

**PETERSON AFB COMPLEX  
ECONOMIC IMPACT  
ANALYSIS**

**FY14 (1 OCT 13 – 30 SEP 14)**



**PREPARED BY FINANCIAL ANALYSIS**

**21st SPACE WING**

**PETERSON AFB, CO**

## TABLE OF CONTENTS

TABLE OF CONTENTS	1
21st SPACE WING COMMANDER'S NOTE	2
STATEMENT OF CLEARANCE	3
PREFACE	4
PETERSON AFB COMPLEX MISSION STATEMENTS	5
TABLE 1 - PERSONNEL BY CLASSIFICATION AND HOUSING LOCATION	6
TABLE 2 - ANNUAL PAYROLL BY CLASSIFICATION AND HOUSING LOCATION	7
TABLE 3 - EXPENDITURES FOR CONSTRUCTION, SERVICES, AND PROCUREMENT OF MATERIALS, EQUIPMENT, AND SUPPLIES	8
TABLE 4 - ESTIMATE OF NUMBER AND DOLLAR VALUE OF INDIRECT JOBS CREATED	9
TABLE 5 - TOTAL ANNUAL ECONOMIC IMPACT ESTIMATE	10
VARIANCES BETWEEN FY13 AND FY14 STATISTICS	11
VARIANCES BETWEEN FY13 AND FY14 – COMMENTS	12
DISTRIBUTION LIST	13



DEPARTMENT OF THE AIR FORCE  
21ST SPACE WING (AFSPC)

14 MAY 15

MEMORANDUM FOR SEE DISTRIBUTION

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

SUBJECT: Peterson AFB Complex Economic Impact Analysis

1. The Economic Impact Analysis is one 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 missions, resources, personnel and the overall economic impact on the Colorado Springs community in Fiscal Year 2014.
2. We thank the citizens of El Paso County for their outstanding participation and excellent support. We look forward to continued partnership in an effort to make our community an even better place to work and live!

A handwritten signature in black ink, appearing to read "John E. Shaw", is positioned above the typed name.

JOHN E. SHAW  
Colonel, USAF  
Commander

DISTRIBUTION:  
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302 AW/PA  
HQ AFSPC/FMA  
HQ AFSPC/PA  
NORAD-USNORTHCOM/PA  
Pikes Peak Area Council of Government  
Colorado Springs Regional Business Alliance

## **STATEMENT OF CLEARANCE**

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

## **PREFACE**

### **ECONOMIC IMPACT ANALYSIS**

The Peterson Air Force Base (AFB) and Cheyenne Mountain Air Force Station (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 and Cheyenne Mountain AFS, 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 FY14 EIA. The fiscal year data contained in the EIA reflects the time period of 1 Oct 13 – 30 Sep 14. We thank those members who helped contribute to this publication. Send suggestions or comments to:

#### Financial Analysis

21st Comptroller Squadron

135 Dover Street, Suite 2009

Peterson AFB, CO 80914-1137

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21 CPTS/FMA

As of: 10 March 2015

## PETERSON AFB COMPLEX MISSION STATEMENTS

**21st Space Wing (21 SW) Mission** - Provide and employ global capabilities to ensure space superiority and to defend our nation and allies.

**North American Aerospace Defense Command (NORAD) Mission** - Conduct aerospace warning, aerospace control and maritime warning in the defense of North America.

**United States Northern Command (USNORTHCOM) Mission** - Partner to conduct homeland defense, civil support and security cooperation to defend and secure the United States and its interests.

**Air Force Space Command (AFSPC) Mission** - Provide resilient and affordable space and cyberspace capabilities for the joint force and the nation.

**302d Airlift Wing (302 AW) Mission** - Citizen Airmen providing superior global reach.

**United States Army Space and Missile Defense Command / Army Forces Strategic Command (USASMDC/ARSTRAT) Mission** - Conduct space and missile defense operations and provide planning, integration, control and coordination of Army forces and capabilities in support of U.S. Strategic Command missions (strategic deterrence, integrated missile defense, and space operations); serve as the Army force modernization proponent for space, high altitude and global missile defense; serve as the Army operational integrator for global missile defense; and conduct mission-related research and development in support of Army Title 10 responsibilities.

Peterson AFB, CO FY14

TABLE 1

PERSONNEL BY CLASSIFICATION AND HOUSING LOCATION

As of: 30-Sep-14

CLASSIFICATION	LIVING ON BASE	LIVING OFF BASE	TOTAL
<b>1. APPROPRIATED FUND MILITARY</b>			
Active Duty	851	3,080	3,931
Air Force Reserve/Air National Guard	0	1,390	1,390
Army/Navy/ Marines/ Coast Guard	189	175	364
Canadian Forces	3	144	147
	-----		
TOTAL:	1,043	4,789	5,832
<b>2. ACTIVE DUTY MILITARY DEPENDENTS</b>			
	1,526	5,523	7,049
<b>3. APPROPRIATED FUND CIVILIANS</b>			
General Schedule			2,537
Federal Wage Board			190
Other			7
		-----	
		TOTAL:	2,734
<b>4. NON-APPROPRIATED FUND CONTRACT CIVILIANS AND PRIVATE BUSINESS</b>			
Civilian NAF			319
Civilian BX			149
Contract Civilians (not elsewhere included)			1,294
Private Businesses On Base, By Type:			22
5 Star Bank		17	
Ent Credit Union		5	
		-----	
		TOTAL:	1,784
	<b>TOTAL PERSONNEL:</b>		<b>17,399</b>

**ECONOMIC IMPACT ANALYSIS  
Peterson AFB, CO FY14**

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

As of: 30-Sep-14

CLASSIFICATION	LIVING ON BASE (\$)	LIVING OFF BASE (\$)	TOTAL (\$)
<b>1. APPROPRIATED FUND MILITARY</b>			
Active Duty	\$62,757,911	\$227,137,915	\$289,895,826
Air Force Reserve/Air National Guard	\$0	\$22,772,557	\$22,772,557
Army/Navy/ Marines/ Coast Guard	\$13,938,008	\$12,905,563	\$26,843,571
Canadian Forces	\$182,653	\$8,767,347	\$8,950,000
	-----	-----	-----
<b>TOTAL:</b>	<b>\$76,878,572</b>	<b>\$271,583,382</b>	<b>\$348,461,954</b>
 <b>2. APPROPRIATED FUND CIVILIANS</b>			
General Schedule			\$204,348,615
Federal Wage Board			\$9,340,622
Other			\$1,195,810
			-----
		<b>TOTAL:</b>	<b>\$214,885,047</b>
 <b>3. NON-APPROPRIATED FUND CONTRACT CIVILIANS AND PRIVATE BUSINESS</b>			
Civilian NAF			\$7,814,936
Civilian BX			\$2,628,214
Contract Civilians (not elsewhere included)			\$0
Private Businesses On Base, By Type:			\$1,175,521
5 Star Bank		\$1,000,889	
Ent Credit Union		\$174,632	
			-----
		<b>TOTAL:</b>	<b>\$11,618,671</b>
		 <b>TOTAL ANNUAL PAYROLL:</b>	 <b>\$574,965,672</b>

**ECONOMIC IMPACT ANALYSIS**

**Peterson AFB, CO FY14**

**TABLE 3**

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

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

As of: 30-Sep-14

	ACTUAL ANNUAL EXPENDITURES
<b>1. CONSTRUCTION</b>	
Military Construction Program	\$7,784,901
Non-Appropriated Fund	\$0
Military Family Housing	\$0
O&M	\$30,629,982
AFRC	\$2,985,000
	-----
<b>TOTAL:</b>	<b>\$41,399,883</b>
<b>2. SERVICES</b>	
Services Contracts *	\$385,516,119
Utilities	\$8,868,894
	-----
<b>TOTAL:</b>	<b>\$394,385,013</b>
<b>3. MATERIALS, EQUIPMENT, AND SUPPLIES PROCUREMENT</b>	
Commissary	\$9,738,380
Base Exchange (BX)	\$54,520
Health (CHAMPUS, Government cost only)	\$57,962,693
Education (Impact aid and tuition assistance)	\$6,898,270
TDY	\$7,628,792
Other Materials, Equipment & Supplies (not elsewhere included)	\$20,552,615
	-----
<b>TOTAL:</b>	<b>\$102,835,270</b>
<b>TOTAL ANNUAL EXPENDITURES:</b>	<b>\$538,620,166</b>

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

**ECONOMIC IMPACT ANALYSIS  
Peterson AFB, CO FY14**

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

As of: 30-Sep-14

Type of Personnel	# of Base Jobs	Multiplier	# of Indirect Jobs
ACTIVE DUTY MILITARY	4,295	<b>0.41</b>	1,761
AF RESERVE & CANADIAN FORCES	1,537	<b>0.16</b>	246
APF CIVILIANS	2,734	<b>0.55</b>	1,504
OTHER CIVILIANS	1,784	<b>0.55</b>	981
	-----		-----
TOTAL:	10,350		4,492

ESTIMATED NUMBER OF INDIRECT JOBS CREATED: **4,492**

AVERAGE ANNUAL PAY FOR THE LOCAL COMMUNITY: **\$44,148**

**ESTIMATED ANNUAL DOLLAR VALUE OF JOBS CREATED: \$198,312,816**

Data Sources:

- Multipliers: LMI Economic Impact Database, Installations and Indirect/Induced Job Multipliers, Feb 95
- Avg Annual Pay: Current tables for Average Annual Pay Levels by Colorado Counties  
<https://www.colmigateway.com/vosnet/lmi/area/areasummary.aspx?enc=0sOj/A15jsaGJZeQkgtRQhiFo+vdrAr38uVVivMRTrCFQZGwm9YWHkYMOUNF5JsYRbIBpIy9/Y+yZ2ehhE7EGQ==>

**ECONOMIC IMPACT ANALYSIS**  
**Peterson AFB, CO FY14**

**TABLE 5**  
**TOTAL ANNUAL ECONOMIC IMPACT ESTIMATE**

As of: 30-Sep-14

ANNUAL PAYROLL:		\$574,965,672
	Military	\$348,461,954
	Federal Civilian	\$214,885,047
	Other Civilian	\$11,618,671
ANNUAL EXPENDITURES:		\$538,620,166
ESTIMATED ANNUAL DOLLAR VALUE OF JOBS CREATED:		\$198,312,816
	Estimated Indirect Jobs Created	4,492
	Average Annual Pay	\$44,148
	<b>GRAND TOTAL:</b>	<b>\$1,311,898,654</b>

Variations Between FY13 and FY14 Statistics

5/1/2015

Category	Variance (+) (-)	Percentage	FY13	FY14
<b>Personnel</b>				
Appropriated Fund Military	63	1.1%	5,769	5,832
Active Duty Military Dependents	280	4.1%	6,769	7,049
Appropriated Fund Civilian	-132	-4.6%	2,866	2,734
Non-Appropriated Fund/Contract Civilians and Private Business	151	9.2%	1,633	1,784
<b>Total</b>	<b>362</b>	<b>2.1%</b>	<b>17,037</b>	<b>17,399</b>
<b>Annual Payroll</b>				
Appropriated Fund Military	6,383,992	1.9%	342,077,962	348,461,954
Appropriated Civilian	-8,983,247	-4.0%	223,868,294	214,885,047
Non-appropriated Fund Civilians and Private Business	-1,095,102	-8.6%	12,713,773	11,618,671
<b>Total</b>	<b>-3,694,357</b>	<b>-0.6%</b>	<b>578,660,029</b>	<b>574,965,672</b>
<b>Expenditures for Construction, Service, and Procurement of Materials, Equipment and Supplies</b>				
Construction	17,123,572	70.5%	24,276,311	41,399,883
Contract Services*	-22,572,054	-5.4%	416,957,067	394,385,013
Materials, Equipment and Supplies	777,681	0.8%	102,057,589	102,835,270
<b>Total</b>	<b>-4,670,801</b>	<b>-0.9%</b>	<b>543,290,967</b>	<b>538,620,166</b>
Estimated Annual Dollar Value of Jobs Created	4,399,096	2.3%	193,913,720	198,312,816
<b>Total</b>	<b>4,399,096</b>	<b>2.3%</b>	<b>193,913,720</b>	<b>198,312,816</b>
<b>Grand Total Economic Impact</b>	<b>-3,966,062</b>	<b>-0.3%</b>	<b>1,315,864,716</b>	<b>1,311,898,654</b>
(FY13 vs. FY14)				
*Note: Accounting Correction - FY13 service contracts data revised to exclude construction cost \$19M. Construction line captured the amount				

**Variances of +/- 10% between FY13 & FY14**

**Table 1 - Personnel**

No variance to report.

**Table 2 - Payroll**

No variance to report.

**Table 3 - Expenditures**

No variance to report

**Table 4 - Indirect Jobs**

**Estimated Annual Dollar Value of Jobs Created** - Local multipliers were utilized per AF Manual 65-506. Per Colorado Department of labor the average annual pay for the local community (El Paso County) increased by 1.7%

**Table 5 - Economic Impact**

No variance to report.

## **DISTRIBUTION LIST**

21 SW/PA

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302 AW/PA

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Pikes Peak Area Council of Governments

Colorado Springs Regional Business Alliance