Capital Reserve Fund provides funding of \$1.239 million to partially support the construction of St John the Evangelist Catholic School, the Bridletown Community Centre, the David and Mary Thompson and the Advent Child Care centres.

State of Good Repair (SOGR) Backlog



Children's Services provides child care services across the City in 52 municipal child care centres, 24 of which are in City owned facilities. The centers in the City owned facilities have an asset replacement value of \$53.080 million. A recent audit conducted by Facilities Management indicated that, at the end of 2015, there will be a SOGR backlog of \$4.765 million (9.0% of the asset value) in the 24 City owned sites.

- The 10-Year Capital Plan meets the City's objective to address back log issues by dedicating \$13.830 million to maintain the centres in a state of good repair, with annual expenditures averaging \$1.380 million.
- Funding for the SOGR capital maintenance program is supplemented by \$0.508 million per year from the Program's Operating Base Budget throughout the 10 year planning period, at which time the backlog will be reduced to \$1.502 million, or 2.8% of the asset value by 2025.
- As the backlog is eliminated, the funding will focus on annual SOGR capital works.
  - The Toronto Early Learning Child Care Services (TELCCS) SOGR project also allocates \$2.120 million to implement accessibility upgrades required by Provincial legislation in the 24 City-owned facilities.
  - These upgrades are required to bring the facilities into compliance with Provincial legislation outlined in the Accessibility of Ontarians with Disabilities Act (AODA). Ontario Regulation 427/07 requires public sector organizations to make the necessary upgrades to their facilities to improve facility access, which will require upgrading infrastructure to remove mobility barriers and increase facility access by adding elevators, ramps, and accessible washrooms.
- SOGR priorities are determined by the facility needs assessment, provided by Facilities Management that has identified major maintenance and capital upgrade requirements. Accessibility upgrades required by Provincial legislation are co-ordinated with the timing of the major SOGR upgrades.

10-Year Capital Plan: Net Operating Budget Impact

Table 5  
Net Operating Impact Summary (In \$000s)

Projects	2016 Budget		2017 Plan		2018 Plan		2019 Plan		2020 Plan		2016 - 2020		2016 - 2025		
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	
Previously Approved															
<i>Customer Service Improvements</i>					51.0	1.0	52.0					103.0	1.0	103.0	1.0
<b>Total (Net)</b>		-			51.0	1.0	52.0					103.0	1.0	103.0	1.0

The 10-Year Capital Plan will increase the 2016 Operating Budget and future year Operating Budgets by a total \$0.103 million net over the 2016 – 2025 period, as shown in the table above.

This is comprised of funding to sustain the following capital projects:

- *Customer Service Improvements* – Upon completion of the technology upgrades from this IT project, the future year Operating Budget will increase by a total of \$0.103 million gross and net in 2018 and 2019, with the salary and benefits required for 1 position to sustain the new *Customer Service Improvements* project.

As the project is still under way, the operating impact does not include benefits or savings that may be realized upon project completion. The future operating impacts will be reviewed each year as part of the City's annual Operating Budget process.





## **Part II:**

Issues for Discussion

## Issues for Discussion

### Issues Impacting the 10-Year Capital Plan

#### Review of 2016-2025 Capital Requirements

At its meeting on February 13, 2015, during the 2015 Budget process, Council directed that:

- The Deputy City Manager & Chief Financial Officer commence a detailed review of the City's 2016 – 2025 capital requirements as part of the City's 2016 Capital Budget process to ensure that debt affordability targets continue to be maintained, and report the results to Budget Committee early in the 2016 Budget process.
- Based on Council's direction, a detailed review of Children's Services' 2016-2025 Capital Plan requirements and historical spending was completed.
- In determining the Program's readiness to proceed and capacity to spend, the cash flows of all Service Improvement projects - which include the child care construction projects and the IT projects - were analysed to ensure the projects were ready to proceed and the cash flows reflected the projects' actual delivery schedules and timelines, took into consideration the Program debt targets and eligible Development Charge funding when building the annual cash flow budgets.
- In determining the Program's readiness to proceed and capacity to spend, the cash flows of all Service Improvement projects - which include the child care construction projects and the IT projects - were analysed to ensure the projects were ready to proceed and the cash flows reflected the projects' actual delivery schedules and timelines, took into consideration the Program debt targets and eligible Development Charge funding when building the annual cash flow budgets.
- The following resulted from the review:
  - The timing of the construction of the child care centres was reviewed and cash flow smoothed from 3 years to 5 years based on historical spending patterns and reflects the Program experience in identifying sites and the construction of the centres.
  - The IT project was reviewed to determine project planning, design and business transformation stages and the cash flow estimates were amended to reflect the current development schedule. As a result, the cash flow funding for the Customer Service Improvement project was deferred from 2016 to 2017 and 2018.

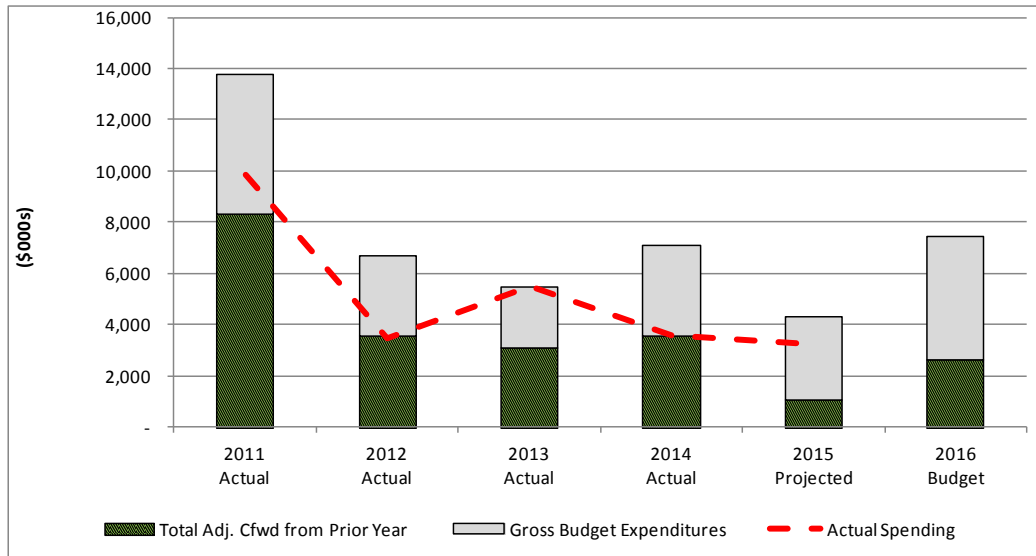
The chart below shows the spending trend of the total capital budget for Children's Services since 2011. The column bars show the split between new cash flow and funding carried forward from prior years.

**Capacity to Spend – Budget vs Actual (In \$000s)**

Category	2011			2012			2013			2014			2015 Projected			Spending Rate 5 Year Avg. %
	Approved Budget	Actual	Spending Rate %	Approved Budget	Actual	Spending Rate %	Approved Budget	Actual	Spending Rate %	Approved Budget	Actual	Spending Rate %	Approved Budget	Proj'd Actual	Spending Rate %	
SOCR	784	766	97.7%	869	793	91.3%	726	653	89.9%	1,584	1,377	86.9%	1,637	1,555	95.0%	91.9%
Service Improvement	12,958	9,072	70.0%	5,818	2,662	45.8%	4,742	2,030	42.8%	5,066	2,179	43.0%	4,225	1,688	40.0%	53.7%
<b>Total</b>	<b>13,742</b>	<b>9,838</b>	<b>71.6%</b>	<b>6,687</b>	<b>3,455</b>	<b>51.7%</b>	<b>5,468</b>	<b>2,683</b>	<b>49.1%</b>	<b>6,650</b>	<b>3,556</b>	<b>53.5%</b>	<b>5,862</b>	<b>3,243</b>	<b>55.3%</b>	<b>59.3%</b>

\* Based on 2015 9-month Capital Variance Report

**Capacity to Spend – Budget vs Actual**  
(In \$000s)



- Historically, State of Good Repair projects have averaged a 93.3% spending rate; IT projects have averaged 55.3%; with new child care projects having the lowest spending rate of approximately 30%. New child care centre construction is often part of a larger capital project and the division has limited control over projects built by other partners.
- Children's Services in consultation with Financial Planning will continue to monitor spending in 2016, report capital spending quarterly through the variance reports and report on any future year adjustments as required, as part of the 2017 budget process.

*Expanding System Capacity:*

- The Children's Services 2015-2019 Service Plan approved by City Council on May 5, 2015 identified a "lack of available child care spaces for our youngest children" as a key challenge that continues to impact the system's ability to serve Toronto's families. The Service Plan also identified a need for capital development to increase the number of licensed child care spaces available to families in Toronto.
- The Program has identified increased access to high-quality licensed child care as a key priority action which can be achieved by adding more physical spaces in the system.
  - The focus of the 10-year Capital Plan is to increase physical space for infants and toddlers, with capital investment directed towards communities with the lowest access to licensed child care.
- As noted in the following table, the 2016-2025 Capital Plan includes funding for 8 new child care centres that will add 457 spaces to the system. Six of the centres are in the planning or construction phase, with options for the location of Centres 8 and 9, still under review.

Project Name	2016 -2025 Capital Plan	Ward	Projected Year of Completion	Spaces	Comment
Avondale Public School	3,400	23	2017	72	Approved in 2015 as a joint project with the Toronto District School Board (TDSB), the site plan and building design are underway
Advent Child Care Centre	2,710	10	2018	49	New project in partnership with the Advent Health Care Corp, located in the former Branson Hospital
Block 31	3,577	20	2019	52	Approved in 2014, this project, located in the former Railway Lands, is a joint project with PFR and the District School Boards (TDSB and TCSB). This project is moving through the planning and design stage
St John The Evangelist Catholic School	2,290	11	2019	36	Approved in 2014 as a joint project with the Toronto Catholic District School Board (TCSB), the project is in the design stage, with construction scheduled to begin in 2016
Bridletown Community Centre (6)	3,900	40	2019	62	New project, a multi-service community hub to be developed by YMCA in partnership with United Way, Scarborough Hospital and other local community agencies
David and Mary Thompson (7)	3,900	37	2020	62	New project proposed as a multi-service community hub to be developed with local community agencies in Dorset Park
New Child Care Centre No. 8	3,900		2023	62	Site not yet identified
New Child Care Centre No. 9	3,900		2025	62	Site not yet identified
<b>Total</b>	<b>\$27,577</b>			<b>457</b>	

- The funding for this Capital Plan will be provided through a combination of development charges, reserve funds, debt and Sec 37 funding.

#### *Advent Child Care Centre*

- The Advent Child Care Centre will be located at the former Branson Hospital site in Ward 10 and will require funding of \$2.710 million funded through a combination of development charge and reserve funding. The project will operate in an underserved community and will accommodate 10 infants, 15 toddlers and 24 preschoolers.
- This new centre will be located within an existing Long Term Care facility that is owned and operated by the Advent Health Care Corporation, with the timing of the construction being accelerated to take advantage of a partnership development opportunity.
- The Program requires Council authority to enter into an agreement with Advent Health Care Corporation that will allow the organization to construct the child care facility. Once the construction project has been completed, an Expression of Interest will be issued to seek a third party to operate the not-for-profit child care centre.
- It is recommended that City Council grant the General Manager of the Children's Services Division delegated authority to negotiate and execute agreements on behalf of the City with the Advent Health Corporation for the purpose of initiating and managing the construction of a new child care centre to be located within the Long Term Healthcare Facility at 541 Finch Avenue West, which is under the ownership of Advent Health Care Corporation on terms and conditions satisfactory to the General Manager of Children's Services and the City Solicitor.

## Issues Referred to the 2016 Operating Budget Process

### *Child Care Funding Strategy*

- City Council at its meeting of July 7, 2015 approved a 5-year Child Care Funding Strategy and in so doing, approved the transfer of \$21 million from the Child Care Expansion Reserve Fund to the Child Care Capital Reserve to build an additional 5 child care facilities, with 310 licensed spaces, between 2016 and 2020 to support the Poverty Reduction Strategy. Please refer to the 2016 Operating Budget Notes for Children Services for more information (pg 22).
- With an overall shortage of physical spaces, the City currently has enough licensed capacity for 19% of City's children aged 0-12. The majority of this shortage results from a lack of spaces for infants and toddlers.
- Children's Services is actively seeking partnerships that could leverage the capital programs of other City divisions and agencies by adding child care centres to proposed projects. The Program has identified areas of the City where families have the least access to licensed child care. Children's Services has a high level of flexibility in leveraging child care development opportunities, as child care currently exists in a number of City buildings, including Fire Stations, community centres, libraries and Toronto Community Housing buildings.
- Given that it normally takes between 4-5 years to locate and deliver a new child care centre, it is recommended that Children's Services and Financial Planning work together to develop a long-term capital plan while taking into consideration financial requirements and the Program's actual experience to identify sites and develop child care centres.

### *Customer Service Improvements Project Update*

- The 2016 – 2025 Capital Budget and Plan includes a previously approved project, the *Customer Service Improvements* IT project, at a cost of \$3.175 million.
- This project responds to the recommendations included in the 2013 Service Efficiency Study for Children's Services Division, which recommended that the Program provide optimal service efficiency savings "...in the shortest period of time...".
- This project addresses this recommendation by focusing on process and technology changes that provide self-service to the Program's two primary clients: families applying for and receiving a fee subsidy, and 660 service providers who have a contract with the City to provide subsidized child care spaces. Specifically the project will provide the following benefits:
  - Enhance the Children's Services Information System application (CSIS) to support online budget submissions for operators, which will reduce processing time, improve accountability and ensure reasonableness of child care provider's administrative expenses; and
  - Modify the CSIS applications to provide online subsidy application and self-serve functionality to Toronto families receiving child care subsidies. At the same time, the Program is exploring the feasibility of accessing tax data to streamline the income test associated with the fee subsidy assessment.
- This project utilizes the existing CSIS 3 system, with 2016 cash flow budget of \$1.000 million (including 2015 carry-forward funding of \$0.900 million) and is scheduled for completion in 2018. The total project cost for the *Customer Service Improvements* project is \$3.175 million, with 2015

projected spending of \$0.693 million. The cash flows for the project have been re-phased due to delays in hiring qualified staff required to implement the system upgrades.

- Upon project completion, \$0.103 million in ongoing funding will be required to sustain the *Customer Service Improvements* applications.
- The City follows a rigorous project selection process whereby all Information Technology projects are reviewed, prioritized and approved based on set criterion that includes cost-benefit analysis and a plan to measure and track benefits.
  - This practice ensures the implementation of the Auditor General's recommendations included in Report AU11.4 "*Financial Planning Analysis and Reporting System (FPARS) – a Large Business Transformation/ Information technology Project*" which required that "such review to include a financial analysis to identify, quantify and document anticipated financial and operational benefits for implementation". Attached is the link to the report:  
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.AU11.4>
- As the project is still under way, the reporting of the operating impact does not reflect the benefits or savings that may be realized upon project completion. The future operating impacts will be reviewed each year as part of the City's annual Operating Budget process to be in compliance with City financial policies and Budget Guidelines.
- The Financial Planning Division will work with Children's Services to ensure that any benefits or operational savings to be realized from the implementation of the Customer Service Implementation project are budgeted separately from ongoing costs reported in the future year's operating budget submission, as is done for all technology projects.



# **Appendices**



## Appendix 1

### 2015 Performance

#### 2015 Key Accomplishments

In 2015, Children's Services made significant progress as follows:

- ✓ Continued to deliver capital upgrades in the City-owned child care centres that are located in City-owned facilities as part of the ongoing SOGR program;
- ✓ Continued the development of the Customer Service Improvements project to enhance online services for families and child care operators;
- ✓ Completed a legal agreement with TDSB and prepared site plan for the construction of the Avondale Public School;
- ✓ Completed the CSIS III upgrade to improve the Program's front facing service delivery to both families and operators and provide the building blocks for future eService components for Children's Service; and
- ✓ Completed renovations to the Squirrel's Nest Day Care Centre.

2015 Financial Performance

**Table 9**  
**2015 Budget Variance Analysis (In \$000's)**

2015 Approved	As of Sept. 30, 2015		Projected Actuals at Year End		Unspent Balance	
	\$	% Spent	\$	% Spent	\$ Unspent	% Unspent
5,862	831	14.2%	3,243	55.3%	2,619	44.7%

\* Based on 2015 Third Quarter Capital Variance Report

2015 Experience

At its meeting on December 9, 2015, Council approved the 2015 Capital Variance Report for the nine months ended September 30, 2015. Please refer to the attached link for the staff report regarding the details of variance explanations and year-end projections for Children's Services.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.EX10.28>

Impact of the 2015 Capital Variance on the 2016 Preliminary Budget

- As a result of the delays in the capital projects, as described in the 2015 Q3 Capital Variance Report, funding of \$2.602 million is being carried forward to the 2016 Capital Budget to continue the capital work.
  - A detailed review of the 2016 – 2025 Capital Budget and Plan has been conducted and the necessary adjustments have been made to the timing of cash flow funding for the *Customer Service Improvement* project and the *St John the Evangelist Catholic School*, which are the major contributors to annual under expenditures. The realignment of cash flow funding with the previous spending capacity and updated project delivery schedules will lead to a higher rate of spending in 2016.

## Appendix 2

**Table 10**  
**2016 Capital Budget; 2017 to 2025 Capital Plan (\$'000s)**

Project	Total Project Cost	Prior Year Carry Forward	2016	2017	2018	2019	2020	2016 - 2020	2021	2022	2023	2024	2025	2016 - 2025 Total
<b>State of Good Repair:</b>														
<i>TELCCS State of Good Repair</i>	1,542	82	1,542	1,469	1,473	1,285	1,226	<b>7,077</b>	1,367	1,367	1,367	1,367	1,367	<b>13,912</b>
<b>Sub-Total</b>	<b>1,542</b>	<b>82</b>	<b>1,542</b>	<b>1,469</b>	<b>1,473</b>	<b>1,285</b>	<b>1,226</b>	<b>7,077</b>	<b>1,367</b>	<b>1,367</b>	<b>1,367</b>	<b>1,367</b>	<b>1,367</b>	<b>13,912</b>
<b>Service Improvements:</b>														
<i>St John The Evangelist Catholic School</i>	3,900	1,510		750	969	571		<b>3,800</b>						<b>3,800</b>
<i>Bridletown Community Centre (6)</i>	3,900		500	1,500	1,220	680		<b>3,900</b>						<b>3,900</b>
<i>David and Mary Thompson (7)</i>	3,900			500	1,500	1,220	680	<b>3,900</b>						<b>3,900</b>
<i>New Child Care Centre No. 8</i>	3,900						500	<b>500</b>	1,500	1,220	680			<b>3,900</b>
<i>New Child Care Centre No. 9</i>	3,900										500	1,670	1,730	<b>3,900</b>
<i>Avondale Public School</i>	3,900	110	2,035	1,365				<b>3,510</b>						<b>3,510</b>
<i>Block 31</i>	3,628		130	757	2,264	426		<b>3,577</b>						<b>3,577</b>
<i>Advent Child Care Centre</i>	2,710		500	1,710	500			<b>2,710</b>						<b>2,710</b>
<i>Customer Service Improvements</i>	3,175	900	100	1,000	400			<b>2,400</b>						<b>2,400</b>
<b>Sub-Total</b>	<b>32,913</b>	<b>2,520</b>	<b>3,265</b>	<b>7,582</b>	<b>6,853</b>	<b>2,897</b>	<b>1,180</b>	<b>24,297</b>	<b>1,500</b>	<b>1,220</b>	<b>1,180</b>	<b>1,670</b>	<b>1,730</b>	<b>31,597</b>
<b>Total</b>	<b>34,455</b>	<b>2,602</b>	<b>4,807</b>	<b>9,051</b>	<b>8,326</b>	<b>4,182</b>	<b>2,406</b>	<b>31,374</b>	<b>2,867</b>	<b>2,587</b>	<b>2,547</b>	<b>3,037</b>	<b>3,097</b>	<b>45,509</b>

## Appendix 3

### 2016 Capital Budget; 2017 to 2025 Capital Plan

## CITY OF TORONTO

## Gross Expenditures (\$000's)

Children's Services						Current and Future Year Cash Flow Commitments						Current and Future Year Cash Flow Commitments Financed By															
						2016	2017	2018	2019	2020	Total 2016-2020	Total 2021-2025	Total 2016-2025	Provincial Grants and Subsidies	Federal Subsidy	Development Charges	Reserves	Reserve Funds	Capital from Current	Other 1	Other2	Debt - Recoverable Debt	Total Financing				
Sub- Priority	Project No. SubProj No.	Project Name Sub-project Name	Ward	Stat.	Cat.																						
<u>CHS907230 TELCCS - State Of Good Repair</u>																											
0	1	TELCCS - State Of Good Repair	CW	S6	03	0	1,469	1,473	1,285	1,226	5,453	6,835	12,288	0	0	0	0	0	0	0	12,288	0	12,288				
0	10	TELCCS SOGR 2016	CW	S4	03	1,542	0	0	0	0	1,542	0	1,542	0	0	0	0	0	0	0	1,542	0	1,542				
Sub-total						1,542	1,469	1,473	1,285	1,226	6,995	6,835	13,830	0	0	0	0	0	0	0	0	13,830	0	13,830			
<u>CHS907355 St. John The Evangelist Catholic School</u>																											
0	1	St. John The Evangelist Catholic School	11	S2	04	0	750	969	571	0	2,290	0	2,290	0	0	2,061	0	229	0	0	0	0	0	2,290			
Sub-total						0	750	969	571	0	2,290	0	2,290	0	0	2,061	0	229	0	0	0	0	0	0	2,290		
<u>CHS907644 Bridletown Community Centre (Child Care Centre</u>																											
0	1	Bridletown Community Centre (Child Care Centre 6)	40	S4	04	500	1,500	1,220	680	0	3,900	0	3,900	0	0	3,510	390	0	0	0	0	0	0	3,900			
Sub-total						500	1,500	1,220	680	0	3,900	0	3,900	0	0	3,510	390	0	0	0	0	0	0	0	3,900		
<u>CHS907645 David and Mary Thomson (Child Care Centre 7)</u>																											
0	1	David and Mary Thomson (Child Care Centre 7)	37	S6	04	0	500	1,500	1,220	680	3,900	0	3,900	0	0	3,510	0	349	0	0	0	0	41	0	3,900		
Sub-total						0	500	1,500	1,220	680	3,900	0	3,900	0	0	3,510	0	349	0	0	0	0	41	0	3,900		
<u>CHS907902 New Child Care Centre No. 8</u>																											
0	1	New Child Care Centre No. 8	CW	S6	04	0	0	0	0	500	500	3,400	3,900	0	0	3,510	0	0	0	0	0	0	390	0	3,900		
Sub-total						0	0	0	0	500	500	3,400	3,900	0	0	3,510	0	0	0	0	0	0	0	390	0	3,900	
<u>CHS907942 Customer Service Improvements</u>																											
0	2	Customer Service Improvements - Deliverables	CW	S2	04	100	1,000	400	0	0	1,500	0	1,500	0	0	0	0	0	0	0	0	0	1,500	0	1,500		
Sub-total						100	1,000	400	0	0	1,500	0	1,500	0	0	0	0	0	0	0	0	0	0	0	1,500	0	1,500
<u>CHS907944 New Child Care Centre No. 9</u>																											
0	1	New Child Care Centre No. 9	CW	S6	04	0	0	0	0	0	0	3,900	3,900	0	0	3,513	0	0	0	0	0	0	387	0	3,900		
Sub-total						0	0	0	0	0	0	3,900	3,900	0	0	3,513	0	0	0	0	0	0	0	387	0	3,900	
<u>CHS908031 Avondale Public School</u>																											
0	1	Avondale Public School	23	S2	04	2,035	1,365	0	0	0	3,400	0	3,400	0	0	3,060	0	0	0	340	0	0	0	3,400			
Sub-total						2,035	1,365	0	0	0	3,400	0	3,400	0	0	3,060	0	0	0	340	0	0	0	0	0	3,400	
<u>CHS908075 Block 31 Child Care Centre</u>																											

**CITY OF TORONTO**

**Gross Expenditures (\$000's)**

**Children's Services**

Sub- Project No. Project Name PrioritySubProj No. Sub-project Name Ward Stat. Cat.						Current and Future Year Cash Flow Commitments						Current and Future Year Cash Flow Commitments Financed By												
						2016	2017	2018	2019	2020	Total 2016-2020	Total 2021-2025	Total 2016-2025	Provincial Grants and Subsidies	Federal Subsidy	Development Charges	Reserve Reserves	Reserve Funds	Capital from Current	Other 1	Other2	Debt - Recoverable Debt	Total Financing	
<u>CHS908075 Block 31 Child Care Centre</u>																								
0	2	Block 31 Child Care Centre Construction	20	S2	04	130	757	2,264	426	0	3,577	0	3,577	0	0	460	0	0	0	3,117	0	0	0	3,577
Sub-total						130	757	2,264	426	0	3,577	0	3,577	0	0	460	0	0	0	3,117	0	0	0	3,577
<u>CHS908277 Advent Health Care Child Care Centre</u>																								
0	1	Advent Health Care Child Care Centre	10	S4	04	500	1,710	500	0	0	2,710	0	2,710	0	0	2,439	0	271	0	0	0	0	0	2,710
Sub-total						500	1,710	500	0	0	2,710	0	2,710	0	0	2,439	0	271	0	0	0	0	0	2,710
<b>Total Program Expenditure</b>						4,807	9,051	8,326	4,182	2,406	28,772	14,135	42,907	0	0	22,063	390	849	0	3,457	0	16,148	0	42,907

**CITY OF TORONTO**

**Gross Expenditures (\$000's)**

Children's Services					Current and Future Year Cash Flow Commitments and Estimates						Current and Future Year Cash Flow Commitments and Estimates Financed By											
					2016	2017	2018	2019	2020	Total 2016-2020	Total 2021-2025	Total 2016-2025	Provincial Grants and Subsidies	Federal Subsidy	Development Charges	Reserve Reserves	Reserve Funds	Capital from Current	Other 1	Other2	Debt - Recoverable Debt	Total Financing
Sub- Priority	Project No. SubProj No.	Project Name Sub-project Name	Ward	Stat. Cat.																		
Financed By:																						
		Development Charges			2,731	5,243	3,804	2,650	1,103	15,531	6,532	22,063	0	0	22,063	0	0	0	0	0	22,063	
		Reserves (Ind. "XQ" Ref.)			50	150	122	68	0	390	0	390	0	0	0	390	0	0	0	0	390	
		Reserve Funds (Ind."XR" Ref.)			50	296	297	179	27	849	0	849	0	0	0	849	0	0	0	0	849	
		Other1 (Internal)			334	893	2,230	0	0	3,457	0	3,457	0	0	0	0	0	3,457	0	0	3,457	
		Debt			1,642	2,469	1,873	1,285	1,276	8,545	7,603	16,148	0	0	0	0	0	0	16,148	0	16,148	
<b>Total Program Financing</b>					<b>4,807</b>	<b>9,051</b>	<b>8,326</b>	<b>4,182</b>	<b>2,406</b>	<b>28,772</b>	<b>14,135</b>	<b>42,907</b>	<b>0</b>	<b>0</b>	<b>22,063</b>	<b>390</b>	<b>849</b>	<b>0</b>	<b>3,457</b>	<b>0</b>	<b>16,148</b>	<b>42,907</b>

- Status Code Description**  
 S2 S2 Prior Year (With 2016 and/or Future Year Cashflow)  
 S3 S3 Prior Year - Change of Scope 2016 and/or Future Year Cost(Cashflow)  
 S4 S4 New - Stand-Alone Project (Current Year Only)  
 S5 S5 New (On-going or Phased Projects)  
 S6 S6 New - Future Year (Commencing in 2017 & Beyond)

- Category Code Description**  
 01 Health and Safety C01  
 02 Legislated C02  
 03 State of Good Repair C03  
 04 Service Improvement and Enhancement C04  
 05 Growth Related C05  
 06 Reserved Category 1 C06  
 07 Reserved Category 2 C07



## Appendix 4

### 2016 Cash Flow and Future Year Commitments

## CITY OF TORONTO

## Gross Expenditures (\$000's)

Children's Services						Current and Future Year Cash Flow Commitments						Current and Future Year Cash Flow Commitments Financed By													
Sub- Priority	Project No. SubProj No.	Project Name Sub-project Name	Ward	Stat.	Cat.	2016	2017	2018	2019	2020	Total 2016-2020	Total 2021-2025	Total 2016-2025	Provincial Grants and Subsidies	Federal Subsidy	Development Charges	Reserves	Reserve Funds	Capital from Current	Other 1	Other2	Debt - Recoverable Debt	Total Financing		
<u>CHS907230 TELCCS - State Of Good Repair</u>																									
0	9	TELCCS SOGR 2015	CW	S2	03	82	0	0	0	0	82	0	82	0	0	0	0	0	82	0	0	0	0	82	
0	10	TELCCS SOGR 2016	CW	S4	03	1,542	0	0	0	0	1,542	0	1,542	0	0	0	0	0	0	0	0	1,542	0	1,542	
Sub-total						1,624	0	0	0	0	1,624	0	1,624	0	0	0	0	0	82	0	0	1,542	0	1,624	
<u>CHS907355 St. John The Evangelist Catholic School</u>																									
0	1	St. John The Evangelist Catholic School	11	S2	04	1,510	750	969	571	0	3,800	0	3,800	0	0	3,571	0	229	0	0	0	0	3,800		
Sub-total						1,510	750	969	571	0	3,800	0	3,800	0	0	3,571	0	229	0	0	0	0	0	0	3,800
<u>CHS907644 Bridletown Community Centre (Child Care Centre</u>																									
0	1	Bridletown Community Centre (Child Care Centre 6)	40	S4	04	500	1,500	1,220	680	0	3,900	0	3,900	0	0	3,510	390	0	0	0	0	0	3,900		
Sub-total						500	1,500	1,220	680	0	3,900	0	3,900	0	0	3,510	390	0	0	0	0	0	0	0	3,900
<u>CHS907942 Customer Service Improvements</u>																									
0	2	Customer Service Improvements - Deliverables	CW	S2	04	1,000	1,000	400	0	0	2,400	0	2,400	0	0	0	0	0	900	0	0	1,500	0	2,400	
Sub-total						1,000	1,000	400	0	0	2,400	0	2,400	0	0	0	0	0	900	0	0	1,500	0	0	2,400
<u>CHS908031 Avondale Public School</u>																									
0	1	Avondale Public School	23	S2	04	2,145	1,365	0	0	0	3,510	0	3,510	0	0	3,159	0	0	0	351	0	0	3,510		
Sub-total						2,145	1,365	0	0	0	3,510	0	3,510	0	0	3,159	0	0	0	351	0	0	0	0	3,510
<u>CHS908075 Block 31 Child Care Centre</u>																									
0	2	Block 31 Child Care Centre Construction	20	S2	04	130	757	2,264	426	0	3,577	0	3,577	0	0	460	0	0	0	3,117	0	0	3,577		
Sub-total						130	757	2,264	426	0	3,577	0	3,577	0	0	460	0	0	0	3,117	0	0	0	0	3,577
<u>CHS908277 Advent Health Care Child Care Centre</u>																									
0	1	Advent Health Care Child Care Centre	10	S4	04	500	1,710	500	0	0	2,710	0	2,710	0	0	2,439	0	271	0	0	0	0	2,710		
Sub-total						500	1,710	500	0	0	2,710	0	2,710	0	0	2,439	0	271	0	0	0	0	0	0	2,710
<b>Total Program Expenditure</b>						<b>7,409</b>	<b>7,082</b>	<b>5,353</b>	<b>1,677</b>	<b>0</b>	<b>21,521</b>	<b>0</b>	<b>21,521</b>	<b>0</b>	<b>0</b>	<b>13,139</b>	<b>390</b>	<b>500</b>	<b>982</b>	<b>3,468</b>	<b>0</b>	<b>3,042</b>	<b>0</b>	<b>21,521</b>	

**CITY OF TORONTO**

**Gross Expenditures (\$000's)**

<b>Children's Services</b>					<b>Current and Future Year Cash Flow Commitments and Estimates</b>						<b>Current and Future Year Cash Flow Commitments and Estimates Financed By</b>												
<u>Sub-Project No.</u>	<u>Project Name</u>	<u>Ward</u>	<u>Stat.</u>	<u>Cat.</u>	2016	2017	2018	2019	2020	Total 2016-2020	Total 2021-2025	Total 2016-2025	Provincial Grants and Subsidies	Federal Subsidy	Development Charges	Reserve Reserves	Reserve Funds	Capital from Current	Other 1	Other2	Debt - Recoverable Debt	Total Financing	
Financed By:																							
	Development Charges				4,340	4,793	2,454	1,552	0	13,139	0	13,139	0	0	13,139	0	0	0	0	0	0	0	13,139
	Reserves (Ind. "XQ" Ref.)				50	150	122	68	0	390	0	390	0	0	0	390	0	0	0	0	0	0	390
	Reserve Funds (Ind. "XR" Ref.)				50	246	147	57	0	500	0	500	0	0	0	0	500	0	0	0	0	0	500
	Capital from Current				982	0	0	0	0	982	0	982	0	0	0	0	0	982	0	0	0	0	982
	Other1 (Internal)				345	893	2,230	0	0	3,468	0	3,468	0	0	0	0	0	0	3,468	0	0	0	3,468
	Debt				1,642	1,000	400	0	0	3,042	0	3,042	0	0	0	0	0	0	0	0	3,042	0	3,042
<b>Total Program Financing</b>					<b>7,409</b>	<b>7,082</b>	<b>5,353</b>	<b>1,677</b>	<b>0</b>	<b>21,521</b>	<b>0</b>	<b>21,521</b>	<b>0</b>	<b>0</b>	<b>13,139</b>	<b>390</b>	<b>500</b>	<b>982</b>	<b>3,468</b>	<b>0</b>	<b>3,042</b>	<b>0</b>	<b>21,521</b>

<b>Status Code</b>	<b>Description</b>
S2	S2 Prior Year (With 2016 and/or Future Year Cashflow)
S3	S3 Prior Year - Change of Scope 2016 and/or Future Year Cost\Cashflow)
S4	S4 New - Stand-Alone Project (Current Year Only)
S5	S5 New (On-going or Phased Projects)

<b>Category Code</b>	<b>Description</b>
01	Health and Safety C01
02	Legislated C02
03	State of Good Repair C03
04	Service Improvement and Enhancement C04
05	Growth Related C05
06	Reserved Category 1 C06
07	Reserved Category 2 C07

## Appendix 5

### 2016 Capital Budget with Financing Detail

(Phase 2) 32-Children's Services Sub-Project Category: 01,02,03,04,05,06,07 Type: B Sub-Project Status: S2 Type: C Sub-Project Status: S2,S3,S4,S5



**CITY OF TORONTO**

**Children's Services  
Sub-Project Summary**

Project/Financing Priority Project	Project Name	Start Date	Completion Date	2016	Financing									
				Cash Flow	Provincial Grants Subsidies	Federal Subsidy	Developmt Charges	Reserves	Reserve Funds	Capital From Current	Other 1	Other 2	Debt	Debt - Recoverable
<b>0</b>	<b><u>CHS907230 TELCCS - State Of Good Repair</u></b>													
0	9 TELCCS SOGR 2015	01/01/2015	12/31/2015	82	0	0	0	0	0	82	0	0	0	0
0	10 TELCCS SOGR 2016	01/01/2016	12/31/2016	1,542	0	0	0	0	0	0	0	0	1,542	0
	<b>Project Sub-total:</b>			1,624	0	0	0	0	0	82	0	0	1,542	0
<b>0</b>	<b><u>CHS907355 St. John The Evangelist Catholic School</u></b>													
0	1 St. John The Evangelist Catholic School	01/24/2014	12/31/2018	1,510	0	0	1,510	0	0	0	0	0	0	0
	<b>Project Sub-total:</b>			1,510	0	0	1,510	0	0	0	0	0	0	0
<b>0</b>	<b><u>CHS907644 Bridletown Community Centre (Child Care Centre 6)</u></b>													
0	1 Bridletown Community Centre (Child Care Centre 6)	07/29/2018	10/29/2020	500	0	0	450	50	0	0	0	0	0	0
	<b>Project Sub-total:</b>			500	0	0	450	50	0	0	0	0	0	0
<b>0</b>	<b><u>CHS907942 Customer Service Improvements</u></b>													
0	2 Customer Service Improvements - Deliverables	06/21/2013	06/30/2018	1,000	0	0	0	0	0	900	0	0	100	0
	<b>Project Sub-total:</b>			1,000	0	0	0	0	0	900	0	0	100	0
<b>0</b>	<b><u>CHS908031 Avondale Public School</u></b>													
0	1 Avondale Public School	06/25/2014	10/25/2017	2,145	0	0	1,930	0	0	0	215	0	0	0
	<b>Project Sub-total:</b>			2,145	0	0	1,930	0	0	0	215	0	0	0
<b>1</b>	<b><u>CHS908075 Block 31 Child Care Centre</u></b>													
0	2 Block 31 Child Care Centre Construction	06/03/2015	12/30/2018	130	0	0	0	0	0	0	130	0	0	0
	<b>Project Sub-total:</b>			130	0	0	0	0	0	0	130	0	0	0
<b>1</b>	<b><u>CHS908277 Advent Health Care Child Care Centre</u></b>													
0	1 Advent Health Care Child Care Centre	01/01/2016	12/31/2018	500	0	0	450	0	50	0	0	0	0	0
	<b>Project Sub-total:</b>			500	0	0	450	0	50	0	0	0	0	0
	<b>Program Total:</b>			7,409	0	0	4,340	50	50	982	345	0	1,642	0

**Status Code Description**  
 S2 S2 Prior Year (With 2016 and/or Future Year Cashflow)  
 S3 S3 Prior Year - Change of Scope 2016 and/or Future Year Cost(Cashflow)  
 S4 S4 New - Stand-Alone Project (Current Year Only)  
 S5 S5 New (On-going or Phased Projects)

**Category Code Description**  
 01 Health and Safety C01  
 02 Legislated C02  
 03 State of Good Repair C03  
 04 Service Improvement and Enhancement C04  
 05 Growth Related C05  
 06 Reserved Category 1 C06  
 07 Reserved Category 2 C07



## Appendix 6 Reserve / Reserve Fund Review

**Table 11: Reserve / Reserve Fund – Program Specific  
(\$000s)**

Reserve / Reserve Fund Name	Project / SubProject Name and Number	Projected Balance as at Dec 31, 2015 *	Contributions / (Withdrawals)										2016 - 2025 Total Contributions / (Withdrawals)
			2016 Budget	2017 Plan	2018 Plan	2019 Plan	2020 Plan	2021 Plan	2022 Plan	2023 Plan	2024 Plan	2025 Plan	
Child Care Capital Reserve Fund XR11023	Beginning Balance	24,182	24,182	45,066	44,785	44,530	44,446	44,581	44,745	44,909	45,074	45,241	
	Withdrawals (-)												
	Health and Safety **		(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(10,000)
	SOGR		(125)										(125)
	Minor Capital **		(400)	(400)	(400)	(400)	(400)	(400)	(400)	(400)	(400)	(400)	(4,000)
	St John the Evangelist Catholic School			(75)	(97)	(57)							(229)
	Bridletown Community Centre		(50)	(150)	(122)	(68)							(390)
	David and Mary Thompson			(50)	(150)	(122)	(27)						(349)
	Advent Child Care Centre		(50)	(171)	(50)								(271)
	<b>Total Withdrawals</b>		<b>(1,625)</b>	<b>(1,846)</b>	<b>(1,819)</b>	<b>(1,647)</b>	<b>(1,427)</b>	<b>(1,400)</b>	<b>(1,400)</b>	<b>(1,400)</b>	<b>(1,400)</b>	<b>(1,400)</b>	<b>(15,364)</b>
	Contributions (+)												
	Transfer from Child Care Expansion Reserve Fund		21,000										21,000
	Funding from Non-Program**		1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	10,000
	Funding from CS Operating for emergency capital repairs		320	320	320	320	320	320	320	320	320	320	3,200
Interest		189	245	244	243	243	244	244	244	245	246	247	2,390
<b>Total Contributions</b>		<b>22,509</b>	<b>1,565</b>	<b>1,564</b>	<b>1,563</b>	<b>1,563</b>	<b>1,564</b>	<b>1,564</b>	<b>1,564</b>	<b>1,565</b>	<b>1,566</b>	<b>1,567</b>	<b>36,590</b>
<b>Total Reserve Fund Balance at Year-End</b>		<b>24,182</b>	<b>45,066</b>	<b>44,785</b>	<b>44,530</b>	<b>44,446</b>	<b>44,581</b>	<b>44,745</b>	<b>44,909</b>	<b>45,074</b>	<b>45,241</b>	<b>45,408</b>	<b>45,408</b>

\* Based on the 2015 Q3 Variance Report (includes \$11.065 allocation from 2014 Operating Variance)

\*\* Health and Safety Program in 2016 Recommended Operating Budget for Children's Services

Reserve / Reserve Fund Name	Project / SubProject Name and Number	Projected Balance as at Dec 31, 2015 *	Contributions / (Withdrawals)										2016 - 2025 Total Contributions / (Withdrawals)
			2016 Budget	2017 Plan	2018 Plan	2019 Plan	2020 Plan	2021 Plan	2022 Plan	2023 Plan	2024 Plan	2025 Plan	
Development Charge Reserve Fund - Child Care XR 2122	Beginning Balance	8,377	8,377	8,100	5,420	4,210	4,185	5,729	7,118	8,777	10,495	11,785	
	Withdrawals (-)												
	St John the Evangelist Catholic School			(675)	(872)	(514)							(2,061)
	Bridletown Community Centre		(450)	(1,350)	(1,098)	(612)							(3,510)
	David and Mary Thompson			(450)	(1,350)	(1,098)	(612)						(3,510)
	New Child Care Centre 8						(491)	(1,292)	(1,047)	(680)			(3,510)
	New Child Care Centre 9									(371)	(1,541)	(1,601)	(3,513)
	Block 31				(34)	(426)							(460)
	Avondale Public School		(1,831)	(1,229)									(3,060)
	Advent Child Care Centre		(450)	(1,539)	(450)								(2,439)
	<b>Total Withdrawals</b>		<b>(2,731)</b>	<b>(5,243)</b>	<b>(3,804)</b>	<b>(2,650)</b>	<b>(1,103)</b>	<b>(1,292)</b>	<b>(1,047)</b>	<b>(1,051)</b>	<b>(1,541)</b>	<b>(1,601)</b>	<b>(22,063)</b>
Contributions (+)													
Development Contributions		2,406	2,526	2,568	2,602	2,620	2,646	2,662	2,716	2,770	2,770	26,286	
Interest		48	37	26	23	27	35	44	53	61	68	422	
<b>Total Contributions</b>		<b>2,454</b>	<b>2,563</b>	<b>2,594</b>	<b>2,625</b>	<b>2,647</b>	<b>2,681</b>	<b>2,706</b>	<b>2,769</b>	<b>2,831</b>	<b>2,838</b>	<b>26,708</b>	
<b>Other Program/Agency Net Withdrawals (-) and Contributions (+)</b>													
<b>Total Reserve Fund Balance at Year-End</b>		<b>8,377</b>	<b>8,100</b>	<b>5,420</b>	<b>4,210</b>	<b>4,185</b>	<b>5,729</b>	<b>7,118</b>	<b>8,777</b>	<b>10,495</b>	<b>11,785</b>	<b>13,022</b>	<b>13,022</b>