

Community & Neighbourhood Services
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2004 BUDGET BRIEFING NOTE

CONSOLIDATED GRANTS - Enhanced Funding for Student Nutrition Programs

Issue/Background

In 1998, municipal funding of \$1.3 M was granted to fund the 205 existing student nutrition programs, serving 35,609 children throughout the City in the school year. Programs in the former City of Toronto had received core funding prior to amalgamation. A model was adopted by Council in which the City would contribute 24% of estimated program costs in the new amalgamated City of Toronto. This support was contingent upon securing matched funding from the province, parents and local fundraising.

In 2003, student nutrition programs serve over 70,000 children and youth but the City subsidises less than 300 of the 350 programs operating in schools and community sites. Programs serving high school students and youth must rely on provincial funding, student contributions and local fundraising only, as they do not receive City funding.

Increasing rates of obesity in Toronto's children are occurring at the same time that many children and adolescents experience food insecurity and hunger. A higher proportion of children living in low-income families in Canada is overweight and obese and student nutrition programs model healthier eating by providing nutritious foods each day.

The increase in number of programs, number of children served and food costs since 1998 and the lack of community resources to adequately provide in-kind support in the highest needs areas, has resulted in an inability to adequately meet the nutrition needs of Toronto's children and youth. In total, an additional \$2,338,038 added to the Consolidated Grants Budget, to bring the total municipal contribution to \$4,337,378, would enable quality nutrition programs to successfully serve the 70,000 children and youth in need.

KEY POINTS

Proposed Community-based Partnership Funding Model

Student Nutrition Programs are funded through the following cost sharing partnership model with the following aim:

Parental Contributions & Fundraising	52%*
Province of Ontario (through Canadian Living Foundation)	24%
City of Toronto	24%

*(on average across Toronto, parental contributions contribute 38% & fundraising 14% of costs)

Funds are allocated to each program based on the number of students participating, number of days the program is offered, the type and frequency of meals served and the neighbourhood income. The level of expected parental contributions is calculated according to census tract income data for neighbourhoods served by student nutrition programs. Unfortunately, many low-income communities cannot achieve this level of contribution.

Provincial funding has been provided to student nutrition programs for the past six years but the provincial contribution has dropped from 21.5% of total costs in 1998 to 15% in 2003.

Total Government Funding

Year	Total Municipal Funding	Total Provincial Funding*
1999/2000	\$1,310,500	\$1,123,401
2000/2001	\$1,791,800	\$1,240,656
2001/2002	\$1,880,000	\$1,370,841
2002-2003	\$1,955,340	\$1,527,001
2003-2004	\$1,999,340	\$1,019,351**

**Approximately 25% of provincial funding covers some nutrition programs not eligible for municipal funding (e.g. new programs in the first year of operation, secondary school programs, those programs that never applied for municipal funding, as well as capital funding (purchase of equipment)). Furthermore, some provincial funding is allocated to the “Community Partners Grant” which is used for community capacity building. In Toronto, the Community Partners Grant provides funding for four (4) part-time Toronto Partners for Student Nutrition “Community Representatives”.*

*** Provincial funds were reduced in 2003-2004 due to the fact that more programs than expected applied for provincial funds. Since the provincial budget for Student Nutrition Programs remained the same, but more programs with larger number of children participating in these programs applied for funds, this resulted in a reduction in the amount of provincial subsidy to all programs in the province.*

To restore the municipal contribution to 24% of student nutrition programs serving elementary school-aged children, using today’s food costs, would cost an additional \$1,420,734.

Advocacy at the provincial level is on-going to get the province to restore their contribution to 24%.

Programs in Areas of High Need

The Children’s Strategy that was approved by City Council in 1999 calls for equity of outcomes for Toronto’s children, rather than equity of investments. It recognises that investments in children should be universal and scaled where necessary to address the issues of high needs communities, families and children.

On this basis, it is recommended that municipal funding to support student nutrition programs average 24% city-wide, with a range from a minimal contribution for established programs in communities with greatest economic capacity to 60% in areas of greatest health and economic need. Approximately 10% of student nutrition programs are located in areas of highest need, in wards 8, 12 and 28, where over 50% of the children live in households below the low-income cut-off.

To subsidise the 10% of programs in areas of highest need would require an additional \$732,475 in 2004, and would help to achieve equity of outcomes for children whose parents and communities have less capacity to contribute.

Actual Program Costs

For the past six years, student nutrition programs in Toronto have received municipal subsidies based upon approved costs of no greater than \$0.85 per breakfast, \$2.00 per lunch and \$0.65 per snack. The average cost per student per day in 1998 was \$0.89, but has risen to \$1.19 in 2003, based on actual food costing conducted by Toronto Public Health. A key strategy to enhance all snacks with the nutrients lacking in the diets of most children today would be to implement a citywide milk program, along with culturally appropriate calcium-rich alternatives, to augment every snack. Costs reflecting this recommendation are shown in the table below.

Current Food Costs of Toronto Elementary Student Nutrition Programs

	Breakfast	Lunch	Snack
1998 Food Costs per child/day (includes 30% for program supplies & resources)	\$0.85	\$2.00	\$0.65*
2003 Food Costs per child/per day (including 30% for program supplies & resources)	\$1.17	\$1.78	\$1.07**

Breakfast: minimum of 3 food groups served in all calculations

Lunch: minimum of 3 food groups served in all calculations

Snack: *based upon 2 food groups served

**based upon 3 food groups served; nutrient analysis conducted in 2003 of foods served indicated that a nutritionally superior snack is recommended, and is achieved by adding one food group.

Youth Programs

The City of Toronto does not provide any subsidy to nutrition programs serving youth in secondary schools or community sites. There are currently 33 programs serving 2,400 youth. They receive some provincial funding, but must rely on donations and fundraising for the remainder of their costs. These programs are strained even further due to the higher food costs required to meet the greater energy needs of teenagers, relative to younger children.

The municipal portion (24%) of the total annual cost to serve the 2,400 youth in existing programs would be \$184,829.

Summary of Enhanced Funding Required to Support Student Nutrition Programs in 2004

	<u>Net Increase</u>
Restoring City contribution to 24% of costs (using 2003 food costs)	\$ 1,420,734
Greater subsidy for highest needs communities (up to 60% of program costs)	732,475
Subsidise youth programs	<u>184,829</u>
Total net increase to meet needs	\$ 2,338,038
2003 Consolidated Grants Allocation	<u>1,999,340</u>
2004 Consolidated Grants Request	<u>\$ 4,337,378</u>

Date: March 1, 2004