

GSDC Executive Roundtable Discussion

Finding Solutions to our Region's Current Child Care Crisis

The Real Numbers Locally

- From June 2021 to June 2022, Minnesota lost 558 child care programs
- As of June 2022, these are local child care spots needed for ages birth to five years, by community:
 - St. Cloud/St. Augusta 1,717
 - Sartell 443
 - Waite Park 383
 - Sauk Rapids 355
 - St. Joseph 124
 - Total spots needed: **3,022**
- Our region's 23 licensed child care centers and 196 licensed family child care providers meet just 55% of local child care needs for ages birth to five
- Among the ways the child care gap is being filled in the region are:
 - Using unlicensed care (family, friends, neighbors)
 - Going on unemployment
 - Being under-employed or going to a shift arrangement
 - Using illegal unlicensed care
 - Driving kids outside our region to communities with child care openings

What Businesses Can Do To Create Solutions

- Child care has a very slim profit margin. It's not like other businesses. 70-80% of all expenses go to operating expenses, which is really high. If your company has ability to host a child care, that would help.
- If you as a company can offer reduced or no rent to a child care center, you'll help your employees and perhaps others. If you have an unused space and you can provide daycare, you'll become an employer of choice.
- Some school districts provide child care but the pricing is often such that they price private providers out of business. The Little Falls School District did a commendable job of not competing with private providers.
- A company could pay upfront costs to get a child care going, the stipulation being that our staff gets first opportunity for their kids. But if there are openings after that, others can come in.
- What are you going to give operators to help them be successful? If you have space, low rent. Help with utilities and food. Food is a high expense for child care.
- Explore shared services, where your company can help with billing, for example, so the child care provider can focus on the kids.



Executive Roundtable Participants:

BCI Construction -Ryan Cross (President & CEO)
BerganKDV- Amy Hanfler (Marketing Manager)
Bernick's- John Torgerson (CEO)
CentraCare- Sherri Liebl (Executive Director Revenue Cycle)
CentraCare- Melany Swenson (Project Manager)
Coborn's - Dusty Kerksen (VP of HR & Org Development)
DeZURIK- Cody Hauser (Plant Manager)
Fingerhut- Chis Yogerst (Sr. Business Partner | Human Resources)
Fingerhut- Scott Jensen (Sr. Director & General Manager | Supply Chain)
First Children's Finance- Candace Cegla (Business Development Manager)
Grede- Mary Knudsen (HR Manager)
Impacks- Clare Richards (CEO)
Initiative Foundation- Don Hickman (Vice President for Community & Workforce Development)
Inventure Real Estate- Douglas Boser (President)
Microbiologics- Sandie Westergren (Human Resources)
PCI- Steve Windfeldt (Vice President)
Schlenner Wenner & Co- Rachel Vance (Human Resources Manager)
St. Cloud State University- Jennifer Mueller (Dean, College of Education & Learning Design)
Stearns Bank-Pam Bjerke (CHRO)
United Way of Central Minnesota-Stephen Jones (CEO)
United Way of Central Minnesota - Alexis Lutgen (Director of Financial Stability)
United Way of Central MN- Jessica Houle (Senior VP of Development & Community Engagement)



Executive Roundtable Discussion Facilitator: Matt Varilek (Initiative Foundation)

Presenter: Stephanie Sanvig (First Children's Finance) & Sara Hagen (United Way of Central MN)

GSDC: Patti Gartland, Gail Cruikshank, Leslie Dingmann, Michelo Mulaya & Steve Greenfield (Greenfield Communications)

Facility Host: BCI Construction (Sauk Rapids)