



City of Cortez
123 Roger Smith Ave.
Cortez, Co. 81321

CITY MANAGER'S REPORT

February 14, 2023

Mayor and Council:

The following is my report for the current term:

- **Economic Outlook** – I recently attended the Vectra Bank 30th Annual Economic Forecast. As reported, the workforce is changing throughout Colorado. Our population is growing at a slower rate with the largest growth in 65+, and the prime working age of 25-54 becoming a smaller part of our population. Slower growth in our working age population is forecast over the next 10 years. This will have an impact on the labor force and job growth. Colorado has recovered the jobs lost during COVID and currently has overall job growth throughout the state. The 2023 Colorado GDP forecast is 1.4% growth rate with a 10-year trend at 2.3%. Colorado employment growth rates are on the rise at 4.4% (US at 4.0%) with the unemployment rate at 3.3%, the 20th lowest in the U.S. (U.S. rate 3.5%) at the end of 2022. Colorado has the 2nd highest labor force participation rate in the country. It was noted that a number of unemployed, the non-participants, do not have the skill set needed for the open positions. A slowdown in housing/building began in the mid 2000's creating a housing crisis, supply decreased while demand continued to increase. Home construction has started to increase again during the past 6-7 years, but we still need to make up for the demand. Housing needs will continue to change based on the age dynamic. Many individuals are aging out of the workforce, but not leaving their homes. With retirees aging in place, workforce housing is very much needed throughout the State.
- The City of Cortez has been hiring for several positions throughout the City. This year, 2023, we have hired and filled seven (7) full time position and three (3) part time positions. We still have 15 full time positions and seven (7) part time positions that are posted and still need to be filled.
- Reported at the last Region 9 Board meeting, the Southwest Council of Governments (SWCCOG) that was officially formed December, 2009 to include 13 governmental jurisdictions throughout the Southwest region, will now be a derivative of the Region 9 Economic Development District.