



Childcare Action & Investment Plan

Acknowledgements



About Invest Hamilton County

Invest Hamilton County- is an economic development corporation-is committed to enhancing the economic prosperity of Hamilton County, Indiana. We focus on attracting, retaining, and developing talent while improving the quality of life for our residents. Through strategic partnerships with businesses, schools, and community organizations, we address barriers to economic growth and create opportunities for everyone to thrive. Discover more at investhamiltoncounty.com.

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Introduction

Hamilton County, Indiana is experiencing a period of rapid growth. As our community expands, so too does the demand for high-quality, affordable childcare. This pressing need impacts not only working families but also the local economy.

The challenge is only 22% of children in Hamilton County have access to high-quality childcare. This scarcity creates significant barriers for parents seeking employment and hinders businesses in attracting and retaining a skilled workforce. Additionally, many employers lack the knowledge and resources to offer comprehensive childcare benefits.

Through a comprehensive stakeholder engagement process, data analysis, and expert consultation, we have identified key challenges and opportunities within our childcare landscape. This report outlines a strategic plan to address these challenges and build a stronger, more resilient community.

Key findings from the analysis include:

- **Limited Access:** A significant shortage of high-quality childcare options exists, particularly in certain areas of the county.
- **High Cost of Care:** The cost of childcare is a major burden for many families, limiting their ability to participate in the workforce.
- **Workforce Challenges:** The childcare industry faces challenges in recruiting and retaining qualified staff.
- **Economic Impact:** Adequate childcare is essential for a thriving economy. By expanding access to high-quality care, we can boost workforce participation, stimulate economic growth, and improve educational outcomes.

This report presents a comprehensive Childcare Action and Investment Plan, outlining specific strategies and recommendations to address these challenges. By investing in childcare, we can create a brighter future for Hamilton County, where every child has the opportunity to thrive.

Executive Summary

This plan presents a comprehensive analysis of the childcare landscape in Hamilton County, Indiana. It is the result of extensive stakeholder engagement, data analysis, and expert consultation conducted by TPMA and Invest Hamilton County. The plan aims to identify key challenges and opportunities within the childcare sector, and to propose strategic solutions to improve access, affordability, and quality of childcare services. The following are the key findings:

STAKEHOLDER ENGAGEMENT

- **Parental Impact:** Parents identified high costs, limited availability, and the impact on employment as significant challenges.
- **Employer Impact:** Employers expressed concerns about the impact of childcare challenges on employee retention and productivity.
- **Community Impact:** Community members highlighted the need for increased access to affordable, high-quality childcare.
- **Childcare Provider Impact:** Childcare providers face challenges such as staffing shortages, low wages, and regulatory burdens.

CHILDCARE WORKFORCE AND WAGE ANALYSIS

- The childcare industry in Hamilton County has grown, but there's a shortage of qualified workers, particularly in higher-skilled roles.
- Wages vary significantly between private household childcare and childcare centers.

CHILDCARE QUALITY

- Hamilton County has a higher concentration of high-quality childcare programs compared to many surrounding counties.
- However, the cost of high-quality childcare in Hamilton County is generally higher than in neighboring counties.
- This increased cost is often associated with higher quality standards, experienced staff, and advanced curriculum.

CHILDCARE IMPACT ANALYSIS

- **Capacity Shortage:** Hamilton County faces a significant shortfall of approximately 9,405 childcare seats to meet current and future demand.
- **Economic Benefits of Expanding Childcare:**
 - **Increased Workforce Participation:** Expanding access to affordable, high-quality childcare could return 2,339 parents to the workforce.
 - **Increased Earnings:** These parents could earn between \$135.8 million and \$164.5 million annually.
 - **Increased Tax Revenue:** This could generate between \$4.4 and \$5.3 million in additional state income tax revenue and between \$1.4 and \$1.6 million in additional county income tax revenue.
 - **Economic Growth:** The increased economic activity could generate between \$242.4 million and \$316.5 million in additional Gross Regional Product (GRP).
 - **Additional Tax Revenue:** This increased GRP could result in additional revenue for local, state, and federal governments, estimated to range between \$15.8 and \$17.2 million annually.
- **Assist Parents:**
 - Offer financial assistance through subsidies and tax credits.
 - Provide information and resources to help parents find quality childcare.
 - Connect parents with employment and training opportunities.
- **Enhance Childcare Quality:**
 - Implement rigorous quality rating and improvement systems.
 - Provide professional development opportunities for childcare workers.
 - Promote the use of evidence-based early childhood education curricula.

STRATEGIC PRIORITIES

- **Expand Childcare Capacity:**
 - Support the development of new childcare centers and home-based providers, particularly in areas with high demand.
 - Encourage employer-sponsored childcare programs.
 - Explore partnerships with schools and other community organizations to expand childcare options.
- **Support the Childcare Workforce:**
 - Increase compensation and benefits for childcare workers.
 - Provide mental health support and flexible work arrangements.
 - Create career pathways for childcare workers to advance their education and skills.

IMPLEMENTATION STRATEGIES

- **Establish a Childcare Collaborative:** A collaborative body of stakeholders to coordinate efforts, share resources, and advocate for policy changes.
- **Leverage Technology:** Utilize digital tools to connect parents with providers, streamline enrollment processes, and provide online resources.
- **Partner with Community Organizations:** Collaborate with non-profits, faith-based organizations, and businesses to expand childcare options and support families.
- **Invest in Data and Research:** Collect and analyze data to inform decision-making and identify areas for improvement.
- **Advocate for Policy Changes:** Support policies that increase funding for childcare, improve workforce compensation, and expand access to affordable, high-quality care.

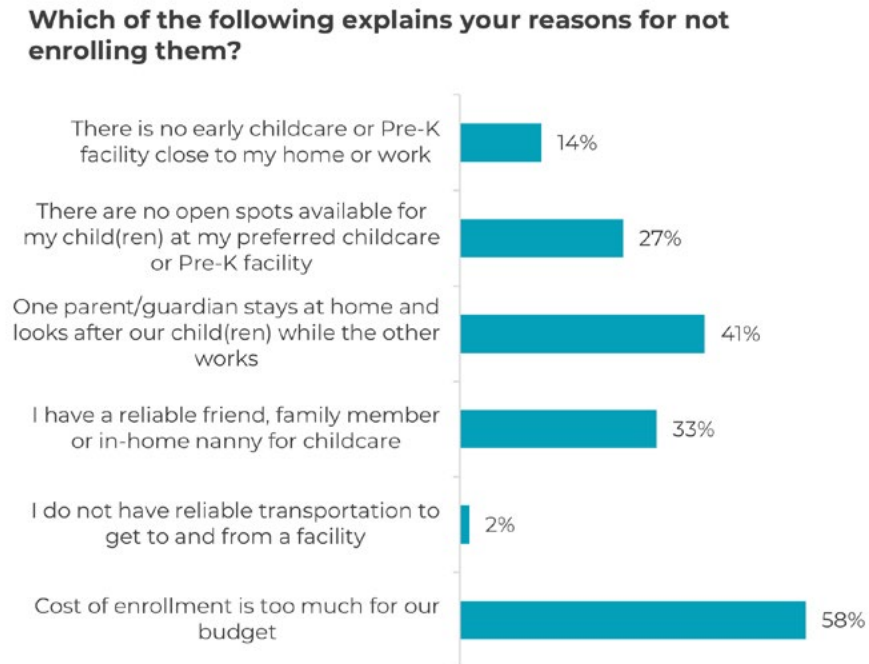
By implementing these strategies, Hamilton County can significantly improve the availability, affordability, and quality of childcare, benefiting families, businesses, and the community as a whole.

STAKEHOLDER ENGAGEMENT ANALYSIS

CHILDCARE ENROLLMENT CHALLENGES

About half of the parent/guardian respondents had children enrolled in an early childcare or Pre-K facility (54%), and half did not (46%). Parents/guardians were asked why they chose *not* to enroll their children in early childcare or Pre-K facilities. Parents/guardians were given six reasons and asked to select all that applied to their non-enrollment; the six reasons are characterized in Figure 3. The most common reason, cited by 58% of respondents, was that the cost was too high for their budget. Following this, 41% of parents/guardians have one parent or guardian stay at home to care for the children, while 33% rely on friends, family members, or nannies. Additionally, 27% of respondents reported that no spots were available at their preferred facility, and 14% cited the lack of a nearby childcare option. Only 2% mentioned unreliable transportation as a barrier. Overall, financial constraints were the leading factor for non-enrollment.

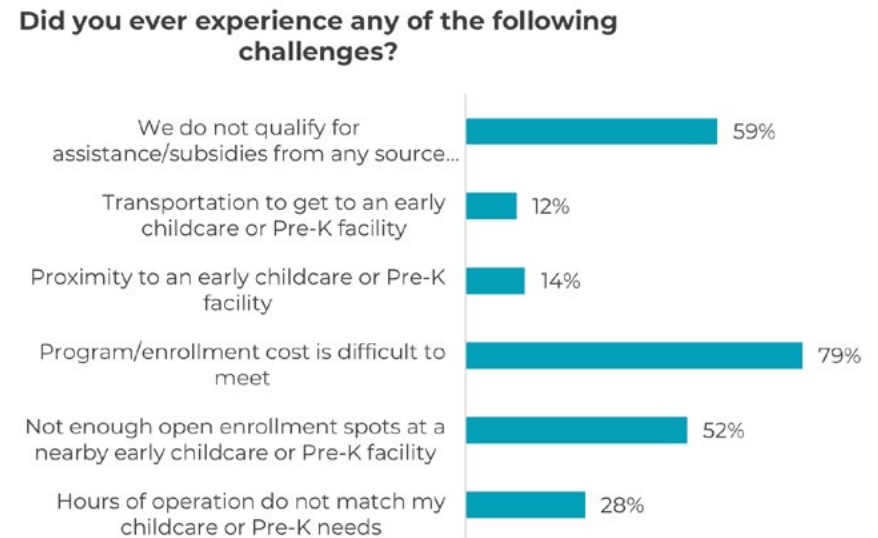
Figure 3: Reasons for Not Enrolling in Early Childcare or Pre-K



Regardless of whether they had children enrolled in a facility or not, respondents were asked about challenges related to early childcare or Pre-K coverage access. As shown in Figure 4, parents/guardians were given six challenges and asked to select all that applied. The most significant challenge, reported by 79% of respondents, was the difficulty of meeting the cost of enrollment or program fees. Additionally, 59% indicated they do not qualify for assistance or subsidies to help offset these costs.

Other challenges included a lack of open spots at nearby childcare facilities, with 52% citing this as a barrier, and mismatched hours of operation, which affected 28% of respondents. Only 14% mentioned proximity as an issue, while 12% reported transportation difficulties. Financial challenges, including high costs and a lack of subsidies, were the predominant obstacles to childcare access.

Figure 4: Enrollment Challenges for All Respondents



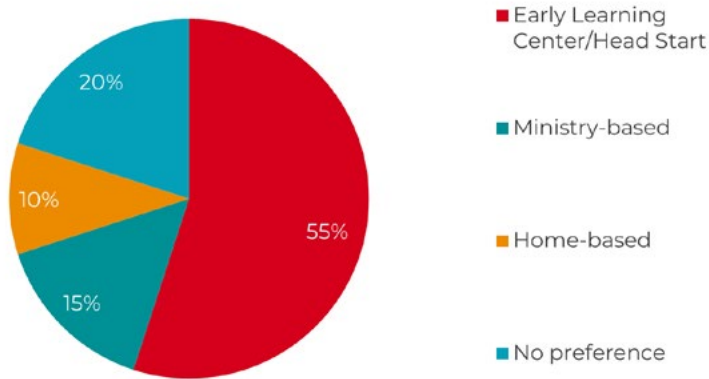
Parents/guardians were also able to comment on their childcare challenges in more detail. Many respondents mentioned adjusting their family budgets by cutting discretionary spending and reducing other costs. One respondent said, “[We] cut spending where possible. Cheaper meal options.” Another said, “[By] cutting costs in day-to-day living in order to afford daycare.”

STAKEHOLDER ENGAGEMENT ANALYSIS

PROVIDER PREFERENCE AND SATISFACTION

Regardless of enrollment status, parent/guardian respondents were asked to select their preferred childcare provider. Figure 6 describes these provider preferences. The majority of respondents preferred an Early Learning Center/Head Start program (55%). However, 20% of parents/guardians did not have a preference. Fifteen percent of respondents preferred a ministry-based provider and 10% favored a private, home-based provider.

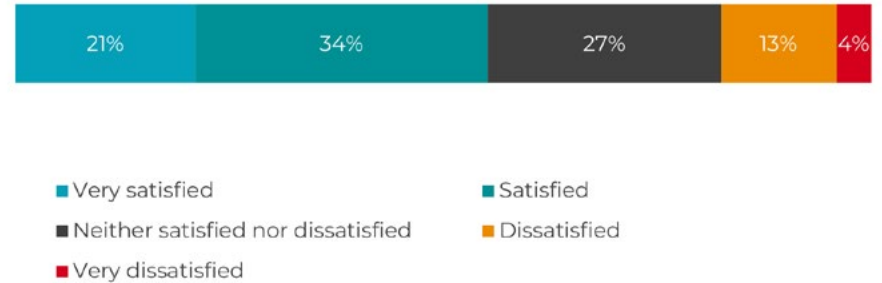
Figure 6: Preferred Provider



Overall, respondents who had enrolled children were satisfied with their current coverage; satisfaction of coverage is shown in Figure 7. Fifty-five percent of respondents were either “satisfied” or “very satisfied.” However, more than a quarter (27%) were neither “satisfied nor dissatisfied.”

Figure 7: Satisfaction with Current Childcare Coverage

How satisfied are you with your current childcare or Pre-K coverage?



Parent/guardian respondents were also able to share general thoughts about childcare in Hamilton County. They most often commented about high cost, limited availability and long waitlists, as well as the need for flexible and expanded programs. One respondent compared paying for childcare to paying a mortgage saying, “As a family, our income appears to be sufficient, but having to pay for full-time childcare for 2 children costs 30% more per month than the mortgage on our home.”

STAKEHOLDER ENGAGEMENT ANALYSIS

Moreover, 27 respondents gave an estimate of the total number of workdays lost at their companies due to childcare-related issues; this estimate is for the whole of the employer. The results are averaged and arranged by size of the employer below.

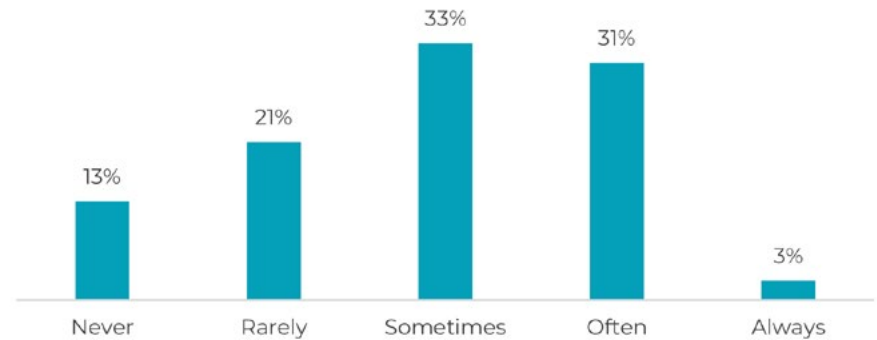
Table 1: Average Total Workdays Lost

Number of Employees	Average Total Days Lost Over 6 Months
1 - 9	12.6
10 - 19	12.3
20 - 49	2.8
50 - 99	27.5
100 - 249	12.5
250 - 499	14.3
500-999	No data provided
1,000+	800

Most respondents reported that, when considering new hires, childcare or Pre-K concerns were brought up either “sometimes” or “often” by the candidates. However, more respondents (13%) reported potential new hires “never” bringing up these concerns than new hires “always” bringing up these concerns (3%). Figure 15 presents these frequencies of concerns.

Figure 15: Frequency of Childcare Concerns Raised by Potential Hires

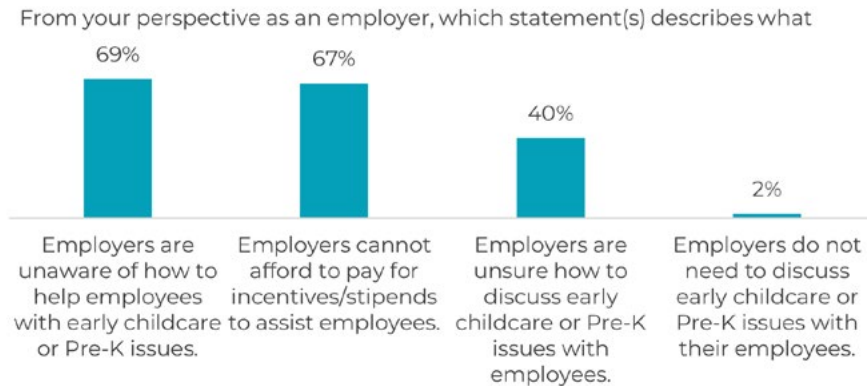
When considering new hires, how often is reliable childcare or Pre-K raised as a concern by the candidate?



Respondents were presented with several statements and asked to select the ones they felt described their employer’s experience with childcare. These statements are mentioned in Figure 16. The statements employers related to most were “Employers are unaware of how to help employees with early childcare or Pre-K issues” and “Employers cannot afford to pay for incentives/ stipends to assist employees.” Few respondents felt that employers do not need to discuss early childcare or Pre-K issues with their employees.

STAKEHOLDER ENGAGEMENT ANALYSIS

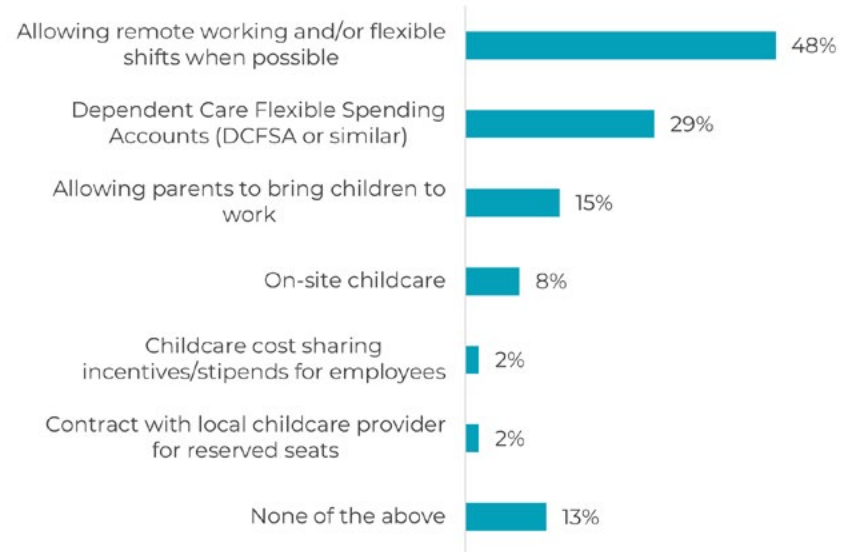
Figure 16: Employers' Perspective on Childcare



Significantly, employers were asked about childcare or Pre-K policies, incentives, or benefits they offer their employees. Figure 17 describes these offerings. **Most (87%)** employers reported having some sort of policy to help employees face childcare issues. Nearly half of all respondents reported that their companies allowed remote work and/or flexible shifts whenever feasible. Twenty-nine percent of respondents reported offering Dependent Care Flexible Spending Accounts, which is a pre-tax benefit account for covering certain dependent care services, often saving families as much as 30% on dependent care services². Other solutions included allowing parents to bring children to work, offering on-site childcare, offering stipends for childcare, and contracting with providers to reserve seats for employees. Thirteen percent of employers reported offering none of the listed options for assisting their employees with childcare.

Figure 17: Employer Benefits and Supports for Employee Childcare

Does your organization currently offer any of the following? Select all that apply.



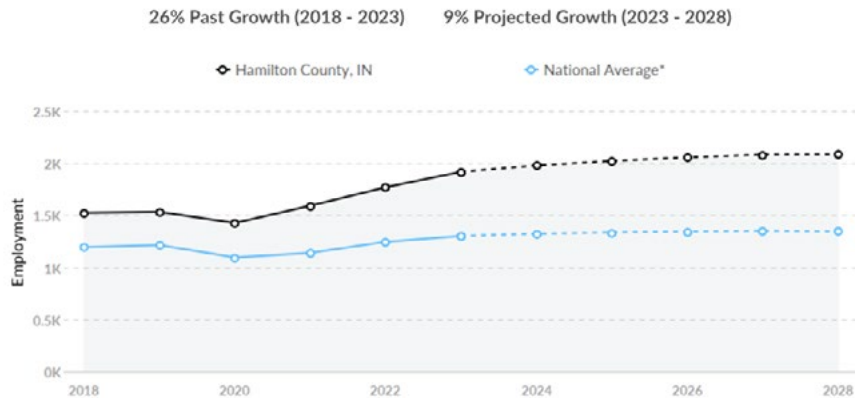
In open-ended comments, employers reported other ways to help their employees with childcare, such as contracting with providers for discounted rates and using Employee Assistance Program services to help their employees find childcare that will work for their families. Others also were actively looking for solutions, exploring the possibility of on-site care and participating in community conversations about childcare. The employers who discussed offering on-site childcare or were trying to offer on-site childcare brought up zoning and licensing as major barriers they faced that they felt prevented them from being able to offer the help to their employees they wanted to provide.

² Dependent Care FSA." Federal Flexible Spending Account Program (FSAFEDS). <https://www.fsafeds.gov/explore/dcfsa>.

CHILDCARE WORKFORCE & WAGE AVAILABILITY ANALYSIS

Within this analysis it is important to disclose that there are two differentiated occupation codes that serve as entry-level, front-line professionals in the childcare space. “Childcare Workers” and “Pre-School Teachers” both serve, depending on business entity and type, as the primary occupation code for workers actively assisting in meeting childcare gaps/needs within the community.

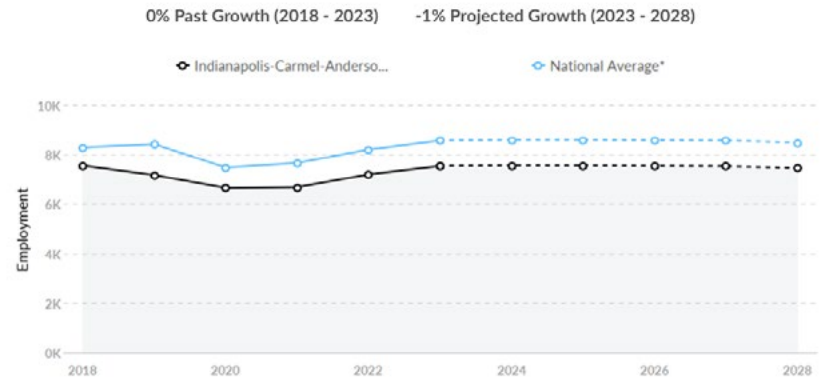
In 2024 the Childcare industry in Hamilton County employs 1,919, a 26% increase since 2018.



[Employment, Child Care Services, Hamilton County, IN; source – Lightcast via Invest Hamilton County Q3 2024]

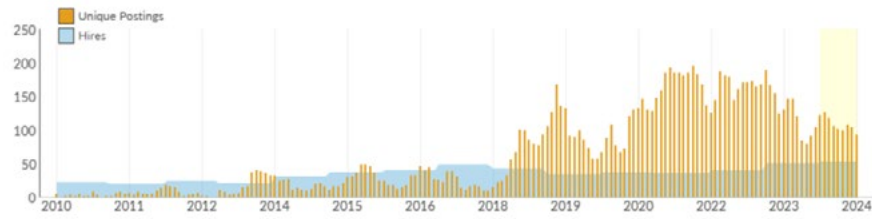
According to Lightcast, the regional vs. national average employment helps you understand if the supply of Child Day Care Services is a strength or weakness for Hamilton County, IN, and how it is changing relative to the nation. An average area of this size would have 1,302* employees, while there are 1,919 here. This higher-than-expected supply may make it easier to find candidates. However, the large concentration of “childcare workers” within private households (which we’ll dive into later) also means the households served per worker is lower than it would be with more concentration in licensed centers. The gap between expected and actual employment is expected to increase over the next 5 years. [source: Lightcast via Invest Hamilton County Q3 2024]

This is in direct contrast to the overall employment concentration for the childcare industry in the Indianapolis-Carmel-Anderson MSA. While Hamilton County employment grows, the rest of the region is projected to decrease overall employment in the sector.



CHILDCARE WORKFORCE & WAGE AVAILABILITY ANALYSIS

In an average month, there were **109** active job postings for *Preschool Teachers, Except Special Education*, and **53** actually hired. This means there was approximately 1 hire for every 2 unique job postings for *Preschool Teachers, Except Special Education*.



“Pre-school teacher” positions within Hamilton County largely go unfilled. While most professions within the county have seen hires vs postings come close to even within the past 18 months, this industry still has a massive unmet demand. This directly equates to seats, business sustainability, and quality of care.

Postings for these higher skill roles are evenly distributed across the main cities within the County, but notably none were in the northern portion of the County in 2024.

Top Cities Posting

City	Total/Unique (Jan 2024 - Sep 2024)	Posting Intensity	Median Posting Duration
Fishers, IN	376 / 156	2 : 1	38 days
Carmel, IN	282 / 115	2 : 1	31 days
Westfield, IN	241 / 100	2 : 1	32 days
Noblesville, IN	72 / 34	2 : 1	33 days
Indianapolis, IN	9 / 6	2 : 1	37 days



CHILDCARE IMPACT ANALYSIS

Overview: Costs, Capacity, and Projections of Future Need

The area under study within this analysis is Hamilton County, Indiana. This section contextualizes the state of the childcare industry in the region. Looking first at cost trends over the last decade, Table I and Table II below display the cost for one day of childcare by provider Type and age for 2023.

Hamilton County data was acquired using the Brighter Futures Indiana Data Center for 2024. The remaining data was estimated using 2024 ratios of Hamilton's cost of care vs. the State of Indiana's cost of care.

The state of Indiana has completed childcare market rate studies in both 2016 and 2018. 2022 Data was gathered utilizing the 2022 Child Care Affordability Analysis by Child Care Aware. The latest market rates reported (circa 2016 and 2018) following.

Table I: State vs. Hamilton Co., Prices per Day By Age Category and Type, 2016-2024 (select years)⁵

Year	Region	TYPE 1 (CENTER)				TYPE 2 (HOME)				TYPE 3 (MINISTRY)			
		Infants	Toddler	Preschool	Pre-K	Infants	Toddler	Preschool	Pre-K	Infants	Toddler	Preschool	Pre-K
2016	STATE	\$30.58	\$29.76	\$28.66	\$28.66	\$24.45	\$23.62	\$22.53	\$22.53	\$25.47	\$24.65	\$23.55	\$23.55
	HAMILTON	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2018	STATE	\$32.96	\$32.17	\$31.01	\$31.01	\$26.32	\$25.49	\$24.32	\$24.32	\$27.76	\$26.93	\$25.76	\$25.76
	HAMILTON	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2022	STATE	\$45.75	\$40.35	\$32.01	\$32.01	\$31.17	\$29.50	\$27.68	\$27.68	\$37.58	\$37.58	\$29.72	\$29.72
	HAMILTON	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2024	STATE	\$56.70	\$56.70	\$43.69	\$43.69	\$33.13	\$33.13	\$30.61	\$30.61	\$42.50	\$42.50	\$34.64	\$34.64
	HAMILTON	\$79.90	\$79.90	\$66.17	\$66.17	\$45.72	\$45.72	\$45.04	\$45.04	\$54.18	\$54.18	\$46.53	\$46.53

⁵ Ministry data acquired from 2022 was calculated using cost data acquired from 2018 and 2024. Hamilton County data was acquired ONLY for 2024. Cost data was tabulated utilizing a ratio of Hamilton vs. State. Hamilton County costs are estimates prior to 2024.

CHILDCARE IMPACT ANALYSIS

State of Indiana data was gathered from the Office of Early Childhood Learning State of Indiana, Child Care Aware of America, and Brighter Futures Indiana Data Center. Hamilton County data was acquired utilizing Brighter Future's Indiana data center.

To make the data more manageable, we calculate the average annual price per day by summing all daily costs for each age/type category (as reported in Table I above) and then dividing by the total number of categories. Additionally, because we could identify market study data from only the years 2016, 2018, 2022, and 2024, we estimated the costs for the missing years of 2017, 2019, 2020, 2021, and 2023.

To do so, we assume a linear increase in the gap years, calculated by subtracting the average cost of the last available year from the average cost of the next available year and then dividing by the number of years between reported rates. This value is added to the last available cost and reported in the missing year.

From 2016 to 2024, the average daily rate for childcare in the state increased by \$14.54, while the rate in Hamilton County increased by \$19.23.

Table II: State vs. Hamilton Co. Average Price per Day, Week and Year, Modeled for All Years, 2016 – 2024

	2016	2017	2018	2019	2020	2021	2022	2023	2024
STATE AVERAGE DAILY COST	\$25.67	\$26.75	\$27.82	\$29.03	\$30.24	\$31.45	\$33.03	\$36.62	\$40.21
HAMILTON COUNTY AVERAGE DAILY COST	\$41.72	\$42.80	\$43.87	\$45.08	\$46.29	\$47.45	\$49.08	\$52.67	\$56.26
STATE AVERAGE WEEKLY COST	\$179.69	\$187.25	\$194.74	\$203.21	\$211.68	\$220.15	\$231.21	\$256.34	\$281.47
HAMILTON COUNTY AVERAGE WEEKLY COST	\$292.04	\$299.60	\$307.09	\$315.56	\$324.03	\$332.15	\$343.56	\$368.69	\$393.82
STATE AVERAGE ANNUAL COST	\$9,343.88	\$9,737.00	\$10,126.48	\$10,566.92	\$11,007.36	\$11,447.80	\$12,022.92	\$13,329.68	\$14,636.44
HAMILTON COUNTY AVERAGE ANNUAL COST	\$15,186.08	\$15,579.20	\$15,968.68	\$16,409.12	\$16,849.56	\$17,271.80	\$17,865.12	\$19,171.88	\$20,478.64

CHILDCARE IMPACT ANALYSIS

When the data in Tables IV and II are combined, a picture of the typical cost of care in Hamilton County, as a percentage of median income, emerges. Table V below reports these percentages annually and by family structure, using income and childcare costs unique to the region.

Table V: Average Annual Cost of Childcare for 1 Child, as Percent of Median Income, Households with Children, Hamilton County, 2016 – 2022

	2016	2017	2018	2019	2020	2021	2022
MARRIED / PARTNER PRESENT	12.71%	11.43%	12.02%	11.14%	12.01%	11.37%	10.44%
MALE HOUSEHOLDER, NO PARTNER	22.53%	20.73%	31.69%	24.17%	22.69%	29.29%	23.94%
FEMALE HOUSEHOLDER, NO PARTNER	31.57%	29.13%	27.76%	34.39%	36.06%	31.36%	30.64%

In the most general terms, the upward pressure on wages since 2019 has led to slightly higher rates (as a percentage of income) for childcare vis-à-vis the 2016 cost. In 2016, a single parent (female) would have paid almost 28.02% of her earnings for full-time childcare; by 2022, this value has risen to 28.27%. Including TWO children that require full-time childcare, Figure I below highlights the ratio of childcare cost to household earnings in Hamilton County. This is calculated by utilizing Table V above and calculating the average of each of those years. Figure I represents the average of those ratios from 2016 to 2022.



CHILDCARE IMPACT ANALYSIS

The original projected demand is highlighted in **BLUE**, while the updated projected demand, adjusted down for the use of private household childcare workers, is highlighted in **YELLOW**

Table XIV: Updated Modeling, Current Capacity and Future Demand, Adjusted for Private Household Childcare Providers

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
CURRENT CAPACITY	13,166	13,166	13,166	13,166	13,166	13,166	13,166	13,166	13,166	13,166	13,166
TOTAL DEMAND	18,360	18,640	19,074	19,761	20,299	20,853	21,395	21,923	22,439	22,905	23,267
DEMAND MET BY PRIVATE HOUSEHOLD WORKERS	550	557	570	591	607	624	640	655	671	685	696
DEMAND FOR SEATS, ALL OTHER OPTIONS	17,810	18,083	18,504	19,170	19,692	20,229	20,755	21,268	21,768	22,220	22,571
POPULATION	21,314	21,639	22,143	22,940	23,565	24,208	24,838	25,451	26,049	26,591	27,011
DEFICIT VS. STATUS QUO	-4,644	-4,917	-5,338	-6,004	-6,526	-7,063	-7,589	-8,102	-8,602	-9,054	-9,405

To estimate the projected future need for additional seats, we slightly adjust the count of children in the region to account for not all families requiring childcare. Some will rely on grandparents, a stay-at-home parent, an older sibling, or parents who work opposite shifts to ensure there is always someone home with the child. While it is difficult to pinpoint a precise number, we know there will always be a set percentage of children who do not attend childcare or Head Start. To avoid overestimating future demand, we estimate that 10% of all young children will NOT require childcare, regardless of availability or cost.

CHILDCARE IMPACT ANALYSIS

Figure IV plots the current capacity and incremental annual changes to capacity against the current and future population of young children and the population that will require childcare through 2033. Based on our estimates, the region must **increase capacity by 6% annually** to meet the total demand for access by 2033. A brief color-coded key below offers an additional explanation of the components of the gap graphing. Cumulatively, across the next decade, the region will need to add 10,412 new seats/slots to meet the expected demand for childcare fully.

- **BLUE BAR:** Full Population, Children Under Age 5, by year (projections for 2024-2033 from LightCast™).

- **ORANGE BAR:** 90% of the Full Population; this is the estimated number of young children who will require childcare.

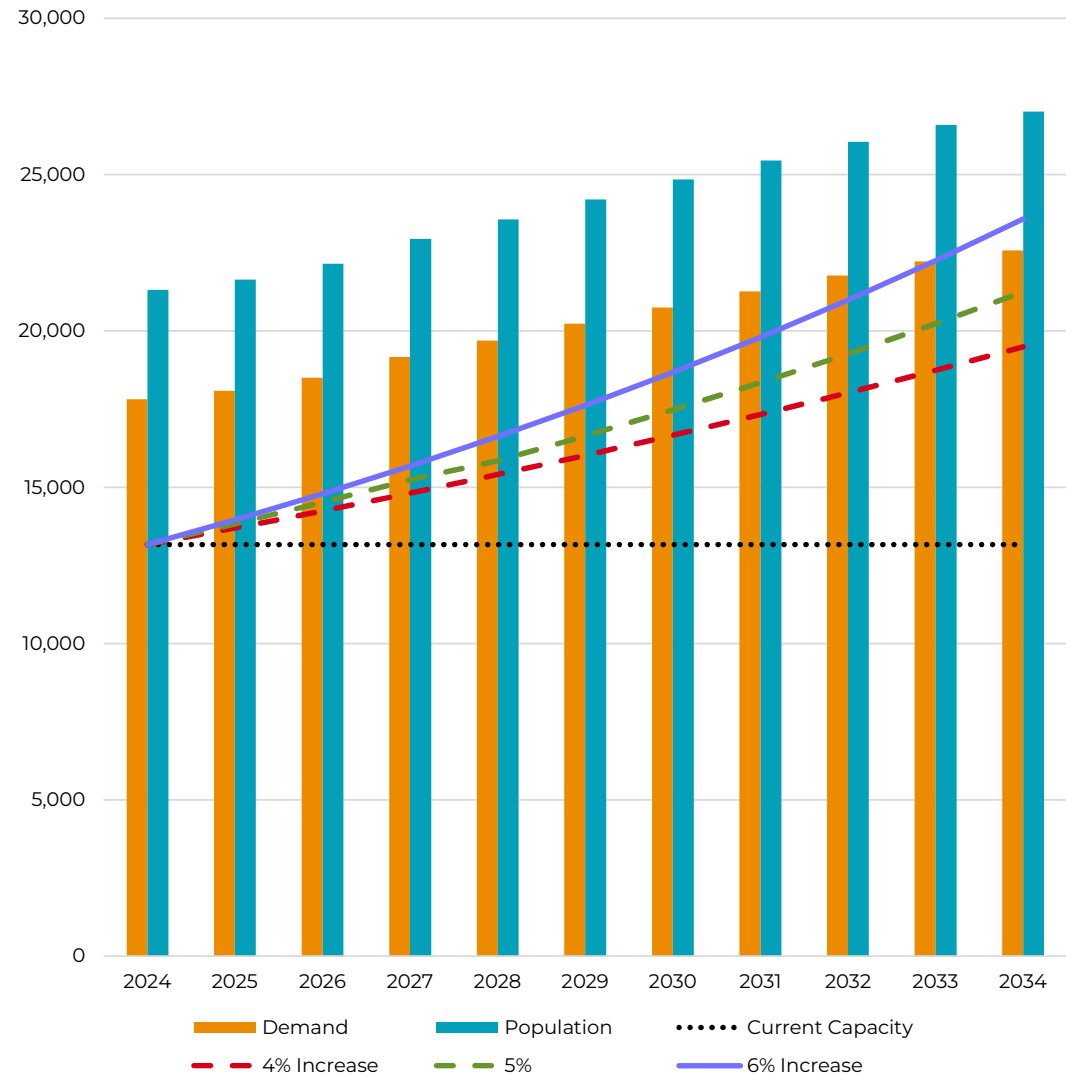
- ⋯ **BLACK LINE (Dotted):** The current capacity (number of seats/slots) in the entire region will remain constant through 2033.

- - **RED LINE (Dash + Dots):** Capacity if the region increases the number of seats by 4% yearly.

- - **GREEN LINE (Dashed):** Capacity if the region increases the number of seats by 5%, year over year.

- **PURPLE LINE (Solid):** Capacity if the region increases the number of seats by 6%, year over year.

Figure III: Children Under 5, Those in Need of Childcare, and Capacity (Constant and Modeled Change), 2024 – 2034



Based on our estimates; to reach a state of equilibrium between demand and capacity, Hamilton County will need just over an additional **9,405 seats**. In terms of manageable actual goals, we included Table IX below, which identifies the total number of seats, in terms of total capacity, that need to be added annually to reach this state of equilibrium (6% annual increase, highlighted in yellow). We also include figures for the 4% and 5% estimates for perspective. In addition, Table X below identifies the total number of seats that need to be added annually to reach equilibrium.

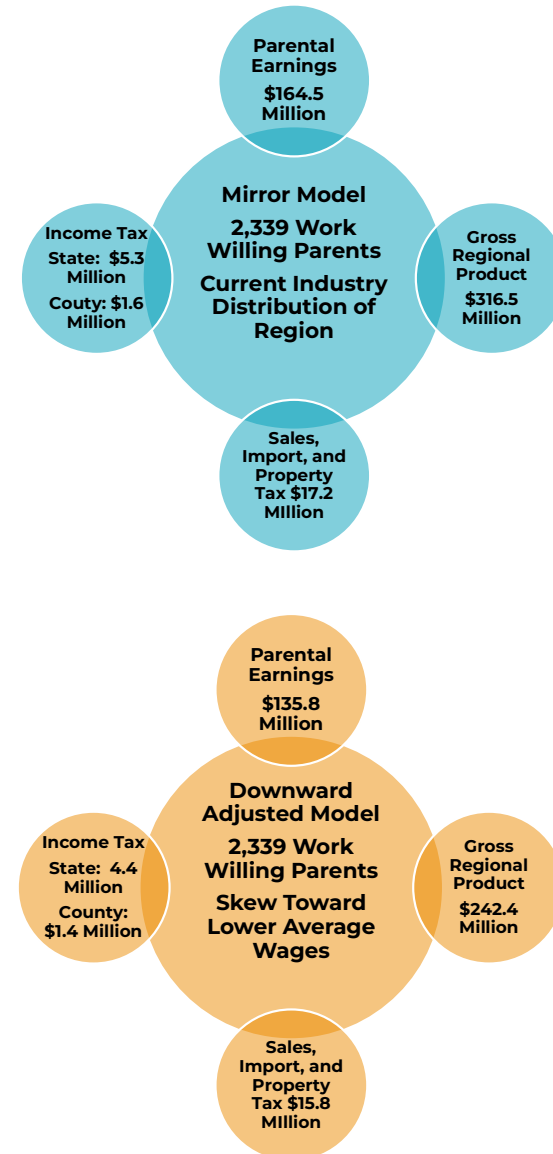
Summary of Impact Modeling

In review, we have calculated the economic impact of returning 2,339 “Work Willing” parents to full-time jobs in Hamilton County, Indiana. To ensure our estimates are accurate, we have used the latest available data from the US Census Bureau, US Bureau of Economic Analysis, US Bureau of Labor Statistics, with additional input from models and reporting by the data platform LightCast™. To estimate the final number of work-willing parents (2,339), we relied on a 2017 study from the President’s Council of Economic Advisors and, triangulating this initial study to Labor Force Participation rates for parents of children under 6, updated the methodology to reflect changes during, and after, the COVID-19 pandemic.

The economic impact itself was calculated in two unique ways, which we refer to as the **Mirror** and **Downward Adjustment Models**. The Mirror Model assumes that the population of work-willing parents will be a more-or-less perfect reflection of the currently employed workforce in the region. They are presumed to have the same distribution of skills and abilities as the population and are distributed across the region’s existing industries in a manner that mirrors the current industry distribution of all employees. For example, since 8.61% of all workers in MSA Region are employed in the Retail Trade industry, we also assume that 8.61% of all work-willing parents (201) will re-enter the workforce as Retail Trade employees. To ensure that this model, which can skew average salaries higher, does not overstate the economic impact of these parents, we also include a Downward Adjustment Model. In this version, we overweight industries with lower average annual wages as likely entry points for returning parents. Again, considering Retail Trade as an example, in the Downward Adjustment Model, we assign 483 (20.65%) of all Work Willing parents to the industry at a rate nearly 50% higher than the population.

Constructing two separate models allows for a reasonable range of projected economic impact between \$399.8 and \$505.1 million that can be unlocked by ensuring affordable childcare is available for the 2,339 local parents ready and able to return to the workforce full-time. Figure X below breaks out these gains, side-by-side, estimated by the two models, while Figures XI and XII highlight the scaled impact of gradually returning these parents to the workforce.

Table XXX: Total Impact, Work Willing Parents in MSA Region Mirror vs. Downward Adjusted Models



CHILDCARE QUALITY IN HAMILTON COUNTY

This section will define quality in the State of Indiana and discuss childcare quality in relation to capacity and cost of the different types of childcare quality.

In collaboration with Brighter Futures of Indiana, the State of Indiana Family and Social Services Administration (FSSA) standardized the Paths to Quality™, Indiana's Child Care Quality Rating and Improvement System. Paths to Quality™ is a tiered system that builds upon itself, principles, and foundations with the goal of national accreditation at Level 4. Level 1 emphasizes Health and Safety needs, while Level 2 emphasizes the role of the environment and how it supports children's learning. Next, Level 3 requires a planned curriculum to prepare for school readiness. Lastly, Level 4, as mentioned above, is National Accreditation, demonstrating the highest childcare standards.

In Indiana, much of the data is separated between combined Levels 1 and 2 and combined Levels 3 and 4. Figure 1 below, provided by Brighter Futures Indiana, is a good visual representation of the Paths to Quality™.

Figure 1: Paths to Quality Levels⁸



Number of Programs and Capacity

Next, this portion of the analysis will utilize the Paths to Quality™ system data to illustrate Hamilton County's role in childcare throughout the state and surrounding counties, specifically outlining the number of programs and capacity.

Table 1: Childcare Programs vs. High-Quality Programs, by Capacity, State of Indiana

TOTAL PROGRAMS	4,217
HIGH QUALITY PROGRAMS	1,823
PERCENT OF HIGH QUALITY PROGRAMS	43.20%
TOTAL CAPACITY	184,001
HIGH QUALITY CAPACITY	100,066
% OF HIGH QUALITY CAPACITY	54.40%

Table 1 above represents the breakdown of childcare programs and capacity differentiating between high-quality programs within Indiana.

Table 2: Childcare Programs vs. High-Quality Programs, by capacity, Hamilton County, Indiana.

City	Total Programs	High Quality Programs	% of High Quality Programs	Total Capacity	High Quality Capacity	% of High Quality Capacity
FISHERS	47	18	38.30%	5,041	2,794	55.40%
NOBLESVILLE	27	9	33.30%	1,819	1,221	67.10%
CARMEL	24	13	54.20%	3,265	1,742	53.40%
WESTFIELD	16	5	31.30%	2,489	1,077	43.30%
INDIANAPOLIS	5	1	20.00%	299	16	5.40%
ZIONSVILLE	2	0	0.00%	241	0	0.00%
CICERO	1	0	0.00%	12	0	0.00%
TOTAL:	122	46	37.70%	13,166	6,850	52.00%

Table 2 provides a breakdown specific to Hamilton County. Within this breakdown, we can quickly identify the number of high-quality programs and capacity numbers, while also isolating which communities those programs may be located.

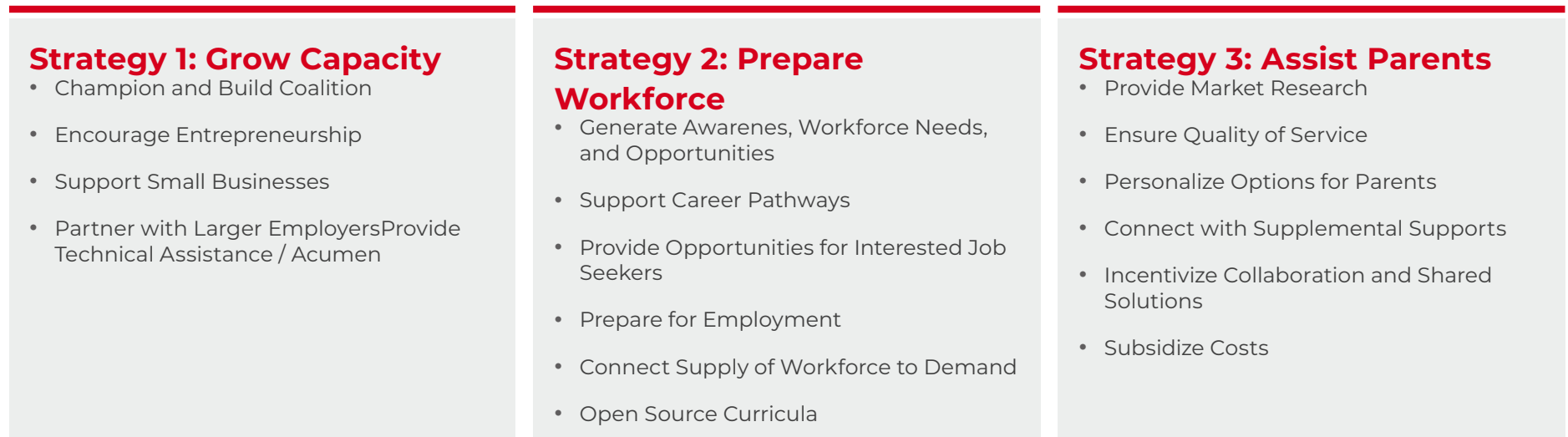
Introduction

Hamilton County faces a pressing need for accessible, affordable, and high-quality childcare. This section outlines a strategic approach to address this challenge, focusing on three key areas:

- **Expanding Childcare Capacity:** Increasing the supply of childcare options through various strategies, including supporting new providers, fostering public-private partnerships, and encouraging employer-sponsored childcare.
- **Preparing the Childcare Workforce:** Strengthening the workforce by providing training, certifications, and career advancement opportunities, as well as creating a supportive environment for childcare professionals.
- **Assisting Parents:** Empowering parents with information, resources, and support to navigate the childcare landscape, including personalized recommendations and financial assistance.

By implementing these strategies and tactics, Hamilton County can significantly improve access to childcare, enhance the quality of care, and support working families.

Figure I: Flow of Investment, Proposed Strategies & Select Tactics



Conclusion

The findings of this report underscore the critical need for a comprehensive childcare strategy in Hamilton County. By addressing the challenges of affordability, accessibility, and quality, we can create a brighter future for our children and our community.

To achieve this goal, it is imperative to foster collaboration among stakeholders, including government agencies, businesses, nonprofit organizations, and community members. By working together, the community can implement effective solutions that will have a lasting impact on the lives of families in Hamilton County.

Key recommendations to address these challenges include:

- **Expanding Access:** Increasing the supply of high-quality childcare options, particularly in areas of high demand.
- **Improving Affordability:** Implementing strategies to reduce the cost of childcare for families.
- **Enhancing Quality:** Promoting high-quality early childhood education through rigorous quality standards and professional development for childcare providers.
- **Supporting the Workforce:** Attracting and retaining a qualified childcare workforce through competitive wages, benefits, and professional development opportunities.

By prioritizing childcare, Hamilton County is investing in the future of children, the workforce, and the economy. We encourage working together to ensure that Hamilton County remains a vibrant and prosperous community for generations to come.

