

PETERSON COMPLEX ECONOMIC RESOURCE IMPACT STATEMENT

FY93 (1 OCT 92 - 30 SEP 93)



PREPARED BY FINANCIAL ANALYSIS

21st SPACE WING

PETERSON AFB, CO



DEPARTMENT OF THE AIR FORCE

21ST SPACE WING (AFSPAW/COM)

25 JUN 1994

STATEMENT OF CLEARANCE

MEMORANDUM FOR THE CITIZENS OF COLORADO SPRINGS
AND EL PASO COUNTY COMMUNITIES

FROM: Commander, 21st Space Wing
775 Loring Ave, Ste 203
Peterson AFB CO 80914-1290

SUBJECT: Economic Resource Impact Statement

In accordance with AFR 55-30 and AFR 190-1, the information contained in this impact statement has been cleared through the Operations Security Office and the Public Affairs Office for public release.

enne Mountain Air Force Bases. It is a summary of our resources: land, buildings, personnel, and the overall economic impact on the Colorado Springs community in Fiscal Year 1993.

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 better places to work and live.


DONALD G. COOK
Brigadier General, USAF
Commander



DEPARTMENT OF THE AIR FORCE

21ST SPACE WING (AFSPACECOM)

FOREWORD

26 JAN 1994

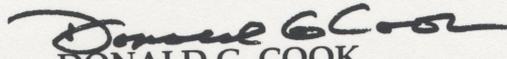
MEMORANDUM FOR THE CITIZENS OF COLORADO SPRINGS AND EL PASO COUNTY COMMUNITIES

FROM: Commander, 21st Space Wing
775 Loring Ave, Ste 203
Peterson AFB CO 80914-1290

SUBJECT: Economic Resource Impact Statement

The Economic Resource Impact Statement is a way of keeping the Colorado Springs and El Paso County Communities informed of the activities of Peterson and Cheyenne Mountain Air Force Bases. It is a summary of our resources: land, buildings, personnel, and the overall economic impact on the Colorado Springs community in Fiscal Year 1993.

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 better places to work and live.


DONALD G. COOK
Brigadier General, USAF
Commander

FOREWORD

This Economic Resource Impact Statement (ERIS) reflects information concerning Peterson Air Force Base, Cheyenne Mountain Air Force Base, and the Federal Building, annotated throughout this publication as "Peterson Complex." Falcon AFB is excluded as part of the Peterson Complex, except where noted throughout this publication. Falcon AFB's economic impact can be seen in the FY93 Falcon AFB ERIS.

Through close interaction with various agencies throughout the Peterson Complex, the 21st Space Wing Financial Analysis Branch (FMA) has compiled this FY93 ERIS. The ERIS provides unclassified key information concerning the mission, resources, and economic impact of the Peterson Complex. The Economic Impact Region (EIR) is the area within a 50-mile radius from the center of Peterson Air Force Base (PAFB) that contains the majority of local economic activity generated by the Complex. The fiscal year data contained in the ERIS reflects the time period of 1 Oct 92 - 30 Sep 93. Where feasible, the information is broken down by Peterson (including the Federal Building) and Cheyenne Mountain Air Force Bases. Because of its nature, some information includes Falcon Air Force Base, as it was unable to be extracted accurately from the total number. This information is annotated through the ERIS as such.

We take this opportunity to thank those personnel who helped contribute to this publication. Suggestions or comments should be addressed to the 21st Space Wing, Financial Analysis Branch (FMA), Peterson AFB, Colorado 80914-5000. You may telephone our office at the following number: Commercial (719) 556-4358 or Defense Switching Network (DSN) 834-4358.

TABLE 1: SUMMARY OF PERSONNEL BY CLASSIFICATION AND HOUSING LOCATION

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Peterson/Cheyenne Mountain Air Force Base
 -- As of 30 September 1993 --

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Federal Wage Board	103
Other	2
TENANTS	
General Schedule	581
Federal Wage	147
TOTAL	1,729

NONAPPROPRIATED FUND, CONTRACT CIVILIAN, AND PRIVATE BUSINESS

Civilian NAF	341
Civilian BX	247
Contract Civilians	2,502
Private Businesses on-base by type:	
Branch Bank	6
Credit Union	17
McDonald's Restaurant	49
TOTAL	1,242

TABLE 1: SUMMARY OF PERSONNEL BY CLASSIFICATION AND HOUSING LOCATION

Peterson/Cheyenne Mountain Air Force Base
 -- As of 30 September 1993 --

Classification	Living On Base	Living Off Base	Total
APPROPRIATED FUND MILITARY			
Active-Duty	561	2,513	3,074
ANG/Reserve		1,241	1,241
Tenants		827	827
Other Military	<u>11</u>	<u>444</u>	<u>455</u>
TOTAL	572	5,025	5,597
			6,204
ACTIVE DUTY MILITARY DEPENDENTS			
APPROPRIATED FUND CIVILIANS			
HOST			
General Schedule		1,096	
Federal Wage Board		103	
Other		2	
TENANTS			
General Schedule		381	
Federal Wage		<u>147</u>	
TOTAL		1,729	
NONAPPROPRIATED FUND, CONTRACT CIVILIAN, AND PRIVATE BUSINESS			
Civilian NAF		341	
Civilian BX		247	
Contract Civilians		2,582	
Private Businesses on-base by type:			
Branch Bank		6	
Credit Union		17	
McDonald's Restaurant		<u>49</u>	
TOTAL		3,242	

TABLE 2: SUMMARY OF ANNUAL GROSS PAYROLL BY CLASSIFICATION AND HOUSING LOCATION

Peterson/Cheyenne Mountain Air Force Base
 -- As of 30 September 1993 --

Classification	Living On Base	Living Off Base	Total
APPROPRIATED FUND MILITARY			
Active-Duty	\$12,187,517	\$ 90,325,890	\$102,513,407
ANG/Reserve		8,172,000	8,172,000
Tenants		29,725,233	29,725,233
Other Military	<u>366,802</u>	<u>20,893,556*</u>	<u>21,260,358</u>
TOTAL	\$12,554,319	\$149,116,679	\$161,670,998
APPROPRIATED FUND CIVILIANS			
HOST			
General Schedule		\$39,643,282	
Federal Wage Board		3,178,146	
Other		258,949	
TENANTS			
General Schedule**		13,878,447	
Federal Wage		<u>4,481,060</u>	
TOTAL		\$61,439,884	
NONAPPROPRIATED FUND, CONTRACT CIVILIAN, AND PRIVATE BUSINESS			
Civilian NAF		\$ 3,660,425	
Civilian BX		2,858,208	
Contract Civilians		***	
Private Businesses on-base by type:			
Branch Bank		126,334	
Credit Union		285,532	
McDonald's Restaurant		<u>****</u>	
TOTAL		\$ 6,930,499	

* Does not include Colonels and above for the Canadian Forces as their salaries are confidential.

**DET 25 Appropriated Fund payroll included. PAFB pays, however their personnel office is at McClellan AFB.

***Contract Civilian payroll reported under service contracts, Table 3.

****Payroll not releasable.

ECONOMIC IMPACT ANALYSIS SUMMARY

TABLE 3: SUMMARY OF CONSTRUCTION, CONTRACTS, AND EXPENDITURES FOR MATERIALS, EQUIPMENT, AND SUPPLIES

Peterson/Cheyenne Mountain Air Force Base
 -- As of 30 September 1993 --

	ACTUAL ANNUAL EXPENDITURE
CONSTRUCTION	
Military Construction Program	\$ 21,666,300
Nonappropriated Fund	--
Military Family Housing	2,764,016
O&M	<u>3,983,453</u>
TOTAL CONSTRUCTION	\$ 28,413,769
CONTRACTS AND PROCUREMENT: SERVICES, MATERIALS, EQUIPMENT, AND SUPPLIES	
Services Contracts	\$ 89,124,478
Commissary, Base Exchange, Health, Education, and TDY Expenditures	
Commissary*	\$ 9,489,028
Base Exchange*	35,324
Health (CHAMPUS, Government Cost Only)	9,208,121
Education (Impact Aid and Tuition Assistance)	2,471,974
TDY**	1,445,487
Other Materials, Equipment, and Supplies Procurement	<u>21,230,969</u>
TOTAL EXPENDITURES	\$161,419,150

*Annual Commissary and Base Exchange Expenditures are adjusted by 31% to make allowances for the amount that directly impacts the EIR based on prior studies of vendors. The adjusted figure is divided by Peterson (75%) and Falcon (25%).

**Figures are adjusted for Peterson (75%) and Falcon (25%).

TABLE 4: VALUE OF RESOURCES

Peterson/Cheyenne Mountain Air Force Base
 -- As of 30 September 1993 --

CAPITAL ASSETS

Land, Building, and Real Property	
Peterson Air Force Base	\$254,870,535
Cheyenne Mountain AFB	75,052,880

EQUIPMENT

Appropriated Fund	\$144,416,511
Nonappropriated Fund (NAF)	2,039,150

RETAIL SALES

Base Exchange*	\$ 21,565,829
Commissary*	29,399,856
NAF*	1,978,086

INVENTORIES

1. Stock Funds	\$ 21,432,663
2. Sales Outlets	
*a. Base Exchange (BX)	\$ 4,033,436
*b. Commissary	1,209,913
*c. NAF	146,973

BASE OPERATIONS AND MAINTENANCE
 OUTLAYS (Excludes Civilian Pay)

\$276,918,200

*Figure represents 75% of total amounts. Falcon AFB will show remaining 25% on their report.

Annual Commissary and Base Exchange Expenditures and Base Exchange Expenditures for the amount that directly impacts the EIR based on prior studies of vendors. The adjusted figure is divided by Peterson (75%) and Falcon (25%).

**figures are adjusted for Peterson (75%) and Falcon (25%) and Falcon (25%).

***Contract civilian payroll reported under service contracts, Table 3.

****Payroll not releasable.

ECONOMIC IMPACT ANALYSIS SUMMARY

FY93

Peterson/Cheyenne Mountain Air Force Bases have a significant impact on the community of Colorado Springs, El Paso County, and portions of Douglas, Elbert, Fremont, Pueblo, and Teller counties. Military and civilian employee payrolls have the largest impact. Additionally, service and construction contracts create local area jobs which, in turn, generate secondary income. The school systems in this Economic Impact Region (EIR) benefit from federal impact aid, and local health care services profit from CHAMPUS program expenditures. Other expenditures, such as money spent in the local area by military personnel for temporary duty (TDY) expenses, also have an impact on this region. In addition, the total economic impact calculation accounts for any leakage caused by purchasing products outside the EIR. To determine the economic impact, total expenditures in the EIR were adjusted using a Gross Income Multiplier (M) of **2.4186**.

THE TOTAL ECONOMIC IMPACT OF THE PETERSON AFB COMPLEX INSIDE THE EIR FOR FISCAL YEAR 1993 IS **\$639,553,820**.

Peterson/Cheyenne Mountain Air Force Bases also impact the Colorado Springs community in terms of employment. Secondary jobs are created off-base as the result of having a military installation in the local area. For so many dollars spent in each sector of the local area, one job is created. These dollar amounts are known as productivity factors.* These productivity factors and the "M" (2.4186) were applied to dollars spent in the EIR to determine the number of secondary jobs created.

THE NUMBER OF SECONDARY JOBS CREATED BY PETERSON COMPLEX IN THE EIR FOR FISCAL YEAR 1993 IS **4,397**.

THE TOTAL NUMBER OF JOBS CREATED BY THE PRESENCE OF THE PETERSON COMPLEX IN THE COLORADO SPRINGS AREA FOR FISCAL YEAR 1993 IS **14,965**.

*Productivity Factors, expressed in 1991 dollars and inflated by 5.3%, reflect the dollar amount which must be spent in each sector of the local community to create one job.

ECONOMIC IMPACT ANALYSIS SUMMARY

ECONOMIC IMPACT CALCULATION PROCEDURE

PART 1: DATA SUMMARY AND ADJUSTMENT

BASE: PAFB/CMC FISCAL YEAR 93

TABLE NUMBER	VARIABLE NAME	A.	B.	C.	D.
		ANNUAL AMOUNT (\$)	ADJUSTMENT FACTORS APC	LOCAL AMOUNT (\$)	VARIABLE

I. APPROPRIATED FUND PAYROLL

Table 2	Military on-base	\$ 12,554,319	X 0.44	\$ 5,523,900	YMON
Table 2	Military off-base	\$149,116,679	X 0.61	\$90,961,174	YMOFF
Table 2	Civilian	\$ 61,439,884	X 0.72	\$44,236,716	YCS

II. NONAPPROPRIATED FUND (NAF) AND OTHER CIVILIAN PAYROLL

Table 2	Civilian NAF/BX	\$ 6,518,633	X 0.72	\$ 4,693,416	YCX
Table 2	Contract Civilian	\$ N/A			YCC
Table 2	Other Civilians	\$ 411,866	X 0.72	\$ 296,544	YCO

Estimated payroll expenditures off-base in EIR
(YMON + YMOFF + YCS + YCX + YCC + YCO) \$145,711,750 RPAY

III. CONSTRUCTION AND SERVICES Labor Share X APC

Table 3	Total Construction	\$ 28,413,769	X 0.384 X 0.72	\$ 7,855,839	YCON
Table 3	Total Services	\$ 89,124,478	X 0.524 X 0.72	\$33,624,883	YS
Table 3	Commissary/BX	\$ 9,524,352	X 1.00	\$ 9,524,352	C
Table 3	Health	\$ 9,208,121	X 1.00	\$ 9,208,121	H
Table 3	Education	\$ 2,471,974	X 1.00	\$ 2,471,974	E
Table 3	TDY	\$ 1,445,487	X 1.00	\$ 1,445,487	T

Estimated Labor and Service Expenditures off
base in EIR (YCON + YS + C + H + E + T) \$64,130,656 RCONS

IV. MATERIALS, EQUIPMENT, AND SUPPLIES (MES)

				MES Share	
Table 3	Total Construction	\$ 28,413,769	X 0.600	\$17,048,261	MC
Table 3	Total Services	\$ 89,124,478	X 0.183	\$16,309,779	MS
Table 3	Other materials, equipment, and supplies in EIR	\$ 21,230,969	X 1.00	\$21,230,969	AFMAT

Estimated materials and equipment expenditures
off-base in the EIR (MC + MS + AFMAT) \$54,589,009 RMAT

V. TOTAL AF BASE EXPENDITURES IN EIR
(RPAY + RCONS + RMAT)

\$264,431,415 RTOT

PART 2: ERIE ECONOMIC IMPACT CALCULATION

1. Estimated total economic impact in the EIR of the AF installation's annual operation expenditures.

$$EI = RTOT \times M$$

$$\$639,553,820 = \$264,431,415 \times 2.4186$$

2. Secondary jobs created off base in the EIR

	RPAY x (M-1)		RCONS x M		RMAT x M
SJC =	-----	+	-----	+	-----
	PRS		PRS		PW
	\$145,711,750(1.4186)		\$64,130,656(2.4186)		\$54,589,009(2.4186)
SJC =	-----	+	-----	+	-----
	93,461		93,461		251,321
	4,397	=	2,212	+	1,660
					525

PART 3: SUMMARY OF LOCAL JOBS SUPPORTED BY ANNUAL OPERATION EXPENDITURES

1. Base appropriated fund employment:

Military (Table 1)	5,597	MIL
Civilian (Table 1)	1,729	CIV
Contract Civilian, n.e.i. (Table 1)	2,582	
Other Civilian, n.e.i. (Table 1)	72	

2. SJC employment from annualized base operation expenditure:

SJC off base within EIR (Equation 2)	4,397	SJC
NAF/BX employment (Table 1)	588	NAFBX

3. Local employment supported by annual expenditures to operate the AF installation: (MIL + CIV + NAFBX + SJC + Contract Civilian, n.e.i. + Other Civilian, n.e.i.)

A. COLORADO	\$ 15,800,548	
B. OUTSIDE COLORADO	\$ 81,113,815	14,965

9. NUMBER OF MILITARY AND CIVILIAN ATTENDING AREA COLLEGES:

A. HIGH SCHOOL DIPLOMAS	- N/A
B. ASSOCIATE DEGREE	- 76 (MILITARY)
C. UNDERGRADUATE	- 3,173 (MILITARY - 2,450; CIVILIAN - 723)
D. MASTERS/PHD/DOCTORATE	- 1,434 (MILITARY - 1,313; CIVILIAN - 121)

ECONOMIC RESOURCE IMPACT STATEMENT
 FY93 DATA
 FOR
 CHAMBER OF COMMERCE
 PETERSON AFB/CHEYENNE MOUNTAIN AFB

1. TOTAL NUMBER OF SINGLE ACTIVE DUTY PERSONNEL - 626
2. TOTAL NUMBER OF DEPENDENTS
 - A. RESIDING OFF-BASE 5,386
 - B. RESIDING ON-BASE - 818
3. NUMBER OCCUPIED FAMILY HOUSING UNITS - 327
4. NUMBER UNOCCUPIED FAMILY HOUSING UNITS - 83
5. HOSPITAL/CLINIC EXPENSES, EXCLUDING CHAMPUS - \$6,014,182

6. CITY/COUNTY UTILITIES - \$3,420,756.00
 WESTERN AREA POWER ASSOCIATION - \$187,107.00
7. ENVIRONMENTAL SUPPORT - \$1,491,800
8. ECONOMIC IMPACT IN OTHER AREAS:
 - A. ELSEWHERE IN COLORADO - \$ 15,800,548
 - B. OUTSIDE COLORADO - \$ 81,113,879
9. NUMBER OF MILITARY AND CIVILIAN ATTENDING AREA COLLEGES:
 - A. HIGH SCHOOL DIPLOMAS - N/A
 - B. ASSOCIATE DEGREE - 76 (MILITARY)
 - C. UNDERGRADUATE - 3,173 (MILITARY - 2,450; CIVILIAN - 723)
 - D. MASTERS/PHD/DOCTORATE - 1,434 (MILITARY - 1,313; CIVILIAN - 121)

MILITARY AUTHORIZATIONS

PETERSON AFB/CHEYENNE MT AFB

GRADE	ACTIVE DUTY	TENANTS	AFRES	ARMY	NAVY/MARINES	CANADIAN
OFFICERS						
07/09 - GENL	4	7	1	4	3	4
06 - COL	58	41	7	7	11	4
05 - LTC	134	92	37	28	39	11
04 - MAJ	235	140	42	40	41	29
03 - CAPT	522	168	99	18	35	36
01/02 - LT	78	20	27	0	5	1
CW03	0	0	0	4	1	0
CW04	0	0	0	5	0	0
SUBTOTAL	1,031	468	213	106	135	85
ENLISTED						
E9 - CMS	46	13	15	1	1	1
E8 - SMS	107	19	49	1	2	1
E7 - MSGT	336	73	144	3	10	7
E6 - TSgt	398	93	204	13	14	5
E5 - SSGT	483	106	335	14	31	10
E4 - SRA	595	42	240	7	3	4
E3 - A1C	357	13	98	1	0	0
SUBTOTAL	2,322	359	1,085	40	61	28
GRAND TOTAL	3,353	827	1,298	146	196	113

AUTHORIZED CIVILIANS

AFSSPC/NOR/SPC	AD	00	7	TENNETS	GS	05	108	NAF EMPLOYEES	24
AFSSPC/NOR/SPC	ES	00	2	TENNETS	GS	06	45	CD-Child Development	178
AFSSPC/NOR/SPC	GM	12	1	TENNETS	GS	07	47	NA-NAF Non-Supv	131
AFSSPC/NOR/SPC	GM	13	102	TENNETS	GS	08	5	NF-NAF	4
AFSSPC/NOR/SPC	GM	14	31	TENNETS	GS	09	58	NL-NAF Leader	4
AFSSPC/NOR/SPC	GM	15	15	TENNETS	GS	10	6	NS-NAF Supv	4
AFSSPC/NOR/SPC	GS	02	1	TENNETS	GS	11	41		
AFSSPC/NOR/SPC	GS	03	18	TENNETS	GS	12	46		
AFSSPC/NOR/SPC	GS	04	78	TENNETS	GS	13	4		
AFSSPC/NOR/SPC	GS	05	243	TENNETS	GS	14	2		
AFSSPC/NOR/SPC	GS	06	134	TENNETS	WG	04	13		
AFSSPC/NOR/SPC	GS	07	154	TENNETS	WG	05	16		
AFSSPC/NOR/SPC	GS	08	37	TENNETS	WG	07	20		
AFSSPC/NOR/SPC	GS	09	144	TENNETS	WG	08	8		
AFSSPC/NOR/SPC	GS	10	15	TENNETS	WG	10	86		
AFSSPC/NOR/SPC	GS	11	302	TENNETS	WG	11	30	TENANT (DET 25)	
AFSSPC/NOR/SPC	GS	12	415	TENNETS	WG	12	12		
AFSSPC/NOR/SPC	GS	13	63	TENNETS	WS	03	1		
AFSSPC/NOR/SPC	GS	14	22	TENNETS	WS	05	1		
AFSSPC/NOR/SPC	GS	15	3	TENNETS	WS	06	1		
AFSSPC/NOR/SPC	GW	02	6	TENNETS	WS	07	2		
AFSSPC/NOR/SPC	WG	03	1	TENNETS	WS	08	6		
AFSSPC/NOR/SPC	WG	05	2	TENNETS	WS	09	2		
AFSSPC/NOR/SPC	WG	07	1	TENNETS	WS	10	8		
AFSSPC/NOR/SPC	WG	08	12	TENNETS	WS	11	3		
AFSSPC/NOR/SPC	WG	09	21	TENNETS	WS	14	3		
AFSSPC/NOR/SPC	WG	10	39	TENNETS	WS	15	1		
AFSSPC/NOR/SPC	WL	10	10	TENNETS	WS	14	1		
AFSSPC/NOR/SPC	WS	04	1	TENNETS	WS	15	1		
AFSSPC/NOR/SPC	WS	06	1						
AFSSPC/NOR/SPC	WS	08	1						
AFSSPC/NOR/SPC	WS	09	9						
AFSSPC/NOR/SPC	WS	10	3						
AFSSPC/NOR/SPC	WS	11	4						
AFSSPC/NOR/SPC	WS	13	2						
AFSSPC/NOR/SPC	WS	14	2						
AFSSPC/NOR/SPC	WS	15	2						
AFSSPC/NOR/SPC	YV	00	1						
AFSSPC/NOR/SPC	YW	00	9						

TENNETS	GM	13	21
TENNETS	GM	14	11
TENNETS	GM	15	1
TENNETS	GS	02	2
TENNETS	GS	03	20
TENNETS	GS	04	25

NAF EMPLOYEES	24
CD-Child Development	178
NA-NAF Non-Supv	131
NF-NAF	4
NL-NAF Leader	4
NS-NAF Supv	4
	<u>341</u>

TENANT (DET 25)	7
GM-14	8
GM-13	8
GS-13	73
GS-12	63
GS-11	11
GS-9	<u>170</u>

