

LIVABLE WAGES

Community Vision – A healthy community has a diverse and sustainable economy that pays livable wages and offers meaningful work.

What level of income is necessary to support a given size and type of household? A livable wage addresses the essential financial needs for basic living tools such as shelter, healthcare, childcare, and nutrition. When one earns less than a livable wage, he or she is forced to make undesirable choices such as working two or more jobs, working longer hours, making longer commutes, sharing a residence, or giving up basic items such as a telephone or insurance.

The Region 9 Economic Development District of Southwest Colorado (Region 9 EDD) has estimated livable wages since 1999, using a consistent method in order to compare costs and wages each year. Using that same method, we have prepared a basic expenditures budget, using costs drawn from the Bureau of Labor Statistics Consumer Expenditures - for the nation as a whole - for 2009 (the latest available) and adjusted those costs for inflation, using the Denver/Boulder Consumer Price Index for 2010.

Basic Expenditures Budget for 2010	Single Person renting	Single Parent 1 child renting	Family of 4 renting
Food	\$ 3,460	\$ 6,308	\$ 8,730
Vehicle expenses (gas, motor oil and other)	\$ 2,439	\$ 4,707	\$ 6,135
Health Care (Incl. Insurance)	\$ 2,007	\$ 4,021	\$ 3,300
Clothing	\$ 975	\$ 1,566	\$ 2,571
Personal care products	\$ 345	\$ 646	\$ 779
Entertainment	\$ 1,510	\$ 2,913	\$ 3,775
Utilities, Fuels & Public Services	\$ 2,298	\$ 3,740	\$ 4,658
Pensions & Social Security	\$ 2,399	\$ 5,618	\$ 7,309
Miscellaneous	\$ 565	\$ 838	\$ 1,115
Total Expenses (excluding rent)	\$ 15,998	\$ 30,357	\$ 38,372
Adjusted expenses ¹	\$ 16,270	\$ 30,873	\$ 39,024

Source: Bureau of Labor Statistics; Consumer Expenditure Survey 2009 (www.stats.bls.gov/cex)

¹ Adjusted to 2010 using Denver-Boulder Consumer Price Index (1.017)

We then added expenditures for rent and childcare that are specific to our towns and counties. A mileage allowance was added for the communities of Silverton, Rico, and Dove Creek to recognize the extra distance that people in those towns must travel for many basic goods and services. We did not include the two Tribes in our region as many of their costs are subsidized.

The livable wage per hour for each community is summarized in the following tables, as well as how many jobs an individual would need (at minimum wage) to sustain just the basic needs of a household.

Archuleta County Pagosa Springs	Single Person renting 1 bdrm \$475 per month	Single Parent, 1 child renting 2 bdrm \$575 per month	Family of 4 renting 3 bdrm \$675 per month
Basic Expenditures (excluding rent)	\$ 16,270	\$ 30,873	\$ 39,024
2010 Rent Expense	\$ 5,700	\$ 6,900	\$ 8,100
² Child Care (\$2.50 x 2080 per child)	\$	\$ 5,200	\$ 10,400
Total Living Expense	\$ 21,970	\$ 42,973	\$ 57,524
³ Livable wage per hour	\$ 10.56	\$ 20.66	\$ 27.66
# of jobs at minimum wage (\$7.24)	1.5	2.9	4.0

Notes:

The minimum wage for Colorado is currently at \$7.24 per hour, effective January 1, 2010.

² Source: Tricounty Headstart Early Childhood Programs.

³ Total Living Expenses/2080 hour work year.

* Local rent estimates not available. Fair Market Rent provided by HUD.

Family of four assumes two children requiring full-time day care.

Dolores County Dove Creek	Single Person renting 1 bdrm \$613* per month	Single Parent, 1 child renting 2 bdrm \$710* per month	Family of 4 renting 3 bdrm \$940* per month
Basic Expenditures (excluding rent)	\$ 16,270	\$ 30,873	\$ 39,024
2010 Rent Expense	\$ 7,356	\$ 8,520	\$ 11,280
Travel Expense (35 trips x 75 miles x .50)	\$ 1,312	\$ 1,312	\$ 1,312
² Child Care (\$4.00 x 2080 per child)	\$	\$ 8,611	\$ 17,222
Total Living Expense	\$ 24,938	\$ 49,316	\$ 68,838
³ Livable wage per hour	\$ 11.99	\$ 23.71	\$ 33.10
# of jobs at minimum wage (\$7.24)	1.7	3.3	4.8

Dolores County Rico	Single Person renting 1 bdrm \$613* per month	Single Parent, 1 child renting 2 bdrm \$710* per month	Family of 4 renting 3 bdrm \$940* per month
Basic Expenditures (excluding rent)	\$ 16,270	\$ 30,873	\$ 39,024
2010 Rent Expense	\$ 7,800	\$ 12,600	\$ 16,800
Travel Expense (35 trips x 80 miles x .50)	\$ 1,400	\$ 1,400	\$ 1,400
² Child Care (\$4.14 x 2080 per child)	\$	\$ 8,320	\$ 16,640
Total Living Expense	\$ 25,470	\$ 53,193	\$ 73,864
³ Livable wage per hour	\$ 12.25	\$ 25.57	\$ 35.51
# of jobs at minimum wage (\$7.24)	1.7	3.5	5.2

La Plata County Bayfield	Single Person renting 1 bdrm \$490 per month	Single Parent, 1 child renting 2 bdrm \$625 per month	Family of 4 renting 3 bdrm \$750 per month
Basic Expenditures (excluding rent)	\$ 16,270	\$ 30,873	\$ 39,024
2010 Rent Expense	\$ 5,880	\$ 7,500	\$ 9,000
² Child Care (\$4.14 x 2080 per child)	\$	\$ 8,611	\$ 17,222
Total Living Expense	\$ 22,150	\$ 46,984	\$ 65,246
³ Livable wage per hour	\$ 10.65	\$ 22.59	\$ 31.37
# of jobs at minimum wage (\$7.24)	1.5	3.1	4.6

La Plata County Durango	Single Person renting 1 bdrm \$650 per month	Single Parent, 1 child renting 2 bdrm \$1050 per month	Family of 4 renting 3 bdrm \$1,400 per month
Basic Expenditures (excluding rent)	\$ 16,270	\$ 30,873	\$ 39,024
2010 Rent Expense	\$ 7,800	\$ 12,600	\$ 16,800
² Child Care (\$4.14 x 2080 per child)		\$ 8,611	\$ 17,222
Total Living Expense	\$ 24,070	\$ 52,084	\$ 73,046
³ Livable wage per hour	\$ 11.57	\$ 25.04	\$ 35.12
# of jobs at minimum wage (\$7.24)	1.6	3.5	5.1

La Plata County Ignacio	Single Person renting 1 bdrm \$701* per month	Single Parent, 1 child renting 2 bdrm \$802* per month	Family of 4 renting 3 bdrm \$1,125 per month
Basic Expenditures (excluding rent)	\$ 16,270	\$ 30,873	\$ 39,024
2010 Rent Expense	\$ 8,412	\$ 9,624	\$ 13,500
² Child Care (\$4.14 x 2080 per child)		\$ 8,611	\$ 17,222
Total Living Expense	\$ 24,682	\$ 49,108	\$ 69,746
³ Livable wage per hour	\$ 11.87	\$ 23.61	\$ 33.53
# of jobs at minimum wage (\$7.24)	1.6	3.3	4.9

Montezuma County Cortez	Single Person renting 1 bdrm \$450 per month	Single Parent, 1 child renting 2 bdrm \$600 per month	Family of 4 renting 3 bdrm \$800 per month
Basic Expenditures (excluding rent)	\$ 16,270	\$ 30,873	\$ 39,024
2010 Rent Expense	\$ 5,400	\$ 7,200	\$ 9,600
² Child Care (\$3.05 x 2080 per child)		\$ 6,344	\$ 12,688
Total Living Expense	\$ 21,670	\$ 44,417	\$ 61,312
³ Livable wage per hour	\$ 10.42	\$ 21.35	\$ 29.48
# of jobs at minimum wage (\$7.24)	1.4	2.9	4.3

Montezuma County Dolores	Single Person renting 1 bdrm \$537* per month	Single Parent, 1 child renting 2 bdrm \$850 per month	Family of 4 renting 3 bdrm \$1000 per month
Basic Expenditures (excluding rent)	\$ 16,270	\$ 30,873	\$ 39,024
2010 Rent Expense	\$ 6,444	\$ 10,200	\$ 12,000
² Child Care (\$3.05 x 2080 per child)		\$ 6,344	\$ 12,688
Total Living Expense	\$ 22,714	\$ 47,417	\$ 63,712
³ Livable wage per hour	\$ 10.92	\$ 22.80	\$ 30.63
# of jobs at minimum wage (\$7.24)	1.5	3.1	4.5

Montezuma County Mancos	Single Person renting 1 bdrm \$500 per month	Single Parent, 1 child renting 2 bdrm \$600 per month	Family of 4 renting 3 bdrm \$950 per month
Basic Expenditures (excluding rent)	\$ 16,270	\$ 30,873	\$ 39,024
2010 Rent Expense	\$ 6,000	\$ 7,200	\$ 11,400
² Child Care (\$3.05 x 2080 per child)		\$ 6,344	\$ 12,688
Total Living Expense	\$ 22,270	\$ 44,417	\$ 63,112
³ Livable wage per hour	\$ 10.71	\$ 21.35	\$ 30.34
# of jobs at minimum wage (\$7.24)	1.5	2.9	4.4

San Juan County Silverton	Single Person renting 1 bdrm \$613* per month	Single Parent, 1 child renting 2 bdrm \$500 per month	Family of 4 renting 3 bdrm \$700 per month
Basic Expenditures (excluding rent)	\$ 16,270	\$ 30,873	\$ 39,024
2010 Rent Expense	\$ 7,356	\$ 6,000	\$ 8,400
Travel Expense (35 trips x 100 miles x .50)	\$ 1,750	\$ 1,750	\$ 1,750
² Child Care (\$2.00 x 2080 per child)		\$ 4,160	\$ 8,320
Total Living Expense	\$ 25,376	\$ 42,783	\$ 57,494
³ Livable wage per hour	\$ 12.20	\$ 20.57	\$ 27.64
# of jobs at minimum wage (\$7.24)	1.7	2.8	4.0

Within our region, Silverton (San Juan County) and Pagosa Springs (Archuleta County) are the least expensive places for a family to live, while Rico (Dolores County) and Durango (La Plata County) are the most expensive places to live.

Since 2007 the cost of living has actually **gone down** in many of the communities in SW Colorado. This is due primarily to decreasing rents and declines in prices of some consumer goods and services.

Livable Hourly Wages by Area Southwest Colorado	2007	2010	% Change 2007 - 2010
	*Family of 4 renting 3 bdrm	*Family of 4 renting 3 bdrm	
Archuleta - Pagosa Springs	\$ 32.58	\$ 27.66	-15%
Dolores - Dove Creek	\$ 32.54	\$ 33.10	2%
Dolores - Rico	\$ 38.92	\$ 35.51	-9%
La Plata - Bayfield	\$ 34.31	\$ 31.37	-9%
La Plata - Durango	\$ 33.60	\$ 35.12	5%
La Plata - Ignacio	\$ 33.16	\$ 33.53	1%
Montezuma - Cortez	\$ 32.01	\$ 29.48	-8%
Montezuma - Dolores	\$ 33.02	\$ 30.63	-7%
Montezuma - Mancos	\$ 34.37	\$ 30.34	-12%
San Juan - Silverton	\$ 33.34	\$ 27.64	-17%

* assumes 2 children requiring full time day care

To further refine our understanding of the local economy Fort Lewis College and Region 9 EDD have combined resources to construct and maintain a consumer price index for Southwest Colorado – the Southwest Colorado Price Index (**SCPI**). In general, a consumer price index measures the rate at which the prices of consumer goods and services are changing over time. It is a key statistic for purposes of economic and social policy-making, and has substantial and wide-ranging implications for governments, businesses and workers and households. The SCPI, as well as other key economic data, is available through the **Four Corners Economic Quarterly** at soba.fortlewis.edu/FCEQ/fceq/index.html.

Since December 2008 through June of 2010, the SCPI indicates the cost of living in the region has dropped 3.6%. Grocery costs have dropped 7%, monthly mortgage costs on a median priced home have dropped 0.4%, utility expenses are down 28%, and transportation expenses have dropped 18%. However, health care costs have increased 6%, and miscellaneous goods & services have increased 4%. Nationally, inflation was about 5% from 2007 to 2010 according to the Bureau of Labor Statistics.