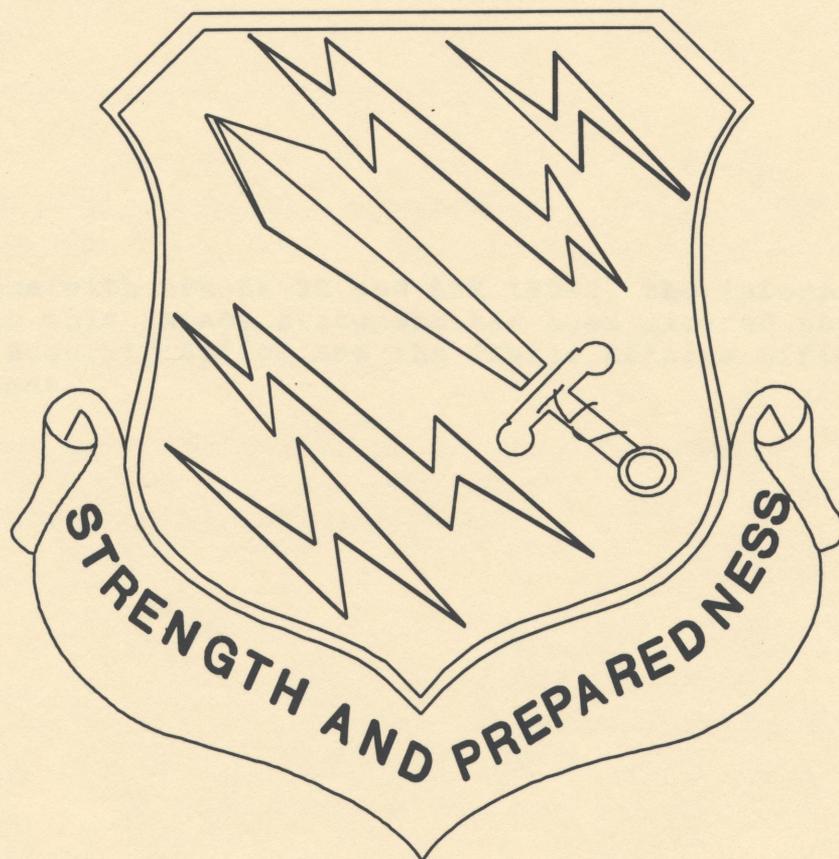


PETERSON COMPLEX
ECONOMIC RESOURCE
IMPACT STATEMENT

FY94 (1 OCT 93 - 30 SEP 94)



PREPARED BY FINANCIAL ANALYSIS

21ST SPACE WING

PETERSON AFB, CO



DEPARTMENT OF THE AIR FORCE

21ST SPACE WING (AFSPC)

14 JUL 1997

MEMORANDUM FOR STATEMENT OF CLEARANCE 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

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.

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 (AFSPC)

PREFACE

0 4 JAN 1995

**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 Air Force Base and Cheyenne Mountain Air Station. It is a summary of our resources: land, building, personnel, and the overall economic impact on the Colorado Springs community in Fiscal Year 1994.

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

OFFICE OF PRIMARY RESPONSIBILITY
Financial Analyst
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640 Mitchell Street, Suite 200
Peterson AFB, CO 80914-1571
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PAFB/FMA
As of: 30 September 1994

PREFACE

ECONOMIC RESOURCE IMPACT STATEMENT

The Peterson AFB/Cheyenne Mountain AS Economic Resource Impact Statement (ERIS) 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/Cheyenne Mountain AS covers the area within a fifty mile radius, including the city of Colorado Springs.

This ERIS reflects information concerning Peterson Air Force Base, Cheyenne Mountain Air Station, and the Federal Building, annotated throughout this publication as "Peterson Complex." Falcon AFB is excluded as part of this ERIS, except where noted.

Through close interaction with various agencies throughout the Peterson Complex, the 21st Space Wing Financial Analysis Division (FMA) has compiled this FY94 ERIS. The fiscal year data contained in the ERIS reflects the time period of 1 Oct 93 - 30 Sep 94. Where feasible, the information is broken down by Peterson AFB (including the Federal Building) and Cheyenne Mountain Air Station. We take this opportunity to thank those personnel who helped contribute to this publication. Suggestions or comments should be addressed to the below address.

OFFICE OF PRIMARY RESPONSIBILITY

Financial Analysis Division
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PAFB/FMA
As of: 30 September 1994

TABLE 1: SUMMARY OF LOCATION AND HOUSING LOCATION

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General Schedule	1,143
Federal Wage Board	88
Other	2

TEENANTS

General Schedule	539
General Wage	119
TOTAL	1,097

NONAPPROPRIATED FUND, CONTRACT CIVILIAN, AND PRIVATE BUSINESS

Civilian NAF	370
Civilian BX	202
Contract Civilians	1,169

Private Businesses on-base by type:

Branch Bank	4
Credit Union	18
McDonalds Restaurant	50
TOTAL	1,015

TABLE 1: SUMMARY OF PERSONNEL BY CLASSIFICATION AND HOUSING LOCATION

**Peterson Air Force Base/Cheyenne Mountain Air Station
-- As of 30 September 1994 --**

Classification	Living On Base	Living Off Base	Total
APPROPRIATED FUND MILITARY			
Active-Duty	649	2,231	2,880
ANG/Reserve		1,260	1,260
Tenants		829	829
Other Military	12	468	480
	---	---	---
TOTAL	661	4,788	5,449
ACTIVE DUTY MILITARY DEPENDENTS			5,704
APPROPRIATED FUND CIVILIANS			
HOST			
General Schedule			1,149
Federal Wage Board			88
Other			2
TENANTS			
General Schedule			539
General Wage			119

TOTAL			1,897
NONAPPROPRIATED FUND, CONTRACT CIVILIAN, AND PRIVATE BUSINESS			
Civilian NAF			370
Civilian BX			202
Contract Civilians			1,169
Private Businesses on-base by type:			
Branch Bank			6
Credit Union			18
McDonalds Restaurant			50

TOTAL			1,815

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

Peterson Air Force Base/Cheyenne Mountain Air Station
 -- As of 30 September 1994 --

Classification	Living On Base	Living Off Base	Total
APPROPRIATED FUND MILITARY			
Active-Duty	\$14,432,488	\$ 80,265,780	\$ 94,698,268
ANG/Reserve		9,600,000	9,600,000
Tenants		29,825,339	29,825,339
Other Military	393,212	16,911,283*	17,304,495
	-----	-----	-----
TOTAL	\$ 14,825,700	\$136,602,402	\$151,428,102

APPROPRIATED FUND CIVILIANS

HOST

General Schedule	\$ 42,956,552
Federal Wage Board	2,762,583
Other	247,842

TENANTS

General Schedule**	18,953,050
General Wage	3,660,118

TOTAL	\$ 68,580,145

NONAPPROPRIATED FUND, CONTRACT CIVILIAN, AND PRIVATE BUSINESS

Civilian NAF	\$ 4,067,920
Civilian BX	3,180,903
Contract Civilians	***

Private Businesses on-base by type:

Branch Bank	147,017
Credit Union	285,771
McDonalds Restaurant	****

TOTAL	\$ 7,681,611

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

** AFMC/SSSG 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.

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

**Peterson Air Force Base/Cheyenne Mountain Air Station
-- As of 30 September 1994 --**

CONSTRUCTION	ACTUAL ANNUAL EXPENDITURE
Military Construction Program	\$ 15,978,400
Nonappropriated Fund	-0-
Military Family Housing	546,315
O&M	4,511,910

TOTAL CONSTRUCTION	\$ 21,036,625
CONTRACTS AND PROCUREMENT: SERVICES, MATERIALS, EQUIPMENT, AND SUPPLIES	
Services Contracts	\$ 97,350,963
Other Materials, Equipment, and Supplies Procurement	8,203,026
COMMISSARY, BASE EXCHANGE, HEALTH, EDUCATION, AND TDY EXPENDITURES	
Commissary*	\$ 9,369,124
Base Exchange*	36,266
Health (CHAMPUS, Government Cost Only)**	7,075,634
Education (Impact Aid and Tuition Assistance)**	2,639,121
TDY**	2,672,196

TOTAL EXPENDITURES	\$148,382,955

*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 (70%) and Falcon (30%).

**Figures are adjusted for Peterson (70%) and Falcon (30%).

TABLE 4: VALUE OF RESOURCES

Peterson Air Force Base/Cheyenne Mountain Air Station
 -- As of 30 September 1994 --

CAPITAL ASSETS

Land, Building, and Real Property

Peterson Air Force Base	\$284,154,299
Cheyenne Mountain AFB	77,372,225

EQUIPMENT

Appropriated Fund	\$207,950,343
Nonappropriated Fund (NAF)	2,168,798

RETAIL SALES

Base Exchange*	\$ 23,430,922
Commissary*	28,950,802
NAF*	1,754,684

INVENTORIES

1. Stock Funds	\$ 21,422,996
2. Sales Outlets	
*a. Base Exchange (BX)	4,197,981
*b. Commissary	1,272,168
*c. NAF	143,455

BASE OPERATIONS AND MAINTENANCE
 OUTLAYS (EXCLUDES CIVILIAN PAY)

\$393,461,249

* Figure represents 70% of total amounts. Falcon AFB will show remaining 30% on their report.

ECONOMIC IMPACT ANALYSIS SUMMARY

Peterson Air Force Base and Cheyenne Mountain Air Station 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 1994 IS \$ 599,175,697.

Peterson AFB/Cheyenne Mountain AS 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 1994 IS 4,120.

THE TOTAL NUMBER OF JOBS CREATED BY THE PRESENCE OF THE PETERSON COMPLEX IN THE COLORADO SPRINGS AREA FOR FISCAL YEAR 1994 IS 13,281.

*Productivity Factors, expressed in 1991 dollars and inflated by 8.2%, reflect the dollar amount which must be spent in each sector of the local community to create one job.

ECONOMIC IMPACT CALCULATION PROCEDURE

PART 1: DATA SUMMARY AND ADJUSTMENT

BASE: PAFB/CMC FISCAL YEAR 1994

TABLE NUMBER	VARIABLE NAME	A. ANNUAL AMOUNT (\$)	B. ADJUSTMENT FACTORS APC	C. LOCAL AMOUNT (\$)	D. VARIABLE
I. APPROPRIATED FUND PAYROLL					
Table 2	Military on-base	\$ 14,825,700	X 0.44	\$ 6,523,308	YMON
Table 2	Military off-base	\$136,602,402	X 0.61	\$83,327,465	YMOFF
Table 2	Civilian	\$ 68,580,145	X 0.72	\$49,377,704	YCS
II. NONAPPROPRIATED FUND (NAF) AND OTHER CIVILIAN PAYROLL					
Table 2	Civilian NAF/BX	\$ 7,248,823	X 0.72	\$ 5,219,153	YCX
Table 2	Contract Civilian	\$ N/A			YCC
Table 2	Other civilians	\$ 432,788	X 0.72	\$ 311,607	YCO
Estimated payroll expenditures off-base in EIR (YMON + YMOFF + YCS + YCX + YCC + YCO)				\$144,759,237	RPAY
III. CONSTRUCTION AND SERVICES Labor Share X APC					
Table 3	Total Construction	\$21,036,625	X 0.384 X 0.72	\$ 5,816,206	YCON
Table 3	Total Services	\$97,350,963	X 0.524 X 0.72	\$36,728,571	YS
Table 3	Commissary/BX	\$ 9,405,390	X 1.00	\$ 9,405,390	C
Table 3	Health	\$ 7,075,634	X 1.00	\$ 7,075,634	H
Table 3	Education	\$ 2,639,121	X 1.00	\$ 2,639,121	E
Table 3	TDY	\$ 2,672,196	X 1.00	\$ 2,672,196	T
Estimated Labor and Service Expenditures off-base in EIR (YCON + YS + C + H + E + T)				\$64,337,118	RCONS
IV. MATERIALS, EQUIPMENT, AND SUPPLIES (MES)					
MES SHARE					
Table 3	Total Construction	\$21,036,625	X 0.600	\$12,621,975	MC
Table 3	Total Services	\$97,350,963	X 0.183	\$17,815,226	MS
Table 3	Other Mat/Eq/Sup	\$ 8,203,026	X 1.00	\$ 8,203,026	AFMAT
Estimated materials and equipment expenditures off-base in EIR (MC + MS + AFMAT)				\$38,640,227	RMAT
V. TOTAL AF BASE EXPENDITURES IN EIR					
(RPAY + RCONS + RMAT)				\$247,736,582	RTOT

ECONOMIC RESOURCE IMPACT STATEMENT
 CHAMBER OF COMMERCE DATA

PART 2: EIR ECONOMIC IMPACT CALCULATION

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

1. TOTAL NUMBER OF SINGLE ACTS = TOTAL PERSONNEL - X M

$$\$599,175,697 = \$247,736,582 \times 2.4186$$

2. Secondary jobs created off-base in the EIR

A. RESIDING OFF-BASE 4,809
 B. RESIDENTIAL 835

SJC = $\frac{RPAY \times (M-1)}{PRS} + \frac{RCONS \times M}{PRS} + \frac{RMAT \times M}{PW}$

3. FAMILY HOUSING UNITS

SJC = $\frac{\$144,759,237(1.4186)}{96,035} + \frac{\$64,337,118(2.4186)}{96,035} + \frac{\$38,640,227(2.4186)}{258,242}$

4. HOUSING 4,120 = 2,138 + 1,620 + 4,239,753 362

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

1. Base appropriated fund employment:

Military (Table 1)	5,449	Mil
Civilian (Table 1)	1,897	CIV
Contract Civilian, n.e.i (Table 1)	1,169	
Other Civilian, n.e.i (Table 1)	74	

2. SJC employment from annualized base operation expenditure:

SJC off-base within EIR (Equation 2)	4,120	SJC
NAF/BX employment (Table 1)	572	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. HIGH SCHOOL DIPLOMAS - N/A	13,281
B. ASSOCIATE DEGREE - 36 (MILITARY)	
C. UNDERGRADUATE - 3,082 (MILITARY - 2,512; CIVILIAN - 570)	
D. MASTER/PHD/DOCTORATE - 1,608 (MILITARY - 1,463; CIVILIAN - 145)	

ECONOMIC RESOURCE IMPACT STATEMENT
 FISCAL YEAR 94
 CHAMBER OF COMMERCE DATA
 PETERSON AIR FORCE BASE/CHEYENNE MOUNTAIN AIR STATION

1. TOTAL NUMBER OF SINGLE ACTIVE DUTY PERSONNEL - 612

2. TOTAL NUMBER OF DEPENDENTS
 - A. RESIDING OFF-BASE 4,869
 - B. RESIDING ON-BASE 835

3. FAMILY HOUSING UNITS
 - A. OCCUPIED 334
 - B. UNOCCUPIED 76

4. HOSPITAL/CLINIC EXPENSES, EXCLUDING CHAMPUS - \$4,239,755

5. UTILITIES
 - A. CITY/COUNTY \$3,865,776
 - B. WAPA 124,537

6. ENVIRONMENTAL SUPPORT - \$2,669,200

7. ECONOMIC IMPACT IN OTHER AREAS:
 - A. ELSEWHERE IN COLORADO \$ 25,649,333
 - B. OUTSIDE COLORADO \$ 80,548,440

8. NUMBER OF MILITARY AND CIVILIAN ATTENDING AREA COLLEGES:
 - A. HIGH SCHOOL DIPLOMAS - N/A
 - B. ASSOCIATE DEGREE - 36 (MILITARY)
 - C. UNDERGRADUATE - 3,082 (MILITARY - 2,512; CIVILIAN - 570)
 - D. MASTER/PHD/DOCTORATE - 1,608 (MILITARY - 1,463; CIVILIAN - 145)

MILITARY AUTHORIZATIONS
 PETERSON AFB/CHEYENNE MT AS

GRADE	ACTIVE DUTY	TENANTS	AFRES	ARMY	NAVY/MARINES	CANADIAN
OFFICERS						
07/09 - GENL	4	7	1	1	2	3
06 - COL	59	41	6	7	15	5
05 - LTC	133	78	34	33	32	9
04 - MAJ	238	131	60	39	38	29
03 - CAPT	445	158	98	16	32	32
01/02 - LT	56	21	14	0	5	0
CW02	0	0	0	0	1	0
SUBTOTAL	935	436	213	96	125	78
ENLISTED						
E9 - CMS	47	12	13	0	0	1
E8 - SMS	114	20	50	1	1	1
E7 - MSGT	343	75	148	5	9	8
E6 - TSGT	397	98	217	12	17	4
E5 - SSGT	520	118	362	16	27	6
E4 - SRA	598	45	315	2	2	8
E3 - A1C	432	25	111	0	1	0
SUBTOTAL	2,451	393	1,216	36	57	28
GRAND TOTAL	3,386	829	1,429	132	182	106

