

The Corporation of the City of Kawartha Lakes
Council Report

Report Number SOC2018-001

Date: March 20, 2018
Time: 2:00 p.m.
Place: Council Chambers

Ward Community Identifier: All

Subject: Children's Services Update and 2018 Funding Allocations

Author Name and Title: Janine Mitchell, Manager Social Services

Recommendation(s):

RESOLVED THAT Report SOC2018-01, "2018 Children's Services Update and Funding Allocations", be received.

Department Head: _____

Financial/Legal/HR/Other: _____

Chief Administrative Officer: _____

Background:

Background:

The City of Kawartha Lakes is the designated Consolidated Municipal Service Manager (CMSM) for Children's Services in the City and County of Haliburton. The City, through the Social Services Division, enters into an annual Service Contract with the Ontario Ministry of Education (MEDU) for Children's Services funding under the *Child Care and Early Years Act*.

Due to the timing of funding allocations from MEDU, the City's 2018 Operating Budget was developed and approved based on 2017 funding levels. The preliminary 2018 subsidy levels were released by MEDU in June but final allocations were not released until November 2017.

The current provincial funding formula was first implemented in 2013. Since 2013, the cumulative increase in provincial funding locally totals \$4,769,432 although in 2018, there was a net decrease in operating funding from 2017 of just over \$177,000.

CMSMs are required to maintain a minimum municipal contribution equivalent to 2012 annualized cost share requirements. For the City of Kawartha Lakes CMSM, that is approximately \$625,725.

The province continues to fund the wage enhancement initiative for licensed child care and home child care program staff. This initiative is 100% provincially funded and once all applications have been reviewed and approved, the province will provide sufficient funding to fully meet the costs of the program to the CMSM.

Fee Stabilization funding was provided in 2018 intended to ensure that staff of child care agencies can meet the new minimum wage requirements with agencies having to increase fees to parents to directly offset those costs.

The province provides \$25,574 in additional 100% one-time funding to support the additional administrative requirements for both the CMSM and agencies. The estimated wage enhancement allocation for 2018 is \$674,670.

Rationale:

The CMSM has the responsibility of allocating funding to individual agencies consistent with provincial and local guidelines and policies. The allocations for 2018 were determined consistent with our current local funding allocation model that has been in place since 2013. While the provincial funding identified in Table 1 is based on specific allocation categories, the expenditures can be allocated to agencies in the following program areas:

- Administration: CMSM expenses related to the delivery agent role
- General Operating Grant: ongoing child care agency operating expenses
- Special Needs Resourcing: agency funding for programs for children with special needs
- Fee Subsidy: assistance with child care fees for eligible families based on income
- Small Water Works: for one agency's water testing requirements
- Planning: supports the local Children's Services Planning Table in broader community service planning and co-ordination
- EarlyON Child and Family Centre: ongoing EarlyON agency funding and administrative support funding

The last three program areas listed above have specific program criteria relating to special projects or needs and have limited or no flexibility to use for other programs areas.

Table 1 below lists the 2016-2018 provincial subsidies for Children's Services based on the Ministry's funding categories.

Table 1: Provincial Funding Allocations

Funding Category	Component	2016 Allocation	2017 Allocation	2018 Allocation
Operating				
Core Services Delivery		4,116,619	5,103,969	5,606,926
Special Purposes Allocation	Rural/Remote	682,670	811,190	723,361
	Language	36,293	43,126	38,457
	FDK Transition	250,280	0	0
	Transformation	24,799	0	0
	Cost of Living	153,495	181,340	163,695
	Indigenous	18,773	22,308	19,892
	Capacity Building	30,212	35,189	31,554
	Repairs and Maintenance	12,593	13,585	11,677
	Utilization	-59,151	275	0
Capital	Retrofits	44,701	0	0
Capping		- 74,658	-60,432	-46,492
Total Operating¹		5,236,626	6,150,550	6,549,070
Other Allocations				
Small Water Works		2,805	1,914	1,187
Wage Enhancement		609,886	616,515	674,670
Wage Enhancement Administration		25,574	25,574	25,574
Total Other Allocations		638,265	644,003	701,431

¹ Total due to provincial rounding

Funding Category	Component	2016 Allocation	2017 Allocation	2018 Allocation
Family Support Programs				
Planning – Regular		20,600	20,600	20,600
Planning – Indigenous		1,800	1,800	1,800
Planning – Data Analysis Coordinator			72,953	72,953
EarlyON Child and Family Centre				1,010,319
Total Family Support Programs		22,400	22,400	1,105,672
GRAND TOTAL		5,238,325	5,553,657	8,356,171

Changes in 2018 allocations to agencies reflect changes as calculated under each agencies eligible allocation under the funding formula. The funding formula was updated in 2018. The funding formula includes the following categories to determine agency allocations:

- Number of spaces for each age group (i.e. infants, toddlers, preschool, etc.)
- Full day care provided in rural areas for infants, toddlers or preschoolers
- Care provided before 6:30 a.m. or after 6:00 (without additional per diem charges)

The Boys and Girls Club and Compass Early Learning and Care increased the number of licensed child care spaces and their funding allocations reflect these increases.

Compass Early Learning and Care and Wentworth Day Care Services have been provided with funding to support the recruitment of licensed home child care providers and were asked to specifically target areas without access to licensed care in rural communities in the Northern area of Kawartha Lakes and the County of Haliburton. To date they have recruited seven new home child care providers.

Table 2 below lists the anticipated funding allocations by program area and agency and includes the required municipal cost share. Agency funding allocations were reviewed and adjusted as per Ministry guidelines, local policies and procedures.

Table 2: Agency Operating Allocations

Program Area	Agency	2016 Allocation	2017 Allocation	2018 Allocation	Variance (from '17)
General Operating	Bobcaygeon Day Care and Nursery School Corp.	357,056	363,652	371,897 ²	8,245
	Boys and Girls Clubs Kawartha Lakes	246,800	273,182	419,680	146,498
	Haliburton Wee Care Day Nursery	171,621	171,621	192,141	20,520
	Heritage Christian School	37,800	37,880	46,880	9,000
	Compass Early Learning and Care	610,390	625,399	1,115,840	490,441
	Mother's Reaching Out Nursery School	18,945	18,945	0 ³	(1,623)
	Omemee Children's Centre	157,099	159,474	208,730	49,256
	Ontario Early Years Centre Victoria-Haliburton-Brock	128,311	125,311	160,811	35,500
	Preschool Centre for Child Enrichment (Lindsay Montessori)	45,483	42,483	44,821	2,338
	Wentworth Day Care Services (Wee Watch Home Child Care)	65,000	55,000	77,000	22,000
	Special Needs Resourcing	Point in Time Centre for Children, Youth and Families	377,441	381,513	396,180.50
Community Living Trent Highlands (formerly Kawartha Lakes)		1,045,077	1,056,631	1,088,802.50	15,302
EarlyON Child and Family Centre	Ontario Early Years Centre Victoria-Haliburton-Brock	N/A	N/A	1,010,319	1,010,319
ELCC Capital	Boys and Girls Club	N/A	N/A	205,000	205,000
Capacity Building	Community Living Kawartha Lakes	95,000	95,000	95,000	0
Small Water Works	Haliburton Wee Care	2,805	2,805	1,187 ⁴	0
Total Agency Allocations		3,358,828	3,408,896	3,287,851	1,346,273
Fee Subsidy Allocation		1,905,775	2,091,341	\$2,270,400	

² Wage Enhancement, Capital Projects, Fee Subsidy Stabilization and Wage Enhancement Administration figures are not included in Operating Allocations

³ Program has ceased operations

⁴ This amount has been reduced based on the agency's actual costs

The fee subsidy allocation is not included in these allocations as it is issued based on actual approved subsidies per child, not by agency.

The additional 100% provincial funding in 2018 will continue to support the new spaces created in 2017 and will additionally support the creation of 24 new preschool spaces.

Other Alternatives Considered:

Funding allocations for 2018 were determined based on established processes and consistent with Ministry and local formulae. Staff completed extensive analyses and reviews of data and reports to assist in the determination of funding allocations and service needs.

Financial Considerations:

All additional funding described in this report that was not included in the 2018 operating budget is 100% provincially subsidized.

Consultations:

Program Supervisor, Children's Services
Data Analysis Coordinator
Ministry of Education

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