



## Decision Letter

# EX26.30a

### Budget Committee

<b>Meeting No.</b>	33	<b>Contact</b>	Jennifer Forkes, Committee Administrator
<b>Meeting Date</b>	Friday, June 9, 2017	<b>Phone</b>	416-392-4666
<b>Start Time</b>	9:30 AM	<b>E-mail</b>	buc@toronto.ca
<b>Location</b>	Committee Room 1, City Hall	<b>Chair</b>	Councillor Gary Crawford

BU33.4	ACTION	Amended		Ward:All
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### Children's Services Amendment to the 2017 Operating Budget to Reflect Increase in Provincial Contributions

#### Committee Decision

The Budget Committee recommends that:

1. City Council amend the Children's Services 2017 Approved Operating Budget to:
  - a. increase \$2.023 million in provincial base funding;
  - b. approve an additional \$34.45 million in provincial expansion funding to increase access to affordable child care for children aged 0-4, including supporting additional fee subsidies, providing increased access to service and to broadly reduce licensed child care fees;
  - c. reduce \$1.470 million in provincial funding for the Provincial Wage Enhancement program, which is fully funded by the Province.
2. City Council direct that the adjustment to the Service Levels and activities identified in Toronto's Licensed Child Care Growth Strategy, guide planning and investment of provincial expansion funding for 2017 including:
  - a. an increase of 2,189 fee subsidies for children 0-4;
  - b. an increase of \$0.837 million for Specials Needs Resourcing;
  - c. an increase of \$1.446 million in General Operating Grant funding be made to eligible licensed child care programs, in accordance with City guidelines; and
  - d. a 0.7 per cent increase of \$1.912 million for per diem increases to eligible child care operators.
3. City Council approve an additional 4 temporary positions and 20 permanent positions, fully funded by the Province, to support planning and implementation of system expansion and growth.

4. Given that new provincial funding for planning and implementation must be invested by December 31, 2018 and that any unused funds must be returned to the Province, City Council request the Deputy City Manager and Chief Financial Officer to contribute any 2017 under expenditure in Children's Services to the Child Care Expansion Reserve Fund for use in the 2018 fiscal year to meet provincially mandated expansion targets.

5. City Council request the General Manager, Children Services to undertake consultation with parents and the child care sector to inform the revised Growth Strategy, in preparation for her report to Community Development and Recreation Committee in the fall, and include in the consultation options for addressing affordability of child care fees in Toronto.

## **Origin**

(May 26, 2017) Report from the General Manager, Children's Services

## **Summary**

This report seeks approval to amend the 2017 Approved Operating Budget for Children's Services to reflect an increase of \$39.503 million in provincial funding. The funding includes an additional \$6.52 million in annual provincial base funding, reflecting a \$2.023 million increase over the \$4.5 million provincial allocation projected and included in the 2017 Approved Operating Budget, additional funding of \$34.45 million enveloped for service expansion, and a reduction of \$1.47 million in Provincial Wage Enhancement funding to reflect actual investment in 2016.

Expansion funding is provided for increased investment above the 2016 Service Levels for children aged 0-4. Expansion funding must focus on increasing access to affordable child care for children aged 0-4 including supporting additional fee subsidies, providing increased access to service and broadly reducing licensed child care fees.

To support the success of rapid growth, system planning and implementation, the province is providing municipalities with the ability to spend Expansion Plan funding and meet prescribed targets by December 31, 2018.

This report recommends amendments to the 2017 Approved Operating Budget for Children's Services that support the Council-approved Child Care Service Plan 2015 - 2019 and the Council approved Toronto's Licensed Child Care Growth Strategy for Children Under 4, 2017-2026.

## **Background Information**

(May 26, 2017) Report from the General Manager, Children's Services on Children's Services Amendment to the 2017 Operating Budget to Reflect Increase in Provincial Contributions (<http://www.toronto.ca/legdocs/mmis/2017/bu/bqrd/backgroundfile-104030.pdf>)

## **Speakers**

Jane Mercer, Toronto Coalition for Better Child Care  
Councillor Janet Davis