



COLORADO BABY BOOMERS

CHALLENGES AND OPPORTUNITIES



ABOUT THIS REPORT

In 2007, The Colorado Trust launched a four-year, \$6.5 million Healthy Aging initiative to help senior-serving organizations and agencies better meet the needs of today's seniors. At the same time, it was clear that additional information was needed to help these organizations, communities, funders and others to better understand and plan for future needs and services in light of the state's rapidly growing older population.

To learn more, The Trust partnered with Rose Community Foundation as they too were exploring this question. With Rose focused on the six-county Denver metro area, and The Trust on the remainder of Colorado, the two foundations contracted with JVA Consulting LLC to take an in-depth look at the state's 55- to 65-year-old population. While this age group doesn't encompass all boomers, it includes those who are closer to what has been considered the "traditional" retirement age – around 65. (For more information about Rose Community Foundation's effort – Boomers Leading Change – please visit www.coloradoboomers.com.)

Collectively, our studies focused on:

- Learning more about the plans and aspirations that adults age 55 to 65 have for the next stage of their lives in terms of workforce participation, pursuit of education and training, and volunteering
- Assessing the extent to which their interests, expectations and concerns vary by income level, race/ethnicity and whether they live within the six-county metro Denver area or outside it¹
- Identifying opportunities and challenges for Colorado adults age 55 to 65 in the areas of health and well-being, employment, learning and community service over the next decade and beyond.

The research on which this report is based included:

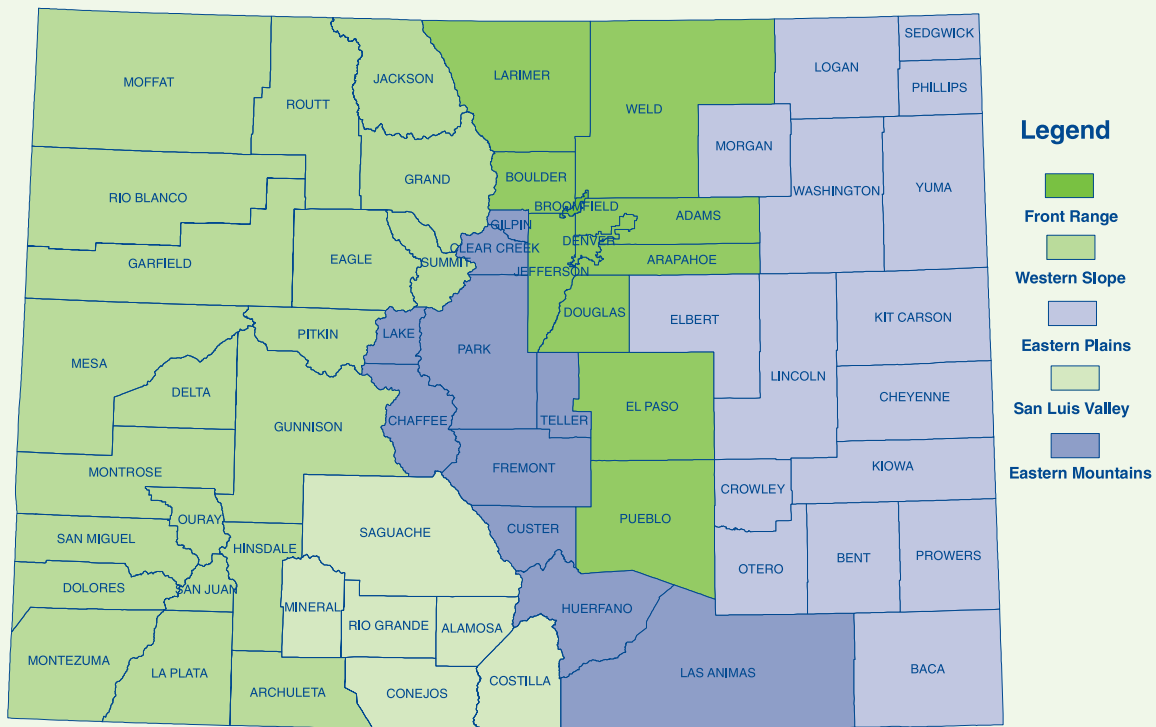
- A comprehensive literature review of research on civic engagement and older adults
- Compilation and synthesis of state and regional demographic data on Colorado's 55-65 population
- A web-based and paper-pencil survey for adults age 55 to 65 focusing on their current activities and future plans in terms of employment, learning and volunteering
- Three web-based surveys to gather information about opportunities and options for adults age 55 to 65 in the areas of employment, learning and volunteering
- In-depth interviews with key informants and stakeholders in communities across the state.

¹ The accompanying map shows the five regions of the state. In this report, "metro Denver area" refers to six Front Range counties (Adams, Arapahoe, Broomfield, Denver, Douglas and Jefferson), and "non-metro Denver area" refers to all other counties.

The survey drew responses from 1,283 individuals (two-thirds from the metro Denver-area and the rest from outside metro Denver). In addition, JVA surveyed and/or interviewed more than 400 other individuals statewide – employers, public officials, community college leaders and representatives of nonprofit organizations, foundations and service providers.

Our hope is that the information and insights gleaned from these efforts will help senior-serving and other nonprofit organizations, foundations, governmental agencies and postsecondary institutions to plan, prepare and address current and coming needs as a growing number of Coloradans approach retirement.

COLORADO REGIONS



Map prepared by State Demography Office

A SNAPSHOT OF COLORADO'S 55- TO 65-YEAR-OLD POPULATION

The nearly 500,000 Colorado adults born between 1942 and 1952 – the leading edge of the baby-boom generation, plus those a bit closer to retirement – constitute one of the most socioeconomically advantaged segments of the state's population.

The great majority are high school graduates, most have some postsecondary education and training, and one in three has a bachelor's degree or better. This age cohort is predominantly white (81%), married (70%) and clustered in cities and suburban communities along the Front Range (80%). Roughly two-thirds are currently working full-time or self-employed, 13% have no health insurance and 55% live in households with an annual income above \$50,000.

The plans and aspirations that some of Colorado's 55- to 65-year-olds have for the next stage of their lives suggest the emergence of a new retirement model – one incorporating work, community involvement, leisure and learning.

Figure 1: Percent of 55- to 65-year-olds whose future plans include:

72%	Traveling for fun
70%	Taking classes for fun
50%	Changing to part-time or flexible work
49%	Volunteering
44%	Retiring and not working
35%	Getting involved in politics
35%	Returning to school
34%	Teaching
25%	Starting a business
27%	Job training
24%	Making a major career change

At the same time, while a number of Colorado boomers look forward to full retirement at or around the traditional age, many want and expect to continue working into their late sixties and beyond – preferably on a part-time or intermittent basis, and not necessarily in their current position or field. Others envision starting a business, trying a new career path, or returning to school for training or to complete a degree. A large majority want to travel and to pursue interests in areas ranging from the arts to public policy. Nearly half say they plan to spend more time volunteering and contributing to the vitality of their communities.

Many Coloradans in their late fifties and early sixties are approaching the retirement years with varying levels of confidence and optimism, and notably diverse perspectives, expectations and needs in four key areas:

- Health and well-being
- Employment opportunities and options
- Education, training and enrichment
- Community service/volunteering

Health and Well-Being

Concern over the cost and availability of health care is forcing many 55- to 65-year-olds to reconsider the timing of their retirement and, in some cases, whether they can afford to retire at all. Adding to the anxiety of older adults living in rural areas of the state are a critical undersupply of health care providers and facilities, and the lack of public transportation, which puts many at high risk of geographic and social isolation.

According to the Colorado Rural Health Center, 14 of Colorado's rural counties lack a hospital, eight do not have any assisted-

living or long-term care facilities, four don't have a single primary care physician and five have no dentists. In mountain towns and other small communities attracting large numbers of retirees and pre-retirees, long-time residents express concern over a lack of affordable housing, significant increases in the cost of living and overcrowded libraries, recreation centers and other facilities.

Employment Opportunities and Options

For many older adults, working past traditional retirement age will be a matter of personal choice, but for others it will be a financial necessity and even a hardship. Those with lower household incomes are less likely to see themselves fully retired in 10 years than those with higher incomes. In Colorado, as in other states, efforts to recruit and retain older workers are uneven at best. Less than half (42%) of the 76 businesses, government agencies and nonprofit organizations that responded to a web-based survey reported offering retirement-age employees the options of either working part-time or switching to a flexible schedule, and 17% offered telecommuting. The majority of employers surveyed said that fewer than one in five of their new hires were between the ages of 55 and 65.

Education, Training and Enrichment

The learning interests and needs of the state's 55- to 65-year-olds vary by income level, race/ethnicity and geographic region. Across all income levels, survey respondents were most interested in "learning for the love of learning," but those with lower incomes were more motivated to upgrade their skills, improve their employment prospects and/or

prepare for a career change. More than one-third of Hispanic/Latinos and 25% of African-Americans say their motivation for pursuing education is "to increase pay," compared with just 17% of whites. A major concern of interviewees was the lack of an infrastructure of support for older adults planning to return to school.

Community Service/Volunteering

The nature and level of interest in community service among adults age 55 to 65 varies widely. Many say they expect to volunteer more than they currently do, and one in three say they would like to work for a nonprofit organization or become more active advocates in areas ranging from children's issues to human rights to the environment. Some, on the other hand, look forward to devoting less time to such activities during their retirement years. This view was more prevalent among residents of rural communities, where nearly 40% of those who currently volunteer reported a monthly time commitment of six to 10 hours – compared with 25% of metro Denver-area residents who currently volunteer.

Across all income levels, survey respondents expressed a desire to "give back" to their communities. Motivations for volunteering range from wanting to meet new people or "feel more productive," to developing new skills, to volunteering and being engaged in community. Among African-Americans and Hispanic/Latinos participating in focus group discussions, many said they did not view mentoring young people, helping older adults and working to improve their neighborhoods as "volunteering," but rather as ongoing commitments and responsibilities.

HEALTH AND WELL-BEING

Cost and Availability of Health Care

As shown in Table 1, the state’s 55- to 65-year-olds – across all income levels – rank health care benefits at or near the top of the list of the factors influencing their retirement plans.

Concern over the steadily rising cost of health care is forcing many Coloradans in their late fifties and early sixties to reconsider the timing of their retirement – and, in some cases, whether they will be able to retire at all.

Many of those who envision switching to part-time work, returning to school or trying a new career path will be unable to do so until they qualify for Medicare at 65 because they cannot afford to be without employer-subsidized health insurance.

Survey respondents with household incomes below \$35,000 were more likely to see themselves as still working full-time 10 years from now as those in upper-income brackets.

Farmers and ranchers share particular challenges in trying to make ends meet. Most do not have pensions or adequate savings, and high health care costs and/or lack of health insurance prevent many from retiring at or near the traditional age, if at all.

“My mom continues to work (full-time) to pay for her and my dad’s health insurance because they cannot afford an individual plan,” a northeast Colorado resident said. “My dad is a farmer, getting close to 70. He cannot walk away and be comfortable for the rest of his days.”

“At 62, I can draw my Social Security, but I do not qualify for health insurance until I’m 65. To get health insurance, I have to work at least four days a week at my current job and I do not consider that retirement. I am not sure what I am going to do. I would like semi-retirement, but I cannot find a place where I can work two days a week that will give me benefits.”

– San Luis Valley resident

Another survey respondent in rural eastern Colorado said: “I recently hired a woman in our thrift store who needs supplemental income because she and her husband, a farmer, cannot make it on Social Security. A lot of people just aren’t prepared.”

Figure 2: Percent of 55- to 65-year-olds who expect to be retired and not working in 10 years vs. working full-time, by income level

\$20,000 to \$35,000
(35% retired, 26% working full-time)
\$36,000 to \$75,000
(36% retired, 20% working full-time)
\$76,000 to \$100,000
(47% retired, 12% working full-time)

Adding to the anxiety of older adults in rural areas of the state are two critical and interrelated issues:

Access to Health. Interviewees from the Western Slope to the Eastern Plains expressed deep concern about the undersupply of health care providers in their counties and communities. Physicians have retired or changed their practice, and with more boomer-age individuals moving to rural areas, there is limited access to the few health care providers who remain.

In the San Luis Valley, one interviewee said, “No doctors are taking new patients. The

clinic has high turnover because doctors work here to pay off their student loans and then they leave.”

Transportation. In rural Colorado, where the average county covers more than 1,600 square miles, the lack of public transportation for older adults is an increasingly urgent issue. Those without the means or ability to drive will be at high risk for social and geographic isolation – a major concern in terms of health care and other services.

Table 1: How Colorado’s 55- to 65-year-olds rate the factors influencing their plans for retirement (on a scale of 1-least influence to 4-most influence), by income level

	Less than \$20,000	\$20,000 to \$35,000	\$36,000 to \$75,000	\$76,000 to \$100,000	Over \$100,000
Health care benefits	3.6	3.8	3.7	3.7	3.3
Retirement benefits	3.5	3.6	3.5	3.5	3.0
Being able to stay involved with other people	3.4	3.4	3.6	3.6	3.6
Ability to collect pension or Social Security without penalty	3.4	3.4	3.5	3.5	3.0
Ability to do meaningful, interesting or challenging work	3.2	3.4	3.4	3.4	3.4
Getting paid	3.3	3.4	3.3	3.3	2.6

Impact of the Growth of Colorado's 55- to 65-Year-Old Population on Small Communities

The number of Coloradans between the ages of 55 and 65 has grown steadily over the past decade and is projected to reach 750,000 by 2020.

Demographic studies show a steady migration of retirees and pre-retirees to smaller communities that offer a change of pace and lifestyle. Western Colorado, the Eastern Plains and many mountain towns are struggling to cope with a growing influx of new residents from both within Colorado and from other states. By 2020, the number of individuals in this age bracket living on the Western Slope is expected to grow to 88,000, compared with 41,000 at the turn of the century; on the Eastern Plains, to 27,000, compared with 14,000 in 2000.

“By 2025, 25% of our population will be retirees. There is a two-year waiting list for senior apartments. A senior center was built for 100 people in 1970 – now about 800 people are on the wait list. There is no money in the (Grand) Valley for some of the needs.”

– Grand Junction community leader

Health Care in Rural Colorado

- Four of the state's counties (Bent, Crowley, Park and San Juan) do not have a single primary care physician.
- Twenty rural counties have two or fewer dentists, and five do not have a single dentist (Bent, Crowley, Hinsdale, Jackson and Mineral).
- Eight counties do not have any long-term care or assisted-living facilities (Costilla, Dolores, Hinsdale, Jackson, Ouray, Saguache, San Juan and San Miguel).
- Of the 20 Colorado counties that lack a hospital, 14 are rural (Archuleta, Bent, Costilla, Crowley, Custer, Dolores, Hinsdale, Jackson, Mineral, Ouray, Saguache, San Juan, San Miguel and Washington).

Source: Colorado Rural Health Center <http://www.coruralhealth.org/crhc/resources/library.php>

These trends are straining the capacity – and, in many ways, altering the character – of smaller communities. Among the current and emerging problems:

Cost and Availability of Housing. Many longtime residents of rural areas and smaller towns say the steady influx of retirees with the resources to build or purchase second or even third homes is altering the local housing market. In Grand Junction, where population increases have outpaced housing construction, there is a two-year waiting list for senior apartments, according to the executive director of a local nonprofit organization.

Infrastructure and Quality of Life. Throughout the state, small to mid-size communities are feeling the impact of increased traffic congestion, overcrowded libraries and recreation centers, and significant increases in the cost of living.

Many longtime residents of small communities mention the need for new or expanded facilities to accommodate the influx of new residents. In Grand Junction, a senior center built in 1970 to serve about 100 people has a

waiting list of 800. In one mountain town, a former child care center is now being converted into a “dayroom” for older adults.

To many locals, the new arrivals seem unwilling to commit or contribute to solving problems associated with rapid and continuing growth. “Retirees moving into the area... are largely not involved in the community,” said a Saguache resident. “Some get involved, but most are more interested in traveling and family.”

“The challenge in our community with boomers is that they do not want any tax increases,” said a Cañon City resident. “They do not want to pay for the park, the swimming pool and other things that would boost our community.” Another small-town resident said, “Because they are retirees, they don’t really want to support school bond issues.”

“People are moving here from California and Texas, where they sell their homes for ungodly amounts and then come here to build mansions. It drives up our housing costs.”

– Cortez resident



WORK, LEARN AND SERVE

Employment Opportunities and Options

Over the next 15 to 20 years, potent and converging demographic trends will profoundly affect the size and composition of the U.S. labor force – slower overall growth, the retirement of baby boomers and the expansion of populations in the workforce that tend to have significant educational and economic disadvantages.

Within little more than a decade, Colorado and other states will find themselves with a smaller, less experienced and increasingly undereducated labor force. In the face of these challenges, new strategies are emerging to attract and retain late-middle-aged workers, including offering them opportunities for:

- Job sharing
- Telecommuting
- Flexible work schedules
- Phased retirement
- Part-time, part-year or contract work
- Sabbaticals
- Mentoring younger employees

However, fewer than half of the 76 businesses, government agencies and nonprofit organizations that responded to a web-based survey reported offering older workers the option of working part-time or with a flexible schedule, and only a handful said they had used strategies such as job sharing, telecommuting or phased retirement.

Despite 30-plus years in the workforce, many older adults say they have experienced and/or anticipate difficulties finding a job. Among employers surveyed for this report, the majority said that fewer than one in five of their new hires were between the ages of 55 and 65.

Figure 3: Percent of Colorado employers surveyed whose strategies to retain older workers include:

50%	Health care benefits
42%	Flexible work schedules
42%	Part-time employment
40%	Training or education
28%	Pension plans
14%	Contract work opportunities
12%	Job sharing
12%	Part-year employment
3%	Phased retirement

“Once unemployed, workers in this age group are not able to find work again at their prior salary or prior responsibility level. Most are not even interviewed, when in fact their skill set and experience should make them good candidates.”

– Employer survey

Education, Training and Enrichment

The learning interests and needs of the state’s 55- to 65-year-olds as they enter and move through their retirement years vary by:

Income Level. As shown in Table 2, those with lower incomes are considerably more interested in upgrading their skills, improving their employment prospects and/or preparing for a career change than those in upper-income brackets.

Race and Ethnicity. Just 17% of whites say their motivation for pursuing education and training will be “to increase pay,” compared with more than one-third of Hispanic/Latinos and 25% of African-Americans. Seventy-two percent of whites say they look forward to “taking classes for fun,” compared

with 47% of Hispanic/Latinos and 65% of African-Americans.

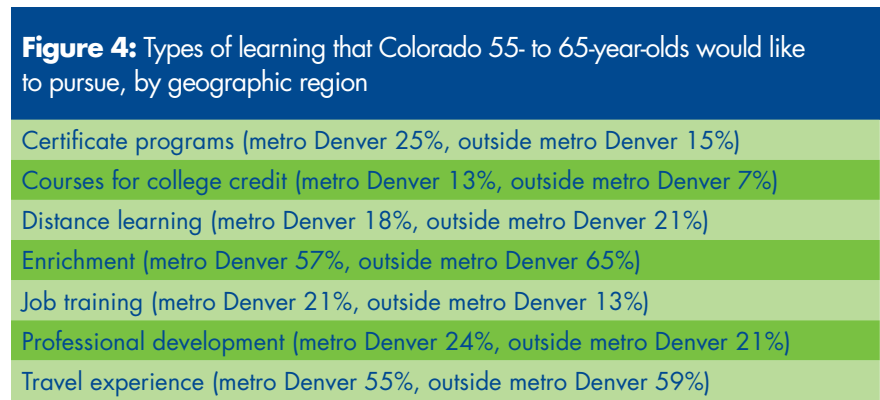
Geographic Region. Metro Denver-area residents are more interested in pursuing job training and/or professional development than those living in other areas of the state.

Among community colleges and other adult learning providers surveyed for this report, two-thirds expect growth in enrollment of 55- to 65-year-olds over the next five years.

Learning opportunities geared to the diverse needs and interests of 55- to 65-year-olds – as opposed to traditional “senior programs” – are few and far between, particularly outside metro Denver.

Table 2: Job/career motivations for Colorado 55- to 65-year-olds to pursue learning, by income level

	Less than \$20,000	\$20,000 to \$35,000	\$36,000 to \$75,000	\$76,000 to \$100,000	Over \$100,000
To maintain/augment job skills	36%	27%	27%	20%	14%
To prepare for a different career	35%	21%	17%	18%	14%
To increase pay	35%	29%	19%	10%	5%





Community Service/Volunteering

The nature and level of interest in community service among adults age 55 to 65 varies widely. Many say they expect to volunteer more than they currently do, and one in three say they would like to work for a nonprofit organization or become more active advocates in areas ranging from children’s issues to human rights to the environment. Some, on the other hand, look forward to devoting less time to such activities during their retirement years. This view was more prevalent among residents of rural communities, where nearly 40% of those who currently volunteer reported a monthly time commitment of six to 10 hours – compared with 25% of metro Denver-area residents who currently volunteer.

Across all income levels, survey respondents expressed a desire to “give back” to their communities. Motivations for volunteering range from wanting to meet new people or “feel more productive,” to developing new skills, to volunteering and being engaged in community.

In focus group discussions in African-American and Hispanic/Latino communities, some participants said they did not view mentoring young people, helping older adults and working to improve their neighborhoods as “volunteering,” but rather as ongoing commitments and responsibilities.

About one-third of the state’s 55- to 65-year-olds say they currently devote at least several hours a month to volunteer activities. Among those who don’t currently volunteer, the reasons cited included lack of time because of work or family obligations, lack of transportation (or, in rural areas, long driving distances) and poor health.

Figure 5: Percent of Colorado 55- to 65-year-olds who currently volunteer, by geographic region:

31%	Metro Denver
41%	Outside Metro Denver

Of the nearly 200 organizations from across the state (nonprofits, foundations, service and education providers, and government agencies) that responded to a web-based survey, the majority said that 55- to 65-year-olds currently account for only a small to modest portion of their volunteer workforce.

“The trend of baby boomers retiring and wanting to give back is not a reality for the Rio Grande area because of poverty.”

– Executive director of a community center in southern Colorado

Figure 6: Percentage of organizations surveyed whose strategies to attract baby boom-age volunteers include:

66%	Allowing for different levels of commitment
62%	Matching interests and skills with activities
56%	Providing recognition
47%	Engaging volunteers in decision making
44%	Providing training or education opportunities
22%	Conducting marketing/advertising campaigns
4%	Also offering opportunities for paid work
2%	Offering health benefits

Asked to list the strategies they used to recruit and retain volunteers in this age bracket, the organizations surveyed listed such things as providing recognition, allowing for different levels of commitment, and matching skills and interests with activities.

Less than half reported making an effort to reach out to older adults or engage them in decision making, and only a handful said they offered opportunities for paid work or health benefits.



CONCLUSIONS

This report is intended to inform and stimulate further conversation across the state on the needs and challenges expressed by Colorado baby boomers, as well the many opportunities to realize their hopes and tremendous potentials, including:

- How can Colorado address the number one concern of baby boomers – the out-of-reach cost and inaccessibility of health care?
- How can Colorado employers make the most of the rich expertise of older workers by offering more options like part-time work, flexible schedules or telecommuting?
- How can Colorado postsecondary institutions gear up to offer more age-appropriate personal enrichment classes, as well as career preparation courses for diverse boomers statewide?
- How can Colorado rural and resort communities address concerns from affordable housing to overcrowded libraries, recreation centers and other community facilities as boomers retire and move in?
- How can Colorado nonprofit organizations and communities benefit from boomers' diverse volunteer interests ranging from the arts to public policy?

The candid thoughts expressed by the state's 55- to 65-year-old population through these surveys and interviews deepen the understanding of both opportunities and challenges facing Colorado with the aging of baby boomers. This sizeable group – nearly half a million strong – offers unique opportunities to communities, employers and charities through their considerable knowledge, skills and enthusiasm. At the same time, there are significant challenges that require change and adaptation to provide aging boomers with adequate health care and coverage, employment, education and service opportunities.

For more information, please visit the “Healthy Aging” page at www.coloradotrust.org or visit www.coloradoboomers.com.



The Colorado Trust is a grantmaking foundation dedicated to advancing the health and well-being of the people of Colorado. To learn more about the foundation and its grantmaking, please visit www.coloradotrust.org.

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