POPULATION AND ECONOMIC OVERVIEW

State Demography Office
Colorado Department of Local Affairs
January 2014
Big Picture 2011-2012 Pop Change

- US – 313 million, + 2.3 million or .7%
- Colorado – 5,189,458, + 70,157 or 1.4%.
  - 9th – ranked in total change.
  - Top 5 total change - TX, CA, FL, GA and NC
  - 7th – ranked in percent change behind ND, DC, TX, WY, UT and NV.

2013

- 5,268,367
- Ranked 4th fastest 1.5% - ND, DC, UT
- 5th absolute growth 78,909 – TX, CA, FL, NC
Colorado: Total Population Change
2011 - 2012

Population Change
2011 to 2012
- Loss > 300
- Loss: 101 to 300
- Loss: 0 to 100
- Gain: 1 to 500
- Gain: 501 to 5,000
- Gain > 5,000

Sources: Esri, USGS, NOAA
### Top 5 Counties for Population Growth and Decline 2011-12

<table>
<thead>
<tr>
<th>Increase</th>
<th>Absolute</th>
<th>Percentage</th>
<th>Largest</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>DENVER</td>
<td>13,702</td>
<td>OURAY</td>
<td>2.5%</td>
<td>EL PASO 646,160</td>
</tr>
<tr>
<td>ARAPAHOE</td>
<td>10,028</td>
<td>DENVER</td>
<td>2.2%</td>
<td>DENVER 634,619</td>
</tr>
<tr>
<td>EL PASO</td>
<td>8,858</td>
<td>SAGUACHE</td>
<td>2.1%</td>
<td>ARAPAHOE 594,731</td>
</tr>
<tr>
<td>ADAMS</td>
<td>7,979</td>
<td>WELD</td>
<td>2.0%</td>
<td>JEFFERSON 546,653</td>
</tr>
<tr>
<td>JEFFERSON</td>
<td>6,630</td>
<td>DOUGLAS</td>
<td>2.0%</td>
<td>ADAMS 459,555</td>
</tr>
</tbody>
</table>

### Decline

<table>
<thead>
<tr>
<th>Decline</th>
<th>Absolute</th>
<th>Percentage</th>
<th>Smallest</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>BENT</td>
<td>(536)</td>
<td>BENT</td>
<td>-8.5%</td>
<td>MINERAL 708</td>
</tr>
<tr>
<td>CROWLEY</td>
<td>(447)</td>
<td>CROWLEY</td>
<td>-7.7%</td>
<td>HINSDALE 788</td>
</tr>
<tr>
<td>FREMONT</td>
<td>(364)</td>
<td>HINSDALE</td>
<td>-4.0%</td>
<td>JACKSON 1,326</td>
</tr>
<tr>
<td>GRAND</td>
<td>(362)</td>
<td>JACKSON</td>
<td>-2.9%</td>
<td>KIOWA 1,412</td>
</tr>
<tr>
<td>MOFFAT</td>
<td>(280)</td>
<td>GRAND</td>
<td>-2.5%</td>
<td>CHEYENNE 1,888</td>
</tr>
<tr>
<td>Municipal Population Change 2011-12</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>------------------------------------</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Largest Increases</strong></td>
<td><strong>Largest Declines</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Denver</td>
<td>13,702</td>
<td>Craig</td>
<td>-198</td>
<td></td>
</tr>
<tr>
<td>Aurora</td>
<td>6,214</td>
<td>Montrose</td>
<td>-98</td>
<td></td>
</tr>
<tr>
<td>Colorado Springs</td>
<td>4,827</td>
<td>Burlington</td>
<td>-72</td>
<td></td>
</tr>
<tr>
<td>Loveland</td>
<td>2,330</td>
<td>La Junta</td>
<td>-69</td>
<td></td>
</tr>
<tr>
<td>Thornton</td>
<td>2,286</td>
<td>Fort Morgan</td>
<td>-61</td>
<td></td>
</tr>
<tr>
<td>Lakewood</td>
<td>1,635</td>
<td>Lamar</td>
<td>-61</td>
<td></td>
</tr>
<tr>
<td>Westminster</td>
<td>1,605</td>
<td>Las Animas</td>
<td>-61</td>
<td></td>
</tr>
<tr>
<td>Fort Collins</td>
<td>1,594</td>
<td>Canon City</td>
<td>-60</td>
<td></td>
</tr>
<tr>
<td>Arvada</td>
<td>1,484</td>
<td>Sterling</td>
<td>-47</td>
<td></td>
</tr>
<tr>
<td>Longmont</td>
<td>1,453</td>
<td>Fraser</td>
<td>-44</td>
<td></td>
</tr>
</tbody>
</table>
In Migration

<table>
<thead>
<tr>
<th>County</th>
<th>Net Migration</th>
</tr>
</thead>
<tbody>
<tr>
<td>DENVER</td>
<td>8,694</td>
</tr>
<tr>
<td>ARAPAHOE</td>
<td>5,654</td>
</tr>
<tr>
<td>JEFFERSON</td>
<td>4,971</td>
</tr>
<tr>
<td>LARIMER</td>
<td>3,870</td>
</tr>
<tr>
<td>ADAMS</td>
<td>3,806</td>
</tr>
</tbody>
</table>

Out Migration

<table>
<thead>
<tr>
<th>County</th>
<th>Net Migration</th>
</tr>
</thead>
<tbody>
<tr>
<td>BENT</td>
<td>-531</td>
</tr>
<tr>
<td>CROWLEY</td>
<td>-440</td>
</tr>
<tr>
<td>GRAND</td>
<td>-428</td>
</tr>
<tr>
<td>EAGLE</td>
<td>-427</td>
</tr>
<tr>
<td>MOFFAT</td>
<td>-324</td>
</tr>
</tbody>
</table>

Colorado: Net Migration
2011 - 2012

Net Migration
2011 to 2012
- Loss: > 200
- Loss: 101 to 200
- Loss: 0 to 100
- Gain: 1 to 300
- Gain: 301 to 600
- Gain: > 600

Sources: Esri, USGS, NOAA
Created: 10/30/2013

Data: Colorado State Demography Office
Colorado is Coming Back

- Consistent with Prior Recessions, Colorado has entered recessionary conditions earlier and resumed growth ahead of the rest of the nation.

- State’s Major industries (Professional and Business Services, Energy, Tourism) have all been rebounding

- Housing Market strengthening as job growth gathers pace and unemployment rates recede
Only 16 of 50 exceed pre-recession peak.
2012 Job Estimates Highlights

- Colorado is estimated to have 2,901,554 total jobs comprised of:
  - 2,455,333 wage and salary (W&S) jobs
  - 446,221 self-employed proprietor jobs.

- The 2012 total jobs figure is an increase of 2.4%, or 67,195 jobs - the second instance of year-over-year job growth since 2007-2008.

- Of the 67,195 increase in jobs, 61,660 are attributable to W&S employment gains and 5,535 jobs to proprietor gains.
  - Equivalent to just under 2.6% growth in W&S
  - almost 1.3% growth in Proprietor Jobs
  - 2011-12 W&S increase alone exceeded total job growth from 2010-11
Initial data from 2013 indicates state reached peak employment June-July 2013.

2012 total jobs estimate is 18,716 jobs shy, or equivalently, 99.4% of the 2008 employment peak.
Economic and Demographic Trends to Watch

• Economic Drivers
• Migration
• Aging of the Baby Boomers
• Household Formation
• Housing
• Diversity
• Labor Force Changes – participation rates
• Income

The 2012 proprietor job number is the highest the state has seen.

Colorado Proprietor Jobs - Peak/Trough Comparison

State Demography Office
Job Growth by Industry

• Largest total job gains:
  • 1\textsuperscript{st} - Administrative & Support Services Sector
    - 9,040 total jobs or 13.4\% of the total job growth in 2012
  • 2\textsuperscript{nd} Professional & Technical Services category, which added 8,127 jobs.

• Across the 69 classifications, all but 19 had positive job growth
  • 22 industries’ 2012 job total exceeds the peak job number posted in either 2007 or 2008
Only 35 of the 64 counties experienced job growth.

Front Range accounted for 19 out of every 20 jobs created.
Only 16 of the 64 counties have exceeded pre-recession peak job totals.
Why the Divergences between Counties?

- Significant Retrenchment in Construction Activity
- Center of Gravity in Oil and Gas Industry has shifted from the Western Slope to the Front Range
- Diversity of Economic Drivers
Forecasts - Trends

• Growth in both high and low end service
• Aging
• Transition Decade
• Income
Economic and Population Forecasts

County level revised annually

• Population change tied to both economic and demographic change.
  • Demographic cohort-survival model = supply of labor provided by existing populations.
  • Economic forecast = demand for labor.
    • Economic Drivers
    • National Forecast
    • Local information – openings/closures
  • Differences in labor supply vs. labor demand resolved by the net migration of populations and associated household members
Colorado Population by Region

Source: State Demography Office, 2013
Current Forecast Highlights

- Colorado population is forecast to grow 1.6% per year over the next two years increasing to 1.7% per year before the end of this decade.
- Growth rates will then decline slowly to 1.1% by 2040 to grow to close to 8 million residents.
Expectations of Growth 2010-2040
Metropolitan Front Range

North Front Range
- Fastest growing region

Denver County
- Stronger growth due to expected housing development

Teller County
- Stronger growth due to revised job forecast

Average Annual Percent Change
- < 1%
- 1% to 2%
- 2% to 2.5%
- > 2.5%

Sources: Esri, USGS, NOAA

Colorado State Demography Office, 10/24/2013
**Expectations of Growth 2010-2040**

**Western Slope and Central Mountains**

- **Continued Growth**
  - Older in-migration profile for Mesa, Delta, Archuleta, and Montrose

**Average Annual Percent Change**

- Less than 1%
- 1% to 2%
- 2% to 2.5%
- Greater than 2.5%

**Sources:** Esri, USGS, NOAA

*Colorado State Demography Office, 10/24/2013*
Expectations of Growth 2010-2040
Eastern Plains and San Luis Valley

**Eastern Plains**
- Continued slower growth expected

**Southeastern Plains**
- Continued growth due to Renewable Energy

**Bent County**
- Ft Lyon facility repurposing

---

**Average Annual Percent Change**
- < 1%
- 1% to 2%
- 2% to 2.5%
- > 2.5%

Sources: Esri, USGS, NOAA
Why Are We Getting Old Fast?

• Currently very few people over the age 65.
  • 4\textsuperscript{th} lowest share of all states in US (10%)

• Baby Boomers
  • Born 1946 – 1964
  • 1,340,000 Boomers in Colorado (26\% of pop. in 2010)

• By 2030, Colorado’s population 65+ will be 125\% larger than it was in 2010 growing from 555,000 to 1,243,000. (\textit{just from aging})

• Transition age distribution from “young” to more US average between 2010 and 2030.

Source: Census 2010 and State Demography Office
Forecast for the Population 65+ in Colorado

Source: Census and State Demography Office

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990</td>
<td>27%</td>
</tr>
<tr>
<td>2000</td>
<td>32%</td>
</tr>
<tr>
<td>2010</td>
<td>61%</td>
</tr>
<tr>
<td>2020</td>
<td>39%</td>
</tr>
<tr>
<td>2030</td>
<td>15%</td>
</tr>
<tr>
<td>2040</td>
<td>15%</td>
</tr>
</tbody>
</table>
Aging Issues

- Numbers
- Economic Driver – diversity, base
- Labor Force – aging, increase demands, industry
- Health Services
- Housing
- Transportation
- Public Finance
  - Downward pressure on income, sales and property tax.
Aging and Public Finance

- Ratio of 65+ per 20-64 year olds in CO
  - Becoming more “normal”
- End of the “demographic dividend”
- Public Finance – change in revenue and expenditures.
  - Income tax – downward pressure
  - Sales tax – downward pressure
  - Property tax – downward pressure
  - Health services – increasing
  - Medicaid – increasing

Transition
Labor force highlights

- The labor force will continue to grow, but at a much slower rate than historical growth and slower than the population.
Share of labor force by age group

1990:
- 25-34: 30%
- 35-44: 28%
- 45-54: 16%
- < 24: 15%
- 55+: 11%

2010:
- 25-34: 22%
- 35-44: 22%
- 45-54: 23%
- < 24: 14%
- 55+: 19%

2030:
- 25-34: 22%
- 35-44: 22%
- 45-54: 20%
- < 24: 13%
- 55+: 23%
Real Median Household Income has fallen 2000-12

- Colorado – 7.6%
- US - 5.6%
Percent Change: Real Median Household Income
Colorado: -7.7%

Change in CPI-Adjusted Median Household Income
- > 5% Higher
- 0% to 5% Higher
- 0% to 5% Lower
- 5% to 10% Lower
- > 10% Lower

Colorado State Demography Office, 02/05/2014
Sources: Esri, USGS, NOAA
Household Income….its future could be dim.

- Age distributions – “End of “Demographic Dividend”
- Occupational Mix – high and low service
- Race/ethnicity of householder + Educational attainment.
- Household type and size – single and smaller.
- Youth un and under employment - Long term permanent impacts on earnings.

State Demography Office
Long-Term Challenges - Colorado

- Maintaining Economic and Amenity Advantages
  - Everyone competing for best and brightest.
- Fostering Health and Diverse Base Industries in otherwise mineral and energy-intensive regions or single industry dominant areas.
- Growth in high and low skill/wage service jobs – bifurcation
- Disparate growth across state.
- Coping with opportunities and challenges of an aging population
- Transitions in the Labor Force
  - Participation Rates, growth rates of labor force
- Income – downward pressure on per household income.
  - Age
  - Educational attainment – potential
  - Long run un and under employment
Thank you

State Demography Office
Department of Local Affairs
Elizabeth Garner
Elizabeth.garner@state.co.us
303-864-7750
www.colorado.gov/demography