Workforce Supply & Match

KEY PERFORMANCE MEASURES

- *Size of Valley Workforce / Top Job Occupations*
- *Median Pay (Compared to Other Colorado Resorts)*
- *% Households Housing Cost Burdened*
- *Workforce Commuter Costs*
- *Number of Employer Bus Passes (By Season)*

A sufficient supply of well-qualified workers is available to Aspen businesses. Local schools and colleges, locally-held training programs, and other professional development venues compliment Aspen's resort economy and provide the opportunities needed for potential, existing, and returning employees to hone their skills and knowledge. Employer support of training opportunities is strong, and wages are competitive with other resorts on a total-cost-of-living basis, leading to high retention rates in key job classes. Workers who must live down-valley have the ability to commute to Aspen jobs via excellent transportation options and reasonable commute costs and times.

A qualified and capable workforce is the backbone of a sustainable economy. The connection between workforce supply and match and productive capacity is key especially in a tourist based economy.

The aim of workforce development is to attract, educate, and train individuals to meet job market needs year-round. This is essential to maintaining a sustainable and competitive economic environment.

Figure 1. Ski Instructor with Guests [28]

For businesses, capable workers are a *necessity*, not an *amenity*. The workforce is central to business attraction, retention, and stability to and in a place.

A trained and qualified workforce is also important for its customers. In a world class resort town like Aspen, patrons expect high standards and service levels. To achieve an optimal workforce, competence and capabilities must match those demanded in the marketplace. This means matching the workforce to positions generated by Aspen's tourist based economy.

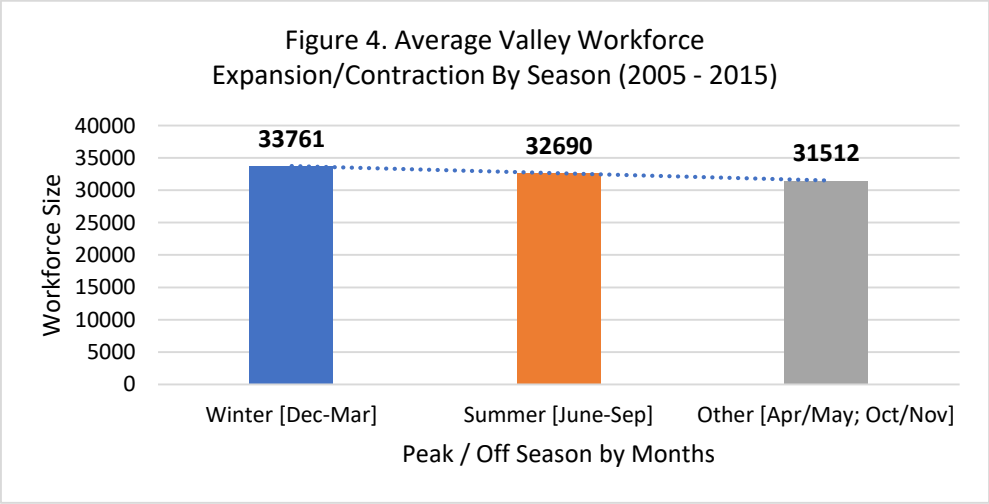
In the winter season, this calls for a workforce specialized in the ski and snow sports industry. Aspen Skiing Company (ASC) is one of the largest employers in the area with both full time and seasonal employees.

In summer, Aspen requires a workforce that services world renowned cultural and special events. This includes the *Food & Wine Festival*, *Ideas Festival*, *Music Festival*, among others.

Throughout the year, the economy needs an adaptive workforce to service the local community. This includes hospitals, schools, government and public services, grocery and retail stores, restaurants, among others. For Aspen, getting workforce size and match right especially given seasonality presents both challenges and opportunities.

[28] *Photo: Courtesy Kolacek, Zbynek.*

In addition to the year round workforce, seasonal businesses in Aspen rely heavily on filling temporary vacancies. This includes hotels and restaurants, sports and recreational activities, cultural events, property management and maintenance, among other occupations. The seasonal nature of these businesses and industries means that they potentially face shortages of local workers during their peak work periods. By filling temporary jobs, temporary workers not only keep these businesses open, they contribute to the creation of additional, year-round jobs for local workers. The relative expansionary and contractionary nature of the economy and workforce is represented in Figure 4 below.



As depicted above, the contraction of the workforce is approximately 7% between winter and off season months. And approximately 4% between summer and off season months. This represents a reduction of 2,249 and 1,178 members of the workforce, respectively.

Competition for a qualified workforce magnifies the importance of quality of life factors. Talented and skilled people gravitate to places where they can attain a certain standard of living and enjoy a certain lifestyle. This influences the workforce supply and match equation and, ultimately, the composition (and quality) of the workforce.

Sustainable economies create conditions for secure employment and competitive pay. This supports a virtuous cycle where people can afford to buy goods and services. This, in turn, supports local businesses and the local economy. Workforce development also involves issues such as affordable housing, transportation, education, among other considerations. [29]

All of these necessities and amenities factor in to a stable and sustainable workforce, viable employment market. More broadly, it contributes to economic development (productive capacity) aimed at

[29] *Photos: Babbie, Sheila.*

improving the economic and social well-being of people and communities.

Further below are some quick facts excerpted from *Sperling's Best Places* on certain basic living costs. Since 1985, Sperling's performs studies and provides comparative place information on cost of living, schools, crime, housing prices, transportation, and more[30]. Sperling's cost of living indices is based on a US average of 100. An amount below 100 means Aspen, Colorado is cheaper than the US average. A cost of living index above 100 means Aspen, Colorado is more expensive[31].

Compared to the rest of the country, Aspen's cost of living is **132.50%** higher than the U.S. average. Figure 6 summarizes cost of living factors in Aspen against the national average. Note: Those figures (cells) highlighted in blue are above the national average.

Figure 6.[32] COST OF LIVING	Aspen, Colorado	United States
Overall	233	100
Grocery	98.8	100
Health	104	100
Housing	516	100
Utilities	94	100
Transportation	97	100
Miscellaneous	101	100

The cost of living indicators further emphasizes the need to not only have the right size and capabilities in the workforce but also the right accommodations (wages/benefits, housing, transport, healthcare, etc.) to support it. Workforce development involves the coordination of public and private-sector policies and programs. These provide individuals with the opportunity for a sustainable livelihood. And help organizations achieve goals that are consistent with the Aspen societal and economic context.

The key performance measures that offer a good indication of workforce supply and match its sustainability include:

- *Size of Valley Workforce / Top Job Occupations*
- *Median Pay (Compared to Colorado Resort/Towns)*
- *% Households Housing Cost Burdened*
- *Workforce Commuter Costs as % of Annual Average Wage*
- *Subsidized Bus Passes Purchased by Employers (Season)*

The measures listed above are presented on the respective dashboards at the end of the section. Each highlights the key data/trends with targets when set.

[30] *http://www.bestplaces.net/docs/about.aspx*
[31] *http://www.bestplaces.net/city/colorado/aspen*
[32] *Ibid.*

Current & Proposed Actions

For the Aspen community successful workforce supply and match and development requires strategies that cut across many areas. This includes workforce development, education, job training, housing, transportation, health and human services, among others.

Workforce Development

Workforce strategies target specific occupations that employers need within the region. Before implementing any measures, an analysis of current and anticipated needs should be undertaken. As for workforce supply and match, dialogue with employers is important. They are always assessing the capabilities and competencies that are most needed. This might range from management, technical expertise, customer service, to language skills.

The **Colorado Mountain College's** targeted programs support workforce development in the region. Certificate programs are designed to build knowledge and skills for a tourist based economy. This includes Hospitality & Resort, Culinary Arts, Outdoor Studies, Ski & Snowboard Industry, English Language, among others.

Housing

For recommendations on Affordable Housing see the **Housing Study/Executive Summary: Key Issues & Recommendations.**

Transportation

For current and proposed actions as relates to Transportation see the **City of Aspen Transportation Programs & Initiatives in Support of Workforce.**

Some of the initiatives described within include:

- Free Aspen shuttles
- RFTA bus routes from Aspen and along the RFV corridor
- Transportation Options Program (TOP)
- Grant Opportunities
- Carpool program
- Car to Go
- We-cycle bike share program
- Commuter Connect
- Rubey Park Remodel Project
- Drive Less

These are but a few of the organizations, programs, and initiatives that support *Workforce Supply & Match* outcomes and associated key performance measures.

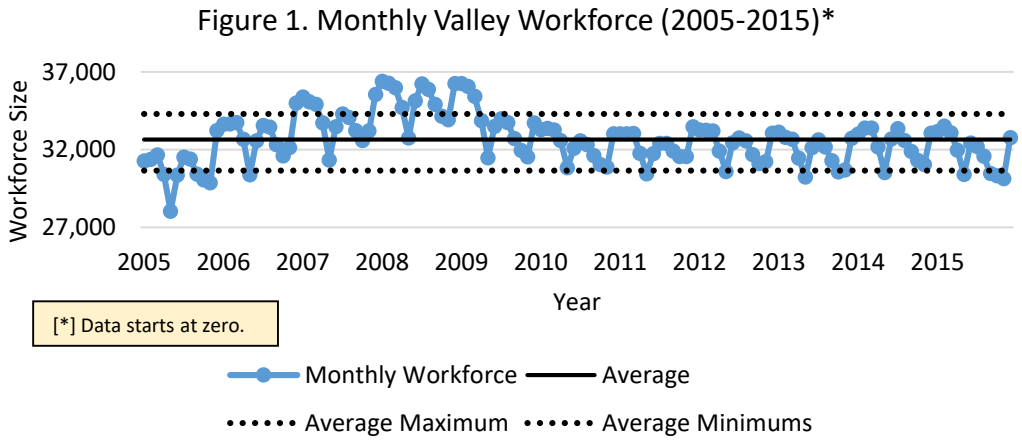
Size of Valley Workforce

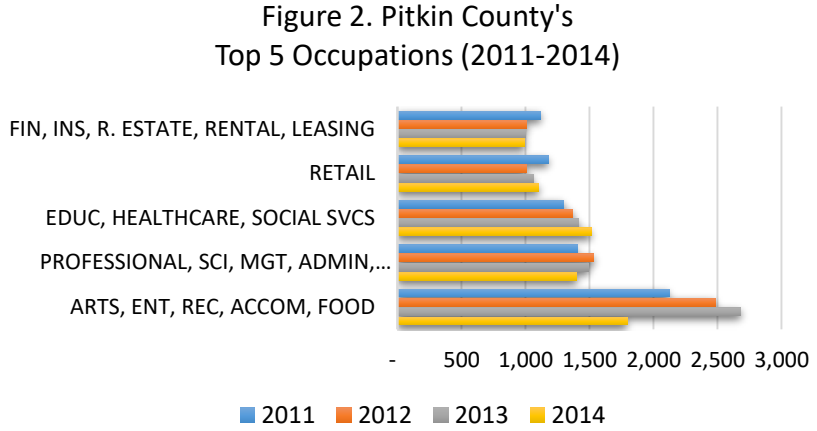
What is it? Why is it important?

The Roaring Fork Valley is one of the most prosperous regions in Colorado and the U.S. It is also one of the most populous and economically vital areas of the Colorado Western Slope.[1] The Valley includes the communities of Aspen, Snowmass Village, Basalt, Carbondale, Glenwood Springs, among others. The economic engine of the valley is the Aspen/Snowmass recreational skiing complex which directly or indirectly drives the related tourism, hospitality, retail, construction, real estate, professional service and property maintenance industries. Other activities and cultural events such as the *Aspen Ideas Festival, Aspen Music Festival, Aspen Food & Wine Festival* attract visitors in peak summer months and year round. The right number of employees with the right capabilities and qualities is critical in supporting Aspen's tourist based economy with residents and visitors from around the world and high service standards.

What does the data/trend say?

As depicted in Figure 1 below the average size of the Valley workforce is approximately 33,000 employees. There was a peak in workforce size (up to 37,000) in 2008/2009 with a rapid decrease to about the average during the financial downturn.[2] By 2015 those numbers do not appear to have rebounded to pre-crisis levels. According to the *Labor Force Statistics from the Current Population Survey,* the US civilian labor force shrank from 154,655 (in thousands) in 2008 to 153,111 (in thousands) in 2009. By 2012 the civilian workforce rebounded above pre crisis levels at 155,557 (in thousands).[3] Pitkin County's Top 5 Occupations during the period from 2011-2014 are represented in Figure 2 below. These are consistent with the primary activities of a tourist based economy described above. Consistently the "*Arts, Entertainment, Recreation, Accommodation, and Food*" occupational category made the top of the list.[4]





Targets

There is currently no target set for this measure.

Data Sourcing & Considerations

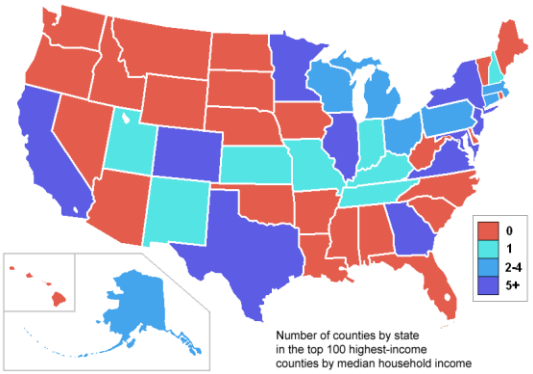
The monthly workforce numbers for the Roaring Fork Valley were assembled by the Colorado Department of Labor. The respective demographic data was aggregated for each of the towns within the valley boundary. In order to have comparative data year on year it is important to query the data source in the same manner. The US data was sourced from the Bureau of Labor Statistics (2006 – 2016). Data should be queried as per the research protocol or may vary.

Sources: [1] About Aspen Location via link: https://en.wikipedia.org/wiki/Aspen,_Colorado. Retrieved April/July 2016. [2] Colorado Department of Labor. See emails from D. Johnson April/May 2016. [3] Census/Bureau of Labor Statistics via link: http://data.bls.gov/timeseries/LNS11000000. Retrieved June 2016. [4] Ibid. [5] Babbie, Sheila. 2016.

Annual Wages Per Employee by Peer County

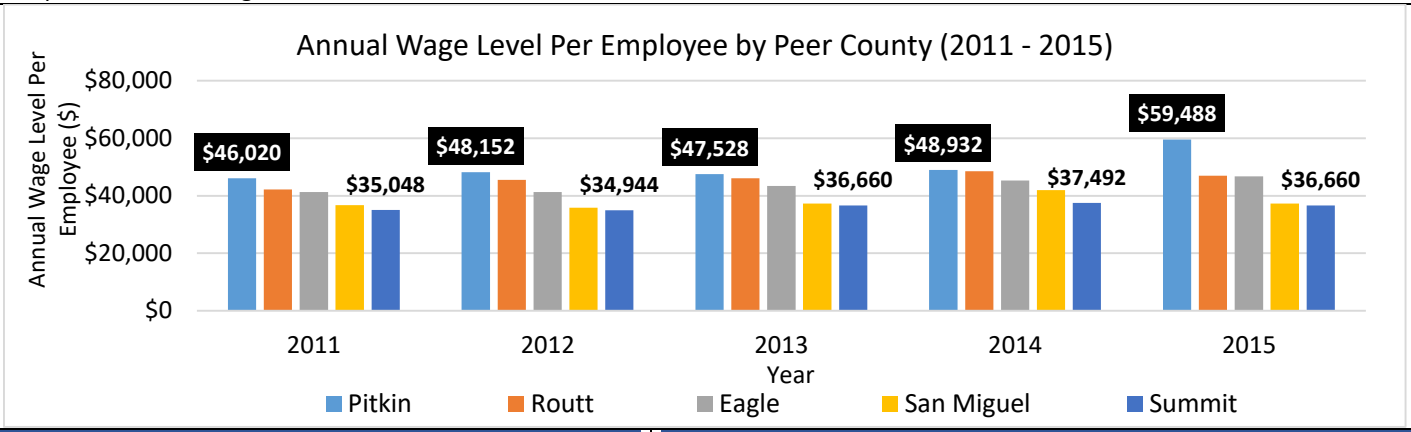
What is it? Why is it important?

This measure compares the annual wages per employee in Pitkin County and five counties with peer resort communities. According to the Bureau of Labor Statistics, average annual wages per employee for any given industry are computed by dividing total annual wages by annual average employment.[1] When comparing annual wages per employees across locations, there are many reasons for discrepancies in wages, including the type of role, employment conditions, and other benefits on offer. In terms of workforce supply & match, competitiveness on wages is important as it is often the primary factor that attracts workers to jobs in a particular place over another. If places like Aspen have highly competitive wages, it may attract a more suitable and stable workforce that meets the needs of its citizens, visitors, and businesses.



What does the data/trend say?

Figure 1 below displays comparative annual wages per employee for five peer counties. In 2015, Pitkin County (Aspen/Snowmass) had the highest annual wages reported at $59,488. It is followed by Routt County (Steamboat Springs) at $46,956 and Eagle County (Vail/Beaver Creek) at $46,748. San Miguel County (Telluride) and Summit County (Breckenridge) are at the lower end of the range with $37,284 and $36,660, respectively.[2] Pitkin County annual average wage increased by approximately 29% from 2011 to 2015 which is likely attributed to a rebound in hiring and wages post the economic downturn in 2008/2009. The statement excerpted from the Aspen School District (one of the top 5 employers in Aspen) below (right) is a relative indication about the competitiveness of wages.[3]



According to the Aspen School District website: "Voters have approved mill levy increases to provide one of the best salary schedules in Colorado; new teachers have a starting salary of $40,500 and the maximum pay on the current schedule is $93,700. District housing has been purchased and built to offer reasonable rental fees in this resort community, and free bus service is provided for those who have a long daily commute."[5]

Targets

There is currently no target set for this measure.

Data Sourcing & Considerations

This data was sourced from the Quarterly Census of Employment & Wages – Bureau of Labor Statistics by querying its QWEC database. Average annual wages per employee for any given industry are computed by dividing total annual wages by annual average employment. A further division by 52 yields average weekly wages per employee. Annual pay data is only approximate annual earnings, because an individual may not be employed by the same employer all year or may work for more than one employer at a time.[4]

Sources: [1] Bureau of Labor Statistics. Quarterly Census of Employment & Wages (2014). http://www.bls.gov/cew/cewbultncur.htm#Wages. Retrieved July 2016. [2] Ibid. [3] Ibid. [4] Ibid. [5] Aspen School District via link: https://drive.google.com/file/d/0B_x9IBEjvGKudTV3UDFxX21VOUk/edit. Retrieved June 2016. Graphic of US Median Income Counties via link: https://en.wikipedia.org/wiki/List_of_highest-income_counties_in_the_United_States#/media/File:USA_highest_income_counties.PNG. Retrieved May/July 2016.

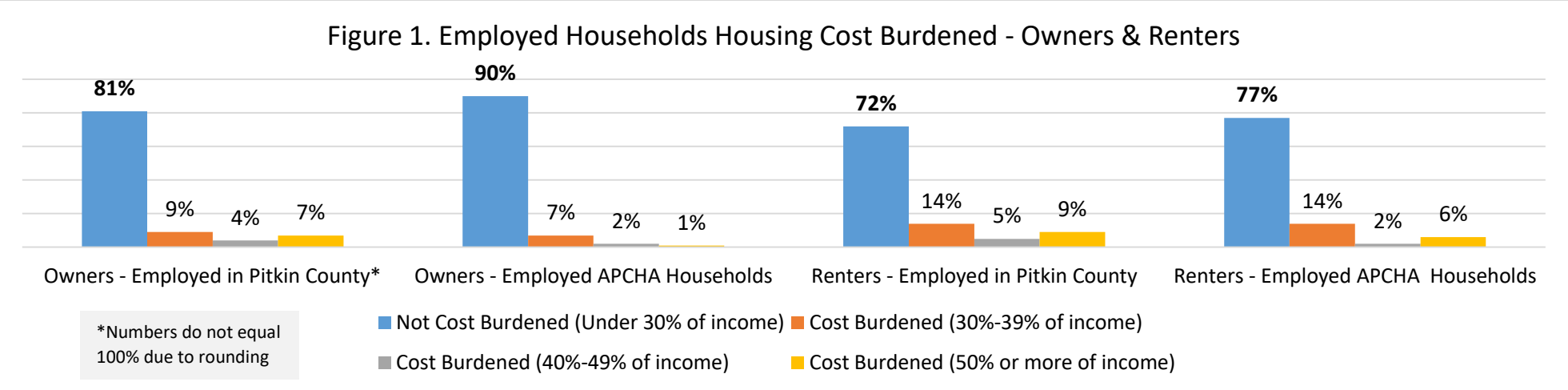
% of Households Housing Cost Burdened (Owners/Renters)

What is it? Why is it important?

This measure is defined as households employed in Pitkin County and APCHA employed households that are housing cost burdened. The US Department of Housing and Urban Development (HUD) defines housing costs above 30% of one's annual income as housing cost burdened.[1] HUD housing costs include rent or mortgage, utilities (may not), HOA fees, transportation, and possibly others. Households are *severely cost-burdened* when housing costs comprises 50% or more of gross income.[2] From an economic sustainability perspective, disproportionate housing costs can present a burden for the workforce, households, and individuals which limits spending on other living costs (necessities). APCHA *"exists to help people who work within Pitkin County seeking home ownership or long and short-term rental opportunities, and who would not otherwise have the opportunity to build a life as part of our community."*[3]

What does the data/trend say?

The Aspen/Pitkin employee housing program has 2,967 units including those for sale and rent.[4] The program applies to full-time employees working in Pitkin County and who meet the income and asset guidelines. There is an ongoing demand for affordable housing in the Aspen community that exceeds supply. As demonstrated in Figure 1 below, approximately 20% of owners employed in Pitkin County and 10% of owners employed APCHA households are housing cost burdened. As for rental properties, approximately 28% of Pitkin County employed households and 23% of employed APCHA households are burdened with costs more than 30% of their income.[5]



Targets

There are currently no targets set for this measure.

Data Sourcing & Considerations

This data was sourced from the APCHA's Policy Study (February, 2016), p. 41. The first series of numbers do not equal 100% due to rounding.

Sources: [1] US Housing & Urban Development website. via link: http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/affordablehousing. Retrieved March 2016 [2] Ibid. [3] APCHA website via link: http://www.apcha.org/Retrieved May / July 2016 [4] Navigate LLC., Rees Consulting, WSW Consulting. Policy Study Aspen/Pitkin County Housing Authority Affordable Housing Guidelines, p 41. February 8, 2016. [5] Ibid. [Photo] Babbie, Sheila. 2016.

Workforce Cost of Commuting by Bus (Compared to Drive Alone Commuting)

What is it? Why is it important?

This measure is the average cost that a typical valley bus commuter would incur as a portion of Pitkin County's average annual wage. This measure assumes that some level of discounted pass is purchased. The Roaring Fork Transportation Authority (RFTA) bus system provides public transit between Aspen and Glenwood Springs (and beyond). A large part of the workforce commute to and from work along this corridor every day. Since basic cost of living is relatively high in the Aspen area, it is important to provide affordable transportation and/or commuting options for the workforce. Commuting by bus reserves disposable income for other necessities in support of sufficient living standards. It also reduces traffic and emissions by less personal vehicles which is especially important during peak visitor seasons (winter/summer).

What does the data/trend say?

In these/this figure(s), commuting cost for a round trip flat rate fare to mid-valley was discounted by 30% to account for purchase of a value card.[1] Under these assumptions, the total average cost to commute by bus is $2,100. From 2011-2015, the average annual wage per employee (Pitkin County) increased from $46,020 (2011) to $59,488 (2015).[3] Meanwhile, daily bus fares remained the same over the period.[2] As depicted in Figure 1, by calculating the ratio between annual commuting cost (discounted) and annual average wage there appears to be a 1% decrease in the commuting cost burden (ratio) over the period. Figure 2 compares the commuting cost by bus to the annual round trip cost for drive alone commuting for Aspen/Carbondale and Aspen/Glenwood Springs routes, respectively.[4] The AAA average of $0.56 per mile was used for the fuel, maintenance, and insurance costs input in the calculator.[5]

Figure 1. Average Commuting Cost & Burden Based on Value Pass Discount (2011-2015)

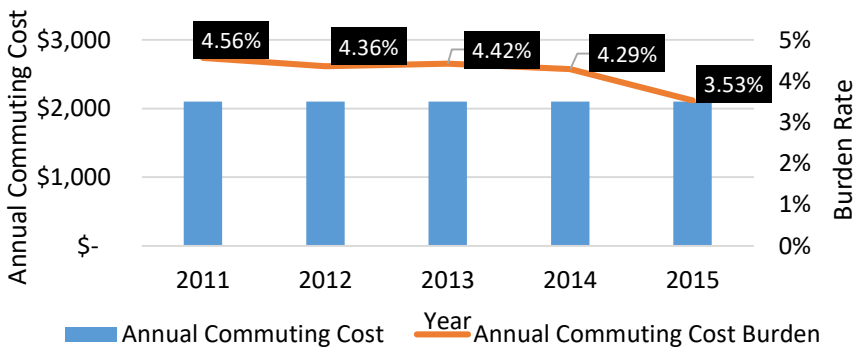
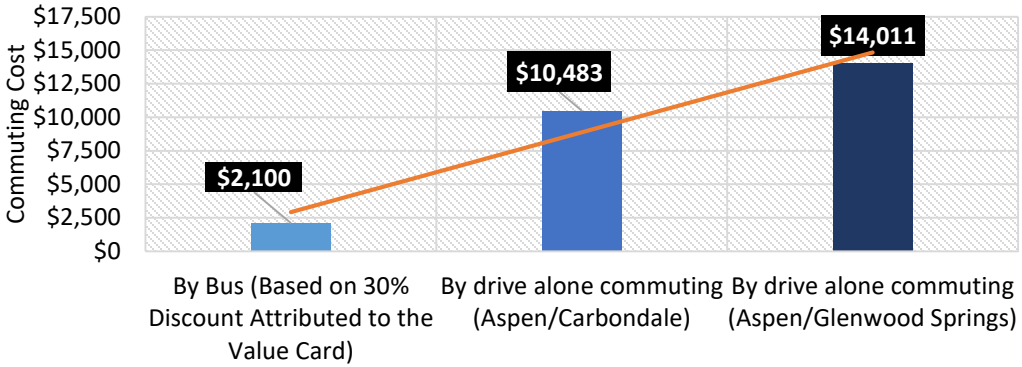


Figure 2. Comparative Annual Round Trip Commuting Costs by Bus (Carbondale) & Drive Alone Commuting (Roaring Fork Valley)



Targets

There is currently no target established for this measure.

Data Sourcing & Considerations

Data was sourced from RFTA, the City of Aspen Transportation Department, and the Census (Bureau of Labor Statistics), respectively. Different assumptions will change the typical commuter cost ratio/comparisons. The annual average wage (Pitkin County) was used instead of the median household income as believed to be more representative of the commuter population. However, further study of the "*transit dependent*" and "*choice riders*" is necessary to better understand how commuting costs and other factors such as time saved (avoiding traffic) are best leveraged to increase ridership.

Sources: [1] RFTA Rate Fares. See emails from M. Yang/D. Johnson (March–July 2016) [2] RFTA / CoA Transportation Department. See emails and meeting notes March – July 2016. [3] Bureau of Labor Statistics. Quarterly Census of Employment & Wages (2014). http://www.bls.gov/cew/cewbultncur.htm#Wages [4] Commute Cost Calculator, CoA Transportation Department Website/Carpool. Via link: http://www.rideshareonline.com/commuters/calculator.html Retrieved July 2016. [5] AAA. Your Driving Costs. 2013 Edition. P. 2 via link: http://exchange.aaa.com/wp-content/uploads/2013/04/Your-Driving-Costs-2013.pdf Retrieved July 2016. [Photo] Babbie, Sheila. 2016.

Employer Subsidized Zone Bus Passes (By Season)

What is it? Why is it important?

The Roaring Fork Transit Authority (RFTA) allows area employers to purchase seasonal zone passes at a significant discount. Employers then offer these on to their employees for free or at a subsidized rate. In this measure, zone passes purchased by an employer is equated to passes used. This measure shows the total number of Aspen employers purchasing subsidized zone passes by season. This workforce benefit encourages employees to both commute to and from work by bus and reduce individual car trips. Additionally, commuting by bus helps to reduce workforce commuting costs, keeps traffic congestion at a minimum, and reduces air pollution and carbon impacts. Bussing also helps alleviate demand for parking where spaces in the core are scarce. In addition to subsidized passes, the City of Aspen has a comprehensive free transit system that provides frequent and convenient service around Aspen.

What does the data/trend say?

Figure 1 below presents data on the total number of businesses purchasing zone passes. It also shows seasonal (winter/summer) zone passes purchased by businesses. While the total number of employers purchasing zone passes has declined from 2011 to 2015, the total number of seasonal passes steadily increased. The average number of winter zone passes purchased over the period is 620. The average number of summer passes purchased over the period is 527. From 2011-2015, there was an absolute increase of passes; 37 in winter and 86 in summer. Meanwhile, there was a decrease in the number of businesses purchasing seasonal zone passes with 100 in 2011 down to 59 in 2015.[1] Based on the total number of passes sold over the period, it appears that some businesses (less capacity/employees) ceased to purchase zone passes while those with greater capacity (larger/more employees) continued to purchase them. Figure 2 shows the number of passes purchased from respective locations in 2015 (January-August).[2]

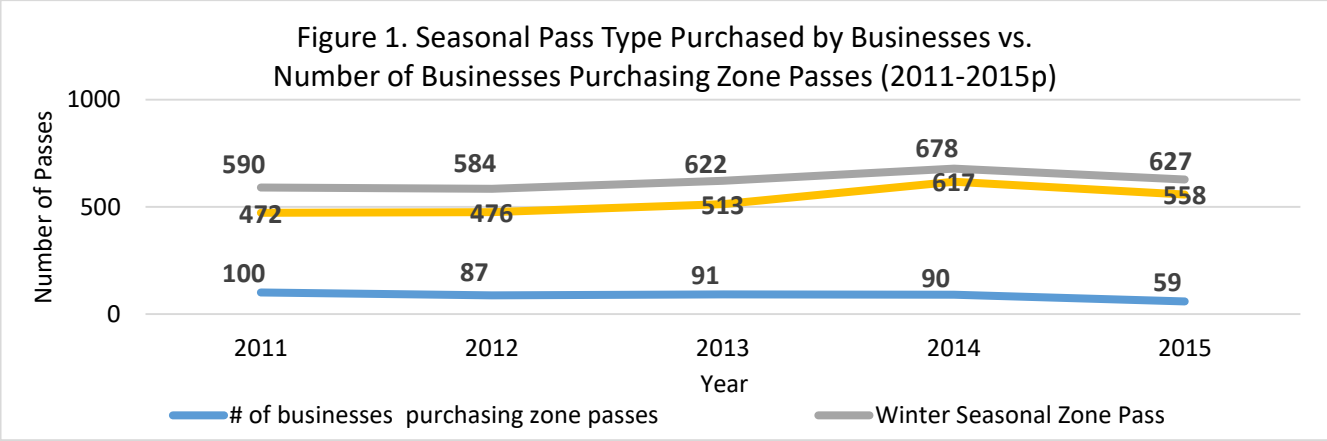


Figure 2. Total Number of Zone Passes Purchased by Location (2015p)

Location	# Passes
Aspen Village	7
Basalt	153
El Jebel	159
Carbondale	172
Glenwood Springs	218
New Castle	22

Targets

There is currently no target set for this measure.

Data Sourcing & Considerations

This data was sourced from RFTA and CoA Transportation department, respectively. This represents the total zone passes sold. The breakdown by location represents 2015 data (Jan-August) and therefore does not match the 2015 totals represented on Figure 1 (partial numbers?).

Sources: [1] RFTA email from M. Yang dated 02.23.16 [2] CoA Transportation Department Emails with L. Rumbaugh dated March – July 2016. [Photo] Babbie, Sheila. 2016.