

Otero County

Demographic and Economic Profile

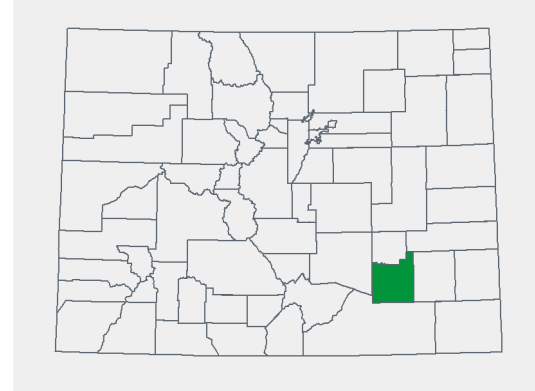


COLORADO
Department of Local Affairs

Community Quick Facts

Population (2016)	18,290
Population Change 2010 to 2016	-548
Median HH Income (ACS 11-15)	\$32,311
State Median HH Income (ACS 11-15)	\$60,629
Employment (County in 2015)	7,918
Cost of Living Index (State=100)	85.54, Very Low

Source: State Demography Office
U.S. Census Bureau

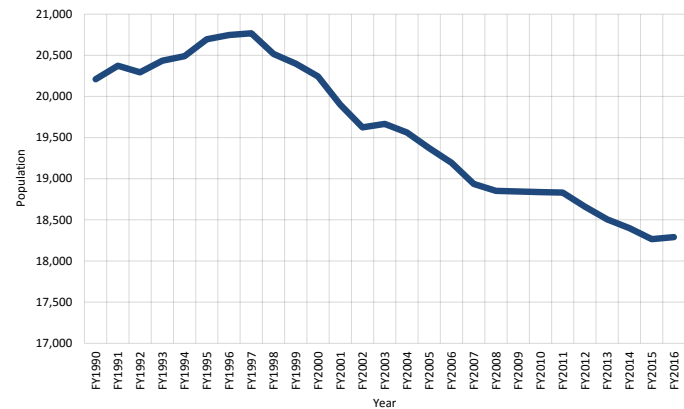


Population

Population Estimates and Forecasts for the resident population are produced by the State Demography Office.

- Otero County's population has been declining since the mid-1990s, declining by over 2,000 people over that period.
- The recent decline in population has been due to job losses combined with an aging population that encompasses fewer families.

Otero County Population, 1990 to 2016

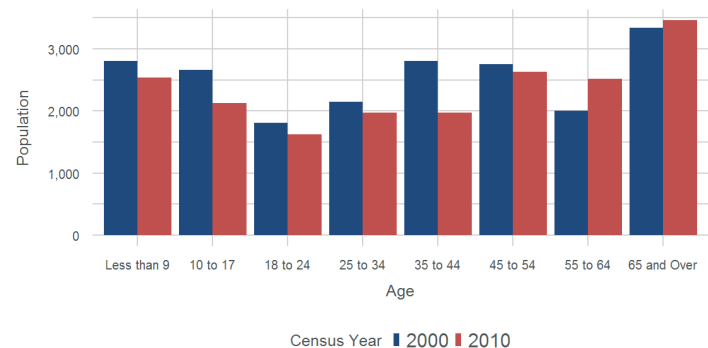


Year	Population		Annual Average Growth Rate	
	Otero County	Colorado	Otero County	Colorado
1990	20,210	3,294,473		
1995	20,695	3,811,074	0.5%	2.9%
2000	20,243	4,338,801	-0.4%	2.6%
2010	18,838	5,050,332	-1.4%	1.5%
2016	18,290	5,538,199	-0.5%	1.6%

Population By Age

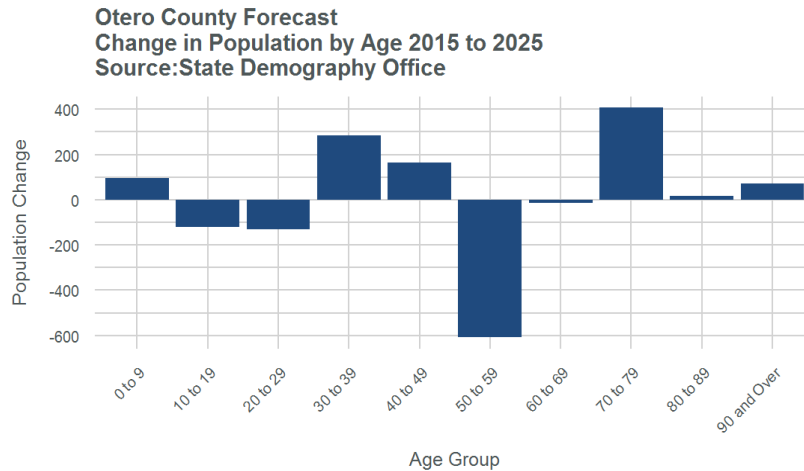
Otero's population by age is shown in the chart to the right for both 2000 (blue bar) and 2010 (red bar). The largest increase was in the 55 to 64 year old age group followed by the 65 and over age group, which could indicate a need to evaluate aging services in the county. Decreases across all other age groups are consistent with overall population decline. Losses in the 35-44 correlate with losses in the population under 18.

Otero County Population by Age
Source: U.S. Census Bureau



Population By Age, Continued

Otero County is expected to increase slowly between 2015 and 2025. Most of this growth is forecast in the prime working age adults (30-44) and those over 70 years of age. There is a large drop in the number of 50 to 59 year olds expected. In-migration to the county will be driven by the need for replacement workers for older adults aging out of Otero County's current labor force. This growth will not negate the need to evaluate aging services, but may alleviate some of the downward pressure aging can put on tax revenues as long as the in migration occurs.

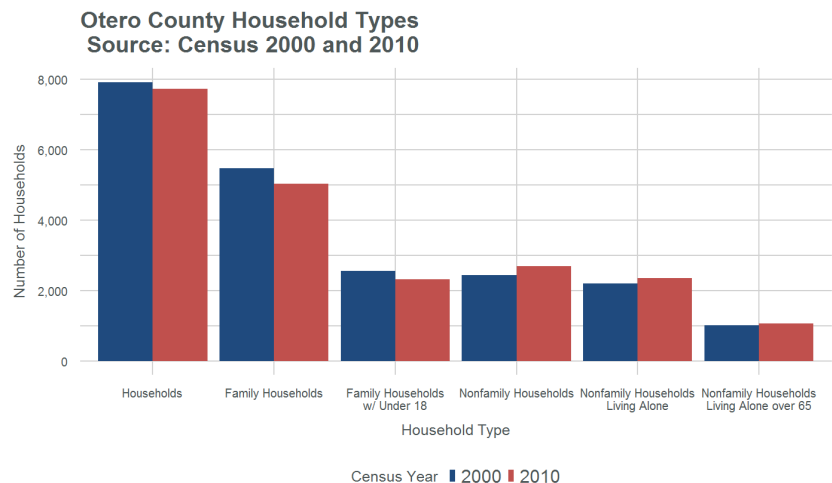


Housing & Households

Otero County Housing Units	2000	2010	2010 %
Total Housing Units	8,813	8,969	
Occupied Housing Units	7,920	7,729	86.2%
Owner-Occupied Units	5,471	5,019	64.9%
Renter-Occupied Units	2,449	2,710	35.1%
Vacant Housing Units	893	1,240	13.8%
For Seasonal	26	65	5.2%
All Other Vacant	867	1,175	94.8%

- The overall vacancy rate was nearly 14% in 2010.
- Vacancy rates were slightly higher than the state average and increased between 2000 and 2010.
- Most of the units are owner occupied (65%) but an active rental market exists as well.

- There was a small decrease in households between 2000 and 2010.
- Family households are still the largest share of households however the decline is almost entirely due to a decline in family and family with children under 18 households.
- This change is likely closely tied to population decline in the under 45 age groups.



Race & Ethnicity

Otero County Population by Race/Ethnicity

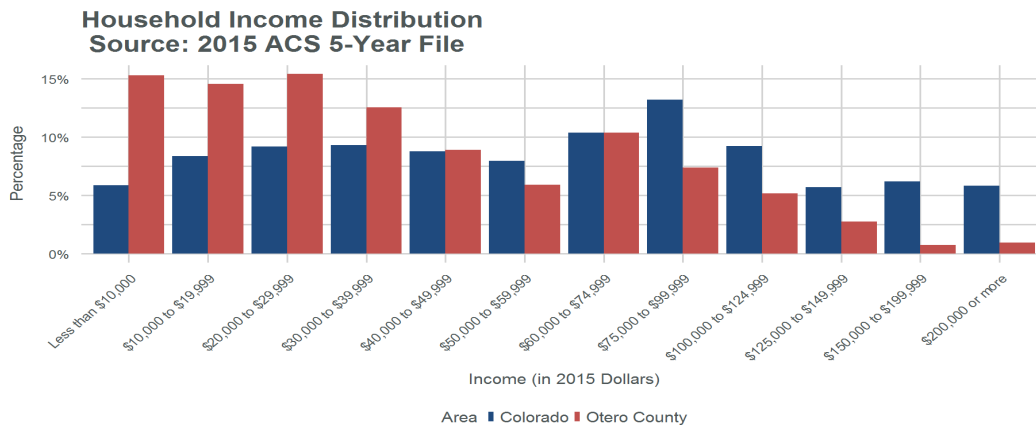
	2000	2010	2010 %	Colorado 2010 %
Total	20,311	18,831		
White	12,014	10,639	56.5%	70.0%
Black or African American	111	93	0.5%	3.8%
American Indian or Alaska Native	134	111	0.6%	0.6%
Asian	134	135	0.7%	2.7%
Native Hawaiian and Other	6	7	0%	0.1%
Some Other Race	10	24	0.1%	0.2%
Two or More	260	226	1.2%	2.0%
Hispanic	7,642	7,596	40.3%	20.7%

Source: U.S. Census 2010

- Otero is more diverse than the state as a whole and is becoming more diverse over time, even considering population decline.
- The Hispanic population decreased slightly, though the White population decreased by over 1,300.

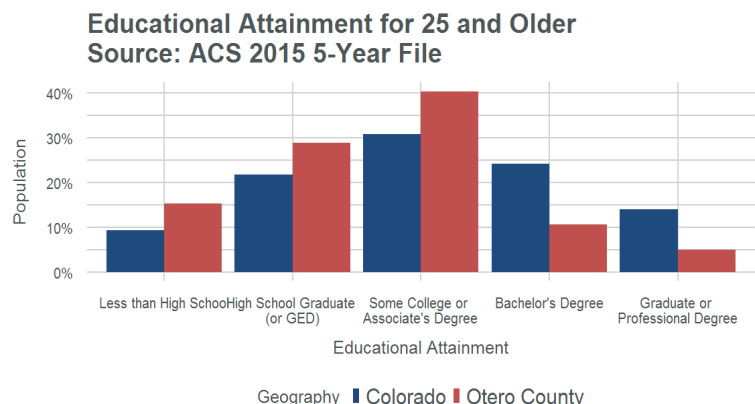
Income

The graph below compares Otero County's income distribution to the state. Otero County has a larger share of people earning less than \$50,000 than the state. The lower incomes reflect the large number of lower wage agriculture, retail and healthcare jobs alongside fewer higher wage professional service jobs. It is also influenced by the larger share of people over 65.



Education

Otero County has a lower share of its population with a bachelor's degree or higher compared to the state. Jobs in this region may not require higher levels of educational attainment, and growth in some industries may require increasing the educational attainment. The largest share of the population has some college or associate's degree, which is similar to the state.

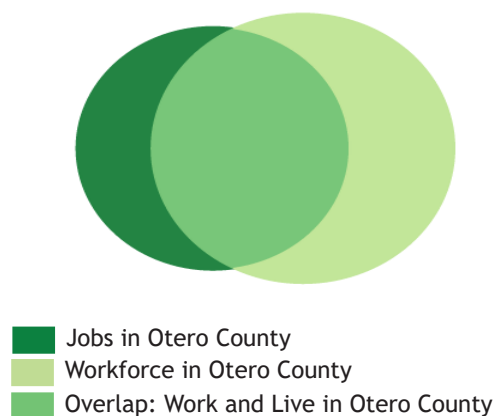


Commuting

Commuting plays an important role in the economy of an area because not all workers live where they work. Commuting impacts local job growth, access to employees, and transportation infrastructure.

The graph to the side breaks the data by job and by resident worker. Just over 66% of the jobs in Otero are held by residents and 34% of the jobs are held by people who live outside the county. Considering Otero's labor force, about 53% both live and work in the county and nearly 46% are employed outside of the county. Otero has a larger labor force than jobs.

Otero County Commuting Patterns, 2014



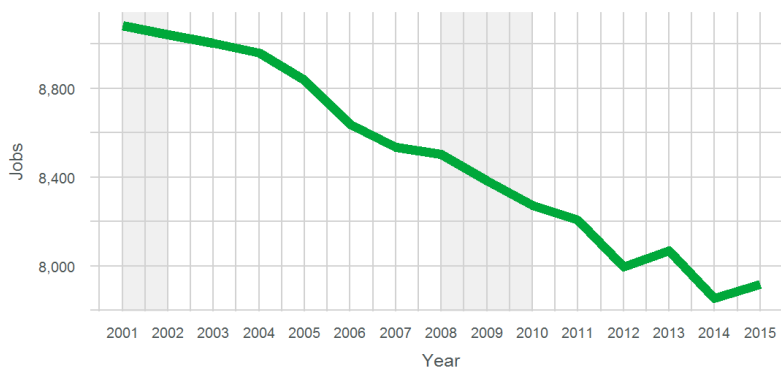
Source: LEHD On the Map, 2016

Note: Data does not include agricultural and self-employed jobs and uses administrative boundaries only.

Jobs & the Economy

Total employment in the County was estimated to be 8,098 in 2016. Otero has lost approximately 300 jobs since 2010. As shown in the time series below, the county has lost jobs in 13 of the last 16 years. In 2013, the county recorded an employment increase as construction jobs were created by the building of the Front Range Pipeline. The largest share of job losses have been in manufacturing, retail trade, health services and government. The losses in the latter three industries are tied to the population decline that began in 1997.

Otero County Total Estimated Jobs, 2001 to 2015
Source: State Demography Office



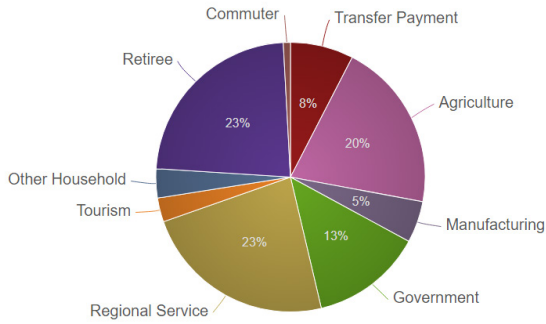
Note: Grey shading represents beginning to bottom of U.S. recessions.

Share of Jobs by Industry 2016	Otero	Colorado
Agriculture	8%	1%
Mining	0%	1%
Utilities	1%	0%
Construction	4%	7%
Manufacturing	6%	5%
Wholesale trade	3%	3%
Retail Trade	10%	10%
Transportation and warehousing	3%	3%
Information	3%	2%
Finance activities	3%	4%
Real estate	1%	3%
Professional and business services	3%	9%
Management of companies and enterpr	0%	1%
Admin and waste	2%	6%
Education	0%	2%
Health Services	16%	10%
Arts, Entertainment, and Recreation	1%	3%
Accommodation and food	7%	9%
Other services, except public administra	5%	6%
Government	24%	15%

Economic Industry Mix

Otero County's industry mix can be seen in the chart to the left. The largest industries by employment are Government, Health Care, Retail, and Agriculture.

Otero Base Industries, 2016



Source: State Demography Office

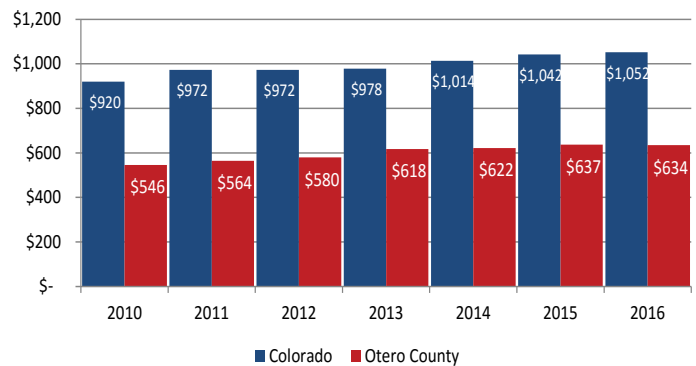
Economic Base Analysis

The Base Industries chart shows which industries drive the economy in Otero. The chart shows the important share of economic activity driven by retiree spending. It also shows the significance of agriculture and regional services to the economy. Regional service includes all establishments primarily engaged in providing services to surrounding counties or to the nation. Examples of which in Otero County include health care services and retail trade. Government and transfer payments also comprise a significant portion of the county's economic base.

Average Wage Trends

- Average weekly wages in Otero increased 16% from 2010 to 2016.
- Weekly wages of \$634 in Otero in 2016 were only 60% of the \$1,052 statewide average; some of this difference is made up by the county's low cost of living.
- The high concentration of employment in Government, Retail Trade and Health Care contributes to the below-average weekly wages in Otero. Proprietor employment does not show up in weekly wages, therefore the returns to agriculture do not show up.

Average Weekly Wages



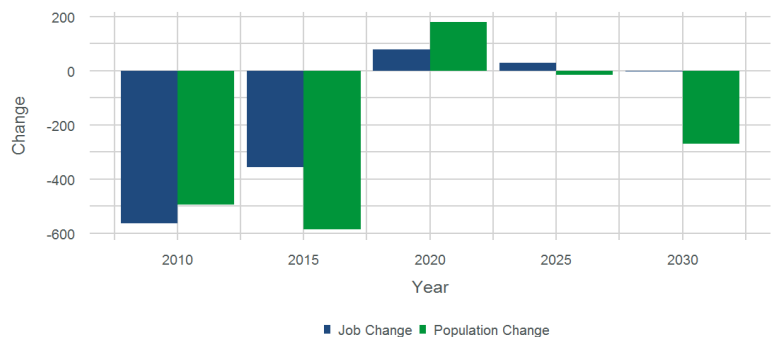
Source: Department of Labor and Employment (QCEW)

Population and Economic Forecast

The rates of growth of both population and jobs can differ somewhat because of changes in the labor market, i.e., labor force participation rates, age, unemployment rates, multiple job holding, and/or commuting. In addition, macroeconomic conditions such as business cycle fluctuations and faster or slower periods of U.S. and Colorado economic growth can affect overall job growth in a region.

- Population decline is forecast to exceed job loss for the period from 2015 to 2020. While 2020 to 2030 show increases in population, and to a lesser extent job growth, in 2030 population growth declines again with little change to the number of jobs.
- This is driven in part by the aging of the population and in the labor force in particular. Population growth occurs as people move into jobs vacated when a person ages out of the labor force. This drives population growth, but not necessarily new jobs.
- This means that employment isn't expected to grow very much, and population will continue to decline. This may require attention to community services and accessing what is needed to attract and retain both jobs and workers. Additionally, an aging population may require increased need for accessible housing and other aging services.

Otero County
Forecast Change in Population and Jobs 2010 to 2030
Source: State Demography Office



	Total Jobs	Population
2010	8,274	18,875
2015	7,918	18,288
2020	7,995	18,467
2025	8,025	18,451
2030	8,021	18,180