

City of Madison

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Meeting Minutes - Approved EARLY CHILDHOOD CARE AND EDUCATION COMMITTEE

Thursday, April 28, 2011

8:00 AM

215 Martin Luther King, Jr. Blvd. Room LL-120 (Madison Municipal Building)

CALL TO ORDER / ROLL CALL

Present: 4 -

Anita Weier; Scott Peters; Lynn E. Edlefson and Nicole K. Anderson

Absent: 2 -

Joanna R. Parker and Michael B. Jacob

Excused: 3-

Patricia A. Lasky; Diane B. Adams and Celsa G. Rodriguez

Staff Present: Monica Host, Cheryl Tolley, Deb Diaz

Additional people present: George Hagenauer from 4-C and Alan Sweet the Chair of the Community Services Committee.

Peters called the Subcommittee to order at 8:05 am.

APPROVAL OF MINUTES

MOTION by Edlefson, seconded by Anderson to approve the March 24, 2011 minutes. Motion passed by voice vote.

PUBLIC COMMENT

None.

DISCLOSURES AND RECUSALS

None.

DISCUSSION ITEMS

1. <u>22199</u> WI State Budget and Children and Families

-George Hagenauer

Previous administration at the state level have created an atmosphere where tough decisions must be made regarding who receives subsidies and who can

participate in various programs due to budget constraints.

Child Care needs to be seen as Economic Development issues at the capital. Soglin has discussed the Early Childhood programs beginning in the Economic Development department. In Dane County the Early Childhood industry is almost as large as the dairy industry. This context needs to be addressed when discussing budget proposals.

Federal Child Care funds are divided into 2 categories. The Child Care Block Grant and TANF (Temporary Assistance to Needy Families). The Child Care Block Grant funds are used to set standards and quality in child care while TANF is used to assist families on a broader scale. The Federal Child Care Block Grant funds require a State/City match to receive the funds. These funds are used mainly for subsidies in child care. TANF funds have less restrictions.

In local Child Care programs the quality, standards and rates are driven by the State or local agencies. Low-income families are the underpinning of the system.

Child Care facilities usually open near industrial and retail areas. The subsidy programs do have an effect on the cost for non-subsidized parents. It works within the free market rate system and should be based on what fee paying parents are paying. WI Shares handout provides an overview of the system and how it works for parents. The requirements include that parents are working and that they pay a co-pay. The system currently works with rate survey from 2005-2006.

75% of capacity is the maximum reimbursement rate. If payment is \$175 and the rate is \$200 there is a gap and vice versa if the payment is more than the rate, this difference often becomes part of co-pays. Co-pays are determined by income at 180% of the poverty level.

The median state income determines co-pay amounts. However, the cost of living figures vary greatly depending on county. Green County has a high poverty level. They have a lower standard of living which leads to lower co-pays. Many families will leave the subsidy system before they can afford to pay their entire co-pay.

Local Chambers of Commerce saw growth last fall through February this year. But after February there was a decline due to the 10% cuts to State workers. In February and March 2011 there was a 5% decrease in enrollment in child care facilities and a 10% decrease in the cost to the state. This may be due to fewer parents returning to work or working less hours and requiring less child care.

Child care investments are being analyzed. Budget shows recession level program. If you add 250,000 jobs in some of them will need day care.

BadgerCare is growing and are we dealing with corporations that are dumping their lack of pay and benefits on the state. On the website there was a list of corporations who had large numbers of employees enrolled in BadgerCare. The include Wal-Mart, Target, Walgreens and numerous Health Care corporations.

There is also a high correlation between the number receiving child care subsidy and those on BadgerCare.

Edlefson asked if we knew what corporations were paying employees well and providing health care. George explained that we can't determine that at this time.

"Pricing A Mother's Love..." Handout from George.

Some places have gaps. Dane County does better than many counties due to the lower unemployment rate.

If programs lose money due to differences in State rate of pay and amount paid, they will have to add the lost costs to co-pays

Lower cost programs will disappear. Tying rates to quality was created to provide bonuses for Quality care. The YoungStar program was created on that theory. High quality child care can offset school problems down the road.

The YoungStar program was first considered a method to support quality improvements in child care. The proposed state budget now uses the YoungStar program to lower subsidies. Accredited programs would lose money. There is now little incentive for improving care.

Peters explained to the group they need to decide where they would like to focus on the budget issues at the State level. Possibly in the next week or next month the state will discuss budget and YoungStar policies. Current proposals include reducing ability for municipalities to raise taxes and State providing less money to areas. Peters distributed a draft of a letter from the committee to Joint Finance Committee. The group reviewed and discussed updates for the letter. The Mayor and Alan Sweet will be included as CCs on the letter.

Alan Sweet added that Dave Edie just sent an email out regarding the WI budget that would include WI Shares cuts of \$50 million over the Biennium, add waiting lists, increase co-pays, change income eligibility, rate freeze again, and decrease payments for centers at 2 starts in YoungStar. Those interested in following budget info can email Dave Edie at dedie@wccf.org to join the list serve to receive updates.

MOTION by Edlefson, seconded by Anderson to finalize and send the ECCEC budget concern letter to the Joint Finance Committee. Motion passed by voice vote.

The letter will be submitted to the Joint Finance Committee via email.

2. 22201 Community Resources Process Evaluation Update

Host reminded the group to complete the survey monkey evaluations if they haven't already. Further updates will be provided on focus groups or interviews that stem from the survey results.

3. <u>22202</u> ECCEC Membership Update

Alder Anita Weier was introduced as the new Council representative to the committee. There are currently 3 vacancies on the committee. If people are interested they can go to the City website to complete and submit the application. 2 spots are citizen positions and 1 is a child care worker. Mayor Soglin is working on filling vacancies.

4. 22203 Child Care Assistance Program Update

Host discussed the current status of the program. The current CC assistance Coordinator has been out on medical leave but has plans for returning in the next few weeks. The waiting list has not been opened and current clients are being reviewed. People's situations have changed over time so some people are now over the eligibility level yet cannot afford to pay for all of it. The committee will need to weigh in on the policies for Tuition Assistance Program. A lot of families are receiving some money but they are not moving off the program.

Edlefson asked what percentage of families do pay their co-pays? Host explained we may not be able to calculate and exact number. Animal Crackers for example has 69-70% of their families on subsidies. They have a system for how to make up the difference. Other centers that have families that cannot pay may have that family removed from the program.

Edlefson also suggested reviewing stabilization grant policies. Peters discussed adding a section to the funding application regarding what percentage of co-pays are paid by parents and what plans are in place when co-pays aren't paid.

5. 22204 CSC Meeting Report

Anderson shared with the group items discussed at the April 13th CSC meeting. ATF safety report recommendations were passed. 'By Youth For Youth' gave a presentation. City staff discussed the Green Madison Program to update both residential and commercial buildings to be more energy efficient. Host added that the Green Madison Program will be doing some initial outreach to accredited child care centers and family child care providers.

6. <u>22205</u> Introduction of New Child Care Specialists

Cheryl Tolley and Debbie Diaz are the new Child Care Specialists in the Community Services Office.

7. 19470 ECCEC Subcommittee

There will not be a subcommittee next month. Both Anderson and Edlefson will be able to attend the next meeting scheduled for May 26, 2011.

ADJOURNMENT

 MOTION by Anderson, seconded by Weier to adjourn the meeting at 9:40 am. Motion passed by voice vote.

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