

Children's Services 2008 Budget Document

Section I. Existing Services and Service Levels:

Children's Services leads, plans, manages and co-ordinates a region wide early learning and child care system that provides families and children with access to a range of family centered, coordinated services.

In addition to providing direct early learning and child care programs, the Division is also the Child Care Service System manager, which involves coordinating service planning throughout the Region and administering Ministry of Child and Youth Services provincial programs. These include child care fee subsidy, wage subsidy, special needs resourcing and early years integration through Best Start to ensure responsive and supportive services to the Peel community.

The following describes the core services of Children's Services Division.

Service System Management

Children's Services manages the contractual relationships with approximately 140 service providers, five special needs resourcing agencies and two family resource centres. The service system manager provides leadership for community planning, service co-ordination and supports the child care programs through quality assessment, community training, professional development and consultation.

Fee Subsidy

Children's Services manages and provides child care fee assistance for eligible families to assist them with the cost of licensed child care. Initial and ongoing determination for eligibility is managed through a number of measures. Eligibility for child care subsidy is based on a family's income which is verified by the Notice of Assessment/Reassessment. Verification is also required for the reason for service and any changes that could affect eligibility. In addition, all families are required by the Province to be reviewed annually for ongoing eligibility.

Wage Subsidy and Wage Improvement

Through this program, salaries and benefits for early childhood educators are improved without a corresponding increase in parent fees. It is expected that this funding will improve staff recruitment and retention and, thereby, strengthen quality of care. In addition provincial funds are administered for programs such as pay equity.

Learn.Play.Care. Child Care Centres

Children's Services delivers high quality licensed child care at 12 Learn.Play.Care (LPC) child care centres in Brampton and Mississauga. The centres provide care for toddlers (18 months) to children five years for 850 children. Within the 12 programs, parental choices include a flexible extended evening care program for up to 12 years, a Best Start integrated kindergarten program located in a public school and school age care for children 6 to 12 years. An active learning environment, based on children's interests, is achieved through the implementation of the High/Scope curriculum, which requires continuous teacher training and accreditation. Early Childhood Educators also work closely with parents through parenting courses, workshops and focus groups and a parent advisory committee to promote family success.

Special Needs Resourcing

The Special Needs Program is offered in each of the 12 child care centres for children with special needs. The program provides teaching support under the leadership of a Resource Teacher to help children participate in all aspects of the program. Other programs and services include the Valley Infant Parent Program for infants whose attachment to the parent or caregiver is at risk and Child Care Special Needs Access Point-Peel (SNAP-Peel). SNAP-Peel provides a single point of access to co-ordinate services that support inclusion of preschool children with special needs in licensed quality child care for parents and professionals seeking support or services for preschool children.

Support Services

Children's Services delivers, funds, and collaborates on a number of programs that strengthen families and children. Resourcing for many of the programs is provided through the Volunteer and Student Services outreach program.

Family Literacy

In collaboration with the four English and French Public and Catholic school boards, this program is delivered with a goal to encourage language and early literacy and numeracy activities in homes throughout Peel. Families with children birth to six attend a series of workshops at the local school, library or apartment building. The curriculum was created to support child's language development and gain early literacy skills setting the foundation for lifelong learning in each child. The program is delivered primarily by volunteer Early Childhood Educators and elementary school teachers. A research component is provided by the Ontario Institute for Studies in Education (OISE), University of Toronto. A long-term project is being conducted by the Ontario Institute for Studies in Education (OISE), University of Toronto, to measure child literacy outcomes.

Neighbourhood Connections

This program is a series of free parenting workshops which are offered in 12 child care centres across Peel. Families with children birth to six are provided with a meal, workshop content based on positive parenting principles and with an open forum/networking opportunity. The children are involved in a literacy based early learning program at the same time.

Families Living in Shelters

This service provides two and half hour drop in child care programs in three community shelters for families with children up to six years. The program allows families the opportunity to search for permanent housing, attend counselling and various appointments knowing the child is cared for in a safe environment. The learning and supportive program helps children to continue to meet developmental milestones during a difficult transition. Parents are encouraged to participate in the program and learn positive parenting skills through active participation and informal discussions with the early Childhood Outreach workers.

Mentoring Program

The Open the Door to Better Futures program, funded by Service Canada, promotes sole support parents' independence and provides support to the family's goal of financial self-sufficiency, through work, training and mentoring opportunities. The program offers a six month work experience to single parents who are unemployed. These parents are paid a wage, given child care subsidy and are provided with life skills training in areas of self-awareness, daily living, parenting and job search.

Early Years Integration and Best Start

The Early Years Integration division leads the planning of early years services for children up to six years of age in Peel, and supports implementation of Best Start, a province-wide plan to expand services and support for all families who have children under six years of age.

Best Start is a ten year initiative of the Ministry of Children and Youth Services in partnership with the Ministry of Education. It is a comprehensive strategy designed to “*give all of Ontario's children the best possible start in life and help them achieve success in school.*” The goals of Best Start are to create a seamless system of early learning and care that integrates child care and the primary education system, increase supports for parents and facilitate seamless interactions between systems.

Through community engagement, the Best Start aspect of Early Years Integration works with child care providers, school boards, provincial ministries, universities and colleges to ensure successful integration of kindergarten and Early Childhood Education teachers in program delivery, do long-term and short-term planning for funding and services to implement Best Start in the Region of Peel, ensure Peel families have easy access to early learning and child care programs by creating a single point of access in the form of a community hub that integrates early education, public health and parenting services and develop tools to measure results. Staff collaborates specifically with Aboriginal, Francophone and diverse communities to ensure inclusive approaches to early learning programs and services.

Section II. Resources to Deliver 2007 Services:

| Current \$'000 | 2006 Actual | 2007 Budget * | 2007 Projection * | 2007 Variance Under/(Over) |
|---------------------------|--------------------|----------------------|--------------------------|-----------------------------------|
| Total Expenditures | \$65,665 | \$60,847 | \$60,847 | \$0 |
| Total Revenue | \$54,441 | \$49,172 | \$49,172 | \$0 |
| Net Cost | \$11,224 | \$11,675 | \$11,675 | \$0 |
| FTE | 214.0 | 244.5 | 244.5 | - |

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2007 Budget:

For 2007, Children's Services was originally approved with a gross budget of \$56.7 million, with a net budget of \$11.7 million. In April & July, 2007, due to the availability of increased Provincial Best Start funding, the divisional gross budget was increased by \$2.01 million to \$58.7 million with a staff complement level of 244.5 FTE. The net budget remained at \$11.7 million as all of the budgeted increase was fully funded by the Best Start funding.

2007 Projection:

Due to the late announcement of the increase in Best Start funding, the division has received Provincial consent to defer any unused 2007 in-year Best Start funding to 2008. Therefore, the 2007 year end surplus is expected to be NIL.

Outputs/Outcomes:

The following table outlines the outputs and outcomes for Children's Services.

| Output/Outcome Measure | 2007 Target | 2007 Projection | Variance Commentary |
|--|--------------------|------------------------|--|
| Number of subsidized children served | 4,099 | 4,185 | Increase due to increase in Best Start funding |
| Regulated child care spaces in municipality / 1,000 children (12 and under) | 108 | 114 | It is projected that by the end of 2007 regulated spaces will increase from 22,827 to 24,231 thus growing by 6 spaces per 1000 children |
| Fee Subsidy child care spaces in municipality per 1,000 Low Income Cut Off (LICO) children | 124 | 126 | Fee subsidy spaces are projected to have a slight increase in 2007 due to increase in Best Start funding |
| Investment per child (12 and under) in the Municipality | \$269 | \$269 | Projected investment per child is on target |
| Number of children served with special needs | 700 | 758 | 2007 numbers are expected to increase due to additional Best Start funding |
| % of Provincial maximum eligible wage subsidy funded | 49% | 60% | The cost of providing all ECE professionals with full entitlement is \$21.862 million in 2007. The additional Best Start funding received in July will temporarily increase the wage improvement amount per employee. This is a system wide measure. On an individual basis, major inequity remains. |
| Number of literacy workshops | 1,068 | 1,215 | Workshops are designed to teach parents and ECE staff to promote early literacy. This measure was restated to include Early Literacy Specialists outputs. |

Section III. Performance Measurement/Benchmarking:

The Ontario Municipal CAO's Benchmarking Initiative (OMBI) child care service level data for 2006 indicate that Peel ranks lower than the OMBI median when compared to indicators from the 13 other reporting municipalities. Cumulatively the indicators speak to capacity shortfalls and points to a correlation between the municipality ranking and the lack of sufficient funding for early learning and child care. In 2006 with the injection of limited Best Start dollars, the division has expanded the number of licensed child care spaces and increased subsidized children in care. However without additional Best Start funding to support capacity building, the system will not keep pace with Peel's population growth. Peel continues to lobby federal and provincial governments for additional funding to support and extend early learning and child care in the municipality.

The 2006 (Gross & Net) expenditure indicators per child focus on the provincial & municipal dollars investment in early learning and childcare in Peel. The indicators point to Peel ranking below the OMBI median per child. Peel has benefited from additional Early Learning and Child Care (ELCC) & Best Start funding. However, the Best Start funding needs to increase due to the fact that Peel's population continues to grow and outpace other municipalities.

| Measure Name | Peel | OMBI Median |
|---|------------|-------------|
| Service Level: | | |
| Regulated Child Care Spaces in Municipality/1,000 children (12 & under) | 112.6 | 127.1 |
| Fee Subsidy Child Care Spaces/1,000 Low Income Cut Off (LICO) Children | 123.2 | 174.7 |
| Number of Regulated child Care Spaces/1,000 Population | 19.9 | 19.8 |
| Number of Full Day Equivalent Subsidized Child Care Spaces (Normalized)/per 1,000 LICO Children | 203.2 | 290.7 |
| Expenditure: | | |
| Investment per Child (12 and under) in the Municipality | \$273.71 | \$424.32 |
| Net municipal expenditure per Child (12 and under) | \$48.49 | \$87.96 |
| Annual Child Care Cost per Normalized Subsidized Child Care Space | \$4,876.56 | \$4,888.25 |

Section IV. 2008 Base Pressures:

Cost of Living Increase/Inflation:

2008 gross expenditures are expected to increase by \$0.3 million due to cost of living, primarily driven by increases in staffing costs. Details are available in [Appendix I](#).

Section V. Cost Mitigation Through Efficiencies and Recoveries:

Efficiencies:

In January 2007, Children's Services implemented Income Testing which resulted in a significant change to the administration of child care fee subsidies. The Ministry's intent for this change was to provide families more equitable access to early learning and child care programs. Income Testing has created a streamlined approach in determining financial eligibility which has resulted in efficiencies and improvements in customer service.

Throughout this transition year the division undertook a review of the eligibility and on going eligibility processes and some key performance indicators comparing 2006 and 2007 data to determine the impact of Income Testing. Specifically, the indicators looked at:

- Change in documentation (eligibility process).
- Change in caseload demands (on going eligibility).
- The length of time to process a client's application for fee subsidy.

The review for the eligibility process concluded that although verification for reason for care; proof of employment, school, residency, family status and personal information remained the same as in Needs Testing, a reduction in Children's Services Worker (CSW) interview time was realized due to the streamlined financial verification process (Canada Revenue Agency's Notice of Assessment). Effectively the reduced interview time per client has allowed for the redistribution of two CSW caseloads within the Service Access Unit.

The review for on going eligibility concluded that workload associated with case management did not significantly decrease due to Income Testing. The findings suggested that Children's Services fee subsidy caseload continues to include a high number of sole support parents, newcomers to Canada, and families with medical and social needs. Families continue to experience job loss, family status changes, housing changes, school issues, have outstanding documents, fee changes, and summer/spring/Christmas break camp arrangements. All families' requests, admissions, terminations changes all result in some form of case management such as phone calls and/or letters to parents and operators and a file update in the Provincial data base, Ontario Child Care Management System (OCCMS). In addition service levels increased in 2007 due to Best Start funding.

Further attributable to Income Testing is that the average processing time for a fee subsidy application has decreased from 16.8 days (2006) to 11.0 days (August 2007).

The change to Income Testing has resulted in a reduction in the number of CSW from current 2007 approved staffing complement by two FTE. The division will redirect the two FTE reductions to direct program delivery. As a result the division will have no new staff request for 2008.

Section VI. Challenges and Emerging Trends:

A new trend is that some families who have been approved for child care fee subsidy, are not able to find a physical child care space. Without additional capital funding from the province to increase child care capacity in Peel, expansion will be solely dependent upon the ability of service providers to fund this expansion. This inability to grow puts increased pressure on child care service providers to provide access to child care for the residents in Peel. Peel's rapid growth minimized the impact of the 1,500 new spaces created by Best Start.

Historically Peel has not received its equitable share of wage subsidy funding. To date, the funding level for wage subsidy and the in year wage improvement combined represents approximately 60 per cent of the total required to compensate all early childhood professionals equally. Service providers continue to identify wages and benefits as the greatest cost in operating a child care agency. There is considerable concern within the child care sector that unless early childhood educators are recognized and compensated as professionals it will be extremely difficult to recruit and retain enough teachers to support quality child care programs in Peel. The recent election commitment of full day kindergarten staffed in part by Early Childhood Educators will also impact the ability of the early learning and child care sector to recruit and retain qualified teachers.

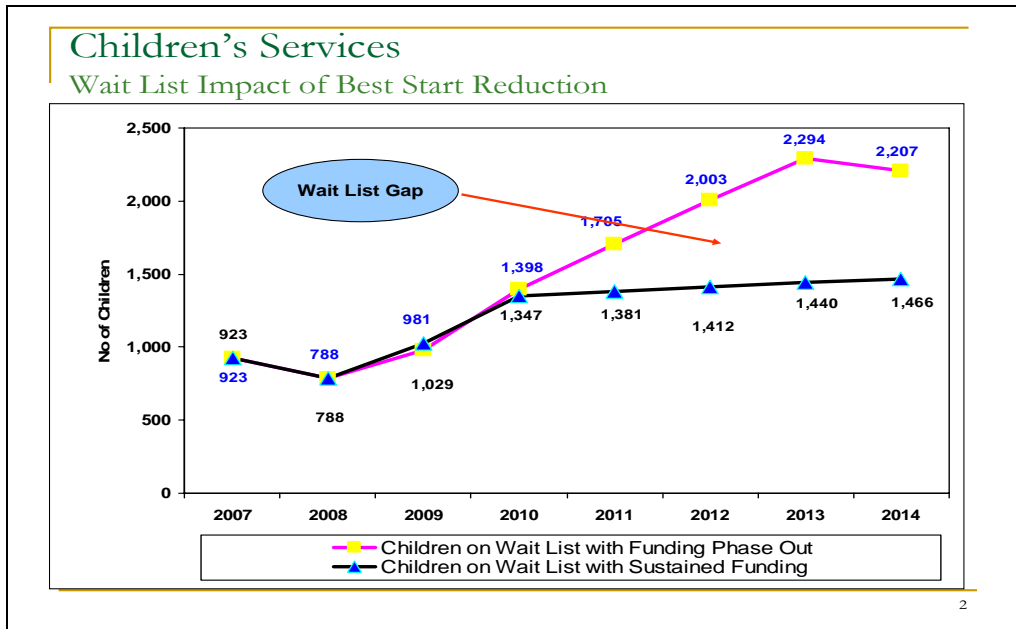
Two Best Start expert panels submitted reports to the Ministry of Children and Youth Services in 2007. At the same time, media highlighted quality and compliance issues across the province. There is now a greater focus on quality and compliance as well as investment in education upgrading for untrained early childhood staff. It is also expected that early learning and child care programs as well as kindergartens will incorporate common principles of learning.

The following chart highlights the eight year, 2007 to 2014 Best Start plan that was presented to Council on September 27, 2007. From 2010 to 2014, there will be reduction in service level, correlated to the expected end of Best Start funding. This plan will have NIL effect on the tax rate.

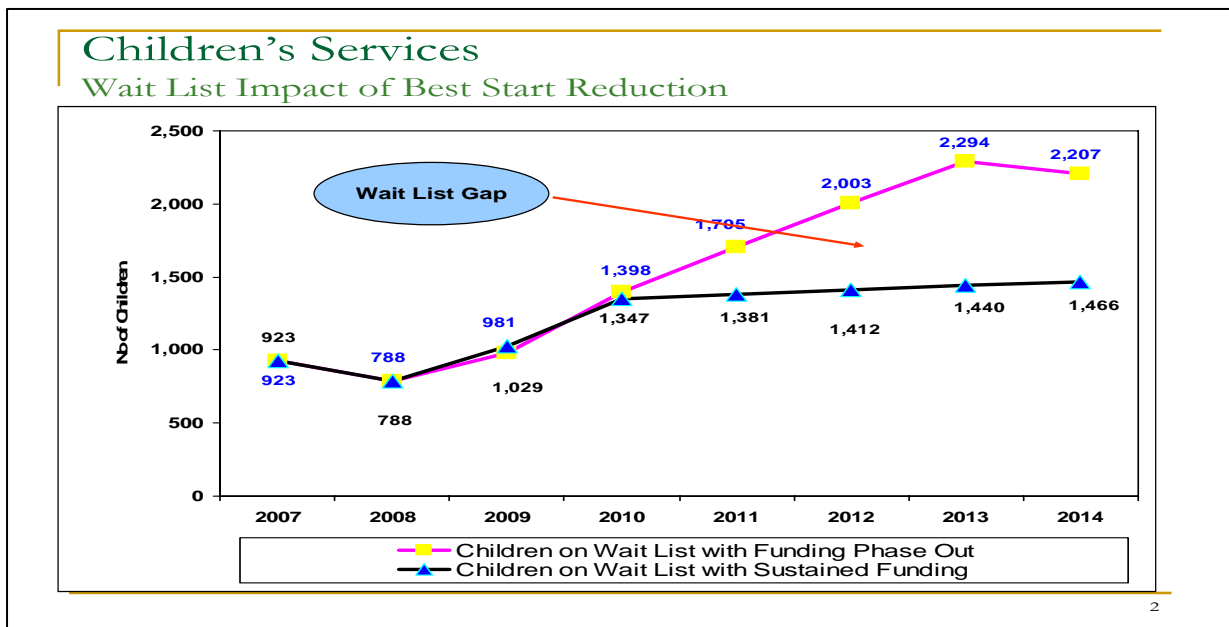
| Year | BS Program Expenditures (\$'000) | Incremental Annual BS Program Inc / (Dec) (\$'000) | Available Funding (\$'000) | | | Tax Rate Impact |
|---------------|----------------------------------|--|------------------------------------|-----------------------|-----------------|-----------------|
| | | | In Year Funding (Subsidies & Fees) | BS Reserve Withdrawal | Total | |
| 2007 Original | \$9,685 | - | \$7,796 | \$1,889 | \$9,685 | NIL |
| 2007 Revised | \$13,864 | \$4,179 | \$13,864 | - | \$13,864 | NIL |
| 2008 | \$18,853 | \$4,989 | \$18,853 | - | \$18,853 | NIL |
| 2009 | \$17,453 | (\$1,400) | \$17,453 | - | \$17,453 | NIL |
| 2010 | \$10,466 | (\$6,987) | \$4,888 | \$5,578 | \$10,466 | NIL |
| 2011 | \$5,907 | (\$4,559) | \$700 | \$5,207 | \$5,907 | NIL |
| 2012 | \$3,207 | (\$2,700) | \$700 | \$2,507 | \$3,207 | NIL |
| 2013 | \$807 | (\$2,400) | \$700 | \$107 | \$807 | NIL |
| 2014 | \$700 | (\$107) | \$700 | - | \$700 | NIL |
| Total | \$71,257 | - | \$57,858 | \$13,399 | \$71,257 | NIL |

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The two charts below shows how changes in funding will affect service levels and the number of children on the fee subsidy wait list. The first chart shows that from 2010 to 2014, the number of children on fee subsidy is expected to decrease by 1,418 (34 per cent) as Best Start funding is phased out. However, if funding is sustained there will only be a 335 (8 per cent) decrease in children served from 2010 to 2014.

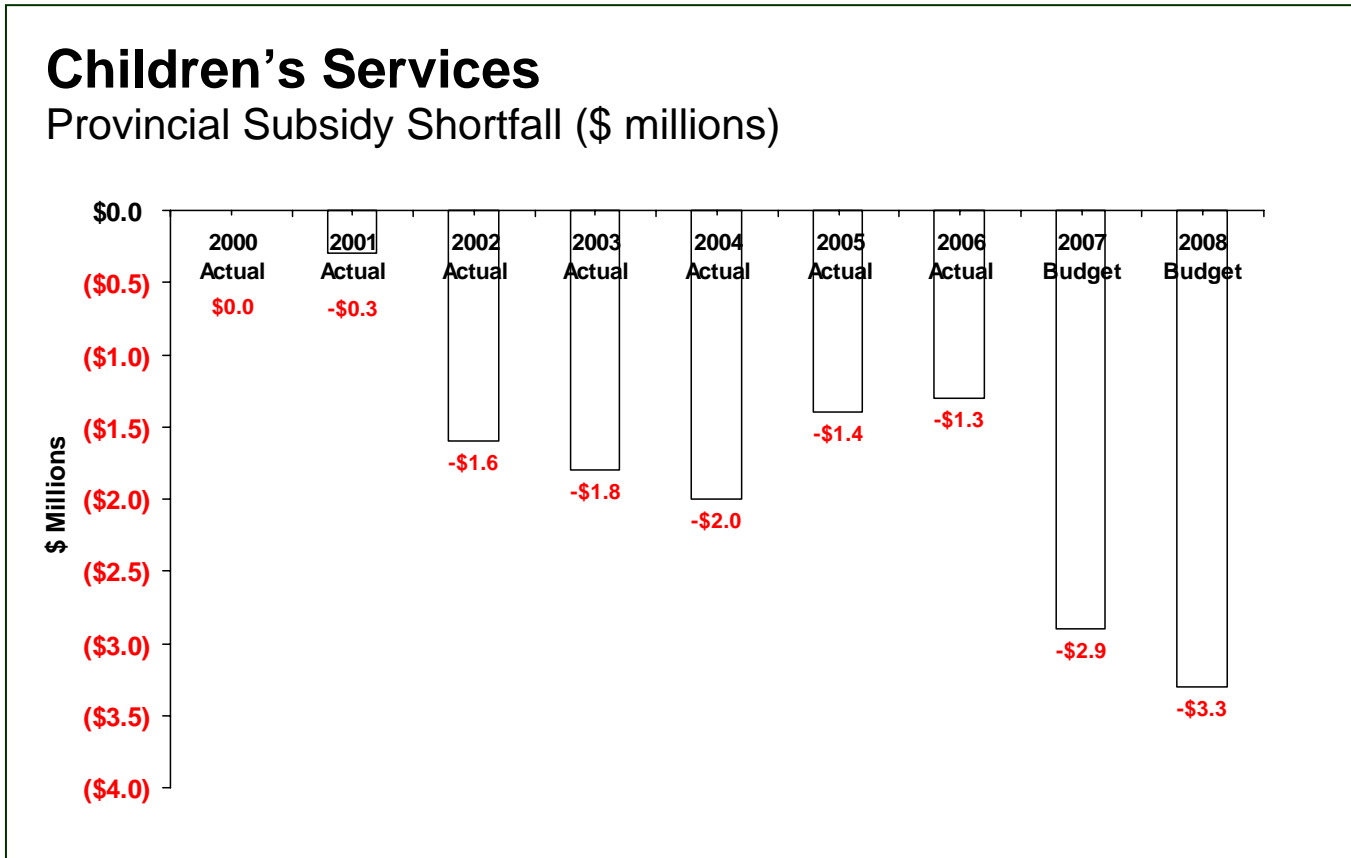


In 2006, the wait list for child care fee subsidy averaged eighteen months. In 2007 with the increase in available Best Start funding, the wait list for child care fee subsidy is currently at approximately three months. The second chart shows the potential impact of funding changes on the number of children on the fee subsidy wait list. If over the period 2010 to 2014 Best Start funding is phased out, the wait list for child care fee subsidy could increase by 809 children (58 per cent). If funding is sustained, as anticipated, a minimal increase of 119 children (9 per cent) on the fee subsidy wait list is projected.



Subsidy Inequity Status:

Provincial subsidy funding shortfall for mandated programs continues to be a critical issue for Children's Services. The cost of providing service continues to increase due to inflationary and other pressures. However, the provincial subsidies continue to lag behind as illustrated below. For 2008, the subsidy shortfall is expected to increase by \$0.4 million to \$3.3 million.



The following table illustrates the 2008 subsidy shortfall by individual programs.

| Program Name | Legislated Cost Share | What Subsidy Should Be \$'000 | Actual Subsidy \$'000 | Actual Cost Share | Subsidy Shortfall \$'000 |
|-----------------|-----------------------|-------------------------------|-----------------------|-------------------|--------------------------|
| Fee Subsidy | 85 / 15 | \$30,874 | \$29,011 | 80 / 20 | \$1,863 |
| Special Needs | 85 / 15 | \$4,360 | \$3,790 | 74 / 26 | \$570 |
| Agency Payments | 85 / 15 | \$12,014 | \$11,904 | 85 / 15 | \$110 |
| Administration | 64 / 36 | \$5,004 | \$4,257 | 55 / 45 | \$747 |
| Total | 81 / 19 | \$52,252 | \$48,962 | 76 / 24 | \$3,290 |

Section VII. 2008 Program Pressures – Current:

In summary, the recommended 2008 Children's Services budget as outlined below and detailed in Appendix I reflects a total gross budget \$64.2 million and a net budget of \$11.9 million.

| Children's Services Programs | 2007 Net Budget (\$'000) | 2008 Net Budget Increase (\$'000) | | | | 2008 Net Budget (\$'000) |
|------------------------------|--------------------------|-----------------------------------|------------------------|--------------|-------------|--------------------------|
| | | 2008 Base Pressures | 2008 Program Pressures | Total | % | |
| Fee Subsidy | \$5,015 | \$241 | NIL | \$241 | 4.8% | \$5,256 |
| Special Needs | \$1,317 | \$37 | NIL | \$37 | 2.8% | \$1,354 |
| Program Management | \$3,343 | (\$41) | NIL | (\$41) | (1.2)% | \$3,302 |
| Agency Payments | \$2,000 | \$21 | NIL | \$21 | 1.0% | \$2,021 |
| Total | \$11,675 | \$258 | NIL | \$258 | 2.2% | \$11,933 |

Section VIII. 2008 Program Pressures – Capital:

| Carry Forward from 2007 \$'000 | 2008 New Capital \$'000 | 2008 # of New Projects | Total Capital Available \$'000 | 2009 – 2017 Forecast \$'000 | 2009 - 2017 # of New Projects |
|--------------------------------|-------------------------|------------------------|--------------------------------|-----------------------------|-------------------------------|
| \$2,697 | \$771 | 1 | \$3,468 | \$10,758 | 2 |

Section IX. 2008 Summary:

| Budget Summary \$'000s | 2007 Budget | 2007 Projection | 2008 Proposed | 2009 Forecast* | 2010 Forecast* |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| Current Budget – Total Expenditures | \$60,847 | \$60,847 | \$64,194 | \$65,454 | \$66,575 |
| Current Budget – Total Revenue | \$49,172 | \$49,172 | \$52,261 | \$52,272 | \$52,282 |
| Current Budget – Net Cost | \$11,675 | \$11,675 | \$11,933 | \$13,182 | \$14,293 |
| FTE | 244.5 | 244.5 | 244.5 | 244.5 | 244.5 |
| Capital Carry Forward from prior year | | | \$2,697 | \$1,317 | \$808 |
| New Capital | | | \$771 | \$703 | \$783 |
| Total Capital Available | | | \$3,468 | \$2,020 | \$1,591 |
| Forecasted Capital Spending | | | \$2,151 | \$1,212 | \$955 |

* Assumes continuance of same service level. If new funding becomes available, the resource request will increase.

**Additional 5 FTE will be requested in the September 27, 2007 council report as a result of New Best Start funding

Future Outlook:

2009 and 2010 Current Budget:

The 2009 and 2010 operating budget is expected to increase by \$1.2 million in 2009 and by \$1.1 million in 2010, primarily due to cost of living increases. The forecast assumes that the current annualized Best Start funding will continue. If there are future increases in the Best Start funding, there may be additional resources needed.

2009-2017 Capital Plan:

The 2009 to 2017 capital plan is made of two components:

- \$6.8 million for capital maintenance plan for the 12 Regionally Operated Child Care Centres, funded by internal reserves
- \$3.9 million for child care centre expansion, tentatively scheduled for 2016, primarily funded by development charges.

Service Level Contract for 2008:

Outputs/Outcomes:

The following table outlines the outputs and outcomes for Children's Services.

| Output/Outcome Measure | 2007 Projection | 2008 Target | Variance Commentary |
|---|------------------------|--------------------|---|
| Number of subsidized children served | 4,185 | 4,589 | Increase due to increase in Best Start funding |
| Regulated child care spaces in municipality / 1,000 children (12 and under) | 114 | 115 | It is projected that 2008 regulated spaces is anticipated to increase by 200. This will result in a minimal increase of one extra licensed space per 1,000 children. |
| Fee Subsidy child care spaces in municipality per 1,000 LICO children | 126 | 139 | Fee subsidy spaces will increase in 2008 due to increase in funding and projected minimal decrease in child population therefore more children from LICO families can be served |
| Investment per child (12 and under) in the Municipality | \$269 | \$298 | In 2008 it is expected that investment will show a modest increase as a result of increase investment and a lower projected child population |
| Number of children served with special needs | 758 | 950 | 2008 numbers are expected to increase due to funding increase |
| % of Provincial maximum eligible wage subsidy funded | 60% | 59% | The cost of providing all ECE professionals with full entitlement is \$21.862 million in 2007 and \$21.8 million in 2008. The funding available in 2008 is \$12.837 million. This is a system wide measure. On an individual basis, major inequity remains. |
| Number of literacy workshops | 1,215 | 1,269 | Workshops are designed to teach parents and ECE staff to promote early literacy. This measure was restated to include Early Literacy Specialists outputs. |

Section X. Pressures not included in 2008 Budget:

The 2008-2017 ten year capital plan does not include capital budget to expand the overall number of physical licensed child care spaces in Peel. The OMBI indicators clearly indicate Peel's system capacity shortfalls and points to a correlation between the municipality ranking and the lack of sufficient funding for early learning and child care. Without additional sources of funding to support capacity building, the system will not keep pace with Peel's population growth.

Additional pressures include mitigation of lead in water by replacing pipes, a legislated asbestos assessment and containment program as well as upgrading security access to child care sites.

Appendices:

| | |
|----------------------|--|
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| Appendix II | 2008 Capital Overview |
| Appendix III | Existing Capital Project List |
| Appendix IV | 2008 New Capital Detail |
| Appendix V | Ten Year Capital Plan |
| Appendix VI | Performance Measures/Benchmarks |
| Appendix VII | Staffing Information |
| Appendix VIII | User Fees |

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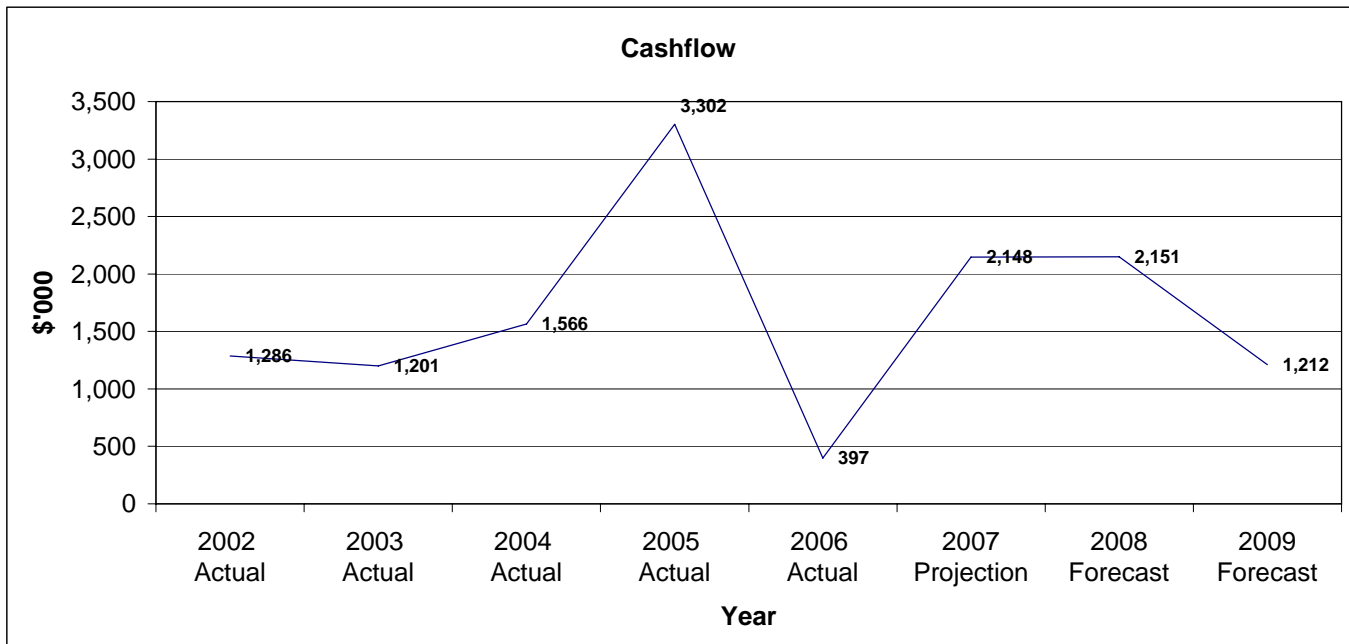
**APPENDIX I
CHILDREN'S SERVICES
2008 CURRENT PRESSURES (\$'000)**

| | Children's Services | | |
|---|---------------------|---------------|---------------|
| | Total Expenditures | Total Revenue | Net Cost |
| 2007 Revised Cost of Service | 60,847 | 49,172 | 11,675 |
| Annualizations - Section IV - N/A | - | - | - |
| <i>Subtotal</i> | - | - | - |
| Cost of Living Increase/Inflation - Section IV | | | |
| 1 Base budget cost of living increase | 215 | (43) | 258 |
| 2 | - | - | - |
| <i>Subtotal</i> | 215 | (43) | 258 |
| Efficiencies - Section V - N/A | - | - | - |
| <i>Subtotal</i> | - | - | - |
| Recoveries - Section V - N/A | - | - | - |
| <i>Subtotal</i> | - | - | - |
| 2008 Base Changes | 215 | (43) | 258 |
| Growth - Section VII - N/A | | | |
| <i>Subtotal</i> | - | - | - |
| Service Demand - Section VII | | | |
| 1 New Lancaster LPC Cost as approved by Council - fully funded | 987 | 987 | - |
| 2 Increase in Best Start program management cost - fully funded | 810 | 810 | - |
| 3 Special Needs Resource Teacher & Parenting Specialist | 127 | 127 | - |
| 4 Increase in Subsidized Child Care Service Level | 1,642 | 1,642 | - |
| 5 Decrease in BS Agency Payments, WS, WI, SN Assistance | (434) | (434) | - |
| - | - | - | - |
| <i>Subtotal</i> | 3,132 | 3,132 | - |
| Subsidy and Fee Changes - Section VII - N/A | | | |
| 1 | - | - | - |
| 2 | - | - | - |
| 3 | - | - | - |
| <i>Subtotal</i> | - | - | - |
| Other - Section VII - N/A | - | - | - |
| <i>Subtotal</i> | - | - | - |
| 2008 New Pressures | 3,132 | 3,132 | - |
| Total 2008 Pressures | 3,347 | 3,089 | 258 |
| 2008 Recommended Cost of Service | 64,194 | 52,261 | 11,933 |

**APPENDIX II
CHILDREN'S SERVICES
2008 CAPITAL OVERVIEW**

| Existing Capital Children's Services (\$'000) | | | | | | | |
|---|-------------------------|-------------|------------------------|---|--|----------------------------|-------------------------------------|
| Year of Projects | Carry-forward from 2006 | 2007 Budget | Total Approved Capital | In-Year Adjustments as at July 31, 2007 | 2007 Projected Spending (Includes Closed Projects) | 2007 Carry-forward to 2008 | # of Projects Carry-forward to 2008 |
| 1998 | | | - | | | - | |
| 1999 | 360 | - | 360 | | 1 | 359 | 1 |
| 2004 | 109 | - | 109 | | 502 | (393) | 1 |
| 2006 | 426 | - | 426 | | 82 | 344 | 1 |
| 2007 | - | 650 | 650 | 3,300 | 1,563 | 2,387 | 1 |
| 2007+ | - | - | - | | | - | 1 |
| Total | 895 | 650 | 1,545 | 3,300 | 2,148 | 2,697 | 5 |

| 2008 - 2017 Capital Plan (\$'000) | | | | | | |
|-----------------------------------|-------------|------------------------|-------------------------|--------------------------|----------------------|--|
| Carry-forward from 2007 | 2008 Budget | 2008 # of New Projects | Total Capital Available | 2008 Total # of Projects | 2009 - 2017 Forecast | |
| 2,697 | 771 | 1 | 3,468 | 6 | 10,758 | |



Commentary on Cash Flow Variance:

In 2008, Children's Services will have \$2,697,843 in approved capital on existing projects and \$770,592 in new capital. Staff anticipate that of the \$3,468,435, \$2,150,605 will be spent in 2008.

**APPENDIX III
CHILDREN'S SERVICES
EXISTING CAPITAL PROJECT LIST**

As of July 31, 2007

| Project | Description | Gross Revised Budget | Gross Project Actuals | Gross Carry-Forward | Net Revised Budget | Net Project Actuals | Net Carry-Forward | Net % Spent |
|----------------|--------------------------------|-----------------------------|------------------------------|----------------------------|---------------------------|----------------------------|--------------------------|--------------------|
| 040300 | Child Care Ct Renov. 04-68 | 2,735,386 | 3,128,980 | (393,594) | 2,735,386 | 2,380,959 | 354,427 | 87.04% |
| 060300 | Child Care Ctr Renov 05-1496 | 652,700 | 297,985 | 354,715 | 652,700 | 297,985 | 354,715 | 45.65% |
| 070300 | Child Care Centre Renovations | 650,000 | 9,063 | 640,937 | 650,000 | 9,063 | 640,937 | 1.39% |
| 070310 | Child Care Cap.Grants-07-412 | 3,300,000 | 43,572 | 3,256,428 | 3,300,000 | (396,428) | 3,696,428 | -12.01% |
| 990301 | Child Care Management:1999,465 | 698,198 | 338,841 | 359,357 | 348,198 | 249,877 | 98,321 | 71.76% |
| Total | | 8,036,284 | 3,818,442 | 4,217,842 | 7,686,284 | 2,541,457 | 5,144,827 | 33.06% |

APPENDIX IV
CHILDREN'S SERVICES
2008 NEW CAPITAL DETAIL

2008 Financing Sources and Funding Status (\$'000)

2008 Funding Status:
Approved or Pending

(A/P)



| <u>Project #</u> | <u>Project Name</u> | <u>Ward</u> | <u>2008</u> | | | |
|--|-------------------------------|-------------|----------------------|-------------------------|-------------------------|------------|
| | | | <u>Total Expense</u> | <u>Funding External</u> | <u>Funding Internal</u> | <u>DCA</u> |
| Renovations to Child Care Centres | | | | | | |
| A 08-0300 | CHILD CARE CENTRE RENOVATIONS | Peel | 771 | 0 | 771 | 0 |
| <i>Totals for Budget Year: 2008</i> | | | 771 | 0 | 771 | 0 |

**APPENDIX V
CHILDREN'S SERVICES
TEN YEAR CAPITAL PLAN**

Ten Year Combined Capital Program (\$'000)

| <u>Sub Type</u> | <u>Description</u> | <u>2008</u> | <u>2009</u> | <u>2010</u> | <u>2011</u> | <u>2012</u> | <u>Yrs 6-10</u> | <u>Gross</u> |
|--|---|-------------|-------------|-------------|-------------|-------------|-----------------|---------------|
| Renovations to Child Care Centres | | | | | | | | |
| A program to address health and safety issues within child care centres. | | | | | | | | |
| 08-0300 | CHILD CARE CENTRE RENOVATIONS CHILD CARE CENTRE RENOVATIONS | 771 | 703 | 783 | 781 | 687 | 3,887 | 7,612 |
| 16-0350 | NEW CHILDCARE CENTRE PLACEHOLDER FOR NEW CHILDCARE CENTRE TO BE CONSTRUCTED WITH DC FINANCING | 0 | 0 | 0 | 0 | 0 | 3,917 | 3,917 |
| 10 Year Totals For: CDCRENOV | | 771 | 703 | 783 | 781 | 687 | 7,804 | 11,529 |
| Totals for 10 Year Capital Plan: | | 771 | 703 | 783 | 781 | 687 | 7,804 | 11,529 |

**APPENDIX VI
CHILDREN'S SERVICES
PERFORMANCE MEASURES/BENCHMARKS**

OMBI Benchmarks

| Measure | | Service Level | Efficiency | Customer Satisfaction | Community Impact | Comments | Quartile | Quartile | Action Plan |
|---|-------------|---------------|------------|-----------------------|------------------|--|----------|----------|--|
| | | | | | | | 2006 | 2005 | |
| Regulated Child Care Spaces in the Municipality per 1,000 Children (12 and under) in Municipality | Peel Value | 112.60 | | | | This measure refers to the ratio of licensed child care spaces to the number of children residing in Peel. The data indicated that there were 112.6 licensed child care spaces for every 1,000 children in Peel in 2006. This translated to 8.9 children per licensed space. In comparison to 2005 regulated child care spaces have decreased by close to 3 per 1000 children in Peel due to change in child population outpacing the increase in regulated spaces for 2006. As a result of the decrease Peel slipped from the 2nd to the 3rd quartile. | 3rd | 2nd | Children's Services continue to lobby the various levels of government to provide more direct funding to expand licensed child care in Peel. Our efforts combined with others have resulted in the Province providing some federal dollars to be spent on Best Start capital projects in Peel to create new licensed spaces. Additionally, Children's Services will continue to advocate for adequate funding to support and extend early learning programs for families in Peel. Children's Services will continue its support for Peel Fair Share to lobby for a more equitable distribution of social service funds. |
| | OMBI Median | 127.10 | | | | | | | |
| | Rank | 10/14 | | | | | | | |
| Gross Investment per Child (12 and under) in the Municipality | Peel Value | 273.71 | | | | This measure focuses on the total dollars spent on child care services and supports by the municipality as reported to the Ministry of Municipal Affairs. The data suggest that the total spending on child care translates to \$273.71 per child. In 2006 Peel again recorded the lowest investment per child. This clearly showed the need for greater investment in child care services and supports to satisfy the capacity in Peel. In comparison to 2005 Gross Investment per child has decreased by \$ 5.82 or 2% as increased in the child population out paced increased investment, (child population increased by 17.7% while funding increased by 15.5%) in Peel over the review period. | 1st | 1st | As alluded to above, the Division continues to lobby for increased capital and operating dollars to expand early learning and child care capacity in Peel. The low value highlights the lack of funding to address growth in the demand for early learning and child care in Peel. Additionally, the division is consistently seeking out new sources of public support for children in Peel. |
| | OMBI Median | 424.32 | | | | | | | |
| | Rank | 1/14 | | | | | | | |
| Net Investment per Child (12 and under) in the Municipality | Peel Value | 48.49 | | | | This measure represented the direct municipal contribution to child care in 2006 net of transfer or flow through funds. This figure remained low at \$48.49 due to (1) funding capped based on the provincial funding formula & (2) Peel child population again was the 2nd largest in the group of 14. In comparison to 2005 the indicators pointed to a decrease in Net Investment of \$ 4.60 per child and again the increases in child population out paced increases in investment. | 1st | 1st | This low value demonstrates that Peel in relation to other CMSM's has a lower net investment in early learning and child care. The Division must continue to inform and engage Regional Council around the value of municipal funding to support early learning and child care. |
| | OMBI Median | 87.96 | | | | | | | |
| | Rank | 1/14 | | | | | | | |
| Annual Child Care Cost per Normalized Subsidized Child Care Space | Peel Value | | 4,877 | | | This measure provides a value of the weighted average subsidy paid for a child care space. The normalization process adjusts the denominator to reflect a space regardless of age group. The value reported for Peel is slightly lower than the OMBI median due mainly to (1) high % of senior kindergarten and school age children (45% combined) that we have in subsidized care because the older the child the lower the cost of care and therefore the lower the subsidy to be paid. (2) the numerator does not include all municipal subsidies which go in to our Directly Operated Centers. (3) The region has maximum subsidy rates that it will pay for different age groups, and as operator rates increase beyond the maximum the parent pays the difference, this additional parent portion is not counted. In comparison to 2005 the cost indicators point to an increase in child care costs of 6.54% for Peel due to increased focus on the younger more expensive (0 to 6) age group through Best Start funding and general increases in cost of child care in the LPC Centers and Purchase of Service operat | 2nd | 1st | The division continues to monitor subsidy costs and child care operators requests for rate increases. Given that child care fee subsidy is the main source of government funding in the child care sector a low figure promotes low wages in the sector. While wage subsidy is also available to many early childhood educators, a funding gap of approx \$12M contributes to low wages in Peel. Children's Services continues to influence public social policy to increase salaries for ECEs and to this end the province has allocated Best Start funds towards improving the wages of child care workers in Peel, additionally the Region has contributed to the decision to set up a College of ECEs and through Best Start continue to advocate for greater support for children and child care in Peel. |
| | OMBI Median | | 4,888 | | | | | | |
| | Rank | | 7/14 | | | | | | |

| | |
|---------------------|-----------------------------------|
| 4th Quartile | Low performer or high costs |
| 2nd or 3rd Quartile | Average performer or average cost |
| 1st Quartile | High performer or low cost |

**APPENDIX VII
CHILDREN'S SERVICES
STAFFING INFORMATION**

| Program | 2007 Complement | Change Request for 2008 | 2008 Council Approved |
|----------------------|-----------------|-------------------------|-----------------------|
| Children's Services | 244.5 | 0.0 | 244.5 |
| TOTAL Program | 244.5 | 0.0 | 244.5 |

Change Request for 2008 Commentary

N/A

**APPENDIX VIII
CHILDREN'S SERVICES
USER FEES**

| Description of service or activity for which the fee or charge is being imposed | Service Unit | 2007 Current Fee | 2008 Proposed Fee | GST + | PST + | Variance 2007 vs. 2008 |
|---|--------------|------------------|-------------------|-------|-------|------------------------|
|---|--------------|------------------|-------------------|-------|-------|------------------------|

PART 6: HUMAN SERVICES

Children's Services

Full Day: 6-11 hours of care (preschoolers)*

| | | | | | | |
|-----------------|-------|---------|---------|-----|-----|--------|
| 5 days per week | Daily | \$34.00 | \$35.00 | n/a | n/a | \$1.00 |
| 4 days per week | Daily | \$34.85 | \$35.87 | n/a | n/a | \$1.02 |
| 3 days per week | Daily | \$35.70 | \$36.74 | n/a | n/a | \$1.04 |
| 2 days per week | Daily | \$36.55 | \$37.61 | n/a | n/a | \$1.06 |
| 1 days per week | Daily | \$37.40 | \$38.48 | n/a | n/a | \$1.08 |

Part Day: up to 6 hours of care (preschoolers)*

| | | | | | | |
|-----------------|-------|---------|---------|-----|-----|--------|
| 5 days per week | Daily | \$24.00 | \$25.00 | n/a | n/a | \$1.00 |
| 4 days per week | Daily | \$24.60 | \$25.62 | n/a | n/a | \$1.02 |
| 3 days per week | Daily | \$25.20 | \$26.24 | n/a | n/a | \$1.04 |
| 2 days per week | Daily | \$25.80 | \$26.86 | n/a | n/a | \$1.06 |
| 1 days per week | Daily | \$26.40 | \$27.48 | n/a | n/a | \$1.08 |

Full Day: 6-11 hours of care (toddlers)*

| | | | | | | |
|-----------------|-------|---------|---------|-----|-----|--------|
| 5 days per week | Daily | \$37.72 | \$38.72 | n/a | n/a | \$1.00 |
| 4 days per week | Daily | \$38.68 | \$39.72 | n/a | n/a | \$1.04 |
| 3 days per week | Daily | \$39.64 | \$40.72 | n/a | n/a | \$1.08 |
| 2 days per week | Daily | \$40.60 | \$41.72 | n/a | n/a | \$1.12 |
| 1 days per week | Daily | \$41.56 | \$42.72 | n/a | n/a | \$1.16 |

Part Day: up to 6 hours of care (toddlers)*

| | | | | | | |
|-----------------|-------|---------|---------|-----|-----|--------|
| 5 days per week | Daily | \$26.52 | \$27.52 | n/a | n/a | \$1.00 |
| 4 days per week | Daily | \$27.20 | \$28.24 | n/a | n/a | \$1.04 |
| 3 days per week | Daily | \$27.88 | \$28.96 | n/a | n/a | \$1.08 |
| 2 days per week | Daily | \$28.56 | \$29.68 | n/a | n/a | \$1.12 |
| 1 days per week | Daily | \$29.24 | \$30.40 | n/a | n/a | \$1.16 |

Full Day: 6-11 hours of care (school age)*

| | | | | | | |
|-----------------|-------|---------|---------|-----|-----|--------|
| 5 days per week | Daily | \$21.80 | \$21.80 | n/a | n/a | \$0.00 |
| 4 days per week | Daily | \$22.35 | \$22.35 | n/a | n/a | \$0.00 |
| 3 days per week | Daily | \$22.89 | \$22.89 | n/a | n/a | \$0.00 |
| 2 days per week | Daily | \$23.44 | \$23.44 | n/a | n/a | \$0.00 |
| 1 days per week | Daily | \$23.98 | \$23.98 | n/a | n/a | \$0.00 |

**APPENDIX VIII
CHILDREN'S SERVICES
USER FEES**

| Description of service or activity for which the fee or charge is being imposed | Service Unit | 2007 Current Fee | 2008 Proposed Fee | GST + | PST + | Variance 2007 vs. 2008 |
|---|--------------|------------------|-------------------|-------|-------|------------------------|
|---|--------------|------------------|-------------------|-------|-------|------------------------|

Part Day: up to 6 hours of care (school age)*

| | | | | | | |
|-------------------------|-------|---------|---------|-----|-----|--------|
| Before School - A.M. | Daily | \$15.39 | \$15.39 | n/a | n/a | \$0.00 |
| After School - P.M. | Daily | \$15.77 | \$15.77 | n/a | n/a | \$0.00 |
| Before and After School | Daily | \$16.16 | \$16.16 | n/a | n/a | \$0.00 |
| PD and Camp Days | Daily | \$16.54 | \$16.54 | n/a | n/a | \$0.00 |
| 1 days per week | Daily | \$16.93 | \$16.93 | n/a | n/a | \$0.00 |

Flexible Rate Options (school age)*

| | | | | | | |
|-------------------------|-------|--------|---------|-----|-----|---------|
| Before School - A.M. | Daily | \$0.00 | \$6.50 | n/a | n/a | \$6.50 |
| After School - P.M. | Daily | \$0.00 | \$12.25 | n/a | n/a | \$12.25 |
| Before and After School | Daily | \$0.00 | \$18.55 | n/a | n/a | \$18.55 |
| PD and Camp Days | Daily | \$0.00 | \$34.00 | n/a | n/a | \$34.00 |

*The rate shown is the maximum rate. The minimum rate is 20% of the maximum rate. The actual rate chargeable to a client is determined according to available income, in accordance with Form 1 of Regulation 262 under the Day Nurseries Act. Fees are charged for 260 days per year.

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