

# Changes to Childcare Funding and Junior Citizens Daycare

Report to Community Services  
June 17<sup>th</sup>, 2013

# Review of Funding Changes

- As a follow up to the February and April Community Services meetings.
- New funding formula based on population data as opposed to number of licensed childcare spaces.
- New formula was released in December 2012.
- Provincial funds have been re-distributed throughout the Province.

# Review of Funding – Ministry of Education Provincial and Municipal

| Funding Type                         | Provincial          | Municipal            | Total (1)           |
|--------------------------------------|---------------------|----------------------|---------------------|
| Total 2012 Budget                    | \$17,529,589        | \$2,681,240          | \$20,210,829        |
| Total 2012 Actual                    | \$16,665,063        | \$2,332,093          | \$18,997,156        |
| 2012 Surplus                         | \$ 864,526          | \$ 349,147           | \$ 1,213,673        |
|                                      |                     |                      |                     |
| Total 2013 Budgeted Allocation       | \$15,758,250        | \$2,159,102          | \$17,917,352        |
| <b>2013 Funding Shortfall</b>        |                     |                      | <b>\$ 1,079,804</b> |
| <b>2013 Municipal Budget Surplus</b> |                     | <b>\$450,000 (2)</b> |                     |
|                                      |                     |                      |                     |
| <b>Mitigation Dollars Received</b>   | <b>\$ 6,676,180</b> |                      |                     |
| <b>Identified Future Risk</b>        |                     |                      | <b>\$ 4,649,487</b> |

1 – Net of JCDC parental revenue

2 – Municipal associated budget surplus based on revised 2013 budget requirements

# Community Consultation

- Community consultation was held with community childcare providers on March 28th, 2013.
- The following priorities were identified:

| Community Priority  | Rating    |
|---|-----------|
| Early Childhood Educator recruitment and retention and plans for credential development | 30 Points |
| Inclusive system planning and leadership  | 30 Points |
| Flexibility for working families (ie – part time and night shift)                       | 28 Points |
| Quality Childcare   | 18 Points |
| Inclusion of all children (special needs funding)                                       | 17 Points |
| Staff wages, benefits and continuity  | 16 Points |

# Proposed Policy Changes

- Based on community priorities, a review of core services, the following policy changes are being proposed:

| Policy   | Savings            |
|--|--------------------|
| School Readiness for High Risk Children        | \$550,000          |
| 10 to 12 Year Olds Subsidized Care             | \$200,000          |
| Administration and Misc. Policy Changes        | \$140,000          |
| Waitlist                                       | \$189,804          |
| <b>Total</b>                                   | <b>\$1,079,804</b> |
| ** Note: Assumptions based on 2012 usage rates |                    |

# Proposal – School Readiness for High Risk Children

- Ontario Works/Ontario Disability Support Families – Children 18 to 44 months of age.
- Total cost in 2012 approximately \$800,000 for 192 children.
- Program evaluation underway to maximize the outcomes, i.e. – 2 days a week vs. 5 days a week.
- Total savings of \$550,000.
- Cost share with Social Services.

# Proposal – Elimination of 10 to 12 Year Old Subsidized Care

- Currently subsidize 10 to 12 year olds in licensed care.
- Child Care guidelines from the Province indicates the following:
  - Fee subsidies may be provided for children under 10 years of age, or for children up to 12 years of age in special circumstances.
- This service will not affect existing 10 to 12 year olds in the system.
- Total annualized savings of \$200,000 per year based on current usage.

# Proposal – Misc Policy Changes

- Change of job search from 12 weeks to 4 weeks.
- Reduction of absent days from 45 to 36 days per year.
- Self-employed start up from 2 years to 1 year.
- Elimination of minimum contribution policy which waived contributions of \$35 and under per month.
- Approximate savings of \$40,000 to \$50,000 per year based on usage.



# Administration Review

- Children Services section review of organizational structure in 2013.
- Review of marketing supports for licensed childcare and fee subsidies.
- Goal to find \$100,000 in administration.

# Prioritized Waitlist

- A prioritized waitlist may be needed, depending on utilization as was in the past.
- A prioritization policy will be brought back to Community Services for review with a 2014 implementation date.

# Mitigation Funding

- Children Services will draw on mitigation dollars to ensure no child currently accessing service will be affected by the aforementioned policy changes.
- Policy changes could take up to 2 years to fully implement.
- Mitigation fund balance of \$6,676,180 to be reviewed on an annual basis.

# Junior Citizens Daycare (JCDC)

- Met with the JCDC sub-committee on two occasions.
- Reviewed financials and operations with the committee.
- Closure of the centre would result in subsidy dollar savings and \$125,000 in projected levy savings.
- Committee recommends that JCDC be part of a larger system review.

# Next Steps

- Childcare system review to deal with the identified \$4,649,487 risk
  - Meet with childcare community to develop a sustainable, quality childcare system
  - Report findings in 8 to 12 months

# Community Presentation

- Greater Sudbury is responsible and funded to be the system manager for all supports and services of Early Learning and Care.
- In this function it is important to build partnerships, provide leadership to collaboratively build a solid and sustainable system for ELC.

# Community Presentation

- Sudbury Best Start Network provides a framework of cross sector partnerships. Funding support to best start planning and collaborative partnerships will help build and sustain the system This will also ensure the maximizing of local and provincial dollars.
- To do this, the City simply needs to maintain the existing child care allocation.

# Community Presentation

- The cost of a subsidized spot at JCDC is \$6304 and the same spot at a community centre is \$3063. It is time to acknowledge the good work of JCDC but close the program and redistribute the spaces and the funds to a community centre.



# Questions and Comments

