

**NANAIMO LADYSMITH PUBLIC SCHOOLS
BUSINESS COMMITTEE MEETING
INFORMATION SHEET**

DATE: March 2, 2022
TO: Business Committee
FROM: Mark Walsh, Secretary-Treasurer
SUBJECT: Childcare Rates

Background:

On January 26, 2022, staff presented a brief update to the Board that it was engaging our childcare providers with respect to the rate structure for the new builds. This Information Sheet provides an update on those discussions.

Discussion:

Last winter the District created a request for expression of interest and qualification ("REIQ") for non-profit providers interested in providing childcare services at the recently funded Ministry of Children and Family Development childcare spaces. The REIQ allowed, but did not require, the District to award a location to one of 3 successful proponents. As the initial builds approach completion (Forest Park should be before the end of the school year), we have been consulting on the draft agreement with the providers including the rate structure. There was one provider who expressed concerns about the cost structure impacting their ability to operate. Two of the three providers have requested minor changes to the District's initial proposal to reflect that at start-up enrollment may be limited and therefore the rate structure will be drafted to address this issue.

As the Board is aware, the District will receive the capital funds to construct the childcare sites but will receive no funding for ongoing capital maintenance from the Annual Facilities Grant nor will the facilities be subject to the Ministry's minor and major capital programs. To protect the District (as per the attached Information Sheet) we intend to charge sufficient dollars to create a reserve that will address ongoing capital or maintenance. We note that the Board has written to the Ministry to attempt to have the facilities recognized for the purposes of capital programs. If this occurs, we would lower our rates. While there is an intensive familiarization/adoption period for new facilities, we note that over the first ten years it is unlikely that the facilities will need significant investment. However, following this initial period the District anticipates increasing maintenance costs. The rate structure is intended to address this issue. We note that the funds will be segregated in local capital only for this purpose.

We have now met with our proponents and are confident that the majority of them accept the proposed rates with the noted exception of ensuring that there is a recognition that as programs start up and enrollment is lower that the costs recognize this. This request has been incorporated.

Appendix A: Childcare Rates

Appendix B: Information Sheet dated January 26, 2022

Appendix C: Board of Education's advocacy letter to the Minister of Education

Childcare Rates

