Children?s services explores fee increases



North Hastings Children's Services executive director Jessica Anderson talks parents through options to increase revenue at the services and, by extension, reduce the fee increase she says it needs them to take on. She said the services needs to increase its revenue stream by $100,000 by the end of next year due to the minimum wage increase and how it effects the not-for-profit's complexly subsidized employee payroll. / SARAH SOBANSKI Staff

By Sarah Sobanski

North Hastings Children's Services' executive director says the organization has to increase its revenue by $100,000 in two years and there's no way to do so without increasing its child care rates.

Children's services executive director Jessica Anderson estimates Ontario's minimum wage increase to $14 an hour will cost the children's services more than $67,000 by the end of 2018. By the end of 2019, the increase to $15 will cost it more than $95,000.

"So that's what keeps me up at night as the person responsible for the budget and making sure everyone in Bancroft has quality child care and 25 to 30 people still keep their jobs," Anderson told parents at a town-hall style meeting Jan. 24.

While she said she's "confident" the children's services can make up some of the increase, the rest needs to be supported by its child care centres' revenue streams.

Parents should expect a $4 a day increase per toddler - the average aged child for NHCS, Anderson said. Per infant the increase would be $6 per day, per pre-schooler $3 a day and a $1 a day increase for both after school and before school hours.

That's if the children's services can reduce costs by $20,000, she said. Otherwise each could increase a few dollars more. Other costs such as increasing the children's services membership fee could add up on top of that.

"There's solutions that we can look at," she said, hoping ??to lessen the percentage parent fee increases would make up of the? ?needed revenue increase.

First up, Anderson said the children's services could begin charging for days children are sick or on vacation. She said every time a child is away and isn't keeping an early childhood educator within their available ratio for children, NHCS is losing money. She estimated this could increase NHCS revenue by $10,000 to $15,000.

"That is a very common practice in licensed child care," said Anderson. "You're going to have an opportunity to tell me if that is a big issue for you."

One attending mom pointed out she didn't think paying for sick or vacation days was fair. She said children would always need sick days because "they're kids" and "that's just how they are." She would later point out that many attending the meeting wouldn't see benefits from the minimum wage increase to offset additional costs at the children's services.

Anderson presented a spreadsheet comparing child care rates from 2015 by NHCS and 13 other child care centres in Hastings County. The names of the centres were kept anonymous.

NHCS was $5 cheaper per day than any other centre for preschoolers. It also had the cheapest per day rate for toddlers at $2.50 less. The most expensive rate in the county was charged at more than $20 more for each age.

For infants, NHCS was $10 more than the cheapest rate in the county. It was $19 less than the most expensive.

Anderson? ?offered fundraising and donations? ?as the next option, as the children's services is a charitable not-for-profit. She noted however that in the past the children's services had tried to host fundraisers? ?but? ?parents hadn't been able to give their time. She said she understood everyone was busy but she couldn't force her staff to volunteer to fundraise.
An attending dad also pointed out that in order to make up? ?as? ?large? ?a? ?portion of the revenue needed there would have to be "a lot of fundraising." He suggested it wasn't a viable solution as people in North Hastings were already struggling and he couldn't see the option adding up. There are, however, options where nobody needs to give up their time at all, such as a Chipotle percentage night fundraiser. These fundraisers can raise money for things like sport and play equipment amongst other things, simply by eating at your local Chipotle. With a little advertising, local people can be told about the fundraising night, and on the night itself, all people need to do is eat a meal at the local Chipotle and 33% of the takings get donated. More information can be found on https://community.chipotle.com/resources/chipotle-fundraisers-101/fundraising-ideas-for-sports-teams/.

"We're looking at everything we could possibly do to add to the revenue," said Anderson. "If you're thinking why didn't we do this sooner, we have. We cut back our water usage, saved $2,000, then water rates went up so we had to pay that $2,000... You try to get ahead and then something happens."
Other options included reducing hours or increasing them with a fee, reducing overhead and admin costs by finding additional grant funding, scaling down staffing despite demand and offsetting costs for parents by increasing values of programs such as providing lunches or diapers - something that might be obtainable through further program development funding.
Anderson explained she wanted to hear from parents as much as possible over the next week before she presented her findings to the NHCS board Feb. 7.
"We're looking for other ideas on how we could save money or increase revenue," said Anderson. "We think we've almost thought of it all but we're trying and we're hoping that one of you might have a super duper answer."
The board will make a decision? ?how best to increase revenue ??from Anderson's recommendations on Feb. 16. Any actions approved will take effect April 1.
A survey was given to parents at the meeting to discuss the impact fee increases would have on them, what options best suited them and for ideas they might have to increase revenue. It is available at www.nhcs.com as well as more information on? ?the? ?options NHCS is discussing.
Anderson ?said? she w??ould? ?meet with parents to discuss finances and hear ideas before she attends the board meeting.