



THE STATE OF EARLY CHILDHOOD

Grand County





Katy Hale
Executive Director
Grand Beginnings



Early Childhood Systems Building

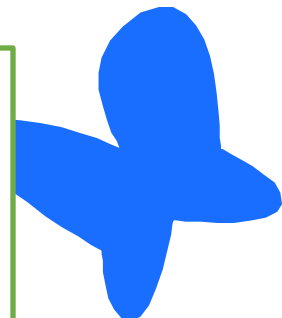

- Early Childhood Workforce & Program Supports
- Family & Caregiver Supports
- Child Health & Development
- Early Childhood Mental Health Supports



Agenda

- The Economic and Business Case for Child Care (10 min)
- Grand County Landscape and Community Needs (10 min)
- Opportunities for Grand County to support Child Care (10 min)
- Questions & Discussion (30 min)

Objectives for Today

- **Align understanding of community needs and priorities** for child care
 - **Discuss opportunities for local governments and leaders**, employer and other community partners to collaborate on potential child care solutions
 - **Agree to future smaller convenings** to discuss most viable community solutions and define actionable next steps
- 
- 



Alethea Gomez
Colorado Executive Director
Executives Partnering to Invest in Children



Policy & Advocacy

Shaping and advancing policies that support an environment for child care innovation, community-minded approaches, and bipartisan solutions for a more sustainable early childhood sector.



Workforce Support

Helping employers attract and retain the best workforce while supporting environments that enable families and children to thrive



Awareness & Thought Leadership

Increasing the business community's awareness of the importance of early education, and engaging employers in solutions that benefit families, businesses, and the economy.



Community Innovation & Investment

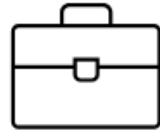
Engaging employers and community partners in solutions that meet the infrastructure, capital, and workforce needs for sustainability and the provision of child care services



Child care is a workforce and economic imperative



Population, Job & Industry Growth



Skilled Talent & Workforce

Child Care Access & Affordability



OCTOBER 2024

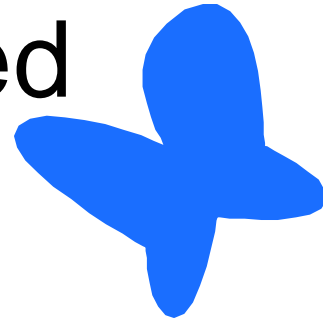
UNLOCKING WORK: IMPACTS OF IMPROVING ACCESS TO AFFORDABLE CHILD CARE



\$3.7B GDP potential growth from adding 10,000 mothers back into the workforce



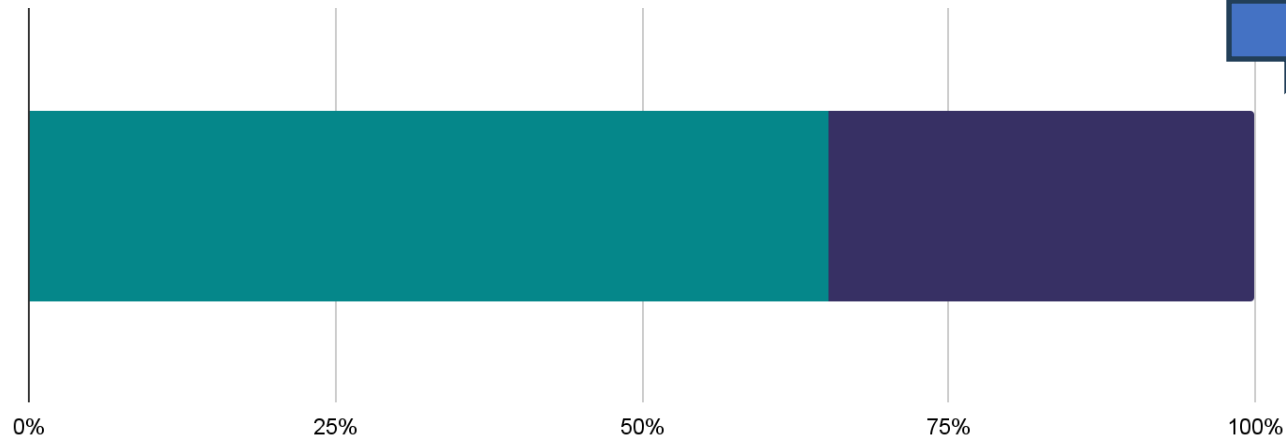
Child care supply does not meet current need of working families



Capacity in Colorado's licensed child care centers and family child care homes is only sufficient to serve two-thirds of the young children estimated to need care.

Licensed Child Care and Preschool Capacity as a Percent of Colorado Children Under Age 6 with All Available Parents in the Labor Force

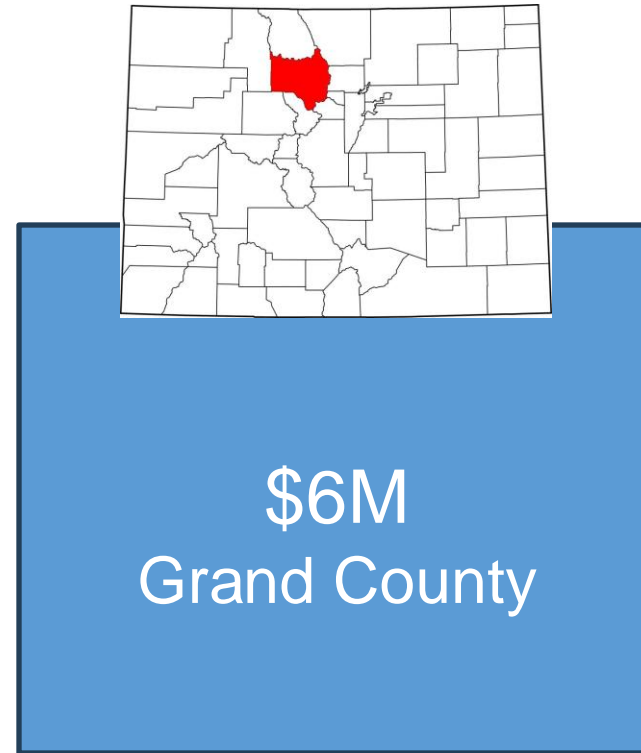
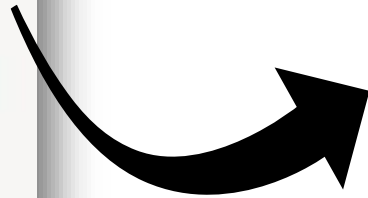
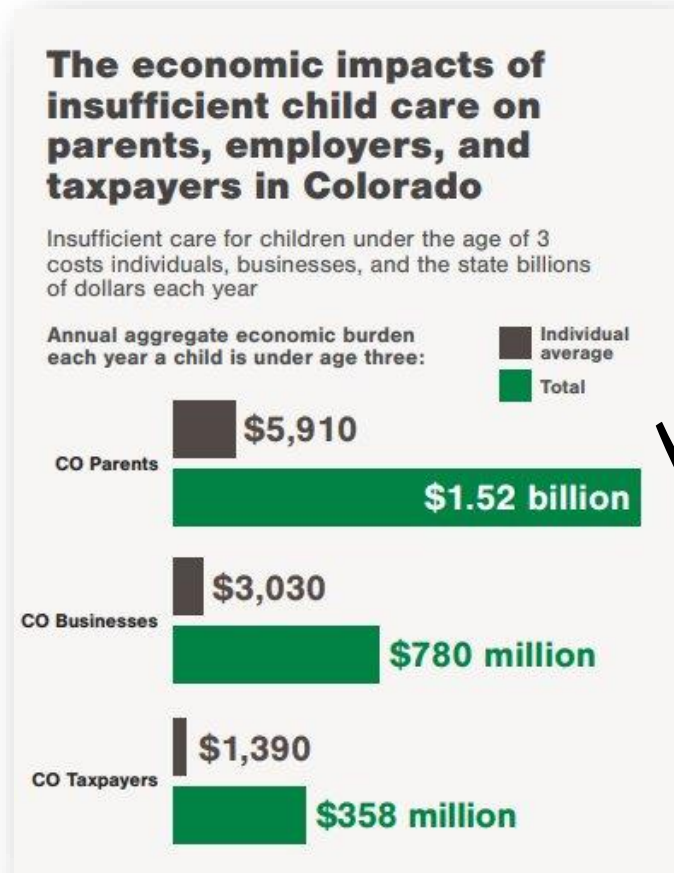
■ Children able to be served in Licensed slots in child care centers, Family Child Care Homes and preschools
■ Children potentially unable to access a licensed slot



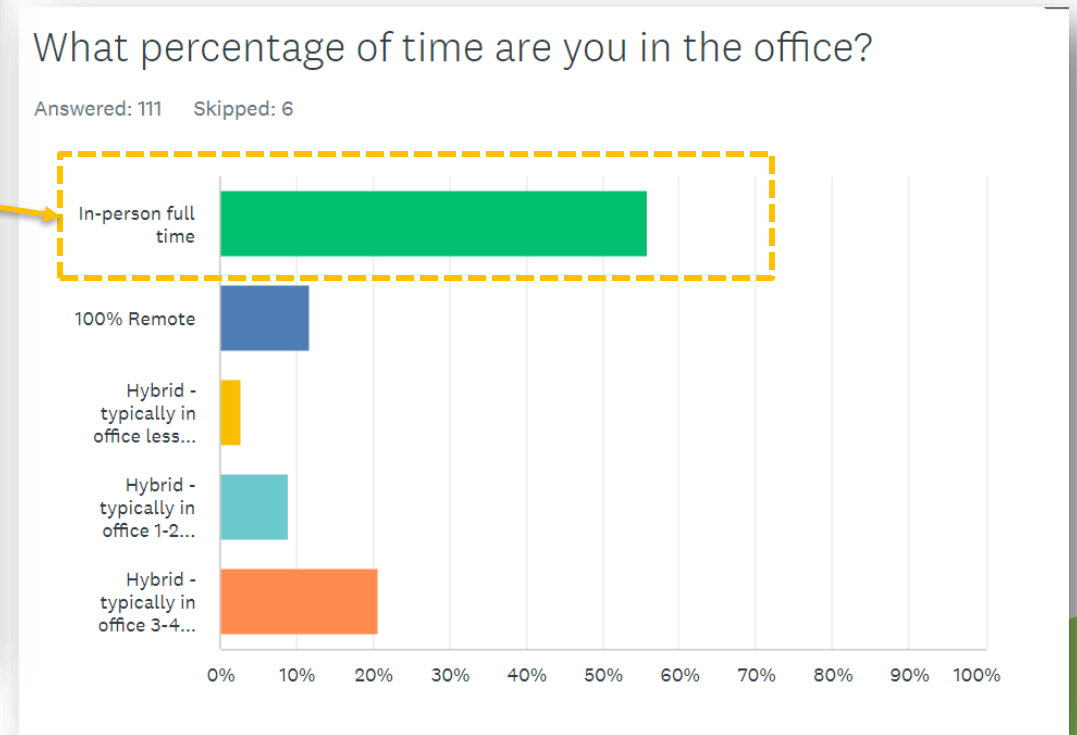
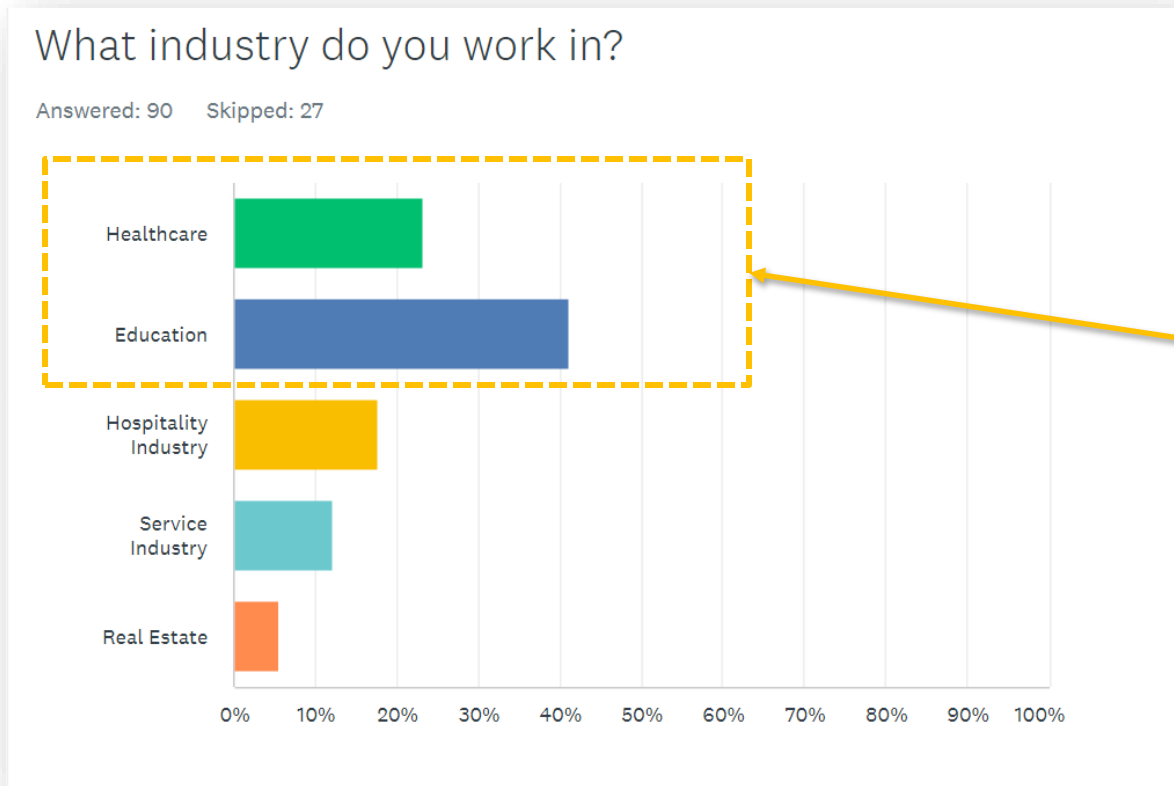
	Approx. Population of Children Under Age 5	Number of Children in Licensed Care	% of Pop. Under Age 5 Served in Licensed Care
Grand County	660	276 (10 centers and 2 family child care homes)	41.8%

Grand County falls below the state average

Economic losses due to child care shortages



Intensive child care needs within the local in person workforce



The Business Case for Child Care Support



The crippling shortage of early childhood education puts strain on working caregivers and employers alike. Under increasing burdens, the workforce experiences loss of productivity, greater absenteeism, and turnover.

Supporting employees with child care can improve retention and reduce employee absences. A recent study has shown that reducing turnover can even lead to a positive ROI for companies investing in child care.



4-16

Average annual absences avoided due to child care benefits across five participating companies.



1-12%

By retaining roughly 1% to 12% of eligible employees, employer covers the cost of providing child care benefits.



Steamboat Ski Resort was a featured employer in this report





What are our biggest
areas of local need?



Our Biggest Pain Points



We have a:

1. **Significant Lack of Business Stability among Current Programs**
2. Unaffordability Problem for Families
3. Infant and Toddler Capacity Crisis

These pain points are often interdependent



Children Served by Age:




Currently, there are more than 250 unduplicated children on waitlists in Grand County.

	Number of Children in Licensed Pre-K Care	% of Pre-K Pop. Served in Licensed Care	Number of Children in Licensed Toddler Care	% of Toddler Pop. Served in Licensed Care	Number of Children in Licensed Infant Care	% of Infant Pop. Served in Licensed Care
Grand County	209	75% (trending upward)	54	25% (trending upward)	17	15% (trending downward)



Children Served By Location:



	Number of Licensed Centers	Number of Licensed Family Child Care Homes	Number of Pre-K Children in Licensed Care	Number of Children in Infant & Toddler Licensed Care
East Grand (WP through Granby)	8	0	148 (trending upward)	55 (trending downward)
West Grand	2	2	57 (trending upward)	16 (trending upward)



Cost drivers often exceed revenue in the child care business model



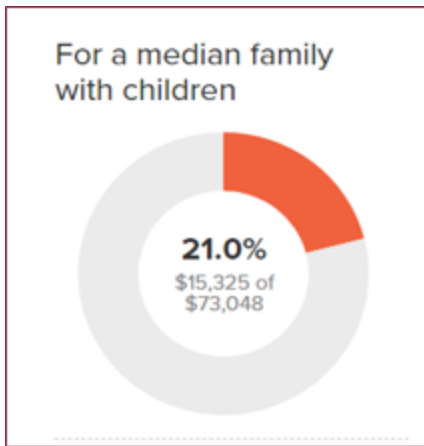
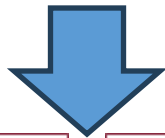
Age group	Classroom staff	Center staff	Facility	All other	Total cost/child	% of cost that is staffing	Revenue per child	Difference between cost of care and per child revenue	Subsidy by age group
Infant (6 wk-18 mo)	\$14,708	\$19,264	\$3,009	\$3,878	\$40,859	83%	\$25,116	-\$15,743	-\$119,644
Toddler (12 mo-24 mo)	\$12,420	\$16,268	\$3,009	\$5,318	\$37,014	78%	\$23,481	-\$13,534	-\$121,802
Toddler 2 (24 mo-36 mo)	\$10,350	\$13,556	\$3,009	\$5,318	\$32,233	74%	\$21,781	-\$10,452	-\$112,884
Mixed age PreK (30 mo-6 yr)	\$7,306	\$9,569	\$3,009	\$5,318	\$25,202	67%	\$20,472	-\$4,729	-\$72,360



Tuition exceeds families' ability to pay



Colorado families spend an average of 18% of their household income on child care expenses.



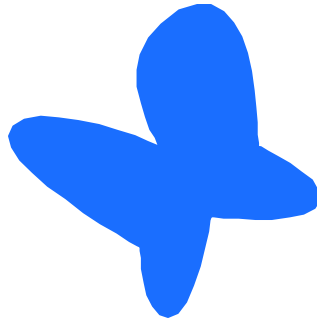
For Grand County:

Age of Care	Average Cost to Families	Estimated True Cost to Provide Care
Infant Care	\$64/day (range \$40-\$90) = \$13,056/year for 4 days/week	\$31,984/year
Toddler Care	\$60/day (range \$40-\$85) = \$12,240/year for 4 days/week	\$27,857.50/year
Pre-K Care	\$48/day (range \$31-\$75) = \$9,792/year for 4 days/week	\$17,618/year

Cost of living to be self-sufficient: **\$107,484/yr** for family of 4 with young children.

Average wages (not income) = **\$50,648/yr**

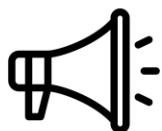




How can we think about
local solutions?



Opportunities for Local Governments and Leaders



Evaluating Local Needs

- Conduct pulse check survey with residents and workforce to monitor child care needs and opportunities; share back findings
- Collect ongoing data that amplifies local need and supports ongoing support efforts



Offer facilities

- Provide low cost access to County facilities to enable creative models for child care development
- Identify and list real estate assets that can be considered for child care
- Contemplate repurposing existing spaces and creating co-location and shared space opportunities



Activating funding

- Offer incentives to develop child care facilities (with affordable housing, for example)
- Offer tax credits / rebates for providing support for child care and to child care businesses themselves
- Contribute County funding to CCCAP to increase reimbursement and/or number of funded slots

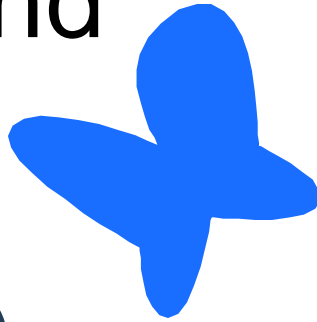


Serve as convener

- Partner with surrounding communities to understand their goals and opportunities to partner
- Convene local businesses, non-profits, and those supporting young children to generate ideas
- Help establish and share the business case and rationale for child care



Recent policy opportunities for government and community leaders



Senate Bill 24-002

Provides County Commissioners with authority to identify areas of special concern to provide specific property tax credits and other rebates and incentives locally



House Bill 24-1237

Creates three programs to be administered by DOLA which include a planning grant, technical assistance and capital grant program to support planning, facilitation and implementation of child care facilities and supply building efforts



Community partnership examples



Other States

- [Park City](#) (Utah)
- [City of Milford](#) (Nebraska)

Colorado

- [Clifton Campus Development](#) (Mesa County)
- [City of Durango Feasibility Assessment](#) (La Plata County)



Our Biggest Pain Points



We have a:

1. Significant Lack of Business Stability among Current Programs
2. Unaffordability Problem for Families
3. Infant and Toddler Capacity Crisis



Initial Simplified Cost
Estimate to **Stabilize**
Current EC Industry and
Improve Affordability for
Families



Assumptions for Cost Estimate



- Assumption 1: Level 4 true costs of care as modeled by Brookings Institute for Colorado

		Level 1	Level 2	Level 3	Level 4	Level 5	
Infant	→	Age 0-12 mo.	\$23,272	\$24,226	\$25,184	\$31,984	\$33,173
Toddler	↙ ↘	Age 12-24 mo.	\$23,287	\$24,242	\$25,200	\$32,006	\$33,195
		Age 24-36 mo.	\$18,310	\$19,026	\$19,746	\$23,709	\$24,550
Pre-K	↙ ↘	Age 3 years old	\$14,568	\$15,105	\$15,645	\$18,166	\$18,775
		Age 4 years old	\$13,129	\$13,597	\$14,068	\$17,070	\$17,634

Cost of care based on Colorado Shines quality level, using affordable housing wage standard



Assumptions for Cost Estimate



- Assumption 2: Current Enrollment & Tuitions as Reported by Grand County Licensed Programs in 2024

Age of Care	Average Cost to Families
Infant Care	\$64/day (range \$40-\$90) = \$13,056/year for 4 days/week
Toddler Care	\$60/day (range \$40-\$85) = \$12,240/year for 4 days/week
Pre-K Care	\$48/day (range \$31-\$75) = \$9,792/year for 4 days/week

- Assumption 3: Cost change over time mirrors CPI Inflation Index
- Assumption 4: UPK funds effectively reduce fund discrepancy for pre-k



The Math

These are conservative estimates and should be part of larger cost analysis



Infants: $\$31,984 - \$13,056 = \$18,928 \times 17 \text{ infants} = \$321,776$

Toddler: $\$27,857.50 - \$12,240 = \$15,617.50 \times 54 \text{ toddlers} = \$843,345$

Preschool: $\$17,618 - \$9,792 = \$7,826 \times 209 \text{ preschoolers} = \$1,635,634 - \$866,518.21 \text{ (UPK funding Grand County)} = \$769,115.79$

**TOTAL Annual Estimated Cost to Stabilize Current System:
\$1,934,236.79/year with 3.3% CPI average increase annually**



Our Biggest Pain Points



We have a:

1. Significant Lack of Business Stability among Current Programs
2. Unaffordability Problem for Families
3. **Infant and Toddler Capacity Crisis**



Initial Simplified Cost
Estimate to Increase Infant
Toddler Capacity to Serve
Current Waitlist



Current waitlist in Grand and Jackson Counties



Approx. 120
38 infants
81 toddlers

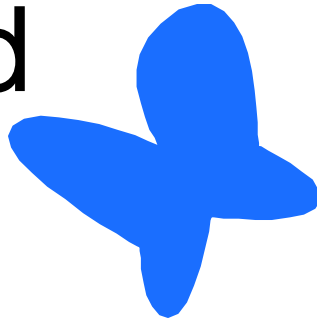


**What
could we
do with
\$10M?**

Large underestimate since long term lack of accessible care keeps families from even getting on waitlists.



Scenario A: Invest in licensed family child care homes



- Identify 10-20 residences (definition variable)
 - Purchased by city, county, REIT, or other investment structure to be discussed.
 - Existing child care home in need of subsidy or support
 - Retrofit or renovate to house child care
- 6-12 child capacity with a focus on infant and toddler space
 - Could be modular, existing or new build
- Opportunity for operator to buy back home after set term and/or designate home as child care use for X years in future



Scenario B: Expand center-based capacity



- 2-3 centers
 - Construct, renovate or retrofit local buildings to operate child care
 - Align with current workforce needs and existing expansion efforts
- Key Activities
 - Engage in pro forma financial modeling process to determine 5 year financial and operational support needs to stabilize current supply (staffing, facility, tuition etc.)
 - Revisit expansion efforts in progress and quantify start up and ramp up needs for operational growth



Discussion



- What reflections do you have on these opportunities to address child care needs locally?
- What solutions seem most viable and why?
- Amongst the pain points discussed, what feel like the biggest priority?
- What challenges do you see in supporting the diverse needs across the county?



Next Steps



- Schedule 2-3 convenings with key audiences to:
 - Analyze child care needs assessment results and identify any additional data needs for feasibility
 - Discuss potential support pathways and develop actionable next steps
 - Consider knowledge gaps or additional support needed
- Present findings and recommendations at future meeting, to be determined by Town leads
- Integrate child care priorities into current and future community planning efforts





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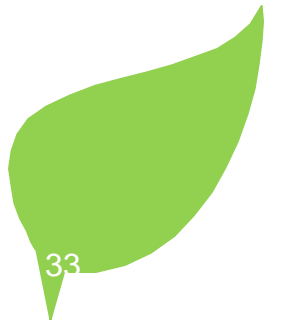
EXECUTIVES PARTNERING TO
INVEST IN CHILDREN



thank you!



Questions?
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Appendix



The case for early childhood



1. Ages birth to 5 = Most critical years in human brain development

2. High-quality early childhood experiences and programs have a significant impact on children, their families, and the community:

- Increased earnings for family members, who can fill **critical workforce needs**
- Increased school readiness and social-emotional skills, decreasing use of special education, juvenile, and “welfare” services, resulting in **lower expenses for communities.**
- **Growth and vitality of our local economy.**



An overview:



	Approx. Population of Children Under Age 5	Number of Children in Licensed Care	% of Pop. Under Age 5 Served in Licensed Care
Colorado	317,625	153,751	48.4%
Grand County	660	276 (10 centers and 2 family child care homes)	41.8%
Jackson County	50	16 (1 center only)	32.0%

10 Grand and Jackson County Licensed Programs (77%)
Rated High Quality (Level 3-5)!!!!



Waitlist by Age in Grand County*:



Age of Child	Total on Waitlist	Unduplicated on Waitlist	Unduplicated and Not Enrolled in a Licensed EC Program
Infant	54	38	Data not available
Toddler	115	81	Data not available
Pre-K (3 years before Kindergarten)	24	24	Data not available
Pre-K (2 years before Kindergarten)	113	67	53**
Pre-K (1 year before Kindergarten)	110	57	16

*No waitlist in Jackson County

**UPK enrollment cross check doesn't yield everyone since most 3 yo of them aren't in the portal—incomplete figure.



Early Childhood Professionals



1. EC Teachers are Highly-Specialized

- So much more than “babysitters”
- Minimum teacher requirements: Fingerprints, Background Check, 15 hrs preservice training/yr, CPR/First Aid/Med Admin current, lesson planning, bachelors/associates/cda, TSG/HWT/IY/Other basic trainings (>10 full days), more on rating years/to raise PDIS level

2. EC Teachers are Not Adequately Compensated

- Center Director pay: Range: \$17.54-\$37.75/hr, Average: \$27.28/hr, \$56,742/yr
- Assistant Director pay: Range: \$18.90-\$30/hr, Average: \$24.70/hr, \$51,376/yr
- Lead teacher pay: Range: \$18.44-\$26.40/hr, Average: \$21.72/hr, \$45,178/yr
- Assistant teacher pay: Range: \$18-\$26.40/hr, Average: \$20.51/hr, \$42,661/yr
- Cost of Living to Be Self-Sufficient (averaged across Grand/Jackson): \$102,719/yr for family of 4 with young children

3. The Number of EC Teachers Matter

- Strict Child to Teacher Ratios Need to Be Maintained (Mandatory)



Very Conservative Price Tag



We have a:

1. Significant Lack of Business Stability among Current Programs
2. Unaffordability Problem for Families
3. Infant and Toddler Capacity Crisis

Total Funding to Stabilize Current System for Families/Licensed Programs and Increase Capacity to Meet Current Waitlist Need:

\$3,918,518.29/year with 3.3% CPI average increase annually + one time start up costs (capital/material/personnel costs for capacity growth)



Sources



-Grand Beginnings, Grand and Jackson County Licensed Program Child Care Resource and Referral Survey, 2023.

-Quantifying the Life-cycle Benefits of a Prototypical Early Childhood Program Jorge Luis García, James J. Heckman, Duncan Ermini Leaf, and María José Prados NBER Working Paper No. 23479 June 2017, Revised February 2019.

-Colorado Children's Campaign, Kids Count in Colorado, 2023.

-The Self-Sufficiency Standard for Colorado 2022, November 2022, Center for Women's Welfare, University of Washington School of Social Work.

-Bureau of Labor Statistics QCEW, 2021.

