



***Economic Impact Analysis of the Kansas City
Region's 65+ Population***

***LEE'S SUMMIT COMMUNITY ECONOMIC
DEVELOPMENT COMMITTEE
JULY 12, 2017***

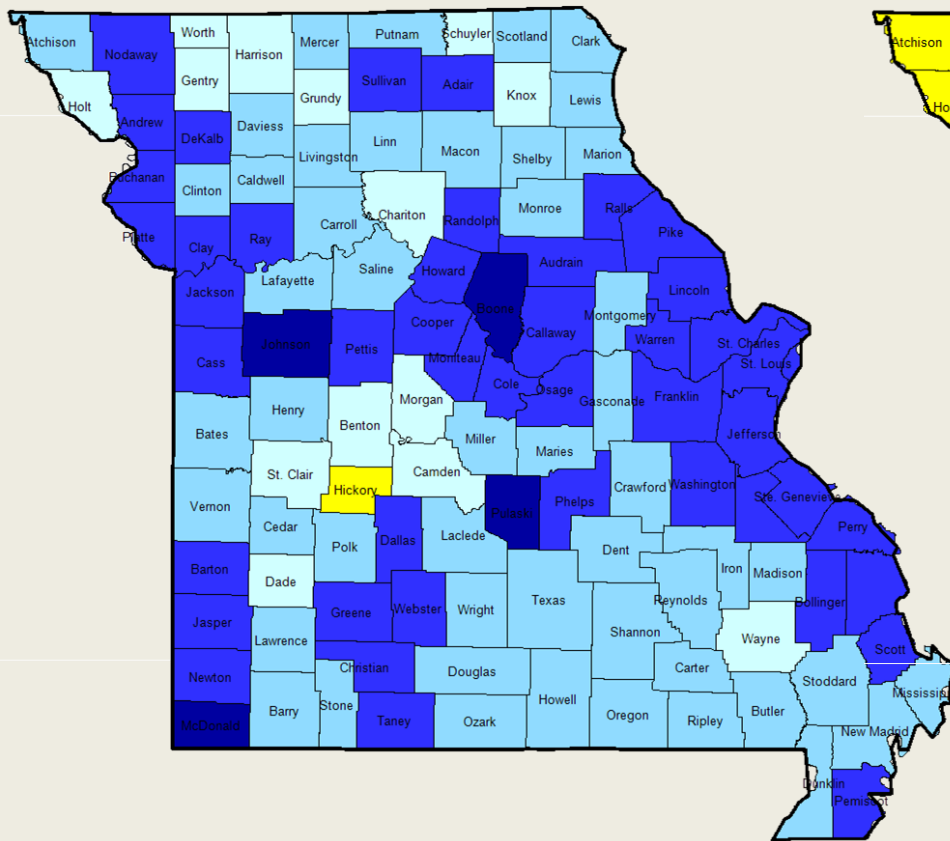
Ready or not...

- In 2011, the first baby boomers began turning 65.
- Approximately **10,000 boomers** turn **65** every day.
- This will continue until **2030**.

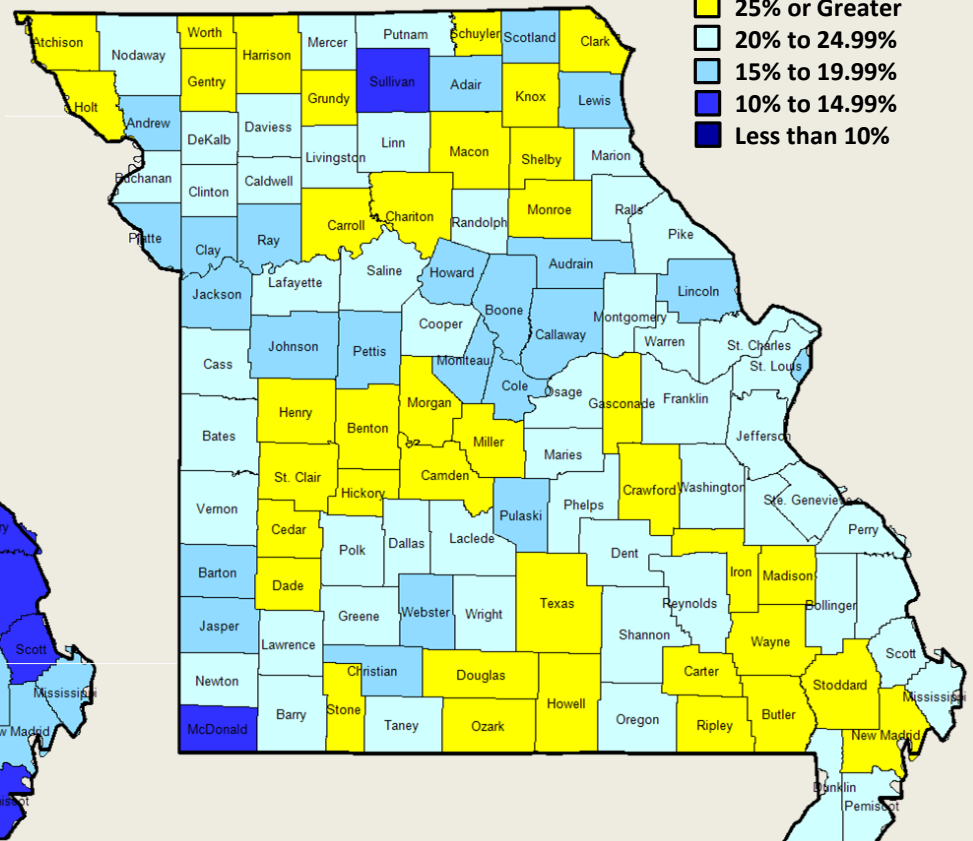


Missouri's Senior Population

2010



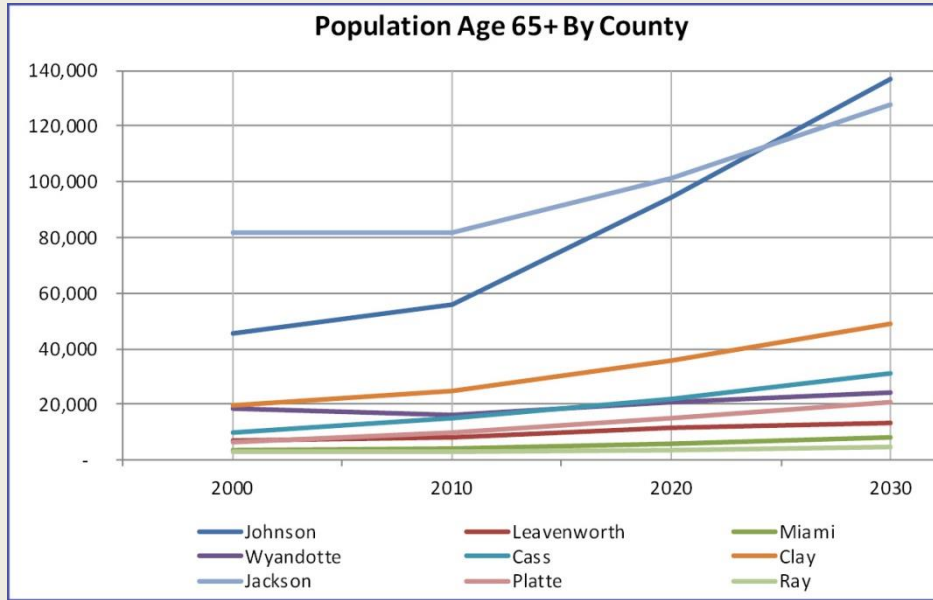
2030



Percent of Population 65+

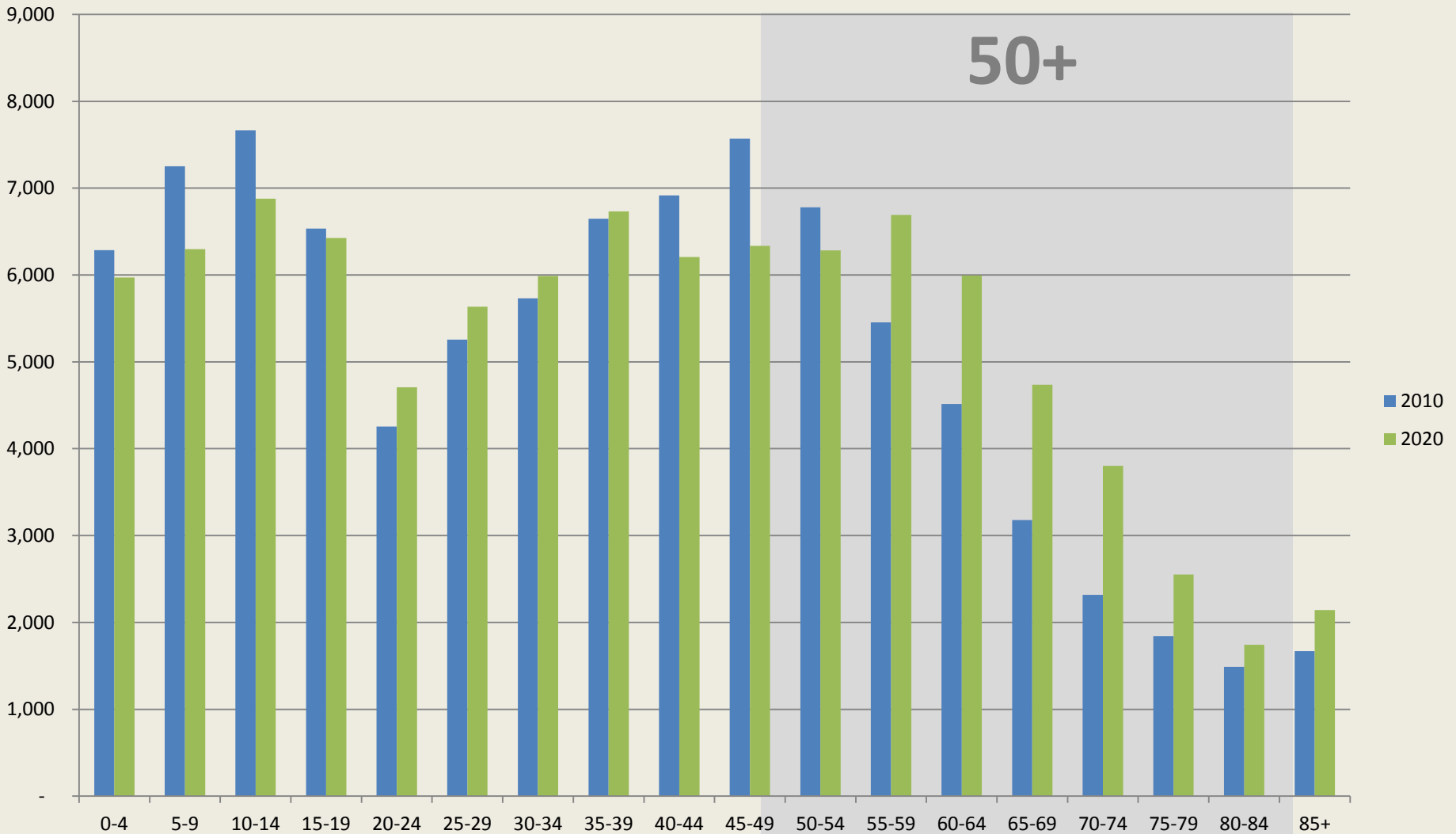
- 25% or Greater
- 20% to 24.99%
- 15% to 19.99%
- 10% to 14.99%
- Less than 10%

KC Metro Data



Population Age 56+					
County	2000	2010	2020	2030	% Change 2010-2030
Johnson	45,365	56,097	94,121	137,117	144.4%
Leavenworth	6,766	8,118	11,848	13,253	63.2%
Miami	3,378	4,071	6,037	8,236	102.3%
Wyandotte	18,520	16,024	20,837	24,277	51.5%
Cass	9,636	14,806	21,896	31,049	109.7%
Clay	19,848	24,985	35,656	48,778	95.2%
Jackson	81,981	81,570	101,079	127,923	56.8%
Platte	6,505	9,750	15,055	21,060	116.0%
Ray	2,994	3,215	3,807	4,675	45.4%
9-co. area	194,993	218,636	310,336	416,367	90.4%

Lee's Summit population: 10 year comparison

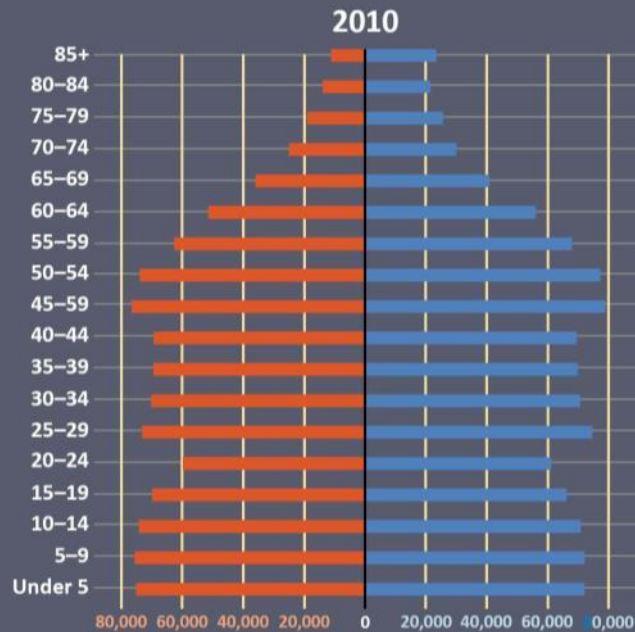
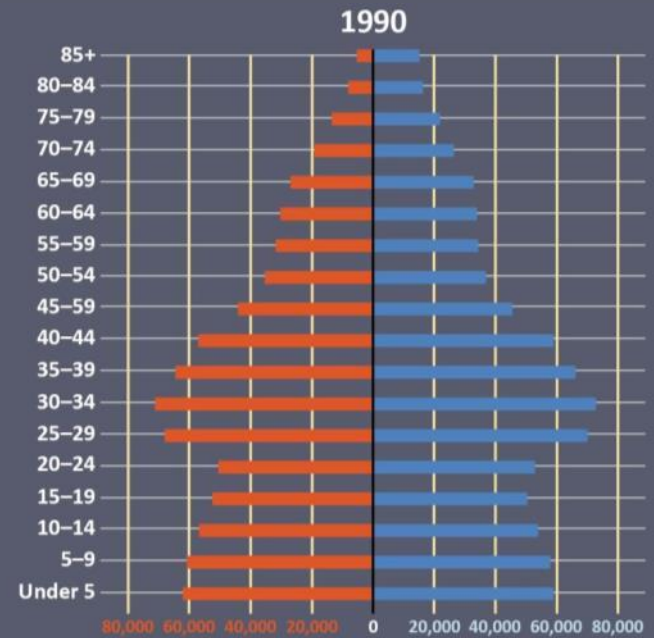


Economic Impact of an Aging Population: Kansas City Region



The metropolitan Kansas City's population is becoming more and more a region of all ages – where all groups are represented relatively equally

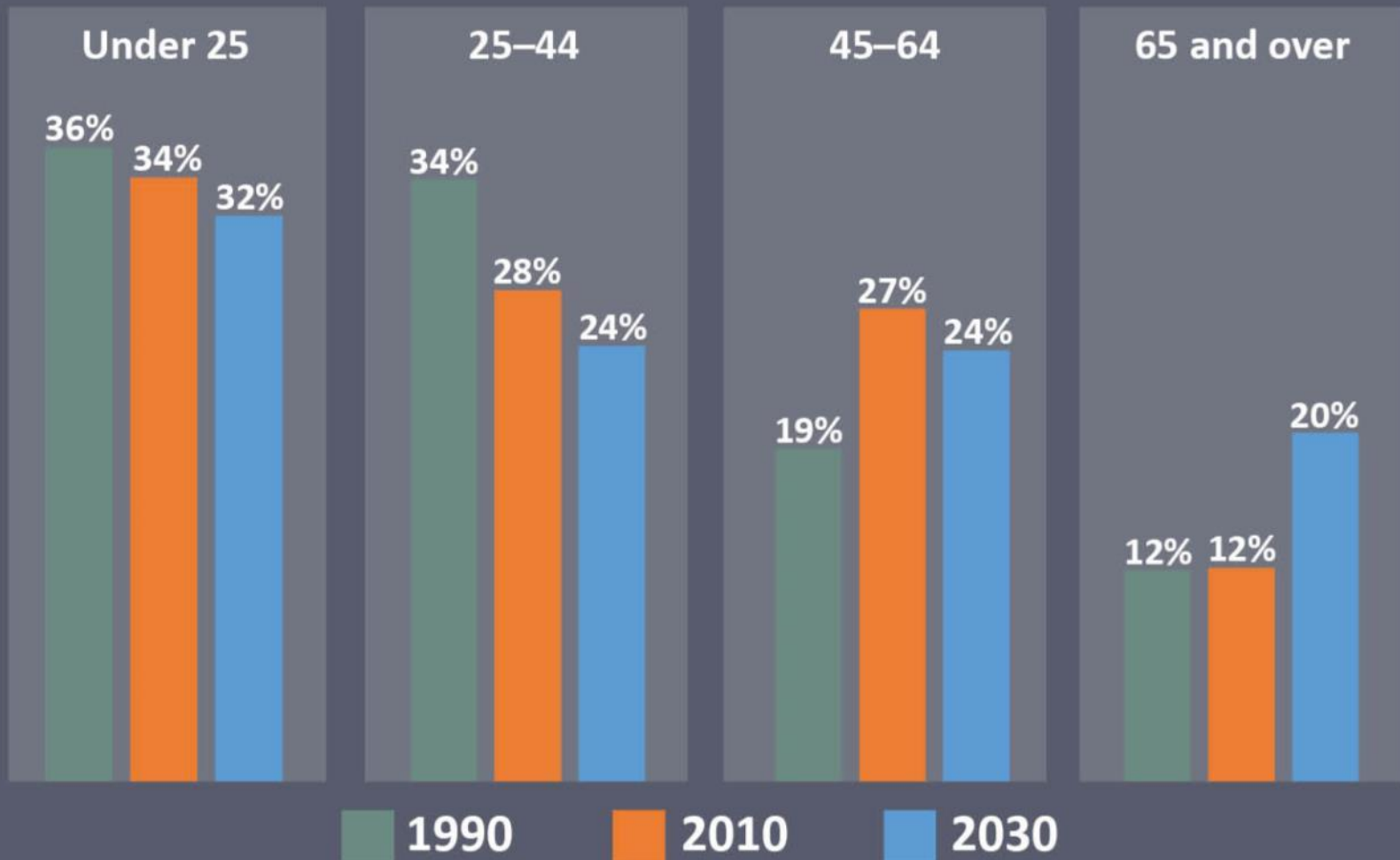
Male Female



Population Change by age and gender comparison, 1990–2030

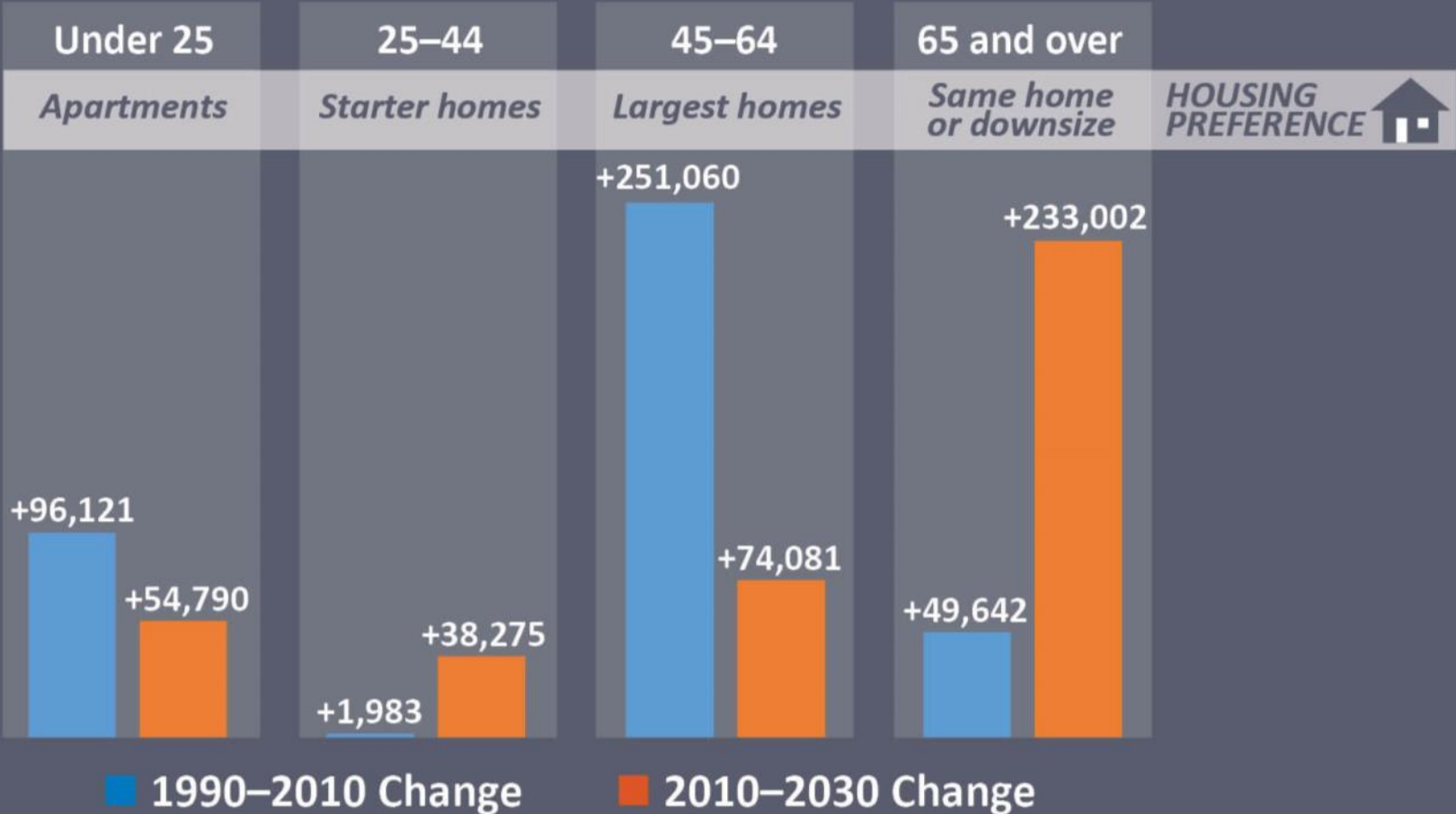
Seniors account for 12 percent of the region's population today. This will grow to 20 percent by 2030.

Population share by broad age group



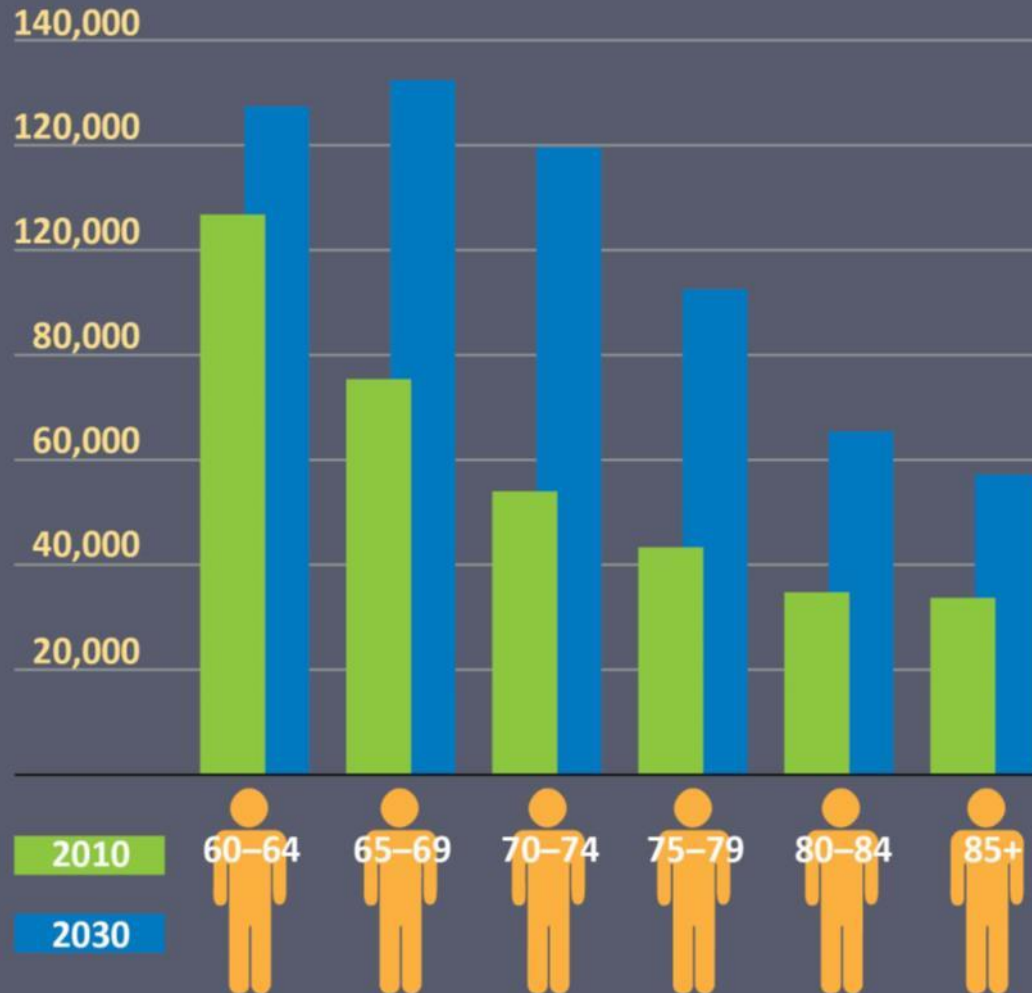
Over the next two decades, the number of seniors will increase three times more than any other age group.

Population change by broad age group



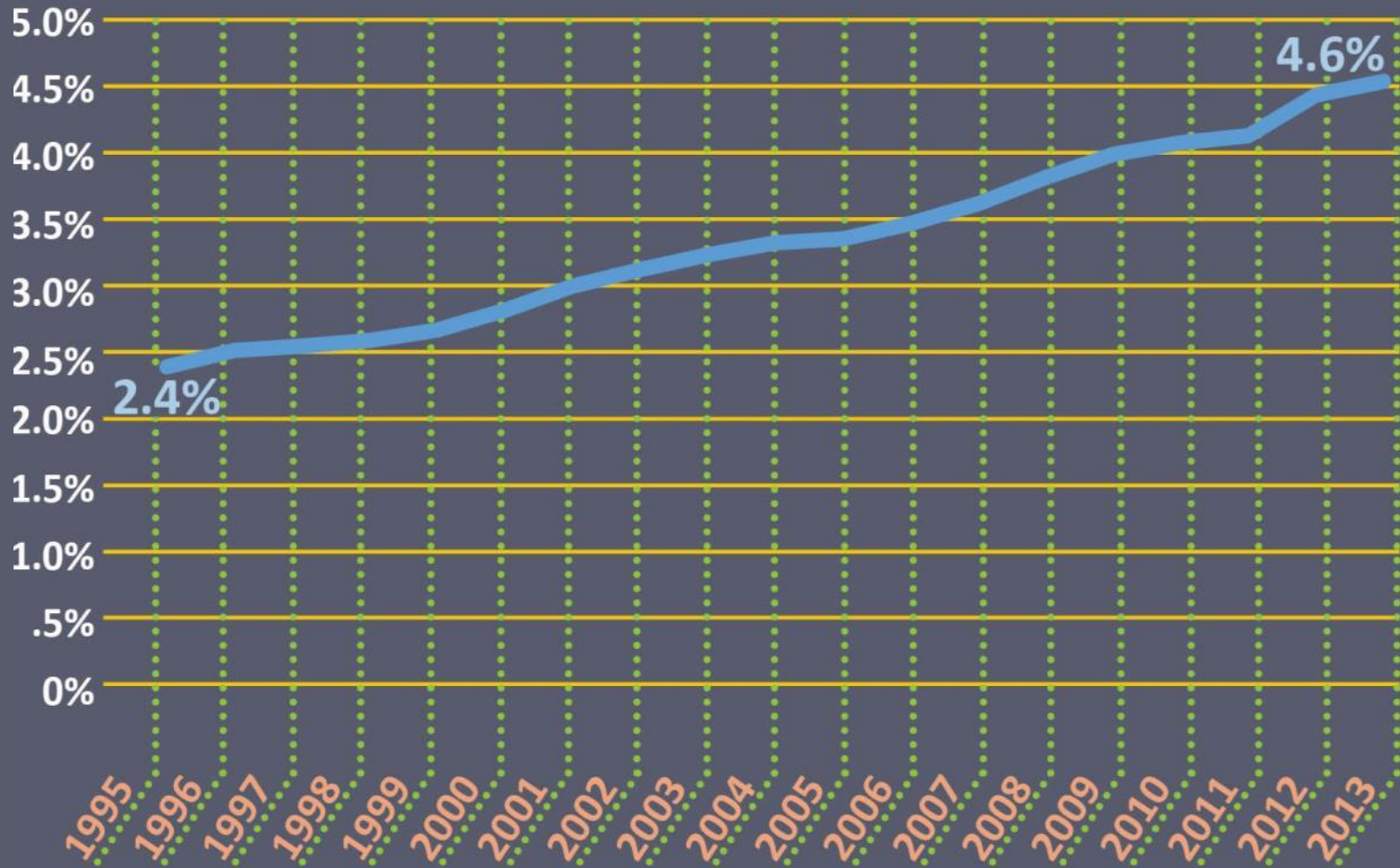
As its population ages, 58 percent of metropolitan Kansas City's population growth over the next two decades will come from seniors.

Projected population change among older adults 2010–2030



Seniors' share of the workforce has nearly doubled.

Percent of workers who are 65+



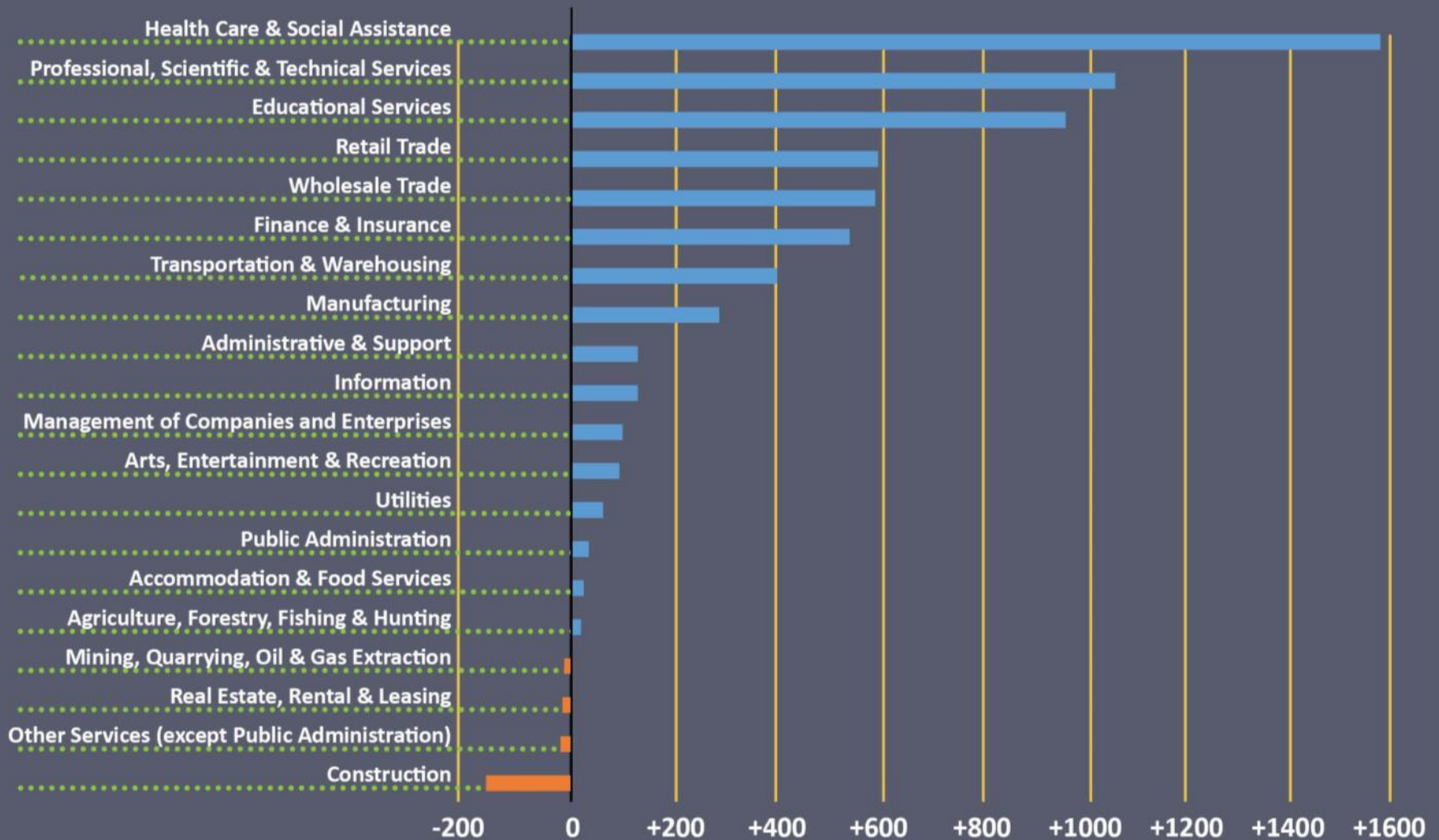
Seniors are concentrated in agriculture, real estate, education and other services.

Percent of workforce that is 65+ by industry

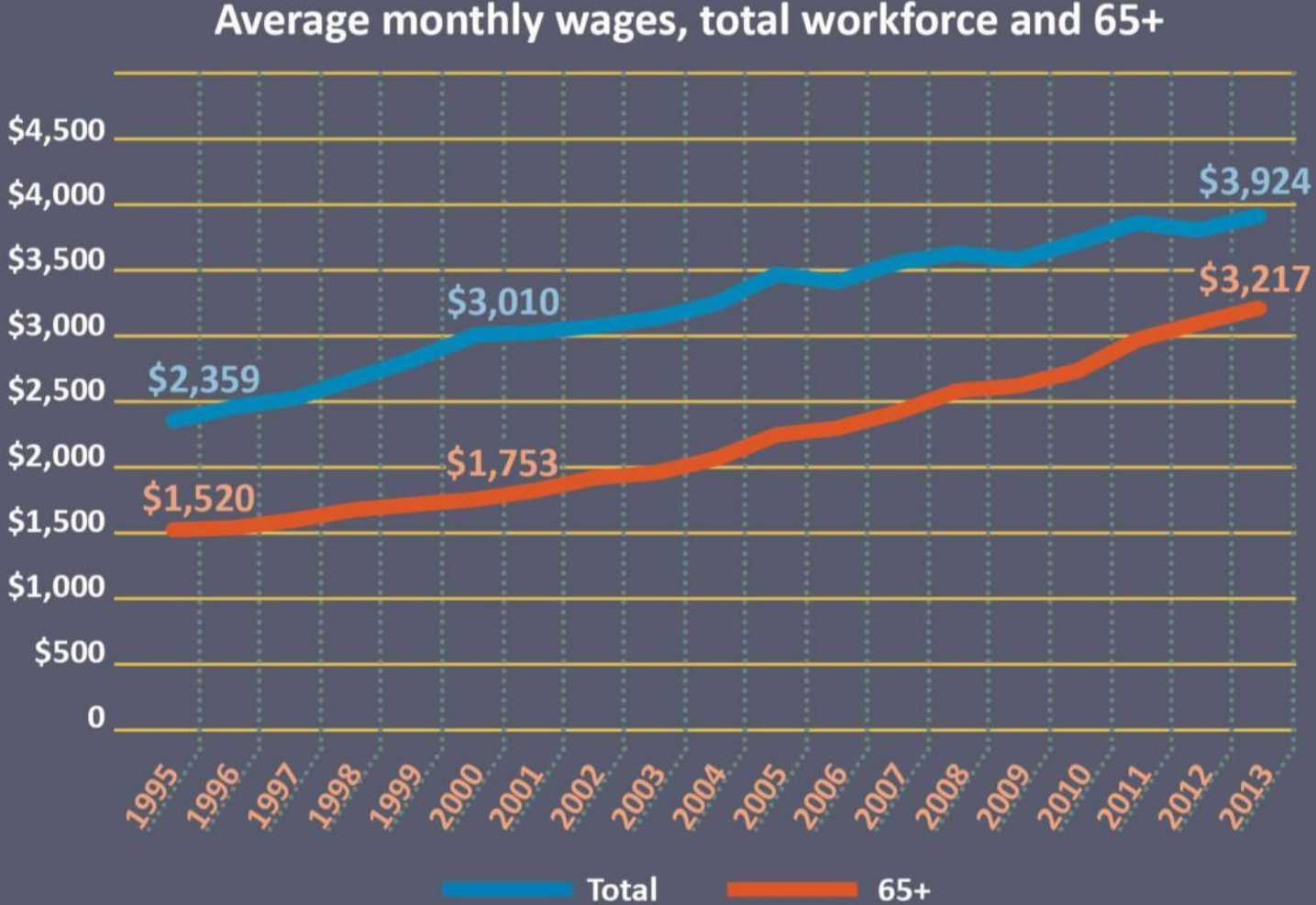
Industry	Percent of 65+ workers
Agriculture, Forestry, Fishing & Hunting	10.0%
Real Estate, Rental & Leasing	7.2%
Educational Services	6.2%
Other Services (except Public Admin.)	6.0%
Transportation and Warehousing	6.5%
Retail Trade	5.5%
Wholesale Trade	5.1%
Arts, Entertainment & Recreation	5.0%
ALL INDUSTRIES	4.6%
Health Care & Social Assistance	4.5%
Admin., Waste & Remediation Services	4.5%
Public Administration	4.2%
Professional, Scientific & Technical Services	4.1%
Manufacturing	4.0%
Mining, Quarrying, Oil and Gas Extraction	3.9%
Management of Companies & Enterprises	3.8%
Finance & Insurance	3.7%
Accommodation & Food Services	3.7%
Information	3.2%
Construction	3.1%
Utilities	3.0%

The number of employed seniors is growing most in health care and professional services, in addition to education.

Change in 65+ employment by industry since 2008

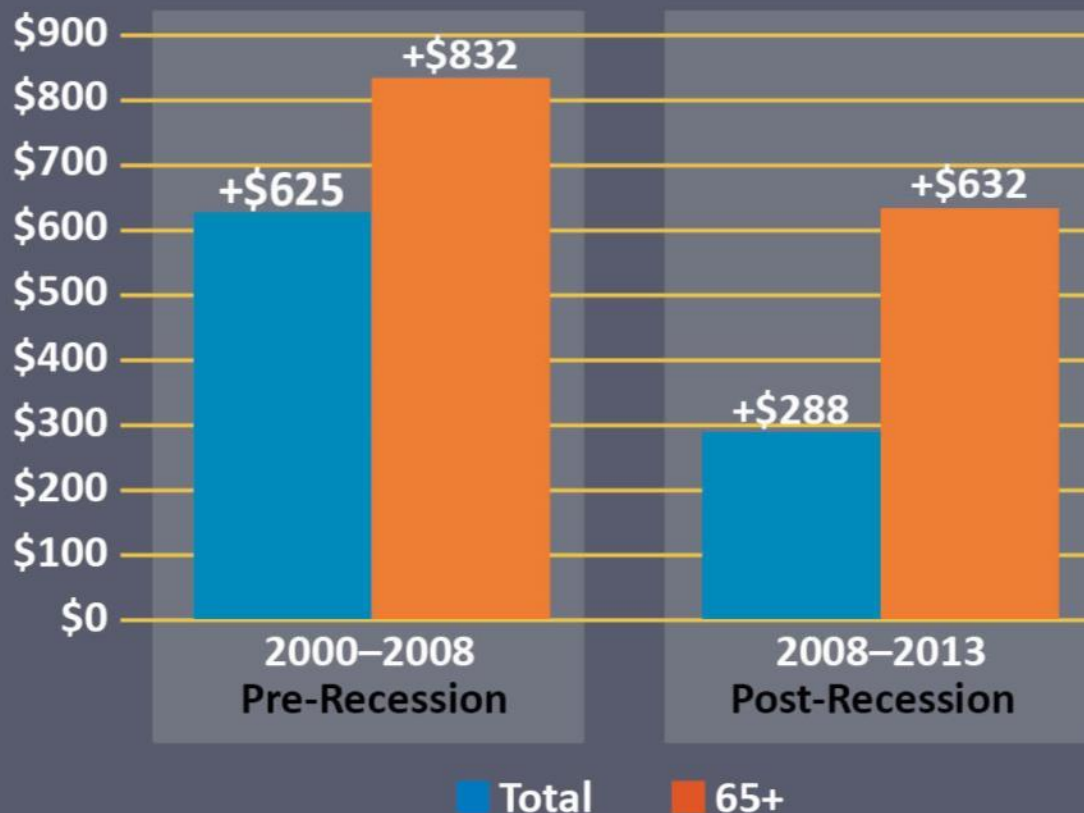


As the senior share of the workforce has grown, the wage gap between seniors and other employees has narrowed, especially since 2000.



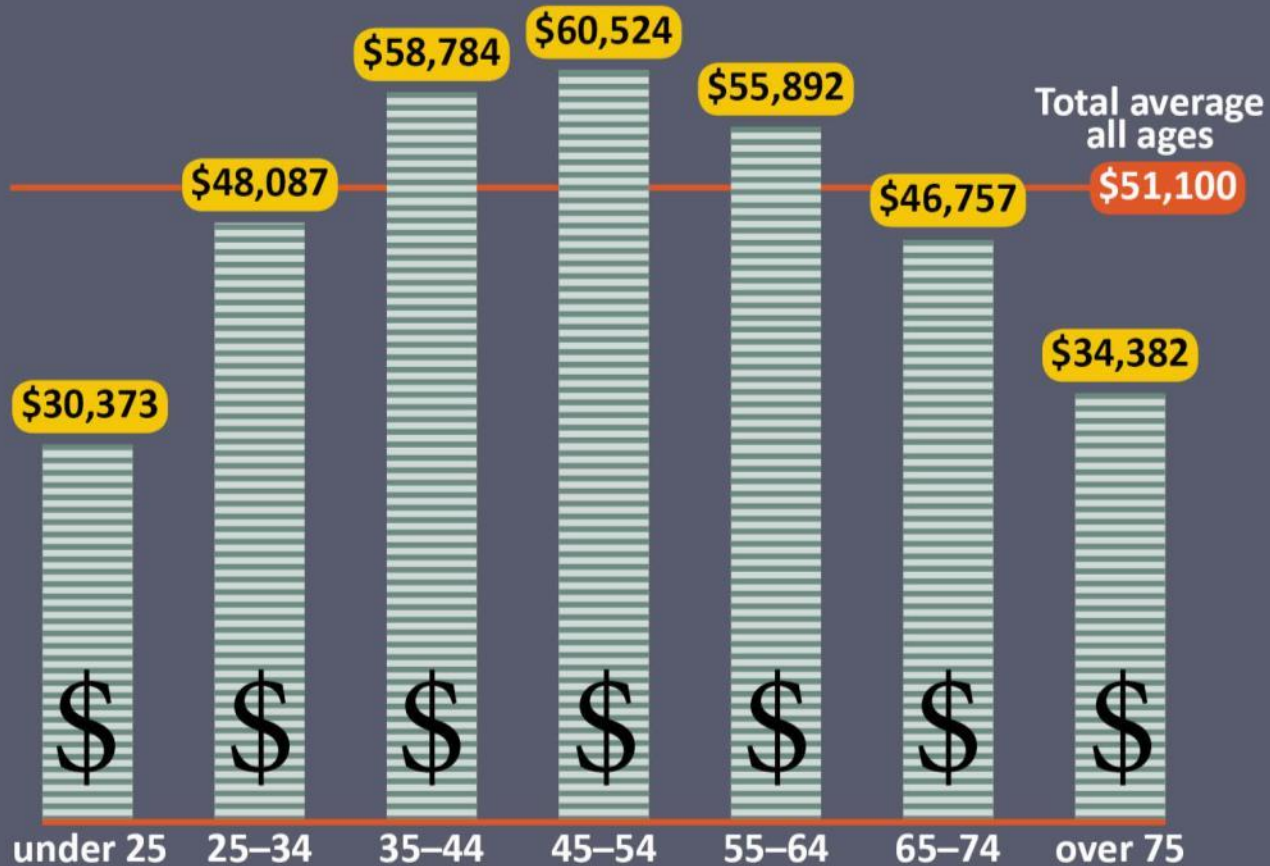
Since 2000, monthly wages for seniors have grown more than average and that growth has been more resilient in the aftermath of the Great Recession.

Change in average monthly wage



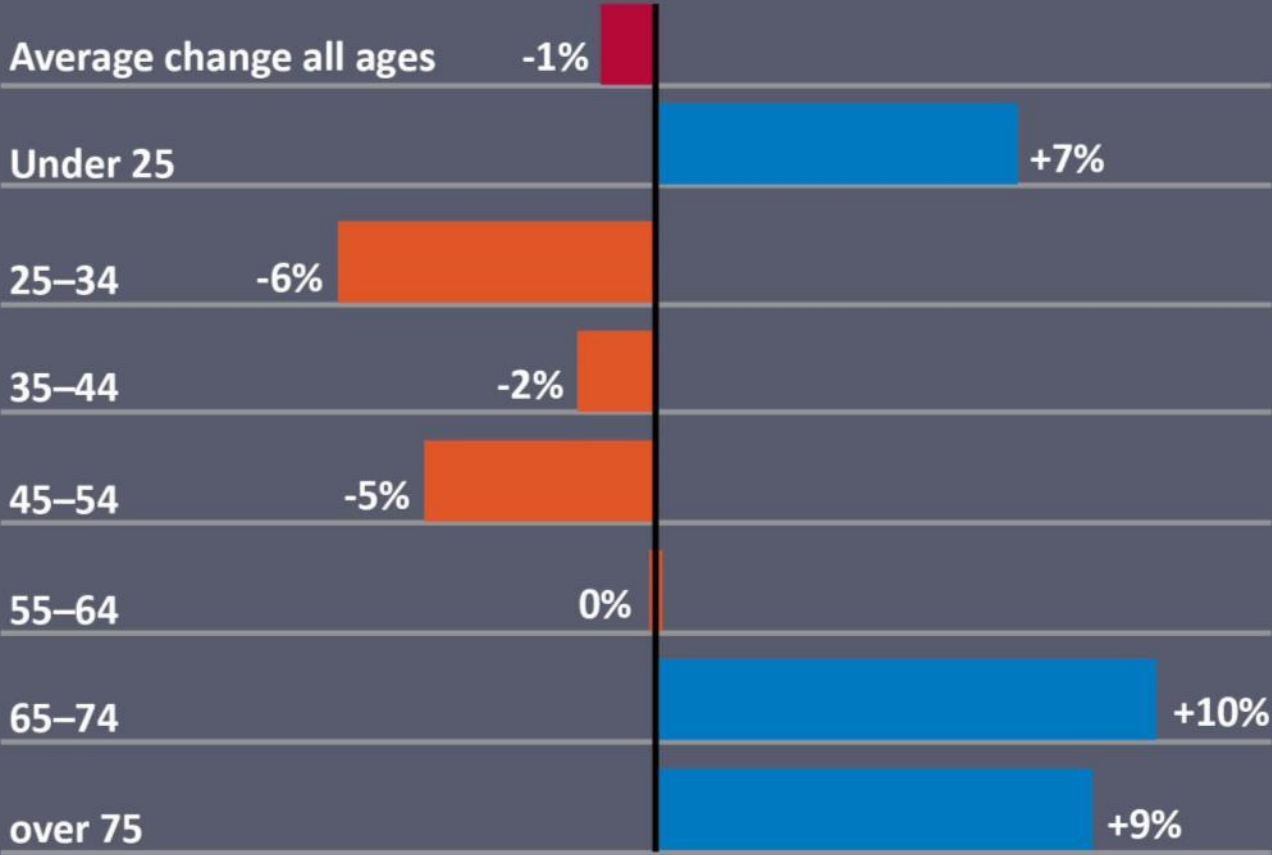
Older households spend about as much as younger households, on average.

Average annual expenditures by age group, 2013



Seniors have seen the fastest increase in average expenditures over the last decade.

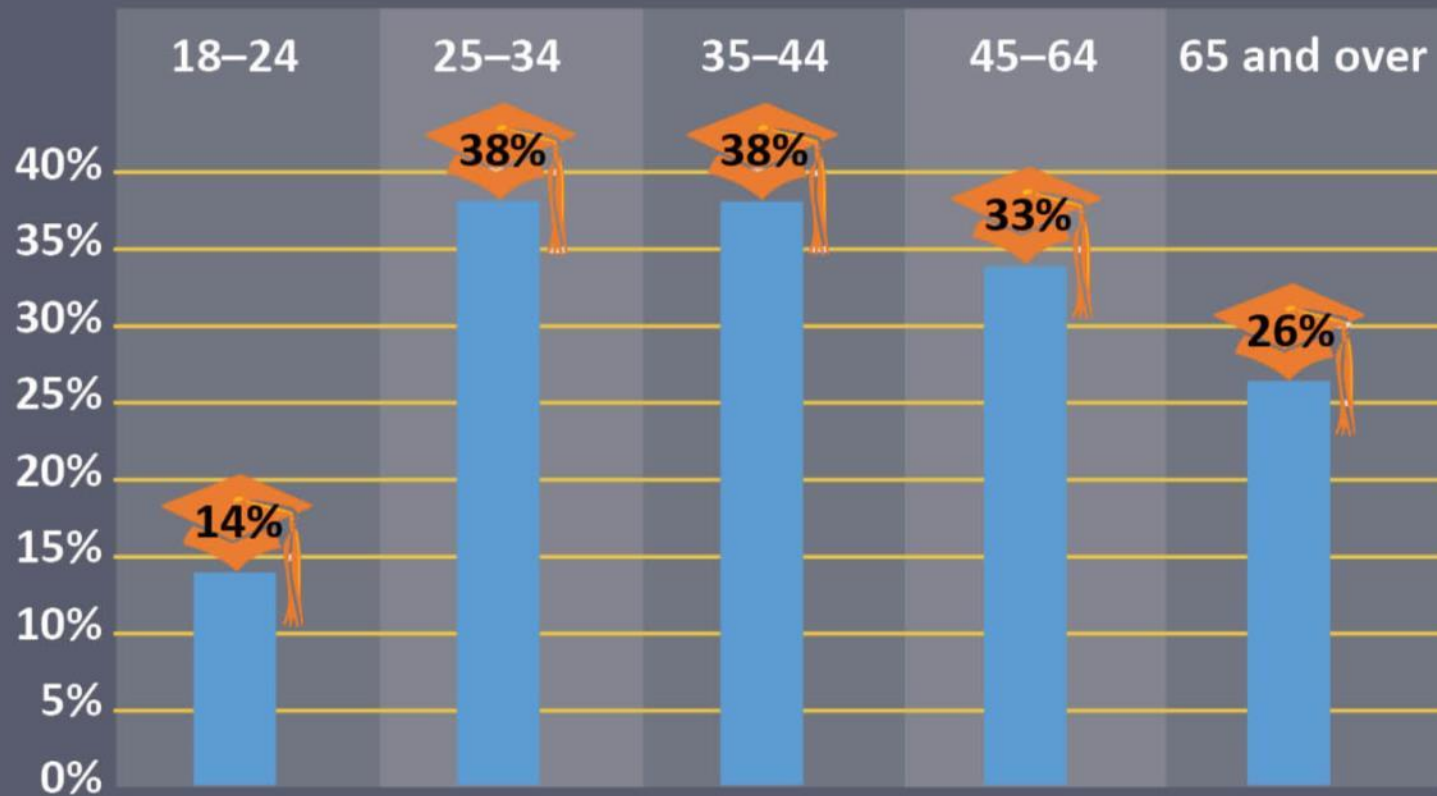
Real Change in average U.S. household expenditure by age group, 2001–2013



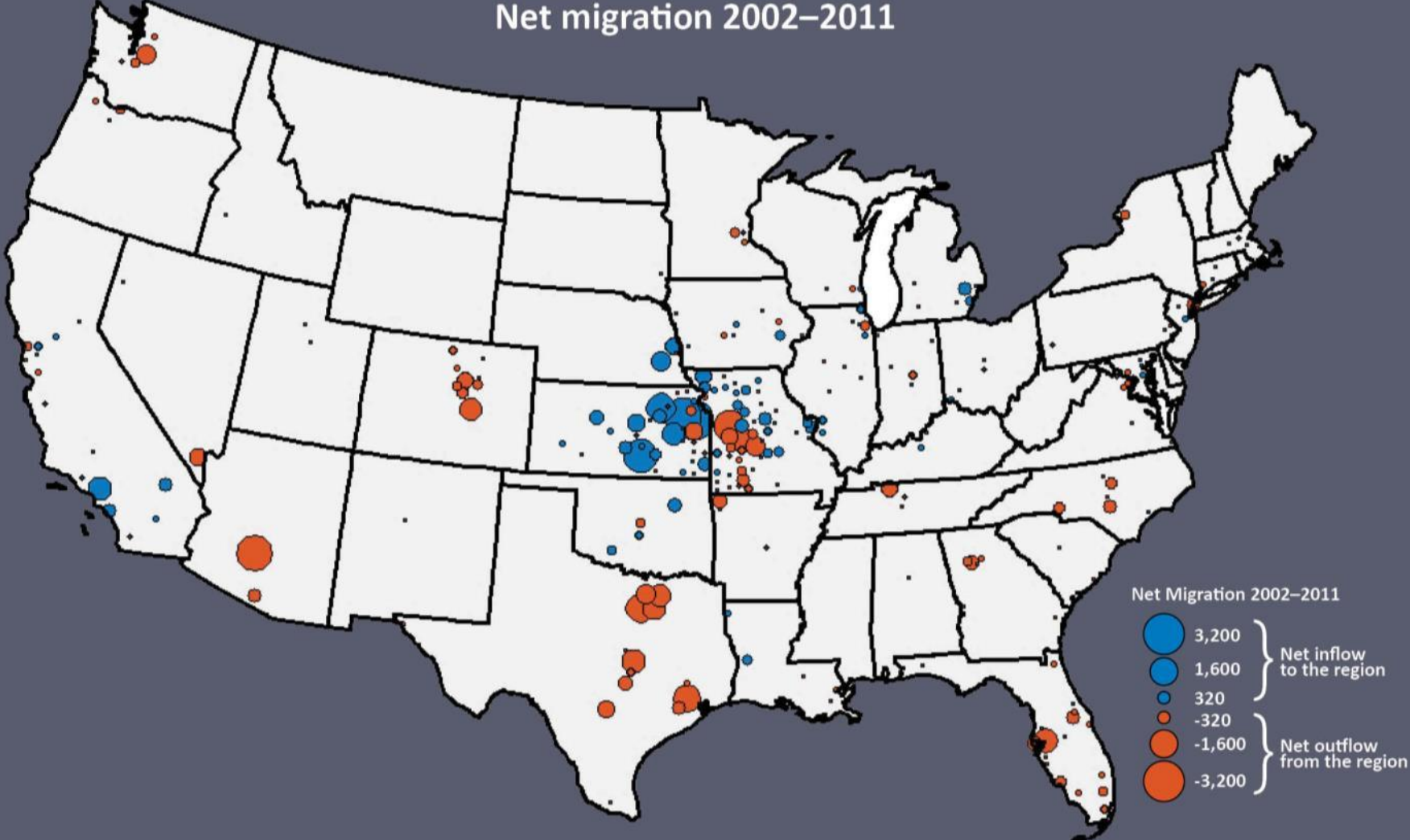
Based on national data

With each generation we create greater human capital. We need to retain it.

Percent with a bachelor's degree or above, 2013

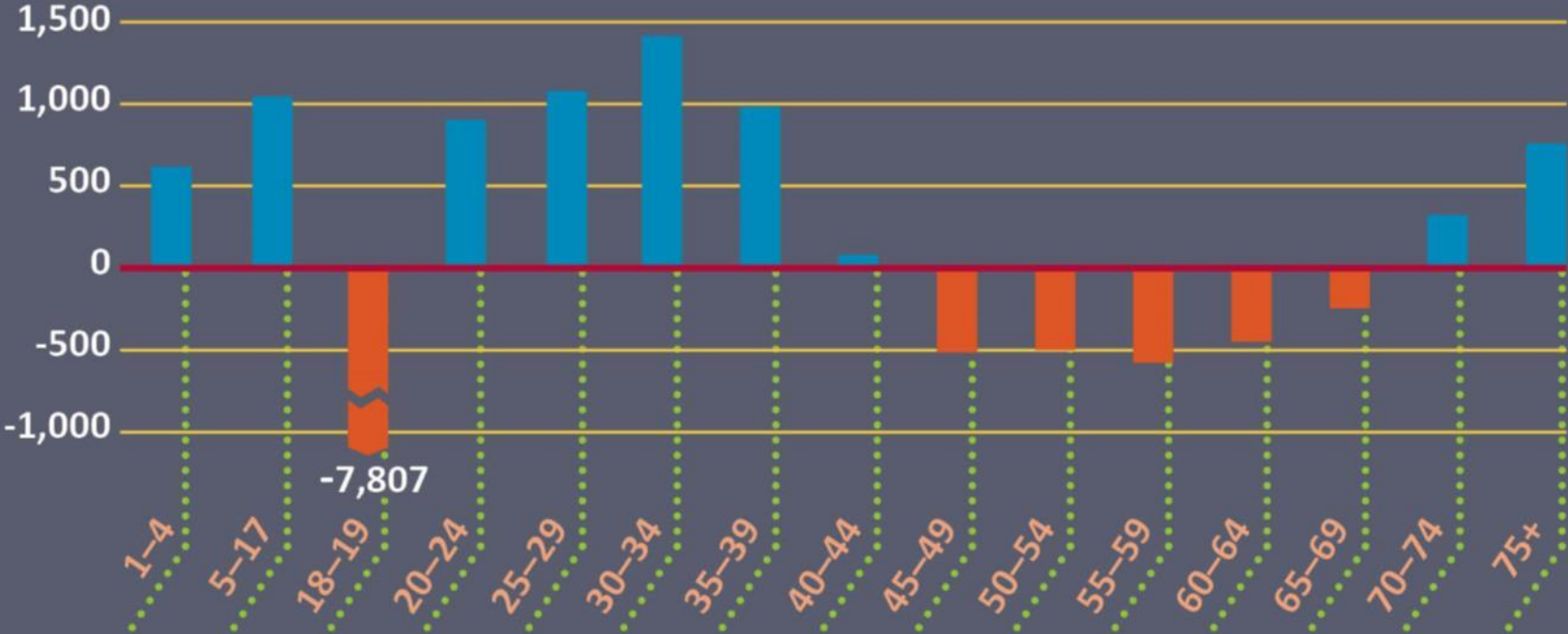


On net, the region is losing population to the sunbelt and other retirement locations.



The region is currently more attractive to children and younger adults than older adults.

Average annual net domestic migration by age, 2007–2013



More seniors are moving out of the region since the Great Recession.

Gross Outmigration of the Senior Population, 2007–2013



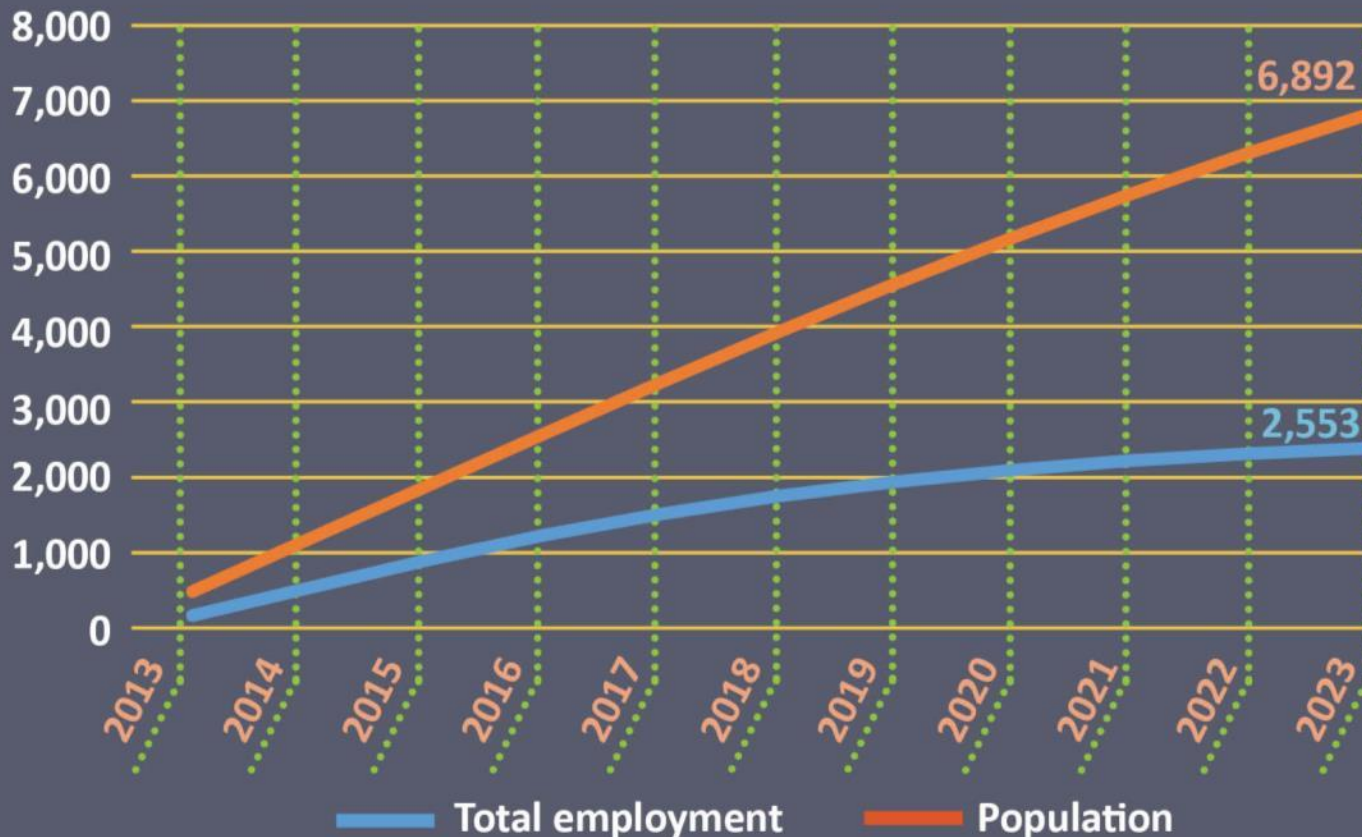
Estimating economic impact: assumptions and methodology



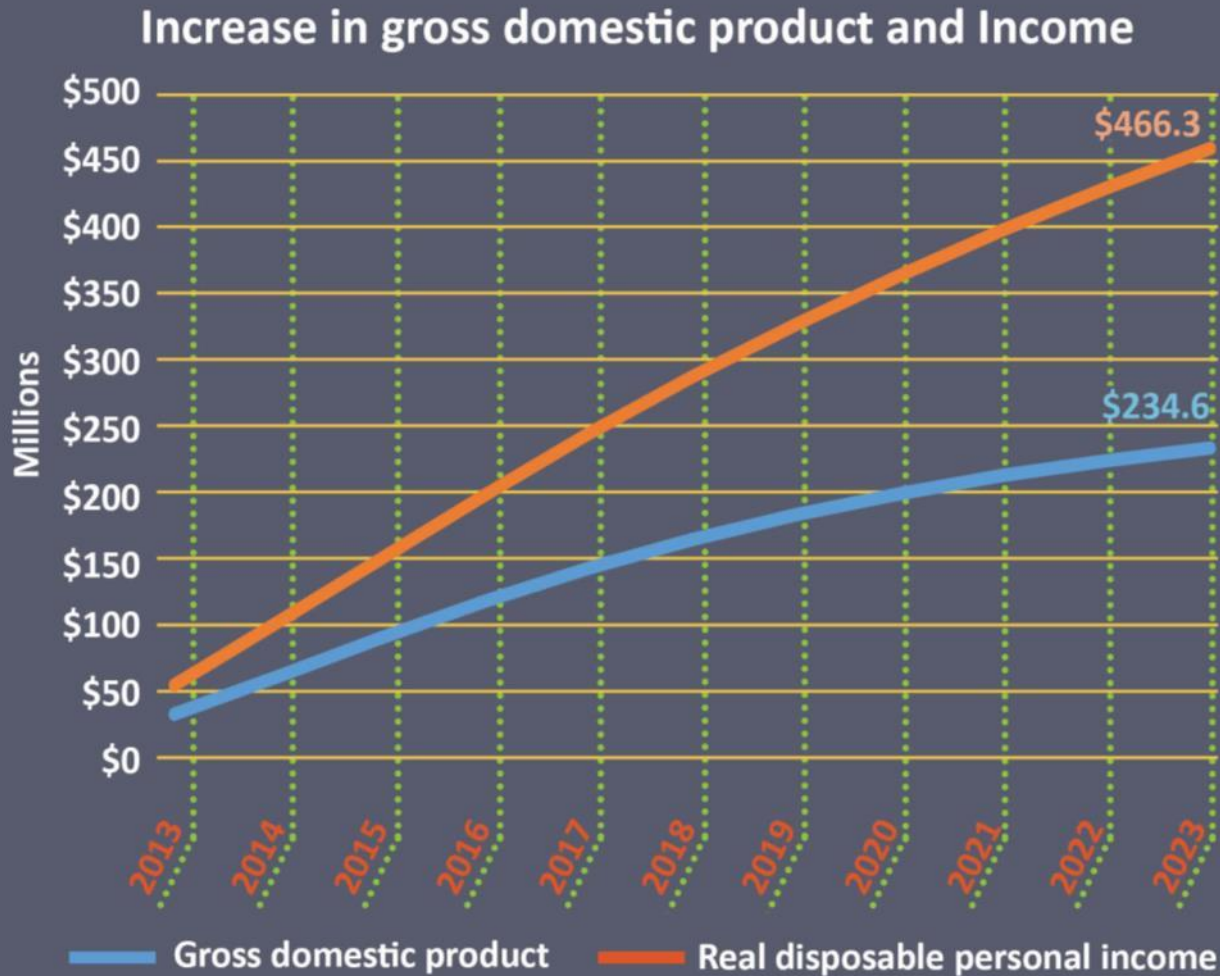
- Older adult-friendly policies and investments could influence 10 percent of those currently leaving the region to instead remain here.
- The impact of an additional 600 older adults on the economy is simulated using a Regional Economic Model (REMI).
- REMI estimates the increased income and expenditures that would result locally, and translates those into expected job gains.

Retaining more seniors produces a cumulative effect on the region's economy, resulting in nearly 7,000 more people and 2,600 more jobs if continued for 10 years.

Projected increase in total population and employment

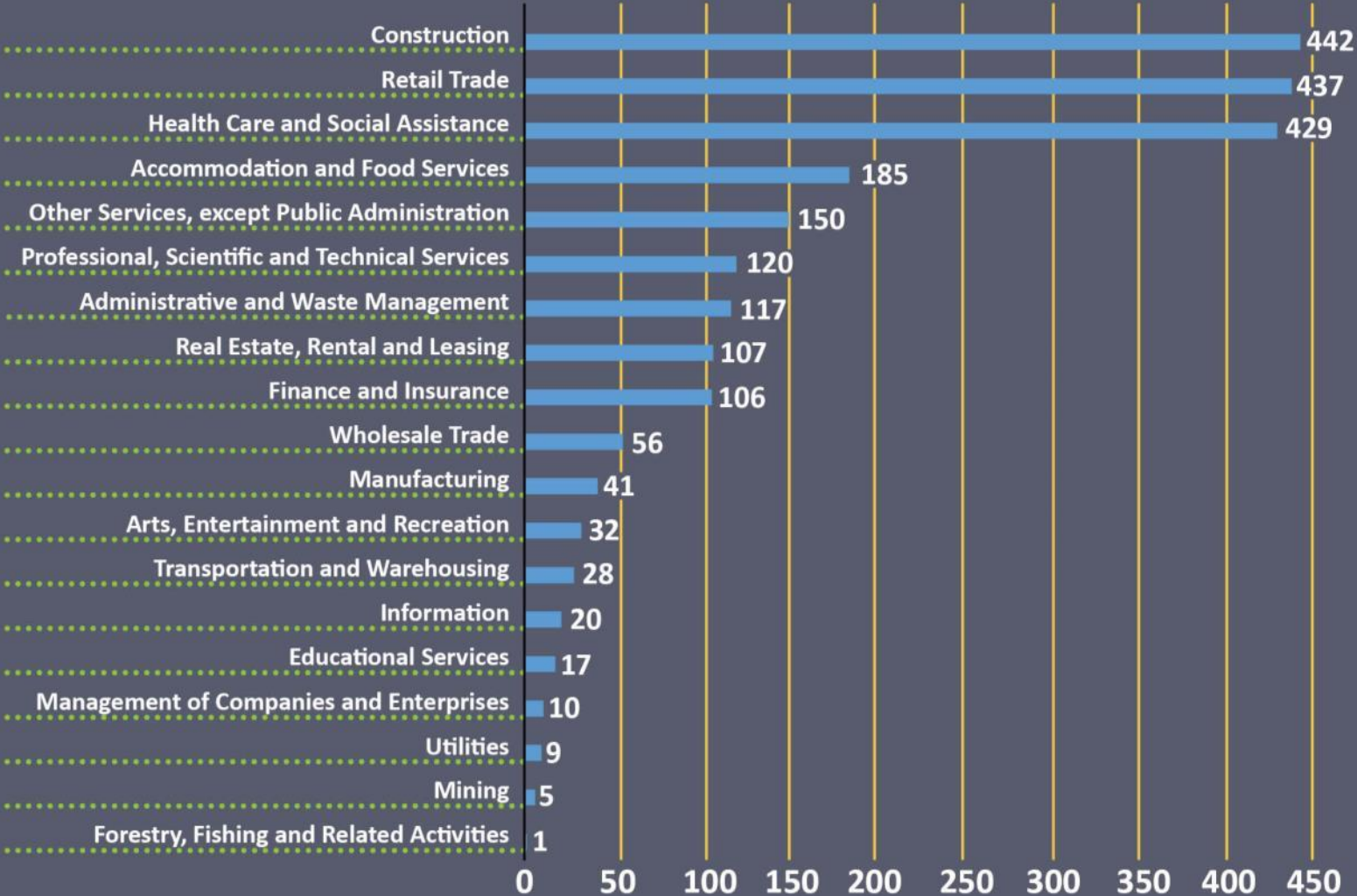


More people and jobs in the region would raise annual incomes by nearly half a billion dollars, and the value of goods and services produced locally by nearly one-quarter billion dollars.



The additional employment will be added mainly in the construction, retail and health care sectors of the economy

Projected increase in employment by sector



Conclusion

- Older adults are an increasing share of the economy.
- This is the result of both growing numbers and improving spending power.
- Retaining older adults who might otherwise leave can be an important part of an overall economic development strategy.
- Strategies that make the region more attractive to older adults could add thousands of jobs and millions of dollars to the region's economy, over time.
- We are increasingly a community **OF** all ages, so we need to invest to become a community **FOR** all ages.

Questions?

- What aspects of this analysis do you find most compelling?
- How can this information best be used to take advantage of the opportunities created by an increasing number of older adults?
- What additional information would be helpful to focus more attention on the older adult population?

Questions?

(503) 860-1262