



## DEPARTMENT OF THE AIR FORCE

21ST SPACE WING (AFSPC)

30 March 2006

### MEMORANDUM FOR SEE DISTRIBUTION

FROM: 21 SW/CC  
775 Loring Avenue, Suite 205  
Peterson AFB CO 80914-1290

SUBJECT: Economic Impact Analysis

1. The Economic Impact Analysis is our way of keeping the Colorado Springs and El Paso County Communities informed of the activities of Peterson Air Force Base and Cheyenne Mountain Air Force Station. It is a summary of key information concerning our mission, resources, personnel, and the overall economic impact on the Colorado Springs community in Fiscal Year 2005.

2. We thank the citizens of El Paso County for their outstanding cooperation and strong support. We look forward to continued cooperation in an effort to make our communities an even better place to work and live!

A handwritten signature in black ink, appearing to read "JAY G. SANTEE", written over a horizontal line.

JAY G. SANTEE  
Colonel, USAF  
Commander

# **PETERSON COMPLEX**

## **ECONOMIC IMPACT**

### **STATEMENT**

**FY05 (1 OCT 04 - 30 SEP 05)**



**PREPARED BY FINANCIAL ANALYSIS**

**21ST SPACE WING**

**PETERSON AFB CO**

## TABLE OF CONTENTS

<b>STATEMENT OF CLEARANCE</b>	i
<b>PREFACE</b>	ii
<b>PETERSON COMPLEX MISSION STATEMENTS</b>	iii
<b>TABLE 1. PERSONNEL BY CLASSIFICATION AND HOUSING LOCATION</b>	1
<b>TABLE 2. ANNUAL PAYROLL BY CLASSIFICATION AND HOUSING LOCATION</b>	2
<b>TABLE 3. EXPENDITURES FOR CONSTRUCTION, SERVICES, AND PROCUREMENT OF MATERIALS, EQUIPMENT, AND SUPPLIES</b>	3
<b>TABLE 4. ESTIMATE OF NUMBER AND DOLLAR VALUE OF INDIRECT JOBS CREATED</b>	4
<b>TABLE 5. TOTAL ANNUAL ECONOMIC IMPACT ESTIMATE</b>	5
<b>DISTRIBUTION LIST</b>	6

Please note:

Due to the formatting of the Economic Analysis software, the number fields are fixed. Therefore, "subtotals" in some areas appear to not add correctly in "total" columns.

This appears at the bottom of page 1, paragraph 4:

Private Businesses on Base, by type	62
Branch Banks/Credit Union	17
McDonald's	45

The 17 and 45 subtotals add up to the 62 total.

The total for paragraph 4 (3,181) is correct.

## STATEMENT OF CLEARANCE

In accordance with AFI 10-1101, AFI 36-2623, and AFI 35-101, the information contained in this impact statement has been cleared through the Operations Security Office and the Public Affairs Office for public release.

## **PREFACE**

### **ECONOMIC IMPACT ANALYSIS**

The Peterson AFB and Cheyenne Mountain AFS Economic Impact Analysis (EIA) is a useful data resource for Air Force planners and a source of information for community leaders, legislators, and installation visitors. It presents the total economic impact and number of off-base secondary jobs supported by Air Force expenditures in the Economic Impact Region (EIR). The EIR for Peterson AFB and Cheyenne Mountain AFS covers the area within a 50 mile radius, including the city of Colorado Springs.

This EIA reflects information concerning Peterson AFB, Cheyenne Mountain AFS, and the Federal Building, annotated throughout this publication as "Peterson Complex." Schriever AFB is excluded as part of this EIA, except where noted.

Through close interaction with various agencies throughout the Peterson Complex, the 21st Space Wing Financial Analysis Division (FMA) compiled this FY04 EIA. The fiscal year data contained in the EIA reflects the time period of 1 Oct 04 - 30 Sep 05. We thank those members who helped contribute to this publication. Send suggestions or comments to:

Financial Analysis Flight  
21st Comptroller Squadron  
135 Dover Street, Suite 2009  
Peterson AFB CO 80914-1137  
Telephone (719) 556-4336  
DSN: 834-4336

21 CPTS/FMA  
As of: 30 September 2005

## TEAM PETERSON MISSION STATEMENTS

NORAD's mission is to continuously provide worldwide detection, validation and warning of an aerospace attack on North America and maintains continental aerospace control, to include peacetime air sovereignty alert and appropriate aerospace defense measures in response to hostile actions against North America.

The U.S. Northern Command's mission is to conduct operations to deter, prevent, and defeat threats and aggression aimed at the United States, its territories, and interests within the assigned area of responsibility; as directed by the President or Secretary of Defense, provides military assistance to civil authorities including consequence management operations.

The Air Force Space Command's mission is to defend the United States of America through the control and exploitation of space.

The 21st Space Wing's mission is to conduct world class space superiority operations and provide unsurpassed installation support and protection while deploying warrior Airmen.

The 302<sup>nd</sup> Airlift Wing's primary mission is to train equip and employ airlift forces in worldwide support of our nation's vital interest. Their secondary mission is to provide aerial drops in support of local and national firefighting needs using the Modular Airborne Fire Fighting System (MAFFS).

**ECONOMIC IMPACT ANALYSIS  
PETERSON COMPLEX**

**TABLE 1  
PERSONNEL BY CLASSIFICATION AND HOUSING LOCATION**

**As of: 30-Sep-05  
Data Source: VARIOUS ORGANIZATIONS**

<b>CLASSIFICATION</b>	<b>LIVING ON BASE</b>	<b>LIVING OFF BASE</b>	<b>TOTAL</b>
<b>1. APPROPRIATED FUND MILITARY</b>			
Active Duty	532	3,724	4,256
ANG/Reserve	0	1,258	1,258
Army/Navy/Marines/Coast Guard	73	414	487
Canadian Forces	1	143	144
	-----		
<b>TOTAL:</b>	<b>606</b>	<b>5,539</b>	<b>6,145</b>
<b>2. ACTIVE DUTY MILITARY DEPENDENTS</b>	<b>685</b>	<b>6,158</b>	<b>6,843</b>
<b>3. APPROPRIATED FUND CIVILIAN</b>			
General Schedule			2,112
Federal Wage Board			141
Other			3
		-----	
		<b>TOTAL:</b>	<b>2,256</b>
<b>4. NON-APPROPRIATED FUND CONTRACT CIVILIANS AND PRIVATE BUSINESS</b>			
Civilian NAF			360
Civilian BX			165
Contract Civilians (not elsewhere included)			2,532
Private Businesses On Base, By Type:			62
Branch Banks/Credit Union			17
McDonald's			45
		-----	
		<b>TOTAL:</b>	<b>3,181</b>
	<b>TOTAL PERSONNEL:</b>		<b>18,425</b>

**ECONOMIC IMPACT ANALYSIS  
PETERSON COMPLEX**

**TABLE 2  
ANNUAL PAYROLL BY CLASSIFICATION AND HOUSING LOCATION**

**Fiscal Year: 2005  
Data Source: VARIOUS ORGANIZATIONS**

CLASSIFICATION	LIVING ON BASE (\$)	LIVING OFF BASE (\$)	TOTAL (\$)
<b>1. APPROPRIATED FUND MILITARY</b>			
Active Duty	\$20,347,011	\$240,750,828	\$261,097,839
ANG/Reserve	\$0	\$14,230,091	\$14,230,091
Army/Navy/Marines/Coast Guard	\$2,791,976	\$26,764,458	\$29,556,434
Canadian Forces	\$38,247	\$8,650,000	\$8,688,247
	-----	-----	-----
<b>TOTAL:</b>	<b>\$23,177,234</b>	<b>\$290,395,377</b>	<b>\$313,572,611</b>
 <b>2. APPROPRIATED FUND CIVILIAN</b>			
General Schedule			\$134,789,003
Federal Wage Board			\$5,550,218
Other			\$429,072
			-----
			<b>TOTAL: \$140,768,293</b>
 <b>3. NON-APPROPRIATED FUND CONTRACT CIVILIANS AND PRIVATE BUSINESS</b>			
Civilian NAF			\$7,084,679
Civilian BX			\$2,955,150
Contract Civilians (not elsewhere included - included in Table 3 - Contracts)			\$0
Private Businesses On Base, By Type:			\$573,822
Branch Banks/Credit Union			\$573,822
McDonald's - (contract data not releasable)			\$0
			-----
			<b>TOTAL: \$10,613,651</b>
 <b>TOTAL ANNUAL PAYROLL: \$464,954,555</b>			

**ECONOMIC IMPACT ANALYSIS  
PETERSON COMPLEX**

**TABLE 3  
EXPENDITURES FOR CONSTRUCTION, SERVICES, AND PROCUREMENT OF  
MATERIALS, EQUIPMENT, AND SUPPLIES**

**(Not including contracts for services supplied to other Air Force installations)**

**Fiscal Year: 2005**

**Data Source: VARIOUS ORGANIZATIONS**

	<b>ACTUAL ANNUAL EXPENDITURES</b>
<b>1. CONSTRUCTION</b>	
Military Construction Program	\$24,725,019
Non-Appropriated Fund	\$0
Military Family Housing	\$224,664
O&M	\$5,985,111
	-----
	<b>TOTAL: \$30,934,794</b>
<b>2. SERVICES</b>	
Services Contracts *	\$532,352,552
Other Services (not elsewhere included)	\$0
	-----
	<b>TOTAL: \$532,352,552</b>
<b>3. MATERIALS, EQUIPMENT, AND SUPPLIES PROCUREMENT</b>	
Commissary	\$9,190,597
Base Exchange (BX)	\$133,400
Health (TRICARE, Government cost only)	\$96,892,335
Education (Impact aid and tuition assistance)	\$5,408,274
Inbound TDY (Per Diem & Lodging)	\$6,565,261
Other Materials, Equipment & Supplies (not elsewhere included)	\$20,095,136
	-----
	<b>TOTAL: \$138,285,003</b>

**TOTAL ANNUAL EXPENDITURES: \$701,572,349**

**\* Includes only contracts in the local economic area or contracts requiring the use of locally supplied goods and services.**

**ECONOMIC IMPACT ANALYSIS  
PETERSON COMPLEX**

**TABLE 5  
TOTAL ANNUAL ECONOMIC IMPACT ESTIMATE**

**ANNUAL PAYROLL: \$464,954,555**

<b>Military</b>	<b>\$313,572,611</b>
<b>Federal Civilian</b>	<b>\$140,768,293</b>
<b>Other Civilian</b>	<b>\$10,613,651</b>

**ANNUAL EXPENDITURES: \$701,572,349**

**ESTIMATED ANNUAL DOLLAR VALUE OF JOBS CREATED: \$191,015,352**

<b>Estimated Indirect Jobs Created</b>	<b>5,196</b>
<b>Average Annual Pay</b>	<b>\$36,762</b>

**GRAND TOTAL: -----  
\$1,357,542,256**

**DISTRIBUTION**

21 CES/CC/CEH

21 CONS/CC

21 CPTS/FMFP

21 MSS/CC/DPF

21 SVS/CC

21 SW/MO

302 AW/FMA

7000 - 1 (CO CFSU)

AFAA/AAO

ESC Det 5

NORAD-USNORTHCOM/CS

SMC LSS

5 STAR BANK

ARMY AIR FORCE EXCHANGE SERVICE/GM PAFB/USAFA

COLORADO DEPARTMENT OF EDUCATION

DEFENSE COMMISSARY AGENCY/MW/PET

ENT FEDERAL CREDIT UNION

TRICARE MANAGEMENT ACTIVITY OFFICE

U.S. ARMY CORP OF ENGINEERS

**ECONOMIC IMPACT ANALYSIS  
PETERSON COMPLEX**

**TABLE 1  
PERSONNEL BY CLASSIFICATION AND HOUSING LOCATION**

As of: 30-Sep-04  
Data Source: VARIOUS ORGANIZATIONS

CLASSIFICATION	LIVING ON BASE	LIVING OFF BASE	TOTAL
<b>1. APPROPRIATED FUND MILITARY</b>			
Active Duty	671	3,421	4,092
ANG/Reserve	0	1,175	1,175
Army/Navy/Marines/Coast Guard	0	394	394
Canadian Forces	0	144	144
	-----		
<b>TOTAL:</b>	<b>671</b>	<b>5,134</b>	<b>5,805</b>
<b>2. ACTIVE DUTY MILITARY DEPENDENTS</b>	<b>789</b>	<b>5,290</b>	<b>6,079</b>
<b>3. APPROPRIATED FUND CIVILIAN</b>			
General Schedule			2,018
Federal Wage Board			224
Other			2
		-----	
		<b>TOTAL:</b>	<b>2,244</b>
<b>4. NON-APPROPRIATED FUND CONTRACT CIVILIANS AND PRIVATE BUSINESS</b>			
Civilian NAF			380
Civilian BX			156
Contract Civilians (not elsewhere included)			1,997
Private Businesses On Base, By Type:			63
Branch Banks/Credit Union			18
McDonald's			45
		-----	
		<b>TOTAL:</b>	<b>2,596</b>
	<b>TOTAL PERSONNEL:</b>		<b>16,724</b>

**ECONOMIC IMPACT ANALYSIS  
PETERSON COMPLEX**

**TABLE 2  
ANNUAL PAYROLL BY CLASSIFICATION AND HOUSING LOCATION**

Fiscal Year: 2004  
Data Source: VARIOUS ORGANIZATIONS

CLASSIFICATION	LIVING ON BASE (\$)	LIVING OFF BASE (\$)	TOTAL (\$)
<b>1. APPROPRIATED FUND MILITARY</b>			
Active Duty	\$24,749,164	\$214,168,284	\$238,917,448
ANG/Reserve	\$0	\$13,721,630	\$13,721,630
Army/Navy/Marines/Coast Guard	\$0	\$24,665,976	\$24,665,976
Canadian Forces	\$0	\$8,207,795	\$8,207,795
	-----		
<b>TOTAL:</b>	<b>\$24,749,164</b>	<b>\$260,763,685</b>	<b>\$285,512,849</b>
 <b>2. APPROPRIATED FUND CIVILIAN</b>			
General Schedule			\$123,163,672
Federal Wage Board			\$8,886,371
Other			\$283,646
			-----
<b>TOTAL:</b>			<b>\$132,333,689</b>
 <b>3. NON-APPROPRIATED FUND CONTRACT CIVILIANS AND PRIVATE BUSINESS</b>			
Civilian NAF			\$6,960,874
Civilian BX			\$2,435,000
Contract Civilians (not elsewhere included - included in Table 3 - Contracts)			\$0
Private Businesses On Base, By Type:			\$552,765
Branch Banks/Credit Union			\$552,765
McDonald's - (contract data not releasable)			\$0
			-----
<b>TOTAL:</b>			<b>\$9,948,639</b>
 <b>TOTAL ANNUAL PAYROLL: \$427,795,177</b>			

**ECONOMIC IMPACT ANALYSIS  
PETERSON COMPLEX**

**TABLE 3  
EXPENDITURES FOR CONSTRUCTION, SERVICES, AND PROCUREMENT OF  
MATERIALS, EQUIPMENT, AND SUPPLIES**

**(Not including contracts for services supplied to other Air Force installations)**

**Fiscal Year: 2004**

**Data Source: VARIOUS ORGANIZATIONS**

	<b>ACTUAL ANNUAL EXPENDITURES</b>
<b>1. CONSTRUCTION</b>	
Military Construction Program	\$8,740,713
Non-Appropriated Fund	\$162,818
Military Family Housing	\$671,000
O&M	\$11,626,862
	-----
	<b>TOTAL: \$21,201,393</b>
<b>2. SERVICES</b>	
Services Contracts *	\$344,460,123
Other Services (not elsewhere included)	\$0
	-----
	<b>TOTAL: \$344,460,123</b>
<b>3. MATERIALS, EQUIPMENT, AND SUPPLIES PROCUREMENT</b>	
Commissary	\$8,416,801
Base Exchange (BX)	\$247,100
Health (CHAMPUS, Government cost only)	\$84,107,053
Education (Impact aid and tuition assistance)	\$5,471,340
Inbound TDY (Per Diem & Lodging)	\$6,666,912
Other Materials, Equipment & Supplies (not elsewhere included)	\$9,490,861
	-----
	<b>TOTAL: \$114,400,067</b>

**TOTAL ANNUAL EXPENDITURES: \$480,061,583**

\* Includes only contracts in the local economic area or contracts requiring the use of locally supplied goods and services.

**ECONOMIC IMPACT ANALYSIS  
PETERSON COMPLEX**

**TABLE 4  
ESTIMATE OF NUMBER AND DOLLAR VALUE OF INDIRECT JOBS CREATED**

**Data Sources:**

**Multipliers: LMI Economic Impact Database, Installations and Indirect/Induced Job Multipliers**

**Average Annual Pay: Bureau of Labor Statistics, US Department of Labor**

<b>Type of Personnel</b>	<b># of Base Jobs</b>	<b>Multiplier</b>	<b># of Indirect Jobs</b>
<b>MILITARY ACTIVE DUTY</b>	<b>4,630</b>	<b>0.41</b>	<b>1,898</b>
<b>TRAINEES AND RESERVISTS</b>	<b>1,175</b>	<b>0.16</b>	<b>188</b>
<b>DoD CIVILIANS</b>	<b>2,244</b>	<b>0.55</b>	<b>1,234</b>
<b>OTHER CIVILIANS</b>	<b>2,596</b>	<b>0.55</b>	<b>1,428</b>
	-----		-----
<b>TOTAL:</b>	<b>10,645</b>		<b>4,748</b>

**AVERAGE ANNUAL PAY FOR THE LOCAL COMMUNITY: \$36,762**

**ESTIMATED ANNUAL DOLLAR VALUE OF JOBS CREATED: \$174,545,976**

**ECONOMIC IMPACT ANALYSIS  
PETERSON COMPLEX**

**TABLE 5  
TOTAL ANNUAL ECONOMIC IMPACT ESTIMATE**

<b>ANNUAL PAYROLL:</b>		<b>\$427,795,177</b>
	<b>Military</b>	<b>\$285,512,849</b>
	<b>Federal Civilian</b>	<b>\$132,333,689</b>
	<b>Other Civilian</b>	<b>\$9,948,639</b>
<b>ANNUAL EXPENDITURES:</b>		<b>\$480,061,583</b>
<b>ESTIMATED ANNUAL DOLLAR VALUE OF JOBS CREATED:</b>		<b>\$174,545,976</b>
	<b>Estimated Indirect Jobs Created</b>	<b>4,748</b>
	<b>Average Annual Pay</b>	<b>\$36,762</b>
	<b>GRAND TOTAL:</b>	<b>----- \$1,082,402,736</b>

## **Variations in EIS Numbers Between FY04 & FY05**

### **Table 1**

Active Duty – The 5.5 percent increase primarily came from the increase of Air Force members assigned to Peterson AFB Complex as reported by the 21 MSS.

Active Duty Military Dependents – The increase in active duty military dependents has a direct correlation to the increase in military members assigned to Peterson AFB Complex.

Contract Civilians – The 21 percent increase in contract manpower equivalents came from units outside the control of 21SW.

### **Table 2**

Total Annual Payroll – The increase in annual payroll is directly affected by the overall increase in personnel assigned as mentioned in Table 1.

### **Table 3**

Military Construction – Military construction by Army Corp of Engineering increased by a significant 65 percent and was from the USNORTHCOM Bed Down/NORAD Battle Management Center, ADAL Mission Support Facility and Consolidated Aerial Port/Airlift Control Flight Facility projects. However, there was a \$6M decrease in construction spending in non-appropriated funds, military family housing and O&M activities.

Service Contracts – Service contract spending increased by 35 percent and is primarily due to the increase in support provided to USNORTHCOM. However, increases were noted in activities by CC2SG as well as the Base Exchange.

Health Care Expenses – The increase in TRICARE expenses have a tie in with the increase of assigned personnel as noted in Table 1 comments.

Other Materials, Equipment & Supplies (not elsewhere included) – The \$10M increase in spending in this category are associated with contract procurement activities by 21 CONS, the Canadian Forces Support Unit and 302 AW.

## Variances Between FY04 and FY05 Statistics

Category	Variance (+) (-)	Percentage
<b>Personnel</b>		
Appropriated Fund Military	340	5.5%
Active Duty Military Dependents	764	11.2%
	12	0.5%
Non-Appropriated Fund Contract Civilians and Private Business	585	18.4%
<b>Total</b>	<b>1,701</b>	<b>9.2%</b>
 <b>Annual Payroll</b>		
Classified	28,059,762	8.9%
Appropriated Civilian	8,434,604	6.0%
Non-appropriated Fund Contract Civilians and Private Business	665,012	6.2%
<b>Total</b>	<b>37,159,378</b>	<b>8.0%</b>
 <b>Expenditures for Construction, Service, and Procurement of Materials, Equipment and Supplies</b>		
Construction	9,733,401	31.5%
Services	187,892,429	35.3%
Materials, Equipment and Supplies	23,884,936	17.3%
<b>Total</b>	<b>221,510,766</b>	<b>31.6%</b>
 <b>Estimated Annual Dollar Value of Jobs Created</b>		
	275,139,520	20.2%
<b>Total</b>	<b>275,139,520</b>	<b>20.2%</b>

## PERSONNEL

(Appropriated)

	MIL	CIV	TOTAL
AF Personnel	4,330	2,256	6,586
Canadian Personnel	143		143
ANG/Reserve Personnel	1,258		1,258
Army/Navy/Marines	414		414
<b>OTHER</b>			
NAF/BX		525	525
Contract/Private Business		2,594	2,594
<b>TOTAL</b>	6,145	5,375	11,520
Dependents			6,843



## PAYROLL

(\$ in Millions)

Military	EY 05
Civilian*	\$313.6
	\$140.8
NAF/Other**	\$10.6
TOTAL	\$465.0
* Appropriated Fund	
** Includes BX and Private Business	

## GOVERNMENT HOUSING

Base Housing 493  
(190 units are allocated to Schriever personnel)

Dorm/Bed Spaces 708  
(190 spaces are allocated to Schriever personnel)



## MATERIAL/EQUIPMENT/ SUPPLIES

HEALTH	\$ 96,892,335
DECA, BX, Other	41,392,668
<b>TOTAL</b>	\$138,285,003

## CONSTRUCTION CONTRACTS

Military Family Housing	\$ 224,664
Military Construction Program	\$24,725,019
Non-Appropriated Fund	\$ 0
O & M	\$ 5,985,111
<b>TOTAL</b>	\$30,934,794

## UTILITIES

Water	\$1,109,984
Heating Fuel	\$2,322,210
Sewage	\$319,689
Electricity	\$4,677,000
<b>TOTAL</b>	\$11,246,732

## SERVICE CONTRACTS

Misc/Repair/Rental	\$532,352,552
--------------------	---------------

## EDUCATION

Associate Degree/CCAF	219
Undergraduate/Graduate Degrees	56
Total Degrees Earned	275
Bachelor Enrollments	3,994
Master Enrollments	1,190
Total Student Enrollments	5,184
Impact Aid/Tuition Assist	\$5,408,000

## CONTRIBUTIONS

CEC/CAFAF	\$790,618
Volunteer Hours	73,000

## SERVICES EXPENDITURES

Category A	NAE	APF	NAE
	\$1,074,767		\$0
Category B	\$3,117,404		\$4,243,541
Category C	\$0		\$3,371,348
<b>TOTAL</b>	\$4,192,171		\$7,614,889

## VEHICLE DATA



GSA	21 SV	291
General Purpose		59
Special Purpose		112
Non Registered Equip		50
<b>TOTAL</b>		512
Miles Driven		2,610,007

## Peterson AFB

Fiscal Year 05 Data



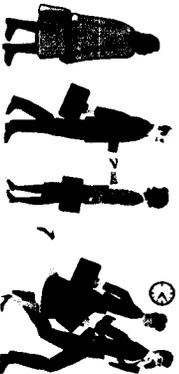
Commander's  
Data Card

Annual as of  
September 30, 2005

Prepared by  
Financial Analysis,  
Ext 6-4336

## ANNUAL ECONOMIC IMPACT

Indirect Jobs	5,196
Estimated Annual Dollar Value of Jobs Created	\$191,015,352
Total Estimated Annual Impact	\$1,357,542,556



## CAPITAL ASSETS

<u>LAND (Acres)</u>	
Owned	201
Leased	1,094
<b>TOTAL</b>	1,295

## BUILDINGS

Facilities (Includes MFH) 415

