



Report To:	Manitoulin-Sudbury District Services Board
From:	Donna Stewart, Director of Integrated Social Services and Lori Clark, Children's Programs Supervisor
Date:	September 26, 2019
Re:	Child Care Expansion Funding and Parent Fees

Purpose:

The purpose of this report is to obtain the Board approval in principle to cost share Child Care expansion funding based on recommendations of the Finance Committee as they deliberate the 2020 Budget. Request the Boards support for an annual Child Care parent fee increase beginning January 1, 2020.

Background:

On April 18th the [Child Care and Early Years Allocations](#) were shared with staff. Beginning in April 2019, CMSMs/DSSABs were to be required to cost-share the operating portion of Expansion Plan funding at a rate of 80/20 provincial/municipal and all administration funding, including Wage Enhancement administration funding, will be cost-shared at a rate of 50/50. The threshold for allowable administration funding municipalities can spend on Child Care will be reduced from 10% to 5%.

On June 7th, staff received confirmation of the [revised Child Care allocations](#), transfer payment agreement amendments and updated funding guidelines for [Child Care](#) and [EarlyON](#). Changes to cost sharing have been deferred to January 1, 2020.

On August 28th, 2019 staff received an email communication from Ministry providing details regarding the announcement made at the AMO conference with respect to Child Care funding implementation changes. Implementation of the cost share for expansion will be rolled out as follows:

On January 1, 2020, Consolidated Municipal Service Managers (CMSM) and District Social Services Administration Boards (DSSAB) will be asked to cost-share Expansion Plan operating funding at a rate of 80/20 provincial/ municipal. While cost sharing continues to be encouraged, the ministry is committing to providing 80 percent of this funding regardless of the CMSM/DSSAB contribution.

On January 1, 2021, CMSMs/DSSABs will be required to cost share all administrative funding at a rate of 50/50; and finally

On January 1, 2022, the threshold for allowable administrative funding CMSMs/DSSABs can spend on Child Care will be reduced from 10% to 5% in addition to the ongoing cost sharing requirements previously introduced. Changes to administrative cost sharing and the reduction of the threshold will not have a municipal impact.

Report:

Child Care expansion funding is used to support operating costs of new spaces, increased access through expanded hours and affordability in all areas of the district.

Since 2017, the following chart depicts the expansion of Child Care in our district:

Community	School/Child Care Partner	Number of Spaces	Ages Served
St. Charles	St Charles Borromée/Carrefour francophone de Sudbury	15	Family Grouping 0-12
Markstay	Markstay PS/YMCA Northeastern Ontario	15	Family Grouping 0-12
Manitowaning	Assiginack Pubic School/Gore Bay Child Care Centre	15	Family Grouping 0-12
Mindemoya	Central Manitoulin Public School/Manitoulin Family Resources	15	Family Grouping 0-12
Massey	S. Geiger/The One Tot Stop	15	Family Grouping 0-12

The Manitoulin-Sudbury DSB has also committed to future expansion in 2020 as follows:

Community	School/Child Care Partner	Number of Spaces	Ages Served
Espanola	Joint School Sacred Heart/St. Joseph/Our Children Our Future	19	10 Infant (French) 5 Toddler (French) 4 Preschool (French)
Little Current	Little Current Public School	10	Infant

The majority of programs in our district are nearing capacity, a review is being done to determine where additional spaces may be needed to address community need. In order to continue to operate existing spaces, consider new spaces, ensure access to expanded hours of care and support affordable fees, Child Care expansion funding is required.

The expansion funding totals \$1,479,134 of which the provincial 80% share is **\$1,180,291** the municipal 20% share is **\$298,843**. Staff will be asking the Finance Committee to determine a plan that would allow the Board to fund the municipal share over a number of years.

Child Care expansion funding is needed to maintain the current system and address expansion needs, a review of cost share implementation options is needed to maintain the Child Care system. The municipal share of expansion funding is needed to ensure current spaces remain open and new spaces can be considered in response to community need, without this funding spaces across the district will be in jeopardy.

Staff have reviewed the current Universal Child Care rate structure and have met with providers to develop an annual fee increase to help address increasing costs associated with wages, food and occupancy costs. Providers have agreed to an ongoing annual increase to Universal Child Care rates of two percent beginning January 1, 2020. Parents will be notified in advance. A moderate increase of 2% will address increasing costs to deliver programs and maintain an affordable system for families.

Universal Child Care rates as of January 1, 2020

Centre Based	Current	Current Rate	2% Increase	New Rate
Full Day	Infant	\$ 35.00	\$ 0.70	\$ 35.70
Full Day	Toddler	\$ 30.00	\$ 0.60	\$ 30.60
Full Day	Preschool	\$ 25.00	\$ 0.50	\$ 25.50
Full Day	School Age	\$ 20.00	\$ 0.40	\$ 20.40
Socialization	All Ages	\$ 15.00	\$ 0.30	\$ 15.30
Before and After School	All Ages	\$ 10.00	\$ 0.20	\$ 10.20
After School	All Ages	\$ 10.00	\$ 0.20	\$ 10.20
Before School	All Ages	\$ 5.00	\$ 0.10	\$ 5.10

Private Home Daycare Rates	Current Rate	2% Increase	New Rate
Overnight Care	\$ 45.00	\$ 0.90	\$ 45.90
Extended Day Care	\$ 35.00	\$ 0.70	\$ 35.70
Full Day Care	\$ 25.00	\$ 0.50	\$ 25.50
Half Day Care	\$ 15.00	\$ 0.30	\$ 15.30
Before and After School Care	\$ 10.00	\$ 0.20	\$ 10.20
After School Care	\$ 10.00	\$ 0.20	\$ 10.20
Before School Care	\$ 5.00	\$ 0.10	\$ 5.10

Recommendation

Staff are recommending that the Board support an annual increase to the Universal Child Care rates of two percent per year beginning January 1, 2020 to help address increasing costs to deliver programming.

Staff are recommending that the Board approve the cost sharing of the Child Care expansion funding in principle and direct the Finance Committee to develop a plan to fund the municipal share during the 2020 Budget deliberations.