Growing Forward

Population & Economic Trends in Colorado
School Finance Project

Elizabeth Garner
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State Demography Office, Department of Local Affairs
Demography.dola.colorado.gov
Where We Were Pre-COVID

• Population growing at a slowing rate
• Slowing births
• Aging - impacts everything... including the economy, housing, and public finance.
• Migration slowing
  o Harder to attract and retaining the best and brightest.
• Labor tight, Colorado not as competitive.
• Increase racial and ethnic diversity.
Big Picture - 2018-2019 Pop Change

- US - 328.2 million, + 1.55 million or .5%
- Slowest growth since 1918
- Slowest growing decade since 1930s

- Colorado - 5,758,736
- Ranked 8th fastest 1.2% - ID, NV, AZ, UT, TX, SC, WA
- 7th in total growth 67,449 - TX, FL, AZ, NC, GA, WA
- Slowest growth since 2005
Components of Colorado Population Change 1970-2019

- Natural Increase
- Net Migration
Components of Population Change


- **Births**: 62,456
- **Deaths**: 38,645
- **Net Migrants**: 43,268
Change in Births by Age of Mother 2009-19
Peak Births - 2007. Currently 12-13 years old
Peak Millennial Born in 1991 and is 28-29 years old
175,000 more women 15-45 in 2018 than in 2007
525,000 fewer births in 2018 than 2007 for the US, 7,000 fewer in Colorado
Migration Statistics

- In migration ave/yr 170,000-230,000
- Out migration ave/yr 150,000-190,000

Compared to CO average, in-migrants are:
- Younger
- Lower Income
- Higher educational attainment
Age Matters

- Preferences - where people shop and what they buy.
- Housing - type, size, mobility
- Labor Force
- Income
- Service Demands
Aging Fast Because we are Young

- 6th Youngest State, 4th fastest growth in 65+
- 2020-30 increase 65+ 850,000 to 1,200,000

Economic Driver
- Impact on occupational mix. Growing at 5% per year. Wages/Income

Labor Force - growth in retirees
- Worker vs. non-worker mix changing

Housing - primarily home owners - household size

Income - Downward Pressure

Health/Disabilities

Transportation

Public Finance - Downward Pressure
### Population Forecast By Age

<table>
<thead>
<tr>
<th>Age Group</th>
<th>2020</th>
<th>2030</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 to 17</td>
<td>23,538</td>
<td>38,701</td>
</tr>
<tr>
<td>18 to 24</td>
<td>248,842</td>
<td>99,474</td>
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<tr>
<td>25 to 44</td>
<td>45 to 64</td>
<td></td>
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<tr>
<td>45 to 64</td>
<td>332,431</td>
<td>39.1%</td>
</tr>
<tr>
<td>65 to 100</td>
<td>742,986</td>
<td>12.8%</td>
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Projected Percent Change by Age Group in Colorado, 2020 to 2030

- Total Population: 13%
- Youth Population (0-17): 2%
- Entering Labor Force (16-24): 5%
- Prime Age Workers (25-54): 14%
- Older Age Workers (55-64): -1%
- Retirement Age (65-74): 24%
- Retired (75-84): 69%
- Long-term Care (85+): 49%
Implications From Aging

- Consumer demand - driving job creation - occupations
- Labor force - older, retirements, tight labor force
- Housing - household size, mobility, owners, remodeling
- Public finance
  - Downward pressure on income tax, sales tax, and property tax.
  - Increase demand for services
- Increased Advocacy for Aging resources
- Advocacy for school age??
Race and Ethnicity
we are becoming more diverse
Diversity by Age

Hispanic, Black, Asian, and other minority share

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<tr>
<th>Age Group</th>
<th>2015</th>
<th>2050</th>
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<tr>
<td>&lt;18</td>
<td>43%</td>
<td>58%</td>
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<td>18-24</td>
<td>38%</td>
<td>57%</td>
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<td>65+</td>
<td>16%</td>
<td>32%</td>
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Diversity Impact

• Educational attainment
• Supply of qualified workers
• Income - correlation to education
• Economy - 70% driven by consumer expenditures
• Homeownership - wealth
• Income impact
The Colorado long-term forecast
Population forecast methodology

Economic forecast

- Jobs
- 2^{nd} \& 3^{rd} job
- Commuters

Labor Demand

Cohort-component

+ Births - Deaths
+ Net Migration

X LFPR

Labor Supply

Differences resolved by net migration
Driven by retirements
COVID Impacts

- Fewer Births - short run - return to trend
- More Deaths - short run - return to trend
Migration = Domestic + International

• Since 2010, international immigration = 22% of total net migration to Colorado.
• International migration has declined significantly. Domestic migration has not.
• Permanent domestic migration has remained stable in 2020.
• Mobility has been declining over decades
• Uptick in temporary moves early in the year
Migration - thoughts & questions

- In - from traditional donor states - CA, TX, FL, NY
- Out - to lower cost states
- Immigration - slow to none
- Job driven? - largest share of job loss in low wage
- Teleworking
  - Lower cost locations or states
  - Broad band access
  - Rural Colorado - still issues with housing, day care, health care
- Pre Pandemic - 12%
- During Pandemic - 36%
COVID impact on forecast
200K – downward revision by 2050
7.9M vs 8.1M

2019

Change 2020-2050
State - 2.2 million
Front Range - 1.8M
Denver Metro - .9
North FR - 550K
South FR - 350K
Rest of State - 400K

Projected Population Change
2020 - 2050
Risks to the Forecast +/-

- Pandemic uncertainty
- Aging - labor force, prepared labor force
- Industry changes - boom/bust, competitiveness
- Housing - supply, price, type, location - 5th highest MHV
- Intl’ immigration
- State Budget
- Infrastructure/Transportation
- Water
- Natural disasters - nationally
Thank you
State Demography Office
Department of Local Affairs
Elizabeth Garner
Elizabeth.garner@state.co.us
303-864-7750
Demography.dola.colorado.gov