



TOWNSHIP OF NORTH HURON

REPORT

Item No.

REPORT TO: Reeve Vincent and Members of Council
PREPARED BY: Dwayne Evans
DATE: 16/04/2018
SUBJECT: Childcare Services Agreement
ATTACHMENTS: County Childcare Services Agreement

RECOMMENDATION:

That the Council of the Township of North Huron hereby receives the report of the CAO, dated April 16, 2018, regarding a Childcare Services Agreement with the County of Huron;

AND FURTHER, THAT Council authorize the Clerk and Reeve to sign By-law 34-2018 being an agreement between the County of Huron and the Township of North Huron for childcare services;

AND FURTHER THAT Council approves an exception to Section 19.1 of the Procedural By-law to allow By-law 34-2018 to be passed at the April 16, 2018 Council meeting.

EXECUTIVE SUMMARY

For many years the County of Huron has received and disburses provincial funding to municipalities for childcare services. The funds received are based on licensed capacities and funding formulas. Childcare programs are licensed by the Ministry of Education and receive a significant level of financial support to ensure spaces are available and affordable for families. Direct Operating Grants are received to offset costs associated with staffing and operating the programs. Operating grants are based on the number of available licensed childcare spaces; the number of children enrolled in the program; and the number of staff required to care for them.

In addition to Direct Operating Grants, municipalities are invited to apply on an annual basis for Health and Safety Grant funding. These funds are used to upgrade our buildings or remedy safety concerns. For each licence held, municipalities are eligible to receive approximately \$1000 per license annually. North Huron currently holds three licenses and in the past these funds have to replace windows, flooring, painting, water heaters, heating units and the upgrading of phone systems. The County also provides wage enhancement funding for staff who work directly with the children. The purpose of this funding is to increase salaries to better reflect what similar staff are being paid in the school system.

The purpose of this report is threefold: (1) to seek Council's approval to renew the Childcare Services Agreement with the County for an indefinite period of time or until the agreement is superseded or replaced by a subsequent agreement or until it is terminated in its entirety by either party by giving sixty (6) days' written notice; (2) share with Council what the CAO has learned regarding the operations of childcare services; and (3) provide some insight into some issues/concerns being investigated by staff.

DISCUSSION

The Township currently operates and provides 4 programs to residents in the north end of the County.

The Main Centre is located at 239 William Street and is licensed for 67 children daily. This consists of 10 infants (newborn to 18 months), 25 toddlers (18 months to 2.5 years old), and 32 preschoolers (2.5 to 6 years). The Centre is open 6:30-5:30 pm Monday to Friday with the exception of a two week shutdown in December. The Main Centre is full and has a waitlist with 17 infants on it; a smaller group of sibling toddlers and a few preschoolers needing care.

A second program is offered at the Sacred Heart School (225 Cronyn Street) and is licensed for 24 preschool children and 15 school age children. Referred to as the 'Early Learning Site', the preschool portion of this program provides service to 16 children. The room is not appropriately sized to accommodate the license North Huron currently holds for 24 preschool children. The preschool program is full and if the space allowed, has the ability to accommodate more children on a daily basis. The space was constructed by the County and is currently rent free with the County's permission.

A third program North Huron offers is the Before and After School Program. This program operates out of the Maitland River Elementary School and North Huron is currently licensed for 52 JK/SK and 60 Primary children. The program is available from 6:30 am until school starts and 3:00 pm until 6 pm. Presently, the program runs with approximately 23 JK/SK and 30 primary aged children on a daily basis. This year the Before School Program is equally as busy as the After School Program. North Huron is currently licenced to accommodate double the number of children enrolled in the program.

The fourth and last program North Huron offers is 'EarlyON' (Ontario Early Years). EarlyON is a parenting and caregiver program for children and their families 0- 6 years of age. The program offers children and their families free playgroups, parent education and training programs throughout the northern end of the County. The program is delivered through a contract with Huron County and is 100% funded. This program is currently being rebranded and the services are being expanded to include EarlyON Child and Family Centres. The available provincial dollars to expand and fund this program is on the rise.

Waitlist

As mentioned above, North Huron has a waitlist with 17 infants on it; a smaller group of sibling toddlers and a few preschoolers needing care. Some of the priorities on the waitlist are families needing full time care for work related purposes; families with siblings in the program; regular part-time care; and families needing care for shift work purposes. North Huron's waitlist list policies are available on the Township's website.

The County of Huron has funded a new electronic waitlist which is being used in all areas of the province called OneHsn. This electronic waitlist allows families to place their children on a waitlist for services closest to them. This system allows child care providers with ongoing access to an updated list and the list confirms to the County (the funder) that our services are in demand. The County of Huron pays all costs for this program.

Staffing

As part of the licensing requirements, the Ministry of Education establishes children to staff ratios. With 67 children on a daily basis, the main centre requires thirteen (13) staff working full days and one or two part time staff to cover lunches and end of day coverage. The Township currently employs 6 full-time staff, sixteen (16) part-time staff, one secretary who works approximately 20 hours per week to complete attendance and billing for approximately 180 families a month, a part-time cook who prepares snacks and a hot lunch for 83 children daily, and one Manager. The Manager is responsible for all four programs provided by the Township and the responsibilities include, but are not limited to, staff scheduling, registering and communicating with families, budgeting, purchasing, supervising programs, scheduling and filling daycare vacancies. The Manager has disclosed that retirement is likely within the next 3 years.

Regarding the Early Learning Program, two staff working full time hours and one part time staff member working 6.5 hours a day is needed to cover lunch breaks; end of day programming; and before and after school care. The Maitland River School Before and After School program requires four staffing working 6.5 hours a day. The EarlyON program requires two staff working approximately 24 hours per week each. A vast majority of staff who delivered these programs are Registered Early Childhood Educators. A few staff with less training work regular hours and in accordance with regulations and laws.

Cost of Operating

The cost of operating these programs is based on the number of staff required to meet the Ministry's ratios as well as the costs to provide the necessary buildings and structures. The draft 2018 budgets for the offsite programs does not include secretarial or management salaries.

Infants are most costly age to deliver as the Ministry mandated ratio is one staff for three (3) infants. Toddlers are one (1) staff to five children and preschool age school are one staff to eight (8). The ratio for 4 and 5 year old's is one (1) staff person for every thirteen children. For primary aged children, the Ministry's mandated ratio is one staff person for every 15 children.

The main building program costs more because we own and operate the building including heat, hydro, snow removal, repairs and maintenance. Presently, all current offsite programs are rent free and all facility costs are absorbed by the County except for the phone system. At the time of writing this report, it is unknown why this cost is not covered.

FINANCIAL IMPACT

As stated above, the Township receives provincial funding which is administered by the County of Huron through a Children's Services Manager. The funding is provided through the Ministry of Education and is based on licensed capacities and funding formulas. The Township receives a significant level of financial support to deliver the programs and ensure spaces are available and affordable for families.

During a recent meeting with County of Huron Children Services staff, the CAO and Manager of Child Care Services was advised that the County was not supportive of the introduction of resident/non-resident fees for children's services. Instead, the County encouraged a review of program delivery

and an investigation into how the County could provide more financial support for children's services. A recent provincial announcement is suggesting children's services will be 100% funded by 2020.

During the meeting, the County reminded North Huron staff that parents can apply for a fee subsidy to help offset costs. This program is administered by the County and is based on household income. The program covers 100% of the childcare costs for eligible families and is recorded as 'fee subsidy' in the Township's budget. The only other way to increase revenue to the Township's child care programs is through an increase in the parent fees.

Speaking of fee subsidies, when programs have children in them with special needs and child requires assistance to participate, the provincial government provides 100% of the additional funding required to provide the necessary staffing. In the Township's budget, this additional staff assistance is shown as 'Program Assistants'.

As stated above, Direct Operating Grants are received to offset costs associated with staffing and operating the programs. Operating grants are based on the number of available licensed childcare spaces; the number of children enrolled in the program; and the number of staff required to care for them. In addition, municipalities are invited to apply on an annual basis for Health and Safety Grant funding. These funds are used to upgrade buildings or remedy safety concerns. The County also provides wage enhancement funding for staff who work directly with children. The provincial government currently provides \$2 per hour to each staff hour worked directly with children.

In 2017, Township received provincial funding of approximately \$354,941. This was exclusive of any fee subsidy funds received. The County of Huron was also able to provide an additional \$10,000 dollars to help offset financial pressures in 2018.

If you look at the four (4) programs as a collective, child care services benefit the municipality. The accounting of the programs is currently under review. Staff need to ensure program costs are being charged against the appropriate program.

FUTURE CONSIDERATIONS

Thanks to the current Manager of Child Care Services and former senior staff, North Huron has developed a strong and positive relationship with the County of Huron. The County supports and appreciates North Huron's high level of quality and customer service. Staff are working closely with the County to roll out the mandate for the EarlyON Child and Family Centres. There may be some additional capital funding to increase child care spaces and create new space for the EarlyON Child Family Centres. For 2018, the County has increased North Huron's funding from \$82,590 to \$115,000 to build and improve upon children's services in the community. In return, the County will be establishing expectations and goals for North Huron to implement with the additional dollars. The County's expectations and goals will not exceed the additional dollars that have been allocated. One of the County's goals is to explore ways to create more child care spaces. North Huron's child care waitlist continues to grow.

As part of the review process, staff are investigating current available space to create more preschool spaces. If more preschool spaces can be created offsite, more toddlers and infants could be accommodated in the main centre. Staff are also looking into ways to improve the washroom

facilities at the main centre with little to no cost to the municipality. This would allow for an increase in the number of toddler and infants that could be accommodated at the main centre.

Staff are also investigating space and funding to build additional rooms onto existing facilities. This has the potential of providing additional services to residents with minimal to no cost to the municipality. This investigation also aligns with the province's plan to establish multi-year funding for child care services. Stable and predictable funding will enable the municipality to offer secure employment and possibly more permanent positions. This will improve the quality of child care services provided to residents. It may also allow for the creation of an offsite supervisor position to assist the Manager of Child Care Services with the delivery of programs and facilitate succession planning.

Further and as mentioned earlier in the report, staff are assessing whether an additional room or two could be created at the Maitland River School and/or the Sacred Heart School to accommodate more preschool aged children. One of the County's goals is to reduce North Huron's waitlist. Creating an infant toddler hub of excellence at the main centre will also enable the Township to accommodate more infant and toddler aged children. To drive the local economy and support working parents in the community, more child care spaces are needed. North Huron may be able to achieve with little to no cost.

Finally, Township staff and County staff have a vision to create and build a more integrated hub for a Family Centre that provides visibility and accessibility for families. Staff are currently investigating available community space. This program will be 100% funded by the County.

RELATIONSHIP TO STRATEGIC PLAN

Goal #4-Our administration is fiscally responsible and strives for operational excellence.



Dwayne Evans, CAO