

2009

# Routt County Early Care and Education Needs Assessment



The Franko Group, Ltd.

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## Introduction

First Impressions of Routt County works to ensure that young children will be provided adequate resources and quality programs to promote healthy development and school readiness. As part of this effort, First Impressions seeks to understand current capacity and unmet demand for early care and education services for families in Routt County. First Impressions contracted with The Franko Group, a Denver-based consulting firm, to conduct a community needs assessment that would evaluate:

- The level of unmet demand for child care in the county, broken down by age group, and
- The number of child care positions necessary to fill the unmet demand.

The Franko Group utilized several strategies to estimate unmet demand and the additional staffing needed to meet this demand including:

- Analysis of existing data on demographics and child care capacity
- An online survey of parents with young children in Routt County
- Focus groups with parents conducted in the communities of Steamboat Springs, Oak Creek, and Hayden
- Two focus groups with early care and education providers, one with center-based, primarily director-level staff, and one with family child care home providers.

These strategies provided information on a range of topics related to early care and education capacity including current utilization of care, experiences locating care, preferences regarding types of care, affordability, and the impact of care availability on workforce participation. This report provides a summary of findings from each of the methods listed above, as well as a synthesis of the overall information in the form of conclusions and recommendations. Appendices provide additional detail on the data that were collected for this assessment.

It should be noted that this assessment occurred during a time of economic uncertainty. Demand for early care and education is dependent on several factors, arguably two of the most influential are the employment status of parents and the financial security of families. Job loss and foreclosures are on the rise nationally, and Routt County is seeing signs of the economic downturn as well. The estimates on unmet demand, and the assumptions that went into creating those estimates, should be considered as the economic situation plays out over time.

This assessment reflects the contribution of a many folks including those who supplied local data, provided a space for focus groups, recruited participants, and the providers and parents who shared their experiences and thoughts. The authors wish to thank the many individuals in Routt County who made this report possible.

*Meg Franko & Alison Birchard, Lead Researchers*

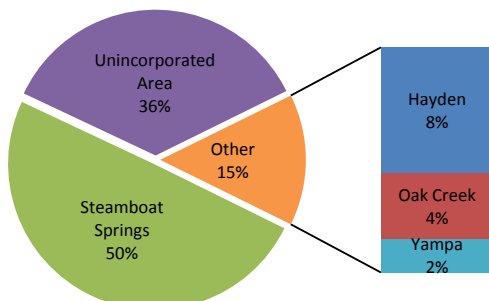
## Data Analysis

As a starting point for this community needs assessment, researchers looked at existing data sources for information about County demographics, family composition, workforce participation, and early care and education capacity. Sources included both federal and state sources (e.g., the U.S. Census Bureau, the Colorado State Demography Office, the Colorado Department of Labor and Employment, Colorado Department of Public Health and Environment), as well as local County sources (e.g., Yampa Valley Medical Center, Yampa Valley Housing Authority, First Impressions of Routt County, and the Child Care and Newborn Networks). These data were collected and analyzed to produce a current and accurate picture of existing early care and education options for families and an estimate of unmet needs for additional capacity to serve working families in Routt County.

## Population

According to the U.S. Census Bureau, Routt County currently has an estimated total population of 22,382, which represents a 22.2% increase over the past decade. By comparison, the entire Northwest Region of the state (Moffat, Rio Blanco, Routt, Jackson, and Grand) has a total population of 57,250 and grew by approximately 15% over the same time period. Routt County has the largest population in the region and is the second fastest growing County in the region. Approximately half of the population resides in the City of Steamboat Springs, although an undefined portion of the unincorporated area in Routt County (e.g., Heritage Park and Steamboat II) is also in very close proximity to the City of Steamboat, suggesting that the population of “greater Steamboat Springs” represents more than the 50% reflected in Chart 1 (below).

**Chart 1: 2006 Routt County Population**



Source: CO State Demography Office, <http://www.dola.state.co.us>

## Key Data Analysis Results

- Routt County has the largest population of any county in the Northwest Region of the State and it is growing.
- The largest population concentration in the County is in and around Steamboat Springs.
- The number of children between birth and 5 years has grown by approximately 8% over the past five years.
- Overall, the median income in the County is relatively high – and so is the cost of living.
- Approximately 18% of the County’s population is below self-sufficiency standards.
- Most existing early care and education capacity is in the Steamboat Springs area, which is consistent with population and workforce distributions in the County.
- Existing early care and education is not enough to provide full-time care to all the children of working parents who need it.

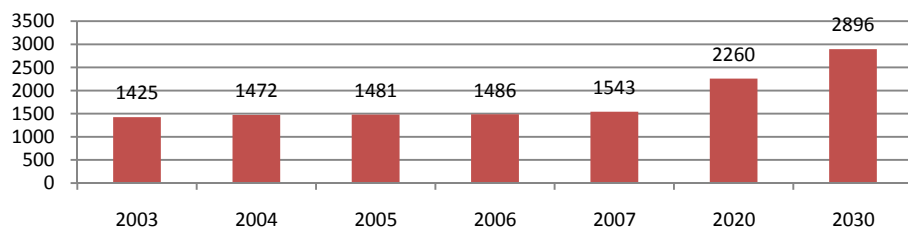
Routt County is primarily Caucasian (approximately 94%), with only 3.9% of the population of Hispanic or Latino origins and 2% Black, Asian or Native American. By comparison, Colorado as a whole is approximately 72% Caucasian and 20% Hispanic/Latino and 8% Black, Asian or Native American (U.S. Census Bureau Quickfacts).

The population of children age 5 and younger is 1,543—approximately 7% of the general population<sup>1</sup>. The population of young children has increased slightly each year over the past several years, for a total growth since 2003 of 8%. The number of children in this age range is projected to continue to grow over the next two decades. According to the Colorado State Demography Office, this growth could exceed 40% between 2007 and 2020 – a number that seems high given the more conservative trends of the past five years (Chart 2).

Clearly the projections are estimates and how the actual numbers play out will depend on a variety of dynamic factors. According to the Colorado State Demography Office, the main driver of this increase is the expected

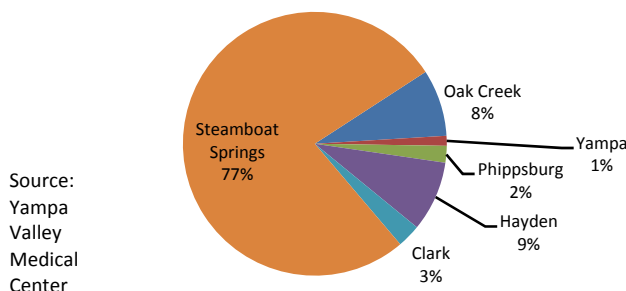
growth in the number of females of childbearing age (15-44 years old) expected to live in the County by 2020. These projections of population were made before the recent economic downturn, which may impact the ability of families with young children to move to or stay in Routt County. Indeed, the availability of early care and education in Routt County may be a significant factor in how this population changes in size over time.

**Chart 2: Children Ages Birth-5**



Source: CO State Demography Office, <http://www.dola.state.co.us>

**Chart 3:  
2007 Births**



According to the Yampa Valley Medical Center there were 244 births to Routt County residents in 2007. The distribution of births by community is aligned with the general population in that a large proportion of people giving birth reside in the Steamboat Springs area.

<sup>1</sup> This figure includes all 5 year olds. For purposes of calculating unmet demand, we assume that 75% of 5-year olds are in Kindergarten. In subsequent analyses, our estimate of the number of children birth-5 and not in Kindergarten is 1359.

The following table provides additional demographic information about births in Routt County:

Table 1

	Routt County	Colorado Overall
<b>2006 Births to Hispanic Mothers</b>	24 (9.8%)	<b>22,814 (32.3%)</b>
<b>2007 Births to Low income/Medicaid</b>	65 (26.6%)	<b>NA</b>
<b>Average birth rate per 1,000 females ages 15 - 17</b>	6.0	<b>24.2</b>
<b>2006 Births to Single Women</b>	11%	<b>27.6%</b>
<b>2006 Births to Women with Less than 12 Years Education</b>	7.9%	<b>21.4%</b>

Source: Colorado Dept. of Public Health and Environment, <http://www.cdphe.state.co.us>

The percentage of births to Hispanic mothers (9.8%) is considerably higher than the overall percentage of Hispanics in Routt County (3.9%). This could be resulting from the fact that the Hispanic population is increasing more rapidly than the population overall, and/or that is comprised of a greater proportion of families with young children.

Similarly, the percentage of births to low income families is greater than the percentage of children living in poverty or families living below the self sufficiency standard (see Socioeconomics below), suggesting that the number of low-income families with young children in Routt County may be increasing.

## Socioeconomics

According to Census data the Median Household Income for 2004 was \$54,539 in Routt County and \$50,105 in Colorado overall.<sup>2</sup> The U.S. Department of Health and Human Services has set the 2008 Federal Poverty Level (FPL) at \$21,200 for a family of four. This level and percentages of this level are used to determine eligibility for programs such as Head Start, Free and Reduced School Lunch, and the Children’s Health Insurance Program. According to the Colorado Children’s Campaign, 6.9% of Routt County children under age 18 were living below the FPL in 2005, compared to 14% of all children in Colorado.

There is consensus among many researchers and policy analysts that the FPL is not an accurate measure of poverty.<sup>3</sup> In response, the Self-Sufficiency Standard was developed to provide a more accurate and nuanced measure of income adequacy by taking into account a broader range of information including geographic variations, ages of children, and fluctuating costs of major budget items such as housing and child care. The Self-Sufficiency Standard is defined as the income required to cover a family’s basic needs, and has been calculated for a variety of household compositions. The Self Sufficiency Standard for Routt County is displayed in Table 2.

<sup>2</sup> Colorado Labor Market Information Gateway: <http://lmgateway.coworkforce.com>

<sup>3</sup> Diana M. Pearce, PhD. Overlooked and Undercounted: Struggling to Make Ends Meet in Colorado. Colorado Fiscal Policy Institute: 2007.

Table 2

Table 57: The Self-Sufficiency Standard for Routt County, CO, 2008								
Monthly Costs	Adult	Adult + Preschooler	Adult + Infant + Preschooler	Adult + Preschooler + Schoolage	Adult + Schoolage + Teenager	Adult + Infant + Preschooler + Schoolage	2 Adults + Infant + Preschooler	2 Adults + Preschooler + Schoolage
Housing	775	1008	1008	1008	1008	1206	1008	1008
Child Care	0	911	1703	1393	481	2185	1703	1393
Food	227	344	447	515	595	604	644	708
Transportation	250	256	256	256	256	256	492	492
Health Care	129	337	348	360	385	372	408	420
Miscellaneous	138	286	376	353	273	462	426	402
Taxes	344	761	1026	914	599	1391	1069	969
Earned Income Tax Credit (-)	0	0	0	0	0	0	0	0
Child Care Tax Credit (-)	0	-50	-100	-100	-55	-100	-100	-100
Child Tax Credit (-)	0	-83	-167	-167	-167	-250	-167	-167
Self-Sufficiency Wage								
Hourly	\$10.59	\$21.41	\$27.84	\$25.75	\$19.18	\$34.80	\$15.58 (per adult)	\$14.56 (per adult)
Monthly	\$1,863	\$3,769	\$4,899	\$4,532	\$3,376	\$6,125	\$5,483	\$5,124
Annual	\$22,361	\$45,227	\$58,790	\$54,383	\$40,512	\$73,502	\$65,791	\$61,490

Source: Diana M. Pearce, PhD. The Self Sufficiency Standard for Colorado 2008: A Family Needs Budget. Colorado Fiscal Policy Institute: 2008.

According to 2000 Census data, approximately 18% of households in Routt County are below the Self-Sufficiency Standard.<sup>4</sup> This underscores that the number of families struggling to make ends meet is greater than the FPL would indicate.

Limited data (and a good deal of anecdotal opinion) suggest variation in socioeconomic status by community within Routt County. The Free and Reduced Lunch Program serves school children who fall below 130% (free lunch) or 185% (reduced price lunch) of the FPL. Combined participation for the three school districts in Routt County is estimated at 10.79% of students, but as the table below indicates, the proportion of students participating from Hayden and South Routt School Districts is considerably higher. This is not surprising given that many families who choose to live outside of Steamboat Springs do so because of the high cost of housing there.

Table 3: Fall 2007 PK-12 Free and Reduced Lunch by District

School District	PK-12 Membership	Free	Reduced	Free and Reduced
Hayden RE-1	459	58 (12.64 %)	37 (8.06%)	95 (20.70%)
Steamboat Springs RE-2	2,077	84 (4.04%)	48 (2.31%)	132 (6.36%)
S. Routt RE-3	431	55 (12.76%)	38 (8.82%)	93 (21.58%)
<b>County Total</b>	<b>2,967</b>	<b>197 (6.64%)</b>	<b>123 (4.15%)</b>	<b>320 (10.79%)</b>

Source: Colorado Department of Education, <http://www.cde.state.co.us>

<sup>4</sup> Diana M. Pearce, PhD. Overlooked and Undercounted: Struggling to Make Ends Meet in Colorado. Colorado Fiscal Policy Institute: 2007.

Compared to many other communities in Colorado, and the state overall, Routt County is fairly well-off. However, the cost of living in the County overall is quite high, and in Steamboat Springs in particular that may be driving lower income families to more affordable locales in the County or outside the County entirely.

## Workforce Participation

The 2000 Census provides data on the workforce participation of parents with children under the age of 6. Because the overall population in Routt County has increased by about 22% over the past 10 years, the numbers reported here reflect percentages of workforce participation from the 2000 Census applied to the 2007 population count of children under age 6.

Table 4: Family Type and Employment Status of Parents of Children Ages Birth - 5

Family Type	Percent from 2000 Census	Percentage Applied To 2007 Population Of Children Ages Birth – 5 Years (and not yet in K)
<b>Own children</b>	100% (1273)	<b>100% (1359)</b>
<b>Living with two parents</b>	85.1%	<b>1157</b>
<b>Both parents in labor force</b>	65.6%	<b>759</b>
<b>Father only in labor force</b>	29.8%	<b>345</b>
<b>Mother only in labor force</b>	1.1%	<b>13</b>
<b>Neither parent in labor force</b>	3.5%	<b>40</b>
<b>Living with mother only</b>	11.4%	<b>155</b>
<b>Mother in labor force</b>	92.4%	<b>143</b>
<b>Mother not in labor force</b>	7.6%	<b>12</b>
<b>Living with father only</b>	3.5%	<b>48</b>
<b>Father in labor force</b>	82.2%	<b>39</b>
<b>Father not in labor force</b>	17.8%	<b>8</b>

Source: Adapted from Annie E. Casey Foundation Kids Count, <http://www.kidscount.org/datacenter/>

## Early Care and Education

### Capacity

Routt County currently has ten early care and education centers, twenty-four family child care homes, and four preschools. The total existing capacity for early care and education in Routt County is 526 slots, approximately 75% of which are provided in centers and 25% provided in family child care homes (a “slot” generally represents full time care, and can be utilized by more than one child in the form of part time care.)<sup>5</sup> As the graph below illustrates, the majority of early care and education is located in Steamboat Springs (Chart 4).

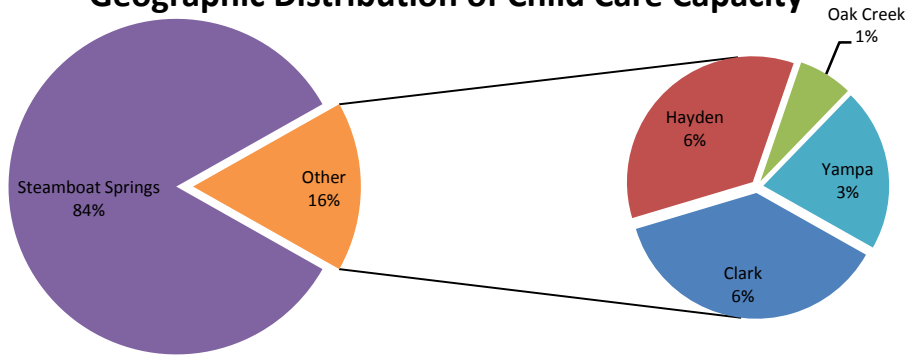
Geographically, this distribution of early care and education capacity is consistent with the geographic distribution of residents and jobs. The majority of the Routt County population lives and/or works in, or

<sup>5</sup> Child Care and Newborn Networks



very close to, the City of Steamboat Springs, which is reflected in a large distribution of early care and education slots in that location as well.

**Chart 4:  
Geographic Distribution of Child Care Capacity**



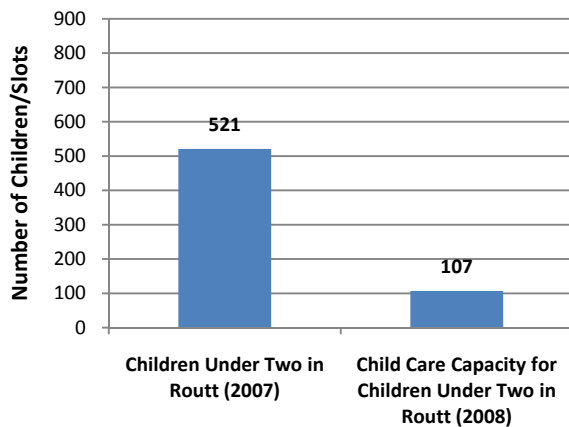
Source: Child Care and Newborn Networks

It is also reflected in the fact that 90% of child care centers are located in Steamboat Springs, with only one center located in North Routt. Child care centers require a larger population base to support capital and operating costs that come with a multi-room, multi-staff center.

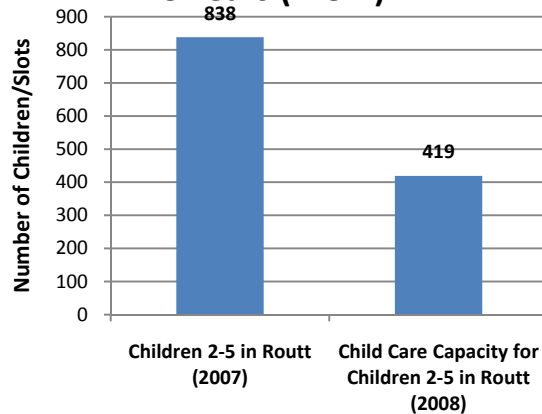
First Impressions Council members indicated a preference for capacity and demand data to be broken out in two age groups: children under 24 months (infants and toddlers), and children ages 2 - 5 not in kindergarten. The graph below shows the estimated number of children in each age group alongside the child care capacity for that group. These data indicate a larger proportion of children ages 2 - 5 are being served by current capacity than infants and toddlers. (Charts 5-6)

Charts 5-6

**Infant/Toddler Care Capacity**



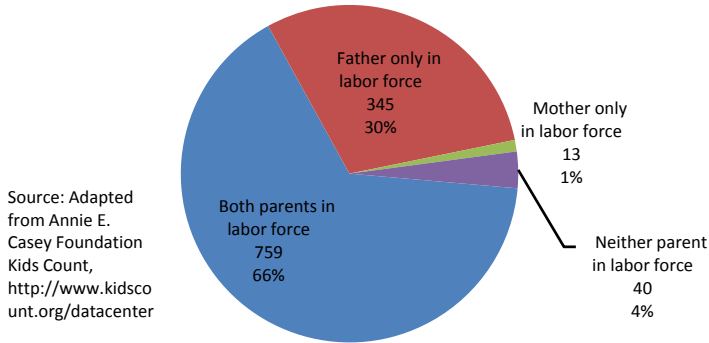
**Capacity for Children Ages 2-5 Years (Pre-K)**



Sources: CO State Demography Office and Child Care and Newborn Networks

**Demand**

**Chart 7: Children in Two-Parent Households and Parental Work Status**



True demand for early care and education is dynamic in nature. The number of children who actually need early care and education is probably lower than the charts above would indicate, since some parents will not want any outside care for their infants, toddlers and preschoolers, and others may only want part-time care. For the purposes of this needs assessment, demand is defined as children living

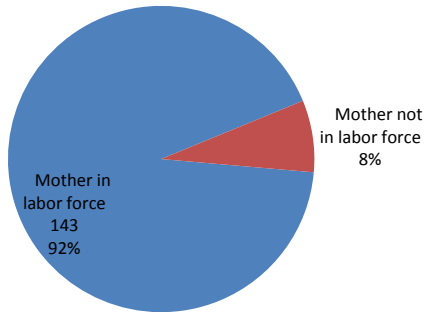
in homes with all available parents working. The following graphics show the number of children in two-parent and single-parent households in Routt County and the workforce status of parents as a means of estimating need for care.

Using the definition that children living in households with all parents working are in need of early care and education, a rough estimate of demand can be calculated. This estimate recognizes that:

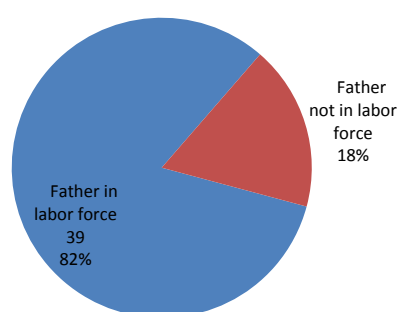
- Workforce status does not specify whether a parent is working full- or part-time. Therefore, some children living in households with both parents working may not be in need of care, either because parents are working part time or are working split shifts.
- There may be a demand for early care and education for some children living in households where a parent is not working. Findings from the survey and focus groups conducted for this study suggest that a lack of early care and education may be the primary reason that a parent is not working. They also suggest that even families with a parent at home recognize the need for early education to prepare children for school success.

**Charts 8-9**

**Children in Single Mother Households and Parental Work Status**



**Children in Single Father Households and Parental Work Status**



Source: Adapted from Annie E. Casey Foundation Kids Count, <http://www.kidscount.org/datacenter/>

While not all children in need of care will occupy a full child care slot, comparison of this number to the current capacity of 526 early care and education slots suggests there is significant unmet demand in Routt County. A quantification of unmet demand is estimated in the Conclusions and Recommendations section. The number below (Chart 10) assumes that all parents who work do so full-time. Later estimates in this report narrow this number down further to assess future needs. But one thing is certain from the data: there is a costly loss of productivity in Routt County that is being caused by a lack of early care and education services. Parents who might otherwise be working have been forced out of the workforce or are underemployed because of a lack of care. At the same time, some parents who need to work are undoubtedly utilizing unlicensed care arrangements (typically called Family, Friend and Neighbor care) that are not reflected in the County data.

More estimates on unmet demand and needed slots are provided later in this document under the *Conclusions and Recommendations* section.

**Cost**

Data on early care and education market rates were provided by First Impressions of Routt County and demonstrate a range of costs between \$22-\$61 per day, depending on the age of the child in care and the type of care (i.e., center-based vs. home providers). Typically, infant/toddler care and center-based care fall on the higher end of the spectrum, while preschool-age care and home-provider care are usually less expensive. This reflects the cost of doing business for providers, since required teacher-child ratios are tighter for infants/toddlers and centers require more staffing that is also subject to certain training and education requirements.

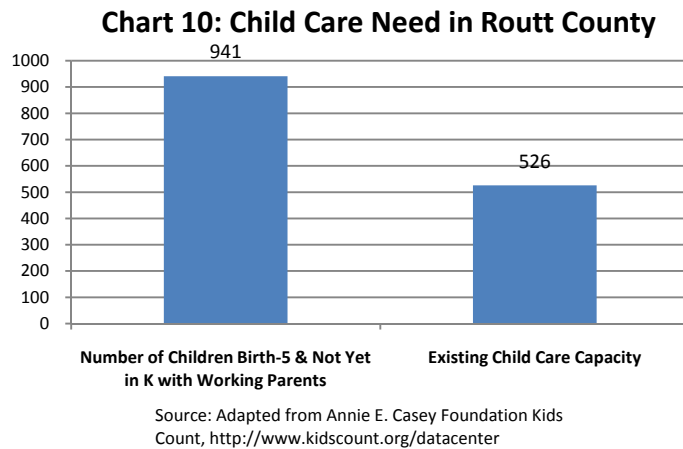


Table 5

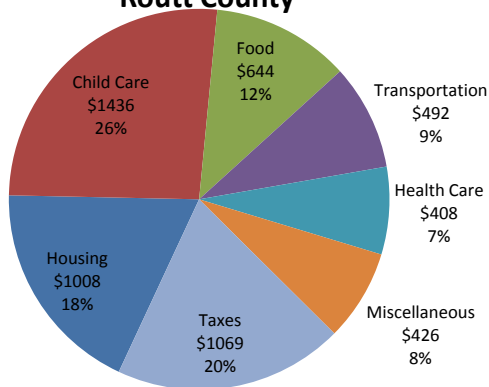
2009 Early Care and Education Market Rates in Routt County				
	Centers Average	Centers Range	Home Providers Average	Home Providers Range
<b>Under 2 ½</b>	\$60	\$58 - \$61	\$40.25	\$28 - \$60
<b>Over 2 ½</b>	\$50	\$43 - \$59	\$38.25	\$22 - \$60

Source: First Impressions of Routt County

Utilizing data from the Colorado Fiscal Policy Institute’s Self-Sufficiency Standard study, the cost of child care in Routt County comprises just over 25% of the estimated total costs for a family with 2 young children under school age (Chart 11). This represents a greater expense than even housing,<sup>6</sup> and indicates what a

<sup>6</sup> Feedback from Routt County stakeholders suggests that the estimated cost of housing calculated for the Self Sufficiency Standard is low. The cost of rent and utilities is based on the Fair Market Rents calculated by the U.S. Department of Housing and Urban Development (HUD). This method may underestimate the true cost of housing in Routt County and the cost of home

**Chart 11: Monthly Self-Sufficiency Costs for Two Adults, a Preschooler and an Infant  
Routt County**



Source: Diana M. Pearce, PhD. The Self Sufficiency Standard for Colorado 2008: A Family Needs Budget. Colorado Fiscal Policy Institute: 2008.

large impact the availability of affordable early care and education can have on families' quality of life, workforce participation, and, by extension, the community's economic growth and productivity.

## Survey and Focus Group Results

### Methodology

As part of this community needs assessment, a survey was conducted of parents of young children in Routt County. The survey was delivered online from December 9-21, 2008 and was targeted at families with children ages 5 and under. Staff from First Impressions of Routt County sent out emails to early care and education providers, families and the local media with the survey link. In addition, they visited libraries and other local venues where young families frequent to hand out flyers with information on how to access the survey.

In total, 241 people responded to the survey. Of those, 170 completed every question, while the others skipped some questions. Given the population of families in the county with children under the age of 5, the total response rate of 241 gives the survey results an overall confidence level of 95%, plus or

### Key Points from Survey and Focus Groups

- Parents are finding the cost of care to be a real stretch, but most are willing to pay the cost to get their preferred care.
- More than half of all parents with young children have had to change their employment status to accommodate early care and education arrangements.
- Parents perceive the availability of care to be inadequate.
- Parents are frustrated with the waitlist process and its perceived ineffectiveness.
- Parents generally prefer center-based care and preschool settings to home-based and nanny care.
- Routt County parents have a good sense of what quality care looks like, but the low availability of care prevents quality from being a primary factor in choosing child care.

ownership in particular. Child care costs are calculated based on the 75<sup>th</sup> percentile. Colorado Department of Human Services, Division of Child Care, by age setting.

minus 6 points. Some questions that were not answered by all respondents would be lower than this.

The following table represents the demographics of the survey respondents:

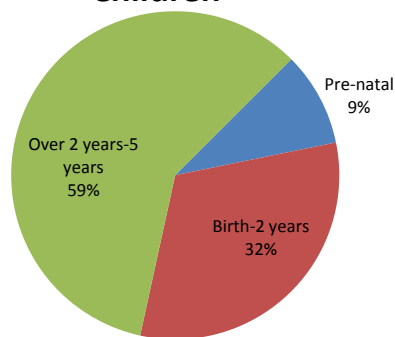
Table 6

Survey Respondent Characteristic	Representation in Survey
Women	93.4 %
Live in Steamboat Springs	68.5%
Parent(s) Work(s) in Steamboat Springs	85.0%
Early care and education in Steamboat Springs	79.0%
Age Range (mode)	26-45
Household Income at or above Self-Sufficiency <sup>7</sup>	64.0%
Respondent &/or Spouse in Full-time Workforce <sup>8</sup>	75.0%

The majority (54.5%) of survey respondents had one child from birth-5 years old (and not yet in Kindergarten). Another 15% did not yet have any children, but were expecting. The remaining 30% had more than one child from birth-5 years (and not yet in Kindergarten).

Fifty-nine percent of survey respondents have children between the ages of 2-5 years, while the rest are under two or prenatal (Chart 12). By comparison, according to 2007 statistics from the Office of State Demography, Routt has an even split of children from ages birth-2 years and children ages 3-5. As a result, this survey is slightly over-representing the interests of families with preschool children, versus families with infants and toddlers.

**Chart 12: Ages of Respondents' Children**



In addition to the survey, four focus groups were conducted of parents with children ages 5 and under, and another two were conducted with early care and education providers. The parent focus groups were all conducted from November 14-16, 2008. Two took place in Steamboat Springs, one in Hayden and one in Oak Creek. In total, 24 parents participated in the focus groups over the three days, mostly evenly split between the four focus groups. Of these 24 participants, all except one were women.

<sup>7</sup> Self sufficiency for a two-parent family with an infant and preschooler in Routt County is \$65,791

<sup>8</sup> An additional 12% of parents work part-time; 12% are stay-at-home parents, and 2% are in school part- or full-time.

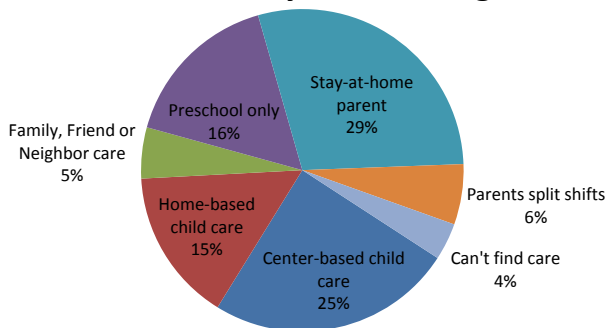
The provider focus groups were conducted by phone on December 1<sup>st</sup> and 3<sup>rd</sup>, 2008. The December 1<sup>st</sup> focus group included eight home-based providers, while the focus group on December 3<sup>rd</sup> was conducted with seven center-based providers (primarily center directors).

The purpose of the focus groups was to get qualitative information about existing early care and education services in the county and the gaps in services that might still exist. Similarly, the survey gave the community needs assessment some quantifiable data on the same general topics. Focus group and survey questions are included in Appendix A of this report.

### Type of Early Care and Education

The type of primary early care and education arrangements that Routt County families are currently using include center-based care, preschools, home-based care, family-friend-and neighbor care, split shifts and stay-at-home parenting. The majority of respondents (29%) have a stay-at-home parent who takes care of the infants, toddlers and preschoolers in their home, and families are more likely to choose this arrangement if they have more than one child. At the same time, 11% of all respondents indicate that they quit working to stay home with young children primarily because they could not find care for their child, so the rate of stay-at-home care may be artificially high due to a lack of early care and education in the county.

**Chart 13: Primary Care Arrangements**



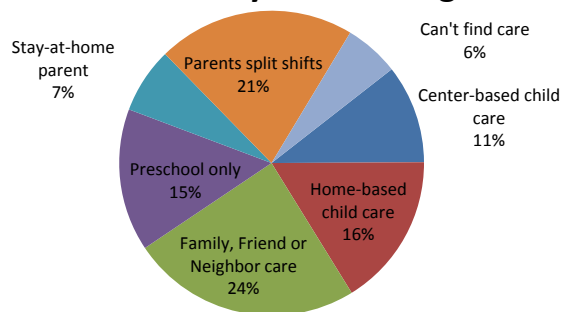
According to the survey, 25% of families have secured center-based child care for their young children, while an almost equal number of children are either in preschool-only settings or in home-based child care (16% and 15%, respectively). A minority of families use split shift schedules between parents, utilize family, friend and neighbor care, or simply cannot find care at all (Chart 13).

friend and neighbor care, or simply cannot find care at all (Chart 13).

Focus group results suggest that family, friend and neighbor care may be more commonly used by stay-at-home parents for occasional care or for small amounts of time on a more regular basis (e.g., one day/week). Similarly, this kind of informal care arrangement is more common for parents who are working or going to school only one or two days per week and who have strong family or neighborhood networks.

Some families – 39.8% – utilize some form of secondary care in addition to their primary care arrangements to make up their full child care coverage

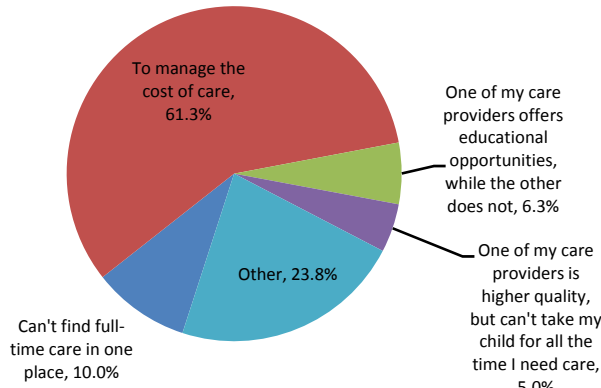
**Chart 14: Secondary Care Arrangements**



for their infants, toddlers and preschoolers. The most common form of secondary care is “family, friend and neighbor care” (usually unlicensed, informal care arrangements that do not always include payment), followed by parental split-shifts, home-based care and preschool (Chart 14).

There are a number of reasons why families use multiple early care and education arrangements, but the most common reason for Routt County families is that it helps them better manage the high cost of care.

**Chart 15: Reasons for Using Multiple Care Arrangements**



Reasons that fall under the “other” category in the following chart (Chart 15) include being able to get specialized care (e.g., for developmental delays), wanting a mixture of care types for child(ren), and covering night-time work hours.

**Cost and Affordability**

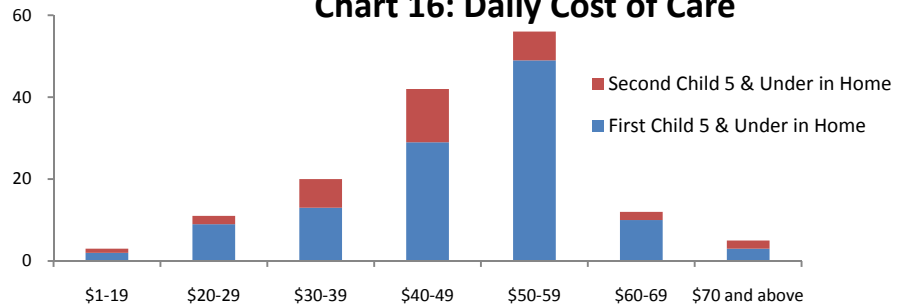
Most families in Routt County pay between \$40 and \$60 per day for early care and education (Chart 16).

Payments for home-based care tend to be somewhat lower, with only 36% of

families who use that type of care paying over \$50 per day, and 61% paying between \$20 and \$49 per day. In contrast, 57% of families who use center-based care pay over \$50 per day, and only 11% of those families pay less than \$40 daily.

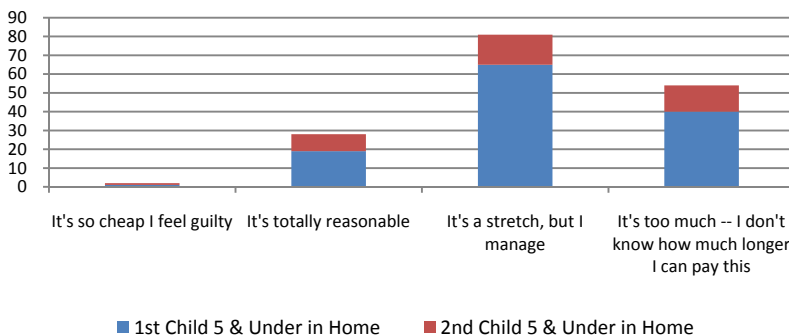
The cost of early care and education is a stretch for many families. While many of them manage, it is a burden some families are having a difficult time juggling (Chart 17). The self-sufficiency wage for

**Chart 16: Daily Cost of Care**



two-parent families with two children ages 5 and under in Routt is approximately \$65,000 annually. Based

**Chart 17: Affordability of Care**



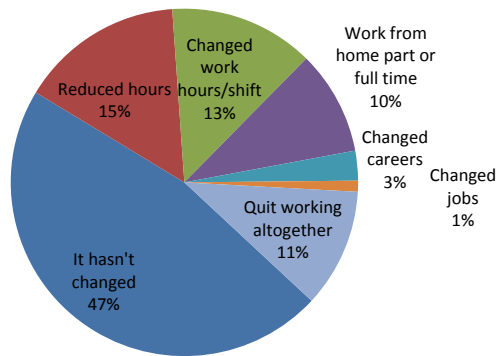
on survey results, some 64% of families meet this income threshold, leaving another 36% who do not.

Focus group results suggest that some families have ultimately found the cost of care exceeds the amount one spouse can make by

working, forcing that parent to stay home – sometimes against their desires. This becomes especially true for families that have two or more children who are not yet school-age.

According to survey respondents, over half have changed their employment to accommodate early care and

**Chart 18: Change in Employment to Accommodate Care**



education arrangements (Chart 18). For some (11%) this has meant leaving the workforce altogether, while for others it has meant reducing hours, changing shifts, working from home or changing careers or jobs. The result is that the affordability and availability of care in Routt County is impacting the employment base and productivity.

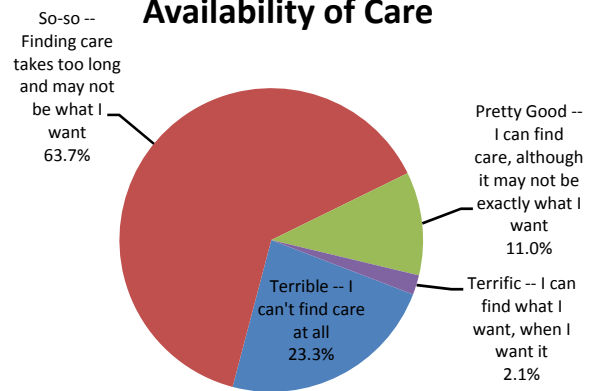
This is obviously a potential concern for the business community in Routt, particularly at a time when economic stability is fragile. Some change in employment due to family child care and education decisions are inevitable,

however, some can be managed through business and community investments in the early care and education system. These will be suggested later in the *Conclusions and Recommendations* section of this report.

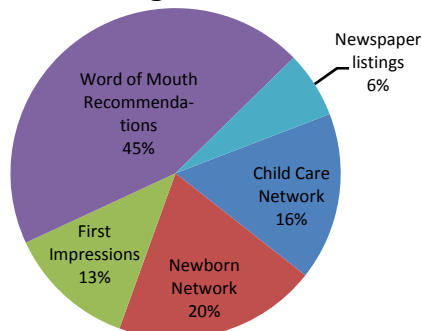
**Finding Child Care in Routt County**

While the cost of care is difficult for many families, others are having trouble simply finding the care they need to work or to simply give their child(ren) quality early learning experiences. Fully 87% of families say that the availability of care in the County is either “so-so” or “terrible.” Nearly 64% say that finding care takes too long and may not result in the type of care they want, while another 23% cannot find care at all (Chart 19).

**Chart 19: Availability of Care**



**Chart 20: Usefulness of Community Sources for Finding Child Care**



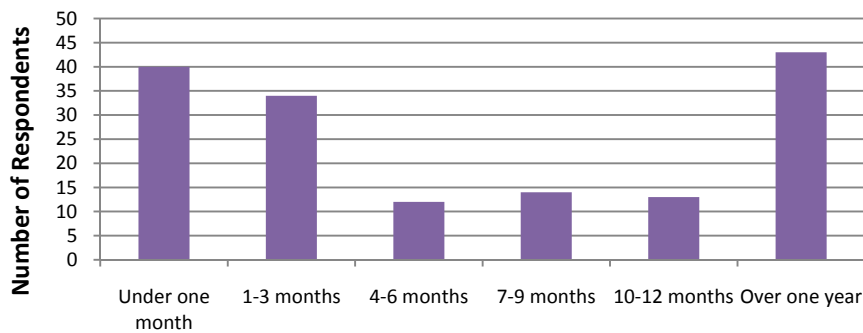
The best source for finding care, according to survey respondents, is word-of-mouth recommendations, with 45% of families using this source of information to find early care and education arrangements. Also useful are the County’s resource and referral services (Child Care Network) and the Family Development Center’s Newborn Network.



When taken together, 36% of families use the Child Care and Newborn Networks to find early care and education for their children. Newspaper listings are the least useful resource available to families that are looking for early care and education situations, with only 6% of families indicating that this is how they found care (Chart 20).

These results are borne out by the focus group findings as well. A common theme from the focus groups was that the resource and referral services were a tremendous help to most parents as they were searching for care. Many indicated that additional information with the referrals would be helpful, including online access to listings, information about the ages each provider accepts, as well as the days and hours that providers operate and current availability.

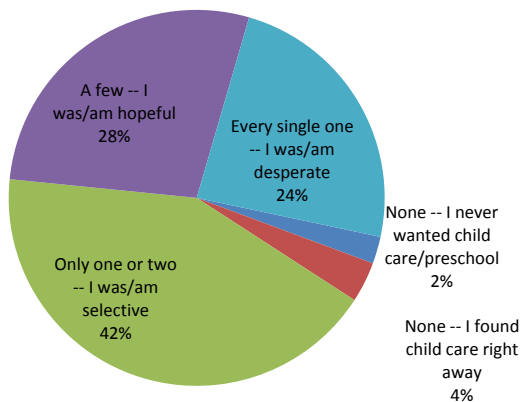
**Chart 21: Length of Time to Find Child Care**



No matter which type of resources parents use to find early care and education, only 47% of families find care within 3 months – the length of time for the standard maternity leave. For others the wait can be months or even years (Chart 21).

According to many respondents and focus group participants, finding care is largely a matter of luck, persistence – and lots of advanced planning. Many parents begin to get their names on early care and education waiting lists while they are still pregnant.

**Chart 22: Number of Waitlists Utilized in Child Care Search**



The utility of waitlists is in debate by many respondents, however. Some parents put their children on every waitlist they can get on, while others targeted only one or two and followed up persistently (Chart 22). According to one respondent: “Knowing the climate of child care in Steamboat, I put my unborn son on a child care waitlist as soon as I found out I was pregnant. He started care at 8 weeks old.”

However, parents indicate that the waitlists were largely ineffective in helping them secure early care and education. In part, this may be because they frequently did not receive updates from early care and education providers about their placement on

the lists over time. And, in part, this seems to be because the amount of time on the waitlist was longer

than parents had available to wait. Many comments around the waitlists are summarized by this one: “No one has ever called me back and one school didn't even have me on their list anymore even though I first put my name on the list nine months ago.”

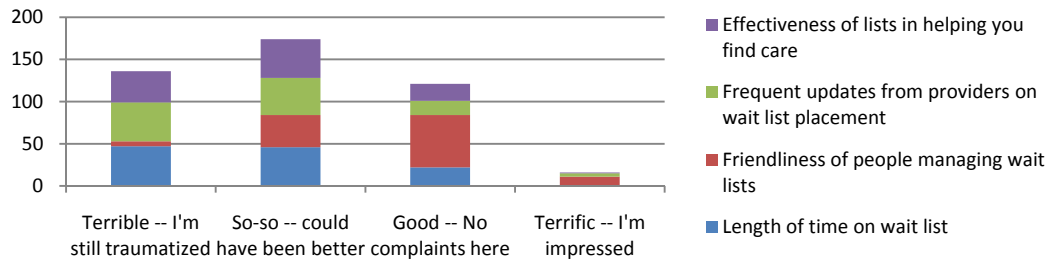
A common theme from both the survey and the focus groups was that persistently calling the providers was a more important factor in securing early care and education than was being on a waitlist. Providers concurred with this. Many providers, in fact, report that they have given up keeping a waiting list and are more likely to give open spots to people they have met one-on-one, people who call “at the right time,” or people who

have connections with existing clients.

Parents would like to see a centrally managed waitlist for the whole

community where parents can put their name on one master list rather than many. However, providers are reluctant to pursue this idea. They are unsure how it would work any better than the current approach, especially when they are already able to fill slots without it.

**Chart 23: Experience with Waitlists**



### Early Care and Education Preferences

Families that participated in the survey pointed to two types of care they would prefer for their children if it were readily available: (1) Center-based care (39%) and (2) Preschool Only (38%). Another 18% would opt for home-based care, while only 5% would choose a nanny, if able. These preferences were echoed by focus group participants.

The strong emphasis on preschool and center-based settings speaks to two primary factors:

- a desire for safety and reliability that parents associate with multiple caregivers; and
- a desire for educational environments that can help prepare children for school.

This second factor seems to hold true not only for families where both parents are working, but also for families with stay-at-home parents. These latter families want more preschool options to be available in the County to ensure their children’s school readiness.

The table below summarizes the perceived benefits that participants identified for the various types of early care and education.

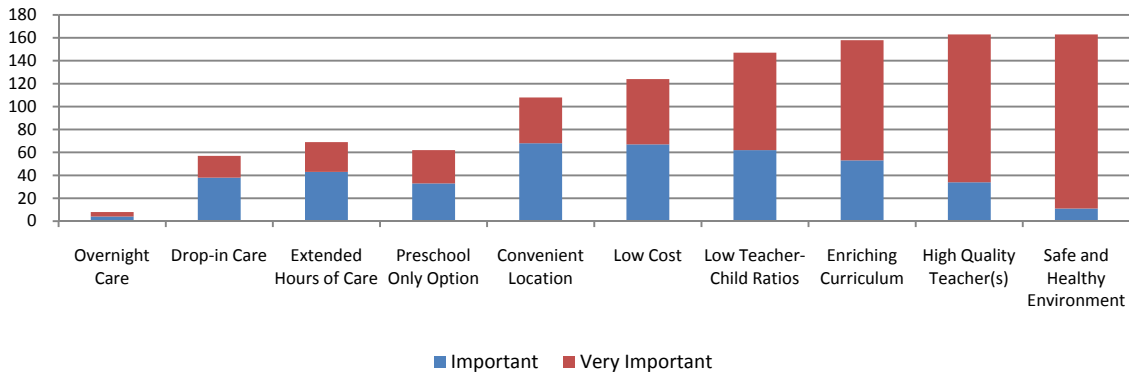
Table 7

Type of Care	Perceived Benefits
Center-Based Care	<ul style="list-style-type: none"> <li>• Reliability, dependability – when caregiver is sick, center is still open; reliable schedule</li> <li>• More sets of eyes on children Have to follow state rules</li> <li>• Medically trained, prepared for emergencies</li> <li>• Good for socialization</li> <li>• Great activities (ski school, yoga, gymnastics, etc)</li> </ul>
Preschool	<ul style="list-style-type: none"> <li>• School-readiness</li> <li>• Socialization for children with stay-at-home parents</li> </ul>
Home-Based Care	<ul style="list-style-type: none"> <li>• Smaller number of children</li> <li>• Good option for children under 3 years</li> </ul>

In addition to identifying the types of care they would prefer, parents participating in the focus groups and survey also prioritized the aspects of care they look for in an early care and education setting (Chart 24). However, many parents also pointed out that the availability of care is so low in the County, that many of these factors are simply wish lists. As one parent put it, “I don't think anyone has any choices- you get in to one place and that's it. Sure they might be important, but you take what you can get.”

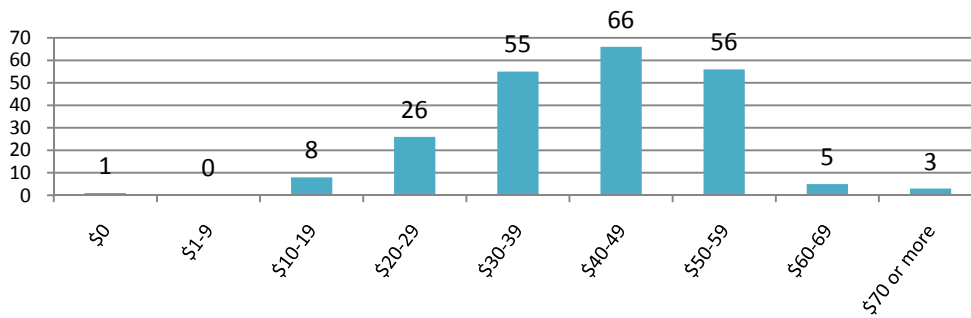
The two most important factors that Routt County parents look for in an early care and education setting are a safe and healthy environment, and high quality teachers/caregivers. An enriching curriculum is not far behind these, however, as are low teacher-child ratios. And while cost and location definitely factor into the equation, they are not at the top of the list. At the other end of the spectrum, extended care and overnight care are important to some parents – particularly those who work jobs with variable or night-time work schedules – but are not universally desired features.

**Chart 24: Key Factors in Choosing Early Care and Education**



Generally, parents are willing to pay approximately what they currently pay for care to have the kind of early care and education that they would prefer. When asked what they are willing to pay for their preferred type and quality of care, the majority of answers ranged between \$30-59 per day (Chart 25). This probably

**Chart 25: Amount Willing to Pay Daily for Preferred Care**



reflects the fact that most families already feel that they are stretched thin on costs as it is.

## Conclusions and Recommendations

Routt County has many positive attributes around early care and education that make it a promising community for building an excellent system for young children and their families. It has:

- a community that values families and where families want to live;
- a strong early childhood council (First Impressions of Routt County) that coordinates early childhood services in the community;
- a highly effective and respected resource and referral agency;
- a strong base of families who recognize quality early care and education and are generally willing and able to pay market rates to receive it; and
- a Board of County Commissioners that has supported early care and education through market-rate reimbursements to Child Care Assistance Program providers and active participation with First Impressions of Routt County.

What Routt County does *not* have is the early care and education capacity to effectively serve all of the infants, toddlers and preschool age children who live in the county. The researchers used existing data and survey responses to estimate the number of families who have all available parents working (full-time and part-time, combined).

The researchers have further refined this number, using collected data and survey responses, to estimate the number of early care and education slots that are actually needed for Infants and Toddlers and for preschool age children (2-5 years old) in Routt County. We have also broken down the estimates to reflect type-of-care preferences (i.e., center-based care, preschool-only, and home-based care). The results, which also take into account parents' full-time and part-time work status, are reflected in Table 26 and the methodology is described in Appendix B.

### Key Points from Conclusions and Recommendations

- Routt County has a strong base of attributes from which to build needed early care and education capacity in the community.
- The unmet demand for early care and education is large and is already impacting workforce participation and the related economic growth potential.
- The unmet demand for early care and education is highest for infants and toddlers.
- The educational focus of early care and education options needs to be emphasized.
- Families want more preschool options for their 2-5 year olds.
- The County will need to more than double the number of infant/toddler slots to fill unmet demand.
- There are a range of options for addressing the infant/toddler care capacity in Routt County.

Table 26: Needed Additional Capacity (in slots)

	Center-Based	Home-Based	Preschool-Only	TOTAL by Age
Under 2 Years	67	33	23*	122
2-5 Years	1	1	1	3
<b>TOTAL by Care Type</b>	<b>68</b>	<b>33</b>	<b>24</b>	<b>125</b>

\* Preschool-only preferences for children under two years old are being categorized as a preference for part-time center-based care in terms of recommendations and in terms of calculating needed staffing requirements, since preschool only options are typically for children ages 2-5.

These estimates for unmet demand suggest that Routt County needs to focus on two primary strategies in its effort to increase early care and education availability for families:

1. Increasing infant/toddler care; and
2. Increasing center-based options.

Of course, one of the major challenges for increasing capacity in early care and education is attracting and retaining qualified caregivers and teachers. This is particularly true for infants and toddlers, since licensing requirements necessitate more staff and often staff with specialized skills. Given the number of estimated slots needed in Routt County to meet demand, the researchers have calculated the following staffing levels:

Table 27: Additional Staff Needed to Fill Added Capacity

	Center-Based and/or Preschool Staff (Teachers)*	Home-Based Providers
Children 0-24 mo	18	15
Children Age 2-3	0	0
Children Ages 3-4	0	0

\*Of these identified staff, 5 of the center-based infant/toddler staff would need to be group leader qualified. In addition, at least one new Center director would be needed.

The need for infant/toddler care in the County – particularly center-based care – is paramount. The focus groups and survey reflect this and the data bears it out. To fill the unmet demand in this area will take a concerted effort by County elected officials and the business community. There are a number of options open to Routt to address its unmet demand and these are detailed in the rest of this report.

In the meantime, decision makers should be aware of potential impacts of addressing the infant/toddler care gap. The side effects should not keep the County from addressing the need. Rather, they should be thoughtfully considered as solutions are selected. First, increasing capacity for infants and toddlers may increase demand for older age care. Working parents of very young children are likely to continue to need care as their children grow older. Therefore, only addressing the infant and toddler shortage may create a "pipeline issue" – an increase in the unmet demand for care of children ages 2 – 5 years.

Second, the cost of providing care for infants and toddler is greater than the cost of care for older children, and many centers offset the high cost of infant and toddler care through the provision of care of preschool-aged kids. Therefore, it may not be financially viable to increase capacity solely for infants and toddlers, or it may be necessary to find some other means of offsetting the high cost of providing care to this group.

## **Capacity-Building Options**

The most significant problem facing Routt County around early care and education is a lack of capacity to serve the children whose parents want and/or need to work outside the home. This is a problem that not only faces the families who are desperate for early care and education options, but it also faces the larger economic community in Routt. When parents can't find care, they are not available to work and this affects the entire economic strength of the County and the potential success of its businesses.

In addition, parents in Routt County are placing an emphasis on the availability of education options, as evidenced by a desire for more preschool and the strong preference for center-based care (which tends to be more curriculum-focused). The following recommended strategies can all be used to increase early care and education capacity in the County. They are broken down into three categories: financing, staffing and coordinating.

## **Financing**

### ***Development Impact Fees***

Development impact fees are well known tools in economic development and community planning circles. They are often used to pay for new roads and other public capital expenses related to development-induced growth. These same fees can be used to develop an early care and education fund to build capacity in the county. They also help to institutionalize early care and education as public service that must be offset by new development.

### ***Low-Interest Loans and Loan Forgiveness Programs***

Community banks can also play an important role in promoting early care and education businesses in the County. Low-interest loans can help with both the capital and start-up operational costs that are required to launch a successful center-based early care and education center. Similarly loan forgiveness programs (usually partial loan forgiveness programs) can help with business start-up costs and with caregiver/educator training. Under this scenario, providers who stay in the industry for a set number of years can receive partial loan forgiveness from lenders.

### ***Tax Credits for Employers Supporting Early Care and Education***

Around the country, many communities have begun to utilize tax credits for employers that provide vouchers or subsidies to employees to help them purchase care. While this strategy cannot in itself create capacity, it can make existing and new care more affordable to families. Since many families indicated that the cost of care was a stretch or a burden, giving employers a tax credit incentive to support their employees' early care and education needs is an important supporting strategy.

### ***Employer-Based Early Care and Education***

*GrandKids* is an early care and education facility located at the Yampa Valley Medical Center which serves children of Center employees. Anecdotal reports indicate that this facility is at or near capacity, and that it represents a successful model of employer-based care. Further exploration of the benefits and challenges from the business perspective would be useful in determining the feasibility of another large employer establishing a child care facility.

### ***Ballot Initiatives and Referendums***

While they can require extensive community building and lots of upfront money, ballot initiatives have been a popular strategy in at least a couple of Colorado communities (e.g., Aspen; Denver) that have needed to build early care and education capacity. Ballot initiatives should not be the sole strategy used to address capacity, but they can sometimes be a key part of the puzzle.

## **Staffing**

### ***Early Care and Education Business Incubators and Teaching Centers***

A new approach that has been used in several communities around the country is the development of an early care and education business incubator. Here, potential early care and education business owners can get their start in the safety of a center that is focused on training new entrepreneurs in the industry. The center serves a dual purpose of meeting capacity needs, while also training future providers not only about caring for and educating our youngest children but also about how to run a successful business.

With a strong need for new early care and education staff to build the needed capacity in Routt County, an incubator can also be used as a “teaching center” (based on a teaching hospital model) to train a robust personnel base for the early care and education centers and homes in the County.

### ***Livable Wage Initiatives***

Retention of center-based staff was a big concern raised by provider focus groups. Pay scale and benefits are key factors in the ability of centers to retain staff, and early care and education providers typically earn considerably less than their counterparts in other fields with equivalent education and experience. Several communities, including the mountain resort town of Breckenridge, have implemented compensation initiatives as a means of improving child care workforce and retention.

## **Coordinating**

### ***Waitlist Policy Adoption***

Many Routt County families – and most early care and education providers – believe that the current waitlist system does not work well at matching families in need with available care. While a central waitlist is a possibility for Routt, not everyone is in favor of this approach. However, political, business and early childhood leaders in the community should consider drafting a standard waitlist policy that all providers can operate by and that families can rely on. This type of policy might also include provider incentives for participation to encourage adoption by most early care and education providers in the County (e.g., similar to those already provided for participation in Quality Improvement Programs).



## Appendix A: Focus Group and Survey Questions

### Family Focus Group Questions

1. Let's start by going around the room. Please share your name, the number of children you have – and their ages – and then briefly tell us how you came to live in Routt County.
2. What kind of child care arrangements do you currently have for your children?
  - a. Examples might include full time, part time, home-base care, center-based care, nanny, Family Friend & Neighbor, preschool only, combination care
3. Think back to when you located your current child care arrangements. How did you find your child care arrangements?
  - a. What specific resources did you use?
  - b. What was the child care search experience like?
4. How quickly were you able to find child care arrangements?
  - a. Were you able to find care when you needed it or did you have to spend any time on waitlists?
5. What specific factors led you to choose the child care that you currently use?
  - a. Examples might include proximity, quality, short waitlists, reputation, availability.
6. How stable have your child care arrangements been over time?
  - a. Have you ever had to change arrangements?
    - i. If so, why?
7. Have you ever had to change your regular work schedule or employment due to long-term child care availability?
  - a. Has child care availability or quality affected your progress & opportunities at work?
8. What is your perception of the quality of child care available to you in the County?
  - a. What specific things/experiences drive this perception?
  - b. What does quality child care look like to you?
9. Here is a magic ball. You can change anything you want about child care in Routt County with this ball. What will you change?
  - a. What will stay the same?
10. Is there anything you expected me to ask about child care in Routt County – that I didn't ask – that you would like to answer now?

### Provider Focus Group Questions

1. We'd like to get to know you a little. Please go around the room and say your name, how long have you been involved in child care in Routt County, the number of children you serve and what ages you serve.
2. What drew you to this profession and what are some of the benefits and challenges you experience?
3. What factors affect your decision about what ages to provide care for?
4. What factors determine your hours, days, and – if applicable – months of operation?
5. Tell us about any experiences you've had trying to increase the size or capacity of your business.
6. What are your experiences with staffing your child care business?
7. How do you find new customers/families to fill open slots?

8. Tell us a little bit about your experiences using waiting lists for your business?
  - a. How long is it and how useful is it?
  - b. Have you seen it change over time (e.g., get longer or shorter).
9. How do you determine what to charge for child care?
10. If you could change anything about providing child care in Routt County, what would it be?

## **Survey Questions**

Survey questions are attached separately.

## Appendix B: Methodology for Calculating Needed Capacity and Staffing

### Calculations for Needed Slots

Researchers on this project estimated the number of additional early care and education slots needed for children in Routt County in two categories:

- Children Under 2 Years
- Children 2-5 Years Old

For each of these groups, the following calculations were applied:

1. Numbers from the 2000 Census were adapted to account for recorded growth between 2000 and 2007.
2. The percentage of children who have both parents working full-time, estimated by using data from the Dec. 2008 survey, was applied to the number of children in each age group.
3. The percentage of parents who identified themselves as full-time, but using split shift care as their primary arrangement in the Dec. 08 survey, was applied to the number of children in each age group.
4. The number of children with full-time parents minus the number of children with split-shift parents was calculated to arrive at the number of children with full-time working parents. This number was used to determine the number of full-time slots needed.
5. Part-time slots were calculated by subtracting the number of children with full-time working parents from the number of children with both parents working (from the Annie E. Casey Foundation Kids Count research) and dividing the result by two. This calculation assumed that parents who are working less than full time need half of a slot.
6. Full-time slots and part-time slots (reported as full-time slot equivalents) were added together to arrive at the estimate of total slots needed for each age group.
7. The estimate of slots needed was then multiplied by 95%, based on data from the Dec. 2008 survey that indicates that 5% of parents use Family, Friend and Neighbor care as their primary arrangement.
8. The current capacity was then subtracted from the revised number of estimated slots (calculation #7) to determine any need for new slots to meet demand.
9. The estimate for new slots needed to meet demand (calculation #8) was finally multiplied by the percentage of parents who indicated on the Dec. 2008 survey that they prefer center-based, home-based, and preschool care.

### Calculations for Needed Staffing

Licensing ratios were applied to the number of estimated new slots for each age group and type of care to determine the number of new staff needed to achieve the added capacity.