

Toronto 2018 BUDGET



CAPITAL BUDGET NOTES



Children's Services

2018 2027 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 25 in City owned facilities valued at \$53.081 million, and through 1 home child care agency.

The primary focus of the 10-Year Preliminary Capital Plan of \$67.616 million is to leverage new Federal, Provincial and City funding to increase the capacity in the child care system by adding more physical spaces. Funding of \$49 million will deliver 21 new child care centres adding 1,110 spaces over the 10-year period. The Capital Plan also dedicates substantial funding of \$13.8 million to maintain the existing centres in a state of good repair.

In order to support the significant system growth through tri-government operating and capital investments in 2018, funding of \$4.8 million is included for system upgrades to the existing information technology systems to develop new tools that will enhance on-line applications and business processes to improve operations and increase capacity.

The 10-Year Preliminary Capital Plan will provide savings in 2018 and in the future years' Operating Budgets totalling \$0.396 million net over the 2018 - 2027 period, derived from the completion of 2 information technology projects.

CONTENTS

Overview

1. 10-Year Preliminary Capital Plan 5
2. Issues for Discussion 18

Appendices

1. 2017 Performance 23
2. 2018 Preliminary Capital Budget 25
3. 2018 Preliminary Capital Budget; 2019 - 2027 Capital Plan 26
4. 2018 Cash Flow and Future Year Commitments 27
5. 2018 Preliminary Capital Budget with Financing Detail 28
6. Reserve / Reserve Fund Review 29

CONTACTS

Children's Services Elaine Baxter-Trahair

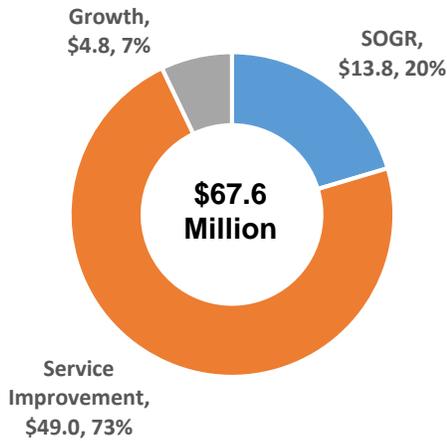
General Manager
Tel: (416) 392-8134
E-mail: Elaine.Baxter-Trahair@toronto.ca

Corporate: Ritu Sadana

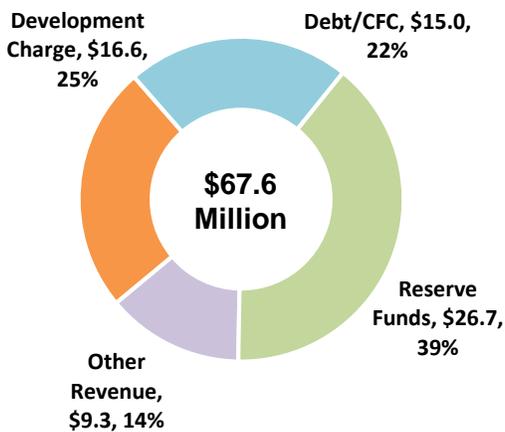
Manager, Financial Planning
Tel: (416) 395-6449
E-Mail: Ritu.Sadana@toronto.ca

CAPITAL SPENDING AND FINANCING

2018 - 2027 Preliminary Capital Budget and Plan By Project Category



By Funding Source



Where the money goes:

The 2018 - 2027 Preliminary Capital Budget and Plan totalling \$67.616 million provides funding of:

- \$49.041 million to continue the construction of 15 previously approved and 3 new child care centres, and the continuation of the *Customer Service Improvements* project, a technology project that will deliver operating efficiencies and customer service enhancements.
- \$13.811 million will reduce the state of good repair backlog and support ongoing maintenance in the City's directly operated Early Learning and Child centres (TELCCs) located in the 25 City owned facilities.
- \$4.764 million in Growth related funding for the technology project, *TCS Growing Child Care for Toronto* that will provide new on-line applications for parents and operators, improve funds management, and enhance operational capacity to accommodate system growth.

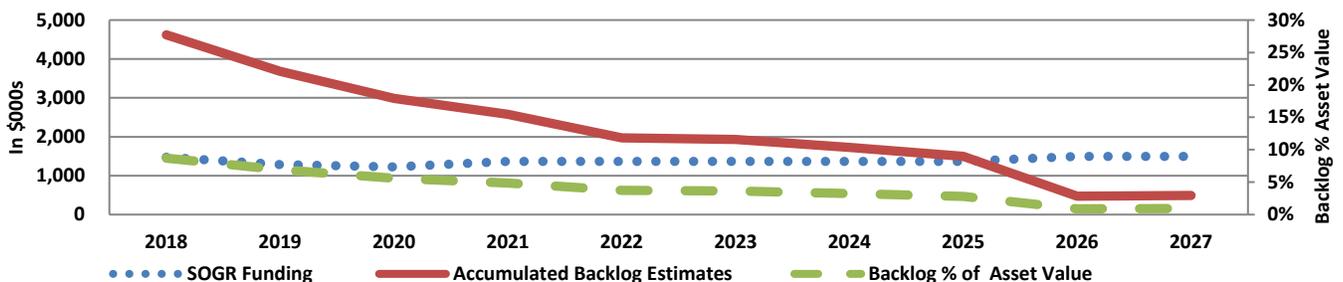
Where the money comes from:

The 10-Year Preliminary Capital Plan requires:

- Debt funding of \$15.029 million (22.2%), primarily for SOGR projects, which meets the debt guidelines for each year of the 10-year planning period.
- Capital funding of \$26.701 million (34.2%) from the Child Care Capital Reserve Fund, which includes support for 2 new Federally funded child care centres.
- \$16.631 million (24.6%) from Development Charges funding based on the portion of projects that are eligible for growth related funding.
- Other Revenues of \$9.255 million, which includes Sec 37 reserves (\$2.491 million); and Provincial subsidy (\$4.764 million); City's 2018 capital investment in system growth (\$2.000 million).

State of Good Repair Backlog

The 10-Year Preliminary Capital Plan's spending on State of Good Repair is \$13.811 million which will decrease the accumulated backlog from \$4.620 million in 2018 to an anticipated \$0.490 million by 2027. The SOGR backlog as a % of asset replacement value will decrease from 8.7% in 2018 to 0.9% by 2017 as a result of these planned investments.



OUR KEY ISSUES & PRIORITY ACTIONS

- **Licensed child care is not keeping pace with demand** and serves less than 20% of the child population. The 10-Year Preliminary Capital Plan will:
 - ✓ Leverage Federal/Provincial and City funding to deliver 3 new child care centres at a cost of \$12.9 million that will create 186 new spaces;
 - ✓ Deliver the new Capital Grants Program of \$8.885 million to support renovations and new construction in non-profit and public sector child care centres to create 430 new spaces.

- **Deliver the TCS Growing Child Care for Toronto project** for \$4.764 million that will provide technical enhancements to the existing IT system to manage system-wide growth.

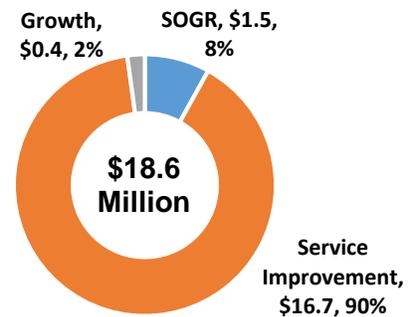


2018 CAPITAL BUDGET HIGHLIGHTS

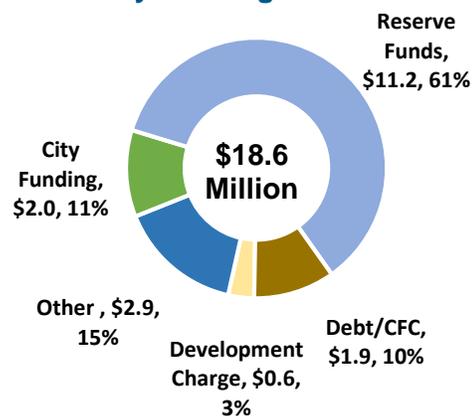
The 2018 Preliminary Capital Budget for Children's Services of \$18.567 million, excluding carry forward funding, will:

- Deliver capital upgrades in the 25 municipally owned child care centers located in City-owned facilities (\$1.473 million).
- Begin design phase of 1 new child care centre (*North East Scarborough Recreation Centre*, \$0.094 million) that will provide 62 new spaces.
- Begin negotiations to deliver 3 new child care centres with Federal funding (\$4.3 million) and City funding (\$2.0 million) that will provide 186 new child care spaces.
- Begin the development of the *TCS Growing Child Care for Toronto* IT project that will provide technical upgrades to the existing CSIS IT system, which will provide enhanced processes for parents, operators and upgrade administrative applications (\$0.378 million).
- Continue the construction of 14 previously approved child care centres that will deliver 689 new child care centres by 2020.

2018 Preliminary Capital Budget By Project Category



By Funding Source



Actions for Consideration

Approval of the 2018 Preliminary Capital Budget as presented in these notes requires that:

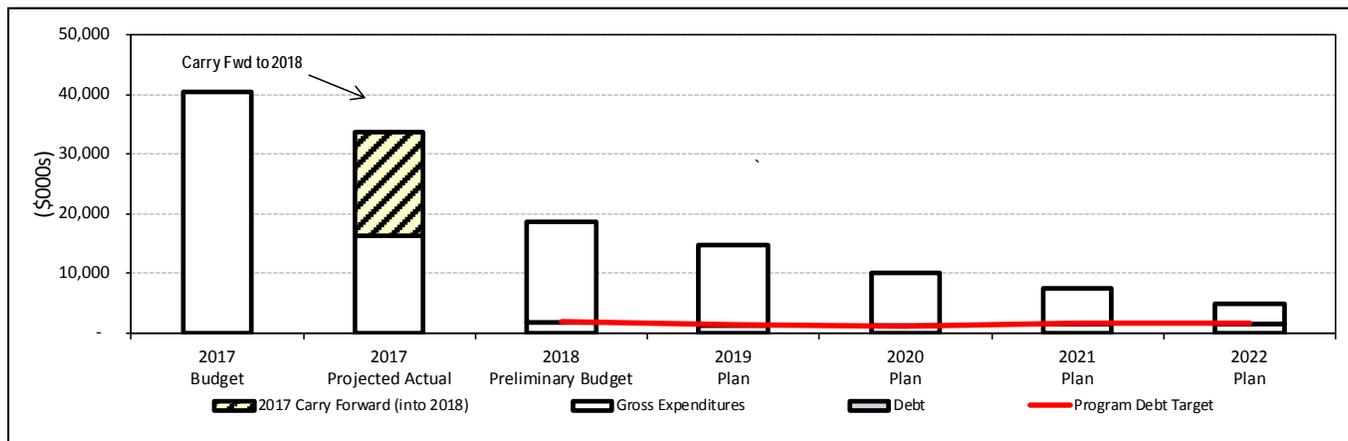
1. City Council approve the 2018 Capital Budget for Children's Services with a total project cost of \$21.872 million, and 2018 cash flow of \$36.036 million and future year commitments of \$28.911 million comprised of the following:
 - a) New Cash Flow Funds for:
 - i. 10 new / change in scope sub-projects with a 2018 total project cost of \$21.872 million that requires cash flow of \$6.425 million in 2018; \$5.422 million in 2019; \$5.966 million in 2020; \$2.646 million in 2021; and \$1.413 million for 2022.
 - ii. 15 previously approved sub-projects with a 2018 cash flow of \$5.266 million; and future year cash flow commitments of \$8.114 million for 2019; \$2.460 million for 2020; \$1.930 million for 2021; \$0.960 million for 2022.
 - iii. 11 previously approved sub-projects with carry forward funding from 2016 and prior years requiring 2018 cash flow of \$6.876 million that requires Council to reaffirm its commitment; and
 - b) 2017 approved cash flow for 14 previously approved sub-projects with carry forward funding from 2017 into 2018 totalling \$17.469 million.
2. City Council approve the 2019 - 2027 Preliminary Capital Plan for Children's Services totalling \$20.138 million in project estimates, comprised of \$1.285 million in 2019; \$1.726 million for 2020; \$2.867 million for 2021; \$2.587 million for 2022; \$2.547 million for 2023; \$3.037 million for 2024; \$3.097 million for 2025; \$1.496 million for 2026; and \$1.496 million in 2027.
3. City Council consider the operating savings of \$0.015 million net in 2018; savings of \$0.093 million net in 2019; savings of \$0.211 million net in 2020; savings of \$0.391 million net in 2021; savings of \$0.157 million net in 2022; and operating costs of \$0.471 million net from 2023-2027 resulting from the approval of the 2018 Preliminary Capital Budget for inclusion in the 2018 and future year operating budgets.
4. City Council direct that the *Anishawabe Child Care Centre*, included in the 2018 Preliminary Capital Budget and 2019-2027 Capital Plan be approved conditionally, subject to the approval of the new priority, *City 20% Share of Prov/Federal Growth Subsidy* for \$2.0 million included in the list of New/Enhanced Priorities for Budget Committee's review and consideration with the 2018 Budget process.
5. City Council request that all sub-projects with third party financing be approved conditionally, subject to the receipt of such financing in 2018 and if such funding is not forthcoming, their priority and funding be reassessed by City Council relative to other City-financed priorities and needs.



Part 1

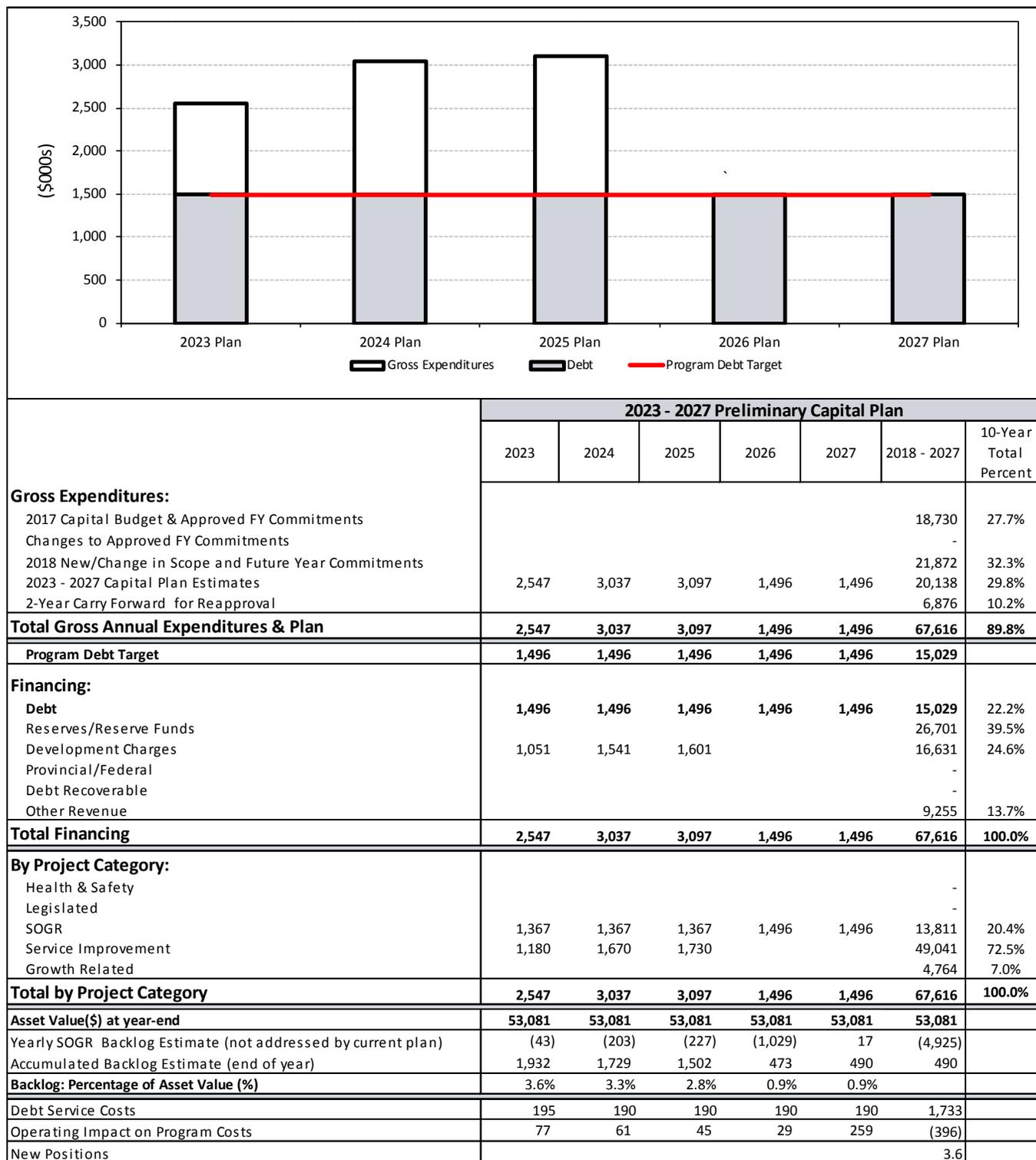
10-Year Preliminary Capital Plan

**Table 1a
10-Year Capital Plan
2018 Preliminary Capital Budget and 2019 - 2022 Capital Plan**



| | 2018 Preliminary Capital Budget and 2019 - 2022 Capital Plan | | | | | | | | 5-Year Total Percent |
|--|--|------------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------------|
| | 2017 | | 2018 | 2019 | 2020 | 2021 | 2022 | 2018 - 2022 | |
| | Budget | Projected Actual | | | | | | | |
| Gross Expenditures: | | | | | | | | | |
| 2017 Capital Budget & Approved FY Commitments | 40,518 | 16,205 | 14,703 | 3,347 | 680 | 1,930 | 960 | 18,730 | 33.5% |
| Changes to Approved FY Commitments | | | (9,437) | 4,767 | 1,780 | | | - | |
| 2018 New/Change in Scope and Future Year Commitments | | | 6,425 | 5,422 | 5,966 | 2,646 | 1,413 | 21,872 | 39.1% |
| 2019 - 2022 Capital Plan Estimates | | | | 1,285 | 1,726 | 2,867 | 2,587 | 8,465 | 15.1% |
| 2-Year Carry Forward for Reapproval | | | 6,876 | | | | | 6,876 | 12.3% |
| 1-Year Carry Forward to 2018 | | 17,469 | | | | | | | |
| Total Gross Annual Expenditures & Plan | 40,518 | 289,690 | 18,567 | 14,821 | 10,152 | 7,443 | 4,960 | 55,943 | 100.0% |
| Program Debt Target | | | 1,873 | 1,285 | 1,276 | 1,575 | 1,540 | 7,549 | |
| Financing: | | | | | | | | | |
| Debt | | | 1,873 | 1,285 | 1,276 | 1,575 | 1,540 | 7,549 | 13.5% |
| Reserves/Reserve Funds | | | 11,229 | 8,053 | 5,236 | 1,433 | 750 | 26,701 | 47.7% |
| Development Charges | | | 596 | 4,184 | 2,406 | 3,221 | 2,031 | 12,438 | 22.2% |
| Provincial/Federal | | | | | | | | - | |
| Debt Recoverable | | | | | | | | - | |
| Other Revenue | | | 4,869 | 1,299 | 1,234 | 1,214 | 639 | 9,255 | 16.5% |
| Total Financing | - | | 18,567 | 14,821 | 10,152 | 7,443 | 4,960 | 55,943 | 100.0% |
| By Project Category: | | | | | | | | | |
| Health & Safety | | | | | | | | - | |
| Legislated | | | | | | | | - | |
| SOGR | | | 1,473 | 1,285 | 1,226 | 1,367 | 1,367 | 6,718 | 12.0% |
| Service Improvement | | | 16,716 | 12,237 | 7,692 | 4,862 | 2,954 | 44,461 | 79.5% |
| Growth Related | | | 378 | 1,299 | 1,234 | 1,214 | 639 | 4,764 | 8.5% |
| Total by Project Category | - | | 18,567 | 14,821 | 10,152 | 7,443 | 4,960 | 55,943 | 100.0% |
| Asset Value (\$) at year-end | | 53,081 | 53,081 | 53,081 | 53,081 | 53,081 | 53,081 | 53,081 | |
| Yearly SOGR Backlog Estimate (not addressed by current plan) | | | (795) | (936) | (697) | (406) | (606) | (3,440) | |
| Accumulated Backlog Estimate (end of year) | | 5,415 | 4,620 | 3,684 | 2,987 | 2,581 | 1,975 | 1,975 | |
| Backlog: Percentage of Asset Value (%) | | 10.2% | 8.7% | 6.9% | 5.6% | 4.9% | 3.7% | | |
| Debt Service Costs | | | 28 | 218 | 163 | 168 | 200 | 777 | |
| Operating Impact on Program Costs | | | (15) | (93) | (211) | (391) | (157) | (867) | |
| New Positions | | | | 1 | | | 2.6 | 3.6 | |

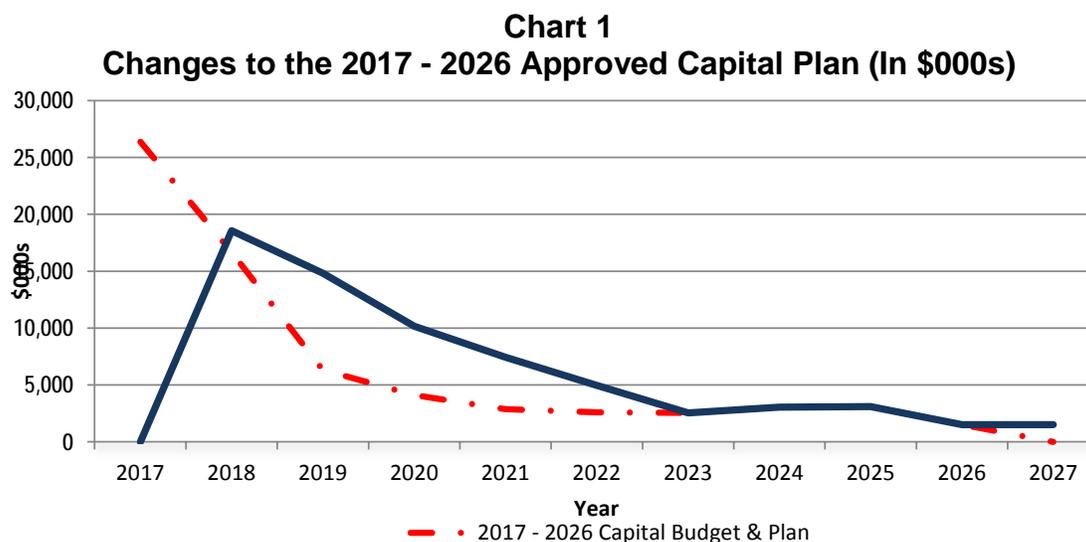
Table 1b
10-Year Capital Plan
2023 - 2027 Preliminary Capital Plan



Key Changes to the 2017 - 2026 Approved Capital Plan

The 2018 Preliminary Capital Budget and the 2019 - 2027 Preliminary Capital Plan reflects a decrease of \$1.515 million in capital funding from the 2017 - 2026 Approved Capital Plan.

The chart and table below provide a breakdown of the \$1.515 million or 2.2% decrease in the Capital Program on an annual basis from 2017 - 2027.



| (\$000s) | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 10-Year Total |
|-------------|--------|--------|--------|--------|--------|-------|-------|-------|-------|-------|-------|---------------|
| 2017 - 2026 | 26,386 | 16,676 | 6,332 | 4,106 | 2,867 | 2,587 | 2,547 | 3,037 | 3,097 | 1,496 | | 69,131 |
| 2018 - 2027 | | 18,567 | 14,821 | 10,152 | 7,443 | 4,960 | 2,547 | 3,037 | 3,097 | 1,496 | 1,496 | 67,616 |
| Change % | | 11.3% | 134.1% | 147.2% | 159.6% | 91.7% | 0.0% | 0.0% | 0.0% | 0.0% | | (2.2%) |
| Change \$ | | 1,891 | 8,489 | 6,046 | 4,576 | 2,373 | 0 | 0 | 0 | 0 | | (1,515) |

As made evident in Chart 1 above, the \$1.515 million decrease in the Capital Plan is attributed to the difference in capital spending approved in 2017 that included funding for 18 child care centres, as compared to planned capital investments in the year 2027 strictly for state of good repair projects. The capital program also reflects level of increased funding and activity in the first five years of the plan resulting from significant growth being experienced by the Program.

As reflected in Table 2 on the following page, changes to the 2017-2026 Approved Capital Plan, specifically the \$23.375 million increase in capital funding over the nine common years of the Capital Plans (2018-2026) arise from the level of increased investment in Children's Services Capital projects based on the following factors:

- The Capital Plan includes federal funding of \$6.900 million for 2 new child care centres and \$2.000 million as the proposed City's contribution from the 2018 Operating Budget for Children's Services for 1 new child care centre, subject to City Council's approval.
- Funding of \$4.764 million for the new *TCS Growing Child Care for Toronto* information and technology project is included in the Capital Plan.
- Delays in the delivery of 11 child care projects requires 2-year carry forward funding of \$6.876 million for Council's re-approval.
- Changes have also been made to cash flow funding estimates to reflect updated project delivery schedules for projects dependent on third party agreements.

A summary of project changes for the years 2018 - 2026 totalling \$23.375 million are provided in Table 2 below:

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

| \$000s | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2018 - 2026 Total |
|--|--------|--------|--------|--------|-------|-------|-------|-------|-------|-------|-------|-------------------|
| 2017 - 2026 Capital Budget & Plan | 26,386 | 16,676 | 6,332 | 4,106 | 2,867 | 2,587 | 2,547 | 3,037 | 3,097 | 1,496 | - | 42,745 |
| 2018 - 2027 Preliminary Capital Budget & Plan | - | 18,567 | 14,821 | 10,152 | 7,443 | 4,960 | 2,547 | 3,037 | 3,097 | 1,496 | 1,496 | 66,120 |
| Capital Budget & Plan Changes (2018 - 2026) | | 1,891 | 8,489 | 6,046 | 4,576 | 2,373 | - | - | - | - | - | 23,375 |

| | Total Project Cost | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2018 - 2026 | 2027 | Revised Total Project Cost |
|---|--------------------|---------|---------|-------|-------|-------|------|------|------|------|-------------|------|----------------------------|
| Changes to Previously Approved Commitments in 10-Year Capital Plan | | | | | | | | | | | | | |
| St John the Evangelist Catholic School * | 3,900 | (519) | 1,567 | | | | | | | | 1,048 | | 3,900 |
| Bridletown Community Centre (Child Care Centre 6) * | 3,900 | (970) | 320 | 900 | 250 | | | | | | 500 | | 3,900 |
| David and Mary Thompson * | 3,900 | (1,500) | (920) | 280 | 1,680 | 960 | | | | | 500 | | 3,900 |
| Avondale Public School * | 3,900 | 1,245 | | | | | | | | | 1,245 | | 3,900 |
| Stanley P.S. * | 2,200 | (1,037) | 1,400 | | | | | | | | 363 | | 2,200 |
| St Columba C.S. * | 1,400 | 170 | 300 | | | | | | | | 470 | | 1,400 |
| St Barnabus CS * | 1,400 | 260 | | | | | | | | | 260 | | 1,400 |
| St Roch C.S. * | 1,400 | 210 | | | | | | | | | 210 | | 1,400 |
| St Bartholomew C.S. * | 1,400 | 260 | | | | | | | | | 260 | | 1,400 |
| TCH Needle Firway * | 2,200 | (1,255) | 1,100 | 600 | | | | | | | 445 | | 2,200 |
| Mount Dennis * | 9,000 | 575 | 1,000 | | | | | | | | 1,575 | | 9,000 |
| Block 31 Additional Funding | 3,628 | | 1,105 | | | | | | | | 1,105 | | 4,733 |
| St Columba C.S. | 1,400 | 125 | | | | | | | | | 125 | | 1,125 |
| St Maurice Catholic School | 1,400 | 72 | | | | | | | | | 72 | | 1,472 |
| Avondale Public School | 3,900 | (2,017) | (450) | | | | | | | | (2,467) | | (2,467) |
| Total Changes to Previously Approved Commitments | | (4,381) | 5,422 | 1,780 | 1,930 | 960 | - | - | - | - | 5,711 | - | 41,930 |
| Changes to Previously Approved Plan Estimates | | | | | | | | | | | | | |
| North East Recreation Centre | 3,900 | (406) | (1,532) | (268) | 1,432 | 774 | | | | | | | 3,900 |
| Total Changes to Previously Approved Plan Estimates | | (406) | (1,532) | (268) | 1,432 | 774 | - | - | - | - | - | - | 3,900 |
| New to the 10-Year Capital Plan | | | | | | | | | | | | | |
| TCS Growing Child Care for Toronto (Provincially funded) | 4,764 | 378 | 1,299 | 1,234 | 1,214 | 639 | | | | | | | 4,764 |
| Bendale Child Care Centre (Federally funded) | 3,000 | 3,000 | | | | | | | | | | | 3,000 |
| Centre No. 11 (Federally funded) | 3,900 | 1,300 | 1,300 | 1,300 | | | | | | | | | 3,900 |
| Anishawabe Child Care Centre (City Funded) ** | 6,000 | 2,000 | 2,000 | 2,000 | | | | | | | | | 6,000 |
| Total New | | 6,678 | 4,599 | 4,534 | 1,214 | 639 | - | - | - | - | - | - | 17,664 |
| Total Changes | | 1,891 | 8,489 | 6,046 | 4,576 | 2,373 | - | - | - | - | - | - | 23,375 |
| | | | | | | | | | | | | | 69,494 |

* Note: project cash flows adjusted for 2-year carry forwards

** Note: The City's 2018 commitment is included as a New/ Enhanced priority for Budget Committee's consideration.

Significant Capital Project Changes in Children's Services

Cash flow funding for the following previously approved capital projects has been adjusted based on historical spending rates, capacity and expected progress and completion of the projects, taking into consideration third party approvals, as outlined below:

Changes to Previously Approved Projects' Future Year Commitments

Re-affirmation of 2-year carry forward reserve funding and Deferrals:

- The 2018 - 2027 Capital Plan includes 2 year carry forward funding of \$6.876 million for 11 projects for Council's re-approval. These projects are dependent on third parties with respect to the co-ordination, planning, design and construction. Funding for these projects has been deferred from 2018 to later years to match revised project start and completion dates (2019 or later).
- Project Cost Increases – The following service improvement projects experienced increases to the project costs due to scope changes resulting from increased design costs.
 - Block 31 Child Care Centre project increase of \$1.105 million
 - St Columba Catholic School project increase of \$0.125 million
 - St. Maurice Catholic School project increase of \$0.072 million

- Project Cost Decreases – Following the receipt of provincial funding to support the cost of the *Avondale Public School* project, the City's share of project costs has been reduced by \$2.467 million.

Changes to Previously Approved Projects' Planned Estimates

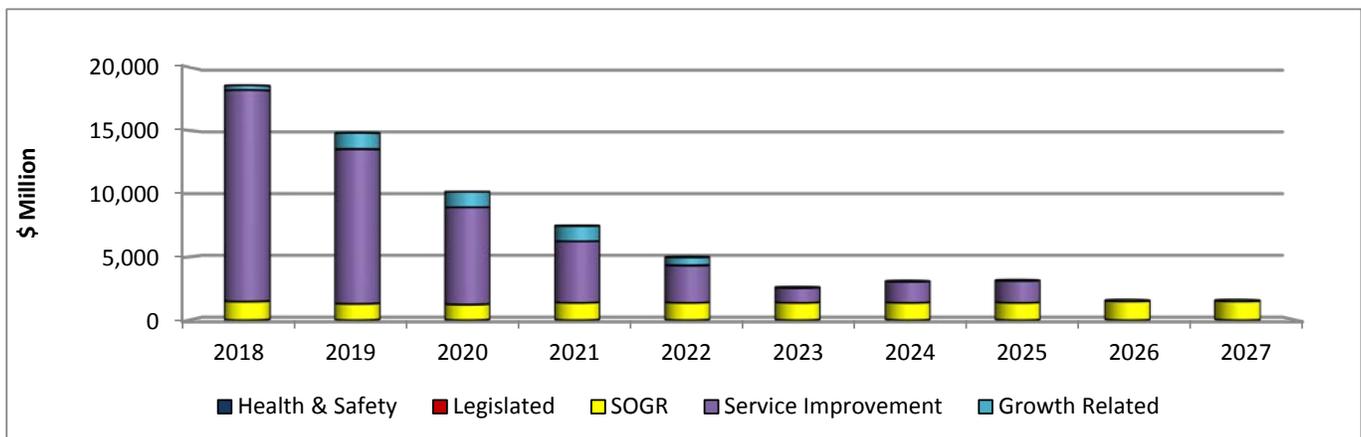
- Cash flow funding for the *North East Recreation Centre* project has been deferred from 2018 to 2022 after taking into consideration the co-ordination of construction schedule with the third party partners.

New to the 10-Year Preliminary Capital Plan

- Children's Services 10-Year Capital Plan has seen an increased level of capital investment from all orders of government in the past 2 years in support of system expansion and growth. The 2018-2027 Preliminary Capital Plan includes funding for 2 federally funded child care centres. The Capital Plan also includes the City's proposal to add 1 new child care centre (subject to the 2018 approval of new funding), as well as Provincial funding for system upgrades to the existing I & T applications to create capacity and provide support to staff in managing and administering the growth in the system. The following projects are new to the 10-Year Capital Plan:
 - *Bendale Child Care Centre*, located in the Bendale Long Term Care facility and *Child Care Centre No. 11*, both federally funded will provide 124 spaces in total for children from birth to age four.
 - *Anishawabe Child Care Centre project*, funded by City's contribution to child care growth, will provide 62 new spaces.
 - *TCS Growing Child Care for Toronto*, a technology project, is 100% Provincially funded and will provide the necessary system improvements and equip staff and operators with online tools to enhance capacity in the system.

2018 – 2027 Preliminary Capital Plan

**Chart 2
2018 – 2027 Preliminary Capital Plan by Project Category (In \$000s)**



As illustrated in Chart 2 above, the 10-Year Preliminary Capital Plan for Children's Services of \$67.676 million provides 72.5% funding for Service Improvement Projects as priorities and 20.4% for State of Good Repair (SOGR) projects. Growth Related projects represent the remaining 7.0% of projects over the 10-year period.

- With 72.5% of the funding of \$49.041 million dedicated to Service Improvement projects, and cash flow commitments of \$48.641 million requested to deliver 21 child care centres that will add new 1,110 spaces for

infants, toddlers and preschool children, this funding level follows the tri-government growth strategy that envisions adding sufficient new spaces to serve 50% of children by 2026.

- An additional \$0.400 million is committed to complete the *Customer Service Improvements* project, which will provide on-line access to support budget submissions for child care operations, and self-service functionality for families receiving subsidy.
- State of Good Repair funding of \$13.811 million has been included to maintain the existing 25 City operated child care centres located in City facilities.
- Growth Related funding of \$4.764 million is required for the *TCS Growing Child Care Centre for Toronto* project that will provide technical enhancements and increase the existing IT system capacity to manage system-wide growth.

Table 3 below details all capital projects, by category, included in the 2018 - 2027 Preliminary Capital Budget and Plan for Children's Services:

Table 3
2018 - 2027 Capital Plan by Project Category (In \$000s)

| | Total App'd Cash Flows to Date* | 2018 Budget | 2019 Plan | 2020 Plan | 2021 Plan | 2022 Plan | 2023 Plan | 2024 Plan | 2025 Plan | 2026 Plan | 2027 Plan | 2018 - 2027 Total | Total Project Cost |
|---|---------------------------------|---------------|---------------|---------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------------|--------------------|
| Total Expenditures by Category | | | | | | | | | | | | | |
| State of Good Repair | | | | | | | | | | | | | |
| TELCCS- State of Good Repair (2018) | | 1,473 | | | | | | | | | | 1,473 | 1,473 |
| TELCCS- State of Good Repair (2019-2027) | | | 1,285 | 1,226 | 1,367 | 1,367 | 1,367 | 1,367 | 1,367 | 1,496 | 1,496 | 12,338 | 12,338 |
| Sub-Total | - | 1,473 | 1,285 | 1,226 | 1,367 | 1,367 | 1,367 | 1,367 | 1,367 | 1,496 | 1,496 | 13,811 | 13,811 |
| Service Improvements | | | | | | | | | | | | | |
| St John the Evangelist Catholic School | 1,312 | 450 | 2,138 | | | | | | | | | 2,588 | 3,900 |
| Bridletown Community Centre No. 6 | 1,500 | 250 | 1,000 | 900 | 250 | | | | | | | 2,400 | 3,900 |
| David and Mary Thompson No. 7 | | | 300 | 960 | 1,680 | 960 | | | | | | 3,900 | 3,900 |
| New Child Care Centre No. 8 | | | | 500 | 1,500 | 1,220 | 680 | | | | | 3,900 | 3,900 |
| Customer Service Improvements | 2,775 | 400 | | | | | | | | | | 400 | 3,175 |
| New Child Care Centre No. 9 | | | | | | | 500 | 1,670 | 1,730 | | | 3,900 | 3,900 |
| Avondale Public School | 1,655 | (222) | | | | | | | | | | (222) | 1,433 |
| Block 31 Child Care Centre | 938 | 2,264 | 1,531 | | | | | | | | | 3,795 | 4,733 |
| Advent Health Care Child Care Centre | 2,210 | 500 | | | | | | | | | | 500 | 2,710 |
| Stanley P.S. | 1,837 | 663 | 1,400 | | | | | | | | | 2,063 | 3,900 |
| St Columba C.S. | 805 | 295 | 300 | | | | | | | | | 595 | 1,400 |
| St Maurice Catholic School. | 1,400 | 72 | | | | | | | | | | 72 | 1,472 |
| St. Barnabas Catholic School | 640 | 760 | | | | | | | | | | 760 | 1,400 |
| St Roch Catholic School | 990 | 410 | | | | | | | | | | 410 | 1,400 |
| St Bartholomew Catholic School | 640 | 760 | | | | | | | | | | 760 | 1,400 |
| North East Scarborough Recreation Centre | | 94 | 168 | 1,432 | 1,432 | 774 | | | | | | 3,900 | 3,900 |
| TCH Lawrence Ave Site | 2,200 | 1,700 | | | | | | | | | | 1,700 | 3,900 |
| TCH Needle Firway | 1,755 | 445 | 1,100 | 600 | | | | | | | | 2,145 | 3,900 |
| Mount Dennis Child Care Centre | 6,425 | 1,575 | 1,000 | | | | | | | | | 2,575 | 9,000 |
| Bendale Child Care Centre | | 3,000 | | | | | | | | | | 3,000 | 3,000 |
| Child Care Centre No. 11 | | 1,300 | 1,300 | 1,300 | | | | | | | | 3,900 | 3,900 |
| Anishawabe Child Care Centre | | 2,000 | 2,000 | 2,000 | | | | | | | | 6,000 | 6,000 |
| Sub-Total | 27,082 | 16,716 | 12,237 | 7,692 | 4,862 | 2,954 | 1,180 | 1,670 | 1,730 | | | 49,041 | 76,123 |
| Growth Related | | | | | | | | | | | | | |
| TCS Growing Child Care for Toronto | | 378 | 1,299 | 1,234 | 1,214 | 639 | | | | | | 4,764 | 4,764 |
| Sub-Total | - | 378 | 1,299 | 1,234 | 1,214 | 639 | - | - | - | - | - | 4,764 | 4,764 |
| Total Expenditures by Category (excluding carry forward) | | | | | | | | | | | | | |
| | 27,082 | 18,567 | 14,821 | 10,152 | 7,443 | 4,960 | 2,547 | 3,037 | 3,097 | 1,496 | 1,496 | 67,616 | 94,698 |

*Life to Date approved cash flows are provided for multi-year capital projects with cash flow approvals prior to 2017, excluding ongoing capital projects (i.e. TELCCS SOGR)

2018 - 2027 Capital Projects

The 10-Year Preliminary Capital Plan is in keeping with Program's objective of creating new spaces to support system growth, maintaining child care facilities in a state of good repair; and enhancing system capacity through expanding the on-line applications and improving administrative functions.

State of Good Repair (SOGR)

- SOGR projects account for \$13.811 million or 20.4% of the 10-Year Preliminary Capital Plan's investments.
- SOGR funding of \$13.811 maintains existing assets in a state of good repair and will reduce the backlog from 8.7% at the end of 2018 to 0.9% at the end of the 10 year period, reflecting a reduction of \$4.130 million, or 7.8% in the backlog in the 25 City operated child care centres.

Service Improvement projects

- Service Improvement projects amount to \$49.041 million or 72.5% of the 10-Year Preliminary Capital Plan's investments and support the tri-government growth strategy to significantly increase the system-wide capacity.
- Three new child care centre projects will be delivered with funding from the Federal government and from City support for system growth (subject to confirmation of new funding through the budget process) and will deliver 186 new spaces for children 0 – 4 years of age.

| New Growth Projects | Project Cost | Ward | 2018 Budget | 2019 Plan | 2020 Plan | 2021 Plan | 2022 Plan | 2018 - 2022 | | Spaces |
|------------------------------------|---------------|------|--------------|--------------|--------------|-----------|-----------|---------------|--|------------|
| <i>Bendale Acres</i> | 3,000 | 38 | 3,000 | | | | | 3,000 | | 62 |
| <i>Child Care Centre 11</i> | 3,900 | CW | 1,300 | 1,300 | 1,300 | | | 3,900 | | 62 |
| <i>Anishawbe Child Care Centre</i> | 6,000 | 28 | 2,000 | 2,000 | 2,000 | | | 6,000 | | 62 |
| Total | 12,900 | | 6,300 | 3,300 | 3,300 | - | | 12,900 | | 186 |

- Eighteen previously approved child care centre projects will be delivered in partnership with the district school boards and other third party community organizations (\$40.178 million; 924 spaces). Details of these projects are noted in the following table:

| School Boards and Other Third Parties | Project Cost | Ward | 2018 Budget | 2019 Plan | 2020 Plan | 2021 Plan | 2022 Plan | 2018 - 2022 | 2023 - 2027 | Spaces |
|---|---------------|------|---------------|--------------|--------------|--------------|--------------|---------------|--------------|------------|
| <i>St John the Evangelist Catholic School</i> | 3,900 | 11 | 450 | 2,138 | | | | 2,588 | | 36 |
| <i>David and Mary Thompson (#7)</i> | 3,900 | 37 | 300 | 960 | 1,680 | 960 | | 3,900 | | 62 |
| <i>Avondale Public School</i> | 3,900 | 23 | 1,795 | 450 | | | | 2,245 | | 72 |
| <i>Block 31 Child Care Centre</i> | 4,733 | 20 | 2,264 | 426 | | | | 2,690 | | 52 |
| <i>Stanley P.S.</i> | 2,200 | 7 | 663 | 1,400 | | | | 2,063 | | 62 |
| <i>St Columba C.S.</i> | 1,400 | 42 | 170 | 300 | | | | 470 | | 49 |
| <i>St. Barnabas Catholic School</i> | 1,400 | 42 | 760 | | | | | 760 | | 49 |
| <i>St Roch Catholic School</i> | 1,400 | 7 | 410 | | | | | 410 | | 25 |
| <i>North East Scarborough Recreation Centre</i> | 3,900 | 42 | 94 | 168 | 1,432 | 1,432 | 774 | 3,900 | | 62 |
| <i>TCH Lawrence Ave Site</i> | 3,900 | 43 | 1,700 | | | | | 1,700 | | 54 |
| <i>TCH Needle Furway</i> | 3,900 | 7 | 445 | 1,100 | 600 | | | 2,145 | | 16 |
| <i>Mount Dennis Child Care Centre</i> | 9,000 | 11 | 1,575 | 1,000 | | | | 2,575 | | 52 |
| <i>Bridletown Community Centre (No 6)</i> | 3,900 | 10 | 250 | 1,000 | 900 | 250 | | 2,400 | | 62 |
| <i>Advent Child Care Centre</i> | 3,900 | 11 | 500 | | | | | 500 | | 49 |
| <i>St Bartholomew Catholic School</i> | 1,400 | 41 | 760 | | | | | 760 | | 49 |
| <i>St Maurice Catholic School</i> | 1,400 | 2 | 72 | | | | | 72 | | 49 |
| <i>New Child Care Centre No 8</i> | 3,900 | CW | | | 500 | 1,500 | 1,200 | 3,200 | 3,900 | 62 |
| <i>New Child Care Centre No 9</i> | 3,900 | CW | | | | | | | 3,900 | 62 |
| Total | 61,933 | | 12,208 | 8,942 | 5,112 | 4,142 | 1,974 | 32,378 | 7,800 | 924 |

- Funding for the completion of the *Customer Service Improvements* technology project (\$0.400 million) will deliver enhanced online services for families and child care operators and improve business processing applications, which will result in operating efficiencies with improved customer service.

Growth Related

- The 2018 -2027 Preliminary Capital Plan includes the *TCS Growing Child Care for Toronto* Information Technology project for \$4.764 million, fully funded by the Province.
- In recent years investments have been made in customer facing systems through the Child Care Providers Portal and the Families Portal; however, additional investment in on-line capacity, business and technology supports for key system administration functions is required to provide the required capacity to manage expanded system requirements.
- The *TCS Growing Child Care for Toronto* project (2018-2022) will enhance capacity in the existing business applications through streamlining processes, applying automation, and enhancing the self-serve online channel model, and meeting the new reporting requirements required by the Province.
- These upgrades will build on previous system upgrades (CSIS III and the Customer Service Improvement projects) to increase efficiencies and reduce the need to add administrative staff to manage increased volumes resulting from system growth and will deliver improved operational efficiency, cost avoidance and improve service to families and community child care operators.

2018 Preliminary Capital Budget and Future Year Commitments

Included as a sub-set of the 10-Year Capital Plan is the 2018 Preliminary Capital Budget and Future Year Commitments, which consists of 2018 and future year cash flow funding estimates for projects previously approved by Council; adjustments (Scope Change) to those previously approved projects; as well as new projects which collectively, require Council approval to begin, continue or complete capital work.

Table 3a below lists the capital projects to be funded by the 2018 Preliminary Capital Budget and associated Future Year Commitments for Children's Services:

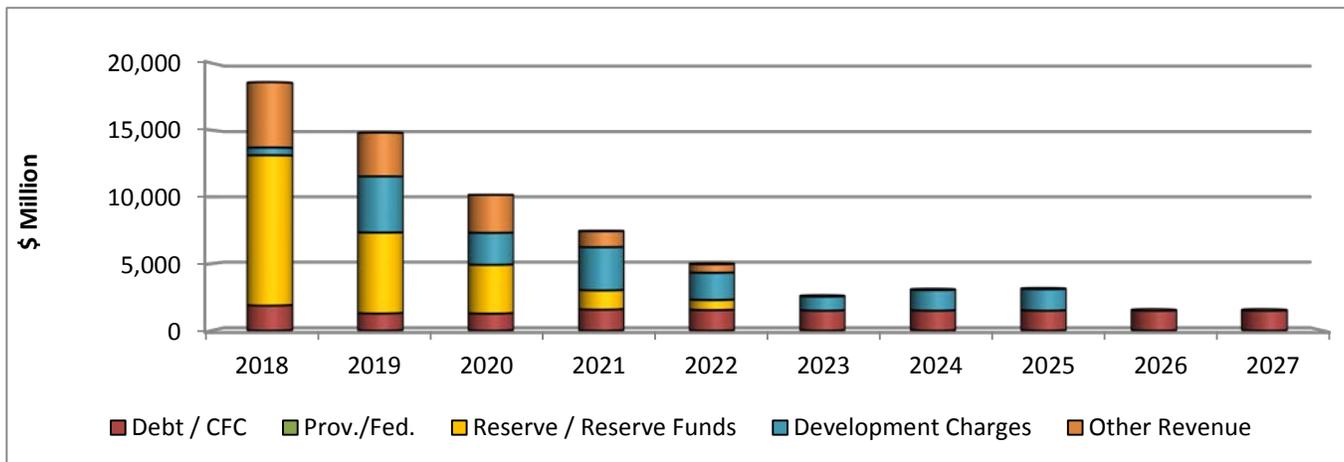
Table 3a
2018 Cash Flow & Future Year Commitments (In \$000s)

| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | Total 2018 Cash Flow & FY Commits |
|--|----------------|---------------|--------------|--------------|--------------|------|------|------|------|------|--|
| Expenditures: | | | | | | | | | | | |
| Previously Approved | | | | | | | | | | | |
| <i>St John the Evangelist Catholic School</i> | 450 | 2,138 | | | | | | | | | 2,588 |
| <i>Bridletown Community Centre (#6)</i> | 250 | 1,000 | 900 | 250 | | | | | | | 2,400 |
| <i>David and Mary Thompson (#7) *</i> | | 300 | 960 | 1,680 | 960 | | | | | | 3,900 |
| <i>Customer Service Improvements</i> | 400 | | | | | | | | | | 400 |
| <i>Avondale Public School</i> | 1,795 | 450 | | | | | | | | | 2,245 |
| <i>Block 31 Child Care Centre</i> | 2,264 | 426 | | | | | | | | | 2,690 |
| <i>Advent Health Care Child Care Centre</i> | 500 | | | | | | | | | | 500 |
| <i>Stanley P.S</i> | 663 | 1,400 | | | | | | | | | 2,063 |
| <i>St Columba C.S.</i> | 170 | 300 | | | | | | | | | 470 |
| <i>St. Barnabas Catholic School</i> | 760 | | | | | | | | | | 760 |
| <i>St Roch Catholic School</i> | 410 | | | | | | | | | | 410 |
| <i>St Bartholomew Catholic School</i> | 760 | | | | | | | | | | 760 |
| <i>TCH Lawrence Ave Site</i> | 1,700 | | | | | | | | | | 1,700 |
| <i>TCH Needle Finway</i> | 445 | 1,100 | 600 | | | | | | | | 2,145 |
| <i>Mount Dennis Child Care Centre</i> | 1,575 | 1,000 | | | | | | | | | 2,575 |
| Subtotal | 12,142 | 8,114 | 2,460 | 1,930 | 960 | | | | | | 25,606 |
| Change in Scope | | | | | | | | | | | |
| <i>Avondale Public School</i> | (2,017) | (450) | | | | | | | | | (2,467) |
| <i>Block 31 Child Care Centre</i> | - | 1,105 | | | | | | | | | 1,105 |
| <i>St Columba C.S.</i> | 125 | | | | | | | | | | 125 |
| <i>St Maurice Catholic School</i> | 72 | | | | | | | | | | 72 |
| Subtotal | (1,820) | 655 | - | - | - | | | | | | (1,165) |
| New w/Future Year | | | | | | | | | | | |
| <i>TELCCS- State of Good Repair</i> | 1,473 | | | | | | | | | | 1,473 |
| <i>North East Scarborough Recreation Centre</i> | 94 | 168 | 1,432 | 1,432 | 774 | | | | | | 3,900 |
| <i>TCS Growing Child Care Centre for Toronto</i> | 378 | 1,299 | 1,234 | 1,214 | 639 | | | | | | 4,764 |
| <i>Bendale Child Care Centre</i> | 3,000 | | | | | | | | | | 3,000 |
| <i>Child Care Centre No. 11</i> | 1,300 | 1,300 | 1,300 | | | | | | | | 3,900 |
| <i>Anishawabe Child Care Centre **</i> | 2,000 | 2,000 | 2,000 | | | | | | | | 6,000 |
| Subtotal | 8,245 | 4,767 | 5,966 | 2,646 | 1,413 | | | | | | 23,037 |
| Total Expenditure | 18,567 | 13,536 | 8,426 | 4,576 | 2,373 | | | | | | 47,478 |
| Financing: | | | | | | | | | | | |
| Debt/CFC | 1,873 | | 41 | | | | | | | | 1,914 |
| Other | 4,869 | 3,299 | 2,834 | 1,214 | 639 | | | | | | 12,855 |
| Reserves/Res Funds | 11,229 | 6,053 | 3,636 | 1,433 | 750 | | | | | | 23,101 |
| Development Charges | 596 | 4,184 | 1,915 | 1,929 | 984 | | | | | | 9,608 |
| Total Financing | 18,567 | 13,536 | 8,426 | 4,576 | 2,373 | | | | | | 47,478 |

* 2-year carryforward re-submit

** The 2018 commitment is subject to the approval of a new priority included on the New/Enhanced list for Budget Committee's consideration during the 2018 budget process, with commitments for years 2019 and 2020 funded through the Child Care Capital Reserve Fund.

Chart 3
2018 – 2027 Preliminary Capital Plan by Funding Source (In \$000s)

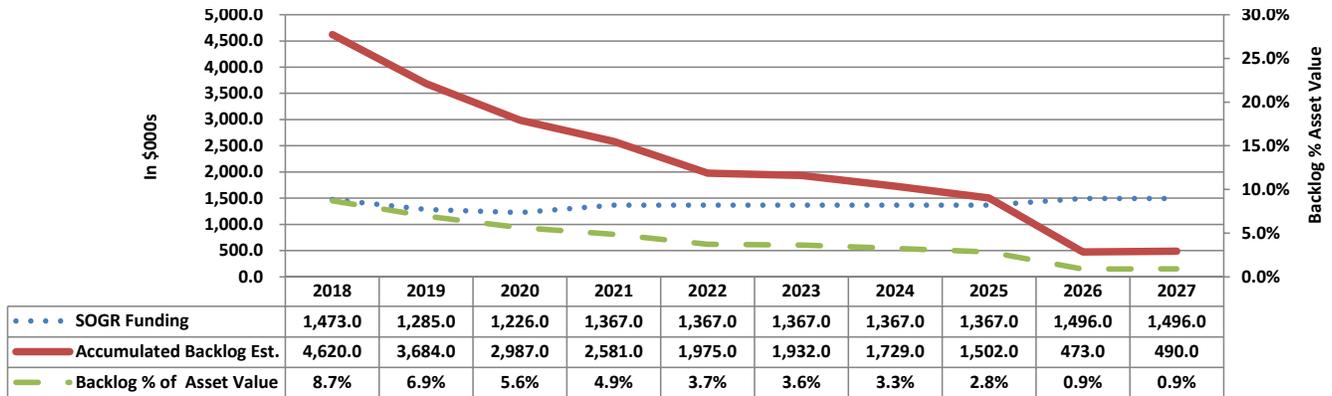


The 10-Year Preliminary Capital Plan of \$67.616 million will be financed by the following sources:

- Debt accounts for \$15.029 million or 22.2% of the financing over the 10-year period.
 - The debt funding of \$15.029 million meets the debt target over the 10-year planning period, with \$13.811 million allocated to SOGR projects, \$0.818 million to the construction of the 2 future-year child care centres, and \$0.400 million to the *Customer Service Improvements* project.
- Reserve and Reserve Funds constitute \$26.701 million or 39.5% of required funding over 10 years for the construction of 18 child care centres, which includes \$6.9 million of Federal funding to support the two new child care centres; and \$2.575 million from Metrolinx to complete the Mount Dennis Child Care Centre relocation, required as part of the Metrolinx construction initiative.
- Development Charges, which represent \$16.631 million or 24.6% of the 10-Year Preliminary Capital Budget and Plan's funding source, provides eligible funding for the construction of 12 child care centres.
- Other sources of funding, which account for \$9.255 million or 13.7 % of the 10-Year Preliminary Capital Budget, will be utilized for the following child care centre projects:
 - *Anishawabe* Child Care Centre project will receive funding of \$2.000 million from the 2018 Operating Budget for Children Services to begin the planning, design and construction work representing the City's contribution to system growth. Funding for years 2019 – 2020 will be added in increments to replace the planned funding from the Child Care Capital Reserve Fund subject to the annual budget processes. When completed, Anishawabe Child Care Centre project will deliver 62 new child care spaces, with 10 spaces for infants; 20 spaces for toddlers; and 32 spaces for preschoolers.
 - *TCS Growing Toronto Child Care for Toronto* will receive \$4.764 million from the Province to support the new IT system that will enhance the capacity of the existing IT platform, which will provide additional on-line functionality and administrative enhancements that will help the Program manage system growth.
 - *Block 31 Child Care Centre* project will receive \$2.230 million from secured Section 37 funding
 - *Avondale Child Care Centre* project will \$0.261 million from secured Section 37 funding

State of Good Repair (SOGR) Backlog

**Chart 4
SOGR Funding & Backlog (In \$000s)**



The 10-Year Preliminary Capital Plan dedicates \$13.811 million to SOGR spending over the 10-year period, which on average is \$1.381 million annually. A recent audit conducted by Facilities Management indicated that at the end of 2017, the SOGR back log will be \$5.415 million, (10.2% of the asset value) in the 25 City owned sites.

- Children's Services delivers child care services across the City in 52 Toronto Early Learning and Child Care Centres (TELCCS), 25 of which are in City owned facilities.
- 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 period, at which time the backlog will be reduced to \$0.490 million, or 0.9% of the asset value by 2027.
- As the backlog is eliminated, the funding will focus on annual SOGR capital work and maintain facilities in a state of good repair.
- 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.
 - The Toronto Early Learning Child Care Services (TELCCS) SOGR project also allocates \$1.597 million to implement accessibility upgrades required by Provincial legislation in the 25 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.

10-Year Capital Plan: Net Operating Budget Impact

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

| Projects | 2018 Budget | | 2019 Plan | | 2020 Plan | | 2021 Plan | | 2022 Plan | | 2018 - 2022 | | 2018 - 2027 | |
|---|---------------|----------|---------------|------------|----------------|----------|----------------|----------|----------------|------------|----------------|------------|----------------|------------|
| | \$000s | Position | \$000s | Position | \$000s | Position | \$000s | Position | \$000s | Position | \$000s | Position | \$000s | Position |
| Previously Approved | | | | | | | | | | | | | | |
| <i>Customer Service Improvements</i> | (15.0) | | (29.0) | 1.0 | | | | | | | (44.0) | 1.0 | (44.0) | 1.0 |
| New Projects - 2017 | | | | | | | | | | | | | | |
| <i>TCS Growing Child Care for Toronto</i> | | | (64.0) | | (211.0) | | (391.0) | | (157.0) | 2.6 | (823.0) | 2.6 | (352.0) | 2.6 |
| Total (Net) | (15.0) | - | (93.0) | 1.0 | (211.0) | - | (391.0) | - | (157.0) | 2.6 | (867.0) | 3.6 | (396.0) | 3.6 |

The 10-Year Preliminary Capital Plan will provide savings over the future year Operating Budgets by a total of \$0.396 million net over the 2018 - 2027 period, as shown in the table above.

This is comprised of the following impacts to capital projects:

- *Customer Service Improvements* –savings in operating costs are included through 2019, primarily resulting from savings in stationary supplies and a reduction in the cost of administration, reflecting business application enhancements. These savings are partially offset by the addition of one position required in 2019 for project sustainment.
- *TCS Growing Child Care for Toronto* - savings in operating costs through 2022 resulting from reductions in supplies and administration as system enhancements are developed; these savings are offset in the later years by the addition of 2.6 positions required for project sustainment.
- There will be no operating impact from the new child care centres, as the centres will be operated by community operators. The cost of subsidies and base funding through the General Operating Grant for community operators will be supported through Provincial and Federal growth funding.

These future operating impacts will be reviewed each year as part of the annual Operating Budget process.



Part 2

Issues for Discussion

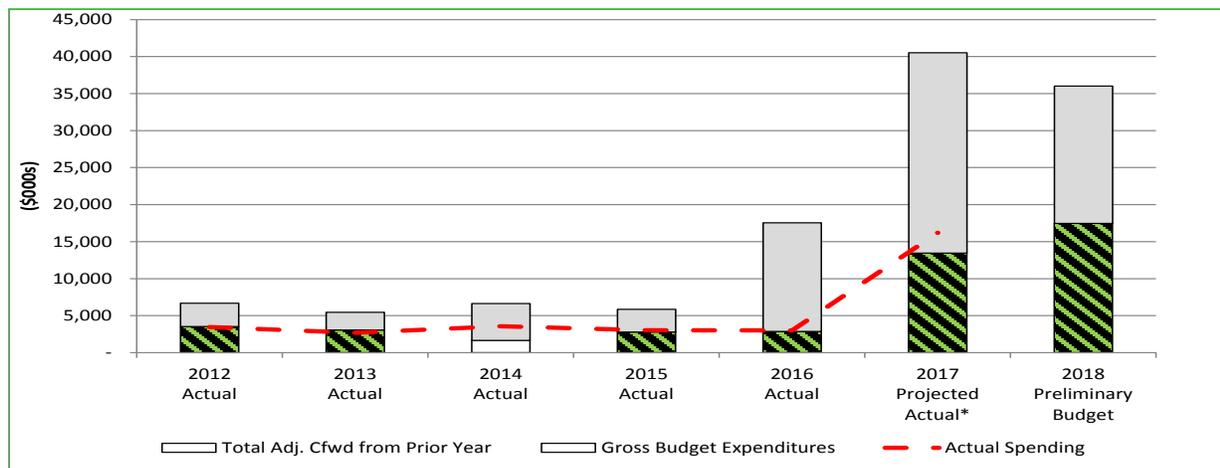
Issues Impacting the 2018 Capital Budget

Review of Capital Projects and Spending

- City Council, at its meeting of May 25, 2017 considered the report entitled "2018 Budget Process – Budget Directions and Schedule EX25.18" and directed that City Programs and Agencies submit their 2018 – 2027 Capital Budget and Plans requiring that:
 - Annual cash flow funding estimates be examined to more realistically match cash flow spending to project activities and timing, especially in the first 5 years of the Capital Plan's timeframe.
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.EX25.18>
- The 2018 – 2027 Preliminary Capital Budget and Plan for Children's Services has been established following a review of capital requirements based on the reprioritization of capital needs; a review of the Program's spending capacity and the readiness to proceed with planned projects; as well as the ability to reduce overall debt funding and/or leverage non-debt funding sources.
 - The 10-Year Preliminary Capital Plan includes the deferral of \$6.876 million from 2017 cash flows to future years based on project readiness and spending capacity, which requires re-aligning the initial planning and design work, and the construction timelines. This deferral is comprised of the cash flow funding for 11 child care centre projects. There is no debt impact as the new child centres are funded by Reserves and Development Charges.
 - Following a review with School Boards and other third party providers, the 2018 budgeted cash flow funding commitments have been adjusted based on historical spending rates, and spending capacity that reflects adequate time to plan, design and complete the construction of the new centres.
 - Children's Services had an average spending rate over the past five years 2012 – 2016 of 38.0%, which reflects an average spending rate of 91.2% for SOGR projects, and 28.3% for Service Improvement projects.
- The following tables illustrate Children's Services rate of spending from 2012 to 2016, as well as the projected year-end spending rate for 2017.

Chart 5
Capacity to Spend – Budget vs. Actual
(In \$000s)

| Category | 2012 | | | 2013 | | | 2014 | | | 2015 | | | 2016 | | | Spending Rate 5 Year 2012-2016 Avg. % | 2017 | | |
|---------------------|--------------|--------------|-----------------|--------------|--------------|-----------------|--------------|--------------|-----------------|--------------|--------------|-----------------|---------------|--------------|-----------------|---------------------------------------|---------------|--------------------|-----------------|
| | Budget | Actual | Spending Rate % | Budget | Actual | Spending Rate % | | Budget | Projected Actual * | Spending Rate % |
| SOGR | 869 | 793 | 91.3% | 726 | 653 | 89.9% | 1,584 | 1,377 | 86.9% | 1,637 | 1,570 | 95.9% | 1,697 | 1,544 | 91.0% | 91.2% | 1,958 | 1,958 | 100.0% |
| Service Improvement | 5,818 | 2,662 | 45.8% | 4,742 | 2,030 | 42.8% | 5,066 | 2,179 | 43.0% | 4,225 | 1,451 | 34.3% | 15,865 | 1,802 | 11.4% | 28.3% | 38,560 | 14,247 | 36.9% |
| Total | 6,687 | 3,455 | 51.7% | 5,468 | 2,683 | 49.1% | 6,650 | 3,556 | 53.5% | 5,862 | 3,021 | 51.5% | 17,562 | 3,346 | 19.1% | 38.0% | 40,518 | 16,205 | 40.0% |



Factors contributing to the average 38.0% spend rate over the past five years include:

- Children's Services' spending is significantly impacted by delays in the delivery of new child care centres, which are included as Service Improvement projects. During the first four years (2012 to 2015) spending averaged 41.5% for the Service Improvement projects, with annual budgets that included funding for up to four new child care centres.
- The 2016 Approved Capital Budget of \$17.562 million represented a significant increase from previous years, as the budget included funding for the 10 new child care centres reflecting co-ordination with the school boards and the Province which supported an expansion program adding an additional 464 new child care spaces in 10 new child care centres. With 2016 cash flow funding of \$5.650 million, this initiative also added \$11.050 million in 2017, and \$10.200 million in 2018 – 2020 for a total investment of \$26.900 million.
- The 2016 Approved Capital Budget also included funding of \$9.0 million for the Mount Dennis Child Care Centre, required as part of the Metrolinx redevelopment, with 2016 cash flow funding of \$3.5 million.
- As the Program added these projects mid-year with project completions budgeted aggressively over a 3-year period, delays in project planning and design resulted in a spending rate that dropped to 11.4%.
- The underspending (due to dependency on third party agreements) has continued into 2017 and results in the need to include \$6.876 million in 2-year carry forward funding and \$17.469 million in 1 year carry forward funding into 2018.

Children's Services is employing strategies to improve capital spending rates for 2018. These strategies include:

- As the primary partners for creating new centres are the Toronto and Catholic School Boards, expansion plans must first be approved by the School Boards. Third-party operators must also be selected. To improve spend rates, Children's Services has initiated a process that includes continuous co-ordination on planning and design progress with project delivery partners.
- The 2018-2027 Preliminary Capital Plan includes a level of increased investment from all three orders of government, with 3 new centres added in 2018, funded with new Federal/City funding contributions towards the Children's Services growth strategy. The increased investment will require aggressive spending by the division to deliver new spaces within a short time line for planning, design and project construction.
 - As all of the new child care projects will need to be co-ordinated for implementation through third party providers, Financial Planning and Children's Service will continue to monitor the capital spending rates and make adjustments to the Capital Plan as required as part of future-year budget process.

Issues Impacting the 10-Year Capital Plan

Children's Services Growth Strategy

- To deliver the planned child care spaces outlined in the 10-Year Growth Strategy, Children's Services has significantly expanded its capital program in the past two years.
- In 2016, with the approval of CD11.3 "Child Care Capital Expansion Update", Children's Services entered into agreements with the local school boards to add new child care centres in seven schools, two TCHC locations and partnered with Parks Forestry and Recreation (PFR) to invest in a new project, the *Northeast Scarborough Recreation Centre*. These new centres will provide 464 new spaces for \$26.900 million, and are fully funded by the City with \$5.650 million from Development Charges, and \$21.250 million from the Child Care Expansion Reserve Fund.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.CD11.3>

- In 2017, as identified in EX26.30 "Children's Services Amendment to the 2017 Operating Budget to Reflect Increase in Provincial Contributions", an additional \$15.785 million was received through the "Canada-Ontario Early Learning and Child Care Agreement, 2017" to increase licensed child care spaces for children from birth to age four.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.EX26.30>

- The additional Federal funding will provide 554 new spaces, achieved through:
 - the addition of two new child care centres for \$6.900 million that will add 124 spaces;
 - a change in funding source for 3 existing capital projects, and a Capital Grants Program for \$8.885 million that will flow through the 2017 and 2018 Operating Budgets for Children's Services, that will provide 430 spaces for not-for profit and public sector operators for renovations or new construction.
- The 2018-2027 Capital Plan for Children's Services includes the Anishawabe Child Care Centre project (\$6.0 million, 2018-2020), funded by a \$2.0 million operating contribution and \$4 million from the Child Care Capital Reserve Fund.
 - Under the proposed City's Investment plan to support growth in the child care system, this project will receive funding of \$2.0 million in 2018, and an additional \$3.6 million in funding phased-in over 2019-2020 period, subject to the 2018 and future year budget processes to replace the planned reserve funding for this project.
- Please refer to the Issues Section of the 2018 Preliminary Operating Budget for Children's Services for additional information.



Appendices

Appendix 1

2017 Performance

2017 Key Accomplishments

In 2017, Children's Services made significant progress and/or accomplished the following:

- ✓ Begin construction of and negotiated additional Sec 37 funding of \$1.105 million for the development of the Block 31 Child Care Centre.
- ✓ Began the planning and design for the 11 new child care centres identified in the Child Care Expansion Report.
- ✓ Began the construction of the Mt. Dennis Child Care Centre funded by Metrolinx (\$8.000 million)
- ✓ Began construction of the St John the Evangelist project (\$2.300 million)
- ✓ Began the design of the Advent Child Care Centre (\$2.210 million)
- ✓ Negotiated a cost sharing agreement with the Province where the Province provides \$2.467 million of the cost for the *Avondale Public School* project, which reduces the City's cost of construction from \$3.900 million to \$1.433 million.
- ✓ Continued design and construction of the Avondale Public School project (\$1.864 million)
- ✓ Continued the development of the Customer Service Efficiency Implementation project (\$1.100 million) that will enhance online services for families and operators
- ✓ Completed the Redevelopment of Warden Woods Child Care Centre (\$0.680 million)
- ✓ Completed capital upgrades in the 25 Toronto Early Learning Child Care Centres (TELCCC) located in municipally owned facilities (\$1.958 million).

2017 Financial Performance

2017 Budget Variance Analysis (in \$000's)

| 2017 Budget | As of Sept. 30, 2017 | | Projected Actuals at Year-End | | Unspent Balance | |
|-------------|----------------------|---------|-------------------------------|---------|-----------------|-----------|
| \$ | \$ | % Spent | \$ | % Spent | \$ Unspent | % Unspent |
| 40,518 | 4,492 | 11.1% | 16,205 | 40.0% | 24,313 | 60.0% |

* Based on 2017 Q3 Capital Variance Report

- The 2017 year-end projections reflect a spending rate of 11.1% primarily due to delays in the delivery of child care centres. The Program has limited control over the delivery of child-care projects, as these projects are often part of a larger project involving school boards and other third parties, with planning and design jointly managed by Children's Services and the construction managed by third parties.
- For additional information regarding the 2017 Q3 capital variances and year-end projections for Children's Services, please refer to the attached link for the report entitled "*Capital Variance Report for the Nine-Month Period Ended September 30, 2017*" considered by City Council at its meeting on Dec 5, 2017.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.BU37.1>

Impact of the 2017 Capital Variance on the 2018 Preliminary Capital Budget

- As a result of delays in the delivery of capital projects, as described in the 2017 Q3 Capital Variance Report, \$6.876 million in 2-year carry forward funding is included in the 2018 Preliminary Capital Budget for re-approval by City Council. In addition, \$17.469 million is being carried forward into the 2018 Preliminary Capital Budget to continue capital work on other child care centre projects.
- A detailed review of the 2018 – 2027 Preliminary Capital Budget and Plan has been conducted and the necessary adjustments have been made to the timing of cash flow funding for the delivery of the child care centres. By deferring the cash flow funding to future years, the 2018-2027 Preliminary Capital Budget and Plan reflects readiness to proceed and will lead to a higher rate of spending.

Appendix 2

**2018 Preliminary Capital Budget;
2019 - 2027 Capital Plan Including Carry Forward Funding (\$000s)**

| Project | Total Project Cost | Prior Year Carry Forward | 2018 | 2019 | 2020 | 2021 | 2022 | 2018 - 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2018 - 2027 Total |
|---|--------------------|--------------------------|---------------|---------------|---------------|--------------|--------------|---------------|--------------|--------------|--------------|-------|-------|-------------------|
| State of Good Repair: | | | | | | | | | | | | | | |
| TELCCS - State of Good Repair (2018) | 1,473 | | 1,473 | | | | | 1,473 | | | | | | 1,473 |
| TELCCS - State of Good Repair (2019-2027) | 12,338 | | | 1,285 | 1,226 | 1,367 | 1,367 | 5,245 | 1,367 | 1,367 | 1,367 | 1,496 | 1,496 | 12,338 |
| Sub-Total | | - | 1,473 | 1,285 | 1,226 | 1,367 | 1,367 | 6,718 | 1,367 | 1,367 | 1,367 | 1,496 | 1,496 | 13,811 |
| Service Improvements: | | | | | | | | | | | | | | |
| St John the Evangelist Catholic School | 3,900 | 750 | 450 | 2,138 | | | | 3,338 | | | | | | 3,338 |
| Bridletown Community Centre (#6) | 3,900 | 1,500 | 250 | 1,000 | 900 | 250 | | 3,900 | | | | | | 3,900 |
| David and Mary Thompson (#7) | 3,900 | | | 300 | 960 | 1,680 | 960 | 3,900 | | | | | | 3,900 |
| New Child Care Centre No. 6 | 3,900 | | | | 500 | 1,500 | 1,220 | 3,220 | 680 | | | | | 3,900 |
| Customer Service Improvements | 3,175 | | 400 | | | | | 400 | | | | | | 400 |
| New Child Care Centre No. 9 | 3,900 | | | | | | | - | 500 | 1,670 | 1,730 | | | 3,900 |
| Avondale Public School | 1,433 | 449 | (222) | | | | | 227 | | | | | | 227 |
| Block 31 Child Care Centre | 4,733 | | 2,264 | 1,531 | | | | 3,795 | | | | | | 3,795 |
| Advent Health Care Child Care Centre | 2,710 | | 500 | | | | | 500 | | | | | | 500 |
| Stanley P.S | 3,900 | 1,700 | 663 | 1,400 | | | | 3,763 | | | | | | 3,763 |
| St Columba C.S. | 1,400 | 350 | 295 | 300 | | | | 945 | | | | | | 945 |
| St Maurice Catholic School | 1,400 | 200 | 72 | | | | | 272 | | | | | | 272 |
| St. Barnabas Catholic School | 1,400 | 1,750 | 760 | | | | | 2,510 | | | | | | 2,510 |
| St Roch Catholic School | | 1,400 | 410 | | | | | 1,810 | | | | | | 1,810 |
| St Bartholomew Catholic School | | 1,750 | 760 | | | | | 2,510 | | | | | | 2,510 |
| St Stephen Catholic School | | 200 | | | | | | 200 | | | | | | 200 |
| George Webster | | 120 | | | | | | 120 | | | | | | 120 |
| North East Scarborough Recreation C | 3,900 | | 94 | 168 | 1,432 | 1,432 | 774 | 3,900 | | | | | | 3,900 |
| TCH Lawrence Ave Site | 3,900 | 1,100 | 1,700 | | | | | 2,800 | | | | | | 2,800 |
| TCH Needle Firway | 3,900 | 1,700 | 445 | 1,100 | 600 | | | 3,845 | | | | | | 3,845 |
| Mount Dennis Child Care Centre | 9,000 | 4,500 | 1,575 | 1,000 | | | | 7,075 | | | | | | 7,075 |
| Bendale Child Care Centre | 3,000 | | 3,000 | | | | | 3,000 | | | | | | 3,000 |
| Child Care Centre No. 11 | 3,900 | | 1,300 | 1,300 | 1,300 | | | 3,900 | | | | | | 3,900 |
| Anishawabe Child Care Centre | 6,000 | | 2,000 | 2,000 | 2,000 | | | 6,000 | | | | | | 6,000 |
| Sub-Total | | 17,469 | 16,716 | 12,237 | 7,692 | 4,862 | 2,954 | 61,930 | 1,180 | 1,670 | 1,730 | - | - | 66,510 |
| Growth Related: | | | | | | | | | | | | | | |
| TCS Growing Child Care Centre for Toronto | 4,764 | | 378 | 1,299 | 1,234 | 1,214 | 639 | 4,764 | | | | | | 4,764 |
| Sub-Total | | | 378 | 1,299 | 1,234 | 1,214 | 639 | 4,764 | | | | | | 4,764 |
| Total | | 17,469 | 18,567 | 14,821 | 10,152 | 7,443 | 4,960 | 73,412 | 2,547 | 3,037 | 3,097 | | | 85,085 |

Appendix 3

2018 Preliminary Capital Budget; 2019 - 2027 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 | | | | | | | | | | | |
|----------------------------------|----------------------------|----------------------------------|------|-------|------|---|--------|--------|-------|-------|--------------------|--------------------|---|---------------------------------------|--------------------|------------------------|---------------------|------------------|----------------------------|---------|--------|-------------------------------|--------------------|--------|
| | | | | | | 2018 | 2019 | 2020 | 2021 | 2022 | Total 2018-2022 | Total 2023-2027 | Total 2018-2027 | 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. | | | | | | | | | | | | | | | | | | | |
| CHS908562 | | Anishawabe Child Care Centre | | | | | | | | | | | | | | | | | | | | | | |
| 0 | 1 | Anishawabe Child Care Centre | CW | S4 | 04 | 2,000 | 2,000 | 2,000 | 0 | 0 | 6,000 | 0 | 6,000 | 0 | 0 | 0 | 0 | 4,000 | 0 | 2,000 | 0 | 0 | 0 | 6,000 |
| | | Sub-total | | | | 2,000 | 2,000 | 2,000 | 0 | 0 | 6,000 | 0 | 6,000 | 0 | 0 | 0 | 0 | 4,000 | 0 | 2,000 | 0 | 0 | 0 | 6,000 |
| Total Program Expenditure | | | | | | 36,036 | 14,821 | 10,152 | 7,443 | 4,960 | 73,412 | 11,673 | 85,085 | 0 | 0 | 20,258 | 0 | 40,577 | 0 | 9,221 | 0 | 15,029 | 0 | 85,085 |

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 | | | | | | | | | | | | |
|--------------------------------|----------------------------|----------------------------------|------|------------|---|---------------|---------------|--------------|--------------|--------------------|---|--------------------|---------------------------------------|--------------------|------------------------|---------------------|------------------|----------------------------|--------------|----------|-------------------------------|--------------------|---------------|
| | | | | | 2018 | 2019 | 2020 | 2021 | 2022 | Total 2018-2022 | Total 2023-2027 | Total 2018-2027 | 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 | | | 4,223 | 4,184 | 2,406 | 3,221 | 2,031 | 16,065 | 4,193 | 20,258 | 0 | 0 | 20,258 | 0 | 0 | 0 | 0 | 0 | 20,258 | | |
| | | Reserve Funds (Ind."XR" Ref.) | | | 25,105 | 8,053 | 5,236 | 1,433 | 750 | 40,577 | 0 | 40,577 | 0 | 40,577 | 0 | 0 | 0 | 0 | 0 | 0 | 40,577 | | |
| | | Other1 (Internal) | | | 4,835 | 1,299 | 1,234 | 1,214 | 639 | 9,221 | 0 | 9,221 | 0 | 0 | 0 | 9,221 | 0 | 0 | 0 | 0 | 9,221 | | |
| | | Debt | | | 1,873 | 1,285 | 1,276 | 1,575 | 1,540 | 7,549 | 7,480 | 15,029 | 0 | 0 | 0 | 0 | 0 | 15,029 | 0 | 0 | 15,029 | | |
| Total Program Financing | | | | | 36,036 | 14,821 | 10,152 | 7,443 | 4,960 | 73,412 | 11,673 | 85,085 | 0 | 0 | 20,258 | 0 | 40,577 | 0 | 9,221 | 0 | 15,029 | 0 | 85,085 |

| Status Code | Description |
|-------------|--|
| S2 | S2 Prior Year (With 2018 and/or Future Year Cashflow) |
| S3 | S3 Prior Year - Change of Scope 2018 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 2019 & 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

2018 Cash Flow and Future Year Commitments

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 | | | | | | | | | | | |
|---|----|---|----|----|----|---|-------|------|------|------|--------------------|---|--------------------|---------------------------------------|--------------------|------------------------|----------|------------------|----------------------------|---------|--------|-------------------------------|--------------------|
| | | | | | | 2018 | 2019 | 2020 | 2021 | 2022 | Total 2018-2022 | Total 2023-2027 | Total 2018-2027 | 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 | 12 | TELCCS SOGR 2018 | CW | S4 | 03 | 1,473 | 0 | 0 | 0 | 0 | 1,473 | 0 | 1,473 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,473 | 0 | 1,473 |
| Sub-total | | | | | | 1,473 | 0 | 0 | 0 | 0 | 1,473 | 0 | 1,473 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,473 | 0 | 1,473 |
| <u>CHS907355 St. John The Evangelist Catholic School</u> | | | | | | | | | | | | | | | | | | | | | | | |
| 0 | 1 | St. John The Evangelist Catholic School | 11 | S2 | 04 | 750 | 0 | 0 | 0 | 0 | 750 | 0 | 750 | 0 | 0 | 750 | 0 | 0 | 0 | 0 | 0 | 0 | 750 |
| Sub-total | | | | | | 750 | 0 | 0 | 0 | 0 | 750 | 0 | 750 | 0 | 0 | 750 | 0 | 0 | 0 | 0 | 0 | 0 | 750 |
| <u>CHS907644 Bridletown Community Centre (Child Care Centre</u> | | | | | | | | | | | | | | | | | | | | | | | |
| 0 | 1 | Bridletown Community Centre (Child Care Centre 6) | 40 | S2 | 04 | 1,500 | 0 | 0 | 0 | 0 | 1,500 | 0 | 1,500 | 0 | 0 | 1,500 | 0 | 0 | 0 | 0 | 0 | 0 | 1,500 |
| Sub-total | | | | | | 1,500 | 0 | 0 | 0 | 0 | 1,500 | 0 | 1,500 | 0 | 0 | 1,500 | 0 | 0 | 0 | 0 | 0 | 0 | 1,500 |
| <u>CHS908031 Avondale Public School</u> | | | | | | | | | | | | | | | | | | | | | | | |
| 0 | 1 | Avondale Public School | 23 | S2 | 04 | 449 | 0 | 0 | 0 | 0 | 449 | 0 | 449 | 0 | 0 | 483 | 0 | 0 | 0 | -34 | 0 | 0 | 449 |
| 0 | 2 | Avondale Public School Portion Funded by Province | 23 | S3 | 04 | -2,017 | -450 | 0 | 0 | 0 | -2,467 | 0 | -2,467 | 0 | 0 | -2,728 | 0 | 0 | 0 | 261 | 0 | 0 | -2,467 |
| Sub-total | | | | | | -1,568 | -450 | 0 | 0 | 0 | -2,018 | 0 | -2,018 | 0 | 0 | -2,245 | 0 | 0 | 0 | 227 | 0 | 0 | -2,018 |
| <u>CHS908075 Block 31 Child Care Centre</u> | | | | | | | | | | | | | | | | | | | | | | | |
| 0 | 3 | Block 31 Additional Funding Council Approved | 20 | S3 | 04 | 0 | 1,105 | 0 | 0 | 0 | 1,105 | 0 | 1,105 | 0 | 0 | 355 | 0 | 750 | 0 | 0 | 0 | 0 | 1,105 |
| Sub-total | | | | | | 0 | 1,105 | 0 | 0 | 0 | 1,105 | 0 | 1,105 | 0 | 0 | 355 | 0 | 750 | 0 | 0 | 0 | 0 | 1,105 |
| <u>CHS908325 Stanley Public School</u> | | | | | | | | | | | | | | | | | | | | | | | |
| 0 | 1 | Stanley Public School | 07 | S2 | 04 | 1,700 | 0 | 0 | 0 | 0 | 1,700 | 0 | 1,700 | 0 | 0 | 323 | 0 | 1,377 | 0 | 0 | 0 | 0 | 1,700 |
| Sub-total | | | | | | 1,700 | 0 | 0 | 0 | 0 | 1,700 | 0 | 1,700 | 0 | 0 | 323 | 0 | 1,377 | 0 | 0 | 0 | 0 | 1,700 |
| <u>CHS908326 St. Columba Catholic School</u> | | | | | | | | | | | | | | | | | | | | | | | |
| 0 | 1 | St. Columba Catholic School | 42 | S2 | 04 | 350 | 0 | 0 | 0 | 0 | 350 | 0 | 350 | 0 | 0 | 0 | 0 | 350 | 0 | 0 | 0 | 0 | 350 |
| 0 | 2 | St. Columba Catholic School | 42 | S3 | 04 | 125 | 0 | 0 | 0 | 0 | 125 | 0 | 125 | 0 | 0 | 0 | 0 | 125 | 0 | 0 | 0 | 0 | 125 |
| Sub-total | | | | | | 475 | 0 | 0 | 0 | 0 | 475 | 0 | 475 | 0 | 0 | 0 | 0 | 475 | 0 | 0 | 0 | 0 | 475 |
| <u>CHS908327 St. Maurice Catholic School</u> | | | | | | | | | | | | | | | | | | | | | | | |
| 0 | 1 | St. Maurice Catholic School | 02 | S2 | 04 | 200 | 0 | 0 | 0 | 0 | 200 | 0 | 200 | 0 | 0 | 0 | 0 | 200 | 0 | 0 | 0 | 0 | 200 |
| 0 | 2 | St. Maurice Catholic School | 02 | S3 | 04 | 72 | 0 | 0 | 0 | 0 | 72 | 0 | 72 | 0 | 0 | 0 | 0 | 72 | 0 | 0 | 0 | 0 | 72 |
| Sub-total | | | | | | 272 | 0 | 0 | 0 | 0 | 272 | 0 | 272 | 0 | 0 | 0 | 0 | 272 | 0 | 0 | 0 | 0 | 272 |

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-Project No. | Project Name | Ward | Stat. | Cat. | 2018 | 2019 | 2020 | 2021 | 2022 | Total 2018-2022 | Total 2023-2027 | Total 2018-2027 | Provincial Grants and Subsidies | Federal Subsidy | Development Charges | Reserves | Reserve Funds | Capital from Current | Other 1 | Other2 | Debt - Recoverable Debt | Total Financing | |
| <u>CHS908329 St. Barnabas Catholic School</u> | | | | | | | | | | | | | | | | | | | | | | | |
| 0 | 1 | St. Barnabas Catholic School | 42 | S2 | 04 | 1,750 | 0 | 0 | 0 | 0 | 1,750 | 0 | 1,750 | 0 | 0 | 277 | 0 | 1,473 | 0 | 0 | 0 | 0 | 1,750 |
| Sub-total | | | | | | 1,750 | 0 | 0 | 0 | 0 | 1,750 | 0 | 1,750 | 0 | 0 | 277 | 0 | 1,473 | 0 | 0 | 0 | 0 | 1,750 |
| <u>CHS908330 St. Roch Catholic School</u> | | | | | | | | | | | | | | | | | | | | | | | |
| 0 | 1 | St. Roch Catholic School | 07 | S2 | 04 | 1,400 | 0 | 0 | 0 | 0 | 1,400 | 0 | 1,400 | 0 | 0 | 204 | 0 | 1,196 | 0 | 0 | 0 | 0 | 1,400 |
| Sub-total | | | | | | 1,400 | 0 | 0 | 0 | 0 | 1,400 | 0 | 1,400 | 0 | 0 | 204 | 0 | 1,196 | 0 | 0 | 0 | 0 | 1,400 |
| <u>CHS908331 St. Bartholomew Catholic School</u> | | | | | | | | | | | | | | | | | | | | | | | |
| 0 | 1 | St. Bartholomew Catholic School | 41 | S2 | 04 | 1,750 | 0 | 0 | 0 | 0 | 1,750 | 0 | 1,750 | 0 | 0 | 90 | 0 | 1,660 | 0 | 0 | 0 | 0 | 1,750 |
| Sub-total | | | | | | 1,750 | 0 | 0 | 0 | 0 | 1,750 | 0 | 1,750 | 0 | 0 | 90 | 0 | 1,660 | 0 | 0 | 0 | 0 | 1,750 |
| <u>CHS908332 St. Stephen Catholic School</u> | | | | | | | | | | | | | | | | | | | | | | | |
| 0 | 1 | St. Stephen Catholic School | 02 | S2 | 04 | 200 | 0 | 0 | 0 | 0 | 200 | 0 | 200 | 0 | 0 | 0 | 0 | 200 | 0 | 0 | 0 | 0 | 200 |
| Sub-total | | | | | | 200 | 0 | 0 | 0 | 0 | 200 | 0 | 200 | 0 | 0 | 0 | 0 | 200 | 0 | 0 | 0 | 0 | 200 |
| <u>CHS908333 North East Scarborough Recreation Centre</u> | | | | | | | | | | | | | | | | | | | | | | | |
| 0 | 1 | North East Scarborough Recreation Centre | 42 | S4 | 04 | 94 | 168 | 1,432 | 1,432 | 774 | 3,900 | 0 | 3,900 | 0 | 0 | 780 | 0 | 3,120 | 0 | 0 | 0 | 0 | 3,900 |
| Sub-total | | | | | | 94 | 168 | 1,432 | 1,432 | 774 | 3,900 | 0 | 3,900 | 0 | 0 | 780 | 0 | 3,120 | 0 | 0 | 0 | 0 | 3,900 |
| <u>CHS908334 TCH Lawrence Avenue Site</u> | | | | | | | | | | | | | | | | | | | | | | | |
| 0 | 1 | TCH Lawrence Avenue Site | 43 | S2 | 04 | 1,100 | 0 | 0 | 0 | 0 | 1,100 | 0 | 1,100 | 0 | 0 | 0 | 0 | 1,100 | 0 | 0 | 0 | 0 | 1,100 |
| Sub-total | | | | | | 1,100 | 0 | 0 | 0 | 0 | 1,100 | 0 | 1,100 | 0 | 0 | 0 | 0 | 1,100 | 0 | 0 | 0 | 0 | 1,100 |
| <u>CHS908335 TCH Needle Firway</u> | | | | | | | | | | | | | | | | | | | | | | | |
| 0 | 1 | TCH Needle Firway | 07 | S2 | 04 | 1,700 | 0 | 0 | 0 | 0 | 1,700 | 0 | 1,700 | 0 | 0 | 0 | 0 | 1,700 | 0 | 0 | 0 | 0 | 1,700 |
| Sub-total | | | | | | 1,700 | 0 | 0 | 0 | 0 | 1,700 | 0 | 1,700 | 0 | 0 | 0 | 0 | 1,700 | 0 | 0 | 0 | 0 | 1,700 |
| <u>CHS908342 George Webster Public School</u> | | | | | | | | | | | | | | | | | | | | | | | |
| 0 | 1 | George Webster Public School | 31 | S2 | 04 | 120 | 0 | 0 | 0 | 0 | 120 | 0 | 120 | 0 | 0 | 0 | 0 | 120 | 0 | 0 | 0 | 0 | 120 |
| Sub-total | | | | | | 120 | 0 | 0 | 0 | 0 | 120 | 0 | 120 | 0 | 0 | 0 | 0 | 120 | 0 | 0 | 0 | 0 | 120 |
| <u>CHS908394 Mount Dennis Child Care Centre</u> | | | | | | | | | | | | | | | | | | | | | | | |
| 0 | 1 | Mount Dennis Child Care Centre | 11 | S2 | 04 | 4,500 | 0 | 0 | 0 | 0 | 4,500 | 0 | 4,500 | 0 | 0 | 0 | 0 | 4,500 | 0 | 0 | 0 | 0 | 4,500 |
| Sub-total | | | | | | 4,500 | 0 | 0 | 0 | 0 | 4,500 | 0 | 4,500 | 0 | 0 | 0 | 0 | 4,500 | 0 | 0 | 0 | 0 | 4,500 |
| <u>CHS908461 TCS Growing Child Care for Toronto</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 | | | | | | | | | | | | |
|---|---|---|----|----|----|---|--------------|--------------|--------------|--------------|--------------------|--------------------|---|---------------------------------------|--------------------|------------------------|---------------------|------------------|----------------------------|--------------|----------|-------------------------------|--------------------|---------------|--|
| | | | | | | 2018 | 2019 | 2020 | 2021 | 2022 | Total 2018-2022 | Total 2023-2027 | Total 2018-2027 | Provincial Grants and Subsidies | Federal Subsidy | Development Charges | Reserve Reserves | Reserve Funds | Capital from Current | Other 1 | Other2 | Debt - Recoverable Debt | Total Financing | | |
| <u>CHS908461 TCS Growing Child Care for Toronto</u> | | | | | | | | | | | | | | | | | | | | | | | | | |
| 0 | 1 | TCS Growing Child Care for Toronto | CW | S4 | 05 | 378 | 1,299 | 1,234 | 1,214 | 639 | 4,764 | 0 | 4,764 | 0 | 0 | 0 | 0 | 0 | 0 | 4,764 | 0 | 0 | 0 | 4,764 | |
| Sub-total | | | | | | 378 | 1,299 | 1,234 | 1,214 | 639 | 4,764 | 0 | 4,764 | 0 | 0 | 0 | 0 | 0 | 0 | 4,764 | 0 | 0 | 0 | 4,764 | |
| <u>CHS908516 Federally Funded Capital Projects</u> | | | | | | | | | | | | | | | | | | | | | | | | | |
| 0 | 1 | Bendale Child Care Centre | CW | S4 | 04 | 3,000 | 0 | 0 | 0 | 0 | 3,000 | 0 | 3,000 | 0 | 0 | 0 | 3,000 | 0 | 0 | 0 | 0 | 0 | 0 | 3,000 | |
| 0 | 2 | Child Care Centre No. 11 Federally Funded | CW | S4 | 04 | 1,300 | 1,300 | 1,300 | 0 | 0 | 3,900 | 0 | 3,900 | 0 | 0 | 0 | 3,900 | 0 | 0 | 0 | 0 | 0 | 0 | 3,900 | |
| Sub-total | | | | | | 4,300 | 1,300 | 1,300 | 0 | 0 | 6,900 | 0 | 6,900 | 0 | 0 | 0 | 6,900 | 0 | 0 | 0 | 0 | 0 | 0 | 6,900 | |
| <u>CHS908562 Anishawabe Child Care Centre</u> | | | | | | | | | | | | | | | | | | | | | | | | | |
| 0 | 1 | Anishawabe Child Care Centre | CW | S4 | 04 | 2,000 | 2,000 | 2,000 | 0 | 0 | 6,000 | 0 | 6,000 | 0 | 0 | 0 | 4,000 | 0 | 2,000 | 0 | 0 | 0 | 0 | 6,000 | |
| Sub-total | | | | | | 2,000 | 2,000 | 2,000 | 0 | 0 | 6,000 | 0 | 6,000 | 0 | 0 | 0 | 4,000 | 0 | 2,000 | 0 | 0 | 0 | 0 | 6,000 | |
| Total Program Expenditure | | | | | | 23,894 | 5,422 | 5,966 | 2,646 | 1,413 | 39,341 | 0 | 39,341 | 0 | 0 | 2,034 | 0 | 28,843 | 0 | 6,991 | 0 | 1,473 | 0 | 39,341 | |

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 | | | | | | | | | | |
|--------------------------------|----------------------------|----------------------------------|------|-------|------|---|--------------|--------------|--------------|--------------|--------------------|---|--------------------|---------------------------------------|--------------------|------------------------|---------------------|------------------|----------------------------|----------|---------------|-------------------------------|
| | | | | | | 2018 | 2019 | 2020 | 2021 | 2022 | Total 2018-2022 | Total 2023-2027 | Total 2018-2027 | Provincial Grants and Subsidies | Federal Subsidy | Development Charges | Reserve Reserves | Reserve Funds | Capital from Current | Other 1 | Other2 | Debt - Recoverable Debt |
| Sub- Priority | Project No. SubProj No. | Project Name Sub-project Name | Ward | Stat. | Cat. | | | | | | | | | | | | | | | | | |
| Financed By: | | | | | | | | | | | | | | | | | | | | | | |
| | | Development Charges | | | | 1,368 | -61 | 286 | 286 | 155 | 2,034 | 0 | 2,034 | 0 | 0 | 2,034 | 0 | 0 | 0 | 0 | 0 | 2,034 |
| | | Reserve Funds (Ind."XR" Ref.) | | | | 18,448 | 4,184 | 4,446 | 1,146 | 619 | 28,843 | 0 | 28,843 | 0 | 28,843 | 0 | 0 | 0 | 0 | 0 | 0 | 28,843 |
| | | Other1 (Internal) | | | | 2,605 | 1,299 | 1,234 | 1,214 | 639 | 6,991 | 0 | 6,991 | 0 | 0 | 6,991 | 0 | 0 | 0 | 0 | 0 | 6,991 |
| | | Debt | | | | 1,473 | 0 | 0 | 0 | 0 | 1,473 | 0 | 1,473 | 0 | 0 | 0 | 0 | 0 | 1,473 | 0 | 0 | 1,473 |
| Total Program Financing | | | | | | 23,894 | 5,422 | 5,966 | 2,646 | 1,413 | 39,341 | 0 | 39,341 | 0 | 28,843 | 0 | 6,991 | 0 | 1,473 | 0 | 39,341 | |

| Status Code | Description |
|-------------|--|
| S2 | S2 Prior Year (With 2018 and/or Future Year Cashflow) |
| S3 | S3 Prior Year - Change of Scope 2018 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 5

2018 Preliminary 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 | | Start Date | Completion Date | 2018 Cash Flow | Financing | | | | | | | | |
|-----------------------|--|------------|-----------------|-------------------|-----------------------------|-----------------|-------------------|----------|---------------|----------------------|---------|---------|-------|
| Priority | Project Name | | | | Provincial Grants Subsidies | Federal Subsidy | Developmt Charges | Reserves | Reserve Funds | Capital From Current | Other 1 | Other 2 | Debt |
| <u>1</u> | <u>CHS908075</u> Block 31 Child Care Centre | | | | | | | | | | | | |
| 0 | 2 Block 31 Child Care Centre Construction | 06/03/2015 | 12/30/2019 | 2,264 | 0 | 0 | 34 | 0 | 0 | 0 | 2,230 | 0 | 0 |
| | Project Sub-total: | | | 2,264 | 0 | 0 | 34 | 0 | 0 | 0 | 2,230 | 0 | 0 |
| <u>1</u> | <u>CHS908277</u> Advent Health Care Child Care Centre | | | | | | | | | | | | |
| 0 | 1 Advent Health Care Child Care Centre | 01/01/2016 | 12/31/2018 | 500 | 0 | 0 | 0 | 0 | 500 | 0 | 0 | 0 | 0 |
| | Project Sub-total: | | | 500 | 0 | 0 | 0 | 0 | 500 | 0 | 0 | 0 | 0 |
| <u>1</u> | <u>CHS908342</u> George Webster Public School | | | | | | | | | | | | |
| 0 | 1 George Webster Public School | 01/01/2016 | 12/31/2017 | 120 | 0 | 0 | 0 | 0 | 120 | 0 | 0 | 0 | 0 |
| | Project Sub-total: | | | 120 | 0 | 0 | 0 | 0 | 120 | 0 | 0 | 0 | 0 |
| Program Total: | | | | 36,036 | 0 | 0 | 4,223 | 0 | 25,105 | 0 | 4,835 | 0 | 1,873 |

| Status Code | Description |
|-------------|--|
| S2 | S2 Prior Year (With 2018 and/or Future Year Cashflow) |
| S3 | S3 Prior Year - Change of Scope 2018 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

Reserve / Reserve Fund – Program Specific
(\$000s)

| Reserve / Reserve Fund Name | Project / Sub-Project Name and Number | Projected Balance as at Dec 31, 2017 * | Contributions / (Withdrawals) | | | | | | | | | | 2018 - 2027 Total Contributions / (Withdrawals) |
|---|--|--|-------------------------------|-----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|---|
| | | | 2018 Budget | 2019 Plan | 2020 Plan | 2021 Plan | 2022 Plan | 2023 Plan | 2024 Plan | 2025 Plan | 2026 Plan | 2027 Plan | |
| Child Care Capital Reserve Fund (XR1103) | Beginning Balance | 32,201 | 32,201 | 25,392 | 18,259 | 12,943 | 11,430 | 10,600 | 10,520 | 10,440 | 10,360 | 10,280 | 10,200 |
| | Withdrawals (-) | | | | | | | | | | | | |
| | Health and Safety Program ** | | (1,000) | (1,000) | (1,000) | (1,000) | (1,000) | (1,000) | (1,000) | (1,000) | (1,000) | (1,000) | (1,000) |
| | Major Capital | | (400) | (400) | (400) | (400) | (400) | (400) | (400) | (400) | (400) | (400) | (400) |
| | St John the Evangelist Catholic School | | | (208) | | | | | | | | | (208) |
| | Bridletown Community Centre | | | | (190) | (200) | | | | | | | (390) |
| | David and Mary Thompson | | | (121) | | (87) | (131) | | | | | | (339) |
| | Stanley Public School | | (663) | (1,140) | | | | | | | | | (1,803) |
| | St Columba Catholic School | | (295) | (300) | | | | | | | | | (595) |
| | St Maurice Catholic School | | (72) | | | | | | | | | | (72) |
| | St Barnabas Catholic School | | (650) | | | | | | | | | | (650) |
| | St Roth Catholic School | | (304) | | | | | | | | | | (304) |
| | St Bartholomew Catholic School | | (650) | | | | | | | | | | (650) |
| | North East Scarborough Recreation Centre | | (75) | (134) | (1,146) | (1,146) | (619) | | | | | | (3,120) |
| | TCH Lawrence Ave | | (1,700) | | | | | | | | | | (1,700) |
| | TCH Needle Firway | | (445) | (1,100) | (600) | | | | | | | | (2,145) |
| | Mt Dennis Chile Care Centre | | (1,575) | (1,000) | | | | | | | | | (2,575) |
| | Bendale Child Care Centre (Federal) | | (3,000) | | | | | | | | | | (3,000) |
| | Child Care Centre No. 11 (Federal) | | (1,300) | (1,300) | (1,300) | | | | | | | | (3,900) |
| | Advent Health Care Centre | | (500) | | | | | | | | | | (500) |
| | Block 31 Child Care Centre | | | (750) | | | | | | | | | (750) |
| | Anishawabe Child Care Centre | | | (2,000) | (2,000) | | | | | | | | (4,000) |
| | Total Withdrawals | | | (12,629) | (9,453) | (6,636) | (2,833) | (2,150) | (1,400) | (1,400) | (1,400) | (1,400) | (1,400) |
| Contributions (+) | | | | | | | | | | | | | |
| Sale of 1 Hollis to Metrolinx | | | 4,500 | 1,000 | | | | | | | | | 5,500 |
| 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 |
| Total Contributions | | | 5,820 | 2,320 | 1,320 | 18,700 |
| Total Reserve Fund Balance at Year-End | | 32,201 | 25,392 | 18,259 | 12,943 | 11,430 | 10,600 | 10,520 | 10,440 | 10,360 | 10,280 | 10,200 | 10,200 |

* Based on the 2017 Q3 Variance Report

** Health and Safety Program

| Reserve / Reserve Fund Name | Project / Sub-Project Name and Number | Projected Balance as at Dec 31, 2017 * | Contributions / (Withdrawals) | | | | | | | | | | 2018 - 2027 Total Contributions / (Withdrawals) | |
|---|--|--|-------------------------------|--------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|---------------|---|-----------------|
| | | | 2018 Budget | 2019 Plan | 2020 Plan | 2021 Plan | 2022 Plan | 2023 Plan | 2024 Plan | 2025 Plan | 2026 Plan | 2027 Plan | | |
| Development Charges Reserve Fund (XR2122) | Beginning Balance | 3,006 | 3,006 | 4,978 | 3,396 | 3,610 | 3,035 | 3,666 | 5,331 | 6,560 | 7,784 | 10,666 | | |
| | Withdrawals (-) | | | | | | | | | | | | | |
| | St John the Evangelist Catholic School | | (450) | (1,930) | | | | | | | | | (2,380) | |
| | Bridletown Community Centre | | (250) | (1,000) | (710) | (50) | | | | | | | (2,010) | |
| | David and Mary Thompson | | | (179) | (919) | (1,593) | (829) | | | | | | (3,520) | |
| | Stanley Public School | | | (260) | | | | | | | | | (260) | |
| | Avondale Public School | | 483 | | | | | | | | | | 483 | |
| | St Barnabas Catholic School | | (110) | | | | | | | | | | (110) | |
| | St Roth Catholic School | | (106) | | | | | | | | | | (106) | |
| | St Bartholomew Catholic School | | (110) | | | | | | | | | | (110) | |
| | North East Scarborough Recreation Centre | | (19) | (34) | (286) | (286) | (155) | | | | | | (780) | |
| | Block 31 Child Care Centre | | (34) | (781) | | | | | | | | | (815) | |
| | Child Care Centre # 8 | | | | (491) | (1,292) | (1,047) | (680) | | | | | (3,510) | |
| | Child Care Centre # 9 | | | | | | | (371) | (1,541) | (1,601) | | | (3,513) | |
| | Total Withdrawals | | | (596) | (4,184) | (2,406) | (3,221) | (2,031) | (1,051) | (1,541) | (1,601) | - | - | (16,631) |
| | Contributions (+) | | | | | | | | | | | | | |
| | Development Contributions | | | 2,568 | 2,602 | 2,620 | 2,646 | 2,662 | 2,716 | 2,770 | 2,825 | 2,882 | 2,939 | 27,230 |
| Total Contributions | | | 2,568 | 2,602 | 2,620 | 2,646 | 2,662 | 2,716 | 2,770 | 2,825 | 2,882 | 2,939 | 27,230 | |
| Total Reserve Fund Balance at Year-End | | 3,006 | 4,978 | 3,396 | 3,610 | 3,035 | 3,666 | 5,331 | 6,560 | 7,784 | 10,666 | 13,605 | 13,605 | |

* Based on the 2017 Q3 Variance Report