

# Toronto 2018 BUDGET



## OPERATING PROGRAM SUMMARY



## Children's Services

### 2018 OPERATING BUDGET OVERVIEW

Toronto Children's Services promotes access to high quality early learning, and provides child care and supports for families through a well-planned and managed system. All families in Toronto benefit from a range of services that promote healthy child development and family well-being.

### 2018 Budget Summary

The total cost to deliver these services to Toronto residents is \$621.410 million gross and \$82.691 million net as shown below:

(in \$000's)	2017 Budget	2018 Budget	Change	
			\$	%
Gross Expenditures	537,902.3	621,409.9	83,507.6	15.5%
Revenues	457,219.4	538,719.4	81,500.0	17.8%
<b>Net Expenditures</b>	<b>80,682.9</b>	<b>82,690.5</b>	<b>2,007.6</b>	<b>2.5%</b>

For 2018, the Program faced pressures arising mainly from the inflationary impact of the cost of purchased child care and salaries and benefits changes, and an increase in complement to accommodate legislative changes in staffing ratios.

Through base budget reductions, operational efficiencies and revenue changes, the Program was able to fully offset \$6.099 million in operating budget pressures.

The Province and Federal governments continued to provide additional expansion funding, with the City contributing \$2.0 million to support system growth, with expansion funding increasing child care subsidies by 5.2% from 2017.

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## FAST FACTS

- Toronto's licensed child care system includes approximately 72,000 spaces for children from birth to 12 years.
- Toronto Early Learning and Child Care Services (TELCCS) has 52 centres and one home child care agency serving over 3,000 children.
- Together with community agencies, Children's Services provides support to more than 990 child care operators.
- In 2018 the Program assumed administration of the Ontario Early Years Child Care and Family Centres (OEYCFCs), including Child and Family Centres (CFCs) and the Parent and Family Literacy Centres.

## TRENDS

- Children's Services continues to focus on improving customer service through business transformation, automation and by providing access through a variety of service channels, including:
  - ✓ The introduction of an Online Service Request System that will allow more than 990 child care operators to ensure children with special needs and their families receive support to participate in child care programs;
  - ✓ The launch of "My Child Care Account" will provide families with a variety of self-service functions including access to information about child care options and an online application for child care fee subsidy.
- The increase in online functionality reflecting the upgrades made possible by the completion of the *Customer Service Improvement* capital project, will be further improved with the implementation of the *Growing Child Care for Toronto* project.

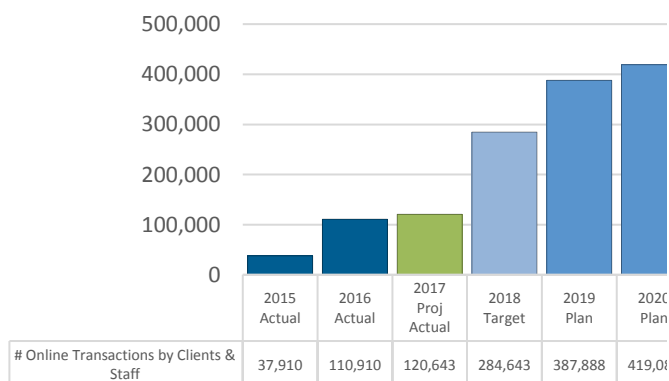
## KEY SERVICE DELIVERABLES FOR 2018

Children's Services is responsible for managing Toronto's Child Care system in accordance with the Council approved 2015-2019 Children's Services Service Plan and Provincial guidelines and within the provincially legislated requirements of the Child Care and Early Years Act, 2014.

The 2018 Operating Budget funds the delivery of the following:

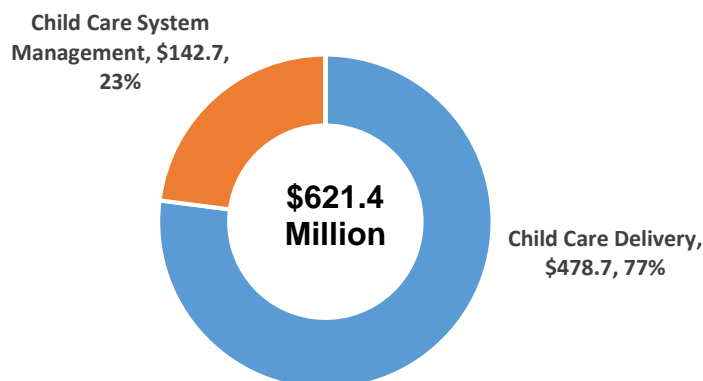
- 30,490 child care subsidies;
- 679 contracted child care centres with contracts for fee subsidy;
- 10 home child care agencies with fee contracts for subsidy;
- 68 additional child care centres with contracts for General Operating Grant;
- 900+ centres with agreements for Provincial Wage Enhancement;
- 52 Toronto Early Learning & Child Care Service Centres and 1 home child care agency;
- 21 agencies providing service for children with special needs;
- Administer the delivery of Ontario Early Years Child Care and Family Centres (OEYCFCs) through contracting with 50 agencies who deliver programming at over 262 locations.
- 34 summer day programs;
- 51 after-school & recreation programs (ARC); and
- Added new projects and capital grants to support growth in licensed child care spaces across the City.

# Online Transactions Performed by Clients & Staff

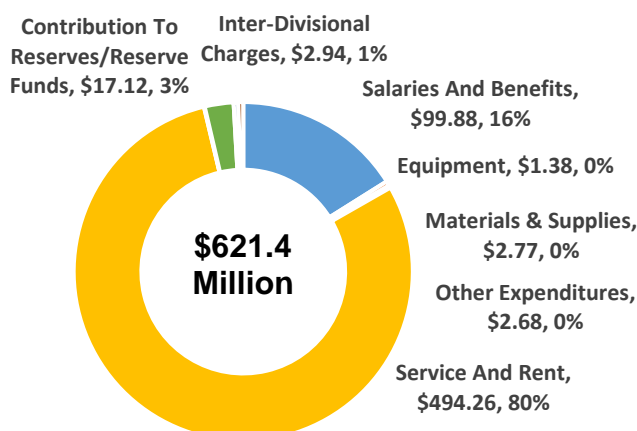


## Where the money goes:

### 2018 Budget by Service

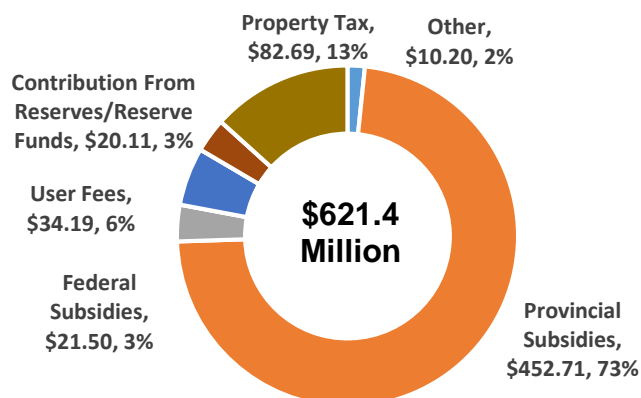


### 2018 Budget by Expenditure Category



## Where the money comes from:

### 2018 Budget by Funding Source



## OUR KEY ISSUES & PRIORITY ACTIONS

- **Manage new and expanded responsibilities** as a result of provincial legislation and regulatory changes. The 2018 Budget includes:
  - \$2.0 million for 26.4 new positions resulting from legislative changes to address the staffing ratios in 52 Early Learning Centres;
  - \$26.514 million to manage the Child and Family Centre delivery, including funding for 14 position to administer the programming.
- **Expand fee subsidies and public funding for operators** to support Toronto's low-income children age 0-12, and invest to support a thriving work force.
  - ✓ With the new Provincial / Federal and City growth funding, 1,515 new subsidies were added in 2018, bringing the total budgeted subsidies to 30,490, an increase of 5.2% from 2017.
  - ✓ New funding of \$4.718 million for operators to offset operating costs to keep fees lower for families.
  - ✓ Develop policies and controls to ensure that public funding reduces parent fees and improves affordability.

## 2018 OPERATING BUDGET HIGHLIGHTS

- The 2018 Operating Budget for Children's Services is \$621.410 million gross \$82.691 million net representing an increase of 2.5% from the 2017 net. The Program was able to absorb base pressures from savings identified through the following measures:
  - ✓ Base expenditure reductions (\$0.278 million).
  - ✓ Efficiency savings (\$0.099 million).
  - ✓ Revenue changes (\$5.821 million).
- Staff complement increases by 73.1 in 2018, with 26 position required for changes in legislated staffing ratios in TELCCs; 28 positions to manage system growth, 14 positions to administer the Child and Family Centres, 5.1 positions for TELCC expansion.
- The 2018 Operating Budget provides funding for:
  - ✓ \$7.803 million in additional funding to Child Care providers for the cost of purchased child care.
  - ✓ \$1.976 million in additional administrative funding to manage system growth.
  - ✓ \$5.821 million as a bridging strategy to reinstate Occupancy Grant funding to 4 school boards to cover the operating costs associated with child care programs.

## Council Approved Budget

City Council approved the following recommendations:

City Council approve the 2018 Operating Budget for Children's Services of \$621.410 million gross, \$82.691 million net for the following services:

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Child Care Delivery	478,735.7	73,408.2
Child Care System Management	142,674.2	9,282.3
Total Program Budget	<u>621,409.9</u>	<u>82,690.5</u>

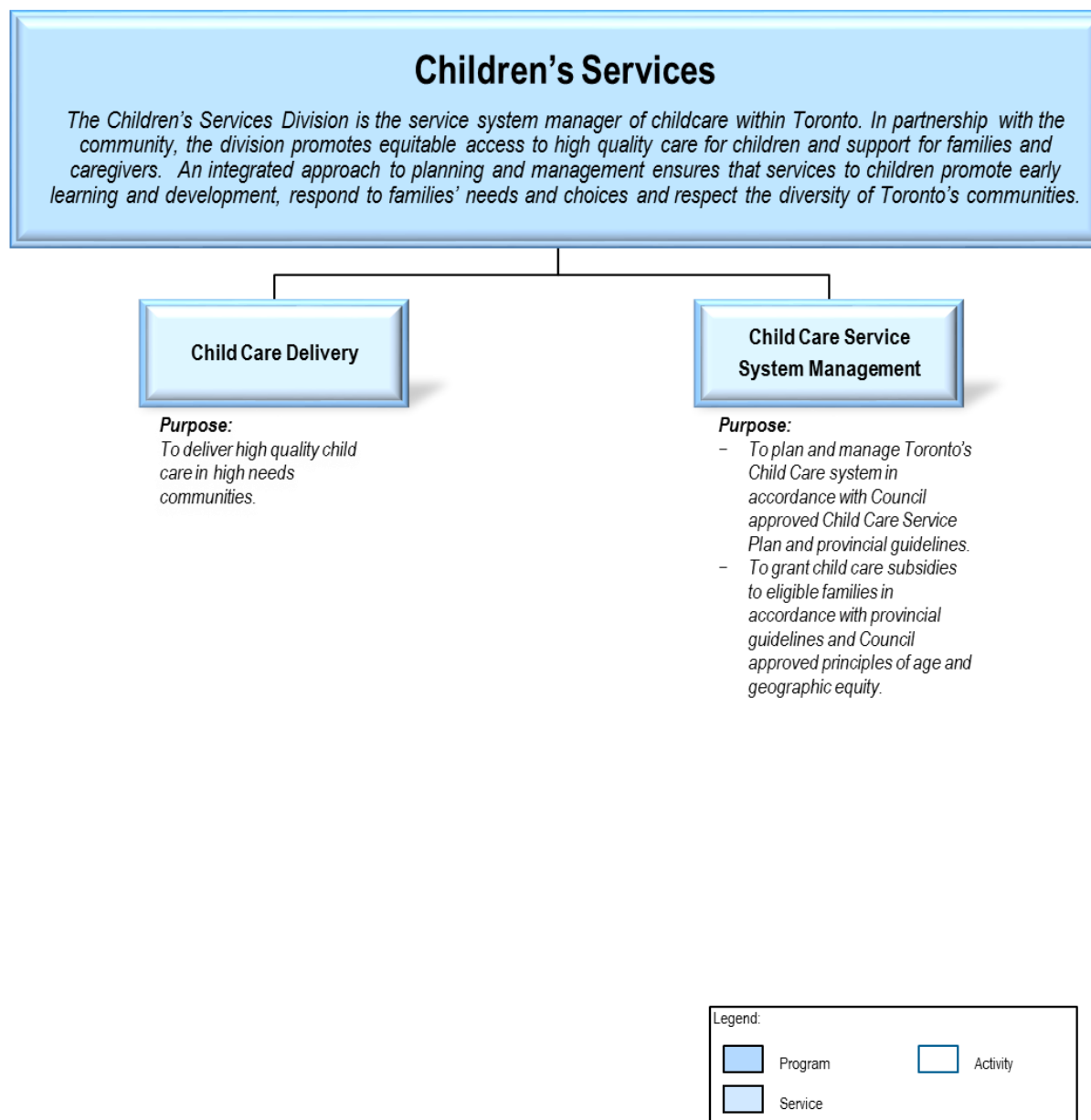
1. City Council approve the 2018 service levels for Children's Services as outlined on pages 23 and 26 of this report, and associated staff complement of 1,080.6 positions, comprising 1,076.6 operating service delivery positions and 4.0 capital project delivery positions.
2. City Council authorize the General Manager, Children's Services to receive the funding from the Province of Ontario for the new Journey Together and Fee Stabilization Support programs, and enter into Service Agreements that are to the satisfaction of the City Solicitor, with provider agencies in order to flow Provincial funds to these agencies.
3. City Council request the Province of Ontario to move forward with its commitment to address child care affordability by providing funding and flexibility to lower child care fees for the City of Toronto, which are the highest in the country for infants (\$1,649 a month), toddlers (\$1,375 a month), and preschoolers (\$1,150 a month).



# Part 1

## 2018-2020 Service Overview and Plan

## Program Map



## Service Customer

**Child Care Delivery**

- Parents / Guardians
- Children in Child Care

## Indirect (Beneficial)

- Resident Families and Children
- Child Care Service Providers

**Child Care Service System Management**

- Parents / Guardians
- Province of Ontario
- Children in Child Care

## Indirect (Beneficial)

- Resident Families and Children
- Child Care Service Providers



**Table 1**  
**2018 Operating Budget and Plan by Service**

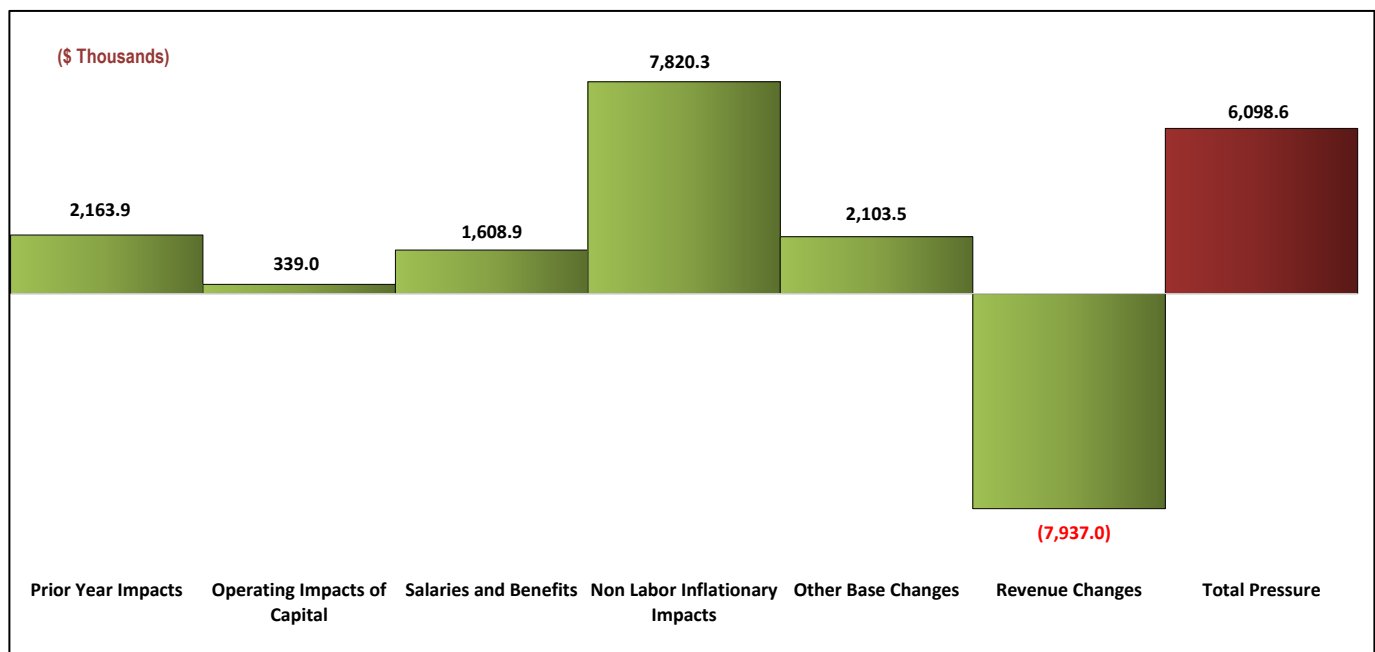
(In \$000s)	2017		2018 Operating Budget			2018 Budget vs. 2017 Budget Change		Incremental Change			
	Budget	Projected Actual	Base	New/ Enhanced	Total Budget			2019 Plan		2020 Plan	
By Service	\$	\$	\$	\$	\$	\$	%	\$	%	\$	%
<b>Child Care Delivery</b>											
Gross Expenditures	409,723.2	393,023.2	423,001.1	55,734.6	478,735.7	69,012.4	16.8%	(2,218.4)	(0.5%)	8,416.3	1.8%
Revenue	343,256.3	338,556.3	351,699.7	53,627.8	405,327.5	62,071.3	18.1%	(11,918.0)	(2.9%)	(2,003.3)	(0.5%)
<b>Net Expenditures</b>	<b>66,467.0</b>	<b>54,467.0</b>	<b>71,301.4</b>	<b>2,106.8</b>	<b>73,408.2</b>	<b>6,941.2</b>	<b>10.4%</b>	<b>9,699.6</b>	<b>13.2%</b>	<b>10,419.6</b>	<b>12.5%</b>
<b>Child Care System Management</b>											
Gross Expenditures	128,179.1	128,179.1	128,560.2	14,114.0	142,674.2	14,495.1	11.3%	7,183.4	5.0%	2,871.6	1.9%
Revenue	113,963.1	113,963.1	119,277.9	14,114.0	133,391.9	19,428.8	17.0%	(1,759.4)	(1.3%)	(5,871.2)	(4.5%)
<b>Net Expenditures</b>	<b>14,216.0</b>	<b>14,216.0</b>	<b>9,282.3</b>	<b>0.0</b>	<b>9,282.3</b>	<b>(4,933.6)</b>	<b>(34.7%)</b>	<b>8,942.8</b>	<b>96.3%</b>	<b>8,742.8</b>	<b>48.0%</b>
<b>Total</b>											
Gross Expenditures	537,902.3	521,202.3	551,561.3	69,848.6	621,409.9	83,507.6	15.5%	4,965.0	0.8%	11,287.9	1.8%
Revenue	457,219.4	452,519.4	470,977.6	67,741.8	538,719.4	81,500.0	17.8%	(13,677.4)	(2.5%)	(7,874.5)	(1.5%)
<b>Total Net Expenditures</b>	<b>80,682.9</b>	<b>68,682.9</b>	<b>80,583.7</b>	<b>2,106.8</b>	<b>82,690.5</b>	<b>2,007.6</b>	<b>2.5%</b>	<b>18,642.4</b>	<b>22.5%</b>	<b>19,162.4</b>	<b>18.9%</b>
<b>Approved Positions</b>	<b>1,007.5</b>	<b>1,007.5</b>	<b>1,032.2</b>	<b>48.4</b>	<b>1,080.6</b>	<b>73.1</b>	<b>7.3%</b>	<b>0.0</b>		<b>0.0</b>	

The Children's Services' 2018 Operating Budget is \$621.410 million gross and \$82.691 million net, representing a 2.5% increase to the 2017 Approved Net Operating Budget which exceeds the 0% reduction target set out in the 2018 Operating Budget Directions and Guidelines approved by Council by 2.5%.

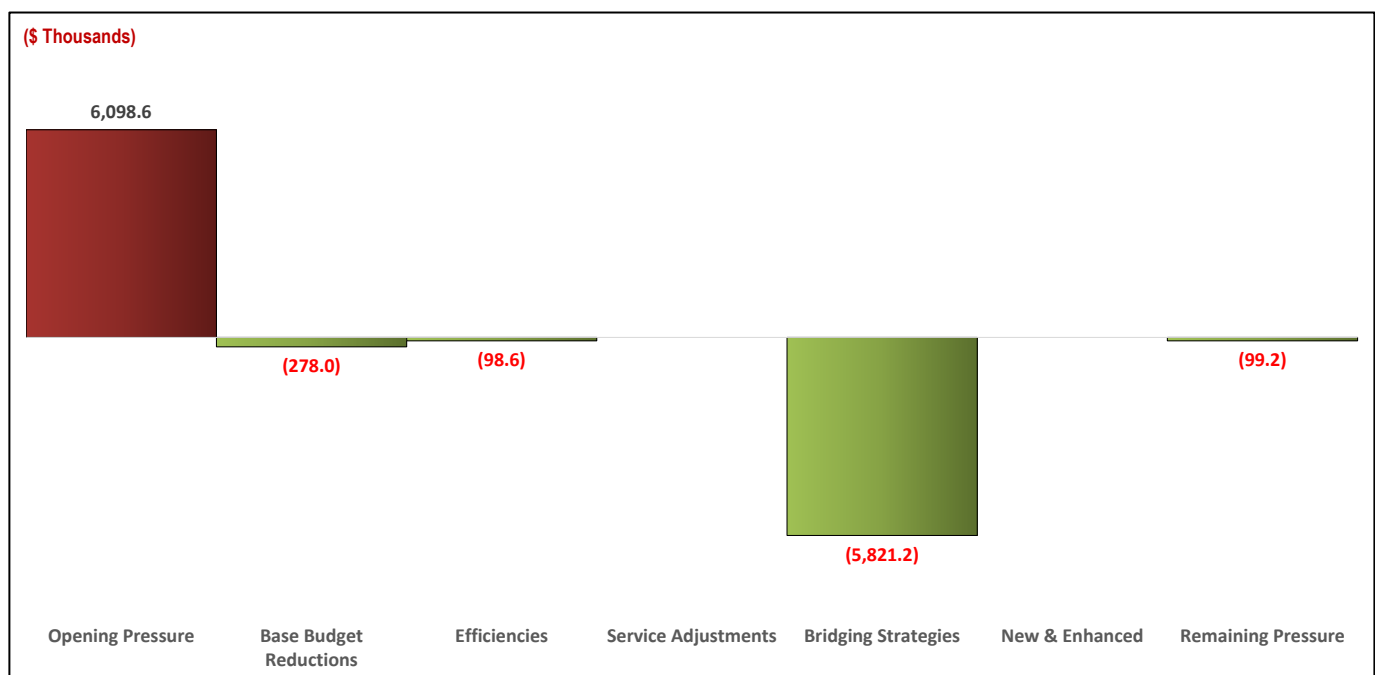
- Base pressures are mainly attributable to the increase in cost of purchased child care due to inflation and change in case mix; known salaries and benefit increases; the annualization of positions added in 2017 to support growth; and increase in the cost of maintenance based on the needs of the 52 City operated child care centres.
- Revenue adjustments include Provincial funding for positions added in 2017 to support growth; increased base provincial funding; and an increase in the parental contribution to the cost of child care, based on the actual change in family income mix.
- To help mitigate the above pressures, the Program was able to achieve budget reductions through base expenditure reductions to align the budget with actual experience, efficiency savings from the *Customer Service Improvement* capital project and through merging a satellite site at the Warden Woods TELCCs. A contribution of \$5.821 million from the Child Care Expansion Reserve Fund is included to fund Occupancy Grants to the 4 district school boards as a bridging strategy.
- Approval of the 2018 Operating Budget results in Children's Services increasing its total staff complement by 73.1 positions from 1,007.5 to 1,080.6.
- Enhanced programming includes provincial subsidy to fully support the delivery and administration of the Child and Family Centre programming; provincial funding to support grants to purchased child care providers to help make child care affordable for families; funding for the indigenous community to retrofit 2 existing family centres and deliver culturally sensitive programming, and underspent provincial funding from 2017 combined with new provincial, federal and City funding to provide 1,515 additional child care subsidies.
- The pressures in the 2019 and 2020 Plans are primarily attributable to the City's 20% support of provincial/federal expansion funding; the cost of purchased child care; the known impact of COLA, progression pay and step increases. The 2020 Plan also includes the reversal of the bridging strategy that funded occupancy grants for the 4 district school boards, and the loss of funding from the National Child Benefit Supplement Reserve Fund, which together create a \$7.821 million pressure to maintain the current service levels.

The following graphs summarize the operating budget pressures for Children's Services and the actions taken that offset these pressures.

### Key Cost Drivers



### Actions to Achieve Budget Reduction Target





**Table 2**  
**Key Cost Drivers**

(In \$000s)	2018 Base Operating Budget		Total	
	Child Care Delivery	Child Care System Management		
	\$	\$	\$	Position
<b>Gross Expenditure Changes</b>				
<b>Prior Year Impacts</b>				
Facilities Transformation Project EX25.1; allocation of maintenance based on new cost sharing agreement	236.5		236.5	
1 2018 annualization of positions approved with 2017 Provincial expansion	2,634.2	(658.2)	1,976.0	
3 Reversal of the School Occupancy Grants as directed through approval of the 2017 Operating Budget		(5,821.2)	(5,821.2)	
Warden Woods amalgamation / expansion	49.8		49.8	(0.1)
Annualized Savings from the Closure of Capri TELCCC	(98.4)		(98.4)	(1.5)
<b>Salaries and Benefits</b>				
Salaries and Benefits, COLA and Progression Pay	563.6	1,045.3	1,608.9	
<b>Economic Factors</b>				
Utilities	16.9	0.1	17.1	
COLA increase for purchased child care (2.1%)	5,806.6	1,046.6	6,853.2	
COLA increase for General Operating Grant (2.1%)	950.0		950.0	
<b>Other Base Expenditure Changes</b>				
Alignment of complement for TELCCS to comply with Ministry guidelines	1,566.2	434.6	2,000.8	26.4
3 Inclusion of School Occupancy Grants as directed by City Council on July 4, 2017, in CD21.9 "Funding Formula for Occupancy Grants"		5,821.2	5,821.2	
Change in Purchased Child Care Case Mix	1,853.2	(1,616.9)	236.3	
Relocation of Lawrence East TELCCC	(41.2)		(41.2)	
2 Contribution to Capital Growing Child Care for Toronto		339.0	339.0	
Interdivisional adjustment	76.4	(168.8)	(92.4)	
<b>Total Gross Expenditure Changes</b>	<b>13,613.9</b>	<b>421.8</b>	<b>14,035.6</b>	<b>24.7</b>
<b>Revenue Changes</b>				
<b>Base Revenue Changes</b>				
1 2018 annualization of positions approved with 2017 Provincial expansion	2,634.2	(658.2)	1,976.0	
Increased Provincial Subsidy (1.5%)	2,941.1		2,941.1	
Adjustment to Contribution from Capital with completion of Customer Service Improvement Project	(753.4)	(187.2)	(940.6)	
2 Contribution from Capital Growing Child Care for Toronto		339.0	339.0	
Increase in Parental Contribution based on actual experience	3,621.5		3,621.5	
<b>Total Revenue Changes</b>	<b>8,443.4</b>	<b>(506.4)</b>	<b>7,937.0</b>	
<b>Net Expenditure Changes</b>	<b>5,170.4</b>	<b>928.2</b>	<b>6,098.6</b>	<b>24.7</b>

Key cost drivers and offsetting cost reductions for Children's Services are shown in Table 2 above. The following describes major base budget changes for 2018:

## Gross Expenditure Changes

- Prior Year Impacts:
  - In addition to the reversal of the Occupancy Grants for 4 school boards of \$5.821 million, which is in accordance with approval of the 2017 Operating Budget, pressures of \$2.613 million include the annualization of positions added in 2017 to manage growth; and an increase in the cost of maintenance for the municipally managed child care centres; and a reduction of \$0.049 million from realigning services at Warden Woods and the annualization of the closure of Capri Child Care Centre.

- Salaries and Benefits
  - Known COLA, step and progression pay increases add a pressure of \$1.609 million
- Economic Factors:
  - The inflationary impact of the cost of purchased child care, comprised of \$6.853 million for a 2.1% COLA increase, and \$0.950 million for an increase in the General Operating Grant for a total impact of \$7.803 million in 2018.
- Other Base Changes
  - \$2.442 million pressure is a result of \$2.000 million for the 26.4 new positions required to comply with legislated changes that require an increase in staffing ratios; \$0.236 million in Purchased Child Care subsidies due to a change in age mix and \$0.339 million to deliver the *TCS Growing Child Care for Toronto* capital project.
  - In accordance with the report CD21.9 "*Funding Formula for Occupancy Costs*" adopted by City Council at its meeting on July 4, 2017, requesting that grant funding for occupancy costs for child care centres located in four district school boards be included in the 2018 budget, will create a pressure of \$5.821 million net.

### Base Revenue Changes

- \$7.937 million in revenue adjustments, comprised of \$3.622 million from an increase in parental contribution to the cost of child care, reflecting a change in the family income mix; \$2.941 million as a base increase in Provincial subsidy, and \$1.976 million in Provincial funding to fully fund new positions to manage growth.
- \$0.940 million reduction in the Program's Contribution to Capital as a result of the conclusion of Customer Service Improvements project in 2018, offset by an increase of \$0.339 million in Provincial funding to deliver the new Growing Child Care for Toronto project.

In order to absorb the base budget pressures, the Children's Services' 2018 Operating Budget includes base expenditure savings of \$0.278 million net, service efficiency savings of \$0.099 million net and revenue adjustments of \$5.821 million net, for a total of \$6.198 million net as detailed below.

**Table 3**  
**Actions to Achieve Budget Reduction Target**  
**2018 Service Change Summary**

Description (\$000s)	Service Changes				Total Service Changes			Incremental Change			
	Child Care Delivery		Child Care System Management		\$		#	2019 Plan		2020 Plan	
	Gross	Net	Gross	Net	Gross	Net	Pos.	Net	Pos.	Net	Pos.
<b>Base Changes:</b>											
<b>Base Expenditure Changes</b>											
Line-by-line savings	(238.7)	(238.7)	(39.4)	(39.4)	(278.0)	(278.0)					
<b>Base Expenditure Change</b>	(238.7)	(238.7)	(39.4)	(39.4)	(278.0)	(278.0)					
<b>Service Efficiencies</b>											
Efficiency savings from customer service improvements	(13.9)	(13.9)	(1.3)	(1.3)	(15.2)	(15.2)		(130.0)			
Warden Woods merging with satellite site efficiency savings	(83.5)	(83.5)			(83.5)	(83.5)					
<b>Sub-Total</b>	(97.4)	(97.4)	(1.3)	(1.3)	(98.6)	(98.6)		(130.0)			
<b>Revenue Adjustments</b>											
Draw from Child Care Expansion Reserve for Occupancy Grants				(5,821.2)		(5,821.2)					
<b>Sub-Total</b>				(5,821.2)		(5,821.2)					
<b>Total Changes</b>	(336.0)	(336.0)	(40.6)	(5,861.8)	(376.7)	(6,197.9)		(130.0)			

The following changes to the Program's base have been included as noted below:

### **Base Expenditure Changes (Savings of \$0.278 million gross & net)**

#### Base Reductions to Align Budget with Actual Expenditure

- Savings of \$0.278 million net are realized from the review of historical spending that aligns the budget to reflect actual expenditures. Savings are derived primarily from various reductions as a result of line-by-line analysis.

### **Service Efficiencies (Savings of \$0.099 million gross & net)**

#### Customer Service Improvements

- \$0.015 million in efficiency savings from the *Customer Service Improvements* project will be realized, derived primarily from a reduction in office supplies and photocopying.

#### Warden Woods Amalgamation

- Savings of \$0.084 million will be realized from consolidating Warden Woods and Warden Woods Satellite TELCCCs into one location. Savings are derived primarily from a reduction in rental and catering costs.

### **Revenue Adjustments (\$5.821 million net)**

#### Reinstatement of Occupancy Grant Funding

- The Province's current Education Funding Formula for Boards of Education does not include the occupancy cost of early learning and child care space in schools.
- The current occupancy agreements between the City and the four school boards covers the school boards operating costs associated with child care programs located in schools. Currently not all child care centres in schools are covered by the existing occupancy agreements. Across the sector 35% of child care centres benefit from the occupancy agreement, while 65% of centres do not receive this benefit.
- As a result, the Occupancy Grant in school board facilities that receive the grant, subsidizes full-fee paying parents with children in these schools, while full-paying parents with children in the school board facilities that do not receive the Occupancy Grant do not benefit from this subsidy.
- As part of the 2017 Budget process, City Council increased the 2017 Operating Budget for Children's Services by \$1.133 million gross and net to reinstate for 2017 only, with the Occupancy Grant funding for child care centres located in the four school boards currently covered by the Occupancy Agreement.
- At its meeting on July 4, 2017, City Council adopted the report, CD21.9 "*Funding Formula for Occupancy Costs*" and requested the General Manager, Children's Services and the Deputy City Manager and Chief Financial Officer to include, as base funding pressure, grant funding for occupancy costs in child care centres located in the four district school boards, for consideration in the 2018 Operating Budget for Children's Services with other city priorities, and to continue work to identify and implement alternative funding.
- The 2018 Budget includes funding of \$5.821 million to reinstate the occupancy grant funding to the 4 school boards. The funding is provided from the Child Care Expansion Reserve Fund as a bridging strategy for 2018 and 2019.
- The continuation of occupancy grant funding beyond 2019 will be considered as part of the future year budget process after taking into consideration any policy and regulatory changes implemented by the Ministry of Education to improve the Education Funding Formula to include the occupancy cost and provision of security of tenure of early learning and child care space in schools.

**Table 4**  
**2018 New and Enhanced Service Priorities**

The following initiatives were approved through the 2018 Operating Budget, \$48.040 million gross and \$2.107 million approved as a component of the Poverty Reduction Strategy, and \$21.808 million gross and \$0 net as new funding for investment from the 2018 increase in Provincial/ Federal funding.

New / Enhanced Service Description (\$000s)	2018 Impact				Net Incremental Change			
					2019 Plan		2020 Plan	
	Gross	Revenue	Net	Positions	Net	Positions	Net	Positions
<b>New Service Priorities- Poverty Reduction</b>								
Child Care Expansion (Firegrove/ Ancaster)	534.0	427.2	106.8	6.4				
Increased Staffing to Manage Growth	2,668.5	2,668.5		28.0	- 6.0		2.8	
Child and Family Centre Administration Program Support	2,698.9	2,698.9		14.0				
Child and Family Centre Program Delivery	23,825.2	23,825.2						
City's 20% Share of Prov/ Federal Growth Subsidy - 140 New Subsidies	2,000.0		2,000.0		7,600.0		1,600.0	
Increased Provincial Support for Programming	4,313.0	4,313.0						
Additional 825 Spaces to Support Growth	12,000.0	12,000.0						
<b>Total - Poverty Reduction</b>	<b>48,039.6</b>	<b>45,932.8</b>	<b>2,106.8</b>	<b>48.4</b>	<b>7,594.0</b>	<b>-</b>	<b>1,602.8</b>	<b>-</b>
<b>Other New Priorities</b>								
Provincial Wage Enhancement Program	3,453.0	3,453.0						
Fee Stabilization Support Program	2,768.0	2,768.0						
Journey Together Program	6,893.0	6,893.0						
Additional 550 Fee Subsidies to Support Growth	5,474.0	5,474.0						
Additional Special Needs Resource Funding	876.0	876.0						
Additional Community Based Capital Grant Funding	2,000.0	2,000.0						
Additional Admin Funding for Journey Together and Fee Stabilization Programming	345.0	345.0						
<b>Total - Other New Priorities</b>	<b>21,809.0</b>	<b>21,809.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total New / Enhanced Services</b>	<b>69,848.6</b>	<b>67,741.8</b>	<b>2,106.8</b>	<b>48.4</b>	<b>7,594.0</b>	<b>-</b>	<b>1,602.8</b>	<b>-</b>

Poverty Reduction (\$48.040 million gross, \$2.107 million net)

- Child Care Expansion
  - *TELCCS Expansion* request of \$0.534 million gross and \$0.107 million net, with \$0.101 million in additional facility operating costs, and \$0.432 million for 6.4 additional permanent child care aid and early childhood educator positions was added to deliver 30 new school age spaces at the Firgrove TELCCS and 10 additional toddler and 8 preschool spaces at the Ancaster TELCCS.
- Increased Staffing to Manage Growth
  - To support expansion and meet provincial and federal targets, Children's Services requires 23 permanent and 5 temporary full-time positions at a cost of \$2.668 million gross \$0 net (provincially funded). to: administer new fee subsidies; support children with special needs; enter into new and expanded service contracts; enhance measures to improve affordability; update provincial and federal reporting requirements to evaluate service delivery outcomes; ensure payments to operators are completed in a timely manner; plan and administer expanded service.
- Child and Family Centre new and enhanced priority has 2 components:
  - New Positions to administer CFC - Children's Services, under the provincial guidelines, will require 14 permanent positions for \$2.699 million gross, \$0 net to support the contract management, planning, training, programming and financial requirements of the services now under City administration. These positions include: 4 Community Development Officers; 3 consultants; 2 system analysts; 1 program manager; 1 training and development coordinator; 1 business analyst; 1 research analyst; and 1 budget co-ordinator.
  - Child and Family Centre Program Delivery - Effective January 1, 2018 all provincially funded child and family programs, Child and Family Centres, (CFC) including the Parent and Family Literacy Centres, will be transferred to the City for administration requiring an increase of \$23.825 million gross \$0 net.
- City 20% Share of Provincial/ Federal Growth Subsidy

- Funding of \$2.0 million gross and net represents the first tranche of the City's 20% investment towards Children's Services Growth Strategy, and provides funding to support an additional 140 child care subsidies, reflecting the total increase of 1,515 new subsidies in the 2018 Approved Operating Budget
- The second tranche of incremental operating funding of \$7.600 million will be considered in 2019 and is comprised of two parts: \$2.000 million to fund the ongoing construction of the Anishawabe Child Care Centre project; with an additional \$5.600 million contribution towards the cost of providing additional subsidies.
- The third tranche in 2020 of \$1.600 million represents the final commitment to complete the Anishawabe Child Care Centre capital project. The 2019 and 2020 investments will be subject to the future year budget processes to incrementally increase the operating funding that will be directed towards system growth, as the City's investment strategy to augment the Provincial, Federal funding.
- Please see the details in the following table:

City's 20% Incremental Investment in System Growth (\$000s)				
System Growth	2018	2019	2020	Total
140 additional child care subsidies	2,000			
Contribution to Anishawabe Capital Project *		2,000	1,600	3,600
Operating Subsidies		5,600		5,600
<b>Total</b>	<b>2,000</b>	<b>7,600</b>	<b>1,600</b>	<b>9,200</b>
<b>Cummulative **</b>	<b>2,000</b>	<b>9,600</b>	<b>11,200</b>	<b>11,200</b>

\* 62 space centre with spaces for 10 infants; 20 toddlers; and 32 preschoolers

\*\* \$11.2 million becomes part of the tax base

- Increased Support for on-going Programming for \$4.313 million gross \$0 net was added to fund the following core programming activities.
  - Provincial contributions to Home Child Care of \$3.0 million gross and \$0 net increases base funding for Home Child Care agencies, which improves affordability for families, and benefits all equity-seeking groups. Increase in subsidy for purchased child care rates for Home Child Care phases out Wage subsidy and replaces it with a modified funding approach.
  - General Operating Grant Increase of \$1.0 million gross, funded by the province provides an increase in the general operating grant, which increases base funding for child care operators.
  - Special Needs Increase Provincial/of Federal Funding of \$0.313 million gross \$0 net provides an increase in the Special Needs funding, which increases service for children with extra support needs. This additional subsidy provides an increase in funding levels to third party providers.
- Additional 825 Spaces to Support Growth
  - Funding of \$12.000 million, reflecting the underspending of federal and provincial funding received part way through 2017 was added to the Child Care Expansion Reserve to deliver an additional 825 child care subsidies in 2018, bringing the total child care subsidies to 30,490 spaces in 2018.

#### Other New Priorities (\$21.809 million gross, \$0 net)

- Provincial Wage Enhancement Program
  - To help promote a thriving workforce, the Province is funding an increase in the wage enhancement subsidy by \$3.453 million gross and \$0 net to help close the salary gap between registered early childhood educators (RECEs) working in full-day kindergarten programs and other program staff working in licensed child care settings.
- Fee Stabilization Support Program
  - To help mitigate the impact that the legislated increase in the minimum wage may have on child care fees, the province is providing a fully funded subsidy of \$2.768 million for a new Fee Stabilization program that

funds grants for operators to help reduce the impact of the additional cost of child care that may be passed on from operators to families.

- Journey Together Program
  - The province is fully funding \$6.893 million in 2018 and \$4.068 million in 2019 to deliver a grant to the support the indigenous community programming in culturally safe child and family centres. The grant is be available to retrofit 2 existing family centres and to deliver programming based on indigenous world views, culture and language.
- Additional 550 Fees Subsidies to Support Growth
  - Additional federal funding of \$5.475 million was added to deliver 550 additional child care subsidies for children aged 4 through 12 years old. These additional subsidies help support the 2018 increase to 30,490 subsidies, an increase of 1,515 spaces or 5.2% from 2017.
- Additional Special Needs Resource Funding
  - Additional provincial funding of \$0.876 million gross, \$0 net provides an increase in support for families and children with special needs through the provision of programming that address specific developmental issues.
- Additional Community Based Capital Grant Funding
  - A new provincial grant of \$2.0 million gross \$0 net was added to deliver funding for retrofits and renovations to child care operators to their facilities that will increase the number of licenced child care spaces in the community.
- Additional Admin Funding for Journey Together and Fee Stabilization
  - New administrative funding of \$0.345 million gross and \$0 net is provided to support the delivery of the Journey Together grant and the Fee Stabilization programming.

Approval of the 2018 Operating Budget for Children's Services will result in a 2019 incremental net cost of \$18.642 million and a 2020 incremental net cost of \$19.162 million to maintain 2018 service levels, as discussed in the following section.

**Table 5**  
**2019 and 2020 Plan by Program**

Future year incremental costs are primarily attributable to the following:

The Outlooks add pressure of \$18.642 million in 2019 and \$19.162 million in 2020, as noted below:

Description (\$000s)	2019 - Incremental Increase				2020 - Incremental Increase			
	Gross Expense	Revenue	Net Expense	Position	Gross Expense	Revenue	Net Expense	Position
<b>Known Impacts:</b>								
<b>Prior Year Impact</b>								
Provincially funded expansion	59.6	59.6	(0.0)		40.7	40.7	0.0	
Warden Woods amalgamation / expansion	9.4		9.4		4.7		4.7	
Closure of Capri TELCCC	(1.5)		(1.5)		(0.4)		(0.4)	
Increased staffing to manage growth	786.8	786.8						
Journey Together	(2,825.4)	(2,825.4)						
Draw from Child Care Expansion Reserve Fund	(12,000.0)	(12,000.0)						
<b>Salaries and Benefits</b>								
COLA, Progression & Step Increase	1,535.8		1,535.8		1,441.5		1,441.5	
<b>Other Base Changes (specify)</b>								
IDC/IDR	45.8		45.8		(268.9)	(2,200.0)	1,931.1	
Alignment of complement for TELCCS for compliance with Ministry guidelines	50.0		50.0		31.6		31.6	
Divisional Economic Factors	8,727.2		8,727.2		8,488.6		8,488.6	
Relocation of Lawrence East TELCCC	41.2		41.2		-			
Contribution to Capital TCS	1,066.0	1,066.0			(50.0)	(50.0)		
<b>Revenue (specify)</b>								
Increased provincial subsidy		(764.4)	764.4			156.0	(156.0)	
<b>Sub-Total</b>	<b>(2,505.0)</b>	<b>(13,677.4)</b>	<b>11,172.4</b>		<b>9,687.9</b>	<b>(2,053.3)</b>	<b>11,741.2</b>	
<b>Anticipated Impacts:</b>								
<b>Other</b>								
Efficiency savings from customer service improvements	(130.0)		(130.0)					
City's 20% share of growth strategy	7,600.0		7,600.0		1,600.0		1,600.0	
Occupancy Grants						(5,821.2)	5,821.2	
<b>Sub-Total</b>	<b>7,470.0</b>		<b>7,470.0</b>		<b>1,600.0</b>	<b>(5,821.2)</b>	<b>7,421.2</b>	
<b>Total Incremental Impact</b>	<b>4,965.0</b>	<b>(13,677.4)</b>	<b>18,642.4</b>		<b>11,287.9</b>	<b>(7,874.5)</b>	<b>19,162.4</b>	

### Known Impacts:

- Known adjustments also include \$1.536 million and \$1.442 million in 2019 and 2020 respectively, required for COLA, step and progression pay; contribution to capital to support the new capital project *Growing Child Care for Toronto*, with Provincial funding reduction of \$0.050 million in 2020.
- Other Base changes include the inflationary impact of purchased child care of \$8.727 million in 2019 and \$8.489 million in 2020.
- The loss of funding from the National Child Benefit Supplement Reserve Fund of \$2.200 million in 2020 reflects depletion of the reserve and moves the funding for 220 subsidies to the tax base to maintain current service levels.

### Anticipated Impacts:

- City's 20% contribution to support Provincial/ Federal growth funding
  - ✓ The second tranche of the City's 20% contribution of \$7.600 million is included in 2019, and is comprised of two parts: \$2.000 million to fund the ongoing construction of the Anishawabe Child Care Centre project; with an additional \$5.600 million contribution towards the cost of providing additional subsidies.
  - ✓ The third tranche in 2020 of \$1.600 million represents the final commitment to complete the Anishawabe Child Care Centre capital project.



- Efficiency savings of \$0.130 million in 2019 reflect administrative savings beyond 2019 for the *Customer Service Improvements* capital project
- Funding of \$5.821 million for the continuation of the Occupancy Grants beyond 2019 moves to the tax base, pending the Provincial decision to fund occupancy costs for child care in schools.



## Part 2

### 2018 Operating Budget by Service

## Child Care Delivery

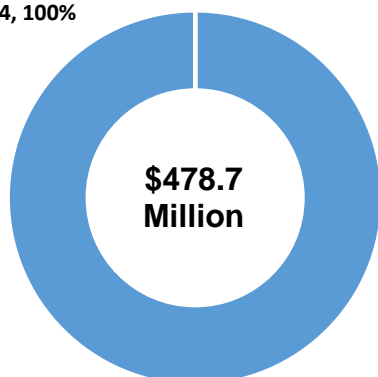


## What We Do

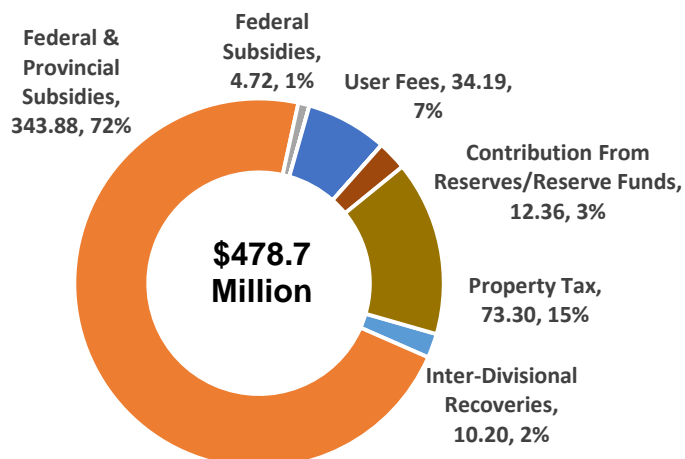
- Provide fee subsidies to help eligible families with all or part of the cost of early learning and care.
- Deliver child care directly through the Toronto Early Learning and Child Care Services that provides enriched early learning and care service to families primarily in high-need and under-served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

**22018 Service Budget by Activity  
(\$Ms)**

Child Care Delivery,  
\$478.74, 100%



**2018 Service by Funding Source  
(\$Ms)**



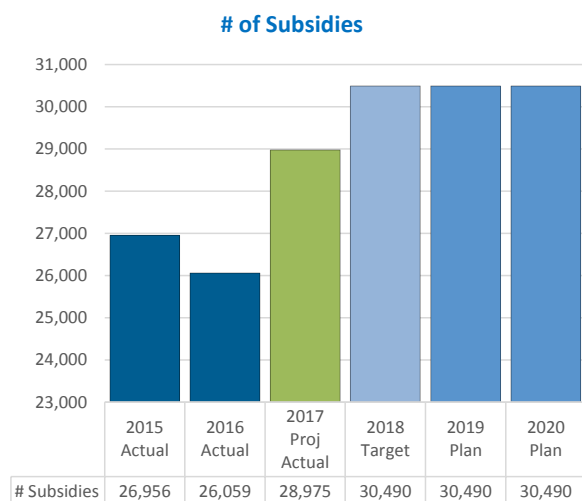
## 2018 Service Levels Child Care Delivery

Type	Sub-Type	Service Level Description	Status	2015	2016	2017	2018
Early Learning and Education		Frequency annual	Approved	100%	100%	100%	100%
			Actual				
Enriched Early Learning and Care	Infants	% occupancy of children placed through Toronto Early Learning and Child Care Services	Approved	98%	98%	98%	98%
			Actual	96%	96%	98%	
	Toddlers	% occupancy of children placed through Toronto Early Learning and Child Care Services	Approved	98%	98%	98%	98%
			Actual	96%	96%	98%	
	Pre-school Children	% occupancy of children placed through Toronto Early Learning and Child Care Services	Approved	98%	98%	98%	98%
			Actual	96%	96%	98%	
	Kindergarten aged Children	% occupancy of children placed through Toronto Early Learning and Child Care Services	Approved	98%	98%	98%	98%
			Actual	96%	96%	98%	
	School aged Children	% occupancy of children placed through Toronto Early Learning and Child Care Services	Approved	98%	98%	98%	98%
			Actual	96%	96%	98%	
Family Financial Support	Child Care Fee Subsidy		Approved	25,116	26,359	28,975	<b>30,490</b>
			Actual	26,900	27,500	28,975	
Family Well-Being Support Care	Children with Special Needs Served		Approved	3,852	3,912	4,112	<b>4,312</b>
			Actual	3,852	3,912	4,112	
	Family Resource Centres Programs		Approved	44	44	44	<b>262</b>
			Actual	44	44	44	

Overall, the 2018 Service Levels are consistent with the approved 2017 Service Levels for Child Care Delivery, while targets have been adjusted to reflect the increased need for family financial support and family well-being support care in the community.

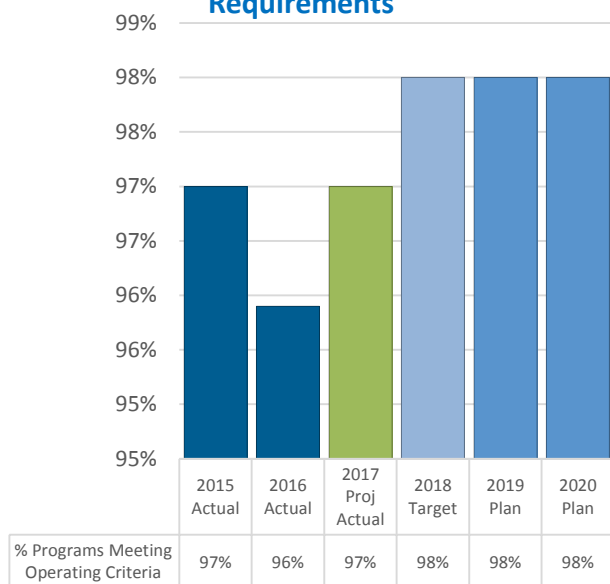
Note: 1 new and enhanced priority for \$12.0 million to add 825 new spaces in 2018 is included on the list of New and Enhanced Priorities for Budget Committee's consideration during the 2018 budget process.

## Service Performance Measures



- Children's Services will deliver 30,490 child care subsidies in 2018 which are allocated across City wards based on the proportion of children in the living below the low income threshold, a service level increase of 1,515, or 5.2% from the 2017 service levels.
- As a result of system expansion, the number of children served in the various programs and services delivered has increased from 58,164 in 2013 to 65,988 or 13.5% in 2017.
- In 2017, Children's Services is projecting to be slightly above target in delivering child care subsidies.

**Percentage of Programs Meeting  
Assessment for Quality Improvement  
Requirements**



- All child care centres with a service contract for fee subsidy or receiving base funding are assessed for quality standards. This assessment rates a centre's activities, learning, health & safety, and adult/child interactions by comparing them to the standards laid out in the Assessment for Quality indicators, a tool used to evaluate the City's expectations of quality for child care programs.
- For 2015, 97% of the centres met the operating criteria, with a slight decline in 2016 to 96%. The 2017 projections reflect an increase to 97%, with the 2018 Target and 2019 -2020 Plans at 98%.

**Table 6**  
**2018 Service Budget by Activity**

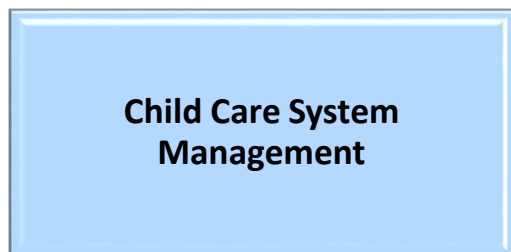
(\$000s)	2017	2018 Operating Budget							Incremental Change					
	Approved Budget	Base Budget	Service Changes	Base Budget	Base Budget vs. 2017 Budget		New/Enhanced	Prelim Budget	2018 Budget vs. 2017 Budget		2019 Plan		2020 Plan	
					Budget	% Change			Budget	%	\$	%	\$	%
GROSS EXP.														
Child Care Delivery	409,723.2	423,337.1	(336.0)	423,001.1	13,277.8	3.2%	55,734.6	478,735.7	69,012.4	16.8%	(2,218.4)	-0.5%	8,416.3	1.8%
Total Gross Exp.	409,723.2	423,337.1	(336.0)	423,001.1	13,277.8	3.2%	55,734.6	478,735.7	69,012.4	16.8%	(2,218.4)	-0.5%	8,416.3	1.7%
REVENUE														
Child Care Delivery	343,256.3	351,699.7		351,699.7	8,443.5	2.5%	53,627.8	405,327.5	62,071.3	18.1%	(11,918.0)	-2.9%	(2,003.3)	(0.5%)
Total Revenues	343,256.3	351,699.7		351,699.7	8,443.5	2.5%	53,627.8	405,327.5	62,071.3	18.1%	9,699.6	2.4%	10,419.6	2.4%
NET EXP.														
Child Care Delivery	66,467.0	71,637.4	(336.0)	71,301.4	4,834.4	7.3%	2,106.8	73,408.2	6,941.2	10.4%	9,699.6	13.2%	10,419.6	12.5%
Total Net Exp.	66,467.0	71,637.4	(336.0)	71,301.4	4,834.4	7.3%	2,106.8	73,408.2	6,941.2	10.4%	9,699.6	13.2%	10,419.6	11.1%
Approved Positions	921.8	955.2		955.2	33.3	3.6%	48.4	1,003.6	81.7	8.9%	0.0%			

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

The 2018 Operating Budget for the Child Care Delivery Service of \$478.736 million gross and \$73.408 million net is \$6.941million or 10.2% over the 2017 Approved Net Budget.

- In addition to the base budget pressures common to all services, this service is experiencing additional budget pressures as a result of the following:
  - Inflationary impacts of \$6.773 million are included for the cost of purchased child care; and \$0.237 million for the increase in the cost of maintenance for the municipally managed child care centres;
  - Other base changes for \$3.454 million are comprised of \$1.566 million for the new positions required for legislated changes that require an increase in staffing ratios; \$1.853 million to re-align cost of Purchased Child Care between services and to reflect a change in age mix; and \$0.339 million to deliver the TCS Growing Child Care for Toronto capital project.
  - Revenue changes of \$5.809 million are comprised of a 1.5% increase in base Provincial funding, and an increase of \$3.270 million in the parental contribution to the cost of child care, based on actual experience in 2017.
- To help mitigate these pressures, savings of \$0.336 million are reflected in the 2018 Budget as service changes, with \$0.278 million from the review of historical spending that aligns the budget to reflect actual expenditures; \$0.015 million in efficiency savings from the completion of the *Customer Service Improvements* project; with savings of \$0.084 million from consolidating Warden Woods and Warden Woods Satellite TELCCs into one location.
- Programming enhancements include provincial subsidy to fully support the Child and Family Centre programming; a provincial grant to support licensed Home Care providers; funding for increased staffing to manage program growth; and provincial, federal and City funding that provides 1,515 additional child care subsidies.
- 2019 and 2020 Outlooks include pressure of \$9.7 million and \$10.420 million respectively, primarily resulting from the inflationary impact salary and benefits and purchased child care, and in 2020, the loss of funding from the National Child Care Benefit Reserve Fund that supports 200 child care subsidies.

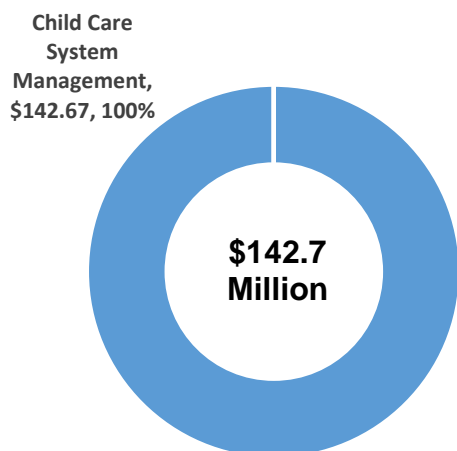
## Child Care System Management



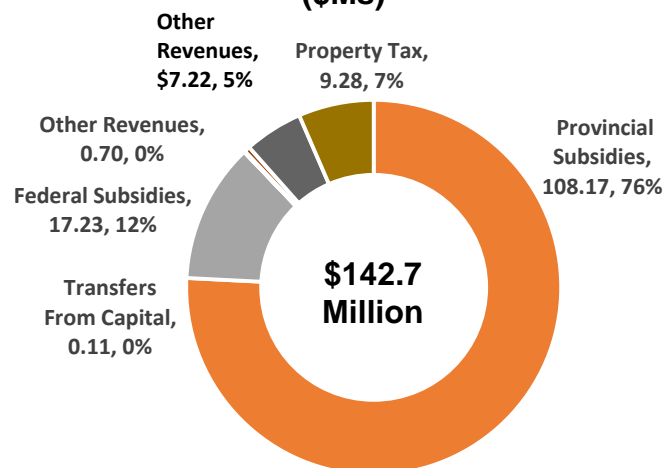
## What We Do

- Plan and manage Toronto's Child Care system in accordance with the Council approved Child Care Service Plan and Provincial guidelines.
- As Consolidated Municipal Service Manager (CMSM) for the City of Toronto, plan and implement policies and programs within the Provincial legislative framework that are designed to meet specific local requirements. In this capacity, the City develops and implements planning processes and programs to address service gaps and ensure that local goals are met.

**2018 Service Budget by Activity (\$Ms)**



**2018 Service by Funding Source (\$Ms)**





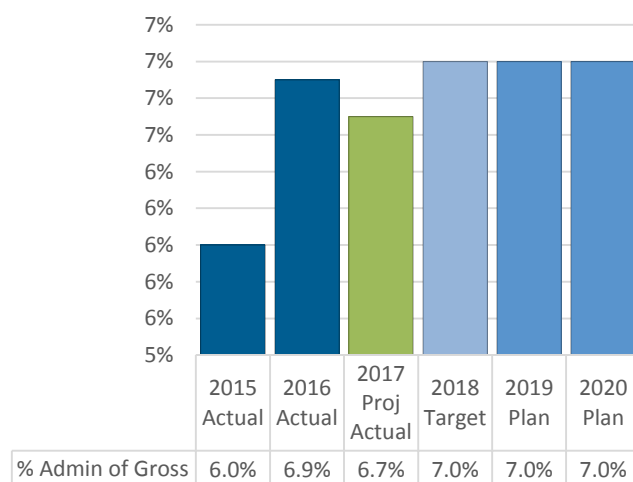
## 2018 Service Levels Child Care System Management

Type	Sub-Type	Service Level Description	Status	2015	2016	2017	2018
Early Learning and Education		Frequency annual	Approved	100%	100%	100%	100%
			Actual				
Enriched Early Learning and Care	Infants	% occupancy of children placed through Toronto Early Learning and Child Care Services	Approved	98%	98%	98%	98%
			Actual	96%	96%	98%	
	Toddlers	% occupancy of children placed through Toronto Early Learning and Child Care Services	Approved	98%	98%	98%	98%
			Actual	96%	96%	98%	
	Pre-school Children	% occupancy of children placed through Toronto Early Learning and Child Care Services	Approved	98%	98%	98%	98%
			Actual	96%	96%	98%	
	Kindergarten aged Children	% occupancy of children placed through Toronto Early Learning and Child Care Services	Approved	98%	98%	98%	98%
			Actual	96%	96%	98%	
	School aged Children	% occupancy of children placed through Toronto Early Learning and Child Care Services	Approved	98%	98%	98%	98%
			Actual	96%	96%	98%	
Family Financial Support	Child Care Fee Subsidy *		Approved	25,116	26,359	28,975	<b>30,490</b>
			Actual	26,900	27,500	28,975	
Family Well-Being Support Care	Children with Special Needs Served		Approved	3,852	3,912	4,112	<b>4,312</b>
			Actual	3,852	3,912	4,112	
	Family Resource Centres Programs		Approved	44	44	44	<b>262</b>
			Actual	44	44	44	

Overall, the 2018 Service Levels are consistent with the approved 2017 Service Levels for Child Care System Management.

## Service Performance Measures

### Administration as % of Total Gross Expenditures



- Historically, the cost of program delivery is between 5% and 6% of the Program's gross expenditures.
- For 2018, administrative costs are projected to temporarily increase to 7.0% reflecting the impact of managing the expanded child care system, responding to additional Provincial requirements and implementation of the new General Operating Grant across the sector.
- Administrative cost ratios have historically been kept significantly below the Provincial guideline of 10%.

**Table 6**  
**2018 Service Budget by Activity**

(\$000s)	2017	2018 Operating Budget							Incremental Change					
	Approved Budget	Base Budget	Service Changes	Base Budget	Base Budget vs. 2017 Budget	% Change	New/Enhanced	Prelim Budget	2018 Budget vs. 2017 Budget		2019 Plan		2020 Plan	
	\$	\$	\$	\$	\$	%	\$	\$	\$	%	\$	%	\$	%
<b>GROSS EXP.</b>														
Child Care System Management	128,179.1	128,600.9	(40.6)	128,560.2	381.1	0.3%	14,114.0	<b>142,674.2</b>	14,495.1	11.3%	7,183.4	5.0%	2,871.6	1.9%
<b>Total Gross Exp.</b>	128,179.1	128,600.9	(40.6)	128,560.2	381.1	0.3%	14,114.0	<b>142,674.2</b>	14,495.1	11.3%	7,183.4	5.0%	2,871.6	1.9%
<b>REVENUE</b>														
Child Care System Management	113,963.1	113,456.7	5,821.2	119,277.9	5,314.8	4.7%	14,114.0	<b>133,391.9</b>	19,428.8	17.0%	(1,759.4)	-1.3%	(5,871.2)	(4.5%)
<b>Total Revenues</b>	113,963.1	113,456.7	5,821.2	119,277.9	5,314.8	4.7%	14,114.0	<b>133,391.9</b>	19,428.8	17.0%	(1,759.4)	-1.3%	(5,871.2)	(4.7%)
<b>NET EXP.</b>														
Child Care System Management	14,216.0	15,144.2	(5,861.8)	9,282.3	(4,933.6)	(34.7%)		<b>9,282.3</b>	(4,933.6)	(34.7%)	8,942.8	96.3%	8,742.8	48.0%
<b>Total Net Exp.</b>	14,216.0	15,144.2	(5,861.8)	9,282.3	(4,933.6)	(34.7%)		<b>9,282.3</b>	(4,933.6)	(34.7%)	8,942.8	96.3%	8,742.8	32.4%
<b>Approved Positions</b>	84.6	77.0		77.0	(7.6)	(9.0%)		<b>77.0</b>	(7.6)	(9.0%)		0.0%	0.0	0.0%

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

The 2018 Operating Budget for Child Care System Management of \$142.674 million gross and \$9.282 million net is \$4.934 million or 34.7% under the 2017 Approved Net Budget.

- In addition to the base budget pressures common to all services, this service is experiencing additional budget pressures as a result of the following:
  - Inflationary impacts of \$2.091 million are included for a 2.1% increase in the cost of purchased child care; and \$0.237 million for the increase in the cost of maintenance for the municipally managed child care centres;
  - Other base changes include a reallocation of the cost of purchased child care to better align cost of service delivery between services and the impact of the increased staffing based on legislated changes in the staffing ratios. Revenue changes include: \$1.853 million to re-align cost of Purchased Child Care between services and to reflect a change in age mix; and \$0.339 million to deliver the TCS Growing Child Care for Toronto capital project.
- To help mitigate these pressures, base savings of \$0.039 million are included from the review of historical spending that aligns the budget to reflect actual expenditures; and a recovery of \$5.821 million from the Child Care Expansion Reserve Fund as a bridging strategy to continue the funding of occupancy costs for child care centres located in schools.
- Programming enhancements include provincial funding to support grants to purchased child care providers that will help make child care affordable for families through the new Fee Stabilization program and the Wage Enhancement program that will close the wage gap between registered child hood educators and other staff working in licensed child care settings; as well, provincial funding is included for the indigenous community to retrofit 2 existing family centres and deliver culturally sensitive programming.
- 2019 and 2020 Outlooks include pressure of \$8.7 million and \$8.9 million respectively, primarily resulting from the City's 20% contribution to support Provincial/ Federal expansion, and in 2020, the reversal of the bridge financing that supported the occupancy grants to the 4 district school boards.



## Part 3

### Issues for Discussion

## Issues Impacting the 2018 Budget

### Delivering System Growth

- On September 12, 2016, the provincial government committed to creating 100,000 new child care spaces over five years for children up to four years old across the province. Based on historical shares of provincial investments, this could result in approximately 30,000 new spaces for children 0-4 in Toronto.
- Similarly, the federal government announced \$500 million for 2017-18 to support the development of a new National Early Learning and Child Care Framework for children 0-12, to be developed with provinces, territories and Indigenous communities. On March 22, 2017, the federal budget announcement proposed an additional \$7 billion over ten years starting in 2018-19, and indicated that the investment could support up to 40,000 new subsidized child care spaces in the next three years.
- As the service system manager for child care and the early years in Toronto, Children's Services is responsible for managing this growth, in collaboration with other community partners who make up the system.
- Informed by the results of the *Licensed Child Care Demand and Affordability Study* and in anticipation of increased provincial and federal funding, Children's Services developed a 10-year growth strategy, as presented in CD19.2 "Toronto's Child Care Growth Strategy".

Link: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.CD19.2>

- At its meeting on April 26, 2017, Council adopted the recommendations in this report, which calls for a tri-government investment with additional funding contributions from the federal, provincial governments and the City of Toronto.
- In the same meeting, City Council confirmed its ongoing commitment to funding 20 per cent of child care costs related to growth.
- The Toronto Child Care Growth strategy is supported by the following recommendations:
  - Growing the child care system to serve 50 per cent of children from birth to age four (estimated 10-year cost of \$1.4 billion);
  - Increasing fee subsidies to serve 40 to 50 per cent of all licensed spaces (estimated additional annual operating costs of \$100 million);
  - Providing operating grants that reduce parent fees by 25 to 40 per cent (estimated additional annual operating costs of \$340 million); and
  - Supporting a thriving early learning and child care workforce (estimated additional annual operating costs of \$84 million)
  - To support implementation of the Child Care Growth Strategy, City Council committed to investing the equivalent of 20% of provincial and federal investments in growth, subject to the 2018 budget review process.
- At the time the Toronto Growth Strategy was adopted by City Council, Toronto's 2017 Provincial and Federal funding allocations were not known. Subsequently, as discussed in EX26.30 "*Children's Services Amendment to the 2017 Operating Budget to Reflect Increase in Provincial Contributions*," adopted on July 4, 2017 Council approved the ongoing increase in Provincial funding of \$34.5 million to increase access to affordable child care for children 0-4, through providing increased subsidies, providing increased access to service and to broadly reduce licensed child care fees.
- Concurrently, the Federal government announced \$21.5 million in ongoing funding provided through the Canada-Ontario Early learning and Child Care Agreement 2017 to increase access to affordable child care for children aged 0 to 12 including supporting additional fee subsidies, access and affordability measures and capital expansion.

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

- The "*Child Care Growth Strategy – Phase One Implementation (2017-2019)*", presented by Children's Services to City Council at its meeting of Nov 7, 2017, focused on a number of current and future investments that support the following 3 priorities:

Link: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.CD23.5>

***Improving Affordability for Families with Child Care Needs:***

- Fee Subsidies:
  - 2,189 additional subsidies for children from birth to age four and 427 for children age four to 12 were added in 2017, funded by Federal/Provincial contributions.
  - An additional 825 subsidies are proposed to be added in 2018. Please refer to the New and Enhanced requests in the "Issues Referred to the Budget Process" section for more information.
- Reducing Fees and Increasing Affordability:
  - Additional base funding of \$11.4 million provided through a General Operating Grant (GOG) in 2017 to child care operators resulted in all eligible programs receiving new or increased base funding in 2017. This improved affordability for parents saw an average parent fee increase of less than one per cent in 2017. Prior to this new investment in base funding to operators, average parent fee increases were 3.3 per cent and 2.32 per cent in 2015 and 2016 respectively.

***Support a Thriving Workforce:***

- Additional base funding of \$11.4 million was provided in 2017 to child care centres, to help offset operating costs.
- Children Services continues to provide funding to centres through the Provincial Wage Enhancement Program, which provides a legislatively regulated subsidy to operators that supplements wages for child care sector staff.

***Providing Capital Growth to increase System Capacity:***

- In 2017, \$15.785 million of the new federal funding from the Canada-Ontario agreement has been allocated to capital to create new child care spaces in 2017 and 2018 with the federal guidelines requiring the projects to be spent by 2018. It is anticipated that up to 250 new spaces will be created with this funding.
- The 2018-2027 Capital Plan for Children's Services includes 3 new Child Care Centres with 62 spaces each, 2 of these centres are funded by the federal government (Bendale Child Care Centre and Child Care Centre # 11) and the Anishawabe Child Care Centre, which is funded by the City.
  - In keeping with Council's direction to fund 20% of child care operating costs, the City's Investment Strategy includes \$2.0 million in 2018 to support an additional 140 child care subsidies; concurrently, the City is supporting the construction of the Anishawabe Child Care Centre with cash flow funding of \$2.0 million from the Child Care Capital Reserve Fund in 2018.
  - An additional \$2.0 million in 2019 and \$1.6 million in 2020 is included in the 2018-2023 Approved Capital Plan to support the capital commitments for Anishawabe, subject to the 2019 and future year budget processes. (Please refer to the discussion on pg 10 on the City 20% Share of Provincial Federal/ Growth Subsidy.)
  - Once the capital financing for Anishawabe has been completed, the \$3.6 million in ongoing funding, previously committed to Anishawabe (and subject to review in future year budget processes), will be available as base operating funding to offset child care operating costs.



# Appendices

## Appendix 1

### 2017 Service Performance

#### Key Service Accomplishments

In 2017, Children's Services accomplished the following:

- ✓ More than 28,000 families received a fee subsidy in 2017, enabling them to participate in employment or education activities. The number of child care fee subsidies available for Toronto families has steadily increased each year, while the waitlist for subsidies has decreased.
- ✓ The number of licensed child care spaces continues to increase with more than 3,500 new spaces projected to be introduced in 2017.
- ✓ City Council adopted a 10 year growth strategy; Toronto's Licensed Child Care Growth Strategy for children under 4.
- ✓ Embarked on the Child Care Expansion Plan and Canada-Ontario Early Learning and Child Care Agreement to expand child care and early learning in Toronto. These agreements provide new investments for increasing access and affordability of high-quality licensed child care.
- ✓ Improved access for Indigenous Families through strengthened connections with community organizations that serve the Indigenous Community.
- ✓ Launched a new Toronto-specific child care Funding Model that aims to support affordability and accessibility of child care programs and increase the stability and fairness of child care funding across Toronto.
- ✓ Launched Raising the Village to provide communities with data and research that measures the well-being of children and families in Toronto.
- ✓ Through the Toronto Child & Family Network (TC&FN), brought together many systems and leaders that improves quality, access and seamless service pathways so that all children and families in Toronto experience well-being.
- ✓ Launched an Ontario Works (OW) Shared Clients Project between TESS and TCS to streamline the processing of shared clients receiving child care.
- ✓ Through the Human Services Integration initiative, launched a new website with integrated information about services and programs for Toronto's families.
- ✓ Introduced a "My Child Care Account" that provide families with a variety of self-serve functions including access to information about child care options and an online application for fee subsidy.
- ✓ Automated special needs service delivery requests and data collection to provide a solid base for planned service delivery and improve response time for service requests.



## Appendix 2

### 2018 Operating Budget by Expenditure Category

#### Program Summary by Expenditure Category

Category of Expense (\$000's)	2015 Actual	2016 Actual	2017 Budget	2017 Projected Actual *	2018 Budget	2018 Change from 2017 Approved Budget		Plan	
	\$	\$	\$	\$	\$	\$	%	2019 \$	2020 \$
Salaries And Benefits	79,673.3	82,955.7	89,409.5	84,709.5	99,876.5	10,467.0	11.7%	102,253.4	103,521.1
Materials & Supplies	2,547.3	2,274.0	2,518.4	2,518.4	2,766.1	247.7	9.8%	2,807.8	2,881.3
Equipment	946.1	697.1	727.6	727.6	1,382.3	654.7	90.0%	1,387.6	1,410.7
Service And Rent	353,741.4	363,637.2	411,739.1	399,739.1	494,258.4	82,519.3	20.0%	493,850.2	502,257.2
Contribution To Capital			680.0	680.0	378.0	(302.0)	(44.4%)	3,299.0	4,834.0
Contribution To Reserves/Reserve Funds	1,292.5	1,292.5	29,123.9	29,123.9	17,123.9	(12,000.0)	(41.2%)	17,123.9	17,123.9
Other Expenditures	13.9	145.1	669.3	669.3	2,682.7	2,013.4	300.8%	2,682.7	2,682.7
Inter-Divisional Charges	4,155.1	4,556.7	3,034.4	3,034.4	2,942.0	(92.4)	(3.0%)	2,970.4	2,952.0
<b>Total Gross Expenditures</b>	<b>442,369.6</b>	<b>455,558.4</b>	<b>537,902.3</b>	<b>521,202.3</b>	<b>621,409.9</b>	<b>83,507.6</b>	<b>15.5%</b>	<b>626,375.0</b>	<b>637,663.0</b>
Inter-Divisional Recoveries	8,729.5	5,622.6	10,200.0	10,200.0	10,200.0			10,200.0	8,000.0
Provincial Subsidies	323,214.3	345,190.9	391,909.1	387,209.1	452,714.0	60,804.9	15.5%	450,931.7	451,208.4
Federal Subsidies			21,500.0	21,500.0	21,500.0			21,500.0	21,500.0
User Fees & Donations	28,448.6	30,239.6	30,569.6	30,569.6	34,191.1	3,621.5	11.8%	34,191.1	34,191.1
Transfers From Capital	133.7	134.3	1,280.6	1,280.6	533.0	(747.6)	(58.4%)	638.0	508.0
Contribution From Reserves/Reserve Funds	5,033.5		1,760.0	1,760.0	19,581.2	17,821.2	1012.6%	7,581.2	1,760.0
<b>Total Revenues</b>	<b>365,592.1</b>	<b>381,207.3</b>	<b>457,219.4</b>	<b>452,519.4</b>	<b>538,719.3</b>	<b>81,499.9</b>	<b>17.8%</b>	<b>525,042.0</b>	<b>517,167.5</b>
<b>Total Net Expenditures</b>	<b>76,777.5</b>	<b>74,351.1</b>	<b>80,682.9</b>	<b>68,682.9</b>	<b>82,690.6</b>	<b>2,007.7</b>	<b>2.5%</b>	<b>101,333.0</b>	<b>120,495.5</b>
<b>Approved Positions</b>	<b>982.6</b>	<b>990.9</b>	<b>1,007.5</b>	<b>1,007.5</b>	<b>1,080.6</b>	<b>73.1</b>	<b>7.3%</b>	<b>1,080.6</b>	<b>1,080.6</b>

\* Based on the 9-month Operating Variance Report

Children's Services is projecting to be \$12.000 million underspent at year-end, with gross expenditures \$16.700 million below budget and under-achieved revenues of \$4.700 million. Two drivers are responsible for underspending: under spent salaries and benefits due to vacancies throughout the year, and underspending in the purchased child care system.

As the new growth-related Provincial and Federal subsidies were received mid-year, there was a delay in the delivery of growth-related funding. Projected unspent Provincial/ Federal funding will be contributed to the Child Care Expansion Reserve Fund to be spent by the end of 2018. The under spending in base salaries and benefits will result in a reduction in the Provincial subsidy.

For additional information regarding the 2017 Q3 operating variances and year-end projections, please refer to the attached link for the report entitled "Operating Variance Report for the Nine-Month Period Ended September 30, 2017", to be considered by City Council at its meeting on December 5, 2017.

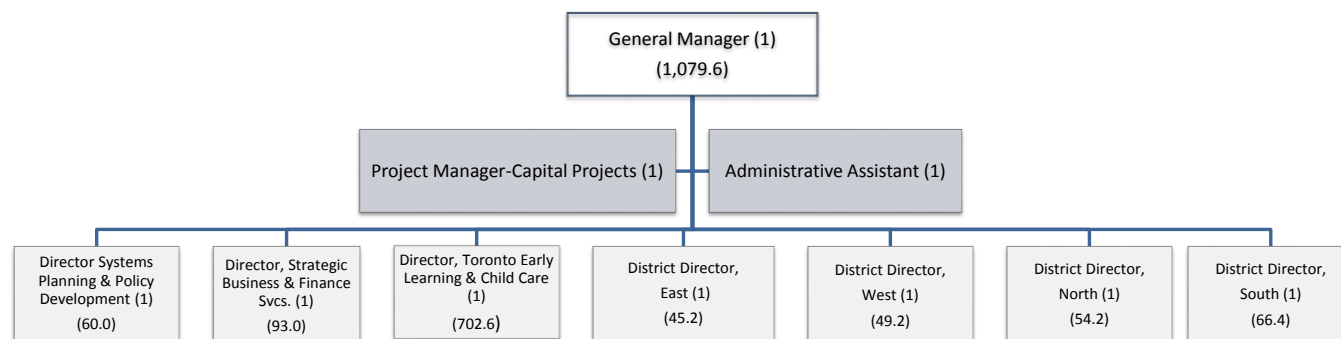
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.BU37.2>

### Impact of 2017 Operating Variance on the 2018 Operating Budget

- The unspent Provincial/ Federal funding received in 2017 has been transferred to the Child Care Expansion Reserve Fund to be spent by the end of 2018 as per the funding guidelines.
- Savings from salaries and benefits are not expected to continue into 2018 as program vacancies are filled.

## Appendix 3

### 2018 Organization Chart



### 2018 Total Complement

	Category	Senior Management	Management with Direct Reports	Management without Direct Reports/Exempt Professional & Clerical	Union	Total
Operating	Permanent	8.0	80.0	102.0	853.6	1,043.6
	Temporary		3.0	23.0	7.0	33.0
	<b>Total Operating</b>	8.0	83.0	125.0	860.6	1,076.6
Capital	Permanent			4.0		4.0
	Temporary					
	<b>Total Capital</b>			4.0		4.0
<b>Grand Total</b>		8.0	83.0	129.0	860.6	1,080.6

## **Appendix 5**

### **Summary of 2018 New / Enhanced Service Priorities**

## 2018 Operating Budget - Council Approved New and Enhanced Services Summary by Service (\$000's)

Form ID		Citizen Focused Services A  Program - Children's Services	Adjustments				2019 Plan Net Change	2020 Plan Net Change
Category	Equity Impact		Gross Expenditure	Revenue	Net	Approved Positions		
14650		Child Care Expansion (Firgrove / Ancaster) increased spaces						
74	Positive	<b>Description:</b>  Expansion of Firgrove and Ancaster TELCSS has been approved with additional funding of \$0.534 million gross and \$0.107 million net, with \$0.101 million in additional facility operating costs, and \$0.432 million for 6.4 additional permanent child care aid and early childhood educator positions.  <b>Service Level Impact:</b>  30 new school age spaces are approved for the Firgrove TELCCS and 10 additional toddler and 8 preschool spaces will be provided at the Ancaster TELCCS.  <b>Equity Statement:</b>  While this proposal is likely to generally benefit families with young children, it will primarily have a positive impact on women. The impacts include increased access to childcare, which in turn can increase women's access to employment, education and training.  <b>Service:</b> Child Care Delivery						
		Preliminary:	0.0	0.0	0.0	0.00	0.0	0.0
		BC Recommended Changes:	534.0	427.2	106.8	6.42	(6.0)	2.7
		EC Recommended Changes:	0.0	0.0	0.0	0.00	0.0	0.0
		CC Recommended Changes:	0.0	0.0	0.0	0.00	0.0	0.0
		Total Council Approved:	534.0	427.2	106.8	6.42	(6.0)	2.7
		<b>Total Preliminary New / Enhanced Services:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
		<b>Budget Committee Recommended:</b>	<b>534.0</b>	<b>427.2</b>	<b>106.8</b>	<b>6.42</b>	<b>(6.0)</b>	<b>2.7</b>
		<b>Executive Committee Recommended:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
		<b>City Council Approved:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
		<b>Total Council Approved New / Enhanced Services:</b>	<b>534.0</b>	<b>427.2</b>	<b>106.8</b>	<b>6.42</b>	<b>(6.0)</b>	<b>2.7</b>

14683	Increased staffing to manage growth
74	Positive

**Description:**

**Category:**

71 - Operating Impact of New Capital Projects      74 - New Services  
72 - Enhanced Services-Service Expansion      75 - New Revenues

## 2018 Operating Budget - Council Approved New and Enhanced Services Summary by Service (\$000's)

Form ID		Citizen Focused Services A	Adjustments				2019 Plan Net Change	2020 Plan Net Change
Category	Equity Impact		Gross Expenditure	Revenue	Net	Approved Positions		
		Program - Children's Services						

Through the 2017 and 2018 budget cycles, the province and the federal governments have provided a significant amount of new additional funding to support program growth, to help make child care affordable to families, as well as to support a thriving workforce by supplementing wages for child care providers. To administer program expansion and to meet provincial and federal targets, Children's Services requires 23 permanent and 5 temporary full-time positions at a cost of \$2.668 million gross \$0 net. The cost of these positions is fully funded by the province..

### Service Level Impact:

To support expansion and meet provincial and federal targets, an additional 23 permanent and 5 temporary full-time positions are required to support the following administrative requirements: administer new fee subsidies; support children with special needs; enter into new and expanded service contracts; enhance measures to improve affordability; update provincial and federal reporting requirements to evaluate service delivery outcomes; ensure payments to operators are completed in a timely manner; and plan and administer expanded service.

### Equity Statement:

This proposal is likely to have a positive impact on women, as it increases access to affordable childcare, thereby increasing women's access to employment, education and training. While it is likely to generally benefit families with young children, it will have a significant impact on families with low-income and those who experience higher risk of low-income, including all equity-seeking groups. It will increase their access to affordable childcare.

### Service: Child Care Delivery

Preliminary:	0.0	0.0	0.0	0.00	0.0	0.0
BC Recommended Changes:	2,668.4	2,668.4	(0.0)	28.00	0.0	0.0
EC Recommended Changes:	0.0	0.0	0.0	0.00	0.0	0.0
CC Recommended Changes:	0.0	0.0	0.0	0.00	0.0	0.0
Total Council Approved:	2,668.4	2,668.4	(0.0)	28.00	0.0	0.0
Preliminary:	0.0	0.0	0.0	0.00	0.0	0.0
BC Recommended Changes:	0.0	0.0	0.0	0.00	0.0	0.0
EC Recommended Changes:	0.0	0.0	0.0	0.00	0.0	0.0
CC Recommended Changes:	0.0	0.0	0.0	0.00	0.0	0.0
Total Council Approved:	0.0	0.0	0.0	0.00	0.0	0.0
<b>Total Preliminary New / Enhanced Services:</b>	<b>(0.0)</b>	<b>0.0</b>	<b>(0.0)</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
<b>Budget Committee Recommended:</b>	<b>2,668.4</b>	<b>2,668.4</b>	<b>(0.0)</b>	<b>28.00</b>	<b>0.0</b>	<b>0.0</b>

#### Category:

71 - Operating Impact of New Capital Projects      74 - New Services  
72 - Enhanced Services-Service Expansion      75 - New Revenues

## 2018 Operating Budget - Council Approved New and Enhanced Services Summary by Service (\$000's)

Form ID		Citizen Focused Services A	Adjustments				2019 Plan Net Change	2020 Plan Net Change
Category	Equity Impact		Gross Expenditure	Revenue	Net	Approved Positions		
		Program - Children's Services						
		<b>Executive Committee Recommended:</b>	0.0	0.0	0.0	0.00	0.0	0.0
		<b>City Council Approved:</b>	0.0	0.0	0.0	0.00	0.0	0.0
		<b>Total Council Approved New / Enhanced Services:</b>	2,668.4	2,668.4	(0.0)	28.00	0.0	0.0

14725		Child & Family Centres (CFC) Administration Program Support					
74	Positive	<b>Description:</b>					
Effective January 1, 2018 all provincially funded child and family programs administered through the Ontario Early Years Child and Family Centres (OEYCFCs), including Child and Family Centres, (CFC) and the Parent and Family Literacy Centres, are being transferred to the City for administration. To deliver this new programming an increase of \$2.669 million gross \$0 net to support additional staff to administer the programming has been added. The new positions are fully funded by the Province.							
<b>Service Level Impact:</b>							
The administration of the OEYCFC programming by Children's Services will require 14 permanent positions for \$2.699 million gross, \$0 net to support the contract management, planning, training, programming and financial requirements of the services now under City administration. These positions include: 4 Community Development Officers; 3 consultants; 2 system analysts; 1 program manager; 1 training and development coordinator; 1 business analyst; 1 research analyst; and 1 budget co-ordinator.							
<b>Equity Statement:</b>							
This proposal is likely to have a positive impact on all members of all equity-seeking groups who are families with young children. It is anticipated that this proposal, associated with the transfer of the CFC Program, will result in service improvements that are the result of extensive consultation. Families from equity-seeking groups are more likely to face barriers, albeit different ones, to accessing parenting supports. It will increase access to parenting supports, as well as opportunities for community participation.							
<b>Service:</b> Child Care Delivery							
Preliminary:		0.0	0.0	0.0	0.00	0.0	0.0
BC Recommended Changes:		2,698.9	2,698.9	0.0	14.00	(0.0)	0.0
EC Recommended Changes:		0.0	0.0	0.0	0.00	0.0	0.0
CC Recommended Changes:		0.0	0.0	0.0	0.00	(0.0)	0.0
Total Council Approved:		2,698.9	2,698.9	0.0	14.00	(0.0)	0.0
<b>Total Preliminary New / Enhanced Services:</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>

**Category:**

71 - Operating Impact of New Capital Projects

74 - New Services

72 - Enhanced Services-Service Expansion

75 - New Revenues

## 2018 Operating Budget - Council Approved New and Enhanced Services Summary by Service (\$000's)

Form ID		Citizen Focused Services A  Program - Children's Services	Adjustments				2019 Plan Net Change	2020 Plan Net Change
Category	Equity Impact		Gross Expenditure	Revenue	Net	Approved Positions		
		<b>Budget Committee Recommended:</b>	2,698.9	2,698.9	0.0	14.00	(0.0)	0.0
		<b>Executive Committee Recommended:</b>	0.0	0.0	0.0	0.00	0.0	0.0
		<b>City Council Approved:</b>	0.0	0.0	0.0	0.00	(0.0)	0.0
		<b>Total Council Approved New / Enhanced Services:</b>	2,698.9	2,698.9	0.0	14.00	(0.0)	0.0

14733	City 20% Share of Prov/ Federal Growth Subsidy
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74	Positive	<b>Description:</b>
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The Budget Committee Recommended Operating Budget directed that the City's 2018 contribution to support the Provincial/ Federal increase in growth funding be allocated to fund construction of the Anishawabe Child Care Centre. At its meeting of Feb 12th, City Council approved Motion 15a) that reversed this allocation, directing that the City's \$2.0 million contribution be used to deliver 140 additional child care subsidies. (Please see BC 15440.) An additional \$7.6 million is included in 2019 to support the construction of the Anishawabe Child Care Centre and the delivery of additional child care subsidies, with an additional \$1.6 million included in 2020 to complete the construction of the Anishawabe Child Care Centre.

### Service Level Impact:

The additional 140 child care subsidies are included in the 1,515 new subsidies added in 2018, bringing the total subsidies to 30,490, an increase of 5.2% from the 28,975 subsidies budgeted in 2017.

### Equity Statement:

This proposal supports the increase in child care subsidies, which will have a positive impact on families with young children. While it will generally benefit families, it is likely to have a particularly significant impact on women. The impacts include increased access to childcare, which in turn can increase women's access to employment, education and training. The benefits of this proposal will not be realized until the capital project is complete. (Note, the Capital Budget has not included an equity impact analysis.)

### Service: Child Care System Management

Preliminary:	0.0	0.0	0.0	0.00	0.0	0.0
BC Recommended Changes:	2,000.0	0.0	2,000.0	0.00	7,600.0	1,600.0
EC Recommended Changes:	0.0	0.0	0.0	0.00	0.0	0.0
CC Recommended Changes:	(2,000.0)	0.0	(2,000.0)	0.00	0.0	0.0
Total Council Approved:	0.0	0.0	0.0	0.00	7,600.0	1,600.0

<b>Total Preliminary New / Enhanced Services:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
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#### Category:

71 - Operating Impact of New Capital Projects	74 - New Services
72 - Enhanced Services-Service Expansion	75 - New Revenues



## 2018 Operating Budget - Council Approved New and Enhanced Services Summary by Service (\$000's)

Form ID		Citizen Focused Services A  Program - Children's Services	Adjustments				2019 Plan Net Change	2020 Plan Net Change
Category	Equity Impact		Gross Expenditure	Revenue	Net	Approved Positions		
		<b>Budget Committee Recommended:</b>	2,000.0	0.0	2,000.0	0.00	7,600.0	1,600.0
		<b>Executive Committee Recommended:</b>	0.0	0.0	0.0	0.00	0.0	0.0
		<b>City Council Approved:</b>	(2,000.0)	0.0	(2,000.0)	0.00	0.0	0.0
		<b>Total Council Approved New / Enhanced Services:</b>	0.0	0.0	0.0	0.00	7,600.0	1,600.0

14735		Child and Family Centres (CFC) Program Delivery					
74	Positive	<b>Description:</b>					
Effective January 1, 2018 all provincially funded child and family programs delivered through the Ontario Early Years Child Care and Family Centres (OEYCFCs), including Child and Family Centres, (CFC) and the Parent and Family Literacy Centres, was transferred to the City for administration through existing providers. Funding of \$23.825 million gross and \$0 net is provided by the province to support the programming. The programming is fully funded by the province.							
<b>Service Level Impact:</b>							
As the responsibility to deliver the OEYCFC programming has been to the City, Children's Services will manage the ongoing contracts with 50 agencies who will continue to deliver the programming at over 262 locations.							
<b>Equity Statement:</b>							
This proposal is likely to have a positive impact on all members of all equity-seeking groups who are families with young children. It is anticipated that this proposal, associated with the transfer of the CFC Program, will result in service improvements that are the result of extensive consultation. Families from equity-seeking groups are more likely to face barriers, albeit different ones, to accessing parenting supports. It will increase access to parenting supports, as well as opportunities for community participation.							
<b>Service:</b> Child Care Delivery							
Preliminary:		0.0	0.0	0.0	0.00	0.0	0.0
BC Recommended Changes:		23,825.2	23,825.2	0.0	0.00	0.0	0.0
EC Recommended Changes:		0.0	0.0	0.0	0.00	0.0	0.0
CC Recommended Changes:		0.0	0.0	0.0	0.00	0.0	0.0
Total Council Approved:		23,825.2	23,825.2	0.0	0.00	0.0	0.0
<b>Total Preliminary New / Enhanced Services:</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>

**Category:**

71 - Operating Impact of New Capital Projects  
72 - Enhanced Services-Service Expansion

74 - New Services  
75 - New Revenues

## 2018 Operating Budget - Council Approved New and Enhanced Services Summary by Service (\$000's)

Form ID		Citizen Focused Services A  Program - Children's Services	Adjustments				2019 Plan Net Change	2020 Plan Net Change
Category	Equity Impact		Gross Expenditure	Revenue	Net	Approved Positions		
		<b>Budget Committee Recommended:</b>	23,825.2	23,825.2	0.0	0.00	0.0	0.0
		<b>Executive Committee Recommended:</b>	0.0	0.0	0.0	0.00	0.0	0.0
		<b>City Council Approved:</b>	0.0	0.0	0.0	0.00	0.0	0.0
		<b>Total Council Approved New / Enhanced Services:</b>	23,825.2	23,825.2	0.0	0.00	0.0	0.0

14738		Increased Provincial Support for Programming						
74	Positive	<b>Description:</b>  Increased support for on-going programming of \$4.313 million gross \$0 net has been added for the following core programming activities, with \$3.0 million base funding for Home Child Care agencies; a \$1.0 million increase in the General Operating Grant for child care operators; and an increase of \$0.313 million in Special Needs programming. These increases are fully funded by the province.  <b>Service Level Impact:</b>  The \$3.0 million increase in Home Child Care provides additional base funding for Home Child Care agencies, improving the affordability for families. The General Operating Grant increase of \$1.0 million will increase base funding for child care operators, helping to improve affordability for families. The Special Needs increase of \$0.313 million supports increased programming services for children who require extra support.  <b>Equity Statement:</b>  This proposal is likely to have a positive impact on women, as it increases access to affordable childcare, thereby increasing women's access to employment, education and training. While it is also likely to generally benefit families with young children, it will have a significant impact on families with low-income and those who experience higher risk of low-income, including all equity-seeking groups. It will increase their access to affordable childcare.  <b>Service:</b> Child Care Delivery						
		Preliminary:	0.0	0.0	0.0	0.00	0.0	0.0
		BC Recommended Changes:	3,313.0	3,313.0	0.0	0.00	0.0	0.0
		EC Recommended Changes:	0.0	0.0	0.0	0.00	0.0	0.0
		CC Recommended Changes:	0.0	0.0	0.0	0.00	0.0	0.0
		Total Council Approved:	3,313.0	3,313.0	0.0	0.00	0.0	0.0
		<b>Service:</b> Child Care System Management						

# 2018 Operating Budget - Council Approved New and Enhanced Services Summary by Service (\$000's)

Form ID		Citizen Focused Services A  Program - Children's Services	Adjustments				2019 Plan Net Change	2020 Plan Net Change
Category	Equity Impact		Gross Expenditure	Revenue	Net	Approved Positions		
		Preliminary:	0.0	0.0	0.0	0.00	0.0	0.0
		BC Recommended Changes:	1,000.0	1,000.0	0.0	0.00	0.0	0.0
		EC Recommended Changes:	0.0	0.0	0.0	0.00	0.0	0.0
		CC Recommended Changes:	0.0	0.0	0.0	0.00	0.0	0.0
		Total Council Approved:	1,000.0	1,000.0	0.0	0.00	0.0	0.0
		<b>Total Preliminary New / Enhanced Services:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
		<b>Budget Committee Recommended:</b>	<b>4,313.0</b>	<b>4,313.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
		<b>Executive Committee Recommended:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
		<b>City Council Approved:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
		<b>Total Council Approved New / Enhanced Services:</b>	<b>4,313.0</b>	<b>4,313.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>

## Category:

71 - Operating Impact of New Capital Projects  
72 - Enhanced Services-Service Expansion

74 - New Services  
75 - New Revenues

# 2018 Operating Budget - Council Approved New and Enhanced Services Summary by Service (\$000's)

Form ID		Citizen Focused Services A  Program - Children's Services	Adjustments				2019 Plan Net Change	2020 Plan Net Change
Category	Equity Impact		Gross Expenditure	Revenue	Net	Approved Positions		

15117	Additional 825 Spaces to Support Growth
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74	Positive
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## Description:

A draw of \$12.000 million from the Child Care Expansion Reserve Fund, reflecting the underspent federal and provincial funding received in July 2017, was allocated through the Q3 Operating Variance Report (BU37.2) to the Child Care Expansion Reserve to be drawn in 2018 to support 825 additional child care subsidies.

## Service Level Impact:

The draw from the Child Care Expansion will provide funding to deliver an additional 825 child care subsidies in 2018, reflecting an increase of 1,515 spaces or 5.2% from the 28,975 subsidized spaces provided in 2017.

## Equity Statement:

While this proposal is likely to generally benefit families with young children, it will primarily have a positive impact on women. The impacts include increased access to childcare, which in turn can increase women's access to employment, education and training.

## Category:

71 - Operating Impact of New Capital Projects

74 - New Services

72 - Enhanced Services-Service Expansion

75 - New Revenues

## 2018 Operating Budget - Council Approved New and Enhanced Services Summary by Service (\$000's)

Form ID		Citizen Focused Services A  Program - Children's Services	Adjustments				2019 Plan Net Change	2020 Plan Net Change
Category	Equity Impact		Gross Expenditure	Revenue	Net	Approved Positions		
		<b>Service:</b> Child Care Delivery						
		Preliminary:	0.0	0.0	0.0	0.00	0.0	0.0
		BC Recommended Changes:	12,000.0	12,000.0	0.0	0.00	0.0	0.0
		EC Recommended Changes:	0.0	0.0	0.0	0.00	0.0	0.0
		CC Recommended Changes:	0.0	0.0	0.0	0.00	0.0	0.0
		Total Council Approved:	12,000.0	12,000.0	0.0	0.00	0.0	0.0
		<b>Total Preliminary New / Enhanced Services:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
		<b>Budget Committee Recommended:</b>	<b>12,000.0</b>	<b>12,000.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
		<b>Executive Committee Recommended:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
		<b>City Council Approved:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
		<b>Total Council Approved New / Enhanced Services:</b>	<b>12,000.0</b>	<b>12,000.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>

15400	Provincial Wage Enhancement program provincially funded
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74	NA	<b>Description:</b>
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The province is fully funding the delivery of a wage enhancement subsidy of \$3.453 million \$0 net that helps to close the gap between registered early childhood educators (RECEs) working in full-day kindergarten programs and other program staff working in licensed child care settings. Children's Services administers and manages this grant in accordance with provincial policy and guidelines.

### Service Level Impact:

In 2018, the current wage enhancement salary cap of \$26.68 will be increased to \$27.07 per hour for program staff working in licensed child care settings, and the daily fee cap for Home Child Care providers will increase from \$266.80 to \$270.70 per full day.

### Equity Statement:

The City- administered Provincial Wage Enhancement program helps to retain the best possible child care professionals, and it helps to close the wage gap between registered Early Childhood Educators working in schools and those working in licensed child care programs.

**Service:** Child Care System Management

### Category:

71 - Operating Impact of New Capital Projects  
72 - Enhanced Services-Service Expansion

74 - New Services  
75 - New Revenues

## 2018 Operating Budget - Council Approved New and Enhanced Services Summary by Service (\$000's)

Form ID		Citizen Focused Services A  Program - Children's Services	Adjustments				2019 Plan Net Change	2020 Plan Net Change
Category	Equity Impact		Gross Expenditure	Revenue	Net	Approved Positions		
		Preliminary:	0.0	0.0	0.0	0.00	0.0	0.0
		BC Recommended Changes:	0.0	0.0	0.0	0.00	0.0	0.0
		EC Recommended Changes:	3,453.0	3,453.0	0.0	0.00	0.0	0.0
		CC Recommended Changes:	0.0	0.0	0.0	0.00	0.0	0.0
		Total Council Approved:	3,453.0	3,453.0	0.0	0.00	0.0	0.0
		<b>Total Preliminary New / Enhanced Services:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
		<b>Budget Committee Recommended:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
		<b>Executive Committee Recommended:</b>	<b>3,453.0</b>	<b>3,453.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
		<b>City Council Approved:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
		<b>Total Council Approved New / Enhanced Services:</b>	<b>3,453.0</b>	<b>3,453.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>

15431	Fee Stabilization Support program	
74	NA	<b>Description:</b>

To help mitigate the impact that the legislated increase in the minimum wage may have on child care fees, the province is providing a fully funded subsidy of \$2.768 million to Children's Services for a Fee Stabilization program that will support grants for operators to help support affordable child care.

### Service Level Impact:

As the Service System Manager, Children's Services will manage implementation of the Fee Stabilization program, distribute the subsidies, and manage reporting requirements of both the child care providers and the province.

### Equity Statement:

While this proposal is likely to generally benefit families with young children, it will primarily have a positive impact on women. The impacts include increased access to childcare, which in turn can increase women's access to employment, education and training.

**Service:** Child Care System Management

## 2018 Operating Budget - Council Approved New and Enhanced Services Summary by Service (\$000's)

Form ID		Citizen Focused Services A  Program - Children's Services	Adjustments				2019 Plan Net Change	2020 Plan Net Change
Category	Equity Impact		Gross Expenditure	Revenue	Net	Approved Positions		
		Preliminary:	0.0	0.0	0.0	0.00	0.0	0.0
		BC Recommended Changes:	0.0	0.0	0.0	0.00	0.0	0.0
		EC Recommended Changes:	2,768.0	2,768.0	0.0	0.00	0.0	0.0
		CC Recommended Changes:	0.0	0.0	0.0	0.00	0.0	0.0
		Total Council Approved:	2,768.0	2,768.0	0.0	0.00	0.0	0.0
		<b>Total Preliminary New / Enhanced Services:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
		<b>Budget Committee Recommended:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
		<b>Executive Committee Recommended:</b>	<b>2,768.0</b>	<b>2,768.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
		<b>City Council Approved:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
		<b>Total Council Approved New / Enhanced Services:</b>	<b>2,768.0</b>	<b>2,768.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>

15432
74      NA

Journey Together Program Additional Funding

**Description:**

The province is providing \$6.893 million in 2018 and \$4.068 million in 2019 as a fully funded grant through the "Journey Together" program that will be used to support indigenous programming in culturally safe child and family centres.

**Service Level Impact:**

Existing programming for indigenous families and children will be enhanced by retrofitting 2 existing family centres that provide support for indigenous children and families through delivering programming based on indigenous worldviews, cultures and languages.

**Equity Statement:**

Creating more opportunity for indigenous learners and their families is one of many steps on the journey of healing and reconciliation with Indigenous peoples. It reflects the government's commitment to work with indigenous partners and create a better future for everyone.

**Service:** Child Care System Management

## 2018 Operating Budget - Council Approved New and Enhanced Services Summary by Service (\$000's)

Form ID		Citizen Focused Services A  Program - Children's Services	Adjustments				2019 Plan Net Change	2020 Plan Net Change
Category	Equity Impact		Gross Expenditure	Revenue	Net	Approved Positions		
		Preliminary:	0.0	0.0	0.0	0.00	0.0	0.0
		BC Recommended Changes:	0.0	0.0	0.0	0.00	0.0	0.0
		EC Recommended Changes:	6,893.0	6,893.0	0.0	0.00	0.0	0.0
		CC Recommended Changes:	0.0	0.0	0.0	0.00	0.0	0.0
		Total Council Approved:	6,893.0	6,893.0	0.0	0.00	0.0	0.0
		<b>Total Preliminary New / Enhanced Services:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
		<b>Budget Committee Recommended:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
		<b>Executive Committee Recommended:</b>	<b>6,893.0</b>	<b>6,893.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
		<b>City Council Approved:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
		<b>Total Council Approved New / Enhanced Services:</b>	<b>6,893.0</b>	<b>6,893.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>

15433	550 new fee subsidies funded by the province
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74	NA	<b>Description:</b>
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Additional funding of \$5.475 million gross \$0 net is provided through federal/ provincial support that will provide 550 additional child care subsidies for children aged 4 to 12.

### Service Level Impact:

The additional 550 spaces will improve access to fee subsidies for all families and help ensure adequate subsidies are available as younger children age move into kindergarten and schoolage programs. The funding for these additional subsidies supports the delivery of an additional 1,515 subsidized spaces in 2018, an increase of 5.2% from the 28,975 spaces provided in 2017, and brings the City's total subsidies to 30,490 in 2018.

### Equity Statement:

While this proposal is likely to generally benefit families with young children, it will primarily have a positive impact on women. The impacts include increased access to childcare, which in turn can increase women's access to employment, education and training.

**Service:** Child Care Delivery



## 2018 Operating Budget - Council Approved New and Enhanced Services Summary by Service (\$000's)

Form ID		Citizen Focused Services A  Program - Children's Services	Adjustments				2019 Plan Net Change	2020 Plan Net Change
Category	Equity Impact		Gross Expenditure	Revenue	Net	Approved Positions		
		Preliminary:	0.0	0.0	0.0	0.00	0.0	0.0
		BC Recommended Changes:	0.0	0.0	0.0	0.00	0.0	0.0
		EC Recommended Changes:	5,474.0	5,474.0	0.0	0.00	0.0	0.0
		CC Recommended Changes:	0.0	0.0	0.0	0.00	0.0	0.0
		Total Council Approved:	5,474.0	5,474.0	0.0	0.00	0.0	0.0
		<b>Total Preliminary New / Enhanced Services:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
		<b>Budget Committee Recommended:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
		<b>Executive Committee Recommended:</b>	<b>5,474.0</b>	<b>5,474.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
		<b>City Council Approved:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
		<b>Total Council Approved New / Enhanced Services:</b>	<b>5,474.0</b>	<b>5,474.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>

15434	Additional Specials Needs Resourcing funding	
74	NA	<b>Description:</b> <p>An additional \$0.876 million gross, \$0 net for Specials Needs programming was added which is fully funded by the province.</p> <p><b>Service Level Impact:</b></p> <p>Increased resources will be available for children who require additional support, with programming that provides professional services including consultation and access to supports that assist families to best manage their child's needs.</p> <p><b>Equity Statement:</b></p> <p>Increased resources will support families with special needs children by increasing access to the early learning and care program of their choice, the same as all other families, and help welcome and treat in special needs children in the same thoughtful and respectful way as all other children.</p> <p><b>Service:</b> Child Care Delivery</p>

# 2018 Operating Budget - Council Approved New and Enhanced Services Summary by Service (\$000's)

Form ID		Citizen Focused Services A  Program - Children's Services	Adjustments				2019 Plan Net Change	2020 Plan Net Change
Category	Equity Impact		Gross Expenditure	Revenue	Net	Approved Positions		
		Preliminary:	0.0	0.0	0.0	0.00	0.0	0.0
		BC Recommended Changes:	0.0	0.0	0.0	0.00	0.0	0.0
		EC Recommended Changes:	876.0	876.0	0.0	0.00	0.0	0.0
		CC Recommended Changes:	0.0	0.0	0.0	0.00	0.0	0.0
		Total Council Approved:	876.0	876.0	0.0	0.00	0.0	0.0
		<b>Total Preliminary New / Enhanced Services:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
		<b>Budget Committee Recommended:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
		<b>Executive Committee Recommended:</b>	<b>876.0</b>	<b>876.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
		<b>City Council Approved:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
		<b>Total Council Approved New / Enhanced Services:</b>	<b>876.0</b>	<b>876.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>

15435	Additional community based capital grant projects fund	
74	NA	<b>Description:</b> <p>Children's Services has received \$2.0 million as a fully funded provincial grant to support the increase in the number of licensed child care spaces in the community.</p> <p><b>Service Level Impact:</b>  Children's Services will provide capital grants for retrofits and renovations in 2018 to child care providers to increase the number of licensed spaces available in the community.</p> <p><b>Equity Statement:</b>  While this proposal is likely to generally benefit families with young children, it will primarily have a positive impact on women. The impacts include increased access to childcare, which in turn can increase women's access to employment, education and training.</p> <p><b>Service:</b> Child Care Delivery</p>

## 2018 Operating Budget - Council Approved New and Enhanced Services Summary by Service (\$000's)

Form ID		Citizen Focused Services A  Program - Children's Services	Adjustments				2019 Plan Net Change	2020 Plan Net Change
Category	Equity Impact		Gross Expenditure	Revenue	Net	Approved Positions		
		Preliminary:	0.0	0.0	0.0	0.00	0.0	0.0
		BC Recommended Changes:	0.0	0.0	0.0	0.00	0.0	0.0
		EC Recommended Changes:	2,000.0	2,000.0	0.0	0.00	0.0	0.0
		CC Recommended Changes:	0.0	0.0	0.0	0.00	0.0	0.0
		Total Council Approved:	2,000.0	2,000.0	0.0	0.00	0.0	0.0
		<b>Total Preliminary New / Enhanced Services:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
		<b>Budget Committee Recommended:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
		<b>Executive Committee Recommended:</b>	<b>2,000.0</b>	<b>2,000.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
		<b>City Council Approved:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
		<b>Total Council Approved New / Enhanced Services:</b>	<b>2,000.0</b>	<b>2,000.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>

15436	Administration of two new 2018 provincial programs	
74	NA	<b>Description:</b> <p>Additional provincial subsidy of \$0.345 million gross \$0 net will be used to administer the new Fee Stabilization Support program and the Journey Together program.</p> <p><b>Service Level Impact:</b>  Children's Services uses approximately seven per cent of its budget for administration, which is below the ten percent allowable by the province.</p> <p><b>Equity Statement:</b>  While this proposal is likely to generally benefit families with young children, it will primarily have a positive impact on women. The impacts include increased access to childcare, which in turn can increase women's access to employment, education and training.</p> <p><b>Service:</b> Child Care Delivery</p>

## 2018 Operating Budget - Council Approved New and Enhanced Services Summary by Service (\$000's)

Form ID		Citizen Focused Services A  Program - Children's Services	Adjustments				2019 Plan Net Change	2020 Plan Net Change
Category	Equity Impact		Gross Expenditure	Revenue	Net	Approved Positions		
		Preliminary:	0.0	0.0	0.0	0.00	0.0	0.0
		BC Recommended Changes:	0.0	0.0	0.0	0.00	0.0	0.0
		EC Recommended Changes:	345.0	345.0	0.0	0.00	0.0	0.0
		CC Recommended Changes:	0.0	0.0	0.0	0.00	0.0	0.0
		Total Council Approved:	345.0	345.0	0.0	0.00	0.0	0.0
		<b>Total Preliminary New / Enhanced Services:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
		<b>Budget Committee Recommended:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
		<b>Executive Committee Recommended:</b>	<b>345.0</b>	<b>345.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
		<b>City Council Approved:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
		<b>Total Council Approved New / Enhanced Services:</b>	<b>345.0</b>	<b>345.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>

15440	Additional 140 child care fee subsidies
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74	NA	<b>Description:</b>
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Motion 15a) adopted by City Council at its meeting of Feb 12th, directed that the \$2.0 million in the 2018 Executive Committee Recommended Capital Budget for Children's Services designated to fund the Anishawabe Child Care Centre with a draw from the Child Care Capital Reserve be redirected to provide 140 additional child care fee subsidies through the operating budget.

### Service Level Impact:

Additional funding will provide 140 additional child care subsidies, reflecting an increase of 1,515 spaces, or 5.2% from the 28,975 spaces provided in 2017.

### Equity Statement:

While this proposal is likely to generally benefit families with young children, it will primarily have a positive impact on women. The impacts include increased access to childcare, which in turn can increase women's access to employment, education and training.

**Service:** Child Care Delivery

## 2018 Operating Budget - Council Approved New and Enhanced Services

### Summary by Service (\$000's)

Form ID		Citizen Focused Services A	Adjustments				2019 Plan Net Change	2020 Plan Net Change
Category	Equity Impact		Gross Expenditure	Revenue	Net	Approved Positions		
		Program - Children's Services						
		Preliminary:	0.0	0.0	0.0	0.00	0.0	0.0
		BC Recommended Changes:	0.0	0.0	0.0	0.00	0.0	0.0
		EC Recommended Changes:	0.0	0.0	0.0	0.00	0.0	0.0
		CC Recommended Changes:	2,000.0	0.0	2,000.0	0.00	0.0	0.0
		Total Council Approved:	2,000.0	0.0	2,000.0	0.00	0.0	0.0
		<b>Total Preliminary New / Enhanced Services:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
		<b>Budget Committee Recommended:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
		<b>Executive Committee Recommended:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
		<b>City Council Approved:</b>	<b>2,000.0</b>	<b>0.0</b>	<b>2,000.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
		<b>Total Council Approved New / Enhanced Services:</b>	<b>2,000.0</b>	<b>0.0</b>	<b>2,000.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>

#### Summary:

<b>Preliminary New / Enhanced Services:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
<b>Budget Committee Recommended:</b>	<b>48,039.6</b>	<b>45,932.8</b>	<b>2,106.8</b>	<b>48.42</b>	<b>7,594.0</b>	<b>1,602.7</b>
<b>Executive Committee Recommended:</b>	<b>21,809.0</b>	<b>21,809.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
<b>City Council Approved:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>(0.0)</b>
<b>Council Approved New/Enhanced Services:</b>	<b>69,848.6</b>	<b>67,741.8</b>	<b>2,106.8</b>	<b>48.42</b>	<b>7,594.0</b>	<b>1,602.7</b>

## Appendix 6

### Inflows/Outflows to/from Reserves & Reserve Funds

#### Program Specific Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund	Projected Balance as of \$	Withdrawals (-) / Contributions (+)		
			2018 \$	2019 \$	2020 \$
<b>Projected Beginning Balance</b>		<b>25,424.8</b>	<b>37,424.8</b>	<b>19,243.6</b>	<b>13,062.4</b>
Child Care Expansion Reserve Fund	XR1101				
<b>Proposed Withdrawals (-)</b>					
Funding for 825 Spaces			(12,000.0)		
Funding for Occupancy Grants			(5,821.2)	(5,821.2)	
ARC Program City Funded			(360.0)	(360.0)	(360.0)
<b>Contributions (+)</b>					
Interest					
2017 Prov/ Fed funding received		12,000.0			
<b>Total Reserve / Reserve Fund Draws / Contributions</b>		<b>37,424.8</b>	<b>19,243.6</b>	<b>13,062.4</b>	<b>12,702.4</b>
<b>Balance at Year-End</b>		<b>37,424.8</b>	<b>19,243.6</b>	<b>13,062.4</b>	<b>12,702.4</b>

\* Based on 9-month 2017 Reserve Fund Variance Report

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund	Projected Balance as of \$	Withdrawals (-) / Contributions (+)		
			2018 \$	2019 \$	2020 \$
<b>Projected Beginning Balance</b>		<b>32,201.0</b>	<b>32,201.0</b>	<b>25,392.0</b>	<b>18,259.0</b>
Child Care Capital Reserve Fund	XR1103				
<b>Proposed Withdrawals (-)</b>					
Health and Safety / Minor Capital			(1,400.0)	(1,400.0)	(1,400.0)
Transfers to Capital			(11,229.0)	(8,053.0)	(5,236.0)
<b>Contributions (+)</b>					
Interest					
Contribution from the Province for the TCS Growing Child Care					
Non/program health & safety			1,000.0	1,000.0	1,000.0
Sale of 1 Hollis to Metrolinx			4,500.0	1,000.0	
Minor Repairs - CS Operating			320.0	320.0	320.0
<b>Total Reserve / Reserve Fund Draws / Contributions</b>		<b>32,201.0</b>	<b>25,392.0</b>	<b>18,259.0</b>	<b>12,943.0</b>
<b>Balance at Year-End</b>		<b>32,201.0</b>	<b>25,392.0</b>	<b>18,259.0</b>	<b>12,943.0</b>

\* Based on 9-month 2017 Reserve Fund Variance Report

## Corporate Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2017	Withdrawals (-) / Contributions (+)		
			2018	2019	2020
		\$	\$	\$	\$
<b>Projected Beginning Balance</b>		<b>28,251.5</b>	<b>28,251.5</b>	<b>28,413.5</b>	<b>28,575.5</b>
Sick Leave	XR1007				
<i>Proposed Withdrawals (-)</i>					
<i>Contributions (+)</i>			162.0	162.0	162.0
<b>Total Reserve / Reserve Fund Draws / Contributions</b>		<b>28,251.5</b>	<b>28,413.5</b>	<b>28,575.5</b>	<b>28,737.5</b>
<b>Balance at Year-End</b>		<b>28,251.5</b>	<b>28,413.5</b>	<b>28,575.5</b>	<b>28,737.5</b>

\* Based on 9-month 2017 Reserve Fund Variance Report

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of	Withdrawals (-) / Contributions (+)		
			2018	2019	2020
		\$	\$	\$	\$
<b>Projected Beginning Balance</b>		<b>25,981.0</b>	<b>25,981.0</b>	<b>26,838.0</b>	<b>27,695.0</b>
Insurance Reserve Fund	XR1010				
<i>Proposed Withdrawals (-)</i>					
<i>Contributions (+)</i>			857.0	857.0	857.0
<b>Total Reserve / Reserve Fund Draws / Contributions</b>		<b>25,981.0</b>	<b>26,838.0</b>	<b>27,695.0</b>	<b>28,552.0</b>
<b>Balance at Year-End</b>		<b>25,981.0</b>	<b>26,838.0</b>	<b>27,695.0</b>	<b>28,552.0</b>

\* Based on 9-month 2017 Reserve Fund Variance Report