

Employment & Income Stability

Value Statement

Income and employment are core drivers of the economic well-being of the residents of Boulder County, defining the ability to meet today's basic needs and to generate sufficient savings to invest in the the future (retirement, children's education,etc.).

Recommendation

With little ability to save and invest a portion of their income, low income households find themselves in long-term poverty traps, unable to weather short-term shocks like a period of unemployment, an unexpected expense, or an illness and incapable of longer-term investments in their children's education or their own retirement needs. The HSA supports policies and programs that address poverty and build economic self-sufficiency, including:

- Interventions in job training to help people achieve higher paying employment
- Access to financial assistance to help households address short-term gaps and be able to pay for essential goods and services.
- Programs in financial literacy and budget management to promote better use of economic resources and accumulation of savings.
- Community-wide policies to promote higher quality jobs and wages

Background

Beneath its image as a prosperous community, poverty is relatively significant and has been for quite some time in Boulder County. In 2014, the most recent year for which figures were available, an estimated 13.3 percent of residents and 16.2 percent of Boulder County's children were living below the Federal poverty threshold (e.g. about \$20,000 in annual income for a family of three), up from 9.3 percent in 1990.

Although the Boulder County unemployment rate is down to 2.9 percent from a high of 8 percent at the peak of the recession in 2010, lower-income wages remain stagnant and insufficient to meet self-sufficiency standards (ability to meet basic needs without public or private assistance). The self-sufficiency standard for Boulder County in 2015 was calculated at \$28,209 for a single adult and \$67,837 for a family of three (one adult, one pre-schooler and one school age child). This translates into an hourly wage for a full-time job for one adult household of \$13.07 and \$32.13 for a single parent household of three. Workers in the Boulder Metropolitan Statistical Area had an average (mean) hourly wage of \$27.17 in May 2014. Not only is the level of income insufficient, among lower-income households it is typically more volatile. Many workers have jobs with hours that fluctuate across seasonal changes, or are vulnerable to downsizing. For those living on a fixed income, like retirees, the average monthly Social Security retirement benefit is about \$16,100 annually which is typically insufficient to meet daily expenses.