

Report to Council

Report Title:	Proposed Change to Child Care Centre Billing Cycle		
Prepared By:	Carri-Ann Scott – Manager Child Care Services		
Department:	Brockton Child Care Centre		
Date:	August 12, 2025		
Report Number:	BCCC2025-04	File Number:	C11BR
Attachments:	Letter to Families – Changes in Billing Cycle 2025 Amended Accounts Receivable Policy		

Recommendation:

That the Council of the Municipality of Brockton hereby receives Report Number BCCC2025-04 - Proposed Change to Child Care Centre Billing Cycle prepared by Carri-Ann Scott, Manager Child Care Services, and in doing so approves a By-Law coming forward adopting the amendments to the Accounts Receivable Policy and recommended changes to advance billing effective January 1, 2026 with the transition plan outlined in the report.

Report:

Background:

The Brockton Child Care Centre currently invoices families **one month in arrears**. For example, care provided in July is invoiced on August 1 and due by August 30. This results in a **60-day lag** between service delivery and payment reconciliation. In cases where families withdraw without settling their accounts, the municipality incurs **significant outstanding fees**, creating financial strain.

Issue

- The current billing method delays revenue collection and increases the risk of non-payment.
- Outstanding balances often extend two months past service delivery, reducing cost recovery efficiency.
- Families have reported that child care billing does not align with income tax reporting periods, complicating claims

Analysis:

To align with industry standard billing practices and improve financial accountability, it is proposed that the Centre transition to **advance billing**:

- **Effective January 1, 2026**, invoices will be issued on the **first of the month** for that month's care.
- Payments will be due by the **20th of the same month**, consistent with other municipal billing policies.

Example:

An invoice for January care will be issued on January 1, 2026, and due January 20, 2026.

Benefits

- Improves cash flow and revenue predictability.
- Aligns with best practices for municipal billing.
- Reduces financial risk if families withdraw without notice.
- Ensures families can claim full-year child care expenses for income tax purposes.
- Aligns with industry standard billing practices

Transition Plan

We recognize that immediate implementation may create hardship as families would receive **two invoices in January** (December arrears and January advance). To address this, we propose the following **gradual transition**:

Invoice Date	Period Covered	Due Date
September 1, 2025	August 1 – September 12	September 30, 2025
October 1, 2025	September 15 – October 17	October 31, 2025
November 1, 2025	October 20 – November 21	November 30, 2025
December 1, 2025	November 24 – December 31	December 31, 2025
January 1, 2026	January 1 – January 31	January 20, 2026

This approach ensures families are fully transitioned to advance billing by January 2026 **without receiving two full-month invoices simultaneously**.

Communication Plan

Families will be notified of the change by **email on August 15, 2025**. The notice will include:

- Rationale for the change.
- Transition timeline.
- Support resources for families with questions or concerns.

Billing and Accounts Receivable Process

The Brockton Child Care Centre follows the Municipal Accounts Receivable (Non-Tax) Policy, which has been updated to reflect the transition to advance billing. These updates ensure consistency across all municipal accounts receivable procedures and provide greater clarity for both staff and families.

Beginning January 1, 2026, child care services will be billed in advance, with invoices issued on the first of each month and payment due by the 20th of the same month.

These changes are designed to improve financial accountability, reduce the risk of non-payment, and align with best practices in municipal billing.

Strategic Action Plan Checklist:

What aspect of the Brockton Strategic Action Plan does the content/recommendations in this report help advance?

- Recommendations help move the Municipality closer to its Vision Yes
- Recommendations contribute to achieving Heritage, Culture, and Community Yes
- Recommendations contribute to achieving Quality of Life N/A
- Recommendations contribute to achieving Land Use Planning and the Natural Environment N/A
- Recommendations contribute to achieving Economic Development N/A
- Recommendations contribute to achieving Municipal Governance Yes

Financial Impacts/Source of Funding:

- Do the recommendations represent a sound financial investment from a sustainability perspective? Yes

The transition to advance billing at the Brockton Child Care Centre is expected to improve cash flow and reduce financial risk by accelerating revenue collection and minimizing outstanding accounts. This change supports long-term fiscal sustainability and aligns with municipal best practices.

Reviewed By:



Trish Serratore, Chief Financial Officer

Respectfully Submitted by:



Carri-Ann Scott – Manager, Child Care Services

Reviewed By:



Sonya Watson, Chief Administrative Officer