

The Economic Impacts of Utah Retirement Systems Pension Payments in the State of Utah in 2018

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ANALYSIS IN BRIEF

Utah Retirement Systems (URS) administers defined contribution and defined benefit (pension) retirement plans for employees of 476 state and local government entities. This report examines the economic impacts of defined benefit pension payments made by URS to Utah residents in 2018, and compares these impacts with those estimated in 2015.

Key points include the following:

- In 2018, URS paid over \$1.5 billion in pension benefits to 60,363 Utah residents, a 14.5 percent increase in payments from 2015. The average annual payment per retiree living in Utah increased from \$24,164 to \$25,179.
- Expenditure of URS benefits supported 8,818 jobs and \$358.6 million in earnings in 2018. Compared with the impacts of payments made in 2015, this is 304 more jobs and over \$12 million more in earnings.
- Expenditures also resulted in \$676.8 million in state gross domestic product (GDP) in 2018, a 4.3 percent increase from 2015, and \$59.1 million in state and local tax revenue, a 5.2 percent increase.
- The share of payments made to retirees living outside the state increased from 7 percent to over 9 percent. In 2015, \$101.0 million was paid to 5,337 retirees living outside Utah; in 2018, \$155.6 million was paid to 7,691 retirees living outside the state.

Utah retirees' expenditure of a portion of their benefits on goods and services in the state in 2018 had positive impacts on the state and local economies. Although pension payments are concentrated in the Wasatch Front counties of Davis, Salt Lake, Utah, and Weber, there were recipients in every county in the state.

At-A-Glance

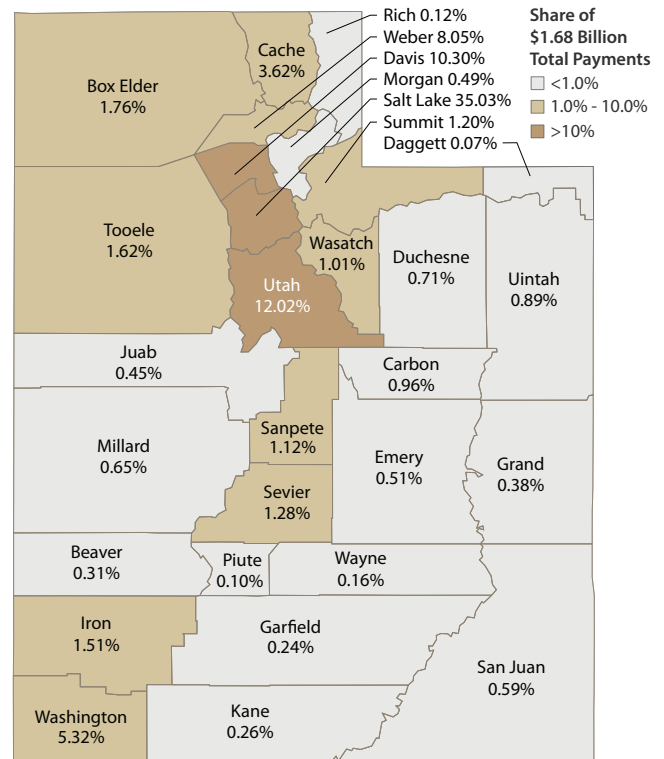
Statewide Economic Impacts of Utah Retirement Systems Pension Payments, 2015 & 2018

	2015	2018
Number of Recipients	54,941	60,363
Total Retirement Payments	\$1,327,590,983	\$1,519,891,515
% of Personal Income	1.1%	1.1%
Average Annual Payment	\$24,164	\$25,179
Regional GDP Impact	\$649,144,963	\$676,809,055
Jobs Supported	8,514	8,818
Earnings Supported	\$346,458,121	\$358,615,912
State and Local Tax Impact	\$56,153,783	\$59,054,901

Note: Dollar amounts are in nominal dollars, not adjusted for inflation. URS revised the 2015 counts of retirees in Juab, Salt Lake, and Washington counties since the 2016 report. As a result, the total number of retirees and the average annual payment shown here will vary from the previous report.

Source: Gardner Policy Institute analysis of Utah Retirement Systems Data

Utah Retirement Systems Pension Payments: Share by County, 2018



(9.29% outside of Utah)

Source: Utah Retirement Systems

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Introduction

The Kem C. Gardner Policy Institute has prepared this report for Utah Retirement Systems (URS). The report analyzes the economic impacts of URS on Utah's state and local economies in 2018 through defined benefit pension payments to Utah retirees, and compares these impacts with those in 2015. The Gardner Policy Institute created customized IMPLAN models for the state of Utah, each of the seven association of governments planning regions (AOGs), and each of the 29 counties to assess how retirees' expenditure of pension payments generated jobs, income, state gross domestic product (GDP), and state and local tax revenue in 2018. These impacts are compared with the

economic impacts of URS benefit payments in 2015 generated in a 2016 Gardner Policy Institute report also prepared for URS. All dollar amounts are in nominal dollars. As such, some of the differences between 2015 and 2018 results are due to inflation.

This report is presented in three sections. The first section, Utah Retirement Systems Overview, provides background information on URS and the distribution of pension payments. The Methodology section provides a discussion of the input-output impact analysis, key assumptions, and definition of terms. The Results section presents the economic impacts for each area of analysis.

Utah Retirement Systems Overview

Utah Retirement Systems administers defined contribution and defined benefit (pension) retirement plans for employees of 476 state and local government entities, including public and higher education and other government employers.¹ As of 2018, URS membership, including active, terminated vested, and retired, totaled 229,147 members.

While URS administers 401(k), 457, Roth, and Traditional IRA defined contribution plans, this report focuses on benefit payments made by the system's six defined benefit pension systems: (1) Public Employees Noncontributory Retirement System, (2) Public Employees Contributory Retirement System, (3) Public Safety Retirement System, (4) Firefighters Retirement System, (5) Judges Retirement System, and (6) Utah Governors and Legislators Retirement System.

During 2018 URS paid \$1,519,891,515 in pension benefits to 60,363 Utah residents. These payments were equivalent to 1.1 percent of the state's total personal income.² This is comparable in size to earnings paid by the publishing industry and motor vehicle and parts dealers, and larger than earnings from computer and electronics manufacturers and the arts, entertainment, and recreation sector (see Figure 1). Another \$155,571,353 in benefits were paid to 7,691 retirees living outside of the state.

During 2015 URS paid \$1,327,590,983 in pension benefits to 54,941 Utah residents. These payments were also equivalent to 1.1 percent of the state's total personal income. Another \$101,024,156 in benefits were paid to 5,337 retirees living outside of the state. These results are summarized in Table 1.

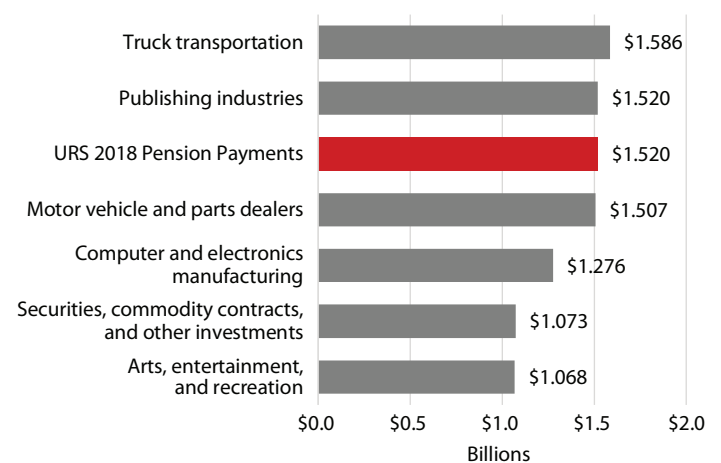
Table 1: Statewide Economic Impacts of Utah Retirement Systems Pension Payments, 2015 & 2018

	2015	2018
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Regional GDP Impact	\$649,144,963	\$676,809,055
Jobs Supported	8,514	8,818
Earnings Supported	\$346,458,121	\$358,615,912
State and Local Tax Impact	\$56,153,783	\$59,054,901

Note: Dollar amounts are in nominal dollars, not adjusted for inflation. URS revised the 2015 counts of retirees in Juab, Salt Lake, and Washington counties since the 2016 report. As a result, the total number of retirees and the average annual payment shown here will vary from the previous report.

Source: Gardner Policy Institute analysis of Utah Retirement Systems Data

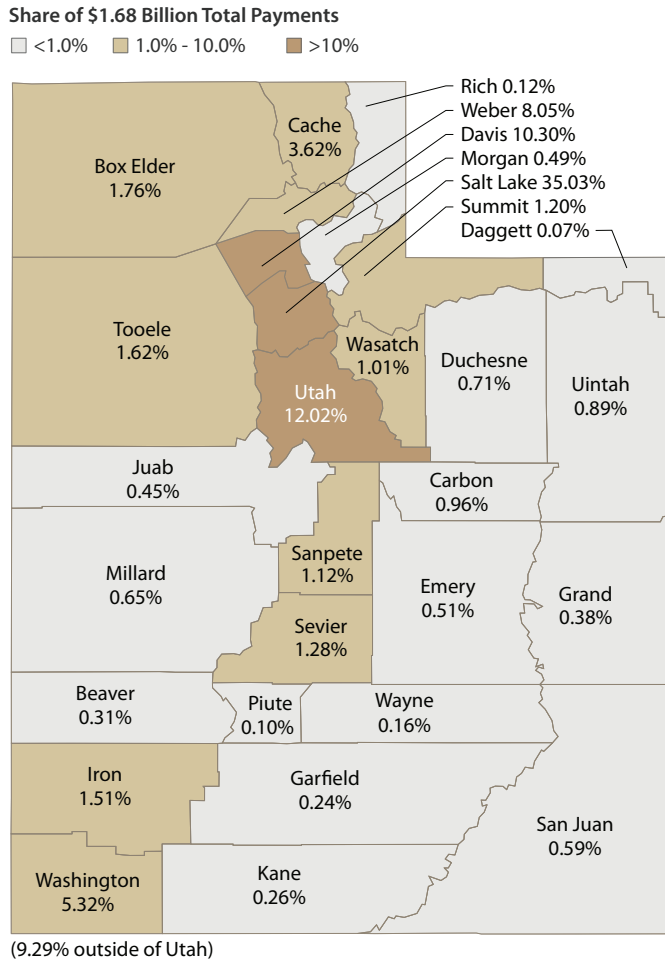
Figure 1: Utah Retirement Systems Pension Payments Compared with Selected Industry Earnings



Note: Industry earnings amounts are for 2017, the most recent year available, while URS payments are for 2018.

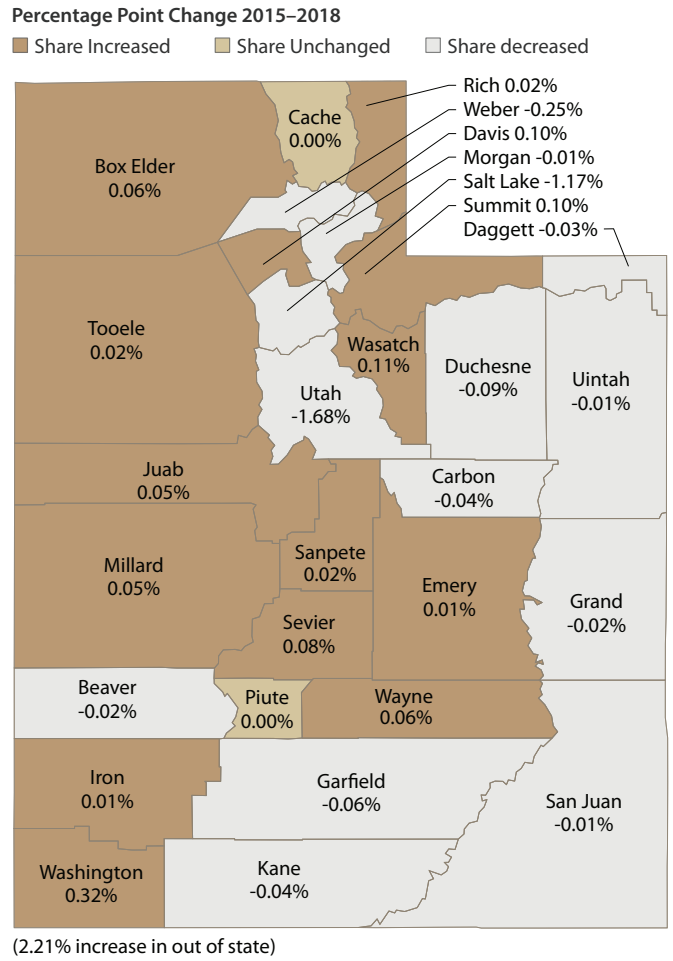
Source: Bureau of Economic Analysis and Utah Retirement Systems.

Figure 2: Utah Retirement Systems Pension Payments: Share by County, 2018



Source: Utah Retirement Systems

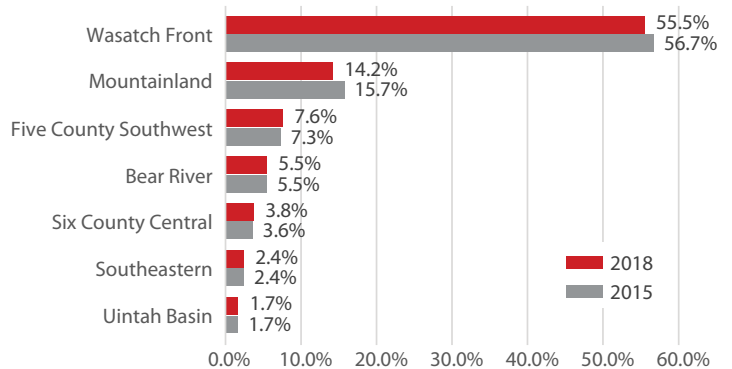
Figure 3: Utah Retirement Systems Pension Payments: Share by County Percentage Point Change, 2015–2018



Source: Utah Retirement Systems

Pension benefits flow into every county in the state. Figure 2 shows the share of in-state benefits paid by county in 2018. With 21,968 retirees, Salt Lake County received the largest share of pension payments in 2018 (35 percent), followed by Utah County (12 percent), and Davis County (10 percent). Washington County saw the largest share increase of 0.3 percentage points, whereas Utah County saw the largest decrease of 1.7 percentage points (Figure 3). The share of pension benefits paid to recipients in each AOG in 2018 and 2015 is shown in Figure 4. The Wasatch Front AOG (Davis, Morgan, Salt Lake, Tooele, and Weber counties) received the largest share of URS pension benefits in 2018, at more than half (55.5 percent), despite receiving a 1.2 percentage point smaller share than in 2015. The Uintah Basin AOG (Daggett, Duchesne, and Uintah counties) received the smallest share at under 2 percent (1.7 percent), unchanged from 2015. The Mountainland AOG saw the largest decline in share from 2015 to 2018 of 1.5 percentage points.

Figure 4: Utah Retirement Systems Pension Payments: Share by Association of Governments Planning Region, 2015 and 2018



Wasatch Front AOG: Davis, Morgan, Salt Lake, Tooele, and Weber counties
Mountainland AOG: Summit, Utah, and Wasatch counties
Five County Southwest AOG: Beaver, Garfield, Iron, Kane, and Washington counties
Bear River AOG: Box Elder, Cache, and Rich counties
Six County Central AOG: Juab, Millard, Piute, Sanpete, Sevier, and Wayne counties
Southeast AOG: Carbon, Emery, Grand, and San Juan counties
Uintah Basin AOG: Daggett, Duchesne, and Uintah counties

Note: Shares do not total 100% due to rounding and the share of pension payments paid to out-of-state recipients.

Source: Gardner Policy Institute analysis of Utah Retirement Systems data

Methodology

Model

Economic impacts are changes in the size and structure of a region's economy when goods and services are purchased from vendors within the region using money generated from outside the region. A common modeling technique to assess economic impacts is input-output (I-O) analysis, which the Gardner Policy Institute used for this study. I-O models capture both business-to-business purchases within a region as well as induced spending generated when households supported by these businesses purchase goods and services within the region. I-O models are static models; they measure impacts only in the year the economic event occurs.

The Gardner Policy Institute created I-O models for the state, each AOG, and each county using IMPLAN (IMpact analysis for PLANning) economic impact modeling software to analyze the effects of household spending associated with URS defined benefit payments in 2018. These results are compared with 2015 economic impacts of URS generated by the Gardner Policy Institute in a 2016 report using the same technique. The 2016 economic multipliers in the version of IMPLAN used are the most current multipliers available at the time of publication and were used for the 2018 models. The 2015 impacts used 2014 multipliers as they were the most recent available at the time of modeling. For many industries, the 2016 multipliers were smaller than those for 2014. This explains why the impacts did not increase as much as the payments did.

URS corrected the number of retirees receiving benefits in 2015 in three counties (Juab, Salt Lake, and Washington) since the 2016 report. As a result, the 2015 number of retirees receiving benefits and the average annual payouts for those counties, respective AOGs, and the state have been updated for this report. URS provided total payments and number of retirees for each county for 2018. Model results show the effects of spending URS benefit payments in each region as measured by changes in state gross domestic product (GDP), jobs, and the earnings associated with those jobs. To the extent that the payments cannot be replaced with other sources of income, these impacts can be viewed as a net increase in economic activity.

The statewide model results represent the effects of spending throughout the state of Utah and are not region-specific. The

county impacts were estimated using household spending coefficients specific to each county. The impacts for AOGs represent the sum of the member counties' impacts less leakage, i.e. expenditures outside the region. The impacts of individual counties (and individual AOGs) do not sum to the state total because of spending leakages between counties and regions. For example, expenditures made in Utah County by a benefit recipient living in Salt Lake County are treated as a non-local purchase in the Salt Lake County analysis. For the same reason, the impacts shown for individual planning regions do not sum to the state total.

Key Assumptions

In the strictest interpretation, economic impacts occur only when "new money," i.e. money from outside of the regional economy, is spent locally. According to URS, the average portion of benefits paid through investment returns over the past 20 years is 64 percent. To more accurately portray the economic impact of retiree spending, we assumed that new net income is equal to 64 percent of benefit payments. As previously mentioned, we also assume that there is no substitute for pension payments. The IMPLAN model requires that new household income be assigned to specific income categories. For the 2015 analysis, the Gardner Policy Institute assumed that all the payments went to households in the \$50,000 to \$75,000 income bracket and therefore impacts reflect tax, savings, and out-of-region expenditure characteristics for this demographic. Cursor analysis from the 2016 report suggests that modeling payments in other income categories does not result in significantly different results. To keep the models comparable, we used the most similar income category available in the current version of IMPLAN, \$50,000 to \$70,000, for the 2018 analysis.

Because economic impacts to the state of Utah are based on expenditures that occur within Utah, the impact estimates presented in this report are based only on the portion of the total payments that are received by Utah residents. In 2018, that portion was approximately 91 percent, and in 2015 that portion was approximately 93 percent. We assume that no portion of payments to out-of-state retirees flow back to Utah.

Definitions

Key terms used in the results section include:

Total Economic Impacts include direct, indirect, and induced effects. In the case of this analysis, direct effects are the purchases from local businesses made with URS defined benefit payments. Indirect effects are the value of inputs these local businesses purchase from other local businesses. Induced effects are the impacts associated with the expenditure of wages derived from direct and indirect effects (i.e., household purchases of goods and services). Earnings, economic output, employment, and state GDP impacts represent the sum of direct, indirect, and induced effects. In this report, “employment impacts” is synonymous with “jobs supported” and “earnings impacts” is synonymous with “earnings supported.”

Earnings are the sum of wages and salaries and other labor income, including employer contributions for health insurance less personal contributions for social insurance (e.g. social security). Earnings are reported by place of work.

Employment / Jobs is the number of wage and salary jobs, sole proprietors, and general partners, and includes both full-time and part-time jobs, counted equally.

Gross Domestic Product (GDP) is the most commonly used measure of total economic activity in a region. GDP avoids double counting of intermediate sales and captures only the

“value added” to final products by capital and labor. From an accounting perspective, value added is the sum of employee compensation, taxes on production and imports less subsidies, and gross operating surplus, a measure of profit. Alternatively, it can be thought of as total output or sales less the value of intermediate inputs purchased to produce that output. Gross domestic product is the sum of the value added by all sectors of the economy.

Personal Income is the total income received by persons from all sources. It is the sum of earnings, transfer payments (e.g., unemployment and social security benefits), and income from rents, dividends, and interest. Personal income is reported by place of residence and, therefore, includes an adjustment for cross-regional commuting.

State and Local Tax Impacts are state and local revenues associated with direct, indirect, and induced activity. Major sources of revenue include sales tax, property tax, and personal and corporate income taxes. Tax impacts are IMPLAN model results based on past correlations between economic activity and taxes.

Results

In 2018, Utah Retirement Systems paid \$192.3 million more in pension payments to 5,422 additional Utah retirees than in 2015. The average annual payment per recipient increased 4.2 percent. The share of pension payments to out-of-state recipients increased from 7.1 percent in 2015 to 9.3 percent in 2018. These payments are not included as economic impacts to the state of Utah.

Statewide, the regional GDP impacts of pension payments in 2018 increased 4.3 percent from 2015, and employment impacts were up 3.6 percent (304 additional jobs supported). Similarly, URS defined benefit payments in 2018 resulted in a 3.5 percent increase in earnings supported over 2015, and an increased state and local tax impact of \$2.9 million more in 2018 than in 2015.³

Piute County was the only region to have fewer dollars paid to retirees in 2018 than in 2015 (\$14,173 fewer in 2018), despite

having four more retirees living in the county. Juab and Kane counties each had an increase in the total dollar amount paid to retirees, but experienced a minor drop in the average annual payout per retiree from 2015 to 2018, \$1,391 and \$19 per retiree, respectively. Rich County was the only county to see a decline in retirees, with one fewer recipient in 2018. Despite having fewer retirees, Rich County received more pension payments in 2018 than in 2015, by \$396,296.

Overall, the 2018 pension benefit payments made by URS to retirees in Utah have had positive economic effects on the state by increasing regional GDP, employment, earnings, and state and local taxes. Tables 2 and 3 summarize total benefit payments, recipients, jobs and earnings supported, and state and local tax revenue impacts for the state, AOGs, and counties in 2018 and 2015. Tables 4 through 10 provide more detailed impacts for each region of analysis.

Table 2: Summary Economic Impacts of Utah Retirement Systems Pension Payments, 2018

Region	Pension Payments	Recipients	Economic Impacts		
			Jobs Supported	Earnings Supported	State & Local Taxes Generated
State					
State of Utah	\$1,519,891,515	60,363	8,818	\$358,615,912	\$59,054,901
Out of State	\$155,571,353	7,691	n/a	n/a	n/a
Counties					
Salt Lake County	\$586,975,787	21,968	2,910	\$134,438,497	\$19,771,789
Utah County	\$201,368,697	7,909	947	\$35,171,364	\$6,095,402
Davis County	\$172,506,400	6,585	655	\$21,321,860	\$4,186,692
Weber County	\$134,836,876	5,424	614	\$21,331,219	\$3,792,761
Washington County	\$89,181,245	3,755	516	\$16,053,179	\$3,067,375
Cache County	\$60,701,377	2,624	299	\$8,833,482	\$1,661,464
Box Elder County	\$29,460,111	1,350	98	\$2,322,293	\$579,017
Tooele County	\$27,161,490	1,167	68	\$1,836,632	\$489,940
Iron County	\$25,367,241	1,114	113	\$2,878,603	\$668,863
Sevier County	\$21,366,187	883	84	\$2,116,108	\$534,971
Summit County	\$20,074,891	708	60	\$2,289,103	\$412,081
Sanpete County	\$18,781,306	864	60	\$1,345,878	\$394,354
Wasatch County	\$16,993,653	664	57	\$1,442,314	\$362,518
Carbon County	\$16,071,545	750	59	\$1,897,543	\$409,202
Uintah County	\$14,945,076	732	50	\$1,499,077	\$352,922
Duchesne County	\$11,905,361	603	33	\$980,587	\$236,487
Millard County	\$10,890,201	484	30	\$769,697	\$205,383
San Juan County	\$9,951,440	436	20	\$543,884	\$140,826
Emery County	\$8,556,740	418	18	\$369,410	\$160,246
Morgan County	\$8,285,529	321	20	\$443,955	\$145,757
Juab County	\$7,520,758	348	19	\$483,767	\$134,071
Grand County	\$6,429,449	288	25	\$793,803	\$168,852
Beaver County	\$4,658,475	213	9	\$223,622	\$77,003
Kane County	\$4,288,712	217	13	\$285,145	\$90,297
Garfield County	\$4,009,933	182	12	\$291,072	\$168,852
Wayne County	\$2,672,317	117	7	\$107,069	\$48,619
Rich County	\$2,071,770	95	6	\$112,621	\$39,325
Piute County	\$1,628,485	85	2	\$39,423	\$19,791
Daggett County	\$1,230,463	59	1	\$23,558	\$13,881
Association of Governments					
Wasatch Front	\$929,766,082	35,465	5,059	\$220,056,285	\$34,478,766
Mountainland	\$238,437,241	9,281	1,080	\$40,529,932	\$7,067,702
Five County Southwest	\$127,505,606	5,481	703	\$21,010,221	\$4,264,263
Bear River	\$92,233,258	4,069	410	\$11,492,819	\$2,327,381
Six County Central	\$62,859,254	2,781	217	\$5,325,326	\$1,428,706
Southeast	\$41,009,174	1,892	133	\$4,038,596	\$963,213
Uintah Basin	\$28,080,900	1,394	90	\$2,676,243	\$636,065

Source: Gardner Policy Institute analysis of Utah Retirement Systems data

Table 3: Summary Economic Impacts of Utah Retirement Systems Pension Payments, 2015

Region	Pension Payments	Recipients	Economic Impacts		
			Jobs Supported	Earnings Supported	State & Local Taxes Generated
State					
State of Utah	\$1,327,590,983	54,941	8,514	\$346,458,121	\$56,153,783
Out of State	\$101,024,156	5,337	n/a	n/a	n/a
Counties					
Salt Lake County	\$516,533,451	20,499	3,061	\$143,191,043	\$20,392,643
Utah County	\$195,272,081	7,811	1,028	\$38,026,971	\$6,517,821
Davis County	\$145,223,143	5,760	649	\$21,256,559	\$4,092,989
Weber County	\$118,783,570	4,944	591	\$20,862,655	\$3,778,195
Washington County	\$71,706,985	3,090	429	\$12,561,216	\$2,433,277
Cache County	\$51,659,922	2,289	262	\$7,536,783	\$1,491,530
Box Elder County	\$24,887,641	1,198	93	\$2,307,807	\$563,149
Tooele County	\$22,137,996	1,014	69	\$1,650,753	\$471,947
Iron County	\$20,937,760	934	108	\$2,670,315	\$625,313
Sevier County	\$17,515,879	766	73	\$1,910,764	\$464,942
Summit County	\$16,292,949	578	59	\$2,368,854	\$416,435
Sanpete County	\$15,580,071	765	54	\$1,186,690	\$341,879
Wasatch County	\$13,073,150	561	55	\$1,476,965	\$314,249
Carbon County	\$13,718,057	678	56	\$1,798,718	\$359,135
Uintah County	\$13,002,269	662	42	\$1,410,435	\$317,283
Duchesne County	\$10,715,569	564	25	\$808,792	\$201,944
Millard County	\$8,508,121	406	25	\$626,949	\$149,095
San Juan County	\$8,329,294	380	22	\$502,799	\$137,653
Emery County	\$7,160,827	365	15	\$362,185	\$111,060
Morgan County	\$7,177,893	281	21	\$401,934	\$147,198
Juab County	\$6,394,503	278	21	\$477,508	\$126,379
Grand County	\$5,356,811	240	21	\$587,011	\$130,387
Beaver County	\$3,836,509	187	8	\$185,705	\$64,808
Kane County	\$3,699,487	187	11	\$279,823	\$76,953
Garfield County	\$3,627,396	167	11	\$240,871	\$75,001
Wayne County	\$2,053,744	103	6	\$98,202	\$34,387
Rich County	\$1,675,474	96	5	\$87,485	\$29,085
Piute County	\$1,642,658	81	2	\$29,886	\$22,132
Daggett County	\$1,087,773	57	1	\$48,706	\$16,298
Association of Governments					
Wasatch Front	\$809,856,053	32,498	5,086	\$223,334,429	\$33,946,175
Mountainland	\$224,638,180	8,950	1,240	\$45,866,518	\$7,780,209
Five County Southwest	\$103,808,137	4,565	600	\$17,230,355	\$3,499,960
Bear River	\$78,223,037	3,583	386	\$10,801,184	\$2,200,880
Six County Central	\$51,694,976	2,399	216	\$5,222,700	\$1,353,247
Southeast	\$34,564,989	1,663	147	\$4,239,802	\$906,772
Uintah Basin	\$24,805,611	1,283	79	\$2,560,615	\$598,543

Note: URS revised the number of retirees in Juab, Salt Lake, and Washington counties since the 2016 report. As a result, the total number of retirees and the average annual payment will vary from the previous report.

Source: Gardner Policy Institute analysis of Utah Retirement Systems data

Table 4: Economic Impacts of Utah Retirement Systems Pension Payments in the Bear River Association of Governments Region: Box Elder, Cache, and Rich Counties

<i>Bear River Association of Governments Region</i>	2015	2018
Number of Recipients	3,583	4,069
Total Retirement Payments	\$78,223,037	\$92,233,258
% of Personal Income	1.3%	n/a
Average Annual Payment	\$21,832	\$22,667
Regional GDP Impact	\$20,946,079	\$22,177,461
Employment Impact	386	410
Earnings Impact	\$10,801,184	\$11,492,819
State and Local Tax Impact	\$2,200,880	\$2,327,381

<i>Box Elder County</i>	2015	2018
Number of Recipients	1,198	1,350
Total Retirement Payments	\$24,887,641	\$29,460,111
% of Personal Income	1.4%	n/a
Average Annual Payment	\$20,774	\$21,822
Regional GDP Impact	\$4,882,317	\$5,002,945
Employment Impact	93	98
Earnings Impact	\$2,307,807	\$2,322,293
State and Local Tax Impact	\$563,149	\$579,017

<i>Cache County</i>	2015	2018
Number of Recipients	2,289	2,624
Total Retirement Payments	\$51,659,922	\$60,701,377
% of Personal Income	1.3%	n/a
Average Annual Payment	\$22,569	\$23,133
Regional GDP Impact	\$14,405,777	\$16,478,761
Employment Impact	262	299
Earnings Impact	\$7,536,783	\$8,833,482
State and Local Tax Impact	\$1,491,530	\$1,661,464

<i>Rich County</i>	2015	2018
Number of Recipients	96	95
Total Retirement Payments	\$1,675,474	\$2,071,770
% of Personal Income	1.9%	n/a
Average Annual Payment	\$17,453	\$21,808
Regional GDP Impact	\$252,579	\$316,666
Employment Impact	5	6
Earnings Impact	\$87,485	\$112,621
State and Local Tax Impact	\$29,085	\$39,325

Source: Gardner Policy Institute analysis of Utah Retirement Systems data

Table 5: Economic Impacts of Utah Retirement Systems Pension Payments in the Mountainland Association of Governments Region: Summit, Utah, and Wasatch Counties

<i>Mountainland Association of Governments Region</i>	2015	2018
Number of Recipients	8,950	9,281
Total Retirement Payments	\$224,638,180	\$238,437,241
% of Personal Income	0.9%	n/a
Average Annual Payment	\$25,099	\$25,691
Regional GDP Impact	\$86,618,356	\$77,016,716
Employment Impact	1,240	1,080
Earnings Impact	\$45,866,518	\$40,529,932
State and Local Tax Impact	\$7,780,209	\$7,067,702

<i>Summit County</i>	2015	2018
Number of Recipients	578	708
Total Retirement Payments	\$16,292,949	\$20,074,891
% of Personal Income	0.4%	n/a
Average Annual Payment	\$28,188	\$28,354
Regional GDP Impact	\$4,703,681	\$4,793,240
Employment Impact	59	60
Earnings Impact	\$2,368,854	\$2,289,103
State and Local Tax Impact	\$416,435	\$412,081

<i>Utah County</i>	2015	2018
Number of Recipients	7,811	7,909
Total Retirement Payments	\$195,272,081	\$201,368,697
% of Personal Income	1.0%	n/a
Average Annual Payment	\$25,000	\$25,461
Regional GDP Impact	\$70,124,966	\$65,660,898
Employment Impact	1,028	947
Earnings Impact	\$38,026,971	\$35,171,364
State and Local Tax Impact	\$6,517,821	\$6,095,402

<i>Wasatch County</i>	2015	2018
Number of Recipients	561	664
Total Retirement Payments	\$13,073,150	\$16,993,653
% of Personal Income	1.0%	n/a
Average Annual Payment	\$23,303	\$25,593
Regional GDP Impact	\$3,214,914	\$3,299,183
Employment Impact	55	57
Earnings Impact	\$1,476,965	\$1,442,314
State and Local Tax Impact	\$314,249	\$362,518

Source: Gardner Policy Institute analysis of Utah Retirement Systems data

Table 6: Economic Impacts of Utah Retirement Systems Pension Payments in the Five County Southwest Association of Governments Region: Beaver, Garfield, Iron, Kane, and Washington Counties

Five County Southwest Association of Governments Region	2015	2018
Number of Recipients	4,565	5,481
Total Retirement Payments	\$103,808,137	\$127,505,606
% of Personal Income	1.5%	n/a
Average Annual Payment	\$22,740	\$23,263
Regional GDP Impact	\$33,681,175	\$41,785,808
Employment Impact	600	703
Earnings Impact	\$17,230,355	\$21,010,221
State and Local Tax Impact	\$3,499,960	\$4,264,263

Beaver County	2015	2018
Number of Recipients	187	213
Total Retirement Payments	\$3,836,509	\$4,658,475
% of Personal Income	2.0%	n/a
Average Annual Payment	\$20,516	\$21,871
Regional GDP Impact	\$502,355	\$614,458
Employment Impact	8	9
Earnings Impact	\$185,705	\$223,622
State and Local Tax Impact	\$64,808	\$77,003

Garfield County	2015	2018
Number of Recipients	167	182
Total Retirement Payments	\$3,627,396	\$4,009,933
% of Personal Income	2.1%	n/a
Average Annual Payment	\$21,721	\$22,033
Regional GDP Impact	\$588,945	\$652,965
Employment Impact	11	12
Earnings Impact	\$240,871	\$291,072
State and Local Tax Impact	\$75,001	\$168,852

Iron County	2015	2018
Number of Recipients	934	1,114
Total Retirement Payments	\$20,937,760	\$25,367,241
% of Personal Income	1.5%	n/a
Average Annual Payment	\$22,417	\$22,771
Regional GDP Impact	\$5,476,034	\$5,991,784
Employment Impact	108	113
Earnings Impact	\$2,670,315	\$2,878,603
State and Local Tax Impact	\$625,313	\$668,863

Kane County	2015	2018
Number of Recipients	187	217
Total Retirement Payments	\$3,699,487	\$4,288,712
% of Personal Income	1.4%	n/a
Average Annual Payment	\$19,783	\$19,764
Regional GDP Impact	\$675,686	\$772,792
Employment Impact	11	13
Earnings Impact	\$279,823	\$285,145
State and Local Tax Impact	\$76,953	\$90,297

Washington County	2015	2018
Number of Recipients	3,090	3,755
Total Retirement Payments	\$71,706,985	\$89,181,245
% of Personal Income	1.4%	n/a
Average Annual Payment	\$23,206	\$23,750
Regional GDP Impact	\$24,037,453	\$30,919,096
Employment Impact	429	516
Earnings Impact	\$12,561,216	\$16,053,179
State and Local Tax Impact	\$2,433,277	\$3,067,375

Note: URS revised the number of retirees in Washington County since the 2016 report. As a result, the total number of retirees and the average annual payment will vary from the previous report. Source: Gardner Policy Institute analysis of Utah Retirement Systems data

Table 7: Economic Impacts of Utah Retirement Systems Pension Payments in the Six County Central Association of Governments Region: Juab, Millard, Piute, Sanpete, Sevier, and Wayne Counties

Six County Central Association of Governments Region	2015	2018
Number of Recipients	2,399	2,781
Total Retirement Payments	\$51,694,976	\$62,859,254
% of Personal Income	2.2%	n/a
Average Annual Payment	\$21,549	\$22,603
Regional GDP Impact	\$11,045,954	\$11,590,881
Employment Impact	216	217
Earnings Impact	\$5,222,700	\$5,325,326
State and Local Tax Impact	\$1,353,247	\$1,428,706

Juab County	2015	2018
Number of Recipients	278	348
Total Retirement Payments	\$6,394,503	\$7,520,758
% of Personal Income	1.9%	n/a
Average Annual Payment	\$23,002	\$21,611
Regional GDP Impact	\$1,051,189	\$1,090,986
Employment Impact	21	19
Earnings Impact	\$477,508	\$483,767
State and Local Tax Impact	\$126,379	\$134,071

Millard County	2015	2018
Number of Recipients	406	484
Total Retirement Payments	\$8,508,121	\$10,890,201
% of Personal Income	1.9%	n/a
Average Annual Payment	\$20,956	\$22,500
Regional GDP Impact	\$1,394,212	\$1,736,071
Employment Impact	25	30
Earnings Impact	\$626,949	\$769,697
State and Local Tax Impact	\$149,095	\$205,383

Piute County	2015	2018
Number of Recipients	81	85
Total Retirement Payments	\$1,642,658	\$1,628,485
% of Personal Income	3.9%	n/a
Average Annual Payment	\$20,280	\$19,159
Regional GDP Impact	\$135,131	\$125,990
Employment Impact	2	2
Earnings Impact	\$29,886	\$39,423
State and Local Tax Impact	\$22,132	\$19,791

Sanpete County	2015	2018
Number of Recipients	765	864
Total Retirement Payments	\$15,580,071	\$18,781,306
% of Personal Income	1.9%	n/a
Average Annual Payment	\$20,366	\$21,738
Regional GDP Impact	\$2,685,146	\$3,065,501
Employment Impact	54	60
Earnings Impact	\$1,186,690	\$1,345,878
State and Local Tax Impact	\$341,879	\$394,354

Sevier County	2015	2018
Number of Recipients	766	883
Total Retirement Payments	\$17,515,879	\$21,366,187
% of Personal Income	2.8%	n/a
Average Annual Payment	\$22,867	\$24,197
Regional GDP Impact	\$3,933,712	\$4,430,894
Employment Impact	73	84
Earnings Impact	\$1,910,764	\$2,116,108
State and Local Tax Impact	\$464,942	\$534,971

Wayne County	2015	2018
Number of Recipients	103	117
Total Retirement Payments	\$2,053,744	\$2,672,317
% of Personal Income	2.3%	n/a
Average Annual Payment	\$19,939	\$22,840
Regional GDP Impact	\$248,398	\$297,110
Employment Impact	6	7
Earnings Impact	\$98,202	\$107,069
State and Local Tax Impact	\$34,387	\$48,619

Note: URS revised the number of retirees in Juab County since the 2016 report. As a result, the total number of retirees and the average annual payment will vary from the previous report.
Source: Gardner Policy Institute analysis of Utah Retirement Systems data

Table 8: Economic Impacts of Utah Retirement Systems Pension Payments in the Southeast Association of Governments Region: Carbon, Emery, Grand, and San Juan Counties

<i>Southeast Association of Governments Region</i>	2015	2018
Number of Recipients	1,663	1,892
Total Retirement Payments	\$34,564,989	\$41,009,174
% of Personal Income	1.9%	n/a
Average Annual Payment	\$20,785	\$21,675
Regional GDP Impact	\$8,740,127	\$8,706,659
Employment Impact	147	133
Earnings Impact	\$4,239,802	\$4,038,596
State and Local Tax Impact	\$906,772	\$963,213

<i>Carbon County</i>	2015	2018
Number of Recipients	678	750
Total Retirement Payments	\$13,718,057	\$16,071,545
% of Personal Income	1.9%	n/a
Average Annual Payment	\$20,233	\$21,429
Regional GDP Impact	\$3,484,846	\$3,837,703
Employment Impact	56	59
Earnings Impact	\$1,798,718	\$1,897,543
State and Local Tax Impact	\$359,135	\$409,202

<i>Emery County</i>	2015	2018
Number of Recipients	365	418
Total Retirement Payments	\$7,160,827	\$8,556,740
% of Personal Income	2.3%	n/a
Average Annual Payment	\$19,619	\$20,471
Regional GDP Impact	\$1,016,179	\$1,110,015
Employment Impact	15	18
Earnings Impact	\$362,185	\$369,410
State and Local Tax Impact	\$111,060	\$160,246

<i>Grand County</i>	2015	2018
Number of Recipients	240	288
Total Retirement Payments	\$5,356,811	\$6,429,449
% of Personal Income	1.3%	n/a
Average Annual Payment	\$22,320	\$22,324
Regional GDP Impact	\$1,256,389	\$1,672,369
Employment Impact	21	25
Earnings Impact	\$587,011	\$793,803
State and Local Tax Impact	\$130,387	\$168,852

<i>San Juan County</i>	2015	2018
Number of Recipients	380	436
Total Retirement Payments	\$8,329,294	\$9,951,440
% of Personal Income	2.3%	n/a
Average Annual Payment	\$21,919	\$22,824
Regional GDP Impact	\$1,199,501	\$1,292,297
Employment Impact	22	20
Earnings Impact	\$502,799	\$543,884
State and Local Tax Impact	\$137,653	\$140,826

Source: Gardner Policy Institute analysis of Utah Retirement Systems data

Table 9: Economic Impacts of Utah Retirement Systems Pension Payments in the Uintah Basin Association of Governments Region: Duchesne, Daggett, and Uintah Counties

<i>Uintah Basin Association of Governments Region</i>	2015	2018
Number of Recipients	1,283	1,394
Total Retirement Payments	\$24,805,611	\$28,080,900
% of Personal Income	1.3%	n/a
Average Annual Payment	\$19,334	\$20,144.12
Regional GDP Impact	\$5,826,597	\$5,651,204
Employment Impact	79	90
Earnings Impact	\$2,560,615	\$2,676,243
State and Local Tax Impact	\$598,543	\$636,065

<i>Daggett County</i>	2015	2018
Number of Recipients	57	59
Total Retirement Payments	\$1,087,773	\$1,230,463
% of Personal Income	2.6%	n/a
Average Annual Payment	\$19,084	\$20,855
Regional GDP Impact	\$121,064	\$96,347
Employment Impact	1	1
Earnings Impact	\$48,706	\$23,558
State and Local Tax Impact	\$16,298	\$13,881

<i>Duchesne County</i>	2015	2018
Number of Recipients	564	603
Total Retirement Payments	\$10,715,569	\$11,905,361
% of Personal Income	1.4%	n/a
Average Annual Payment	\$18,999	\$19,744
Regional GDP Impact	\$1,886,698	\$2,154,992
Employment Impact	25	33
Earnings Impact	\$808,792	\$980,587
State and Local Tax Impact	\$201,944	\$236,487

<i>Uintah County</i>	2015	2018
Number of Recipients	662	732
Total Retirement Payments	\$13,002,269	\$14,945,076
% of Personal Income	1.1%	n/a
Average Annual Payment	\$19,641	\$20,417
Regional GDP Impact	\$3,236,102	\$3,117,916
Employment Impact	42	50
Earnings Impact	\$1,410,435	\$1,499,077
State and Local Tax Impact	\$317,283	\$352,922

Source: Gardner Policy Institute analysis of Utah Retirement Systems data

Table 10: Economic Impacts of Utah Retirement Systems Pension Payments in the Wasatch Front Association of Governments Region: Davis, Morgan, Salt Lake, Tooele, and Weber Counties

Wasatch Front Association of Governments Region	2015	2018
Number of Recipients	32,498	35,465
Total Retirement Payments	\$809,856,053	\$929,766,082
% of Personal Income	1.1%	n/a
Average Annual Payment	\$24,920	\$26,216.44
Regional GDP Impact	\$408,180,782	\$413,079,017
Employment Impact	5,086	5,059
Earnings Impact	\$223,334,429	\$220,056,285
State and Local Tax Impact	\$33,946,175	\$34,478,766

Davis County	2015	2018
Number of Recipients	5,760	6,585
Total Retirement Payments	\$145,223,143	\$172,506,400
% of Personal Income	1.1%	n/a
Average Annual Payment	\$25,212	\$26,197
Regional GDP Impact	\$40,746,411	\$42,643,074
Employment Impact	649	655
Earnings Impact	\$21,256,559	\$21,321,860
State and Local Tax Impact	\$4,092,989	\$4,186,692

Morgan County	2015	2018
Number of Recipients	281	321
Total Retirement Payments	\$7,177,893	\$8,285,529
% of Personal Income	1.4%	n/a
Average Annual Payment	\$25,544	\$25,812
Regional GDP Impact	\$1,028,890	\$1,081,927
Employment Impact	21	20
Earnings Impact	\$401,934	\$443,955
State and Local Tax Impact	\$147,198	\$145,757

Salt Lake County	2015	2018
Number of Recipients	20,499	21,968
Total Retirement Payments	\$516,533,451	\$586,975,787
% of Personal Income	1.0%	n/a
Average Annual Payment	\$25,198	\$26,720
Regional GDP Impact	\$258,979,589	\$250,755,295
Employment Impact	3,061	2,910
Earnings Impact	\$143,191,043	\$134,438,497
State and Local Tax Impact	\$20,392,643	\$19,771,789

Tooele County	2015	2018
Number of Recipients	1,014	1,167
Total Retirement Payments	\$22,137,996	\$27,161,490
% of Personal Income	1.1%	n/a
Average Annual Payment	\$21,832	\$23,275
Regional GDP Impact	\$3,850,931	\$4,252,151
Employment Impact	69	68
Earnings Impact	\$1,650,753	\$1,836,632
State and Local Tax Impact	\$471,947	\$489,940

Weber County	2015	2018
Number of Recipients	4,944	5,424
Total Retirement Payments	\$118,783,570	\$134,836,876
% of Personal Income	1.3%	n/a
Average Annual Payment	\$24,026	\$24,859
Regional GDP Impact	\$38,744,402	\$39,989,459
Employment Impact	591	614
Earnings Impact	\$20,862,655	\$21,331,219
State and Local Tax Impact	\$3,778,195	\$3,792,761

Note: URS revised the number of retirees in Salt Lake County since the 2016 report. As a result, the total number of retirees and the average annual payment will vary from the previous report. Source: Gardner Policy Institute analysis of Utah Retirement Systems data

Endnotes

- 1 Other governmental entities, for example, include water conservancy districts, housing authorities, and fire districts. For a list of participating employers in 2017, see Utah Retirement Systems, *2017 Comprehensive Annual Financial Report*, pp. 218–223.
- 2 According to the Bureau of Economic Analysis, Utah's total personal income—the sum of all income received by persons from all sources—was \$121.9 billion in 2015. At the time of publication BEA personal income estimates for 2018 were unavailable so the Gardner Policy Institute used the State of Utah's Revenue Assumptions Working Group (RAWG) estimate of \$143.1 billion to calculate the 2018 share of personal income; RAWG does not produce county-level estimates.
- 3 All dollar amounts are in nominal dollars. As such, some of the differences between 2015 and 2018 results are due to inflation.

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