FLORIDA DEFENSE INDUSTRY ECONOMIC IMPACT ANALYSIS

JANUARY 2013

Enterprise Florida

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About Us

Located on University of West Florida's Emerald Coast Campus in Fort Walton Beach, Florida, the Haas Center collects, analyzes, and distributes economic data for clients seeking expert economic advice. We exist to help entrepreneurs and industry leaders--from traditional manufacturing to emerging technologies--meet their information needs in the modern economy.

The Haas Center specializes in data analysis for the purposes of economic forecasting, marketing research, business expansion, tourism, and real estate development as well as industry and academic studies. The Haas Center's staff combine academic credentials with varied experience, ranging from economists to survey specialists. Each professional combines innovation with attention to detail to produce high-quality research products for Center clients.

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Executive Summary

The data in the 2013 update differed substantially from previous estimates in that expenditures for Coast Guard (Department of Homeland Security) and National Guard were included with the Department of Defense estimates that were traditionally produced. Throughout the study, these combined estimates were referred to as "defense" estimates and "defense" activities.

Defense activity in Florida has long been a major source of employment for state residents, sales revenue for companies, and tax revenues for state and local government. Defense spending that flowed directly into the State of Florida in 2011 amounted to $31.3 Billion in wages, pensions and transfers (including payments through the Department of Veterans Affairs), and goods and services as shown in Table 1. This included direct payrolls to servicemen and women, civilians, retirement and veterans' benefits, as well as contracts with companies doing business in Florida. Procurement expenditures that flowed through the Department of Defense were included (military and National Guard) along with state expenditures for the National Guard as well as Coast Guard procurement dollars that flowed through the Department of Homeland Security.

In the document that follows, we summarized the results of our investigation into the economic importance of defense activities in Florida. Among the key findings of the study:

- Defense spending was directly or indirectly responsible for $73.4 Billion, or 9.4%, of Florida's 2011 Gross State Product.
- Defense-related spending accounted for a total of 758,112 direct and indirect jobs.
- State and local tax revenue generated by defense driven activities was estimated to be $5.41 Billion in fiscal year 2011.
- Of the roughly $31.3 Billion spent in Florida in 2011, approximately $12.4 Billion were for procurement, $6.1 Billion for salaries and wages, and $12.8 Billion for transfers (retirement and disability benefits, etc.).
- The ten largest Florida defense contractors supplied $5.05 Billion, or 40.7%, of the $12.4 Billion value of defense procured goods and services.
- Approximately 32% of Northwest Florida's gross regional product was attributable to defense activities, 17% for the Northeast Region, 7.8% for the East Central

Table 1. State of Florida Combined Direct Defense Expenditures (Millions US Dollars)

Procurement	$12,368.0
Salaries	$6,124.7
Transfers*	$12,786.4
Total Combined Direct Expenditures	**$31,276.1**

*Includes the dollar value of entitlement payments received by military and civilian retirees and veterans.

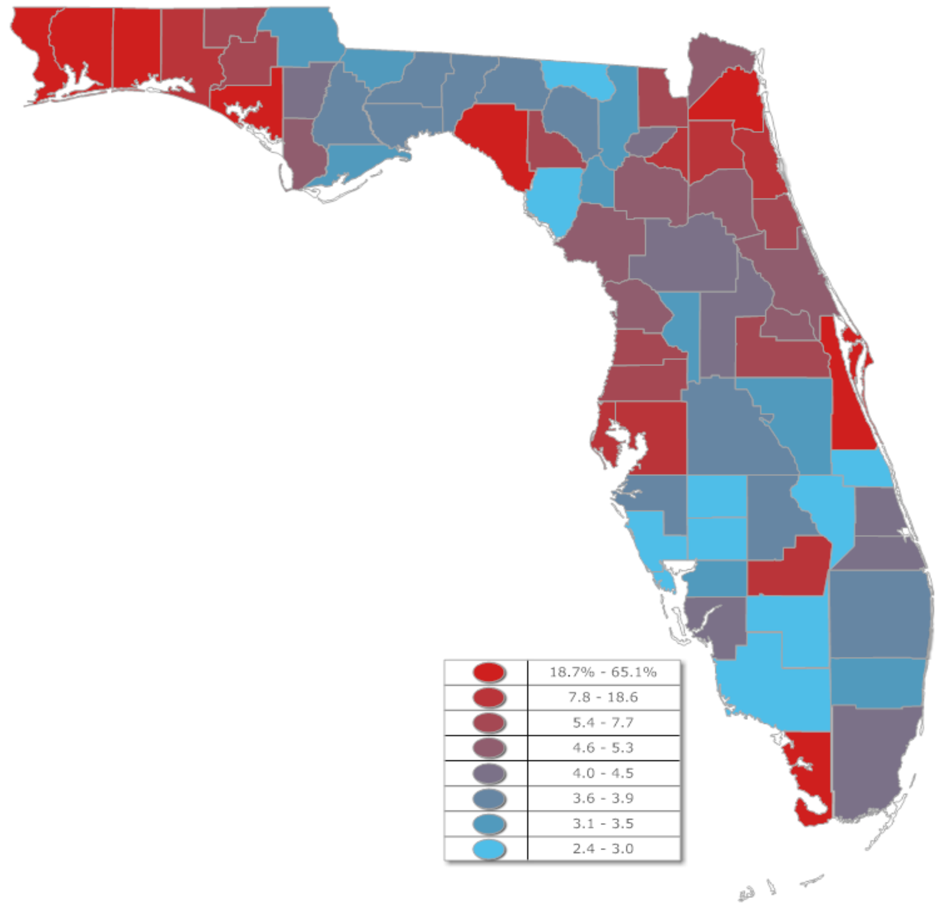
Region, 7.3% for the Tampa Bay Region, and 5.1% for the North Central Region.

- All counties in Florida benefitted from defense activities. All but two counties had at least $5 Million per year in direct defense dollars that flowed through their economies.
- Florida had a greater reliance on direct military payroll at 1.98% of total earnings, than the nation as a whole, at 1.92%.
- Florida had seen less of a drop in military employment over the 1970–2008 time period than the nation as a whole (respective decreases of 38% versus 28%).

The defense industry affected Florida counties in very different ways. Orange County, for example, received over $3.2 Billion in procurement dollars in 2011 - the highest total for any county in the State of Florida. All defense activities in the county accounted for $4.2 Billion in combined expenditures. Okaloosa County, by comparison, received $1.2 Billion in procurement dollars with all defense expenditures combined to account for $2.9 Billion in total expenditures for the county. As one might have imagined, those expenditures affected those economies in very different ways as shown in the figure to the right.

In Orange County, defense activities accounted for $6.0 Billion of the county's Gross Regional Product (GRP), which was roughly 7.0% of the county's total GRP. In Okaloosa County, defense activities accounted for $7.5 Billion in GRP, which is roughly 65.1% of the total GDP of the county. As

Figure 1. Defense Impacts as Percentage of County Gross Regional Product



we will demonstrate, looming budget cuts at the national level could substantially affect the overall health of the Florida defense economy. Those impacts would potentially hit areas such as Okaloosa County much harder than Orange County because defense activities played a much more prominent role in Okaloosa County.

Introduction

Since the establishment of Spanish settlements at St. Augustine and Pensacola over 400 years ago, Florida has played an active role in defense. Today, over 61,189 active duty sailors, marines, soldiers, and airmen along with 24,705 civilians continue this tradition of service at 20 military installations located around the state (see Base Descriptions). The purpose of this study is to chronicle the economic impact of defense spending within Florida, which is dominated by procurement spending and personnel costs that are associated with these installations. Transfer payments to veterans and retirees are also prominent. For this purpose, the Haas Center was engaged by Enterprise Florida, Incorporated on behalf of the Florida Defense Support Task Force.

How much economic activity in Florida is attributable to defense spending? An accurate calculation of defense-related economic impact requires an accurate accounting of the magnitude of defense spending flowing into Florida and an accurate mapping (both geographically and by industry sector) of this spending as it flows through local economies within the state. Consistent and appropriate data concepts, analytical methods, and reporting formats are necessary to ensure accurate calculations, credible results, and comparability across regions. More detail on these methodological issues will be provided shortly.

The scope of this study is limited to measures of economic activity. The value of defense personnel to Florida extends well beyond this singular dimension. Military men and women make positive intangible contributions to the communities who host them. Unfortunately, as yet, there is no developed academic method of valuing the social and non-financial dimensions of their contribution.

Detailed data were compiled from primary (military installations) and secondary (e.g., Bureau of the Census) sources, with the objective of identifying all defense-related expenditures occurring in Florida for the most recent annual period (2011). These spending flows include things such as procurement expenditures, personnel expense (both appropriated and non-appropriated fund personnel), military retirement pay, and Veteran's Administration expenditures. We also include, in these estimates, the same types of expenditures by the National Guard and the US Coast Guard. The total economic impact of defense-related spending includes both a direct impact component (e.g., dollars spent in building a new facility on base) and an indirect component (e.g., spending done locally by the architectural firm that designed the new facility). While the direct impact can be measured by collecting the expenditure data described above, the indirect impact must be calculated using an economic model that makes use of spending patterns specific to different geographic locations and different sectors of the economy.

The Regional Economic Models, Inc. Policy Insight Plus (REMI PI+) economic simulation model was used to evaluate the economic impact of these direct and indirect spending flows. A regional baseline forecast extending through the year 2050 for each of the 67 Florida counties was constructed. The differences between the baseline forecast and a forecast where military spending has been removed comprise the results. The resulting change in Gross Regional Product (GRP) resulting from the absence of defense-related spending flows is the measure of economic impact reported.

The measure of economic impact used throughout the report is change in GRP. While results could be reported in terms of total sales, as personal income, or other measures, GRP is the local analogue to the widely understood national level concept of Gross Domestic Product (GDP). GRP reporting follows the structure of the National Income and Product Accounts (NIPA), which contain the primary measures used for tracking economic growth. This conceptual framework for organizing economic activity recognizes that the dollar value of all final goods and services produced (the GDP) can be measured as the sum of the following items:

- consumption spending by individuals on goods and services,
- gross private domestic investment spending by individuals and businesses (on newly produced capital goods, including spending on new residences plus non-residential real estate plus capital equipment),
- spending by government,
- spending on exports,
- minus spending on imports.

The results reported, which are the changes in GRP attributable to defense-related spending, are composed of the same elements as would be found in the national-level GDP.

For the reader's convenience, this report is organized into four separate sections. Section 1 (here) presents information on the national defense budget and Florida's defense presence relative to other key states. It includes an analysis of defense spending in Florida along with statewide economic impact estimates. Following that, the state is sectioned into eight geographical regions (as identified by Enterprise Florida, Incorporated) and spending for each region is analyzed. Each spending analysis is accompanied by regional economic impact estimates, and we present these data in Section 2.

In Section 3, analysis at the county level is presented for those counties in which defense spending is most pronounced. Employment demographics for each county are discussed along with military employment trends and comparisons. Defense spending inputs are also presented and discussed as well as economic impact estimates for each county.

Section 4 contains descriptive information for each military installation and major command located in the state. This information includes installation and unit missions, historical background, facility information, personnel, and operational statistics. Information presented in this section enables the interested reader to develop a detailed understanding of the military presence in each county and relate that presence to the associated economic impact estimates.

In the remainder of the introduction, we will focus on national defense trends (observed and forecast) and then provide a more in-depth discussion of the layout of the analytics that follow. We then turn to an assessment of the statewide economic impacts of defense activities in Florida.

National Defense Trends

Defense spending in the US has varied significantly in the post World War II era. At the height of the war, as indicated by the data in Figure 2, national defense spending consumed nearly 90% of all federal spending and almost 40% of the country's Gross Domestic Product (GDP). This shrunk considerably in the years between the end of World War II and the start of the Korean War—when defense spending spiked once again to nearly 15% of GDP.

Since that time, spending—relative to the overall size of the federal budget and GDP— has declined dramatically. By the end of the Cold War, defense spending fell below 4% of the country's GDP and consumed less than 20% of the federal budget. By 2013, defense expenditures are forecast to account for 4.3% of the country's GDP and consume around 18.5% of the federal budget.

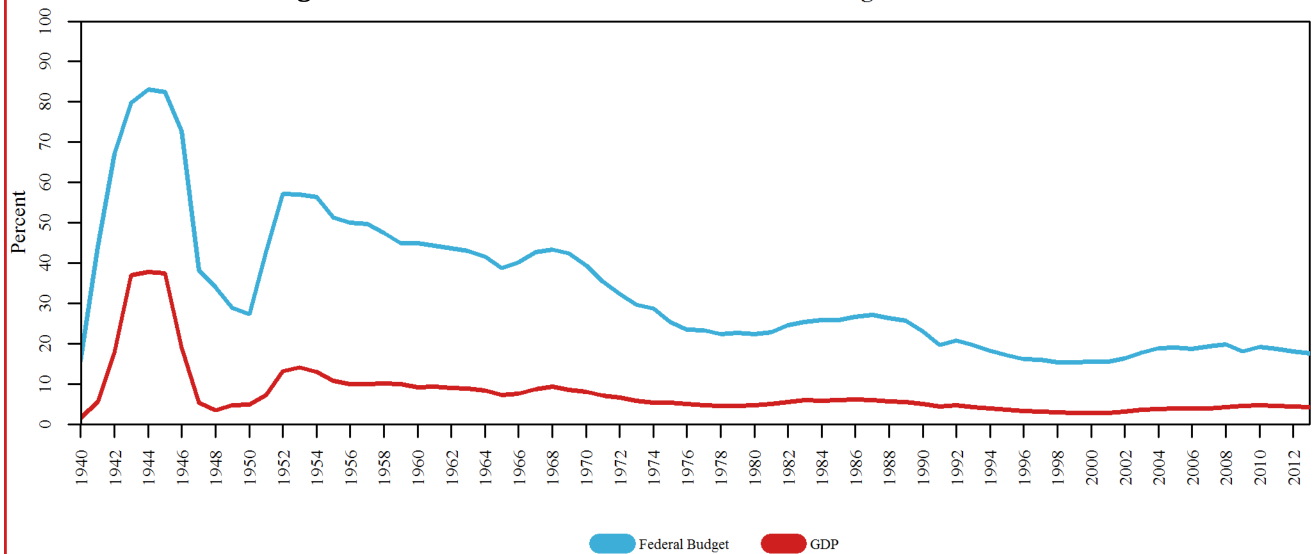
As pressures mount to continue to ease federal deficits, defense expenditures remain a likely target for trimming the federal budget. The data in Figure 3 is comprised of DoD Green Book estimates of current and projected DoD outlays by branch of service in current 2012 dollars. As these data indicate, spending by DoD is forecast to drop to just over a half billion dollars in 2014—down from nearly 700 Billion dollars in 2010. By 2017, expenditures for the Army are forecast to be $134 Billion, for the Navy $167 Billion and for the Air Force $158 Billion.

This is down from the 2010 peak of $243 Billion for the Army and up $177 Billion and $165 Billion for the Navy and Air Force respectively. This is the only bright spot for Florida's military dependent economies because the Navy and Air Force are more prevalent in the state than the Army. Regardless, these figures, which do not account for the potential of sequestration, potentially herald a new day in the relationship between the Florida economy and the military.

Overview of the Estimates

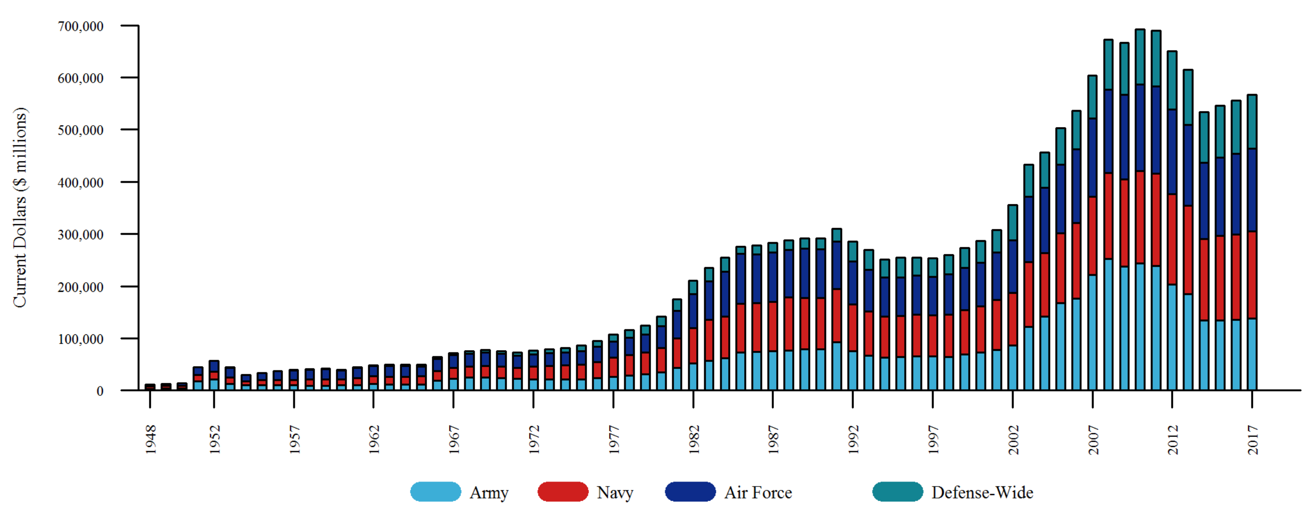
We present, at the opening of each section of estimates, an overview of the baselines that are used to estimate the impacts in terms of spending on defense procurement (that includes National Guard—federal and state—and Coast Guard, which is Department of Homeland Security), salaries and wages paid to federal military, federal civilians associated with DoD, Federal spending on National Guard and civilian National Guard support, state spending on National Guard, salaries and wages paid to Coast Guard personnel, and transfer payments made to military and civilian retir-

Figure 2: National Defense as a Share of Federal Budget and GDP



Source: National Defense Budget Estimates for FY 2013 (March 2012)

Figure 3: DoD Outlays by Branch



Source: National Defense Budget Estimates for FY 2013 (March 2012)

ees, veterans, etc. for federal military, Coast Guard, and National Guard.

Actual model entries vary slightly from the spending totals that are presented here. For federal military employment, federal civilian employment associated with DoD, and National Guard employment (federal and state), we rely on actual employment figures reported by the Bureau of Labor Statistics in each county. Thus, these are entries determined by place of residence, not necessarily place of employment. For the national guard figures, we rely on the state report on national guard spending in Florida and calculate associated employment totals utilizing those figures.

Civilian employment totals, by place of residence, are also provided by the Bureau of Labor Statistics. However, these data are not separated out into federal workers, who are associated with the military/National Guard/Coast Guard, etc. To obtain those figures, we utilized a ratio of federal military salaries to federal civilian salaries and federal military payrolls to military and civilian employees in order to calculate the share of federal workers in a particular region that is associated with the DoD. For the Coast Guard, we obtained raw employment data directly from the Coast Guard, supplementing those data with salary data available in the Consolidated Federal Funds Report (CFFR). Thus, to estimate the impacts, we inputted employment data, not salary data. Salary data are, however, a good benchmark for the employment totals. To ensure that salaries and wages were perfectly correlated with employment totals, we sometimes balanced employment totals across counties based on commuter flow data to ensure that we capture ALL employment attributable to defense activities.

On the procurement side, we obtained data from USAspending.gov, which catalogued every contract for Department of Defense and Department of Homeland Security. We separated DoD expenditures for the National Guard and "other" to get procurement totals for National Guard and federal military. We then utilized Coast Guard procurement flows through the Department of Homeland Security to estimate Coast Guard procurements that flowed into the state. Those data are available for each contract at the individual contract level. We aggregated those dollar values up to the county level by NAICS (North American Industry Classification System) code to get the dollar values that flowed into each industry sector in each county. We then converted those dollar values into employment totals and utilized a matrix, which allowed us to calculate jobs based on spending in each six-digit industry sector. Then, we aggregated those job totals up to the two-digit NAICS sector. To ensure that the data were comparable with the employment data utilized previously, we utilized direct job impacts in each sector at the county level.

For transfer payments, we calculated those totals utilizing the CFFR at the county level for each county in the State of Florida for the Coast Guard, National Guard, and military. Those data included retirement payments to military and civilian workers as well as retirement payments to former National Guard members. Also included were Coast Guard retirement payments, medical benefits, etc. We included, in this category, payments made through the Department of Veterans Affairs to disabled veterans for pensions, health care, etc.

Those data were entered into the REMI PI+ model for every county in the State of Florida and for each segment of impacts, yielding a 3x3 matrix of impact outputs. We detailed impacts for military, National Guard, and Coast Guard for salaries and wages (employment), procurement, and transfer payments. Those, in turn, were summed together to estimate the total economic impact across the various types of spending and for "defense activities" as a whole. We reported this as the impact on employment (including direct, indirect, and induced impacts) and economic impact (which is the impact on GDP or Gross Domestic Product, or at the state level, Gross State Product and at the regional/county level, Gross Regional Product).

Strictly speaking, we modeled the simulated effects of "removing" defense activities from the Florida economy. We thus took out defense activities and saw how large of a hole that left in the model of Florida's economy. Thus, our impact estimates, at the county level, measured the impact on County "X" of removing defense activities from the entire Florida economy. Because county economies were interlinked in the model just as they were in the real world, that gave us a slightly larger impact figure than if we had simply removed defense activities from each county separately and reported the results. The same is true at the regional level.

Moreover, different types of spending had different impacts. The largest total impacts came from direct federal employment in the military, National Guard, and Coast Guard. Thus, a region that had fewer dollars spent in salaries would show higher impacts than a region that had more dollars in procurement or transfer payments. Further, county-to-county linkages and the presence of large military economies in neighboring counties magnified the impacts in such a county versus a county that was more isolated but had a large military presence. Thus, in those models, the whole appeared to be more than the sum of the parts.

Each of the impact sections that follow were laid out in roughly the same manner with impacts for the given area under consideration reported on the first page with supporting facts and figures reported on the pages following. A methodological appendix, which discussed the REMI model and economic impact modeling in more detail, was included as well. Included also in that appendix is a glossary of terms that were relevant to the impacts that we report in this document.

State of Florida

Summary

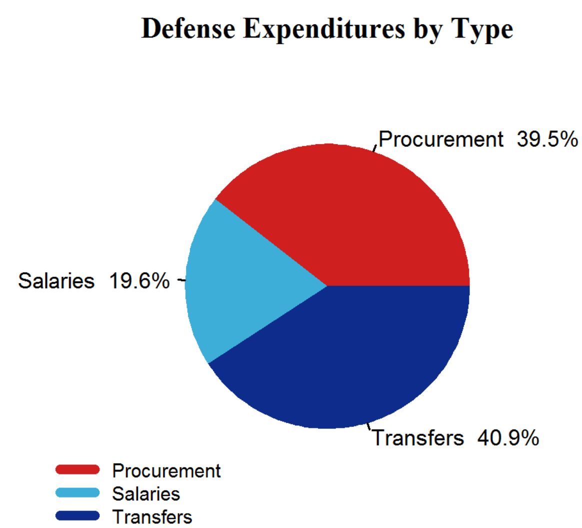
The Homeland Security and Defense Cluster is recognized by Enterprise Florida, Incorporated as one of Florida's target industry clusters. It is, depending on the rankings, either Florida's third or fourth largest industry behind agriculture, tourism, and health care. The data in figure 4 offer hints as to why this is the case.

The data in the figure sum military spending with National Guard and Coast Guard totals to form the Combined Direct Expenditure estimate. As the data indicate, transfer payments accounted for the largest share of expenditures at $12.8 Billion (40.9%). Salaries brought an additional $6.1 Billion to Florida, and procurement spending brought an additional $12.4 Billion. Defense activities generated just over $31 Billion in *direct* spending in Florida.

These dollars also generate indirect and induced impact and, when summed with total impacts, yield the estimates presented in Table 2. Overall, as the data show, the military accounted for over 758,000 jobs in Florida in 2011 and just over $73.4 Billion in total Gross State Product (GSP - total value of all goods and services produced in the state). This represents 9.2% of total GSP. The total impacts for the state are forecast to decline slightly to $69.3 Billion by the year 2015. This amounts to just over 64,000 fewer jobs in the state by that time. Naturally, as budget projections change, these figures can shift as well.

Figure 4. State of Florida Combined Direct Defense Expenditures
(Millions US Dollars)

Procurement	$12,368.0
Salaries	$6,124.7
Transfers*	$12,786.4
Total Combined Direct Expenditures	**$31,276.1**



*Includes the dollar value of entitlement payments received by military and civilian retirees and veterans.

State of Florida

Combined Economic Impacts*

- ⇒ **758,112 Total Jobs**
- ⇒ **$79.0 Billion in Total Sales**
- ⇒ **$73.4 Billion in Gross State Product**
- ⇒ **9.4 % of Total Gross State Product**

*Includes Department of Defense, National Guard, and Coast Guard

Direct defense expenditures expended in the state generated additional employment, wages, consumption spending, and investment with total impacts indicated in the table below. The impact categories are defined as follows:

- ◊ **Total Sales** represents the total value of all goods and services sold as a result of military activities. This includes direct spending, wages, transfer payments, plus spending associated with multiplier effects as initial receipts are re-spent. It incorporates the value of goods and services produced and sold in the region, **imports** into the region, and **exports** from the region.
- ◊ **Total Employment** measures jobs generated by military activities.
- ◊ **Total Consumption** consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.
- ◊ **Investment** expenditures include **residential** and **non-residential** real estate, as well as investment in **producers durable equipment** and **business inventories.**
- ◊ **Government** revenues include state and local government spending that occurs as a result of the combined activities that are modeled.
- ◊ **Gross State Product** is the sum of consumption, investment, government revenues, and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.

Table 2. State of Florida Combined Economic Impact Estimates (Millions US Dollars)

	2011	2012	2013	2014	2015
Total Sales	$79,026	$84,466	$81,464	$76,851	$74,468
Total Employment	**758,112**	**780,604**	**752,332**	**716,853**	**693,782**
Total Consumption	$40,968	$42,872	$43,225	$42,962	$43,170
Investment Residential	$3,497	$5,371	$6,231	$6,215	$5,900
Investment Non-Residential	$1,577	$2,351	$2,736	$2,729	$2,612
Producers Durable Equipment	$706	$1,422	$2,059	$2,659	$3,207
Business Inventories	$121	$213	$199	$189	$190
Government	$6,031	$6,027	$5,759	$5,667	$5,647
Exports	$42,626	$44,096	$40,548	$36,832	$35,059
Imports (subtract)	$22,142	$26,903	$27,528	$26,590	$26,503
Gross State Product	**$73,383**	**$75,448**	**$73,230**	**$70,665**	**$69,281**

Table 3. State of Florida Impacts by Type (2011)
Gross State Product in Millions US Dollars with Employment Impacts in Parentheses

	Military	National Guard	Coast Guard	Total Impacts by Type
Procurement	$17,909.9 (193,839)	$55.6 (660)	$126.5 (1,518)	$18,092.0 (196,018)
Employment	$39,932.2 (376,784)	$4,462.8 (43,864)	$1,403.2 (15,765)	$45,798.2 (436,412)
Transfers*	$9,374.1 (124,116)	$10.3 (136)	$108.6 (1,429)	$9,493.0 (125,682)
Total Impacts by Service	$67,216.3 (694,739)	$4,528.8 (44,660)	$1,638.3 (18,712)	**$73,383.3** **(758,112)**

*Includes the impacts resulting from entitlement payments received by military and civilian retirees and veterans.

Impacts by Type

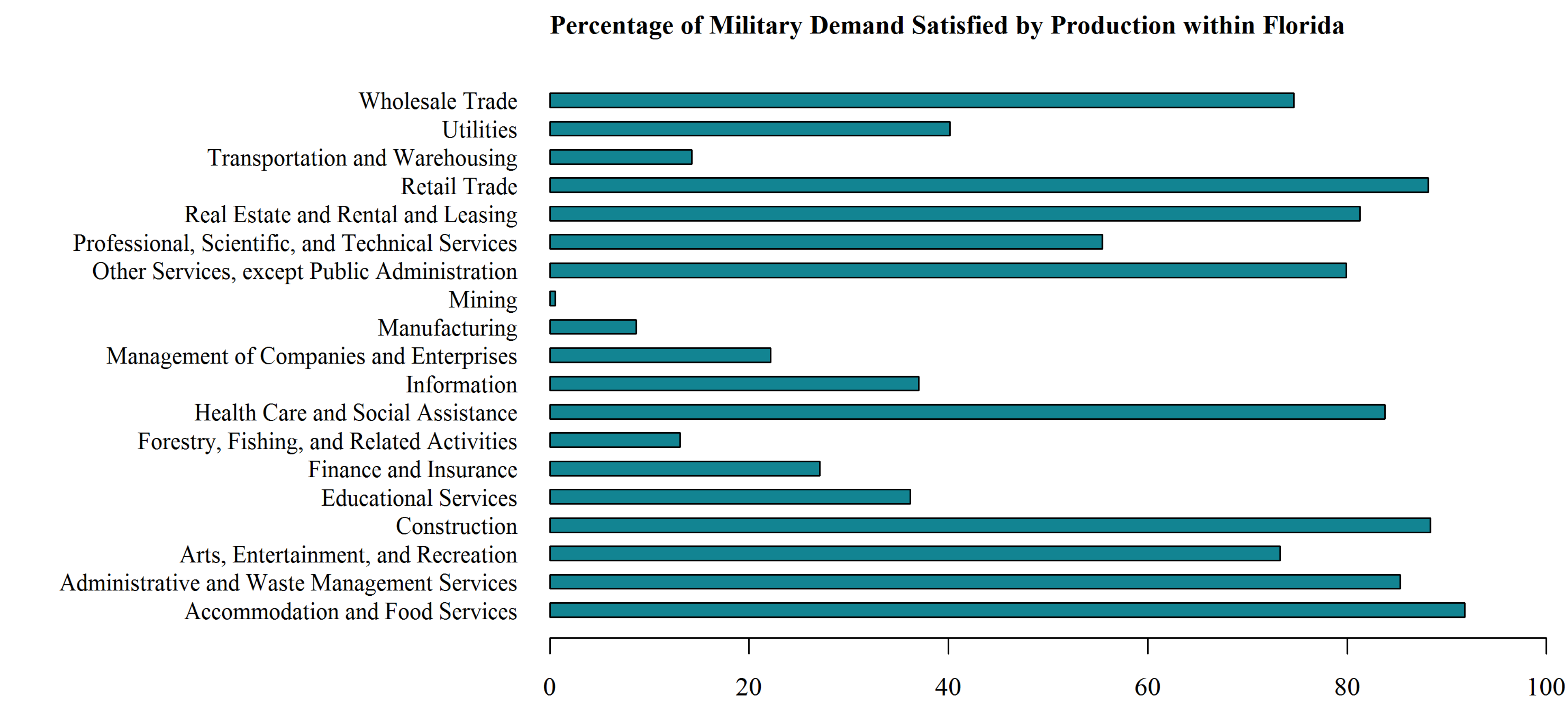
These are the first estimates to include separate impact statements for the National Guard and Coast Guard as separate from traditional federal military estimates. We also separate the impacts by source (procurement, employment, and transfers). As the data indicates, federal military employment (as separated from federal National Guard employment) accounts for the lion's share of the economic impacts—just over $67 Billion of the $73.4 Billion total. Most of this, in turn, is associated with employment of federal military and federal civilian workers (salaries). Procurement flows generate 193,839 jobs across Florida associated with federal military contracts. Transfer payments generate over 124,000 jobs as well.

The National Guard generates 44,660 jobs total (direct, indirect, and induced), the bulk of which is associated with salaries. Procurement flows through the national guard account for 660 jobs. The US Coast Guard generates nearly 19,000 jobs in the State of Florida and adds $1.6 Billion to Florida's Gross State Product. The bulk of this is driven by employment of the federal workforce associated with Coast Guard activities.

Figure 5. Percentage of Military Demand Satisfied by Production within Florida

The figure at the bottom of the page displays the percentage of total combined demand for goods and services that is met by production in the state across key state industries. As the figure shows, the state meets a high percentage of demand in several categories, including accommodation and food services and construction. However, in some high-impact sectors, such as professional, scientific, and technical services, the state meets less than 60% of total demand.

Demand that cannot be met by local production results in imports - which, recall from earlier discussions - has a negative impact on Gross State Product calculations. Therefore, the economic impact of the military can be increased by meeting more of the demands within the state rather than importing those goods and services.



Source: Regional Economic Models, Inc

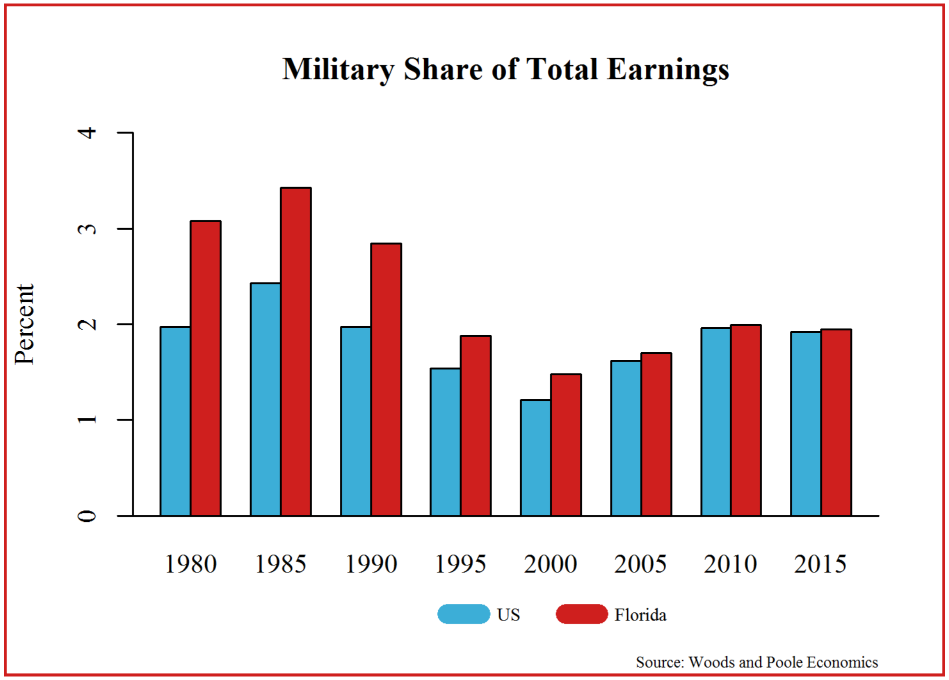


Figure 7. Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It thus allows us to benchmark the earnings of military employees against the earnings patterns of all workers. For the State of Florida, military employees in 1980 had earnings which totaled 119% of the state workforce's average earnings level. This figure was 90% for the US as a whole. By 2012, the Florida earnings figure had risen to 205%, and for the US as a whole, the relative earnings ratio now stands at 170%.

Figure 6. Military Share of Total Earnings

Earnings account for the majority of personal income and include wage and salary disbursements, proprietors' income, and supplements to wages and salaries. *Earnings are therefore a proxy economic impact measure, which is inclusive of more than simply income.* The figure above benchmarks the total share of state income that can be attributed to the military (over time) against the US. As the data reflect, the military contributes to a slightly larger share of personal income at the state level than at the national level. Moreover, these figures do not include the impacts of transfers and procurement flows.

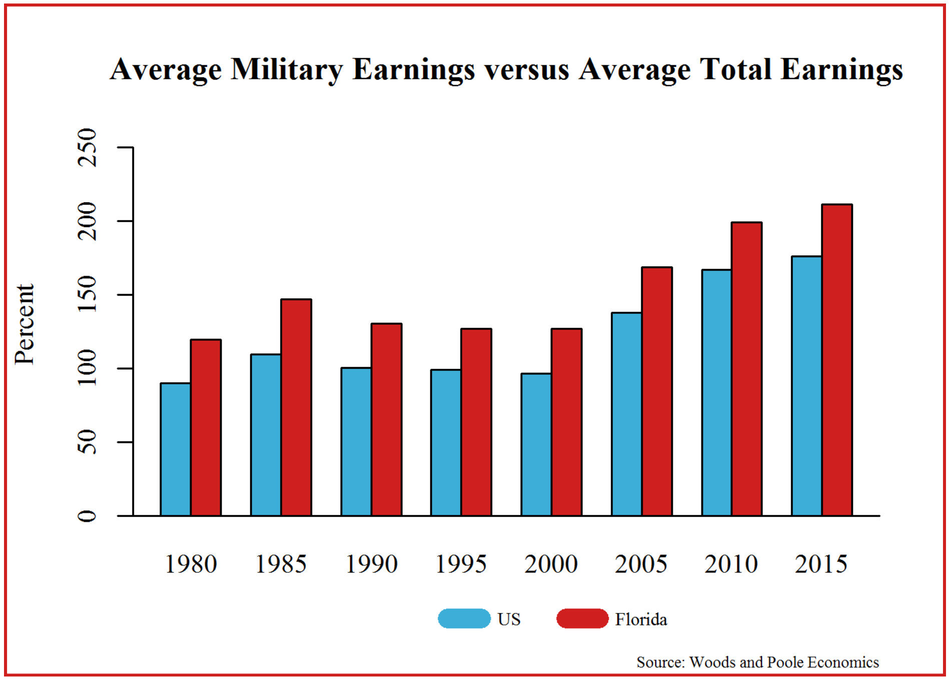
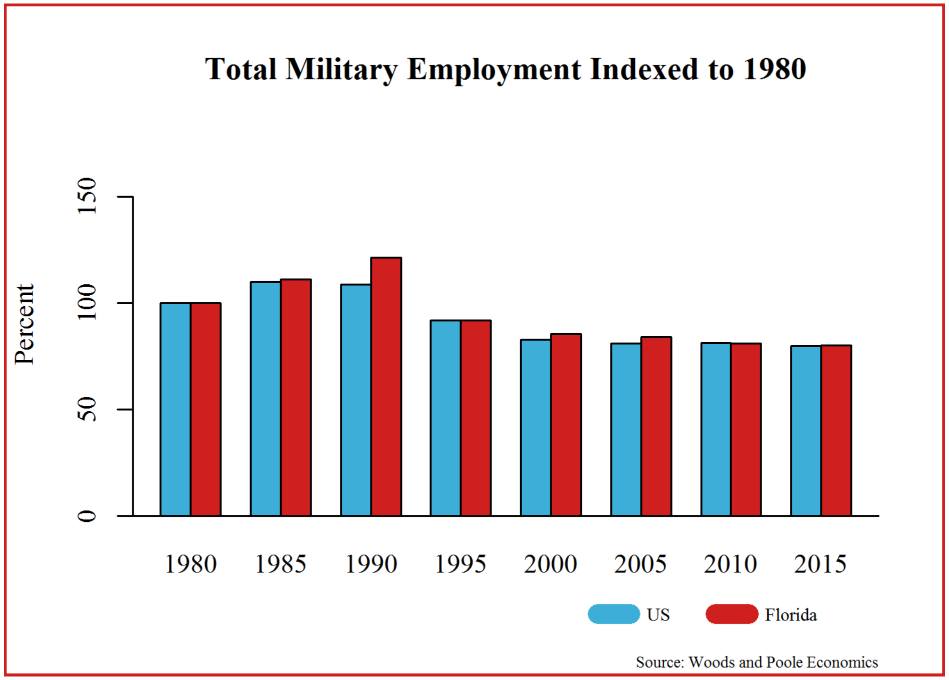


Figure 8. Military Employment as a Share of Total Employment

The figure below benchmarks military employment as a share of total employment for the State of Florida against the US. As the data indicate, in 1980 the military accounted for nearly 3% of Florida employment and 2% of US employment. By 2012, these figures declined to 1% for both the state and the US. These data indicate that the military does not directly contribute to as large a share of state employment as it once did.



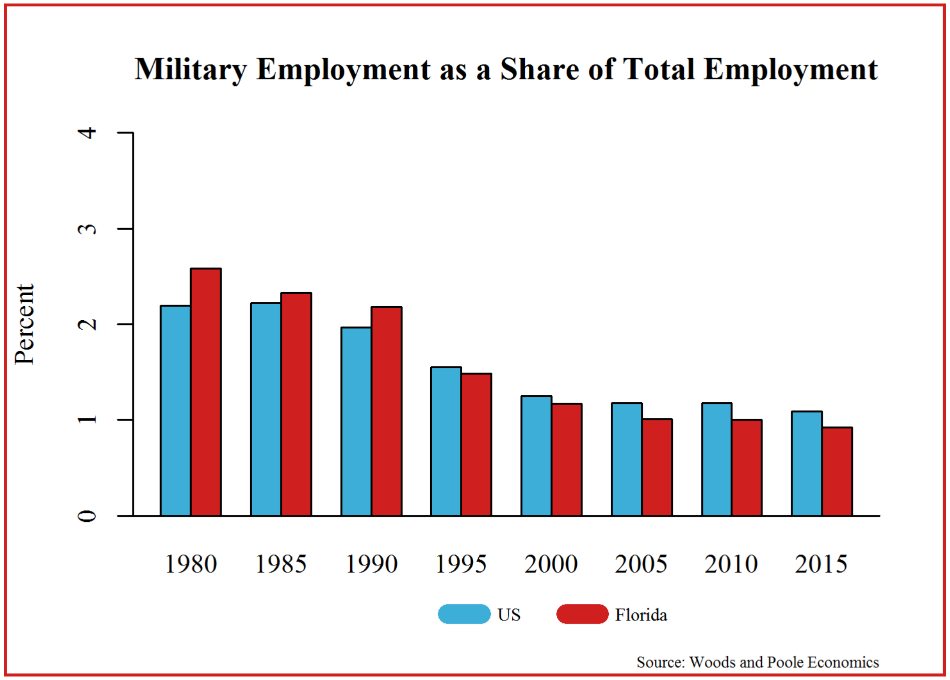


Figure 9. Total Military Employment Indexed to 1980

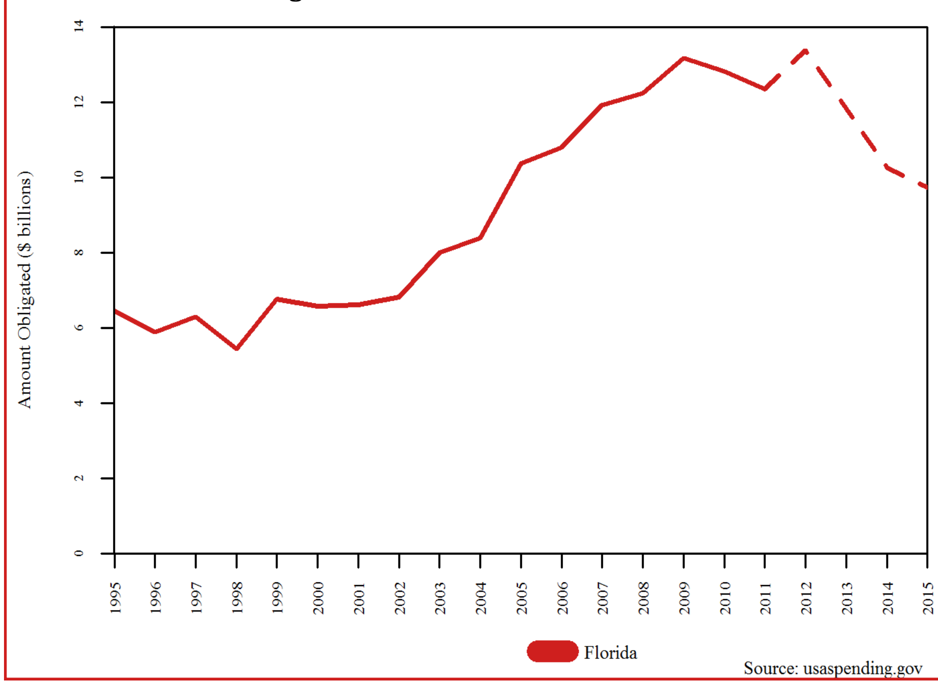
The figure above benchmarks the size of military employment in the State of Florida against the 1980 total. For example, military employment in 1985 was 111% of the 1980 total. Five years later, in 1990, the military had risen to 121% relative to the 1980 benchmark size. In subsequent years, the data show a steady decline in military employment compared to the 1980 totals. Military employment, at the national level, is currently less than 80% of its 1980 totals, while at the state level, it is approximately 80%.

Florida's Procurement Economy

Federal military procurement is a key driver of Florida's high-wage, high-technology economy, generating, as we noted in Table 3, nearly 200,000 jobs across the state. As we will shortly show, this accounts for a sizeable portion of Florida employment in key areas such as engineering and manufacturing. In this section, we explore Florida's procurement economy and examine the impacts of procurement flows on jobs and the economy.

In Figure 10, below, we plot procurement flows to Florida between 1995 and 2011 and provide a forecast for the 2012 to 2017 period (dashed line). The forecasts are based on trends in Army, Navy, and Air Force procurement projections from the DoD Green Book. As the data shows, procurement was fairly flat for the period between 1995 and 2002. However, in the post 9-11 era, procurement flows to the state have approximately doubled, rising from an average of near $6.5 Billion per year pre 9-11 to $13 Billion in the later part of the decade. This, as one might imagine, has had a significant, positive impact on Florida's economy.

Figure 10: Florida Procurement



Source: usaspending.gov

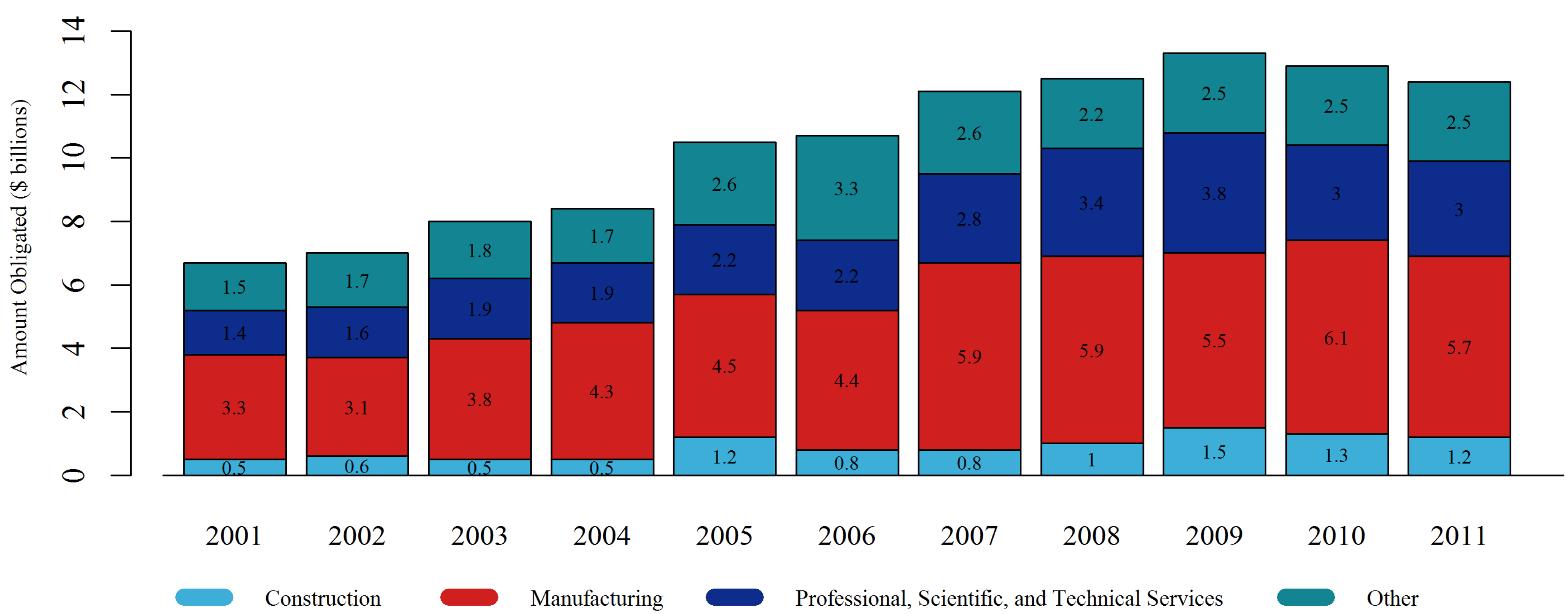
Table 4: Where Florida Ranks - Top Procurement States 2007—2011

Rank	2007	2008	2009	2010	2011
1	TX	TX	VA	VA	VA
2	VA	VA	CA	TX	TX
3	CA	CA	TX	CA	CA
4	PA	PA	PA	PA	PA
5	FL	MD	FL	FL	AZ
6	AZ	FL	MD	MD	MD
7	MD	MO	MA	MA	FL
8	MO	AZ	AZ	CT	CT
9	GA	CT	CT	AZ	MA
10	MA	MA	MO	GA	AL

However, as the figures indicate, these procurement flows are projected to shrink over the next five years falling to almost $9.5 Billion by 2015. This is primarily a result of the ending of the post 9-11 wars and the national attempts to deal with the federal budget deficit. As the data in Table 4 indicate, Florida has, over the past five years, been among the top states in total procurement flows, consistently rank-ing behind Virginia, California, Texas, and Pennsylvania but gaining more procurement dollars than all but about five US states on average.

These dollars, in turn, have mostly flowed into three of Florida's major industry sectors: construction, manufacturing, and professional, scientific, and technical services. As the data in Figure 11 demonstrate, manufacturing has been the overwhelming beneficiary of federal procurement dollars, raking in, in 2010 alone, approximately $6.1 Billion—up from $3.3 Billion in 2001. Professional, scientific and technical services, which is a key driver of the high-tech, high-wage economy, earned $3 Billion or more over the past four years. Construction, the third largest sector in terms of procurement flows, received $1 Billion or more over the past four years—a substantial portion of which went to Northwest Florida in support of realignment activities.

Figure 11: Florida Procurement Flows by Industry



Source: usaspending.gov

Table 5: Procurement Jobs by Occupation in 2011

2 Digit SOC	Job Description	DoD Florida	% of Total Florida Jobs
11	Management Occupations	5,401	1.0%
13	Business and Financial Operations Occupations	4,673	0.8%
15	Computer and Mathematical Occupations	6,116	3.5%
17	Architecture and Engineering Occupations	10,133	9.1%
19	Life, Physical, and Social Science Occupations	1,318	2.0%
21	Community and Social Service Occupations	179	0.2%
23	Legal Occupations	51	0.0%
25	Education, Training, and Library Occupations	2,618	0.6%
27	Arts, Design, Entertainment, Sports, and Media Occupations	2,225	0.8%
29	Healthcare Practitioners and Technical Occupations	488	0.1%
31	Healthcare Support Occupations	166	0.1%
33	Protective Service Occupations	1,371	1.4%
35	Food Preparation and Serving Related Occupations	400	0.1%
37	Building and Grounds Cleaning and Maintenance Occupations	1,661	0.3%
39	Personal Care and Service Occupations	385	0.1%
41	Sales and Related Occupations	3,562	0.2%
43	Office and Administrative Support Occupations	8,707	0.6%
45	Farming, Fishing, and Forestry Occupations	130	0.1%
47	Construction and Extraction Occupations	6,980	2.0%
49	Installation, Maintenance, and Repair Occupations	4,697	1.4%
51	Production Occupations	16,535	5.3%
53	Transportation and Material Moving Occupations	2,991	0.6%

Not surprisingly, these dollars supported a wide range of occupations across the State of Florida. These occupations, along with their two-digit Standard Occupational Classification (SOC) codes are displayed in the table to the left. These jobs are direct jobs and do not include the indirect and induced jobs modeled earlier. However, as the data show, over 9% of all Florida jobs in the architecture and engineering occupations are supported *directly* by federal procurement flows into the state. Just over 5% of all production occupations (closely tied to the manufacturing sector) are supported directly by procurement flows.

As the data here indicate, procurement dollars are critical to the successful growth of Florida's high-wage, high-tech and high impact industry sectors, such as professional and technical services and manufacturing. However, as the data also show, these dollars are forecast to shrink over the next five years. Florida's businesses will need to be competitive nationally to ensure that Florida retains its traditionally strong flow of procurement monies.

Impacts Across Florida

In the sections that follow, we present analyses of military impacts at the regional and county level for prominent defense counties around the state. As the data in Table 6 indicate, fully 65% of Okaloosa County's economy is driven by defense flows (the highest percentage in the state). Four Northwest Florida counties make up the top four—each with 30% or more of its economy attributable to defense activities. Duval County has almost 109,000 jobs attributable to defense activities—the most of any Florida county, followed closely by Okaloosa, Hillsborough, and Escambia Counties. Bay County, another Northwest Florida county, ranks in the top 10 in terms of defense related employment.

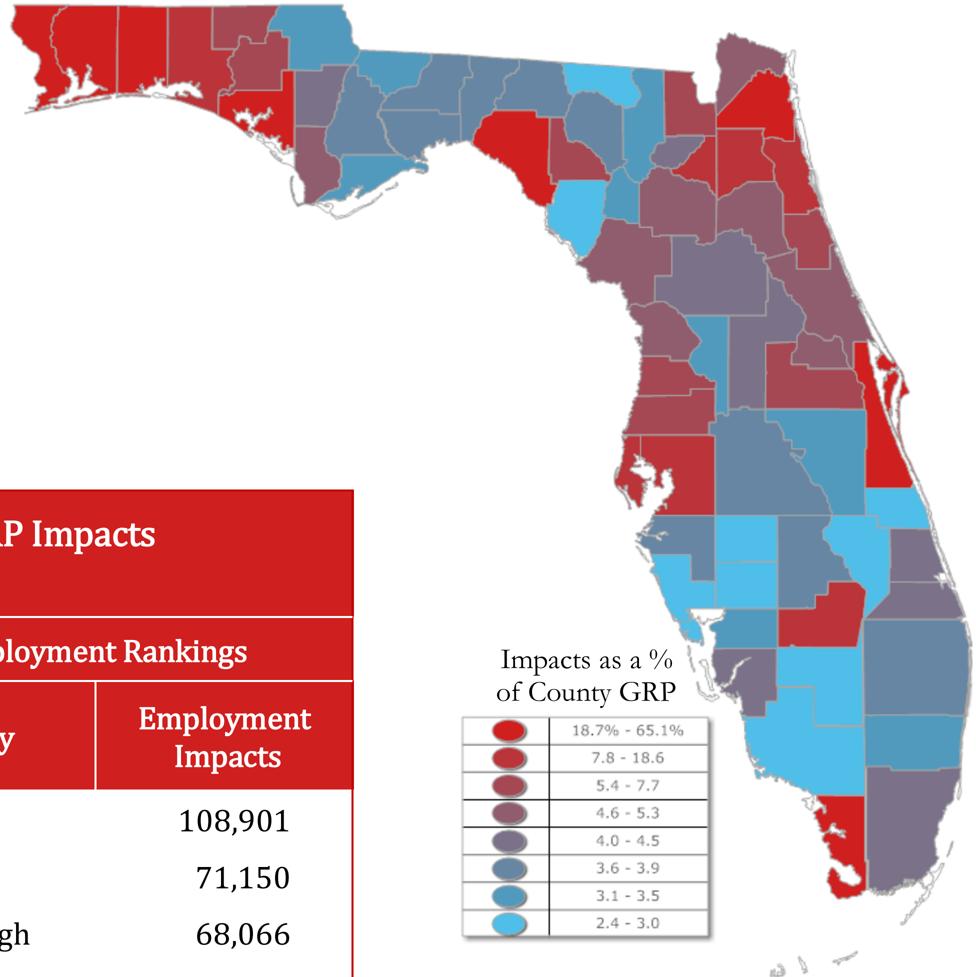


Table 6 : Top 10 Florida Counties Ranked on GRP Impacts and Employment Impacts

Gross Regional (County) Product Rankings			Employment Rankings	
County	Gross Domestic Product Impact	Defense Impact as % Total GRP	County	Employment Impacts
Okaloosa	$7,483	65.1%	Duval	108,901
Escambia	$6,743	45.0%	Okaloosa	71,150
Santa Rosa	$1,130	33.4%	Hillsborough	68,066
Bay	$2,578	31.1%	Escambia	66,731
Taylor	$164	26.6%	Orange	57,092
Duval	$11,923	19.2%	Miami-Dade	53,151
Monroe	$791	19.0%	Brevard	44,305
Brevard	$4,122	18.7%	Pinellas	39,702
Clay	$500	11.7%	Broward	30,915
Hillsborough	$7,735	9.9%	Bay	27,338

Regional Analysis Overview

Enterprise Florida, Incorporated divides the State of Florida into eight economic regions: Northwest Region, North Central Region, Northeast Region, East Central Region, Tampa Bay Region, South Central Region, Southeast Region and Southwest Region. In this section of the document, we provide an analysis of the impacts of defense activities on the economies of each of these eight regions.

Each of these sections is arrayed in precisely the same fashion. We open each analysis with an overview of the flow of defense-related spending, by type, into the region. This is inclusive of activities related to salaries and wages, procurement and transfer payments for the federal military (all branches including civilians), the Coast Guard and the National Guard (including state and federal spending). We then examine the economic impacts across various measures including Gross Regional Product, employment, sales, imports, exports, etc.

Following this, we look at the economic impacts of each type of spending activity to include procurement, salaries and wages, and transfer payments across military, Coast Guard, and National Guard. This provides an overview of the types of spending flows, for each region, that have the greatest impact. We then look, county by county, within the region at county-level impacts on GRP and employment.

Each section also contains an overview of defense trends within the region over the past several decades as well as projections going forward. This includes military employment as a share of total employment, military pay relative to all wages, and trends in military employment. We then close with a look at the percentage of demand generated by defense activities that is met locally as well as an overview of regional demographic and economic conditions.

We present a map of Florida's eight economic regions on the following page. As the map and subsequent analyses show, defense activities affect these regional economies in very different ways. For example, in Northwest Florida, defense activities generate $18.9 Billion in GDP and account for over 192,000 jobs. This represents over one-third of Northwest Florida's entire regional economic output. This is somewhat unsurprising because Northwest Florida is home to several major installations including the US's largest Air Force Base. In South Central Florida, the impact stands at $207 Million in GRP and just over 3,300 jobs. With no major installations located in that region, the impacts are much smaller.

What these data do demonstrate is that every single region in the State of Florida is affected by defense-related activities regardless of whether major installations are located in the region. This is also true at the county-level, as we will shortly outline in our county-level analyses. Moreover, as the data demonstrate, these impacts come in decidedly different forms.

Northwest Florida, for example, is most heavily affected by the presence of military personnel. Salaries and wages associated with these personnel, in large part, drive the economic impacts, although defense activities underpin the region's high-wage, high-tech economy. In the East Central Region, however, procurement flows drive the economic impacts associated with defense activities. Indeed, salaries and wages paid to personnel is the smallest component of direct inputs.

These data, and a holistic consideration of the overall impacts, demonstrate that Florida's regional economies have relationships with different facets of defense activities, the nuances of which only appear as the data are parsed out at the regional and county levels. But, as the data demonstrate, Florida's defense economy is about far more than personnel on the ground.

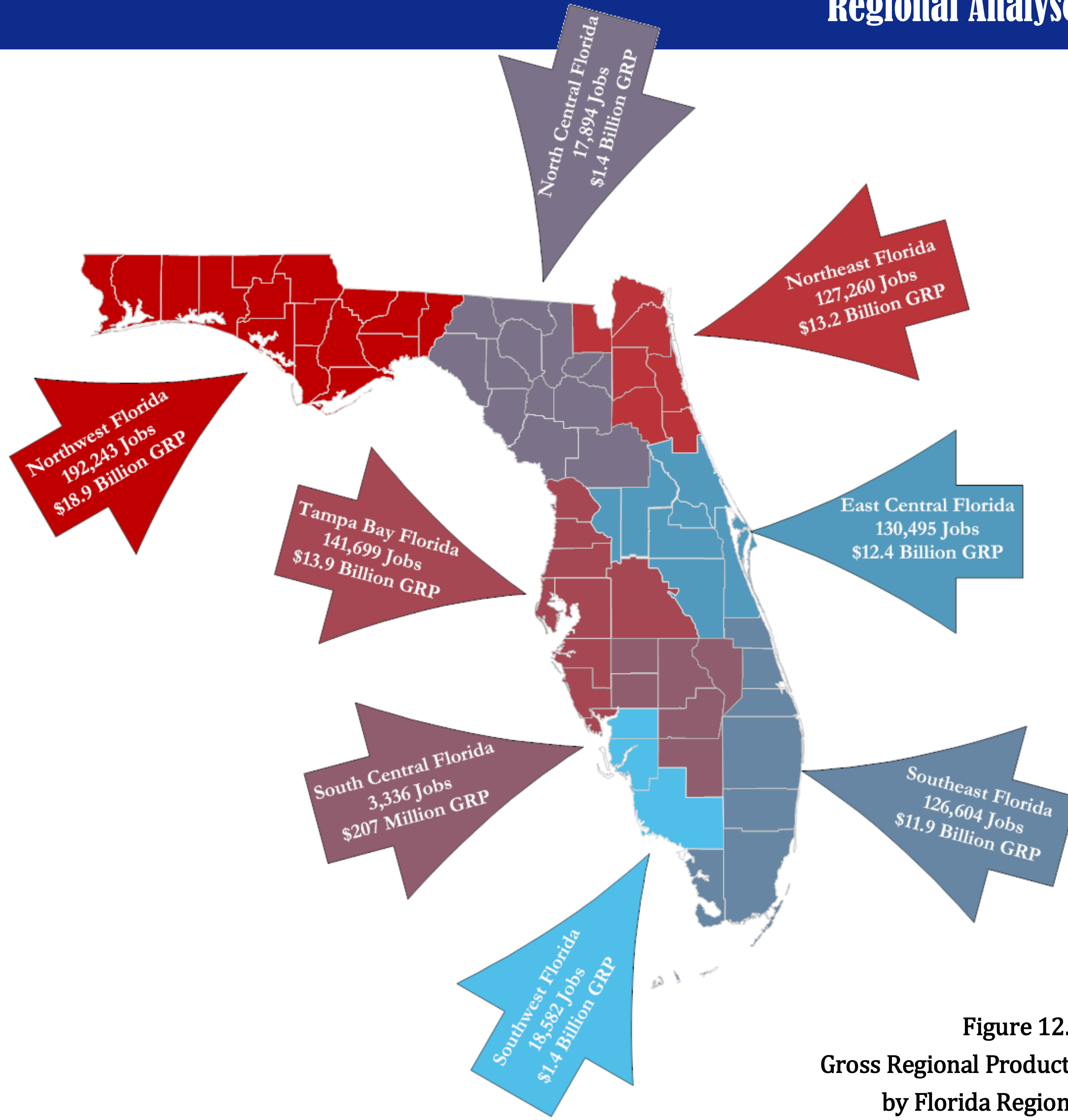


Figure 12.
Gross Regional Product
by Florida Region

Northwest Florida Region

Northwest Florida Region Summary

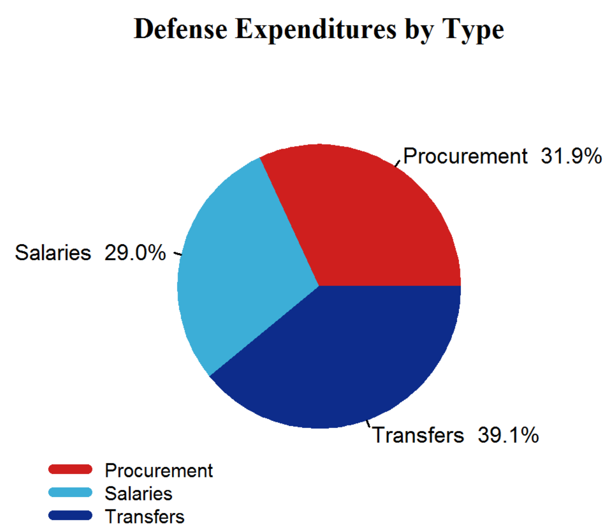
The Northwest Florida Region includes Bay, Calhoun, Escambia, Franklin, Gadsden, Gulf, Holmes, Jackson, Jefferson, Leon, Liberty, Okaloosa, Santa Rosa, Wakulla, Walton, and Washington Counties. Defense is a major industry in this region with multiple major installations, one of which is the largest U.S. military reservation (Eglin Air Force Base).

Military spending, summed with the National Guard and the Coast Guard, totals to the Combined Direct Expenditure estimates as indicated in Figure 13 to the right. Transfer payments accounted for the largest share at 39.1% or roughly $2.2 Billion of the $7.0 Billion total. Salaries accounted for 29.0%, and procurement spending accounted for 31.9%.

Overall, defense activities accounted for about 192,000 jobs in the Northwest Florida Region in 2011 and nearly $19 Billion in total Gross Regional Product (GRP - total value of all goods and services produced in the region). The military therefore accounted for approximately 32% of all economic activity in the region. The total impact of defense activities on the regional economy is forecast to decline slightly. Consequently, employment impacts are forecast to be about 180,000 in 2015. This amounts to nearly 12,500 fewer jobs in the region by that time as a result of defense activities.

Figure 13. Northwest Florida Region Combined Direct Defense Expenditures
(Millions US Dollars)

Procurement	$2,222.0
Salaries	$2,017.3
Transfers*	$2,721.9
Total Combined Direct Expenditures	**$6,961.1**



*Includes the dollar value of entitlement payments received by military and civilian retirees and veterans.

Direct defense expenditures expended in the region generated additional employment, wages, consumption spending, and investment with total impacts indicated in the table below. The impact categories are defined as follows:

- ◊ **Total Sales** represents the total value of all goods and services sold as a result of military activities. This includes direct spending, wages, transfer payments, plus spending associated with multiplier effects as initial receipts are re-spent. It incorporates the value of goods and services produced and sold in the region, **imports** into the region, and **exports** from the region.
- ◊ **Total Employment** measures jobs generated by military activities.
- ◊ **Total Consumption** consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.
- ◊ **Investment** expenditures include **residential** and **non-residential** real estate as well as investment in **producers durable equipment** and **business inventories**.
- ◊ **Government** revenues include state and local government spending that occurs as a result of the combined activities that are modeled.
- ◊ **Gross Regional Product** is the sum of consumption, investment, government revenues, and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.

Table 7. Northwest Florida Combined Economic Impact Estimates (Millions US Dollars)

	2011	2012	2013	2014	2015
Total Sales	$13,773.0	$14,513.2	$14,149.0	$13,523.1	$13,086.9
Total Employment	**192,243**	**196,151**	**190,941**	**184,642**	**179,916**
Total Consumption	$10,003.4	$10,434.3	$10,667.5	$10,793.3	$10,943.9
Investment Residential	$1,003.7	$1,534.3	$1,788.0	$1,802.5	$1,728.8
Investment Non-Residential	$415.3	$605.3	$703.0	$705.7	$678.4
Producers Durable Equipment	$189.7	$376.6	$542.3	$699.5	$843.3
Business Inventories	$12.0	$20.7	$19.5	$18.8	$18.9
Government	$1,727.9	$1,689.1	$1,623.3	$1,618.8	$1,619.4
Exports	$8,057.7	$8,013.1	$7,362.9	$6,767.4	$6,413.4
Imports (subtract)	$2,542.4	$3,721.2	$4,205.9	$4,290.0	$4,398.3
Gross Regional Product	**$18,867.2**	**$18,952.2**	**$18,500.6**	**$18,115.9**	**$17,847.8**

Northwest Florida

Combined Economic Impacts*

- ⇒ 192,243 Total Jobs
- ⇒ $13.8 Billion in Total Sales
- ⇒ $18.9 Billion in Gross Regional Product
- ⇒ 32.0% of Total Gross Regional Product

*Includes Department of Defense, National Guard, and Coast Guard

Table 8. Northwest Florida Region Impacts by Type (2011) Gross Regional Product in Millions US Dollars with Employment Impacts in Parentheses				
	Military	National Guard	Coast Guard	Total Impacts by Type
Procurement	$2,411.4 (33,638)	$3.7 (55)	$2.5 (35)	$2,417.6 (33,727)
Salaries and Wages	$14,502.7 (131,429)	$492.5 (4,984)	$74.1 (931)	$15,069.2 (137,344)
Transfers*	$1,371.7 (21,040)	$0.8 (13)	$7.8 (119)	$1,380.4 (21,172)
Total Impacts by Service	$18,285.9 (186,107)	$497.0 (5,051)	$84.4 (1,084)	$18,867.2 (192,243)

*Includes the impacts resulting from entitlement payments received by military and civilian retirees and veterans.

Regional Impacts by Type

The data in the table above (Table 8) display a 4x4 matrix of the impacts by type. This includes procurement, salaries and wages, and transfers for the military, National Guard, and Coast Guard for 2011. The GRP impacts (in 2012 US Dollars) are displayed on top of the employment impacts, which are in parentheses. The total impacts across all categories (which sum to the 2011 figures in Table 8) are displayed in the bottom right-hand corner.

As the data indicate, salaries and wages for the military generate the most jobs in the region (131,429), followed by procurement for the military. Overall, salaries and wages account for more than 137,000 jobs in the region, while procurement accounts for nearly 34,000, and transfers account for over 21,000.

The data in Table 9 display combined expenditures across the three categories for each county followed by the economic impacts in terms of GRP and Employment. As the data show, the military accounts for about 65% of all economic output in Okaloosa County, which equates to roughly 71,000 jobs. This is followed by Escambia, Santa Rosa, and Bay Counties - all of which have major military installations.

Table 9. Northwest Florida Region - Defense Expenditures and Impacts by County (2011)

Millions US Dollars

	Model Inputs - Combined Expenditures				Model Outputs - Combined Economic Impacts		
County	Procurement	Transfers*	Salaries and Wages	Total	Gross Domestic Product	Employment	Defense as % Total GDP
Bay	$424.2	$358.3	$378.4	$1,160.9	$2,577.8	27,338	31.1%
Calhoun	$0.0	$5.2	$0.1	$5.2	$9.6	169	4.3%
Escambia	$545.5	$635.4	$340.0	$1,520.9	$6,743.1	66,731	45.0%
Franklin	$4.8	$4.6	$0.7	$10.1	$14.6	233	3.5%
Gadsden	$5.3	$18.0	$5.3	$28.6	$40.0	618	3.4%
Gulf	$0.0	$10.7	$0.1	$10.8	$18.4	278	4.9%
Holmes	$0.2	$14.7	$8.1	$23.0	$17.3	348	6.8%
Jackson	$0.0	$26.4	$9.5	$35.8	$38.9	590	3.3%
Jefferson	$1.9	$6.9	$0.1	$8.9	$8.9	146	4.0%
Leon	$21.7	$225.3	$69.7	$316.7	$527.9	6,783	3.9%
Liberty	$0.0	$2.3	$0.0	$2.4	$8.1	117	3.7%
Okaloosa	$1,192.6	$883.1	$833.9	$2,909.6	$7,483.2	71,150	65.1%
Santa Rosa	$24.2	$446.8	$30.3	$501.2	$1,130.0	14,211	33.4%
Wakulla	$1.2	$14.6	$0.2	$16.0	$18.7	300	3.7%
Walton	$0.3	$48.3	$338.2	$386.8	$200.9	2,727	9.1%
Washington	$0.0	$21.3	$2.8	$24.1	$29.9	503	6.6%
Total	**$2,222.0**	**$2,721.9**	**$2,017.3**	**$6,961.1**	**$18,867.2**	**192,243**	**32.0%**

*Includes the dollar value of entitlement payments received by military and civilian retirees and veterans.

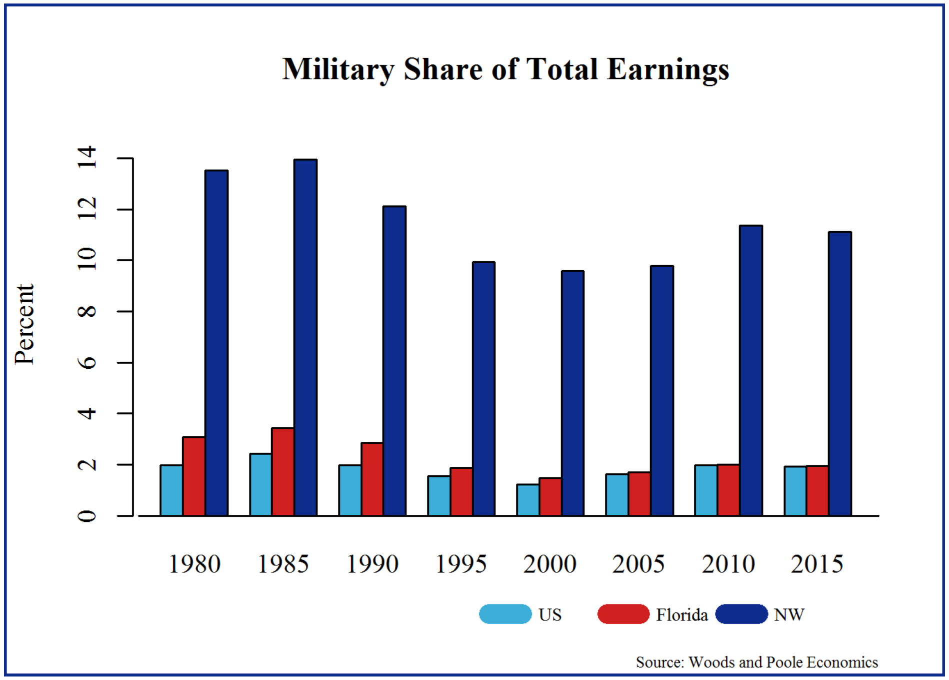
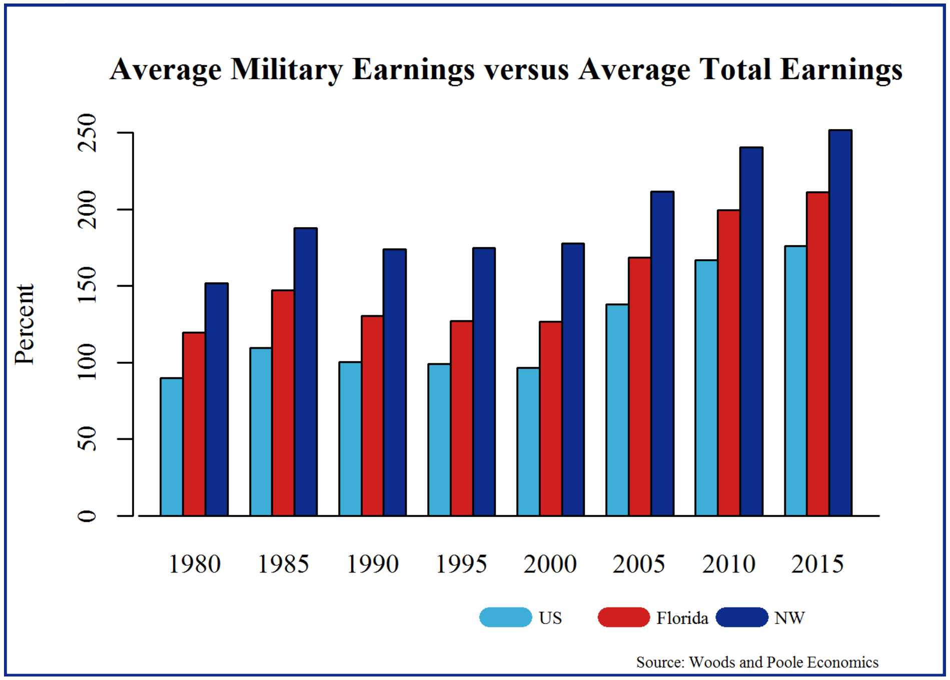


Figure 14. Military Share of Total Earnings

Earnings account for the majority of personal income and include wage and salary disbursements, proprietors' income, and supplements to wages and salaries. *Earnings are therefore a proxy economic impact measure, which are inclusive of more than simply income.* The figure above benchmarks the total share of the Northwest Florida regional income that can be attributed to the military (over time) against the State of Florida and the US. As the data reflect, the military currently contributes to a substantially larger share of personal income in Northwest Florida than at the state and national levels, although this has declined over the past few decades.

Figure 15. Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It thus allows us to benchmark the earnings of military employees against the earnings patterns of all workers. For the Northwest Florida Region, military employees in 1980 had earnings which totaled 152% of the Northwest Florida workforce's average earnings level. This figure was 119% for the State of Florida and 90% for the US as a whole. By 2012, the Northwest Florida earnings figure had risen to 245%. State comparative earnings ticked up to 205%, and for the US as a whole, the relative earnings ratio now stands at 170%.



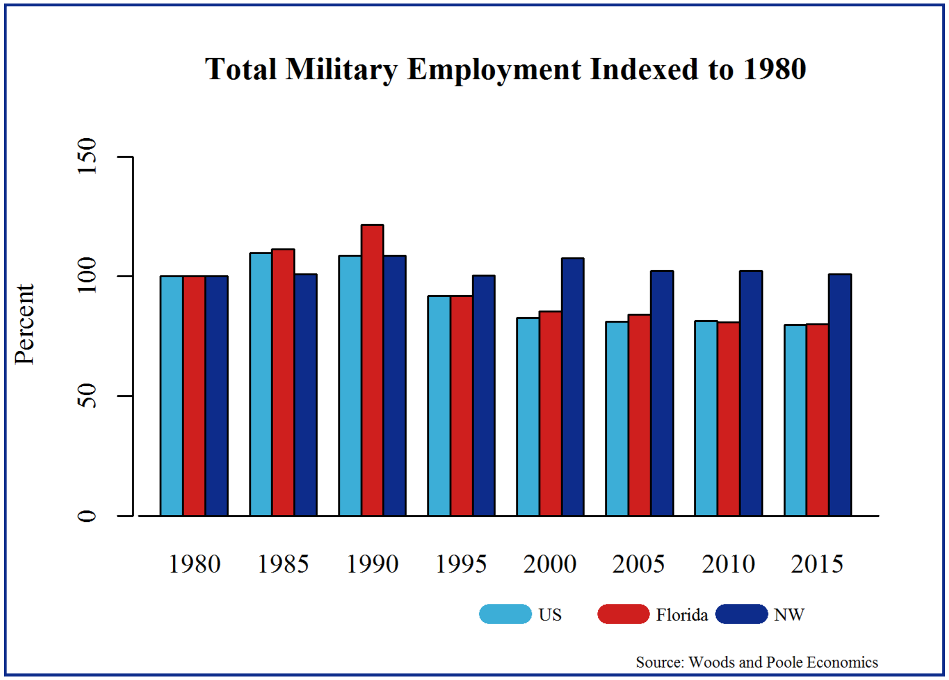


Figure 16. Military Employment as a Share of Total Employment

The figure below benchmarks military employment as a share of total employment for the Northwest Florida Region against the State of Florida and the US. As the data indicate, in 1980 the military accounted for 9% of Northwest Florida employment, nearly 3% of Florida employment, and 2% of US employment. By 2012, these figures declined to 5%, 1% and 1% respectively. These data indicate that the military does not directly contribute to as large a share of regional employment as it once did.

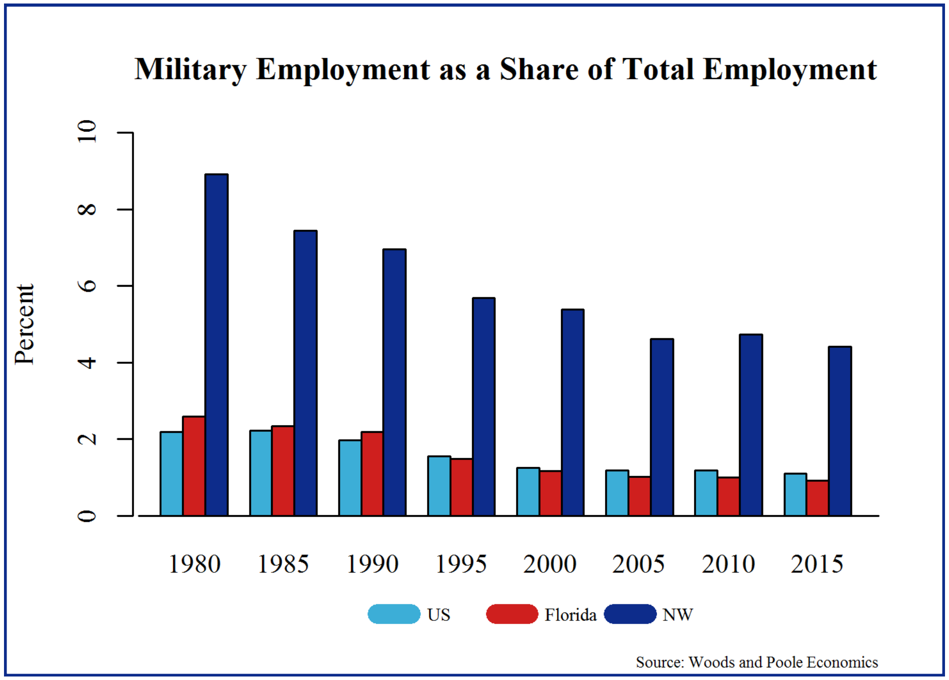


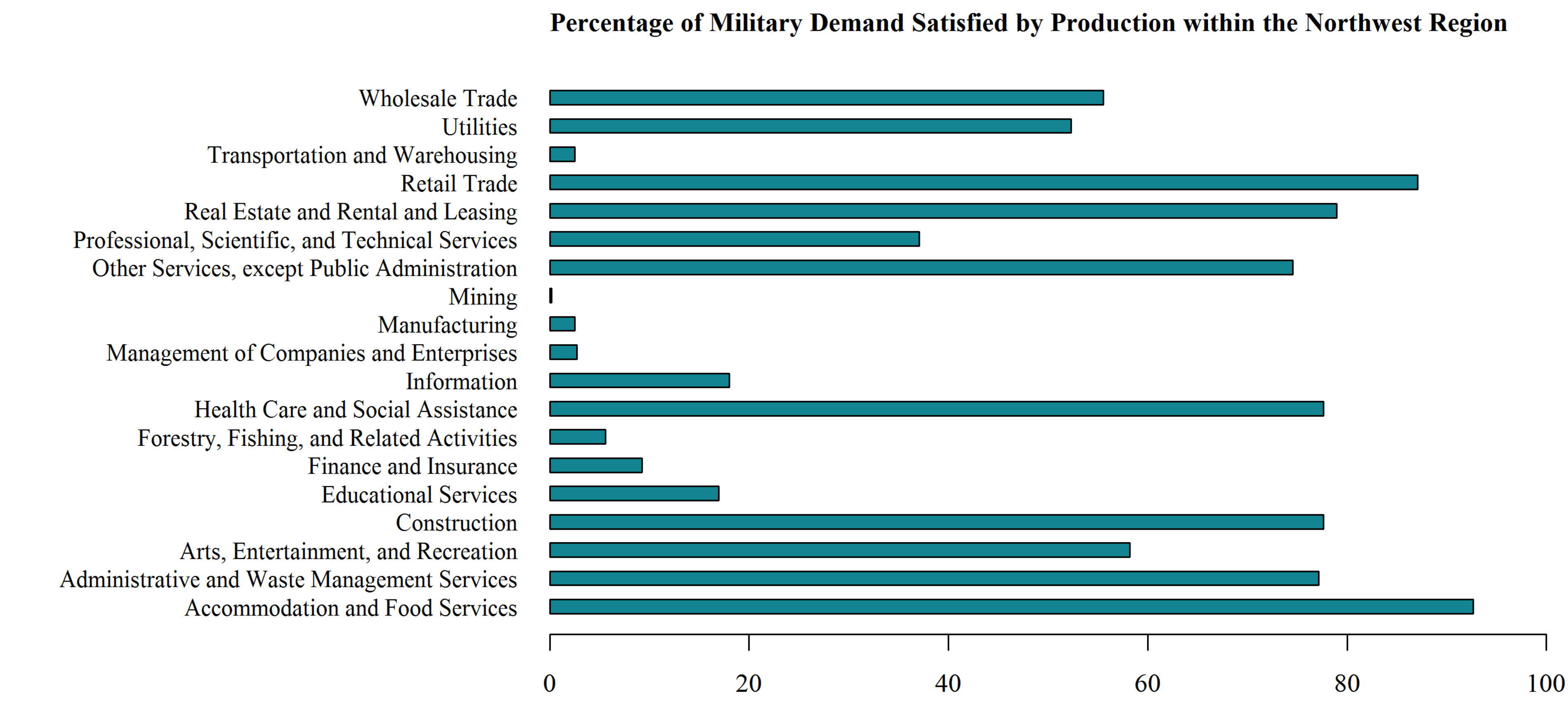
Figure 17. Total Military Employment Indexed to 1980

The figure above benchmarks the size of military employment in the Northwest Florida Region against the 1980 total. For example, military employment in 1985 was 101% of the 1980 total. By 2000, the military had risen to 107% of its 1980 size and then dropped to 102% by 2005. Overall, we note that military employment, relative to the 1980 totals, has increased for the region, with military employment in 2012 standing at approximately 101% of its 1980 level. Military employment at the national level, however, is currently less than 80% of its 1980 totals, while at the state level, it is approximately 80%.

Figure 18. Percentage of Military Demand Satisfied by Production within the Region

The figure below displays the percentage of total combined demand for goods and services that is met by production in the region across key regional industries. As the figure shows, the region meets a high percentage of demand in the retail trade and accommodation and food services industries, while the percentage of demand met in mining, manufacturing, and other sectors is comparatively lower.

Demand that cannot be met by local production results in imports—which, recall from earlier discussions—has a negative impact on Gross Regional Product calculations. Therefore, the economic impact of the military can be increased by meeting more of the demands within the region rather than importing those goods and services.



Source: Regional Economic Models, Inc

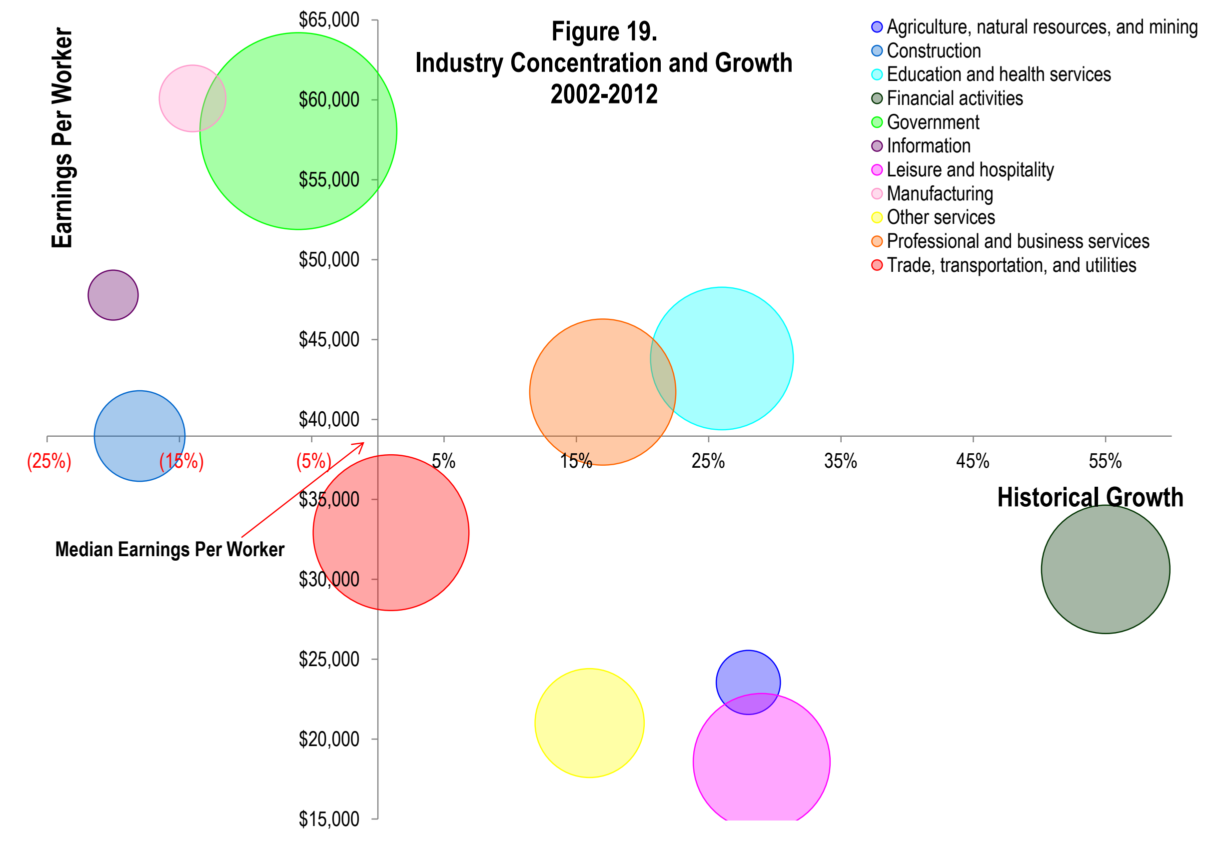
Table 10. Northwest Florida Regional Statistics	
Total Population	
2010 Census	1,366,092
Q2 2012 Estimate	1,379,527
2017 Projection	1,461,532
Growth 2010 to 2012	0.98%
Growth 2012 to 2017	5.9%
Income (2012)	
Average Household Income	$61,996
Median Household Income	$47,724
Per Capita Income	$24,109

Demographics and the Regional Economy

The data in the Table 10 contains information on regional population growth rates as well as income statistics. As the data indicate, the region's median household income is slightly lower than the state and national averages of $49,306 and $53,421 respectively. Population growth over the next few years is expected to be somewhat anemic at less than 1% per year through 2012 and to grow at a more moderate rate through 2017 at nearly 6% per year.

The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while growth rates are displayed on the horizontal axis, and earnings per worker totals are displayed on the vertical axis. As the figure shows, the government and manufacturing sectors are the region's highest earners, and government is the largest sector. The financial activities industry has been the fastest growing, although the wages are below the median earnings per worker. Education and health services, along with professional and business services, are among the higher earners where positive growth has occurred.

Figure 19. Industry Concentration and Growth 2002-2012



North Central Florida Region

North Central Florida Region Summary

The North Central Florida Region includes Alachua, Bradford, Columbia, Dixie, Gilchrist, Hamilton, Lafayette, Levy, Madison, Marion, Suwannee, Taylor, and Union Counties. Defense activities play a role in the regional economy primarily—on the direct side—as a function of transfer payments to retirees, veterans, etc.

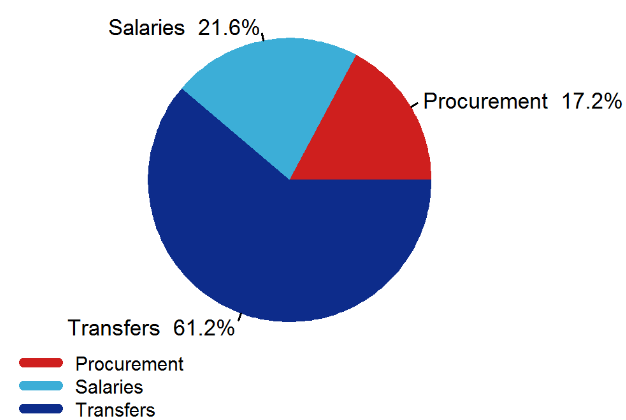
Military spending, summed with the National Guard and the Coast Guard, totals to the Combined Direct Expenditure estimates as indicated in Figure 20 to the right. Transfer payments accounted for the largest share at 61.2% or roughly $503 Million of the $822 Million total. Salaries accounted for 21.6%, and procurement accounted for 17.2%.

Overall, defense activities accounted for about 17,900 jobs in the North Central Florida Region in 2011 and nearly $1.4 Billion in total Gross Regional Product (GRP - total value of all goods and services produced in the region). The military therefore accounted for approximately 5.1% of all economic activity in the region. The total impact of defense activities on the regional economy is forecast to decline slightly. As a result, employment impacts are forecast to be 17,097 in 2015. This amounts to about 800 fewer jobs in the region by that time as a result of defense activities.

Figure 20. North Central Florida Region Combined Direct Defense Expenditures
(Millions US Dollars)

Procurement	$141.2
Salaries	$177.7
Transfers*	$502.7
Total Combined Direct Expenditures	**$821.5**

Defense Expenditures by Type



*Includes the dollar value of entitlement payments received by military and civilian retirees and veterans.

Direct defense expenditures expended in the region generated additional employment, wages, consumption spending, and investment with total impacts indicated in the table below. The impact categories are defined as follows:

◊ **Total Sales** represents the total value of all goods and services sold as a result of military activities. This includes direct spending, wages, transfer payments plus spending associated with multiplier effects as initial receipts are re-spent. It incorporates the value of goods and services produced and sold in the region, **imports** into the region, and **exports** from the region.

◊ **Total Employment** measures jobs generated by military activities.

◊ **Total Consumption** consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.

◊ **Investment** expenditures include **residential** and **non-residential** real estate as well as investment in **producers durable equipment** and **business inventories.**

◊ **Government** revenues include state and local government spending that occurs as a result of the combined activities that are modeled.

◊ **Gross Regional Product** is the sum of consumption, investment, government revenues, and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.

Table 11. North Central Florida Combined Economic Impact Estimates (Millions US Dollars)

	2011	2012	2013	2014	2015
Total Sales	$1,496.7	$1,608.4	$1,579.4	$1,518.5	$1,492.3
Total Employment	**17,894**	**18,321**	**17,949**	**17,453**	**17,097**
Total Consumption	$1,032.2	$1,076.6	$1,104.1	$1,117.3	$1,134.6
Investment Residential	$89.3	$136.6	$159.1	$159.8	$152.9
Investment Non-Residential	$36.9	$55.1	$65.1	$66.2	$64.5
Producers Durable Equipment	$16.6	$33.4	$48.8	$63.6	$77.5
Business Inventories	$3.2	$5.7	$5.3	$5.1	$5.1
Government	$261.9	$260.0	$250.8	$250.0	$251.0
Exports	$1,023.1	$1,068.9	$1,002.8	$927.1	$891.8
Imports (subtract)	$1,071.1	$1,198.5	$1,217.9	$1,197.7	$1,197.8
Gross Regional Product	**$1,392.2**	**$1,437.7**	**$1,418.0**	**$1,391.4**	**$1,379.6**

North Central Florida

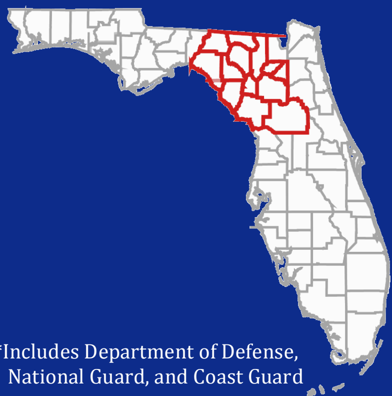
Combined Economic Impacts*

⇒ 17,894 Total Jobs

⇒ $1.5 Billion in Total Sales

⇒ $1.4 Billion in Gross Regional Product

⇒ 5.0% of Total Gross Regional Product



*Includes Department of Defense, National Guard, and Coast Guard

Table 12. North Central Florida Region Impacts by Type (2011)
Gross Regional Product in Millions US Dollars with Employment Impacts in Parentheses

	Military	National Guard	Coast Guard	Total Impacts by Type
Procurement	$263.0 (2,874)	$2.6 (35)	$9.8 (101)	$275.4 (3,010)
Salaries and Wages	$651.0 (8,196)	$158.1 (1,908)	$8.5 (121)	$817.6 (10,225)
Transfers*	$295.1 (4,594)	$0.5 (8)	$3.5 (56)	$299.1 (4,659)
Total Impacts by Service	$1,209.1 (15,665)	$161.2 (1,951)	$21.9 (278)	$1,392.2 (17,894)

*Includes the impacts resulting from entitlement payments received by military and civilian retirees and veterans.

Regional Impacts by Type

The data in Table 12 above display a 4x4 matrix of the impacts by type. This includes procurement, salaries and wages, and transfers for the military, National Guard and Coast Guard for 2011. The GRP impacts (in 2012 US Dollars) are displayed on top of the employment impacts, which are in parentheses. The total impacts across all categories (which sum to the 2011 figures in Table 12) are displayed in the bottom right-hand corner.

As the data indicate, salaries and wages for the military generate the most jobs in the region (8,196), followed by transfer payments for the military. Overall, salaries and wages account for over 10,000 jobs in the region while procurement accounts for nearly 3,000 and transfers account for over 4,659.

The data in Table 13 display combined expenditures across the three categories for each county followed by the economic impacts in terms of GRP and Employment. As the data show, the military accounts for 26.6% of all economic output in Taylor County, which equates to 1,615 jobs. This is followed by Bradford County (9.3% and 696 jobs) and Lafayette County (5.4% and 116 jobs).

Table 13. North Central Florida Region - Defense Expenditures and Impacts by County (2011)

Millions US Dollars

	Model Inputs - Combined Expenditures				Model Outputs - Combined Economic Impacts		
County	Procurement	Transfers*	Salaries and Wages	Total	Gross Domestic Product	Employment	Defense as % Total GDP
Alachua	$22.3	$143.9	$27.5	$193.6	$582.5	7,189	4.9%
Bradford	$3.3	$16.5	$130.8	$150.5	$54.5	696	9.3%
Columbia	$14.4	$46.5	$9.8	$70.7	$66.8	871	3.4%
Dixie	$0.0	$8.3	$0.1	$8.4	$8.3	117	2.7%
Gilchrist	$0.0	$7.8	$0.1	$7.9	$9.4	162	3.5%
Hamilton	$0.0	$5.6	$0.1	$5.7	$9.2	118	2.8%
Lafayette	$3.5	$1.6	$0.0	$5.1	$7.2	116	5.4%
Levy	$0.2	$24.0	$2.4	$26.6	$36.7	527	5.0%
Madison	$0.0	$6.9	$0.1	$7.0	$13.2	203	3.7%
Marion	$12.8	$204.2	$0.7	$217.6	$395.2	5,587	4.5%
Suwannee	$0.0	$24.4	$5.8	$30.2	$33.3	505	3.7%
Taylor	$84.7	$8.4	$0.3	$93.4	$164.0	1,615	26.6%
Union	$0.0	$4.7	$0.0	$4.8	$11.8	189	4.2%
Total	**$141.2**	**$502.7**	**$177.7**	**$821.5**	**$1,392.2**	**17,894**	**5.1%**

*Includes the dollar value of entitlement payments received by military and civilian retirees and veterans.

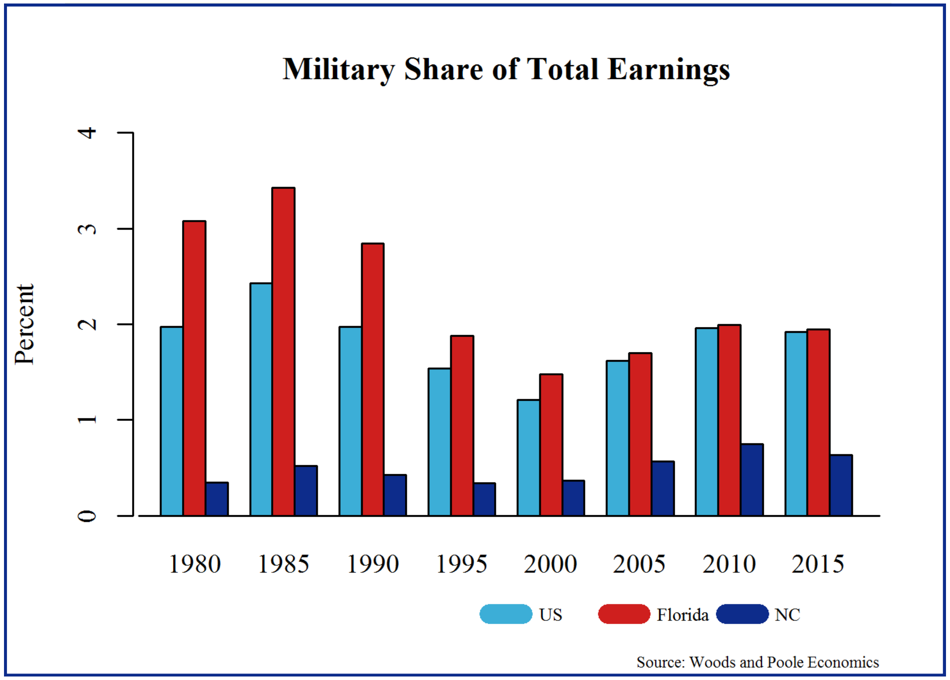


Figure 21. Military Share of Total Earnings

Earnings account for the majority of personal income and include wage and salary disbursements, proprietors' income, and supplements to wages and salaries. *Earnings are therefore a proxy economic impact measure, which are inclusive of more than simply income.* The figure above benchmarks the total share of the North Central regional income that can be attributed to the military (over time) against the State of Florida and the US. As the data reflect, the military currently contributes to a slightly smaller share of personal income in North Central Florida than at the state and national levels.

Figure 22. Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It thus allows us to benchmark the earnings of military employees against the earnings patterns of all workers. For the North Central Florida Region, military employees in 1980 had earnings which totaled 53% of the North Central Florida workforce's average earnings level. This figure was 119% for the State of Florida and 90% for the US as a whole. By 2012, the North Central Florida earnings figure had risen to 137%. State comparative earnings ticked up to 205%, and for the US as a whole, the relative earnings ratio now stands at 170%.

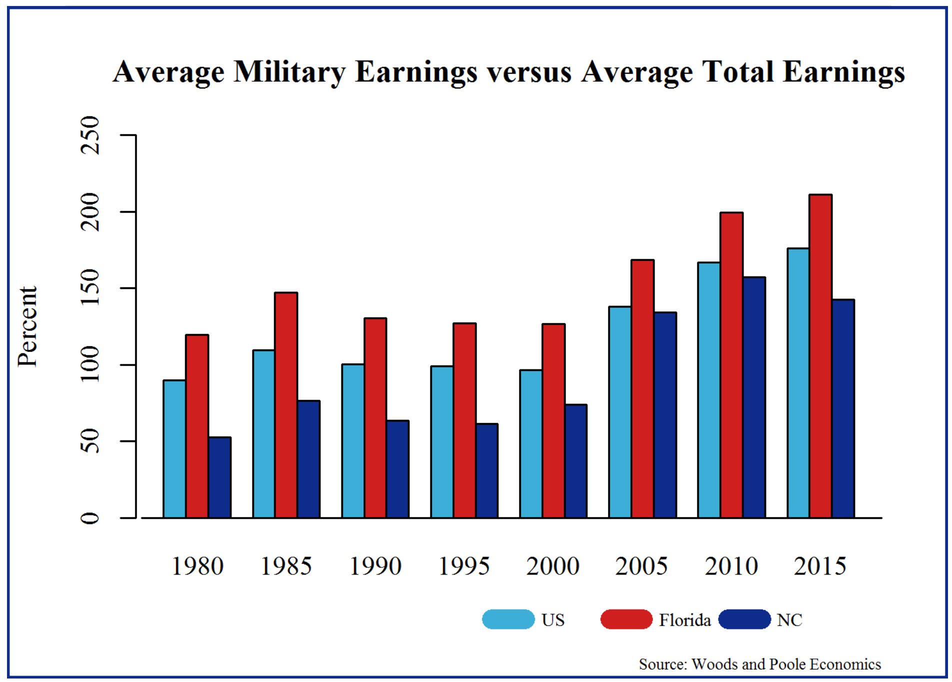
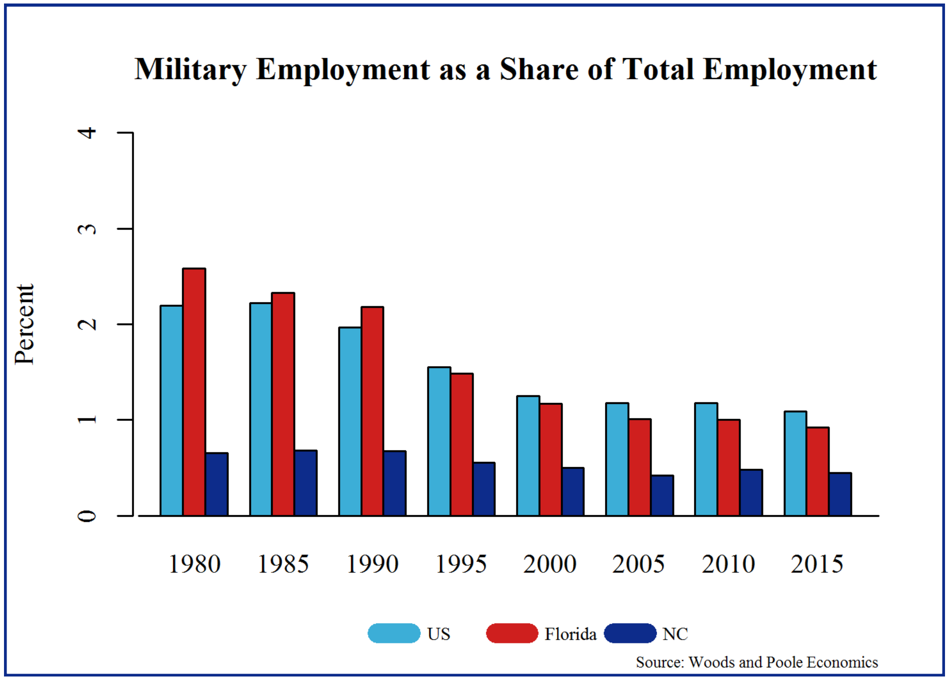


Figure 23. Military Employment as a Share of Total Employment

The figure below benchmarks military employment as a share of total employment for the North Central Florida Region against the State of Florida and the US. As the data indicate, in 1980 the military accounted for 0.7% of North Central Florida employment, nearly 3% of Florida employment, and 2% of US employment. By 2012, these figures declined to 0.5%, 1% and 1% respectively. These data indicate that the military does not directly contribute to as large a share of regional employment as it once did.



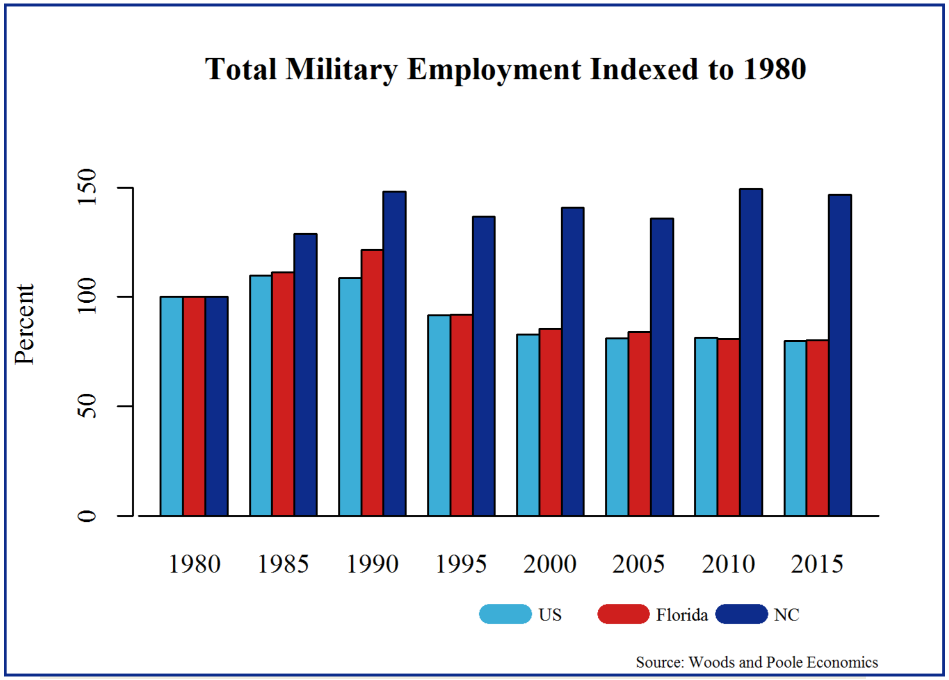


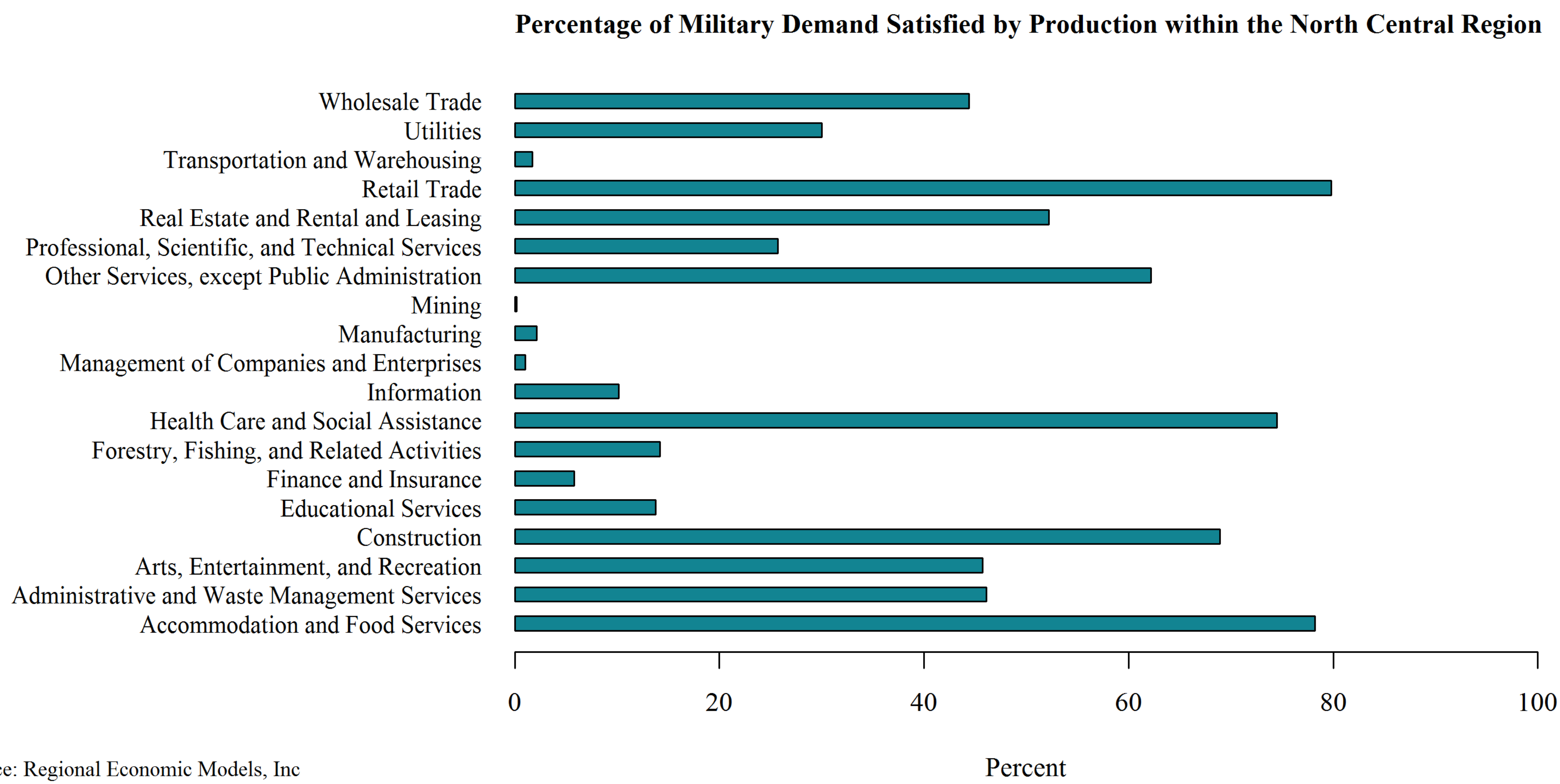
Figure 24. Total Military Employment Indexed to 1980

The figure above benchmarks the size of military employment in the North Central Florida Region against the 1980 total. For example, military employment in 1985 was 129% of the 1980 total. By 2010, the military had risen to 149% of its 1980 size. Overall, we note that military employment, relative to the 1980 totals, has increased in the region, with military employment in 2012 standing at approximately 146% of its 1980 level. However, military employment at the national level is currently less than 80% of its 1980 totals, and, at the state level, it is approximately 80%.

Figure 25. Percentage of Military Demand Satisfied by Production within the Region

The figure below displays the percentage of total combined demand for goods and services that is met by production in the region across key regional industries. As the figure shows, the region meets a high percentage of demand in the retail trade and the accommodation and food services industries, while the percentage of demand met in mining, management of companies and enterprises, and other sectors is comparatively lower.

Demand that cannot be met by local production results in imports—which, recall from earlier discussions—has a negative impact on Gross Regional Product calculations. Therefore, the economic impact of the military can be increased by meeting more of the demands within the region rather than importing those goods and services.



Source: Regional Economic Models, Inc

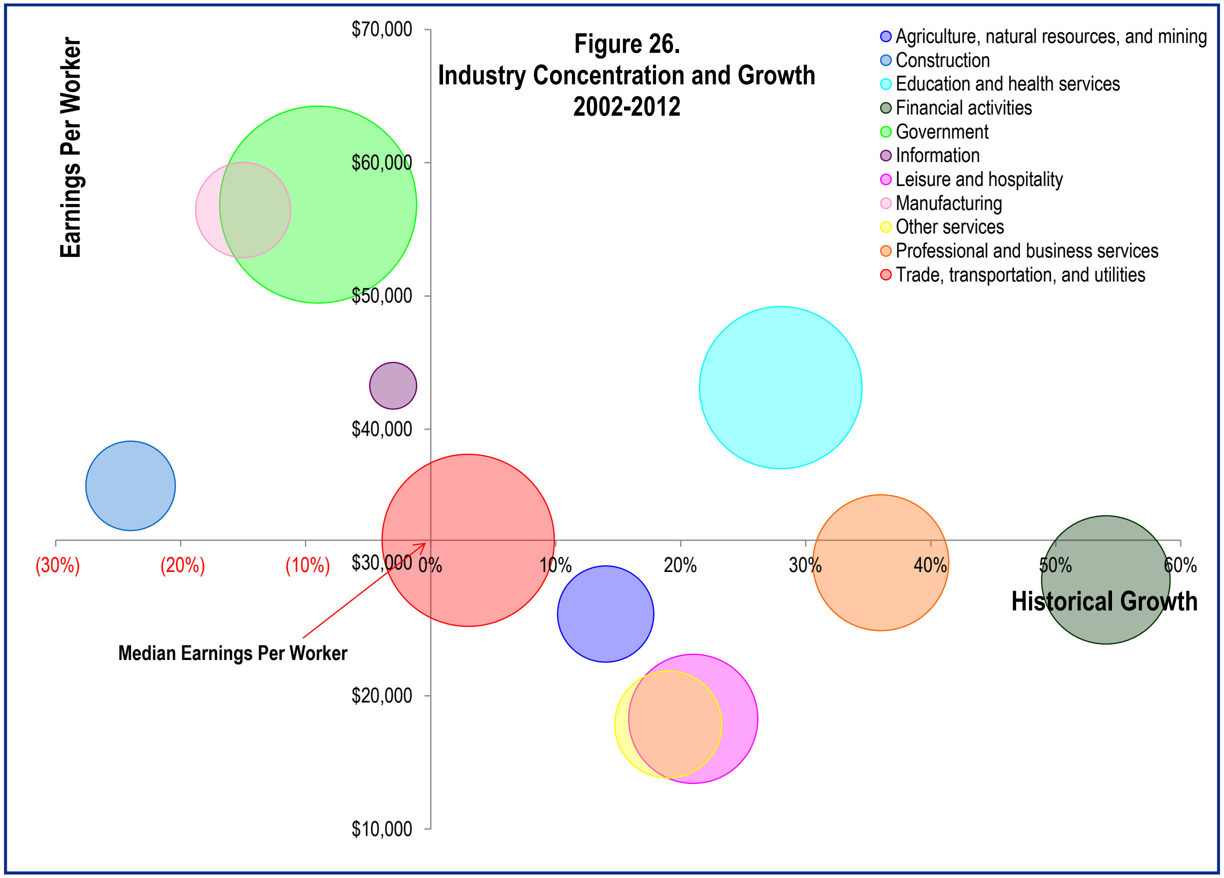
Table 14. North Central Florida Regional Statistics

Total Population	
2010 Census	871,396
Q2 2012 Estimate	876,591
2017 Projection	958,893
Growth 2010 to 2012	0.59%
Growth 2012 to 2017	9.3%
Income (2012)	
Average Household Income	$54,965
Median Household Income	$40,708
Per Capita Income	$21,678

Demographics and the Regional Economy

The data in the Table 14 contain information on regional population growth rates as well as income statistics. As the data indicate, the region's median household income is lower than the state and national averages of $49,306 and $53,421 respectively. Population growth over the next few years is expected to be somewhat average at around 9% per year through 2017.

The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while growth rates are displayed on the horizontal axis and earnings per worker totals are displayed on the vertical axis. As the figure shows, the government and manufacturing sectors are the region's highest earners and government is the largest sector, followed by trade, transportation, and utilities. The financial activities industry has been the fastest growing, although it has a slightly lower average earnings per worker than the median. Education and health services is among the higher-earning sectors where significant positive growth has occurred.



Northeast Florida Region

Northeast Florida Region Summary

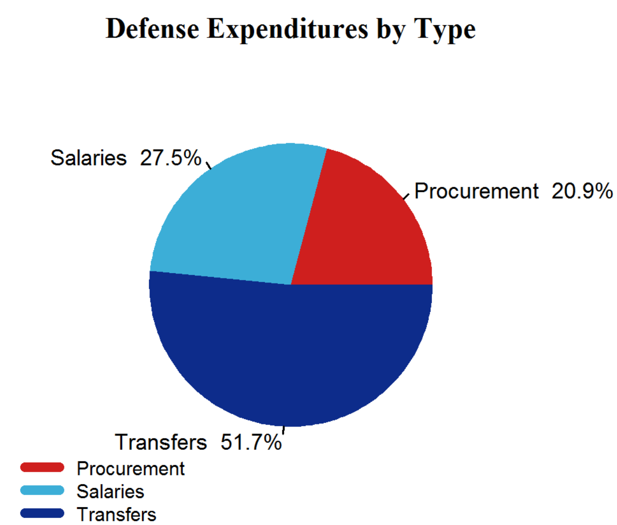
The Northeast Florida Region includes Baker, Clay, Duval, Flagler, Nassau, Putnam, and St. Johns Counties. Defense activities play a substantial role in the regional economy, injecting nearly $4 Billion in spending into the region in 2011.

Military spending, summed with the National Guard and the Coast Guard, totals to the Combined Direct Expenditure estimates as indicated in Figure 27 to the right. Transfer payments accounted for the largest share at 51.7% or roughly $2.1 Billion of the $4.0 Billion total. Salaries accounted for 27.5%, and procurement accounted for 20.9%.

Overall, defense activities yielded 127,260 jobs in the North Central Florida Region in 2011 and nearly $13.2 Billion in total Gross Regional Product (GRP - total value of all goods and services produced in the region). The military therefore accounted for approximately 17% of all economic activity in the region. The total impact of defense activities on the regional economy is forecast to decline over time. Consequently, employment impacts are forecast to be 117,619 in 2015. This amounts to about 10,000 fewer jobs in the region by that time as a result of defense activities.

Figure 27. Northeast Florida Region Combined Direct Defense Expenditures
(Millions US Dollars)

Procurement	$833.8
Salaries	$1,097.8
Transfers*	$2,066.6
Total Combined Direct Expenditures	**$3,998.2**



*Includes the dollar value of entitlement payments received by military and civilian retirees and veterans.

Direct defense expenditures expended in the region generated additional employment, wages, consumption spending, and investment with total impacts indicated in the table below. The impact categories are defined as follows:

- ◊ **Total Sales** represents the total value of all goods and services sold as a result of military activities. This includes direct spending, wages, transfer payments, plus spending associated with multiplier effects as initial receipts are re-spent. It incorporates the value of goods and services produced and sold in the region, **imports** into the region, and **exports** from the region.
- ◊ **Total Employment** measures jobs generated by military activities.
- ◊ **Total Consumption** consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.
- ◊ **Investment** expenditures include **residential** and **non-residential** real estate as well as investment in **producers durable equipment** and **business inventories.**
- ◊ **Government** revenues include state and local government spending that occurs as a result of the combined activities that are modeled.
- ◊ **Gross Regional Product** is the sum of consumption, investment, government revenues, and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.

Table 15. Northeast Florida Combined Economic Impact Estimates (Millions US Dollars)

	2011	2012	2013	2014	2015
Total Sales	$11,689.8	$12,107.1	$11,853.7	$11,385.6	$10,997.4
Total Employment	**127,260**	**128,565**	**125,339**	**121,185**	**117,619**
Total Consumption	$7,242.1	$7,478.6	$7,608.6	$7,641.0	$7,694.2
Investment Residential	$626.9	$952.3	$1,106.6	$1,111.4	$1,060.2
Investment Non-Residential	$222.9	$322.3	$374.7	$376.5	$360.8
Producers Durable Equipment	$92.3	$187.7	$275.8	$360.6	$438.3
Business Inventories	$11.3	$19.1	$18.2	$17.7	$17.7
Government	$909.9	$889.0	$857.4	$855.0	$853.5
Exports	$6,030.1	$5,894.9	$5,472.3	$5,100.7	$4,849.0
Imports (subtract)	$1,933.8	$2,500.1	$2,738.0	$2,762.9	$2,804.0
Gross Regional Product	**$13,201.7**	**$13,243.9**	**$12,975.6**	**$12,700.0**	**$12,469.6**

Northeast Florida

Combined Economic Impacts*

- ⇒ 127,260 Total Jobs
- ⇒ $11.7 Billion in Total Sales
- ⇒ $13.2 Billion in Gross Regional Product
- ⇒ 17.0% of Total Gross Regional Product

*Includes Department of Defense, National Guard, and Coast Guard

Table 16. Northeast Florida Region Impacts by Type (2011) Gross Regional Product in Millions US Dollars with Employment Impacts in Parentheses				
	Military	National Guard	Coast Guard	Total Impacts by Type
Procurement	$1,158.4 (13,855)	$13.2 (188)	$14.9 (147)	$1,186.5 (14,190)
Salaries and Wages	$8,638.4 (76,982)	$1,773.0 (15,794)	$139.7 (1,536)	$10,551.0 (94,312)
Transfers*	$1,450.0 (18,576)	$3.2 (42)	$11.0 (140)	$1,464.2 (18,759)
Total Impacts by Service	$11,246.8 (109,413)	$1,789.4 (16,025)	$165.6 (1,822)	$13,201.7 (127,260)

*Includes the impacts resulting from entitlement payments received by military and civilian retirees and veterans.

Regional Impacts by Type

The data in the table above display a 4x4 matrix of the impacts by type. This includes procurement, salaries and wages, and transfers for the military, National Guard, and Coast Guard for 2011. The GRP impacts (in 2012 US Dollars) are displayed on top of the employment impacts, which are in parentheses. The total impacts across all categories (which sum to the 2011 figures in Table 16) are displayed in the bottom right-hand corner.

As the data indicate, salaries and wages for the military generate the most jobs in the region (76,982), followed by transfer payments for the military. Overall, salaries and wages account for over 94,000 jobs in the region while procurement accounts for over 14,000, and transfers account for nearly 19,000.

The data in Table 17 display combined expenditures across the three categories for each county followed by the economic impacts in terms of GRP and Employment. As the data show, the military accounts for nearly 20% of all economic output in Duval County, which equates to 108,901 jobs. This is followed by Clay County and St. Johns County.

Table 17. Northeast Florida Region - Defense Expenditures and Impacts by County (2011)
Millions US Dollars

	Model Inputs - Combined Expenditures				Model Outputs - Combined Economic Impacts		
County	Procurement	Transfers*	Salaries and Wages	Total	Gross Domestic Product	Employment	Defense as % Total GDP
Baker	$5.8	$14.5	$0.8	$21.1	$27.8	492	5.5%
Clay	$20.5	$509.4	$11.6	$541.5	$499.5	7,694	11.7%
Duval	$791.8	$1,242.2	$827.6	$2,861.7	$11,922.7	108,901	19.2%
Flagler	$7.6	$67.6	$0.0	$75.2	$100.9	1,346	5.9%
Nassau	$7.0	$73.1	$133.7	$213.8	$95.3	1,505	5.3%
Putnam	$1.1	$41.0	$0.4	$42.5	$79.4	1,004	4.6%
St. Johns	$0.0	$118.7	$123.6	$242.3	$476.2	6,319	8.7%
Total	**$833.8**	**$2,066.6**	**$1,097.8**	**$3,998.2**	**$13,201.7**	**127,260**	**17.0%**

*Includes the dollar value of entitlement payments received by military and civilian retirees and veterans.

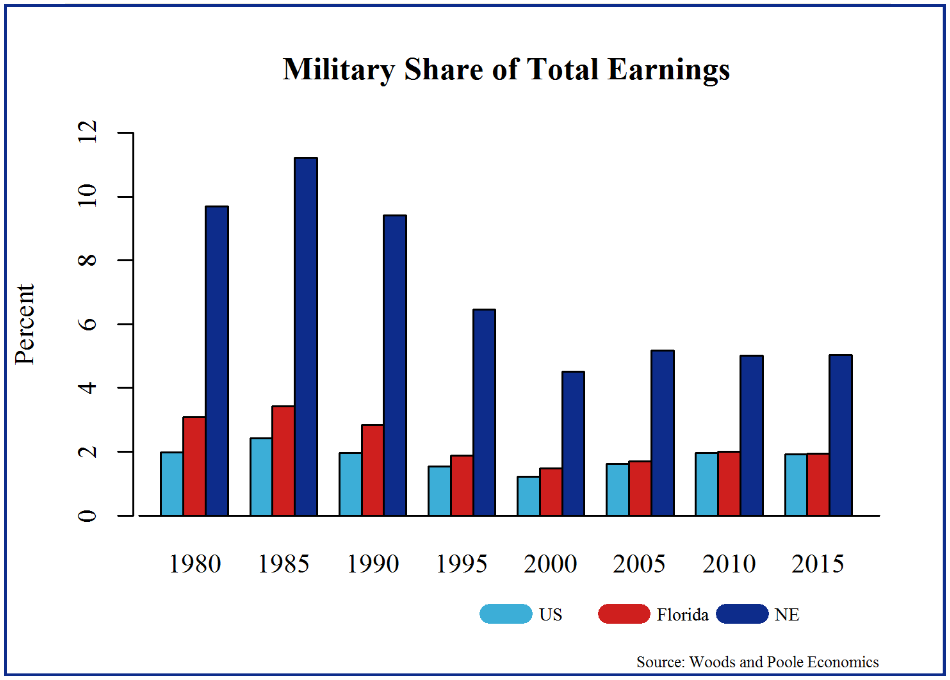


Figure 28. Military Share of Total Earnings

Earnings account for the majority of personal income and include wage and salary disbursements, proprietors' income, and supplements to wages and salaries. *Earnings are therefore a proxy economic impact measure, which are inclusive of more than simply income.* The figure above benchmarks the total share of the Northeast Florida regional income that can be attributed to the military (over time) against the State of Florida and the US. As the data reflect, the military currently contributes to a substantially larger share of personal income in Northeast Florida than at the state and national levels, although, this has declined over the past few decades.

Figure 29. Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It thus allows us to benchmark the earnings of military employees against the earnings patterns of all workers. For the Northeast Florida Region, military employees in 1980 had earnings which totaled 122% of the Northeast Florida workforce's average earnings level. This figure was 119% for the State of Florida and 90% for the US as a whole. By 2012, the Northeast Florida earnings figure had risen to 230%. State comparative earnings ticked up to 205%, and for the US as a whole, the relative earnings ratio now stands at 170%.

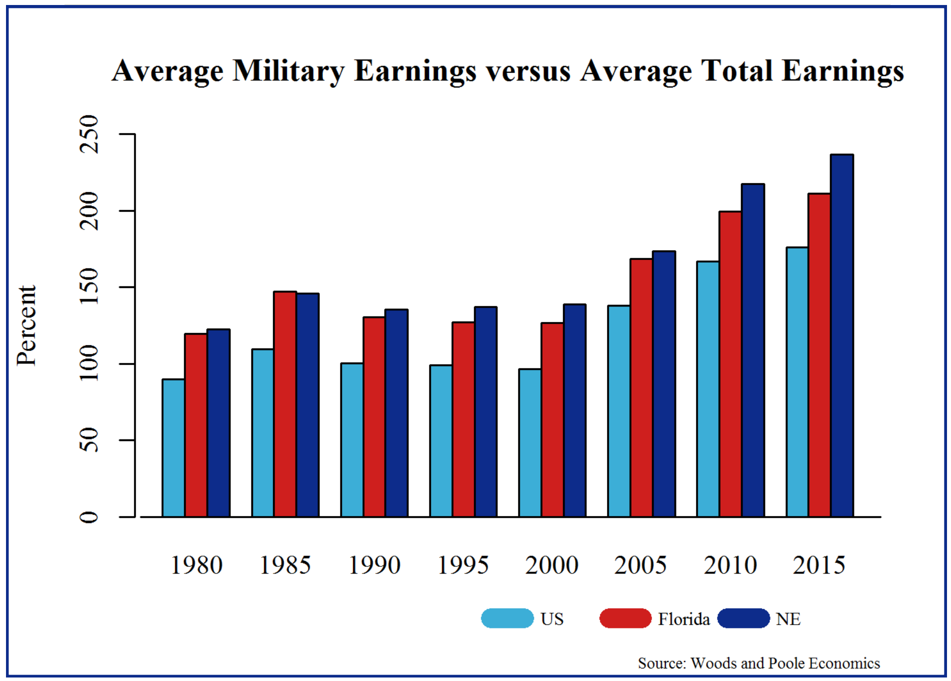
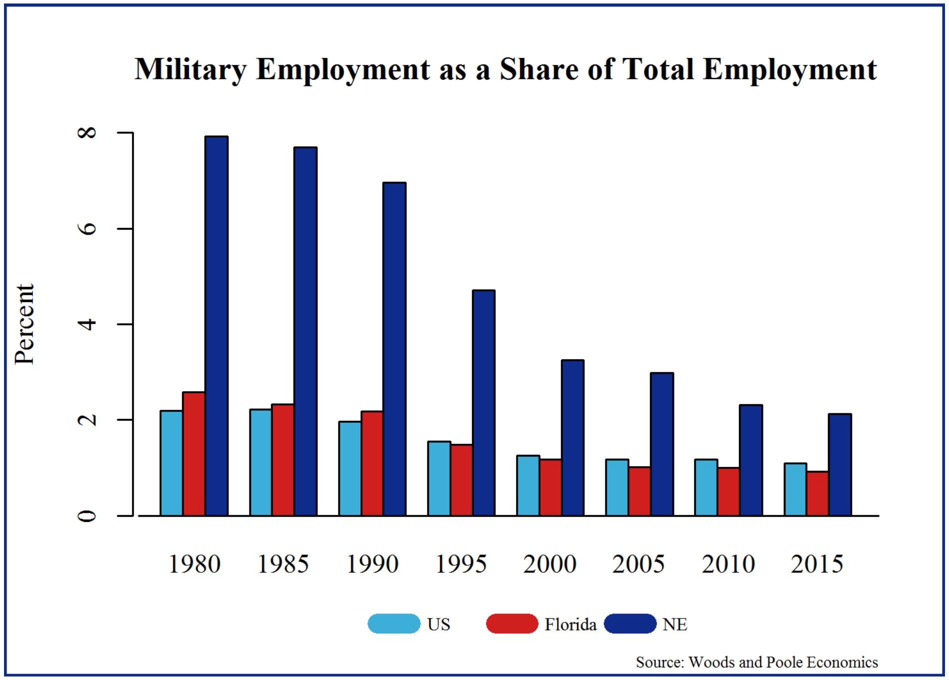


Figure 30. Military Employment as a Share of Total Employment

The figure below benchmarks military employment as a share of total employment for the Northeast Florida Region against the State of Florida and the US. As the data indicate, in 1980 the military accounted for 8% of Northeast Florida employment, nearly 3% of Florida employment, and 2% of US employment. By 2012, these figures declined to 2%, 1%, and 1% respectively. These data indicate that the military does not directly contribute to as large a share of regional employment as it once did.



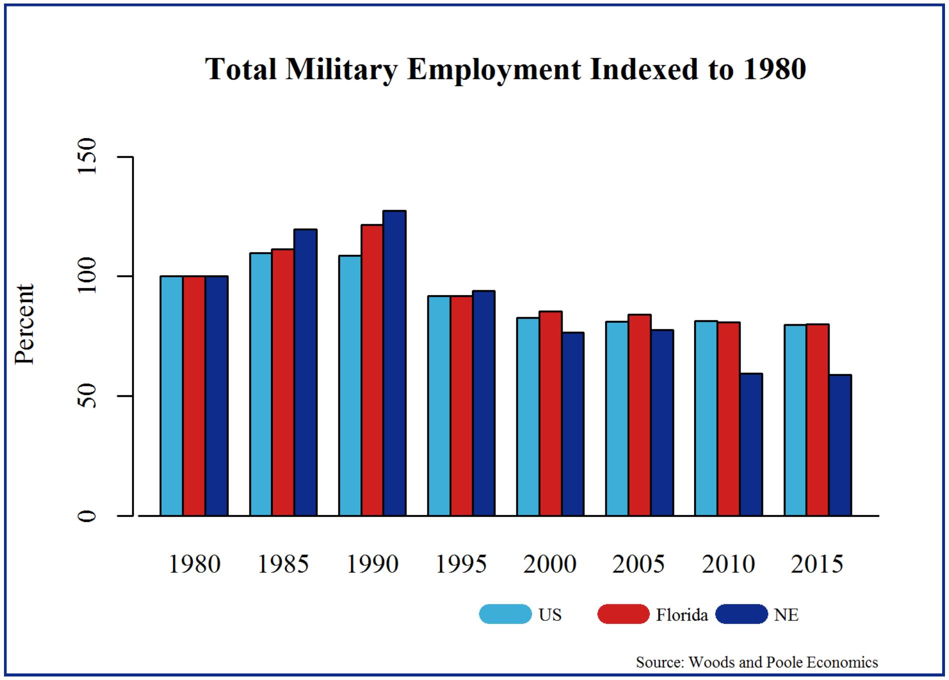


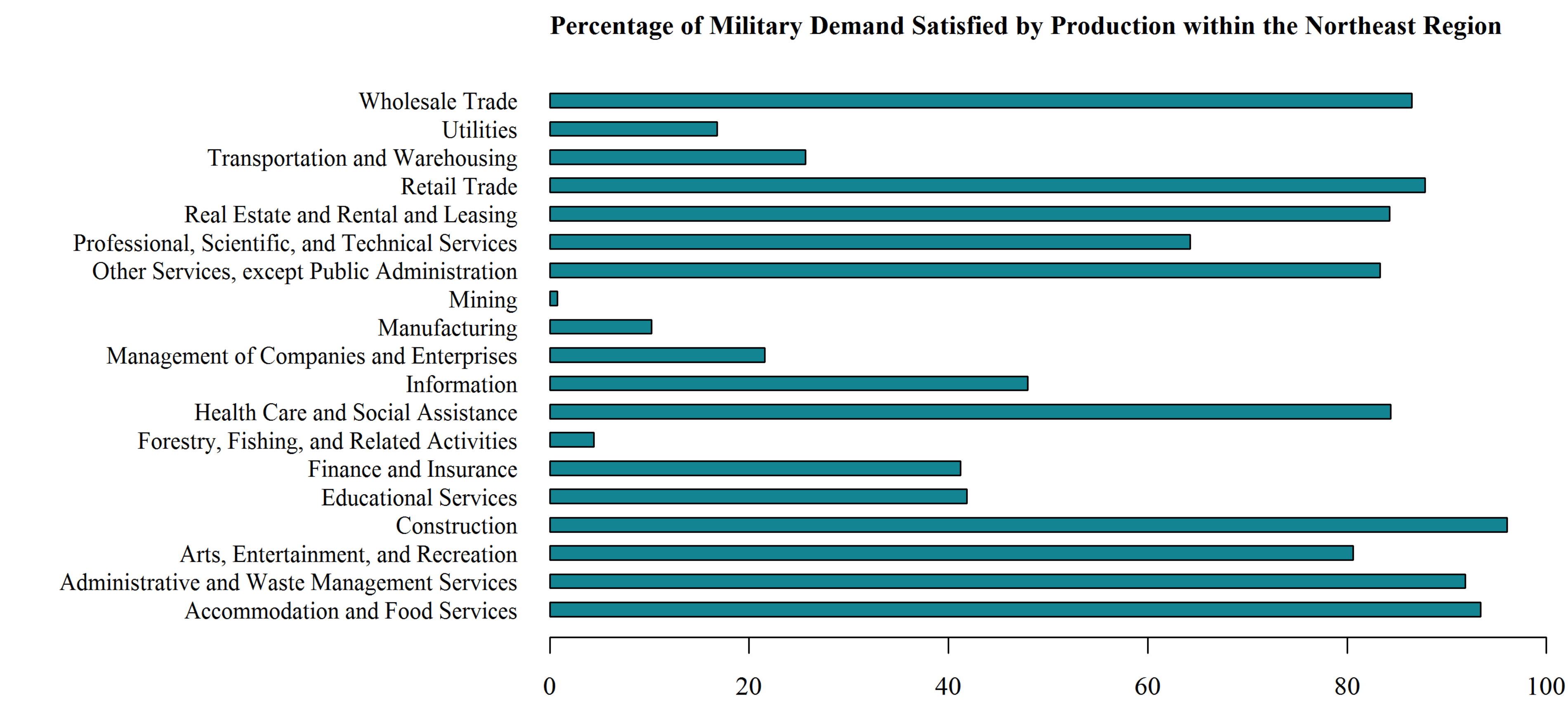
Figure 31. Total Military Employment Indexed to 1980

The figure above benchmarks the size of military employment in the Northeast Florida Region against the 1980 total. For example, military employment in 1985 was 120% of the 1980 total. However, by 2010, the military had shrunk to 59% of its 1980 size. Overall, we note that military employment, relative to the 1980 totals, has declined. Indeed, military employment at the national level is currently less than 80% of its 1980 totals, while at the state level, it is approximately 80%. For the Northeast Florida Region, military employment in 2012 stands at approximately 59% of its 1980 level.

Figure 32. Percentage of Military Demand Satisfied by Production within the Region

The figure below displays the percentage of total combined demand for goods and services that is met by production in the region across key regional industries. As the figure shows, the region meets a high percentage of demand in construction, accommodation and food services, and retail trade, while the percentage of demand met in mining, manufacturing, and other sectors is comparatively lower.

Demand that cannot be met by local production results in imports—which, recall from earlier discussions—has a negative impact on Gross Regional Product calculations. Therefore, the economic impact of the military can be increased by meeting more of the demands within the region rather than importing those goods and services.



Source: Regional Economic Models, Inc

Table 18. Northeast Florida Regional Statistics

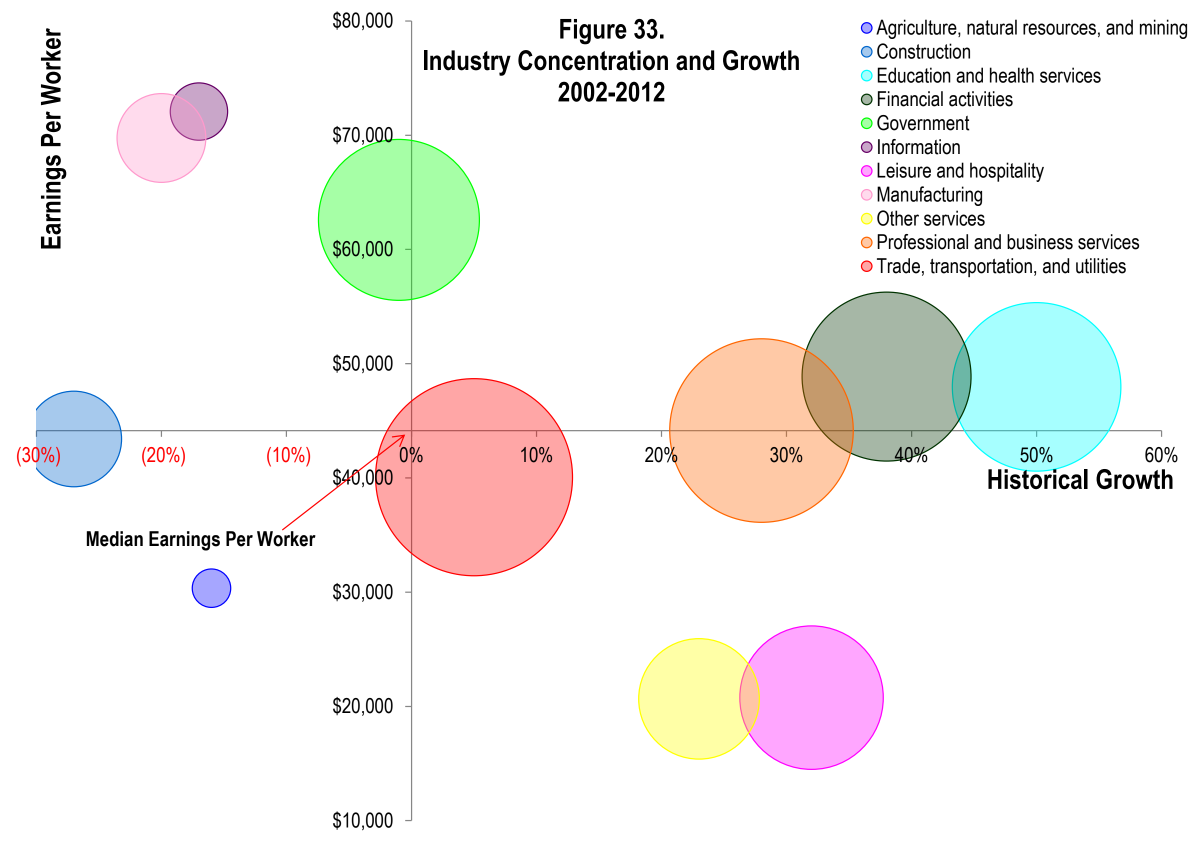
Total Population	
2010 Census	1,515,656
Q2 2012 Estimate	1,531,229
2017 Projection	1,709,888
Growth 2010 to 2012	1.1%
Growth 2012 to 2017	11.6%
Income (2012)	
Average Household Income	$68,932
Median Household Income	$52,990
Per Capita Income	$26,978

Demographics and the Regional Economy

The data in the Table 18 contain information on regional population growth rates as well as income statistics. As the data indicate, the region's median household income is slightly higher than the state average of $49,306 but still slightly lower than the national average of $53,421. Also, the population is expected to grow at a rate of 11.6% through 2017.

The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while growth rates are displayed on the horizontal axis, and earnings per worker totals are displayed on the vertical axis. As the figure shows, the information, manufacturing, and government sectors are the region's highest earners, and trade, transportation, and utilities is the largest sector. The education and health services industry has been the fastest growing and is also one of the largest sectors. This sector, along with financial activities and professional and business services, is among the higher-earning sectors where significant positive growth has occurred.

Figure 33.
Industry Concentration and Growth
2002-2012



East Central Florida Region

East Central Florida Region Summary

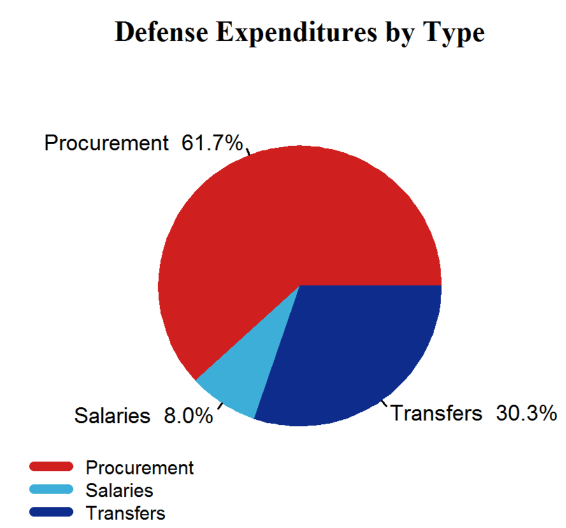
The East Central Florida Region includes Brevard, Lake, Orange, Osceola, Seminole, Sumter, and Volusia Counties. Defense activities play a sizeable role in the regional economy primarily—on the direct side—as a function of procurement expenditures in the region.

Military spending, summed with the National Guard and the Coast Guard, totals to the Combined Direct Expenditure estimates as indicated in Figure 32 to the right. Procurement spending accounted for the largest share at 61.7% or roughly $5.2 Billion of the $8.5 Billion total. Salaries accounted for 8.0%, and transfers accounted for 30.3%.

Overall, defense activities accounted for 130,495 jobs in the East Central Florida Region in 2011 and over $12.4 Billion in total Gross Regional Product (GRP - total value of all goods and services produced in the region). The military therefore accounted for approximately 7.8% of all economic activity in the region. The total impact of defense activities on the regional economy is forecast to decline substantially. Employment impacts are forecast to be 114,348 in 2015. This amounts to about 15,000 fewer jobs in the region by that time as a result of defense activities.

Figure 34. East Central Florida Region Combined Direct Defense Expenditures
(Millions US Dollars)

Procurement	$5,216.8
Salaries	$675.8
Transfers*	$2,566.0
Total Combined Direct Expenditures	**$8,458.7**



*Includes the dollar value of entitlement payments received by military and civilian retirees and veterans.

East Central Florida

Direct defense expenditures expended in the region generated additional employment, wages, consumption spending and investment with total impacts indicated in the table below. The impact categories are defined as follows:

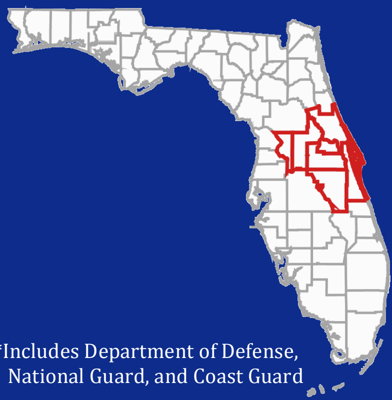
- ◊ **Total Sales** represents the total value of all goods and services sold as a result of military activities. This includes direct spending, wages, transfer payments plus spending associated with multiplier effects as initial receipts are re-spent. It incorporates the value of goods and services produced and sold in the region, **imports** into the region, and **exports** from the region.
- ◊ **Total Employment** measures jobs generated by military activities.
- ◊ **Total Consumption** consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.
- ◊ **Investment** expenditures include **residential** and **non-residential** real estate as well as investment in **producers durable equipment** and **business inventories.**
- ◊ **Government** revenues include state and local government spending that occurs as a result of the combined activities that are modeled.
- ◊ **Gross Regional Product** is the sum of consumption, investment, government revenues and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.

Table 19. East Central Florida Combined Economic Impact Estimates (Millions US Dollars)

	2011	2012	2013	2014	2015
Total Sales	$18,867.2	$20,704.5	$19,499.4	$17,837.0	$17,128.0
Total Employment	**130,495**	**138,730**	**130,637**	**120,155**	**114,384**
Total Consumption	$7,085.4	$7,622.8	$7,562.1	$7,329.7	$7,273.2
Investment Residential	$608.9	$955.0	$1,102.4	$1,079.0	$1,004.8
Investment Non-Residential	$297.8	$457.0	$530.0	$520.3	$491.3
Producers Durable Equipment	$135.4	$275.4	$397.6	$508.8	$608.8
Business Inventories	$38.0	$68.1	$62.8	$58.7	$59.0
Government	$960.7	$1,004.3	$938.5	$889.8	$873.4
Exports	$11,458.2	$12,305.9	$11,193.1	$9,951.6	$9,453.5
Imports (subtract)	$8,163.1	$9,375.6	$9,163.4	$8,616.3	$8,454.0
Gross Regional Product	**$12,421.4**	**$13,312.9**	**$12,623.1**	**$11,721.6**	**$11,310.1**

Combined Economic Impacts*

- ⇒ 130,495 Total Jobs
- ⇒ $18.9 Billion in Total Sales
- ⇒ $12.4 Billion in Gross Regional Product
- ⇒ 7.8% of Total Gross Regional Product



*Includes Department of Defense, National Guard, and Coast Guard

Table 20. East Central Florida Region Impacts by Type (2011) Gross Regional Product in Millions US Dollars with Employment Impacts in Parentheses				
	Military	National Guard	Coast Guard	Total Impacts by Type
Procurement	$6,586.2 (65,588)	$9.1 (92)	$8.2 (76)	$6,603.4 (65,756)
Salaries and Wages	$3,194.7 (32,459)	$517.9 (5,338)	$84.1 (921)	$3,796.7 (38,717)
Transfers*	$2,000.0 (25,746)	$1.6 (20)	$19.6 (256)	$2,021.3 (26,022)
Total Impacts by Service	$11,780.9 (123,793)	$528.6 (5,449)	$111.9 (1,253)	$12,421.4 (130,495)

*Includes the impacts resulting from entitlement payments received by military and civilian retirees and veterans.

Regional Impacts by Type

The data in the table above display a 4x4 matrix of the impacts by type. This includes procurement, salaries and wages, and transfers for the military, National Guard, and Coast Guard for 2011. The GRP impacts (in 2012 US Dollars) are displayed on top of the employment impacts, which are in parentheses. The total impacts across all categories (which sum to the 2011 figures in Table 20) are displayed in the bottom, right-hand corner.

As the data show, procurement spending flows generate the most jobs in the region (65,756), followed by salaries and wages for the military. Overall, procurement accounts for nearly 66,000 jobs in the region, while salaries and wages account for about 39,000, and transfers account for over 26,000.

The data in Table 21 display combined expenditures across the three categories for each county followed by the economic impacts in terms of GRP and Employment. As the data show, the military accounts for nearly 19% of all economic output in Brevard County, which equates to 44,305 jobs. This is followed by Orange, Seminole, and Volusia Counties.

Table 21. East Central Florida Region - Defense Expenditures and Impacts by County (2011)

Millions US Dollars

	Model Inputs - Combined Expenditures				Model Outputs - Combined Economic Impacts		
County	Procurement	Transfers*	Salaries and Wages	Total	Gross Domestic Product	Employment	Defense as % Total GDP
Brevard	$1,812.2	$812.9	$294.3	$2,919.4	$4,121.6	44,305	18.7%
Lake	$2.1	$244.8	$11.5	$258.5	$326.8	4,856	4.3%
Orange	$3,221.6	$665.4	$338.9	$4,226.0	$6,010.9	57,092	7.0%
Osceola	$7.9	$169.0	$0.4	$177.2	$292.7	3,572	3.5%
Seminole	$72.9	$283.6	$16.9	$373.3	$921.3	11,017	4.7%
Sumter	$0.3	$46.6	$0.2	$47.1	$60.2	805	3.4%
Volusia	$99.8	$343.7	$13.7	$457.2	$687.9	8,848	4.7%
Total	**$5,216.8**	**$2,566.0**	**$675.8**	**$8,458.7**	**$12,421.4**	**130,495**	**7.8%**

*Includes the dollar value of entitlement payments received by military and civilian retirees and veterans.

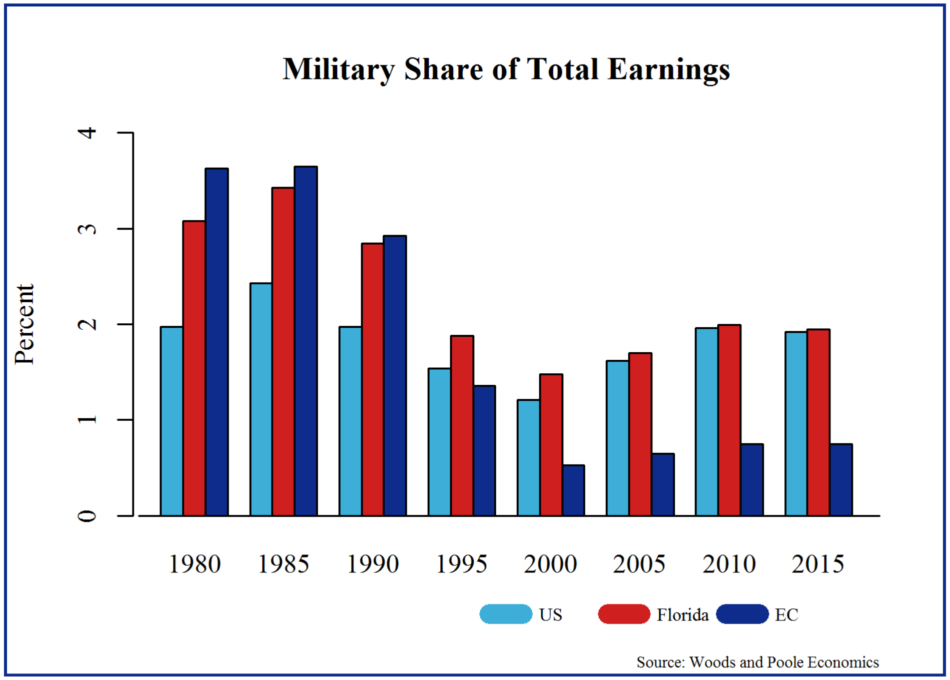


Figure 35. Military Share of Total Earnings

Earnings account for the majority of personal income and include wage and salary disbursements, proprietors' income, and supplements to wages and salaries. *Earnings are therefore a proxy economic impact measure, which are inclusive of more than simply income.* The figure above benchmarks the total share of the East Central Florida regional income that can be attributed to the military (over time) against the State of Florida and the US. As the data reflect, the military currently contributes to a slightly smaller share of personal income in East Central Florida than at the state and national levels.

Figure 36. Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It thus allows us to benchmark the earnings of military employees against the earnings patterns of all workers. For the East Central Florida Region, military employees in 1980 had earnings which totaled 114% of the East Central Florida workforce's average earnings level. This figure was 119% for the State of Florida and 90% for the US as a whole. By 2012, the East Central Florida earnings figure had risen to 162%. State comparative earnings ticked up to 205%, and for the US, as a whole, the relative earnings ratio now stands at 170%.

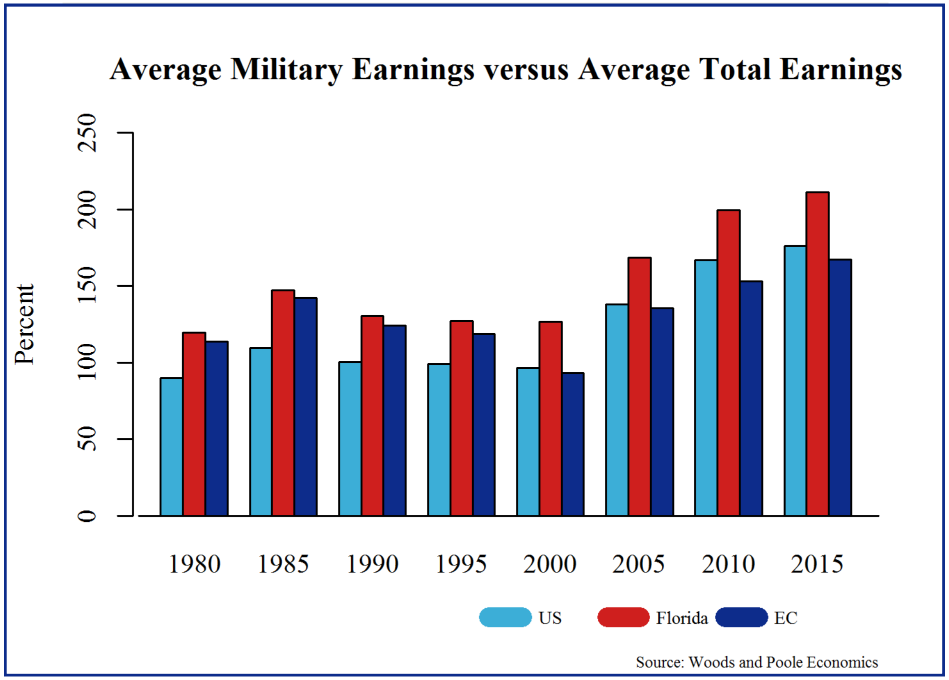
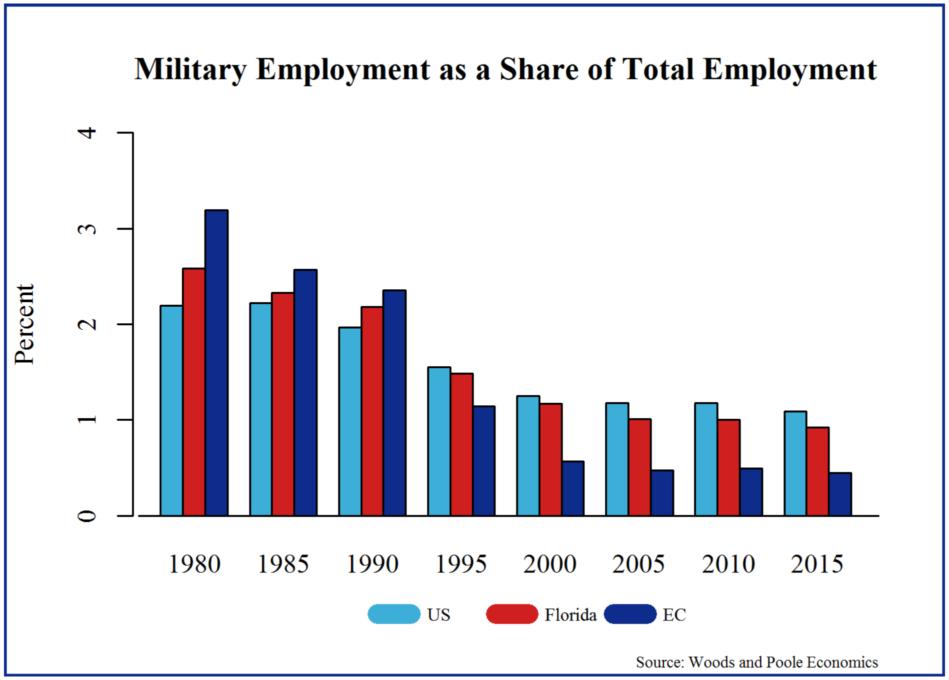


Figure 37. Military Employment as a Share of Total Employment

The figure below benchmarks military employment as a share of total employment for the East Central Florida Region against the State of Florida and the US. As the data indicate, in 1980 the military accounted for 3% of East Central Florida employment, nearly 3% of Florida employment, and 2% of US employment. By 2012, these figures declined to 0.5%, 1%, and 1% respectively. These data indicate that the military does not directly contribute to as large a share of regional employment as it once did.



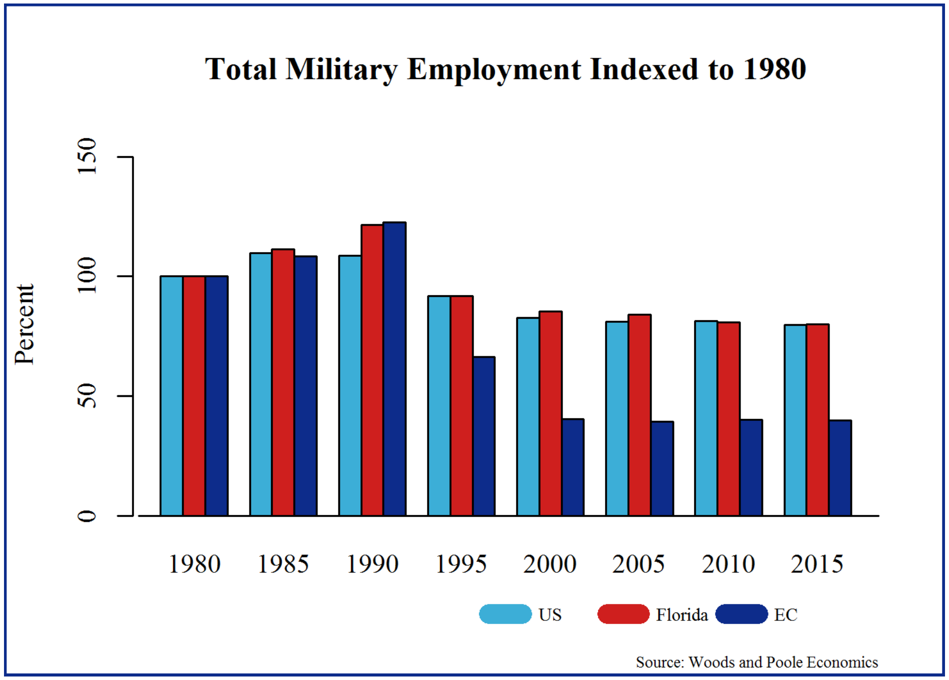


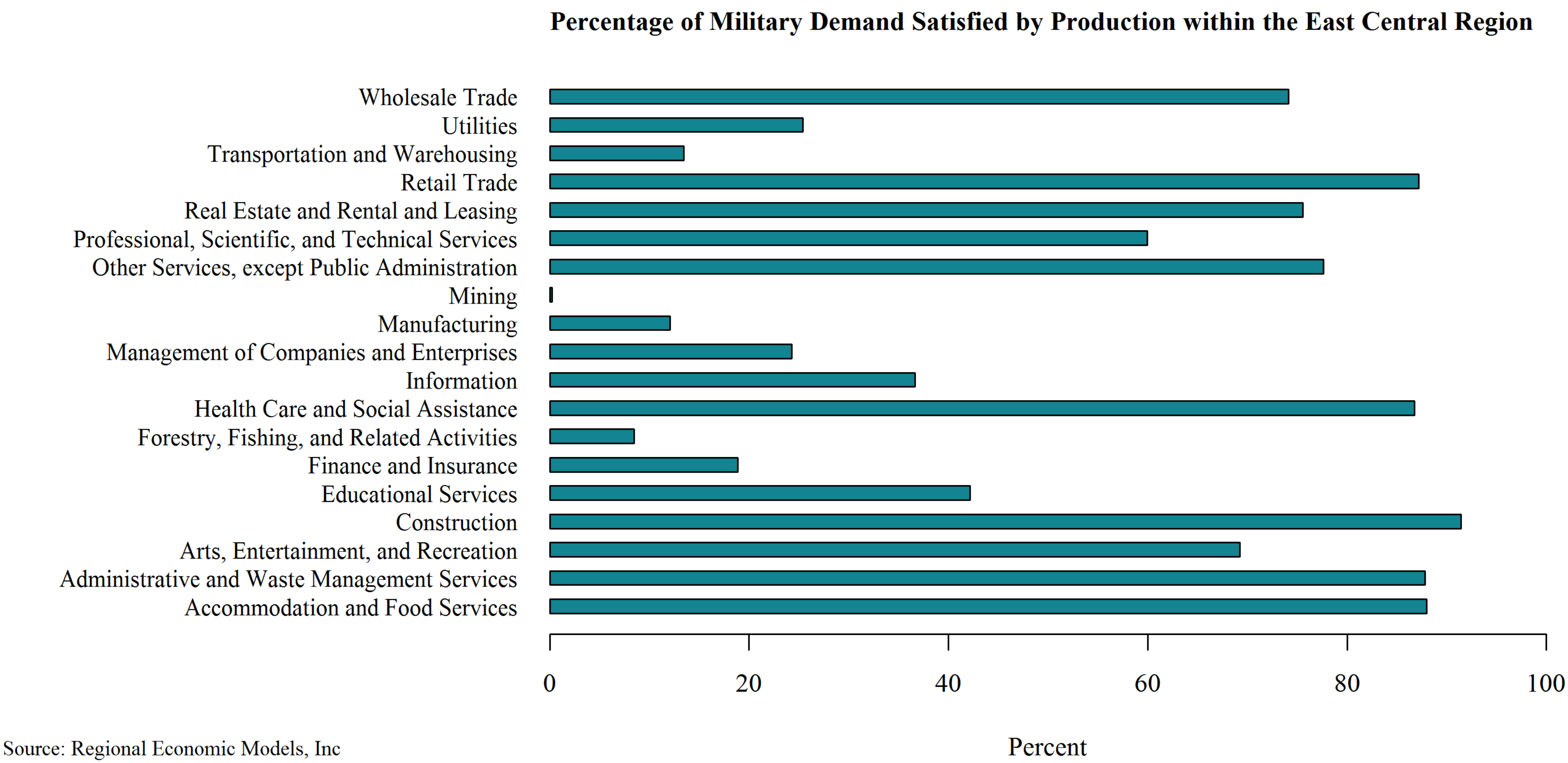
Figure 38. Total Military Employment Indexed to 1980

The figure above benchmarks the size of military employment in the East Central Florida Region against the 1980 total. For example, military employment in 1985 was 108% of the 1980 total. However, by 2010, the military had shrunk to 40% of its 1980 size. Overall, we note that military employment, relative to the 1980 totals, has declined. Indeed, military employment at the national level is currently less than 80% of its 1980 totals, while at the state level, it is approximately 80%. For the East Central Florida Region, military employment in 2012 stands at approximately 40% of its 1980 level.

Figure 39. Percentage of Military Demand Satisfied by Production within the Region

The figure below displays the percentage of total combined demand for goods and services that is met by production in the region across key regional industries. As the figure shows, the region meets a high percentage of demand in retail trade, construction, and accommodation and food services, while the percentage of demand met in mining, manufacturing, and other sectors is comparatively lower.

Demand that cannot be met by local production results in imports—which, recall from earlier discussions—has a negative impact on Gross Regional Product calculations. Therefore, the economic impact of the military can be increased by meeting more of the demands within the region rather than importing those goods and services.



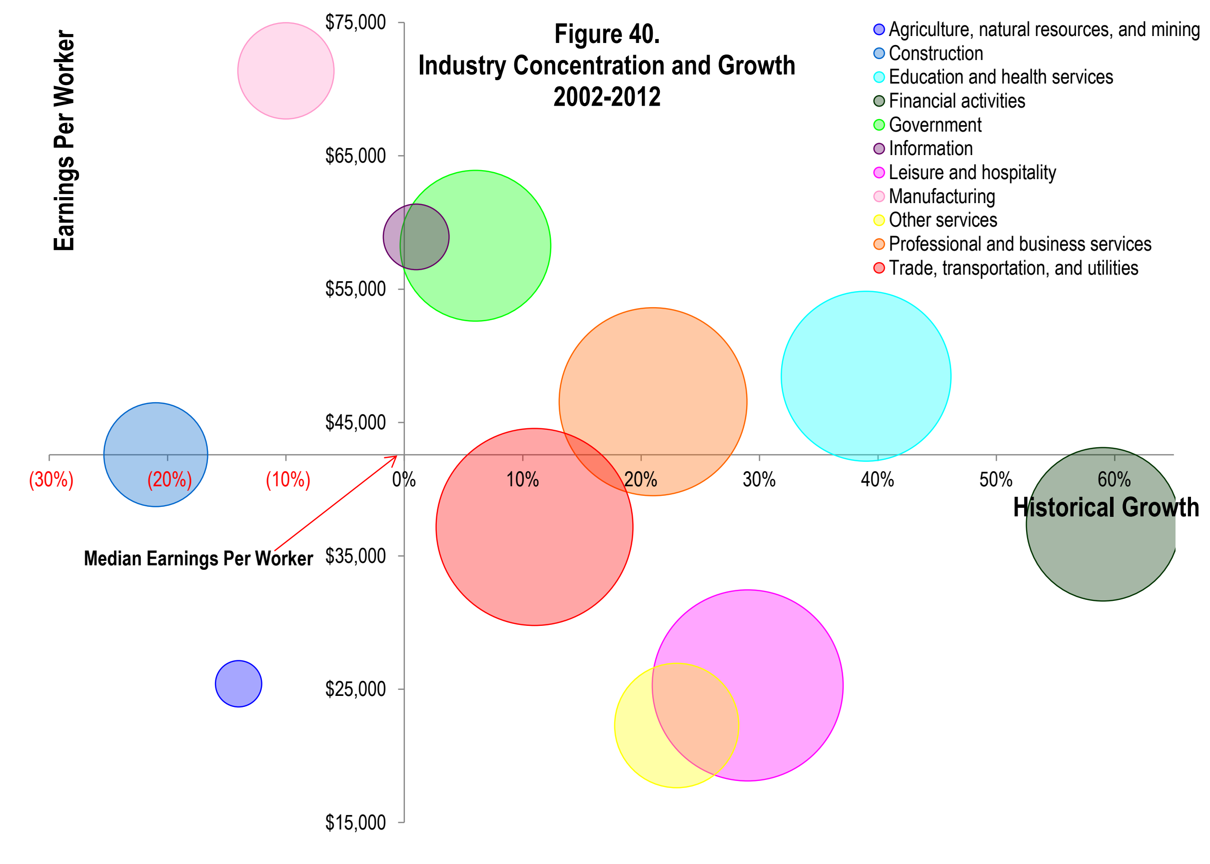
Source: Regional Economic Models, Inc

Table 22. East Central Florida Regional Statistics	
Total Population	
2010 Census	3,265,800
Q2 2012 Estimate	3,333,526
2017 Projection	3,741,387
Growth 2010 to 2012	2.1%
Growth 2012 to 2017	12.2%
Income (2012)	
Average Household Income	$66,330
Median Household Income	$50,223
Per Capita Income	$25,977

Demographics and the Regional Economy

The data in Table 22 above contain information on regional population growth rates as well as income statistics. As the data indicate, the region's median household income is slightly higher than the state average of $49,306 and slightly lower than the national average of $53,421. Additionally, the population is expected to grow at a rate of 12.2% through 2017.

The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while growth rates are displayed on the horizontal axis, and earnings per worker totals are displayed on the vertical axis. As the figure shows, the manufacturing, government, and information sectors are the region's highest earners, and trade, transportation, and utilities is the largest sector in the region. The financial activities industry has been the fastest growing. Among the higher-earning sectors where significant growth has occurred are the professional and business services and education and health services sectors.



Tampa Bay Florida Region

Tampa Bay Florida Region Summary

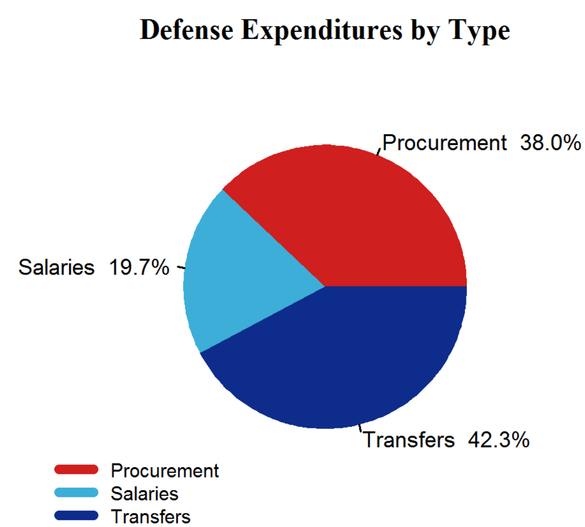
The Tampa Bay Florida Region includes Citrus, Hernando, Hillsborough, Manatee, Pasco, Pinellas, Polk, and Sarasota Counties. Defense activities play a consequential role in the regional economy primarily—on the direct side—generating nearly $7.0 Billion in spending.

Military spending, summed with the National Guard and the Coast Guard, totals to the Combined Direct Expenditure estimates as indicated in Figure 41 to the right. Transfer payments accounted for the largest share at 42.3% or roughly $2.9 Billion of the $6.95 Billion total. Salaries accounted for 19.7%, and procurement accounted for 38.0%.

Overall, defense activities accounted for about 141,700 jobs in the Tampa Bay Florida Region in 2011 and nearly $13.9 Billion in total Gross Regional Product (GRP - total value of all goods and services produced in the region). The military therefore accounted for approximately 7.3% of all economic activity in the region. The total impact of defense activities on the regional economy is forecast to decline slightly. Employment impacts are forecast to be 128,667 in 2015. This amounts to about 13,000 fewer jobs in the region by that time as a result of defense activities.

Figure 41. Tampa Bay Florida Region Combined Direct Defense Expenditures
(Millions US Dollars)

Procurement	$2,643.4
Salaries	$1,367.3
Transfers*	$2,943.7
Total Combined Direct Expenditures	**$6,954.4**



*Includes the dollar value of entitlement payments received by military and civilian retirees and veterans.

Direct defense expenditures expended in the region generated additional employment, wages, consumption spending, and investment with total impacts indicated in the table below. The impact categories are defined as follows:

◊ **Total Sales** represents the total value of all goods and services sold as a result of military activities. This includes direct spending, wages, transfer payments, plus spending associated with multiplier effects as initial receipts are re-spent. It incorporates the value of goods and services produced and sold in the region, **imports** into the region, and **exports** from the region.

◊ **Total Employment** measures jobs generated by military activities.

◊ **Total Consumption** consists of total purchases across the economy to include food, housing, transportation, medical care, computers, and furniture, etc.

◊ **Investment** expenditures include **residential** and **non-residential** real estate as well as investment in **producers durable equipment** and **business inventories.**

◊ **Government** revenues include state and local government spending that occurs as a result of the combined activities that are modeled.

◊ **Gross Regional Product** is the sum of consumption, investment, government revenues, and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.

Table 23. Tampa Bay Florida Combined Economic Impact Estimates (Millions US Dollars)

	2011	2012	2013	2014	2015
Total Sales	$17,228.9	$18,433.9	$17,790.6	$16,794.2	$16,308.8
Total Employment	**141,699**	**146,371**	**140,628**	**133,277**	**128,667**
Total Consumption	$8,117.3	$8,455.1	$8,469.9	$8,355.7	$8,360.2
Investment Residential	$643.9	$986.5	$1,139.5	$1,129.5	$1,065.8
Investment Non-Residential	$297.2	$444.9	$518.6	$517.3	$495.4
Producers Durable Equipment	$128.8	$261.8	$382.0	$495.6	$599.7
Business Inventories	$27.5	$48.5	$45.4	$43.1	$43.4
Government	$1,047.4	$1,053.7	$1,003.9	$982.2	$976.5
Exports	$8,635.1	$9,009.4	$8,311.3	$7,559.2	$7,215.2
Imports (subtract)	$5,010.0	$5,860.1	$5,908.3	$5,667.8	$5,617.4
Gross Regional Product	**$13,887.1**	**$14,399.7**	**$13,962.3**	**$13,414.8**	**$13,138.7**

Tampa Bay Florida

Combined Economic Impacts*

⇒ 141,699 Total Jobs

⇒ $17.2 Billion in Total Sales

⇒ $13.9 Billion in Gross Regional Product

⇒ 7.3% of Total Gross Regional Product

*Includes Department of Defense, National Guard, and Coast Guard

Table 24. Tampa Bay Florida Region Impacts by Type (2011)
Gross Regional Product in Millions US Dollars with Employment Impacts in Parentheses

	Military	National Guard	Coast Guard	Total Impacts by Type
Procurement	$3,983.9 (40,500)	$13.3 (141)	$26.8 (300)	$4,024.1 (40,942)
Salaries and Wages	$6,194.7 (56,690)	$838.7 (8,588)	$356.5 (4,005)	$7,389.9 (69,283)
Transfers*	$2,435.1 (30,981)	$2.2 (28)	$35.9 (464)	$2,473.2 (31,474)
Total Impacts by Service	$12,613.7 (128,171)	$854.2 (8,757)	$419.2 (4,770)	$13,887.1 (141,699)

*Includes the impacts resulting from entitlement payments received by military and civilian retirees and veterans.

Regional Impacts by Type

The data in the table above display a 4x4 matrix of the impacts by type. This includes procurement, salaries and wages, and transfers for the military, National Guard, and Coast Guard for 2011. The GRP impacts (in 2012 US Dollars) are displayed on top of the employment impacts, which are in parentheses. The total impacts across all categories (which sum to the 2011 figures in Table 24) are displayed in the bottom right-hand corner.

As the data indicate, salaries and wages for the military generate the most jobs in the region (56,690), followed by procurement and then transfer payments. Overall, salaries and wages account for nearly 70,000 jobs in the region, while procurement accounts for about 41,000, and transfers account for over 31,000.

The data in Table 25 display combined expenditures across the three categories for each county followed by the economic impacts in terms of GRP and Employment. As the data show, the military accounts for nearly 10% of all economic output in Hillsborough County, which equates to 68,066 jobs. This is followed by Pinellas County and Hernando County.

Table 25. Tampa Bay Florida Region - Defense Expenditures and Impacts by County (2011) Millions US Dollars							
	Model Inputs - Combined Expenditures				Model Outputs - Combined Economic Impacts		
County	Procurement	Transfers*	Salaries and Wages	Total	Gross Domestic Product	Employment	Defense as % Total GDP
Citrus	$0.9	$98.6	$0.4	$99.9	$169.5	2,294	5.0%
Hernando	$2.6	$140.2	$1.6	$144.4	$197.7	3,184	6.2%
Hillsborough	$1,340.5	$1,069.4	$931.7	$3,341.5	$7,735.2	68,066	9.9%
Manatee	$124.4	$167.1	$33.4	$324.9	$443.9	5,571	3.7%
Pasco	$41.6	$344.5	$55.7	$441.7	$527.5	7,341	5.8%
Pinellas	$1,021.6	$611.7	$246.9	$1,880.2	$3,613.2	39,702	7.8%
Polk	$104.1	$310.6	$53.6	$468.3	$765.9	9,871	3.7%
Sarasota	$7.7	$201.5	$44.2	$253.4	$434.1	5,670	2.6%
Total	**$2,643.4**	**$2,943.7**	**$1,367.3**	**$6,954.4**	**$13,887.1**	**141,699**	**7.3%**

*Includes the dollar value of entitlement payments received by military and civilian retirees and veterans.

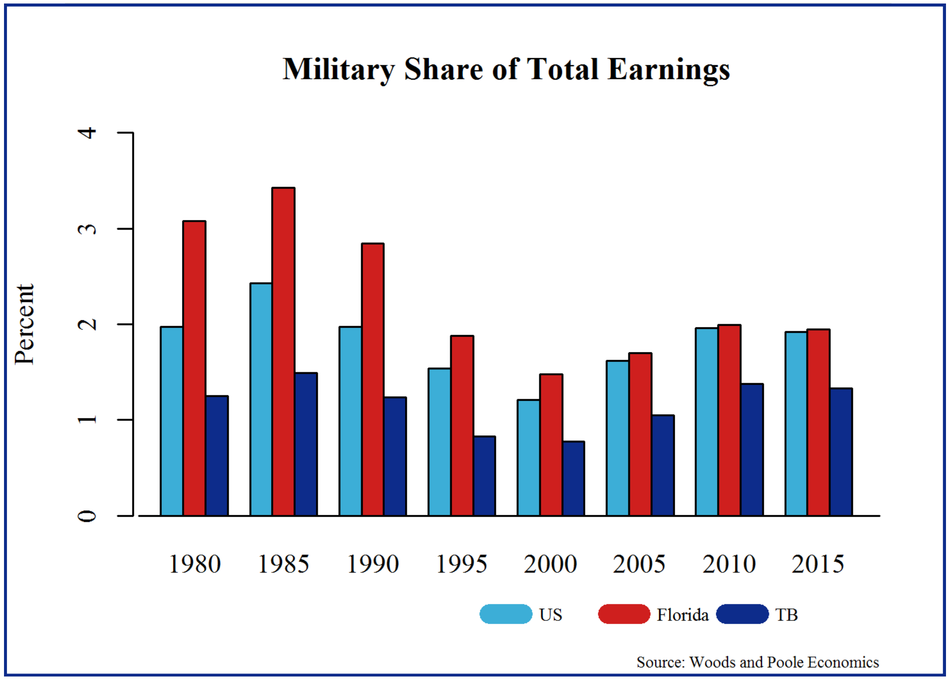


Figure 42. Military Share of Total Earnings

Earnings account for the majority of personal income and include wage and salary disbursements, proprietors' income and supplements to wages and salaries. *Earnings are therefore a proxy economic impact measure, which are inclusive of more than simply income.* The figure above benchmarks the total share of the Tampa Bay Florida regional income that can be attributed to the military (over time) against the State of Florida and the US. As the data reflect, the military currently contributes to a slightly smaller but comparable share of personal income in Tampa Bay Florida than at the state and national levels.

Figure 43. Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It thus allows us to benchmark the earnings of military employees against the earnings patterns of all workers. For the Tampa Bay Florida Region, military employees in 1980 had earnings which totaled 98% of the Tampa Bay Florida workforce's average earnings level. This figure was 119% for the State of Florida and 90% for the US as a whole. By 2012, the Tampa Bay Florida earnings figure had risen to 197%. State comparative earnings ticked up to 205%, and for the US, as a whole, the relative earnings ratio now stands at 170%.

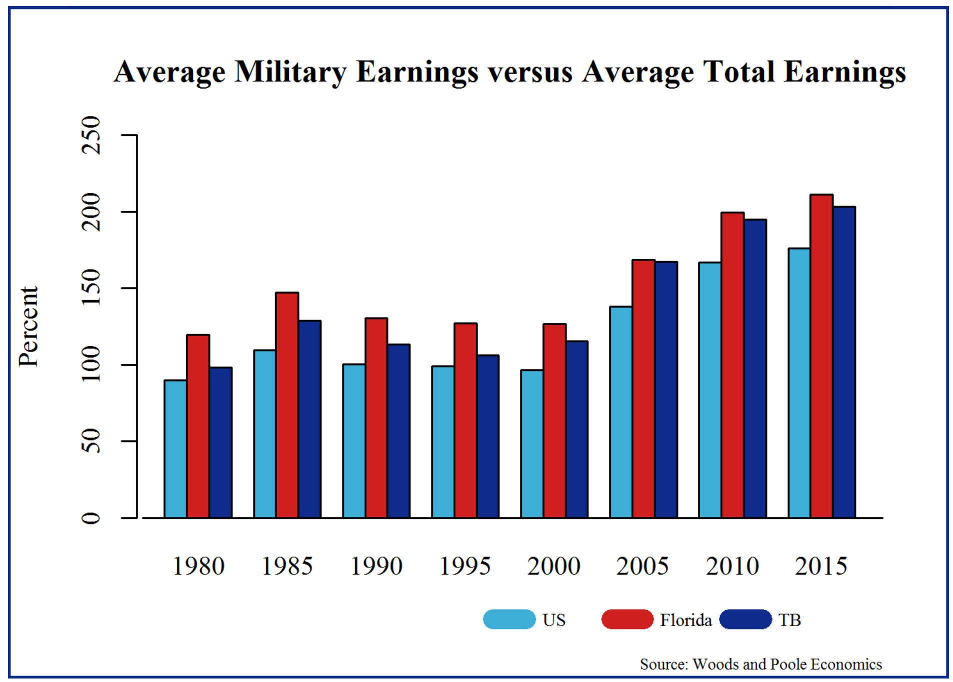
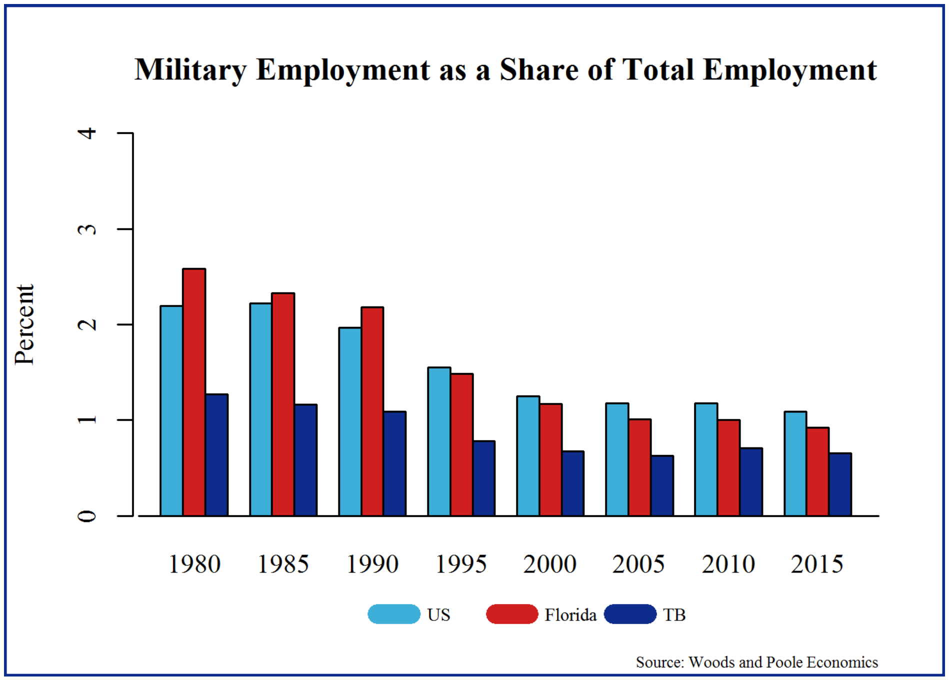


Figure 44. Military Employment as a Share of Total Employment

The figure below benchmarks military employment as a share of total employment for the Tampa Bay Florida Region against the State of Florida and the US. As the data indicate, in 1980, the military accounted for about 1% of Tampa Bay Florida employment, close to 3% of Florida employment, and 2% of US employment. By 2012, these figures declined to 0.7%, 1%, and 1% respectively. These data indicate that the military does not directly contribute to as large a share of regional employment as it once did.



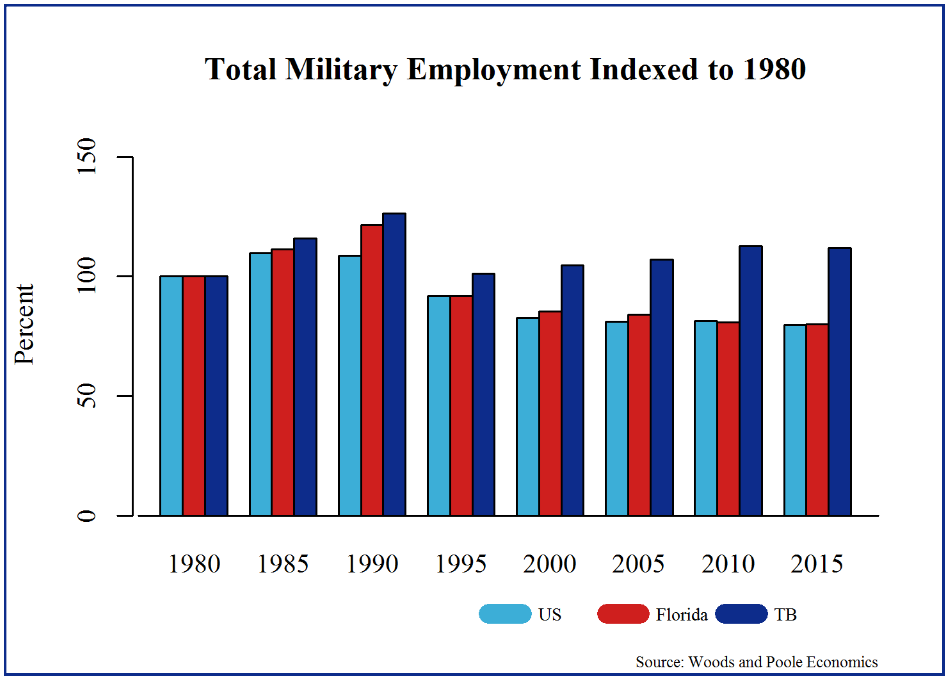


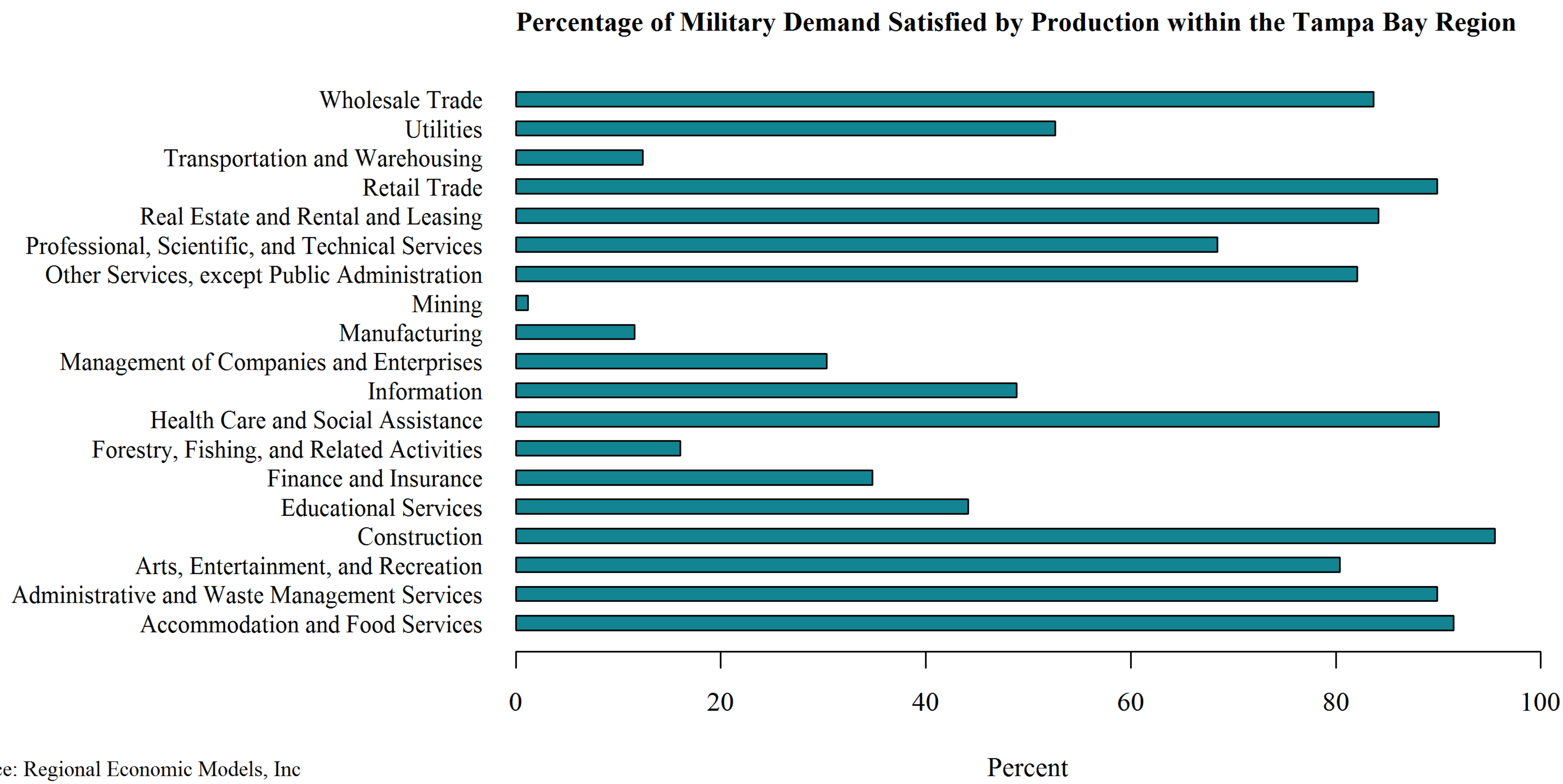
Figure 45. Total Military Employment Indexed to 1980

The figure above benchmarks the size of military employment in the Tampa Bay Florida Region against the 1980 total. For example, military employment in 1985 was 116% of the 1980 total. By 2010, the military had risen to 113% of its 1980 size. Overall, we note that military employment, relative to the 1980 totals, has increased. However, military employment at the national level is currently less than 80% of its 1980 totals, while at the state level, it is approximately 80%. For the Tampa Bay Florida Region, military employment in 2012 stands at approximately 111% of its 1980 level.

Figure 46. Percentage of Military Demand Satisfied by Production within the Region

The figure below displays the percentage of total combined demand for goods and services that is met by production in the region across key regional industries. As the figure shows, the region meets a high percentage of demand in construction, accommodation and food services, and retail trade, while the percentage of demand met in mining, manufacturing, and other sectors is comparatively lower.

Demand that cannot be met by local production results in imports—which, recall from earlier discussions—has a negative impact on Gross Regional Product calculations. Therefore, the economic impact of the military can be increased by meeting more of the demands within the region rather than importing those goods and services.



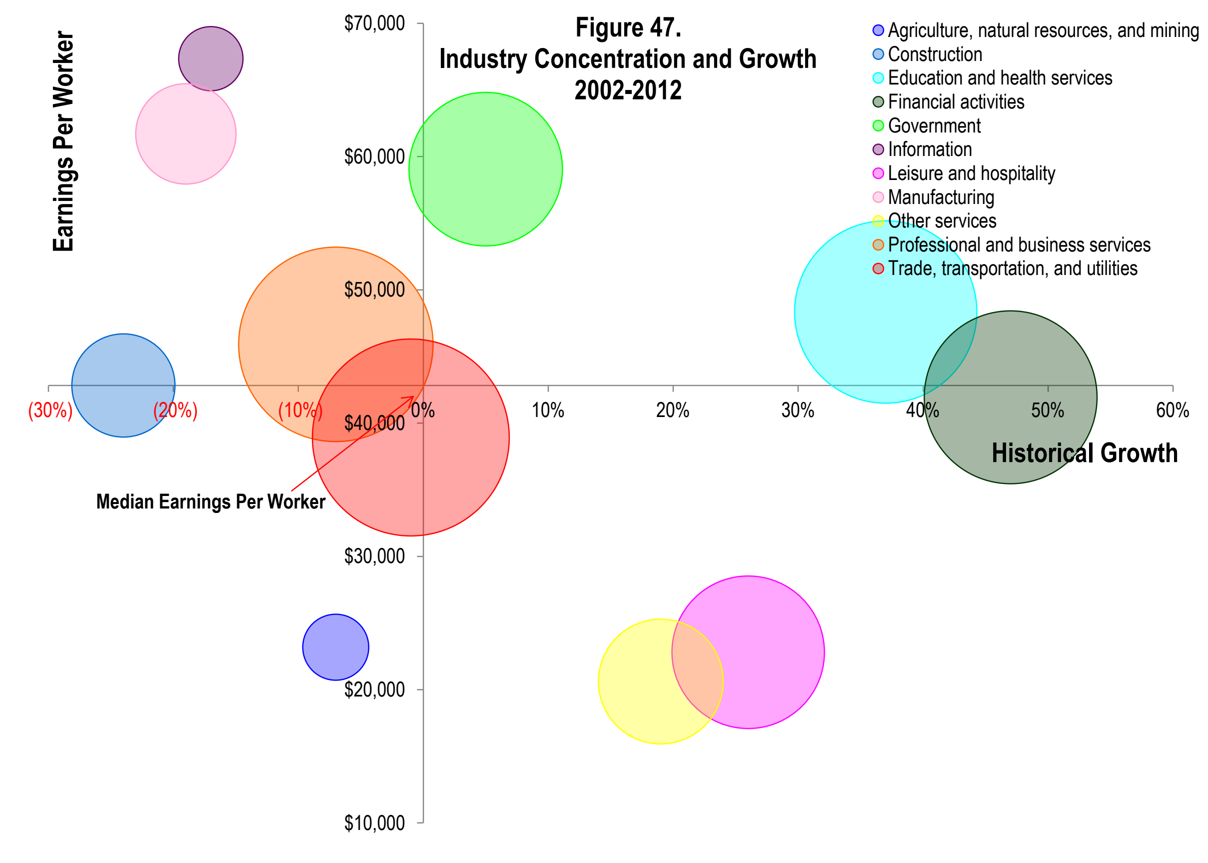
Source: Regional Economic Models, Inc

Table 26. Tampa Bay Florida Regional Statistics	
Total Population	
2010 Census	4,228,855
Q2 2012 Estimate	4,296,909
2017 Projection	4,684,020
Growth 2010 to 2012	1.6%
Growth 2012 to 2017	9.0%
Income (2012)	
Average Household Income	$64,608
Median Household Income	$47,485
Per Capita Income	$26,757

Demographics and the Regional Economy

The data in Table 26 above contain information on regional population growth rates as well as income statistics. As the data indicate, the region's median household income is slightly lower than the state and national averages of $49,306 and $53,421 respectively. Additionally, population growth over the next few years is expected to be somewhat average at 9% per year through 2017.

The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while growth rates are displayed on the horizontal axis and earnings per worker totals are displayed on the vertical axis. As the figure shows, the information, manufacturing, and government sectors are the region's highest earners, and trade, transportation, and utilities and professional and business services are the largest sectors. The financial activities industry has been the fastest growing, although, its average earnings per worker is slightly lower than the median earnings per worker of all the industries represented. Education and health services is the highest-earning sector where significant positive growth has occurred.



South Central Florida Region

South Central Florida Region Summary

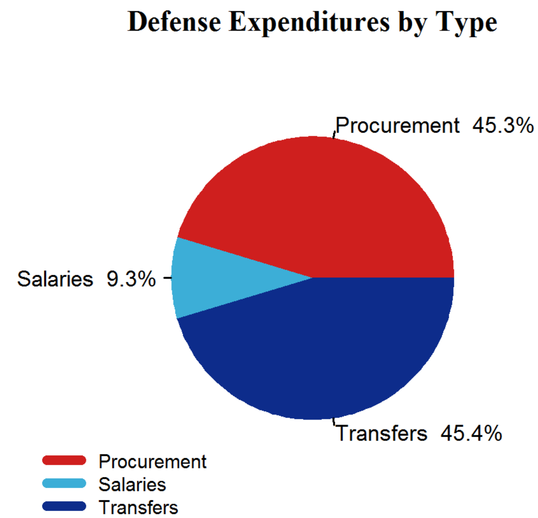
The South Central Florida Region includes DeSoto, Glades, Hardee, Hendry, Highlands, and Okeechobee Counties. Defense activities play a role in the regional economy, injecting over $200 Million in spending into the region in 2011.

Military spending, summed with the National Guard and the Coast Guard, totals to the Combined Direct Expenditure estimates as indicated in Figure 48 to the right. Transfer payments accounted for the largest share at 45.4% or roughly $93.9 Million of the $207 Million total. Salaries accounted for 9.3%, and procurement accounted for 45.3%.

Overall, defense activities accounted for 3,336 jobs in the South Central Florida Region in 2011 and over $206 Million in total Gross Regional Product (GRP - total value of all goods and services produced in the region). The military therefore accounted for approximately 3.2% of all economic activity in the region. The total impact of defense activities on the regional economy is forecast to decline slightly. Employment impacts are forecast to be 2,957 in 2015. This amounts to about 400 fewer jobs in the region by that time as a result of defense activities.

Figure 48. South Central Florida Region Combined Direct Defense Expenditures
(Millions US Dollars)

Procurement	$93.7
Salaries	$19.2
Transfers*	$93.9
Total Combined Direct Expenditures	**$206.8**



*Includes the dollar value of entitlement payments received by military and civilian retirees and veterans.

Direct defense expenditures expended in the region generated additional employment, wages, consumption spending, and investment with total impacts indicated in the table below. The impact categories are defined as follows:

- ◊ **Total Sales** represents the total value of all goods and services sold as a result of military activities. This includes direct spending, wages, transfer payments, plus spending associated with multiplier effects as initial receipts are re-spent. It incorporates the value of goods and services produced and sold in the region, **imports** into the region, and **exports** from the region.
- ◊ **Total Employment** measures jobs generated by military activities.
- ◊ **Total Consumption** consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.
- ◊ **Investment** expenditures include **residential** and **non-residential** real estate as well as investment in **producers durable equipment** and **business inventories.**
- ◊ **Government** revenues include state and local government spending that occurs as a result of the combined activities that are modeled.
- ◊ **Gross Regional Product** is the sum of consumption, investment, government revenues, and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.

Table 27. South Central Florida Combined Economic Impact Estimates (Millions US Dollars)

	2011	2012	2013	2014	2015
Total Sales	$210.0	$224.1	$216.7	$205.2	$199.8
Total Employment	**3,336**	**3,437**	**3,257**	**3,062**	**2,957**
Total Consumption	$165.7	$170.3	$171.6	$170.9	$172.0
Investment Residential	$12.2	$18.5	$21.3	$21.0	$19.9
Investment Non-Residential	$4.9	$7.3	$8.6	$8.7	$8.4
Producers Durable Equipment	$2.1	$4.3	$6.3	$8.2	$10.0
Business Inventories	$0.3	$0.5	$0.4	$0.4	$0.4
Government	$17.0	$16.9	$16.1	$15.8	$15.8
Exports	$148.6	$156.1	$145.1	$132.8	$126.9
Imports (subtract)	$144.1	$161.2	$163.3	$158.6	$157.0
Gross Regional Product	**$206.6**	**$212.7**	**$206.1**	**$199.3**	**$196.3**

South Central Florida

Combined Economic Impacts*

- ⇒ 3,336 Total Jobs
- ⇒ $210 Million in Total Sales
- ⇒ $207 Million in Gross Regional Product
- ⇒ 3.2% of Total Gross Regional Product

*Includes Department of Defense, National Guard, and Coast Guard

Table 28. South Central Florida Region Impacts by Type (2011)
Gross Regional Product in Millions US Dollars with Employment Impacts in Parentheses

	Military	National Guard	Coast Guard	Total Impacts by Type
Procurement	$55.0 (1,192)	$0.1 (1)	$0.2 (3)	$55.2 (1,196)
Salaries and Wages	$91.2 (1,194)	$17.2 (212)	$1.1 (18)	$109.5 (1,424)
Transfers*	$41.3 (706)	$0.0 (1)	$0.6 (9)	$41.9 (717)
Total Impacts by Service	$187.5 (3,093)	$17.3 (214)	$1.8 (30)	$206.6 (3,336)

*Includes the impacts resulting from entitlement payments received by military and civilian retirees and veterans.

Regional Impacts by Type

The data in the table above display a 4x4 matrix of the impacts by type. This includes procurement, salaries and wages and transfers for the military, National Guard, and Coast Guard for 2011. The GRP impacts (in 2012 US Dollars) are displayed on top of the employment impacts which are in parentheses. The total impacts across all categories (which sum to the 2011 figures in Table 28) are displayed in the bottom, right-hand corner.

As the data indicate, salaries and wages for the military generate the most jobs in the region (1,194), followed closely by military procurement (1,192). Overall, salaries and wages account for over 1,400 jobs in the region, while procurement accounts for about 1,200 and transfers account for over 700.

The data in Table 29 display combined expenditures across the three categories for each county, followed by the economic impacts in terms of GRP and Employment. As the data show, the military accounts for about 9.2% of all economic output in Glades County which equates to 492 jobs. Other counties in the region see impacts ranging from 2.4% to 3.6% of their economic output, which, when combined, generates over 3,000 jobs across the region.

Table 29. South Central Florida Region - Defense Expenditures and Impacts by County (2011)

Millions US Dollars

	Model Inputs - Combined Expenditures				Model Outputs - Combined Economic Impacts		
County	Procurement	Transfers*	Salaries and Wages	Total	Gross Domestic Product	Employment	Defense as % Total GDP
DeSoto	$0.0	$10.4	$0.0	$10.4	$20.3	297	2.6%
Glades	$68.6	$3.8	$0.2	$72.6	$20.2	492	9.2%
Hardee	$0.0	$4.3	$11.2	$15.6	$18.3	244	2.7%
Hendry	$10.1	$7.4	$1.2	$18.8	$33.8	584	2.4%
Highlands	$10.1	$53.5	$6.4	$70.0	$84.4	1,263	3.6%
Okeechobee	$4.8	$14.5	$0.1	$19.4	$29.7	455	3.1%
Total	**$93.7**	**$93.9**	**$19.2**	**$206.8**	**$206.6**	**3,336**	**3.2%**

*Includes the dollar value of entitlement payments received by military and civilian retirees and veterans.

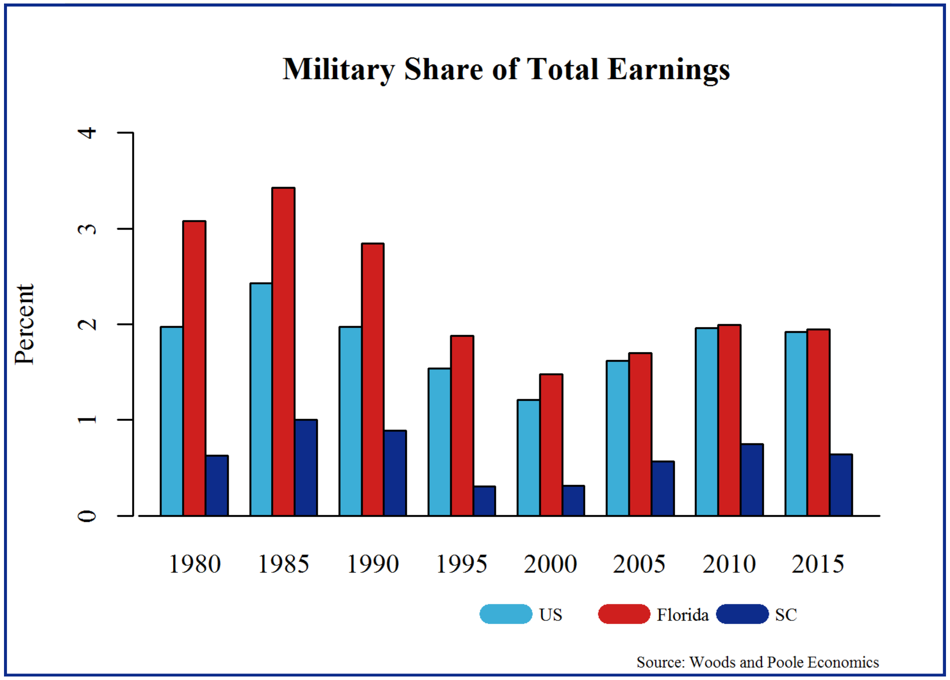


Figure 49. Military Share of Total Earnings

Earnings account for the majority of personal income and include wage and salary disbursements, proprietors' income, and supplements to wages and salaries. *Earnings are therefore a proxy economic impact measure, which are inclusive of more than simply income.* The figure above benchmarks the total share of the South Central Florida regional income that can be attributed to the military (over time) against the State of Florida and the US. As the data reflect, the military currently contributes to a slightly smaller share of personal income in South Central Florida than at the state and national levels.

Figure 50. Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It thus allows us to benchmark the earnings of military employees against the earnings patterns of all workers. For the South Central Florida Region, military employees in 1980 had earnings which totaled 65% of the South Central Florida workforce's average earnings level. This figure was 119% for the State of Florida and 90% for the US as a whole. By 2012, the South Central Florida earnings figure had risen to 132%. State comparative earnings ticked up to 205%, and for the US as a whole, the relative earnings ratio now stands at 170%.

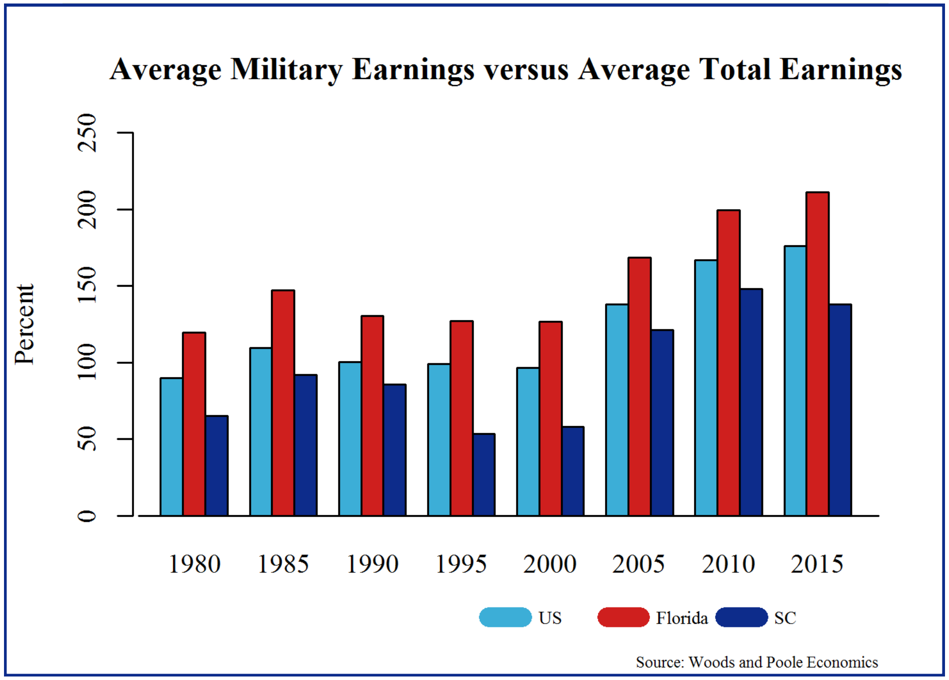
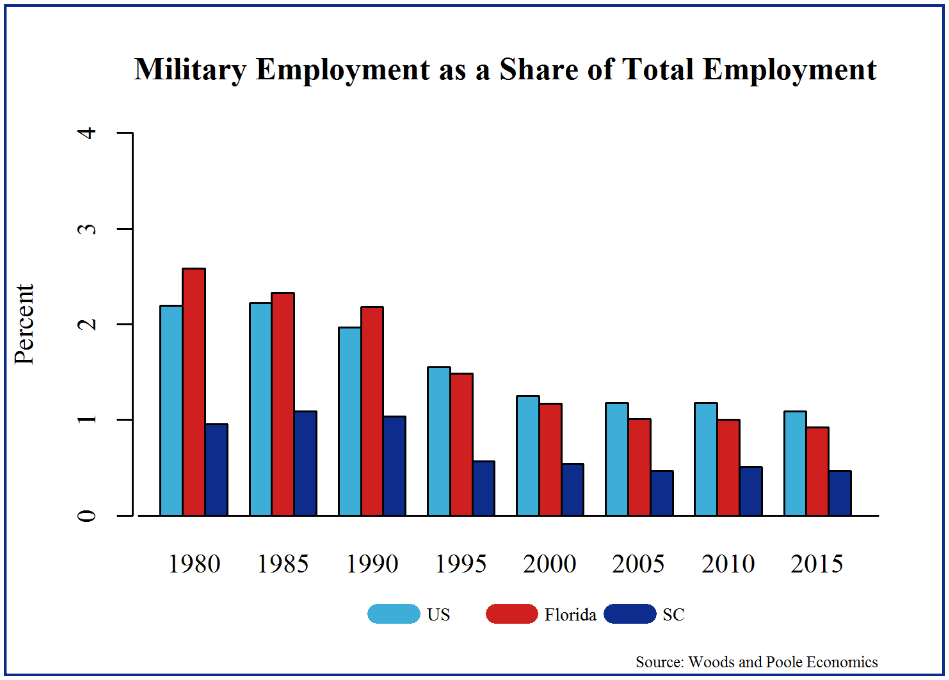


Figure 51. Military Employment as a Share of Total Employment

The figure below benchmarks military employment as a share of total employment for the South Central Florida Region against the State of Florida and the US. As the data indicate, in 1980 the military accounted for about 1% of South Central Florida employment, nearly 3% of Florida employment, and 2% of US employment. By 2012, these figures declined to 0.5%, 1%, and 1% respectively. These data indicate that the military does not directly contribute to as large a share of regional employment as it once did.



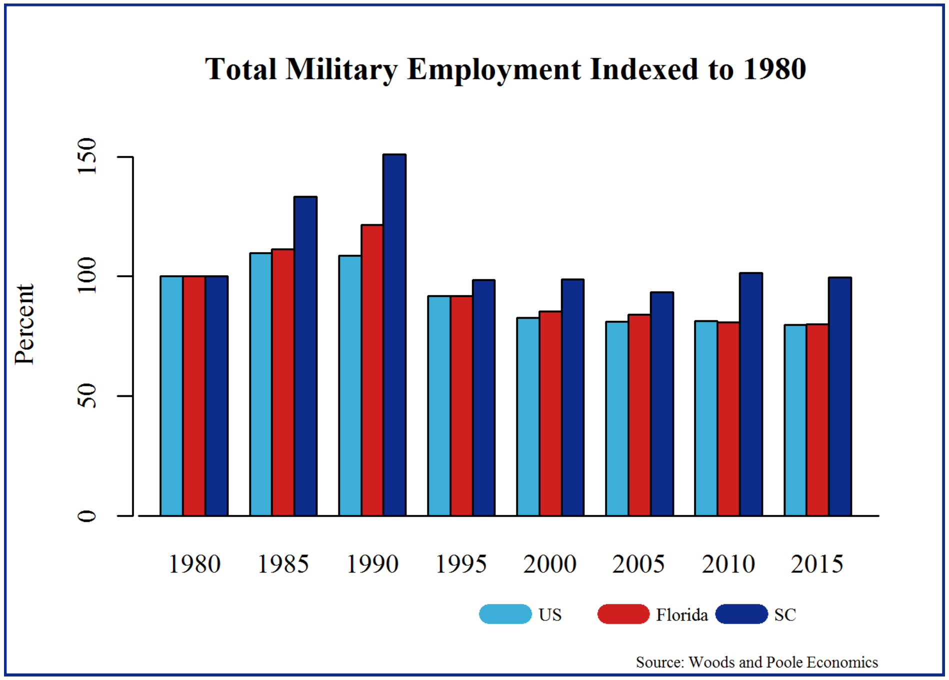


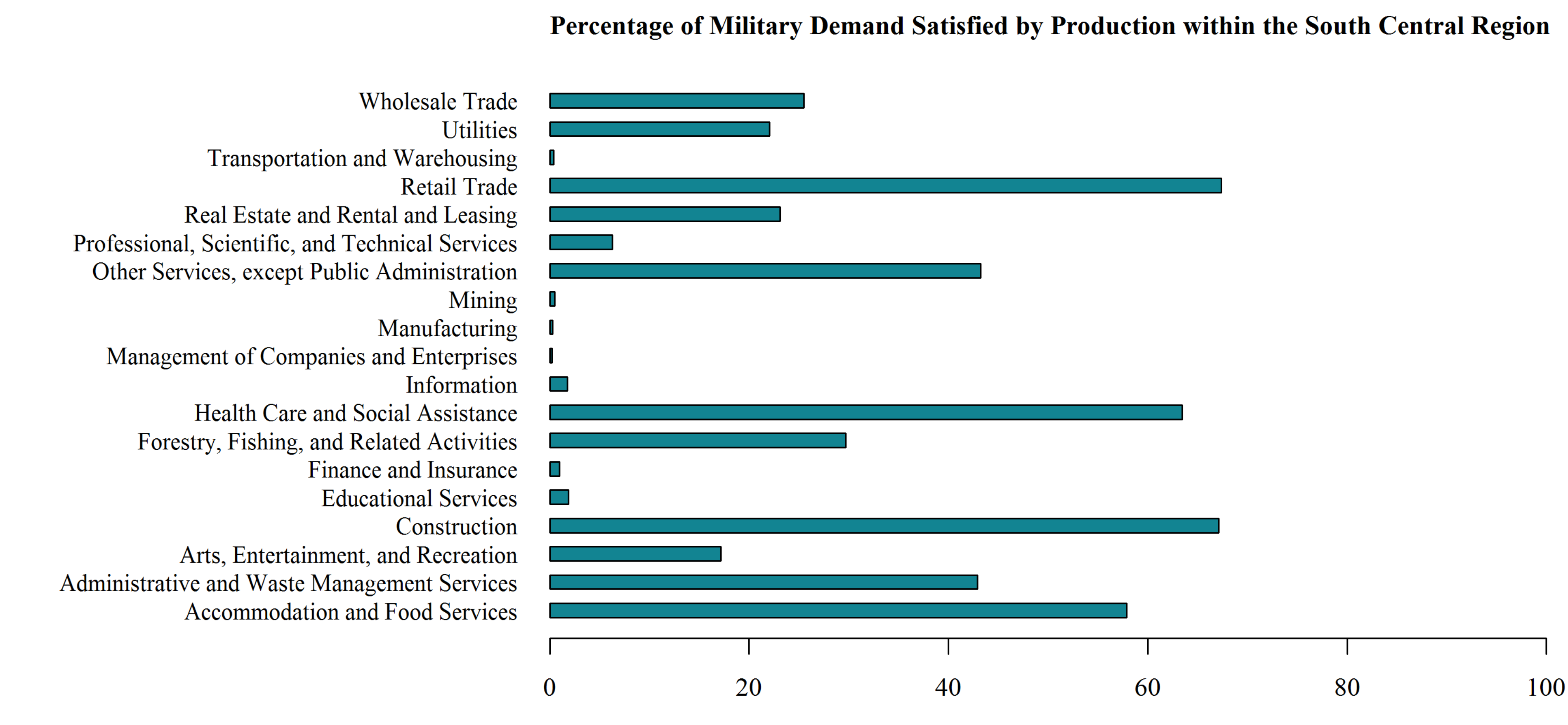
Figure 52. Total Military Employment Indexed to 1980

The figure above benchmarks the size of military employment in the South Central Florida Region against the 1980 total. For example, military employment in 1985 was 133% of the 1980 total. However, by 2005, the military had shrunk to 93% of its 1980 size. Overall, we note that military employment, relative to the 1980 totals, has declined. Indeed, military employment at the national level is currently less than 80% of its 1980 totals, while at the state level, it is approximately 80%. For the South Central Florida Region, military employment in 2012 stands at approximately 99% of its 1980 level.

Figure 53. Percentage of Military Demand Satisfied by Production within the Region

The figure below displays the percentage of total combined demand for goods and services that is met by production in the region across key regional industries. As the figure shows, the region meets a high percentage of demand in retail trade, construction, and health care and social assistance, while the percentage of demand met in mining, manufacturing, and other sectors is comparatively lower.

Demand that cannot be met by local production results in imports—which, recall from earlier discussions—has a negative impact on Gross Regional Product calculations. Therefore, the economic impact of the military can be increased by meeting more of the demands within the region rather than importing those goods and services.



Source: Regional Economic Models, Inc

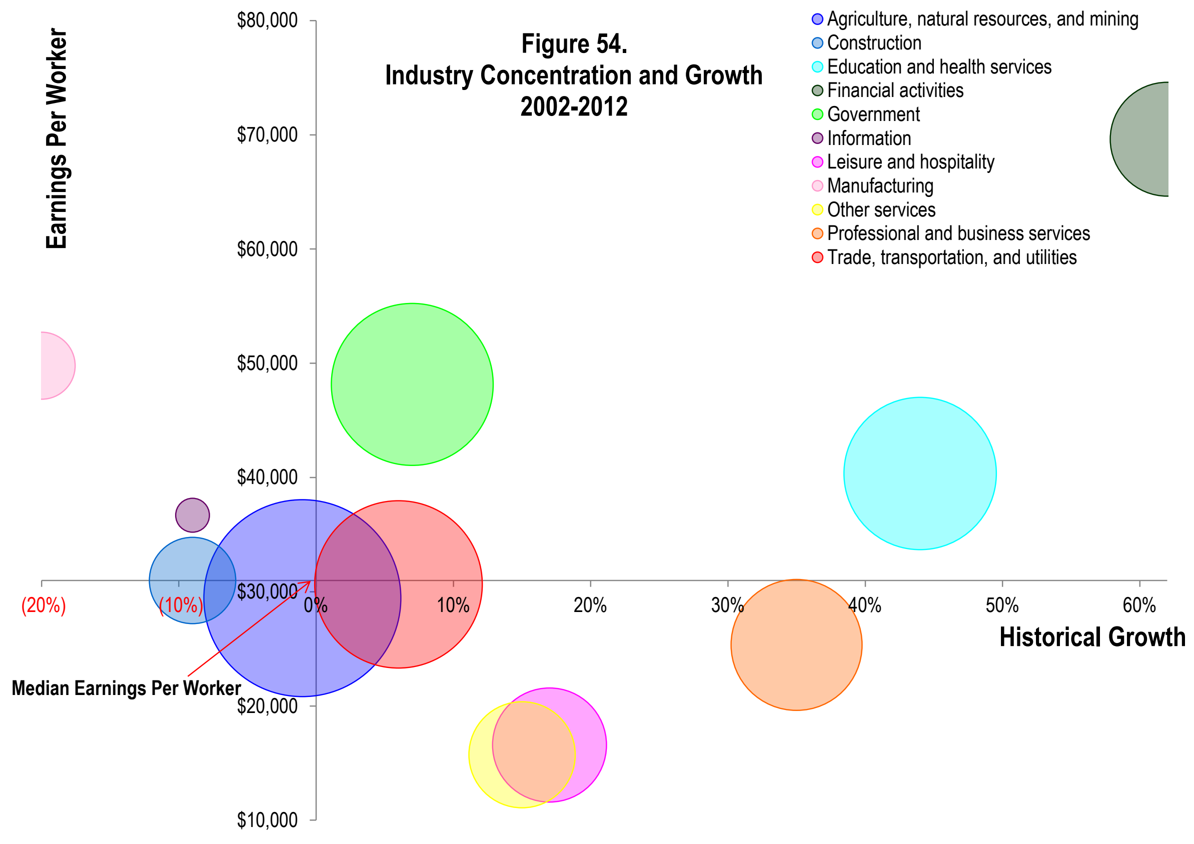
Table 30. South Central Florida Regional Statistics	
Total Population	
2010 Census	253,399
Q2 2012 Estimate	252,882
2017 Projection	265,936
Growth 2010 to 2012	-0.21%
Growth 2012 to 2017	5.2%
Income (2012)	
Average Household Income	$48,638
Median Household Income	$37,496
Per Capita Income	$17,794

Demographics and the Regional Economy

The data in Table 30 contain information on regional population growth rates as well as income statistics. As the data indicate, the region's median household income is considerably lower than the state and national averages of $49,306 and $53,421 respectively. Also, population growth over the next few years is expected to be around 5% through 2017.

The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while growth rates are displayed on the horizontal axis and earnings per worker totals are displayed on the vertical axis. As the figure shows, the financial activities and government sectors are the region's highest earners, and agriculture, natural resources, and mining is the largest sector. The financial activities industry has been the fastest growing and also has the highest earnings per worker for the region. Education and health services also has an earnings per worker average that is higher than the median of all industries represented and has significant growth since 2002.

Figure 54.
Industry Concentration and Growth
2002-2012



Southeast Florida Region

Southeast Florida Region Summary

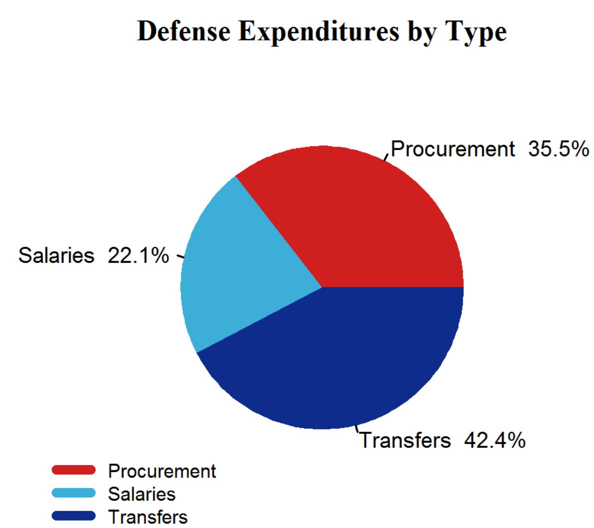
The Southeast Florida Region includes Broward, Miami-Dade, Indian River, Martin, Monroe, Palm Beach, and St. Lucie Counties. Defense activities play a significant role in the regional economy, injecting about $3.4 Billion in spending into Southeast Florida in 2011.

Military spending, summed with the National Guard and the Coast Guard, totals to the Combined Direct Expenditure estimates as indicated in Figure 53 to the right. Transfer payments accounted for the largest share at 42.4% or roughly $1.4 Billion of the $3.4 Billion total. Salaries accounted for 22.1%, and procurement accounted for 35.5%.

Overall, defense activities accounted for 126,604 jobs in the Southeast Florida Region in 2011 and nearly $12 Billion in total Gross Regional Product (GRP - total value of all goods and services produced in the region). The military therefore accounted for approximately 3.9% of all economic activity in the region. The total impact of defense activities on the regional economy is forecast to decline slightly. Employment impacts are forecast to be 114,773 in 2015. This amounts to about 12,000 fewer jobs in the region by that time as a result of defense activities.

Figure 55. Southeast Florida Region Combined Direct Defense Expenditures
(Millions US Dollars)

Procurement	$1,206.3
Salaries	$750.4
Transfers*	$1,440.3
Total Combined Direct Expenditures	**$3,397.1**



*Includes the dollar value of entitlement payments received by military and civilian retirees and veterans.

Direct defense expenditures expended in the region generated additional employment, wages, consumption spending, and investment with total impacts indicated in the table below. The impact categories are defined as follows:

◊ **Total Sales** represents the total value of all goods and services sold as a result of military activities. This includes direct spending, wages, transfer payments, plus spending associated with multiplier effects as initial receipts are re-spent. It incorporates the value of goods and services produced and sold in the region, **imports** into the region, and **exports** from the region.

◊ **Total Employment** measures jobs generated by military activities.

◊ **Total Consumption** consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.

◊ **Investment** expenditures include **residential** and **non-residential** real estate as well as investment in **producers durable equipment** and **business inventories.**

◊ **Government** revenues include state and local government spending that occurs as a result of the combined activities that are modeled.

◊ **Gross Regional Product** is the sum of consumption, investment, government revenues, and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.

Table 31. Southeast Florida Combined Economic Impact Estimates (Millions US Dollars)

	2011	2012	2013	2014	2015
Total Sales	$14,433.3	$15,437.6	$14,901.6	$14,123.0	$13,798.3
Total Employment	**126,604**	**129,880**	**124,503**	**118,370**	**114,773**
Total Consumption	$6,244.9	$6,520.0	$6,499.3	$6,402.3	$6,422.1
Investment Residential	$420.2	$647.7	$749.9	$745.3	$706.1
Investment Non-Residential	$256.8	$390.5	$452.9	$448.2	$427.5
Producers Durable Equipment	$120.3	$240.4	$344.7	$440.9	$528.8
Business Inventories	$27.7	$49.0	$45.8	$43.5	$43.9
Government	$992.8	$998.9	$955.1	$940.2	$940.2
Exports	$6,877.8	$7,242.6	$6,679.3	$6,043.2	$5,781.8
Imports (subtract)	$2,978.2	$3,699.0	$3,696.6	$3,451.5	$3,417.5
Gross Regional Product	**$11,962.3**	**$12,390.1**	**$12,030.4**	**$11,612.1**	**$11,432.8**

Southeast Florida

Combined Economic Impacts*

⇒ 126,604 Total Jobs

⇒ $14.4 Billion in Total Sales

⇒ $11.9 Billion in Gross Regional Product

⇒ 3.9% of Total Gross Regional Product

*Includes Department of Defense, National Guard, and Coast Guard

Table 32. Southeast Florida Region Impacts by Type (2011)
Gross Regional Product in Millions US Dollars with Employment Impacts in Parentheses

	Military	National Guard	Coast Guard	Total Impacts by Type
Procurement	$3,340.5 (34,638)	$12.5 (134)	$63.2 (843)	$3,416.2 (35,615)
Salaries and Wages	$5,718.5 (58,251)	$597.6 (6,209)	$720.6 (7,992)	$7,036.7 (72,452)
Transfers*	$1,481.7 (18,191)	$1.7 (21)	$25.9 (324)	$1,509.4 (18,536)
Total Impacts by Service	$10,540.7 (111,081)	$611.9 (6,365)	$809.7 (9,158)	$11,962.3 (126,604)

*Includes the impacts resulting from entitlement payments received by military and civilian retirees and veterans.

Regional Impacts by Type

The data in the table above display a 4x4 matrix of the impacts by type. This includes procurement, salaries and wages, and transfers for the military, National Guard, and Coast Guard for 2011. The GRP impacts (in 2012 US Dollars) are displayed on top of the employment impacts, which are in parentheses. The total impacts across all categories (which sum to the 2011 figures in Table 32) are displayed in the bottom, right-hand corner.

As the data indicate, salaries and wages for the military generate the most jobs in the region (58,251), followed by military procurement. Overall, salaries and wages account for over 72,000 jobs in the region, while procurement accounts for over 35,000, and transfers account for about 18,500.

The data in Table 33 display combined expenditures across the three categories for each county followed by the economic impacts in terms of GRP and Employment. As the data show, the military accounts for 19.0% of all economic output in Monroe County, which equates to 7,923 jobs. Martin County receives the largest benefit in terms of absolute GDP and employment impacts with defense activities generating over 50,000 jobs in the county.

Table 33. Southeast Florida Region - Defense Expenditures and Impacts by County (2011) Millions US Dollars							
	Model Inputs - Combined Expenditures				Model Outputs - Combined Economic Impacts		
County	Procurement	Transfers*	Salaries and Wages	Total	Gross Domestic Product	Employment	Defense as % Total GDP
Broward	$210.9	$452.9	$89.4	$753.2	$2,867.9	30,915	3.1%
Dade	$3.7	$72.6	$1.4	$77.7	$133.7	1,728	2.7%
Indian River	$101.9	$60.6	$0.6	$163.1	$276.8	3,681	4.1%
Martin	$486.3	$329.5	$428.9	$1,244.8	$5,103.3	53,151	4.0%
Monroe	$69.8	$43.1	$159.2	$272.1	$791.3	7,923	19.0%
Palm Beach	$328.9	$351.9	$66.7	$747.6	$2,525.0	25,557	3.8%
St. Lucie	$4.8	$129.6	$4.2	$138.6	$264.2	3,649	4.1%
Total	**$1,206.3**	**$1,440.3**	**$750.4**	**$3,397.1**	**$11,962.3**	**126,604**	**3.9%**

*Includes the dollar value of entitlement payments received by military and civilian retirees and veterans.

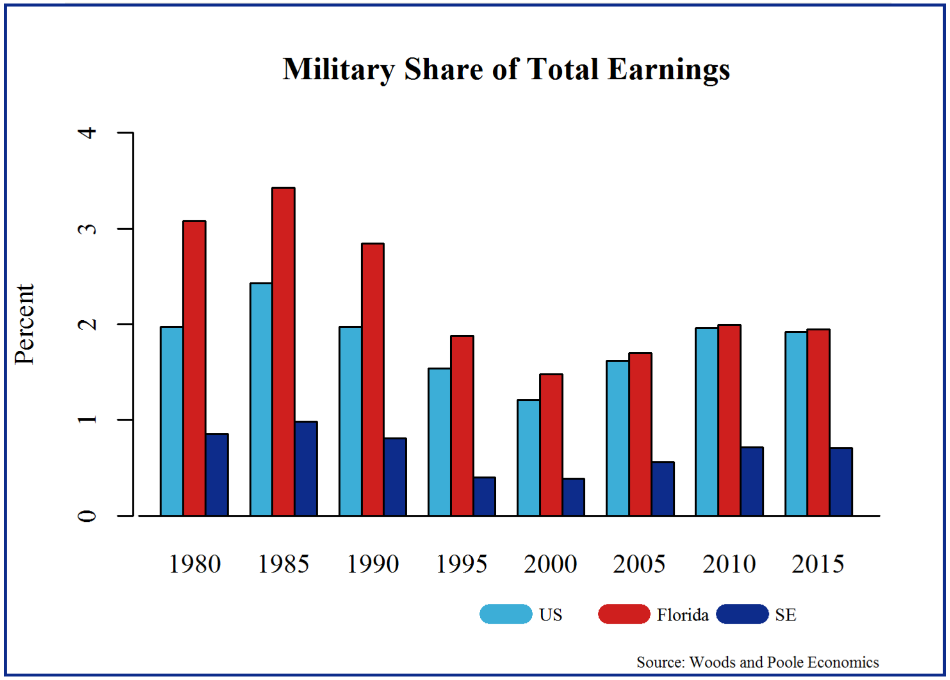


Figure 56. Military Share of Total Earnings

Earnings account for the majority of personal income and include wage and salary disbursements, proprietors' income, and supplements to wages and salaries. *Earnings are therefore a proxy economic impact measure, which are inclusive of more than simply income.* The figure above benchmarks the total share of the Southeast Florida regional income that can be attributed to the military (over time) against the State of Florida and the US. As the data reflect, the military currently contributes to a slightly smaller share of personal income in Southeast Florida than at the state and national levels.

Figure 57. Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It thus allows us to benchmark the earnings of military employees against the earnings patterns of all workers. For the Southeast Florida Region, military employees in 1980 had earnings which totaled 83% of the Southeast Florida workforce's average earnings level. This figure was 119% for the State of Florida and 90% for the US as a whole. By 2012, the Southeast Florida earnings figure had risen to 152%. State comparative earnings ticked up to 205%, and for the US as a whole, the relative earnings ratio now stands at 170%.

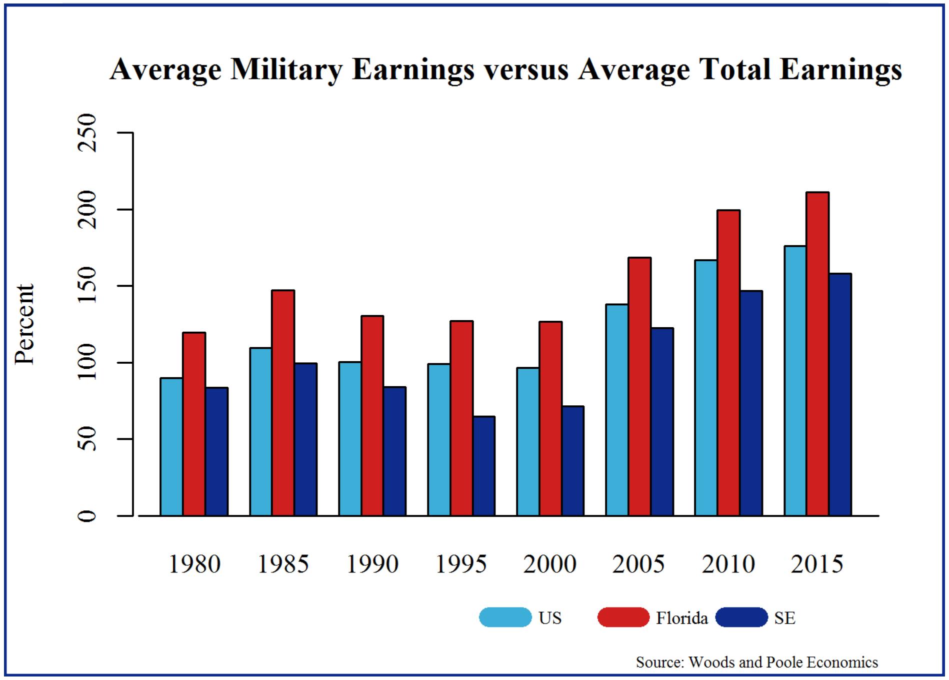
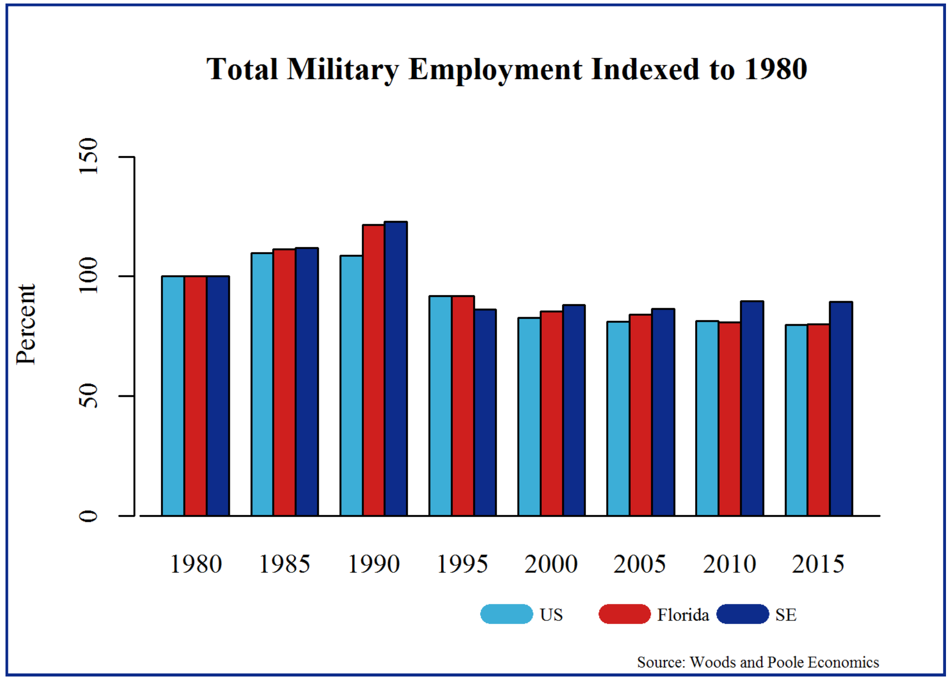


Figure 58. Military Employment as a Share of Total Employment

The figure below benchmarks military employment as a share of total employment for the Southeast Florida Region against the State of Florida and the US. As the data indicate, in 1980 the military accounted for about 1% of Southeast Florida employment, nearly 3% of Florida employment, and 2% of US employment. By 2012, these figures declined to 0.5%, 1%, and 1% respectively. These data indicate that the military does not directly contribute to as large a share of regional employment as it once did.



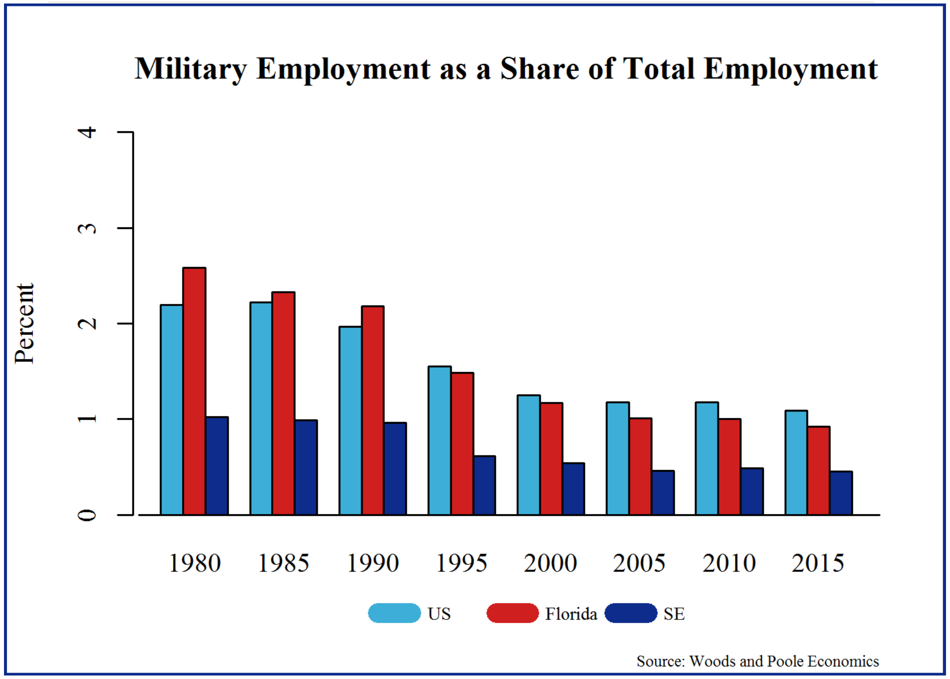


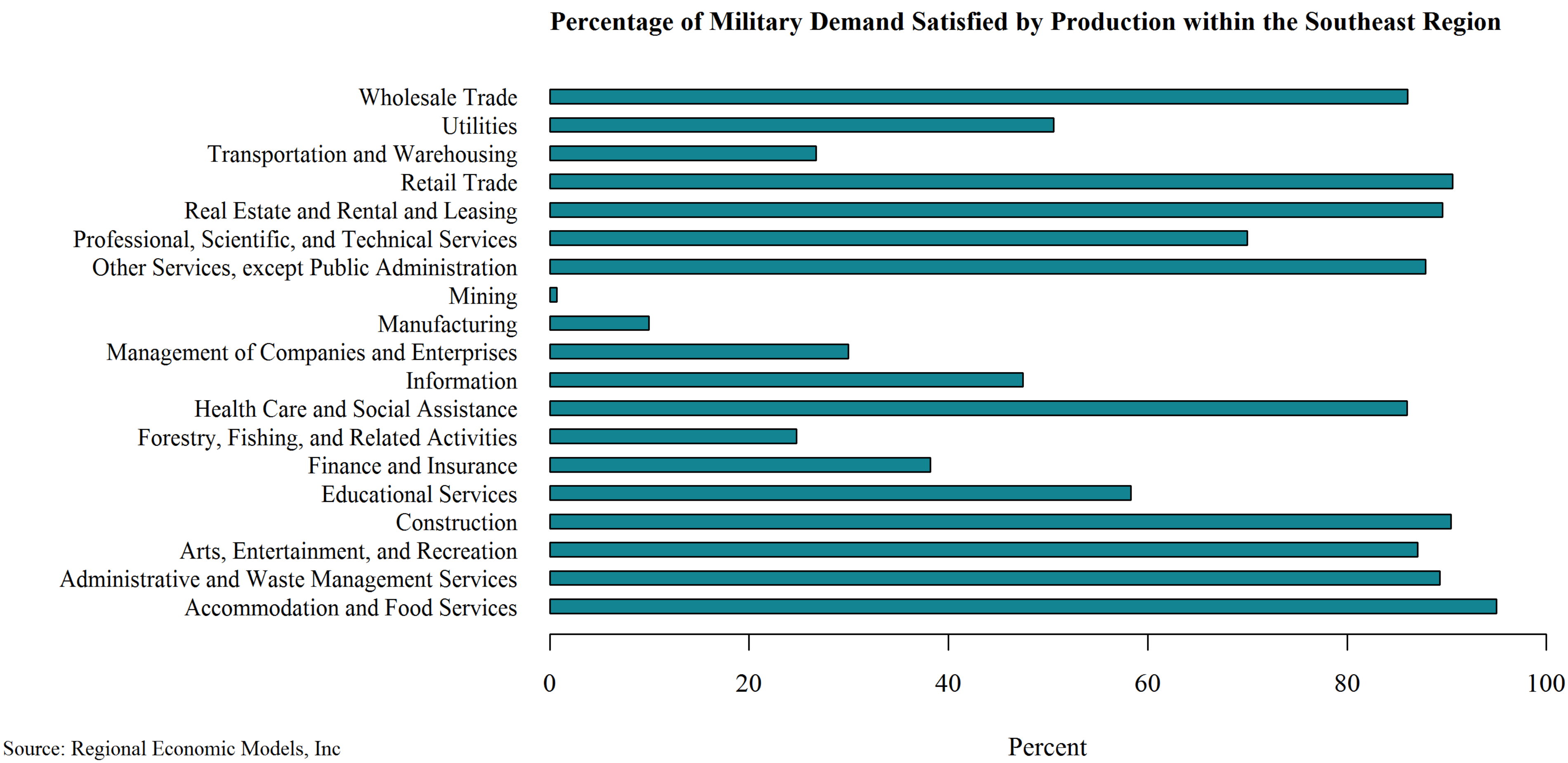
Figure 59. Total Military Employment Indexed to 1980

The figure above benchmarks the size of military employment in the Southeast Florida Region against the 1980 total. For example, military employment in 1985 was 112% of the 1980 total. However, by 2010, the military had shrunk to 90% of its 1980 size. Overall, we note that military employment, relative to the 1980 totals, has declined. Indeed, military employment at the national level is currently less than 80% of its 1980 totals, while at the state level, it is approximately 80%. For the Southeast Florida Region, military employment in 2012 stands at approximately 89% of its 1980 level.

Figure 60. Percentage of Military Demand Satisfied by Production within the Region

The figure below displays the percentage of total combined demand for goods and services that is met by production in the region across key regional industries. As the figure shows, the region meets a high percentage of demand in retail trade, accommodation and food services, and construction, while the percentage of demand met in mining, manufacturing, and other sectors is comparatively lower.

Demand that cannot be met by local production results in imports—which, recall from earlier discussions—has a negative impact on Gross Regional Product calculations. Therefore, the economic impact of the military can be increased by meeting more of the demands within the region rather than importing those goods and services.



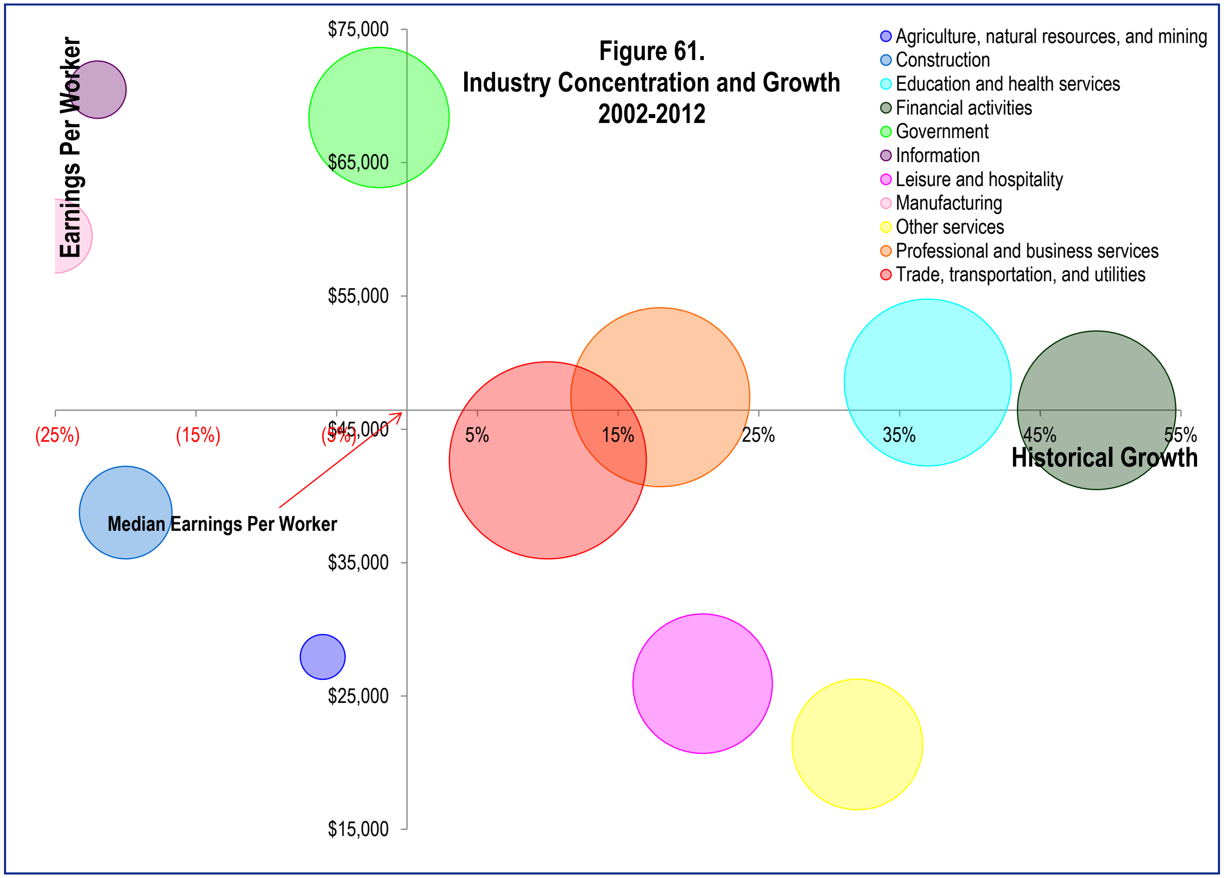
Source: Regional Economic Models, Inc

Table 34. Southeast Florida Regional Statistics	
Total Population	
2010 Census	6,199,860
Q2 2012 Estimate	6,322,335
2017 Projection	6,710,535
Growth 2010 to 2012	2.0%
Growth 2012 to 2017	6.1%
Income (2012)	
Average Household Income	$73,292
Median Household Income	$51,102
Per Capita Income	$27,939

Demographics and the Regional Economy

The data in Table 34 contain information on regional population growth rates as well as income statistics. As the data indicate, the region's median household income is slightly higher than the state average of $49,306 and slightly lower than the national average of $53,421. Additionally, the population is expected to grow at a rate of 6.1% through 2017.

The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while growth rates are displayed on the horizontal axis, and earnings per worker totals are displayed on the vertical axis. As the figure shows, the government, information, and manufacturing sectors are the region's highest earners and trade, transportation, and utilities is the largest sector. The financial activities industry has been the fastest growing industry, and it is slightly above the median earnings per worker. Professional and business services and education and health services are among the higher-earning sectors where significant positive growth has occurred.



Southwest Florida Region

Southwest Florida Region Summary

The Southwest Florida Region includes Charlotte, Collier, and Lee Counties. Defense activities play a role in the regional economy primarily—on the direct side—as a function of transfer payments to retirees, veterans, etc.

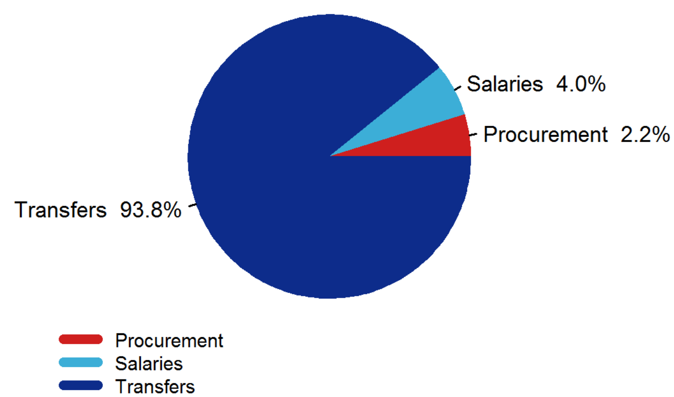
Military spending, summed with the National Guard and the Coast Guard, totals to the Combined Direct Expenditure estimates as indicated in Figure 62 to the right. Transfer payments accounted for the largest share at 93.8% or roughly $451 Million of the $481 Million total. Salaries accounted for 4.0%, and procurement accounted for 2.2%.

Overall, defense activities accounted for 18,582 jobs in the Southwest Florida Region in 2011 and just over $1.4 Billion in total Gross Regional Product (GRP - total value of all goods and services produced in the region). The military therefore accounted for approximately 3.6% of all economic activity in the region. The total impact of defense activities on the regional economy is forecast to decline only slightly. Employment impacts are forecast to be 18,371 in 2015. This amounts to about 200 fewer jobs in the region by that time as a result of defense activities.

Figure 62. Southwest Florida Region Combined Direct Defense Expenditures
(Millions US Dollars)

Procurement	$10.8
Salaries	$19.2
Transfers*	$451.3
Total Combined Direct Expenditures	**$481.3**

Defense Expenditures by Type



*Includes the dollar value of entitlement payments received by military and civilian retirees and veterans.

Direct defense expenditures expended in the region generated additional employment, wages, consumption spending, and investment with total impacts indicated in the table below. The impact categories are defined as follows:

◊ **Total Sales** represents the total value of all goods and services sold as a result of military activities. This includes direct spending, wages, transfer payments, plus spending associated with multiplier effects as initial receipts are re-spent. It incorporates the value of goods and services produced and sold in the region, **imports** into the region, and **exports** from the region.

◊ **Total Employment** measures jobs generated by military activities.

◊ **Total Consumption** consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.

◊ **Investment** expenditures include **residential** and **non-residential** real estate as well as investment in **producers durable equipment** and **business inventories.**

◊ **Government** revenues include state and local government spending that occurs as a result of the combined activities that are modeled.

◊ **Gross Regional Product** is the sum of consumption, investment, government revenues, and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.

Table 35. Southwest Florida Combined Economic Impact Estimates (Millions US Dollars)

	2011	2012	2013	2014	2015
Total Sales	$1,327.4	$1,437.5	$1,473.6	$1,464.8	$1,456.1
Total Employment	**18,582**	**19,151**	**19,079**	**18,708**	**18,371**
Total Consumption	$1,076.7	$1,114.0	$1,142.0	$1,152.2	$1,170.2
Investment Residential	$91.5	$140.0	$164.3	$166.7	$161.1
Investment Non-Residential	$45.3	$69.0	$83.4	$86.6	$85.6
Producers Durable Equipment	$20.8	$42.0	$62.0	$81.7	$100.4
Business Inventories	$1.0	$1.6	$1.6	$1.6	$1.7
Government	$113.8	$114.9	$113.8	$115.4	$116.7
Exports	$395.3	$405.2	$381.2	$350.2	$327.3
Imports (subtract)	$299.7	$387.3	$434.5	$444.9	$457.3
Gross Regional Product	**$1,444.8**	**$1,499.3**	**$1,514.0**	**$1,509.6**	**$1,505.7**

Southwest Florida

Combined Economic Impacts*

⇒ 18,582 Total Jobs

⇒ $1.3 Billion in Total Sales

⇒ $1.4 Billion in Gross Regional Product

⇒ 3.6% of Total Gross Regional Product

*Includes Department of Defense, National Guard, and Coast Guard

Table 36. Southwest Florida Region Impacts by Type (2011) Gross Regional Product in Millions US Dollars with Employment Impacts in Parentheses				
	Military	National Guard	Coast Guard	Total Impacts by Type
Procurement	$111.4 (1,553)	$1.2 (15)	$1.0 (13)	$113.6 (1,581)
Salaries and Wages	$941.1 (11,583)	$67.8 (832)	$18.7 (242)	$1,027.6 (12,656)
Transfers*	$299.2 (4,280)	$0.2 (2)	$4.3 (61)	$303.6 (4,344)
Total Impacts by Service	$1,351.7 (17,416)	$69.2 (849)	$23.9 (317)	$1,444.8 (18,582)

*Includes the impacts resulting from entitlement payments received by military and civilian retirees and veterans.

Regional Impacts by Type

The data in the table above display a 4x4 matrix of the impacts by type. This includes procurement, salaries and wages, and transfers for the military, National Guard, and Coast Guard for 2011. The GRP impacts (in 2012 US Dollars) are displayed on top of the employment impacts, which are in parentheses. The total impacts across all categories (which sum to the 2011 figures in Table 36) are displayed in the bottom right-hand corner.

As the data indicate, salaries and wages for the military generate the most jobs in the region (11,583), followed by transfer payments to the military. Overall, salaries and wages account for over 12,600 jobs in the region, while procurement accounts for 1,581 jobs, and transfers account for 4,344 jobs.

The data in Table 37 display combined expenditures across the three categories for each county, followed by the economic impacts in terms of GRP and Employment. As the data show, the military accounts for between 2.4% and 4.3% of all economic output at the county level in the region. Lee County receives the largest benefit in terms of absolute GDP and employment impacts with defense activities generating over 12,000 jobs in the county.

Table 37. Southwest Florida Region - Defense Expenditures and Impacts by County (2011) Millions US Dollars							
	Model Inputs - Combined Expenditures				Model Outputs - Combined Economic Impacts		
County	Procurement	Transfers*	Salaries and Wages	Total	Gross Domestic Product	Employment	Defense as % Total GDP
Charlotte	$0.6	$106.3	$1.3	$108.2	$131.8	2,023	3.4%
Collier	$6.6	$88.4	$0.2	$95.2	$336.6	4,143	2.4%
Lee	$3.6	$256.6	$17.7	$277.9	$976.4	12,416	4.3%
Total	**$10.8**	**$451.3**	**$19.2**	**$481.3**	**$1,444.8**	**18,582**	**3.6%**

*Includes the dollar value of entitlement payments received by military and civilian retirees and veterans.

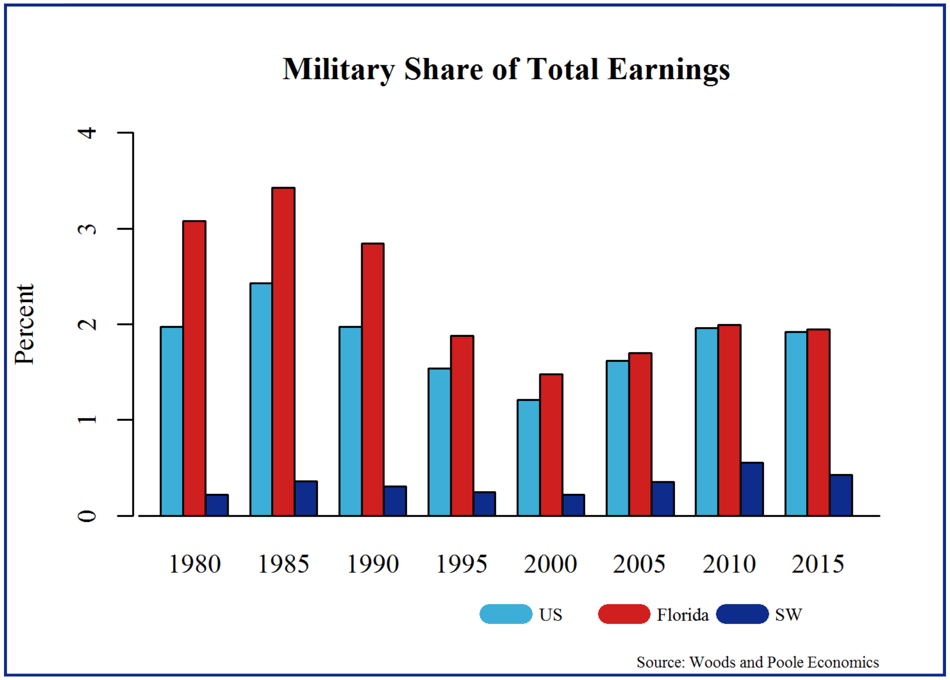


Figure 63. Military Share of Total Earnings

Earnings account for the majority of personal income and include wage and salary disbursements, proprietors' income, and supplements to wages and salaries. *Earnings are therefore a proxy economic impact measure, which are inclusive of more than simply income.* The figure above benchmarks the total share of the Southwest Florida regional income that can be attributed to the military (over time) against the State of Florida and the US. As the data reflect, the military currently contributes to a slightly smaller share of personal income in Southwest Florida than at the state and national levels. This share has remained fairly consistent over the past few decades.

Figure 64. Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It thus allows us to benchmark the earnings of military employees against the earnings patterns of all workers. For the Southwest Florida Region, military employees in 1980 had earnings which totaled 39% of the Southwest Florida workforce's average earnings level. This figure was 119% for the State of Florida and 90% for the US as a whole. By 2012, the Southwest Florida earnings figure had risen to 108%. State comparative earnings ticked up to 205%, and for the US as a whole, the relative earnings ratio now stands at 170%.

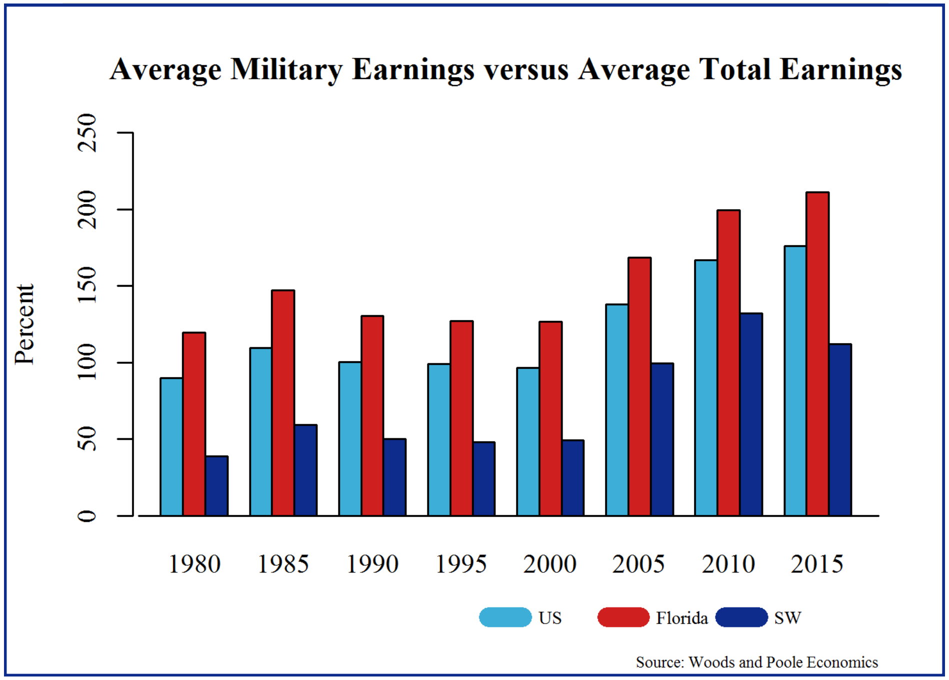
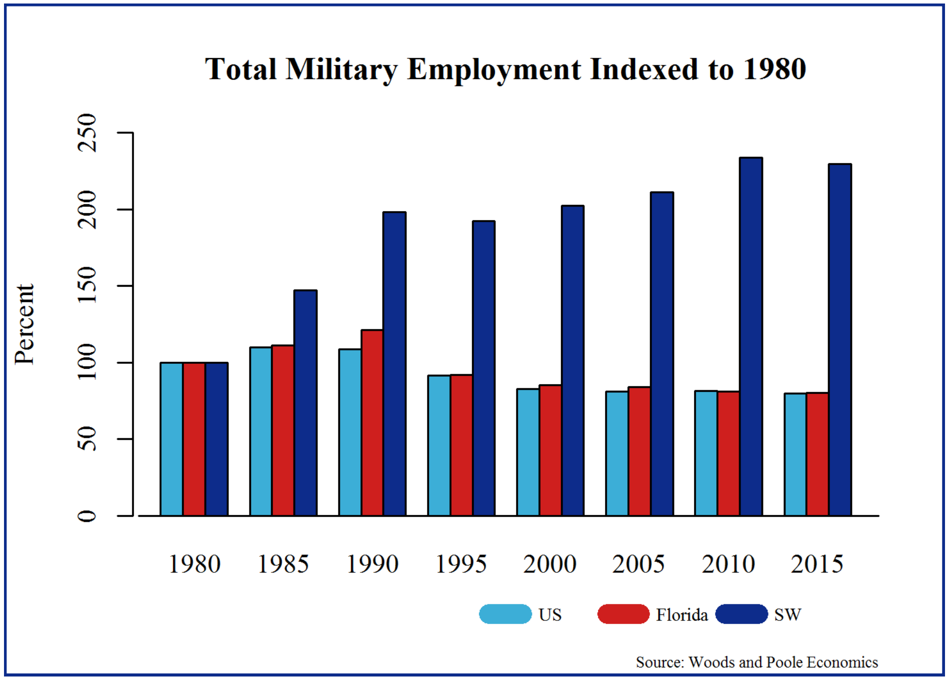


Figure 65. Military Employment as a Share of Total Employment

The figure below benchmarks military employment as a share of total employment for the Southwest Florida Region against the State of Florida and the US. As the data indicate, in 1980 the military accounted for 0.6% of Southwest Florida employment, nearly 3% of Florida employment, 2% of US employment. By 2012, these figures declined to 0.4%, 1%, and 1% respectively. These data indicate that the military does not directly contribute to as large a share of regional employment as it once did.



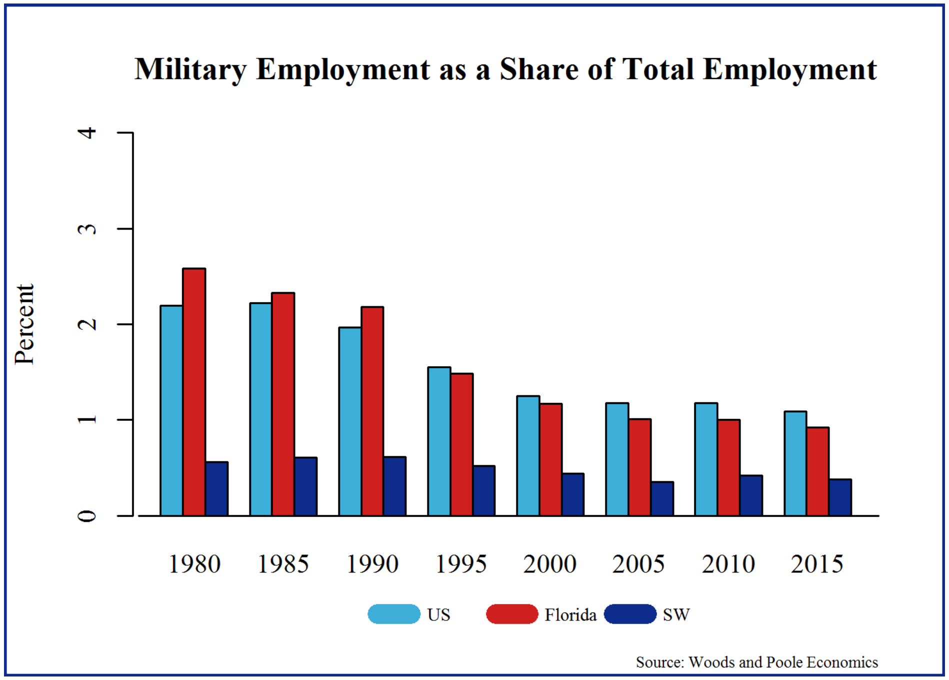


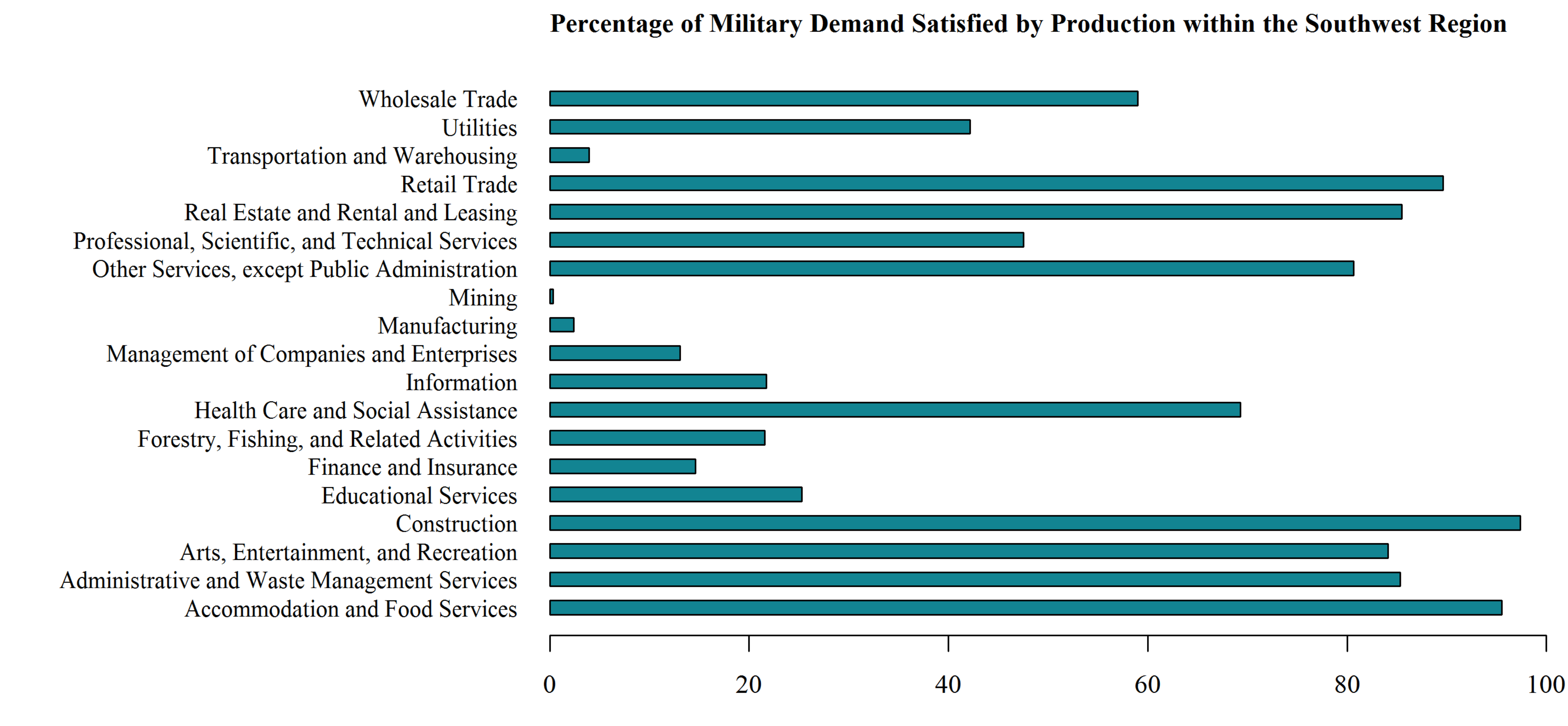
Figure 66. Total Military Employment Indexed to 1980

The figure above benchmarks the size of military employment in the Southwest Florida Region against the 1980 total. For example, military employment in 1985 was 147% of the 1980 total. By 2010, the military had risen to 234% of its 1980 size. Overall, we note that military employment, relative to the 1980 totals, has increased. However, military employment at the national level is currently less than 80% of its 1980 totals, while at the state level, it is approximately 80%. For the Southwest Florida Region, military employment in 2012 stands at approximately 229% of its 1980 level.

Figure 67. Percentage of Military Demand Satisfied by Production within the Region

The figure below displays the percentage of total combined demand for goods and services that is met by production in the region across key regional industries. As the figure shows, the region meets a high percentage of demand in retail trade, accommodation and food services, and construction, while the percentage of demand met in mining, manufacturing, and other sectors is comparatively lower.

Demand that cannot be met by local production results in imports—which, recall from earlier discussions—has a negative impact on Gross Regional Product calculations. Therefore, the economic impact of the military can be increased by meeting more of the demands within the region rather than importing those goods and services.



Source: Regional Economic Models, Inc

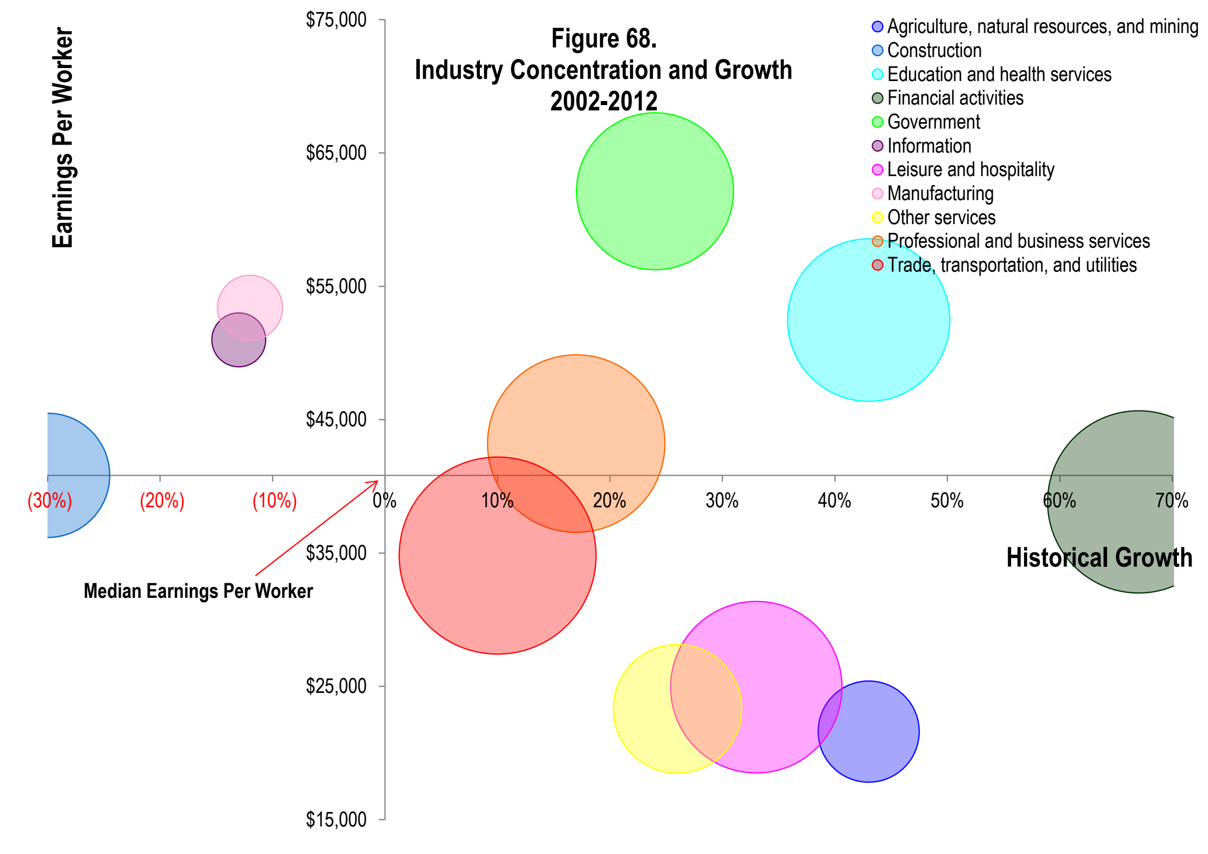
Table 38. Southwest Florida Regional Statistics	
Total Population	
2010 Census	1,100,252
Q2 2012 Estimate	1,128,863
2017 Projection	1,299,628
Growth 2010 to 2012	2.6%
Growth 2012 to 2017	15.1%
Income (2012)	
Average Household Income	$75,824
Median Household Income	$52,614
Per Capita Income	$32,106

Demographics and the Regional Economy

The data in the Table 38 contain information on regional population growth rates as well as income statistics. As the data indicate, the region's median household income is slightly higher than the state average of $49,306 and slightly lower than the national average of $53,421. Additionally, population growth over the next few years is expected to be rapid at more than 15% through 2017.

The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while growth rates are displayed on the horizontal axis, and earnings per worker totals are displayed on the vertical axis. As the figure shows, the government sector is the region's highest earner and trade, transportation, and utilities is the largest sector. The financial activities industry has been the fastest growing , although, the earnings in this sector are slightly lower than the median. Government, and education and health services are among the higher -earning sectors where significant positive growth has occurred.

Figure 68.
Industry Concentration and Growth
2002-2012



County Analysis Overview

In this section of the document, we provided an analysis of the impacts of defense activities on economies of counties that were heavily affected by defense activities. These counties, for the most part, are home to military installations and/or significantly affected by neighboring installations. Counties discussed in the county analyses include Bay, Bradford, Brevard, Clay, Duval, Escambia, Highlands, Hillsborough, Miami-Dade, Monroe, Okaloosa, Orange, Pinellas, Polk, and Santa Rosa.

The county impact data were reported in sections that were arrayed in precisely the same fashion. We opened each analysis with an overview of the flow of defense-related spending, by type, into the county and included basic data about the counties and the installations located therein. The expenditure data were inclusive of activities related to salaries and wages, procurement and transfer payments for all federal military branches (including civilians), the Coast Guard, and the National Guard (including state and federal spending). We then examined the economic impacts across various measures that included Gross Regional Product (GRP), employment, sales, imports, exports, etc.

Following this, we looked at the economic impacts of each type of spending activity to include procurement, salaries and wages, and transfer payments across the military, Coast Guard and National Guard. This provided an overview of the types of spending flows, for each county, that had the greatest impact.

Each section also contains an overview of defense trends within the county over the past several decades as well as projections going forward. This included military employment as a share of total employment, military pay relative to all wages, and trends in military employment. We then closed with an overview of county-level demographic and economic conditions.

We presented a map of the counties included in the analysis on the following page. As the data here, and subsequent analyses, show, defense activities affected county-level economies in very different ways. Okaloosa County, for example, received approximately $2.9 Billion in direct military spending in 2011. When modeled, the military impacts in that county accounted for a whopping 65.1% of total Gross Domestic Product (GDP) in the county and over 71,000 jobs. Orange County, a prime beneficiary of procurement flows, received a $4.2 Billion injection of defense related dollars in 2011. That equaled 7.0% of the county's Gross Domestic Product (GDP) and accounted for over 57,000 jobs.

As we note elsewhere, every single county in the State of Florida was affected by defense-related activities regardless of whether major installations were located in the county. We outlined the impacts for counties that are heavily affected by defense activities here. As Table 39 on the next page demonstrates, we captured approximately 80% of the total impact of defense activities on the Florida economy within the fifteen county analyses that we presented here. Those counties were responsible for about $59 Billion of the $73 Billion total impact, and they accounted for over 578,000 of the total 758,000 jobs generated.

Naturally, those impacts are generated in very different ways. Orange County's defense economy was almost totally procurement based. Other counties, such as Okaloosa, struck a finer balance—although direct employment of federal and civilian workers by DoD drove the bulk of the impact in that county. Those data, and a holistic consideration of the overall impacts, demonstrate that Florida's county economies had relationships with different facets of defense activities; the nuances of which only appeared as the data was parsed out at the regional and county levels. The data conclusively demonstrated that Florida's defense economy is about far more than personnel on the ground.

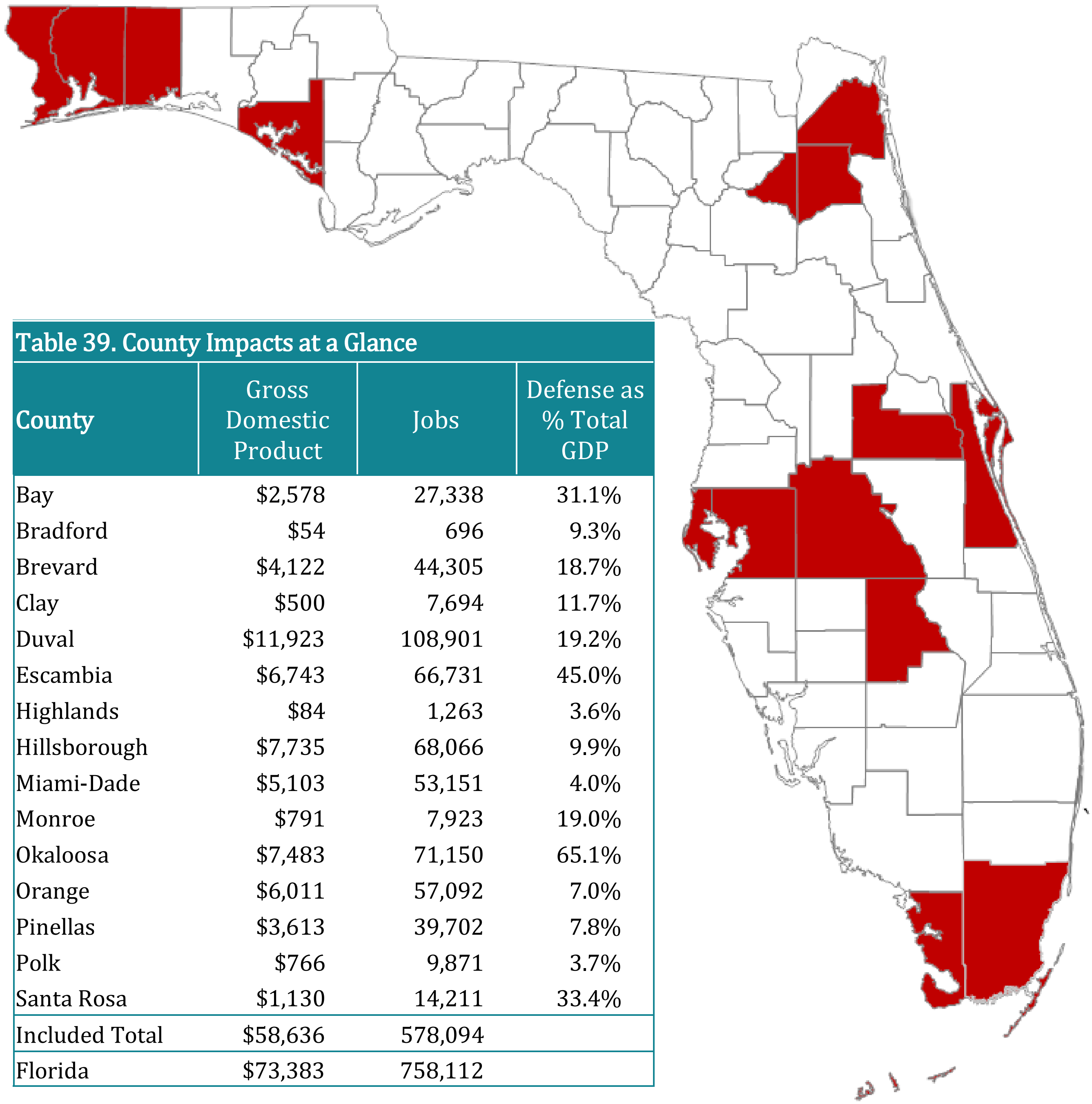


Table 39. County Impacts at a Glance

County	Gross Domestic Product	Jobs	Defense as % Total GDP
Bay	$2,578	27,338	31.1%
Bradford	$54	696	9.3%
Brevard	$4,122	44,305	18.7%
Clay	$500	7,694	11.7%
Duval	$11,923	108,901	19.2%
Escambia	$6,743	66,731	45.0%
Highlands	$84	1,263	3.6%
Hillsborough	$7,735	68,066	9.9%
Miami-Dade	$5,103	53,151	4.0%
Monroe	$791	7,923	19.0%
Okaloosa	$7,483	71,150	65.1%
Orange	$6,011	57,092	7.0%
Pinellas	$3,613	39,702	7.8%
Polk	$766	9,871	3.7%
Santa Rosa	$1,130	14,211	33.4%
Included Total	$58,636	578,094	
Florida	$73,383	758,112	

Bay County

Bay County Summary

Location:	Northwest Florida Region
Home to:	Naval Support Activity Panama City Tyndall Air Force Base

Naval Support Activity Panama City's mission is to provide research, development, test and evaluation, and in-service support for expeditionary, amphibious warfare, diving, maritime special operations, and mine warfare.

Tyndall Air Force Base is the home of the 325th Fighter Wing, which conducts advanced training for F-22 pilots, maintenance personnel, air traffic and weapon controllers, and F-22 specific intelligence personnel.

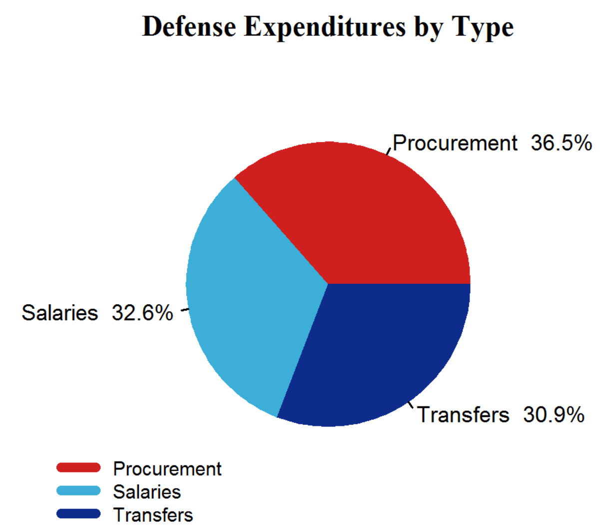
Economic Impact Estimates

Defense activities play a substantial role in the Bay County economy. Military spending, summed with the National Guard and the Coast Guard, totals to the Combined Direct Expenditure estimates, as indicated in Figure 69 to the right. Procurement accounted for the largest share at 36.5% or roughly $424 Million of the $1.16 Billion total. Salaries accounted for 32.6%, and transfers accounted for 30.9%.

Overall, the military accounted for over 27,000 jobs in Bay County in 2011 and about $2.6 Billion in total Gross Regional Product (GRP - total value of all goods and services pro-

Figure 69. Bay County Combined Direct Defense Expenditures
(Millions US Dollars)

Procurement	$424.2
Salaries	$378.4
Transfers*	$358.3
Total Combined Direct Expenditures	$1,160.9



*Includes the dollar value of entitlement payments received by military and civilian retirees and veterans.

duced in the region), which is roughly 31.1% of the county's estimated 2011 Gross Regional Product. The total impact for the county is forecast to decline substantially between 2011 and 2015. Defense activities are forecast to generate 24,950 jobs in 2015. This is nearly 2,400 fewer jobs in the county by 2015.

Direct defense expenditures in the county generated additional employment, wages, consumption spending and investment with total resulting impacts indicated in the table below. The impact categories are defined as follows:

◊ **Total Sales** represents the total value of all goods and services sold as a result of military activities. This includes direct spending, wages, transfer payments, plus spending associated with multiplier effects as initial receipts are re-spent. It incorporates the value of goods and services produced and sold in the county, **imports** into the county and **exports** from the county.

◊ **Total Employment** measures total number of jobs generated by military activities.

◊ **Total Consumption** consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.

◊ **Investment** expenditures included **residential** and **non-residential** real estate as well as investment in **producers durable equipment** and **business inventories**.

Table 40. Bay County Combined Economic Impact Estimates (Millions US Dollars)

	2011	2012	2013	2014	2015
Total Sales	$2,126.1	$2,250.5	$2,164.7	$2,029.6	$1,937.5
Total Employment	**27,338**	**28,013**	**27,046**	**25,836**	**24,950**
Total Consumption	$1,357.5	$1,419.0	$1,442.5	$1,447.3	$1,458.4
Investment Residential	$152.8	$233.9	$272.0	$272.8	$260.1
Investment Non-Residential	$61.9	$89.3	$102.6	$101.7	$96.5
Producers Durable Equipment	$28.3	$56.1	$80.4	$103.0	$123.3
Business Inventories	$2.3	$4.0	$3.7	$3.5	$3.5
Government	$257.1	$253.1	$241.6	$238.3	$236.6
Exports	$1,271.5	$1,265.4	$1,143.6	$1,028.7	$963.3
Imports (subtract)	$553.6	$713.8	$759.7	$752.4	$757.0
Gross Regional Product	**$2,577.8**	**$2,607.1**	**$2,526.8**	**$2,443.0**	**$2,384.7**

Bay County

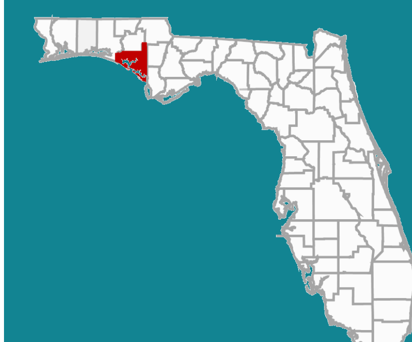
Combined Economic Impacts*

⇒ 27,338 Total Jobs

⇒ $2.1 Billion in Total Sales

⇒ $2.6 Billion in Gross Regional Product

⇒ 31.1% of Total Gross Regional Product



*Includes Department of Defense, National Guard, and Coast Guard

Table 41. Military Impacts by Type (Millions US Dollars)	Jobs	Gross Regional Product
Procurement	6,158	$468.2
Salaries and Wages	18,206	$1,908.7
Transfers	2,973	$200.9
Military	24,678	$2,300.6
Coast Guard	212	$17.9
National Guard	2,447	$259.3

- **Government** revenues include state and local government spending that occurs as a result of the combined activities that are modeled.
- **Gross Regional Product (GRP)** is the sum of consumption, investment, government revenues and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.

Military Impacts by Type

The data in Table 41 display the military impacts by type across the various categories. This includes impacts generated by procurement, salaries and wages, and transfers (mirroring Figure 69) and impacts generated by the military, the Coast Guard, and the National Guard. The columns DO NOT sum to the total impacts because the cell entries are not mutually exclusive.

As the data in the table show, salaries and wages paid to military, Coast Guard and National Guard employees have the highest impact—generating over 18,000 jobs across the county. Procurement flows generate 6,158 jobs and transfer payments generate 2,973 jobs. The bulk of these jobs are generated by the military (24,678) with the Coast Guard and the National Guard combining to generate fewer than 2,700 jobs in the county.

Demographics and the Economy

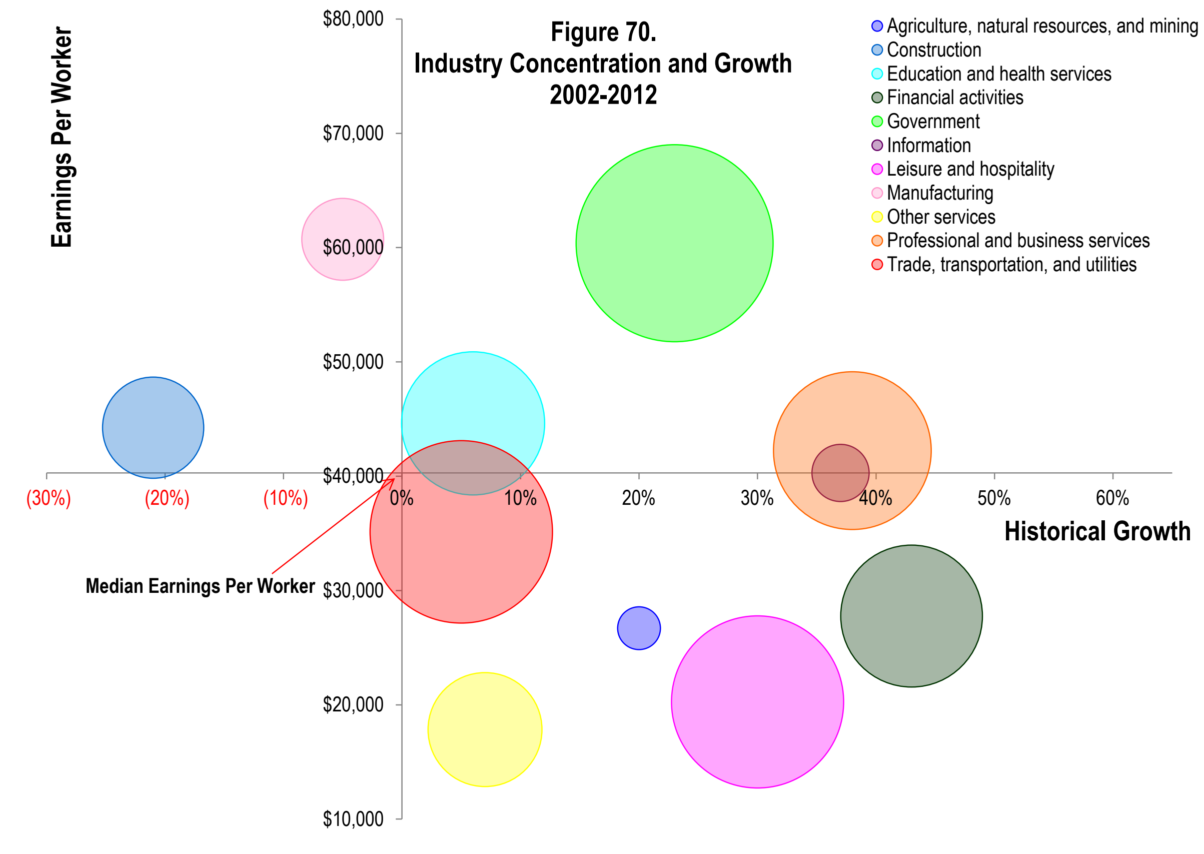
According to BEARFACTS at the Bureau of Economic Analysis, in 2011, Bay County had a per capita personal income (PCPI) of $37,068. This PCPI ranked 19th in the state and was 94% of the state average ($39,636) and 89% of the national average ($41,560). The 2011 PCPI reflected an increase of 2.8% from 2010. The 2010-2011 state change was 3.4% , and the national change was 4.4%. In 2001, the PCPI of Bay County was $25,409 and ranked 24th in the state. The 2001-2011 compound annual growth rate of PCPI was

Table 42. Bay County Statistics	
Total Population	
2010 Census	168,852
Q2 2012 Estimate	169,953
2017 Projection	181,505
Growth 2010 to 2012	0.65%
Growth 2012 to 2017	6.8%
Income (2012)	
Average Household Income	$61,332
Median Household Income	$49,188

3.8%. The compound annual growth rate for the state was 2.9% and for the nation was 2.9%.

As the data in Table 42 indicate, Bay County had a population of 168,852 as of the 2010 Census. The county has gained over 1,000 residents since the Census, making the current population 169,953. Bay is the 28th largest county in the State of Florida, based on population. The median household income is $49,188.

Figure 70 tracks earnings and growth rates for key industries in the county. The size of the bubble represents overall direct employment, while growth rates are displayed on the horizontal axis, and earnings per worker totals are displayed on the vertical axis. As the figure shows, the government and manufacturing sectors are the county's highest earners, and government is the largest sector, followed by the trade, transportation and utilities, and the leisure and hospitality sectors. The financial activities industry has been the fastest growing; however, its average earnings per worker is below the county's median earnings per worker. Professional and business services and information are among the higher-earning sectors where significant positive growth has occurred.



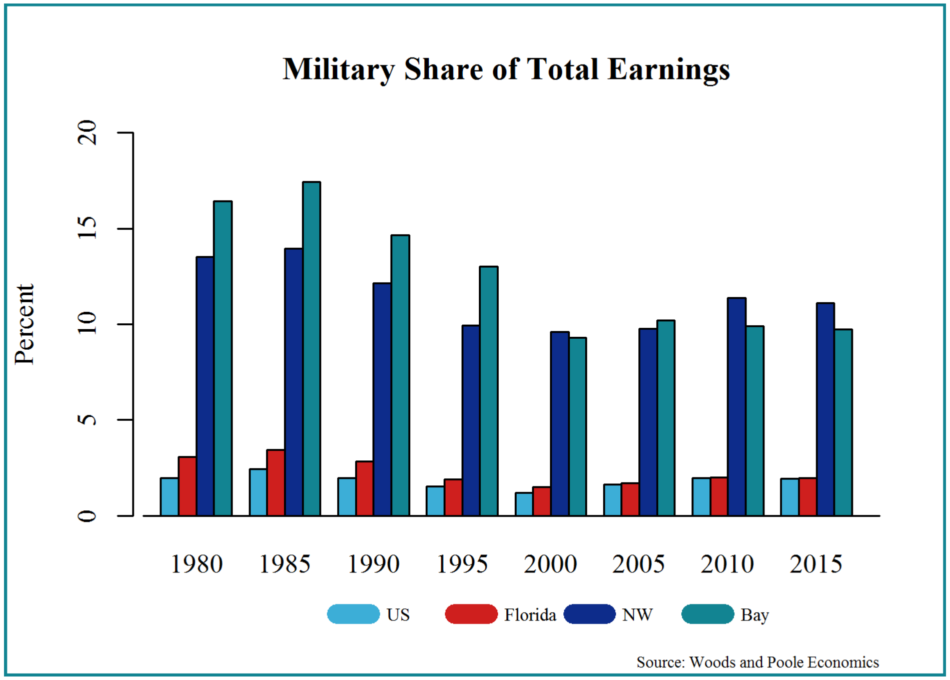


Figure 71. Military Share of Total Earnings

Earnings account for the majority of personal income and include wage and salary disbursements, proprietors' income, and supplements to wages and salaries. *Earnings are therefore a proxy economic impact measure, which are inclusive of more than simply income.* The figure above benchmarks the total share of Bay County, Florida's income that can be attributed to the military (over time) against the Northwest Florida Region, the State of Florida, and the US. As the data reflect, the military currently contributes to a substantially larger share of personal income in Bay County than at the state and national levels and a slightly smaller share than the Northwest Florida Region, although the total percentage has declined over the past few decades.

Figure 72. Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It thus allows us to benchmark the earnings of military employees against the earnings patterns of all workers. For Bay County, military employees in 1980 had earnings which totaled 146% of the Bay County workforce's average earnings level. For Northwest Florida, this figure was 152%, for Florida, 119%, and for the US as a whole, it was 90%. By 2012, the Bay County earnings figure had risen to 235%, and Northwest Florida had risen to 245%. State comparative earnings ticked up to 205%, and for the US as a whole, the relative earnings ratio now stands at 170%.

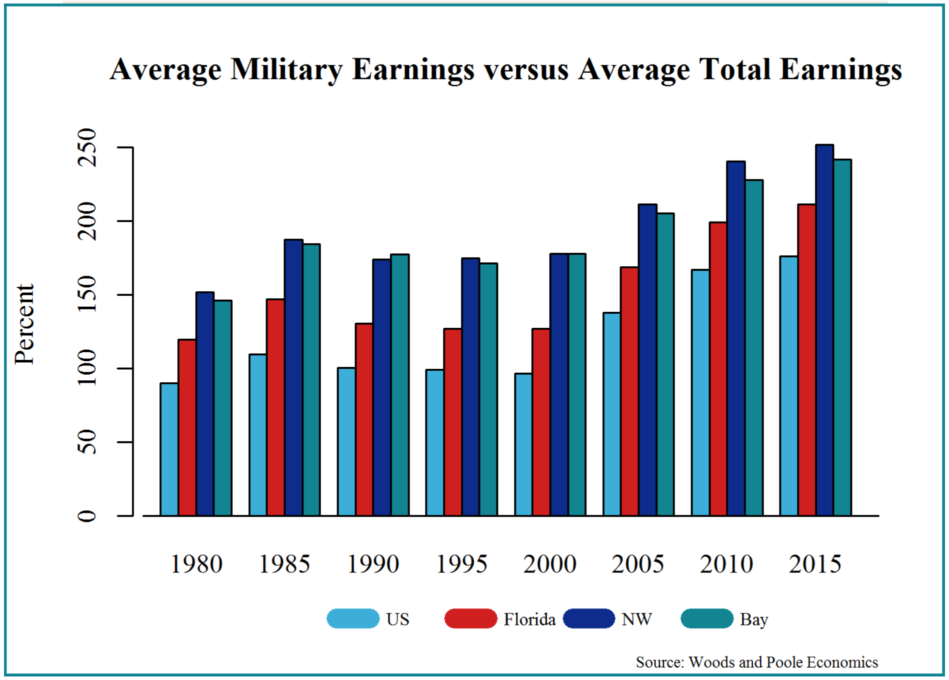
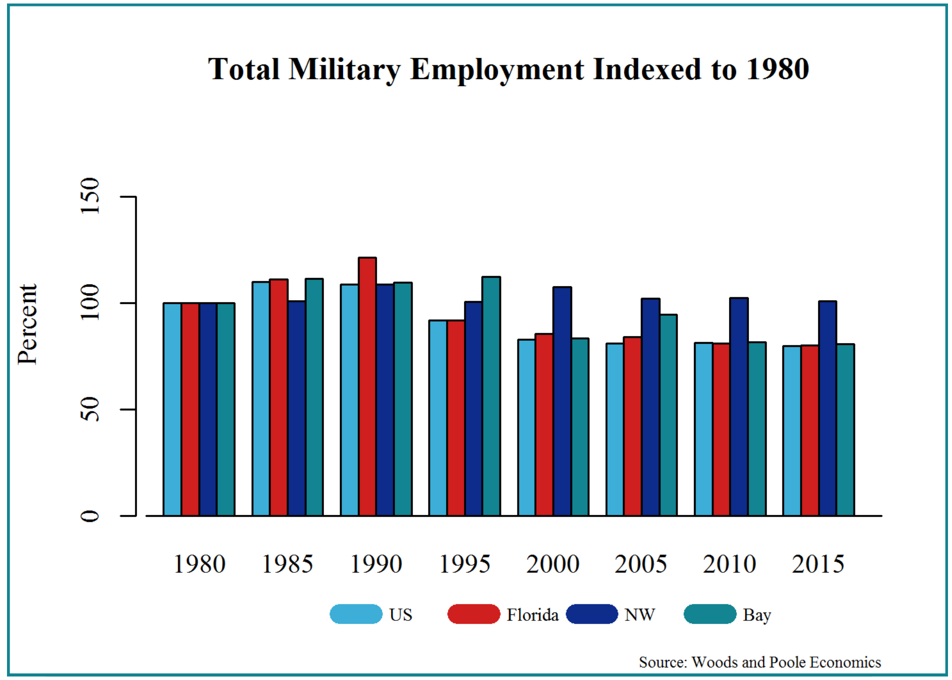


Figure 73. Military Employment as a Share of Total Employment

The figure below benchmarks military employment as a share of total employment for Bay County against the Northwest Florida Region, the state, and the US. As the data indicate, in 1980 the military accounted for 11% of Bay County employment, 9% of Northwest Florida employment, nearly 3% of Florida employment, and 2% of US employment. By 2012, these figures declined to 4%, 5%, 1%, and 1%, respectively. These data indicate that the military does not directly contribute to as large a share of county employment as it once did.



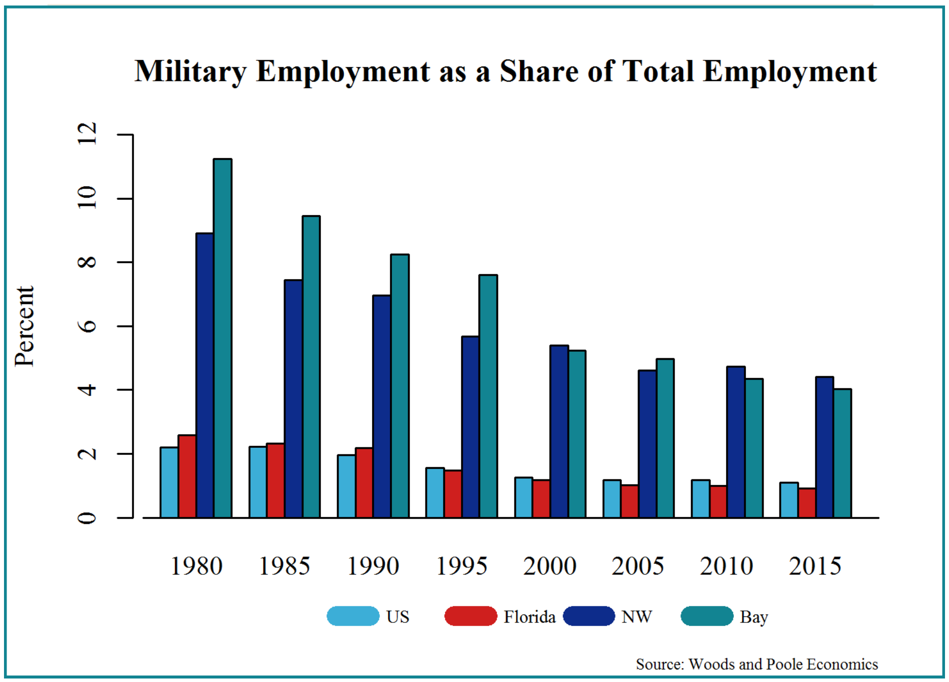


Figure 74. Total Military Employment Indexed to 1980

The figure above benchmarks the size of military employment in Bay County against the 1980 total. For example, military employment in 1985 for Bay County was 111% of the 1980 total. However, by 2010 the military had shrunk to 82% of its 1980 size. Overall, we note that military employment, relative to the 1980 totals, has declined. Indeed, military employment at the national level is currently less than 80% of its 1980 totals, while at the state level, it is approximately 80%. For Bay County, military employment in 2012 stands at approximately 80% of its 1980 level.

Bradford County

Bradford County Summary

Location: North Central Florida Region

Home to: Camp Blanding Joint Training Center

Camp Blanding Joint Training Center (Bradford and Clay Counties) is the primary training facility for the Florida Army National Guard and serves the training needs for active Army and Reserve units as well as Army and Air National Guard units. It is capable of billeting 3,500 soldiers and has over 50 live-fire ranges that can accommodate light weapons, including mortars and artillery.

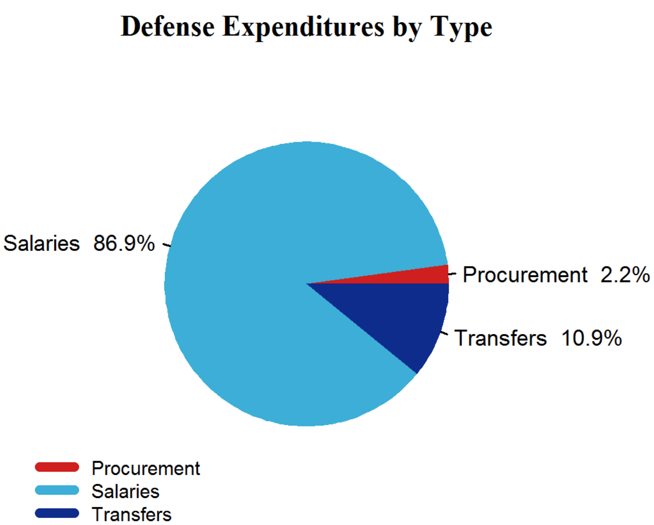
Economic Impact Estimates

Military spending, summed with the National Guard and the Coast Guard, totals to the Combined Direct Expenditure estimates as indicated in Figure 75 to the right. Overall, defense activities injected just over $150 Million into the Bradford County economy in 2011. Nearly 87% of this total was in the form of salaries.

Overall, the military accounted for 696 jobs in Bradford County, in 2011, and $54.5 Million in total Gross Regional Product (GRP - total value of all goods and services produced in the region), which is roughly 9.3% of the county's total estimated 2011 Gross Regional Product (GRP). The total impact for the county is forecast to decline somewhat between 2011 and 2015. Defense activities are forecast to

Figure 75. Bradford County Combined Direct Defense Expenditures
(Millions US Dollars)

Procurement	$3.3
Salaries	$130.8
Transfers*	$16.5
Total Combined Direct Expenditures	$150.5



*Includes the dollar value of entitlement payments received by military and civilian retirees and veterans.

generate 641 jobs in 2015. This is 55 fewer jobs than in 2011.

Direct defense expenditures expended in the county generated additional employment, wages, consumption spending, and investment with total resulting impacts indicated in the table below. The impact categories are defined as follows:

◊ **Total Sales** represents the total value of all goods and services sold as a result of military activities. This includes direct spending, wages, transfer payments, plus spending associated with multiplier effects as initial receipts are re-spent. It incorporates the value of goods and services produced and sold in the county, **imports** into the county and **exports** from the county.

◊ **Total Employment** measures total number of jobs generated by military activities.

◊ **Total Consumption** consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.

◊ **Investment** expenditures included **residential** and **non-residential** real estate as well as investment in **producers durable equipment** and **business inventories**.

◊ **Government** revenues include state and local government spending that occurs as a result of the combined activities that are modeled.

◊ **Gross Regional Product** is the sum of consumption, investment, government revenues, and ex-

Table 43. Bradford County Combined Economic Impact Estimates (Millions US Dollars)

	2011	2012	2013	2014	2015
Total Sales	$34.4	$35.9	$35.6	$34.5	$34.0
Total Employment	**696**	**695**	**677**	**656**	**641**
Total Consumption	$50.1	$51.7	$52.8	$53.3	$53.8
Investment Residential	$3.9	$5.9	$6.8	$6.9	$6.6
Investment Non-Residential	$1.3	$1.9	$2.3	$2.3	$2.3
Producers Durable Equipment	$0.6	$1.1	$1.7	$2.2	$2.7
Business Inventories	$0.0	$0.1	$0.1	$0.1	$0.1
Government	$9.1	$8.7	$8.3	$8.3	$8.3
Exports	$35.2	$34.6	$33.0	$31.6	$31.0
Imports (subtract)	$45.7	$50.0	$52.0	$52.4	$52.7
Gross Regional Product	**$54.5**	**$54.0**	**$52.9**	**$52.3**	**$51.9**

Bradford County

Combined Economic Impacts*

⇒ 696 Total Jobs

⇒ $34.4 Million in Total Sales

⇒ $54.5 Million in Gross Regional Product

⇒ 9.3% of Total Gross Regional Product

*Includes Department of Defense, National Guard, and Coast Guard

Table 44. Military Impacts by Type (Millions US Dollars)		
	Jobs	Gross Regional Product
Procurement	87	$4.9
Salaries and Wages	472	$42.6
Transfers	137	$7.0
Military	365	$20.6
Coast Guard	4	$0.2
National Guard	327	$33.7

ports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.

Military Impacts by Type

The data in Table 44 display the military impacts by type across the various categories. This includes impacts generated by procurement, salaries and wages, and transfers (mirroring Figure 75) and impacts generated by the military, the Coast Guard, and the National Guard. The columns DO NOT sum to the total impacts because the cell entries are not mutually exclusive.

As the data in the table show, salaries and wages paid to military, Coast Guard, and National Guard employees have the highest impact—generating 472 jobs across the county. Procurement flows generate 87 jobs, and transfer payments generate 137 jobs. Roughly half of the total jobs generated (365) were from the military and the other half from the National Guard (327). The Coast Guard generated only 4 jobs in Bradford County, in 2011.

Demographics and the Economy

According to BEARFACTS at the Bureau of Economic Analysis, in 2011, Bradford County had a per capita personal income (PCPI) of $29,059. This PCPI ranked 41st in the state and was 73% of the state average ($39,636) and 70% of the national average ($41,560). The 2011 PCPI reflected an increase of 3.9% from 2010. The 2010-2011 state change was 3.4%, and the national change was 4.4%. In 2001, the PCPI of Bradford County was $19,883 and ranked 49th in the state. The 2001-2011 compound annual growth rate of PCPI was 3.9%. The compound annual growth rate for the state was 2.9% and for the nation was 2.9%.

As the data in Table 45 indicates, Bradford County had a population of 28,520 as of the 2010 Census. The county has lost around 100 residents since the Census making the current population 28,426. Bradford is the 50th largest county in the State of Florida, based on population. The median

Table 45. Bradford County Statistics	
Total Population	
2010 Census	28,520
Q2 2012 Estimate	28,426
2017 Projection	29,675
Growth 2010 to 2012	-0.32%
Growth 2012 to 2017	4.4%
Income (2012)	
Average Household Income	$51,518
Median Household Income	$41,906

household income is $41,906.

Figure 76 tracks earnings and growth rates for key industries in the county. The size of the bubble represents overall direct employment, while growth rates are displayed on the horizontal axis, and earnings per worker totals are displayed on the vertical axis. As the figure shows, the government and manufacturing sectors are the county's highest earners, and government is the largest sector. The financial activities industry has by far been the fastest growing, although it is below the county's median earnings per worker and is actually the industry with the lowest earnings per worker of all the industries represented. Education and health services and trade, transportation, and utilities are among the higher-earning sectors where significant positive growth has occurred.

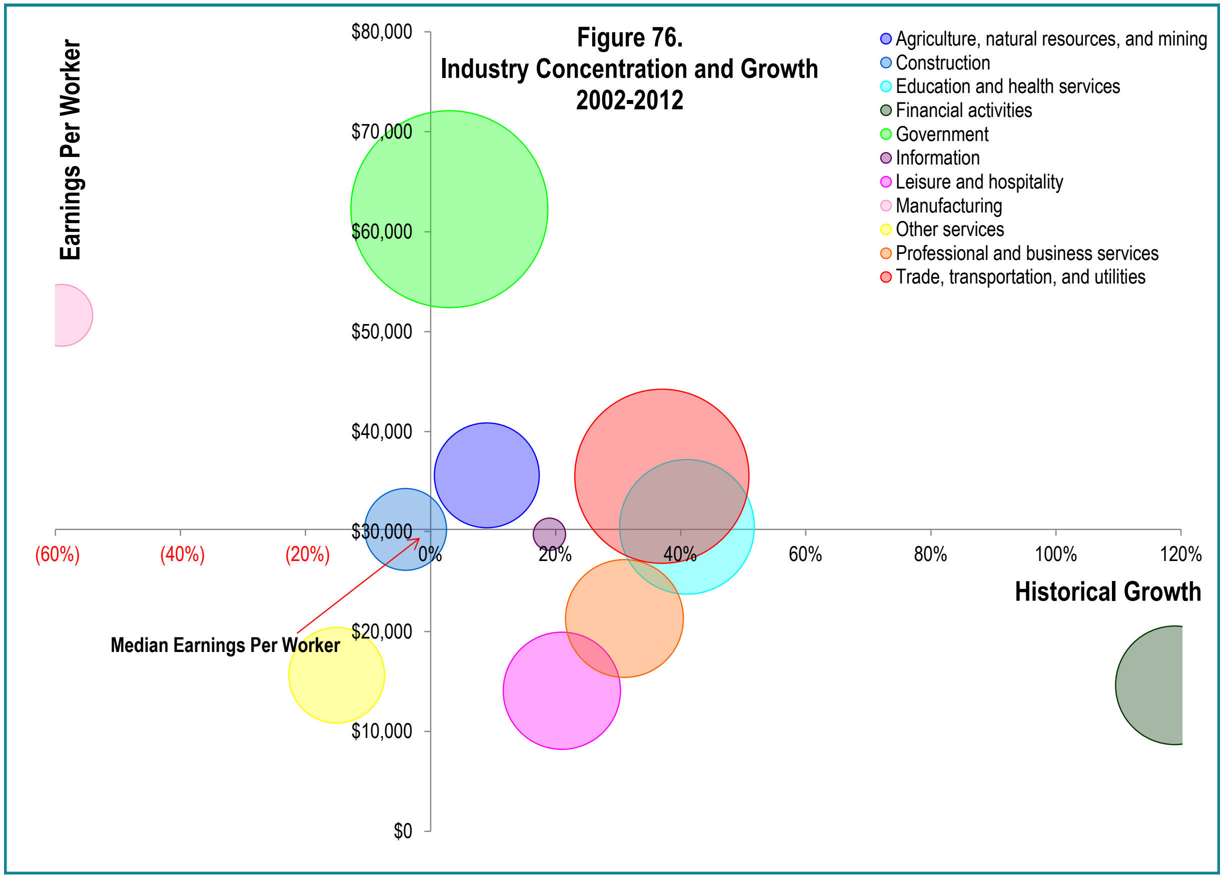


Figure 76.
Industry Concentration and Growth
2002-2012

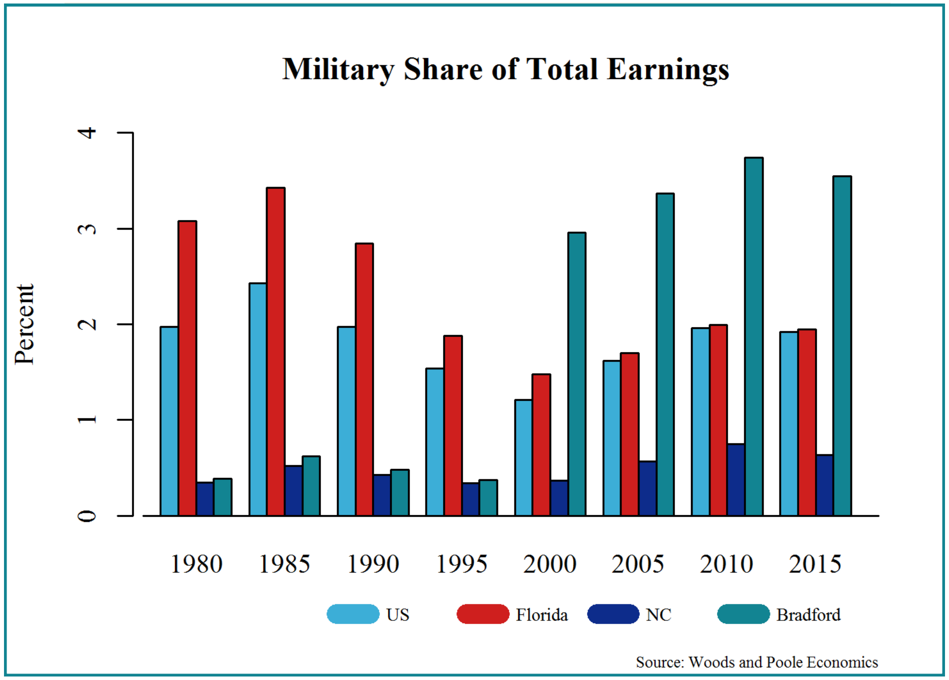


Figure 77. Military Share of Total Earnings

Earnings account for the majority of personal income and include wage and salary disbursements, proprietors' income, and supplements to wages and salaries. *Earnings are therefore a proxy economic impact measure, which are inclusive of more than simply income.* The figure above benchmarks the total share of Bradford County, Florida's income that can be attributed to the military (over time) against the North Central Florida Region, the State of Florida, and the US. As the data reflect, the military currently contributes to a substantially larger share of personal income in Bradford County than at the regional, state, and national level.

Figure 78. Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It thus allows us to benchmark the earnings of military employees against the earnings patterns of all workers. For Bradford County, military employees in 1980 had earnings which totaled 37% of the Bradford County workforce's average earnings level. For North Central Florida, this figure was 53%, for Florida 119%, and for the US as a whole it was 90%. By 2012 the Bradford County earnings figure had risen to 342%. North Central had risen to 137%. State comparative earnings ticked up to 205%, and for the US as a whole the relative earnings ratio now stands at 170%.

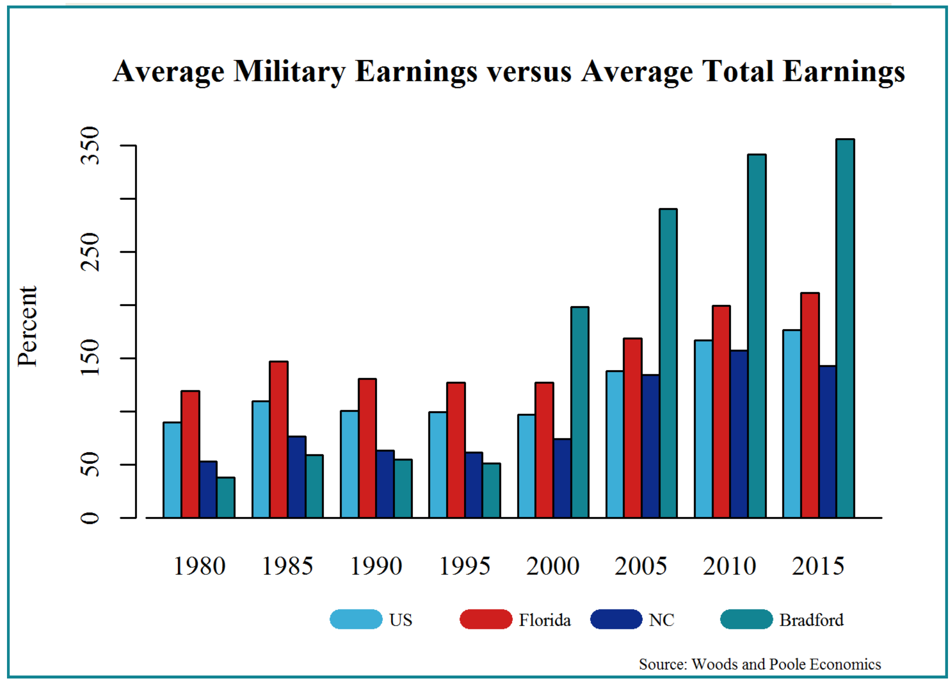
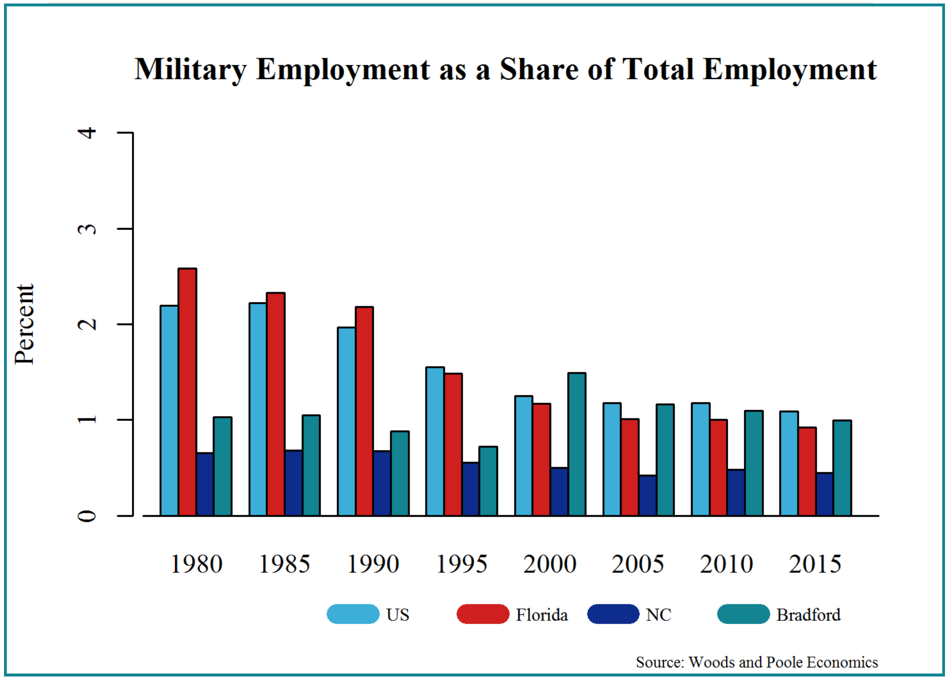


Figure 79. Military Employment as a Share of Total Employment

The figure below benchmarks military employment as a share of total employment for Bradford County against the North Central Florida Region, the state, and the US. As the data indicate, in 1980 the military accounted for 1% of Bradford County employment, 1% of North Central Florida employment, 3% of Florida employment, and 2% of US employment. In 2012, these figures are 1%, 0.5%, 1%, and 1% respectively. These data indicate that the military directly contributes approximately the same share of county employment as in 1980.



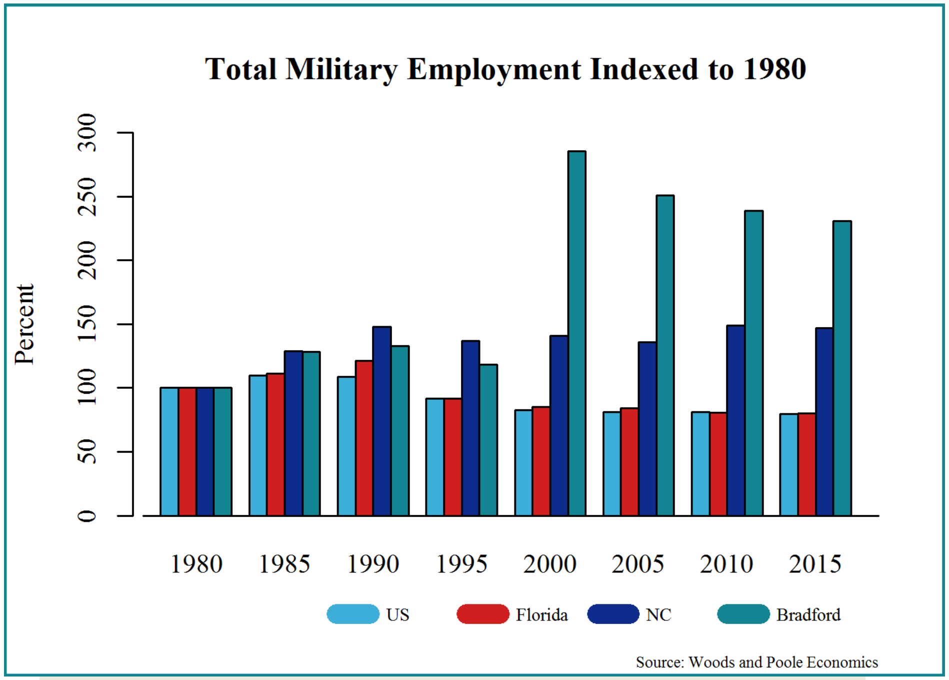


Figure 80. Total Military Employment Indexed to 1980

The figure above benchmarks the size of military employment in Bradford County against the 1980 total. For example, military employment in 1985 for Bradford County was 129% of the 1980 total. By 2010 the military had grown to 239% of its 1980 size in the county. Overall, we note that military employment, relative to the 1980 totals, has declined. Indeed, military employment at the national level is currently less than 80% of its 1980 totals, while at the state level, it is approximately 80%. For Bradford County, military employment in 2012 stands at approximately 229% of its 1980 level.

Brevard County

Brevard County Summary

Location: East Central Florida Region

Home to: Patrick Air Force Base
Cape Canaveral Air Force Station
Naval Ordnance Test Unit

Patrick Air Force Base is a major component for the Air Force Space Command. It provides combat capabilities through launch, range, and expeditionary operations. The host organization is the 45th Space Wing.

Cape Canaveral Air Force Station is controlled by the 45th Space Wing and is responsible for ensuring America's safe and assured access to space. It co-joins Kennedy Space Center and consists of 47 Launch complexes used to launch Atlas, Titan, and Delta rockets.

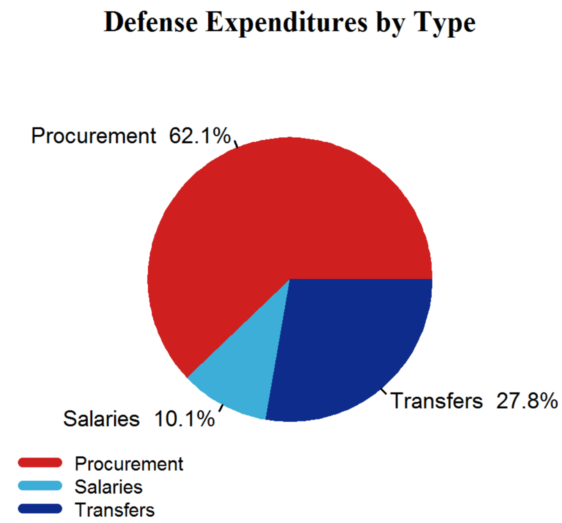
Economic Impact Estimates

Defense activities play a significant role in the Brevard County economy. Military spending, summed with the National Guard and the Coast Guard, totals to the Combined Direct Expenditure estimates produced in Figure 81 to the right. Procurement accounted for the largest share at 62.1% or roughly $1.8 Billion of the $2.9 Billion total. Salaries accounted for 10.1%, and transfers accounted for 27.8%.

Overall, the military accounted for over 44,000 jobs in Brevard County, in 2011, and just over $4.1 Billion in total

Figure 81. Brevard County Combined Direct Defense Expenditures
(Millions US Dollars)

Procurement	$1,812.2
Salaries	$294.3
Transfers*	$812.9
Total Combined Direct Expenditures	$2,919.4



*Includes the dollar value of entitlement payments received by military and civilian retirees and veterans.

Gross Regional Product (GRP - total value of all goods and services produced in the region), which is roughly 18.7% of the county's estimated 2011 Gross Regional Product. The total impact for the county is forecast to decline rather substantially between 2011 and 2015. Defense activities are forecast to generate 38,356 jobs in 2015. This amounts to nearly 6,000 fewer jobs in the county by 2015.

Direct defense expenditures expended in the county generated additional employment, wages, consumption spending, and investment with total resulting impacts indicated in the table below. The impact categories are defined as follows:

- ◊ **Total Sales** represents the total value of all goods and services sold as a result of military activities. This includes direct spending, wages, transfer payments, plus spending associated with multiplier effects as initial receipts are re-spent. It incorporates the value of goods and services produced and sold in the county, **imports** into the county, and **exports** from the county.
- ◊ **Total Employment** measures total number of jobs generated by military activities.
- ◊ **Total Consumption** consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.
- ◊ **Investment** expenditures included **residential** and **non-residential** real estate as well as investment in **producers durable equipment** and **business inventories**.

Table 46. Brevard County Combined Economic Impact Estimates (Millions US Dollars)

	2011	2012	2013	2014	2015
Total Sales	$5,789.2	$6,356.9	$5,957.7	$5,441.7	$5,246.0
Total Employment	**44,305**	**46,800**	**43,801**	**40,234**	**38,356**
Total Consumption	$2,468.1	$2,630.9	$2,588.6	$2,505.1	$2,483.8
Investment Residential	$170.3	$265.7	$305.0	$297.7	$276.7
Investment Non-Residential	$86.2	$131.0	$150.3	$146.3	$137.0
Producers Durable Equipment	$38.7	$78.4	$112.8	$143.9	$171.5
Business Inventories	$10.9	$19.4	$17.7	$16.4	$16.4
Government	$288.8	$298.7	$278.4	$265.0	$261.3
Exports	$3,665.3	$3,958.5	$3,612.3	$3,233.3	$3,108.9
Imports (subtract)	$2,606.6	$3,001.4	$2,917.9	$2,736.5	$2,696.5
Gross Regional Product	**$4,121.6**	**$4,381.1**	**$4,147.2**	**$3,871.2**	**$3,759.2**

Brevard County

Combined Economic Impacts*

- ⇒ 44,305 Total Jobs
- ⇒ $5.8 Billion in Total Sales
- ⇒ $4.1 Billion in Gross Regional Product
- ⇒ 18.7% of Total Gross Regional Product

*Includes Department of Defense, National Guard, and Coast Guard

Table 47. Military Impacts by Type (Millions US Dollars)		
	Jobs	Gross Regional Product
Procurement	22,945	$2,132.3
Salaries and Wages	14,620	$1,529.3
Transfers	6,740	$460.0
Military	42,082	$3,898.6
Coast Guard	730	$65.2
National Guard	1,492	$157.8

- ◊ **Government** revenues include state and local government spending that occurs as a result of the combined activities that are modeled.
- ◊ **Gross Regional Product** is the sum of consumption, investment, government revenues, and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.

Military Impacts by Type

The data in Table 47 display the military impacts by type across the various categories. This includes impacts generated by procurement, salaries and wages, transfers (mirroring Figure 81) and impacts generated by the military, the Coast Guard, and the National Guard. The columns DO NOT sum to the total impacts because the cell entries are not mutually exclusive.

As the data in the table show, procurement flows have the highest impact—generating nearly 23,000 jobs across the county. Salaries and wages generate 14,620 jobs and transfer payments generate 6,740 jobs. The bulk of these jobs are generated by the military (42,082) with the Coast Guard and the National Guard combining to generate just over 2,200 jobs in the county.

Demographics and the Economy

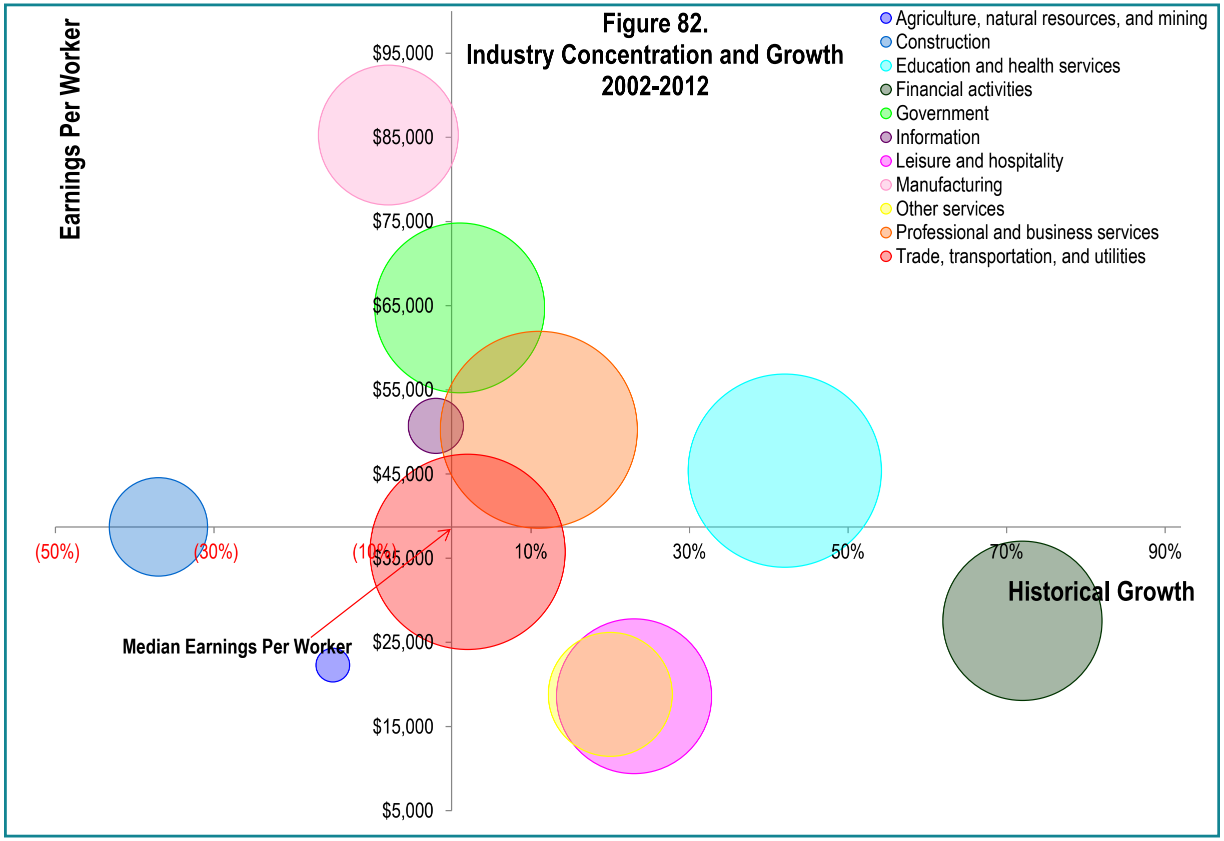
According to BEARFACTS at the Bureau of Economic Analysis, in 2011, Brevard County had a per capita personal income (PCPI) of $38,028. This PCPI ranked 17th in the state and was 96% of the state average ($39,636) and 92% of the national average ($41,560). The 2011 PCPI reflected an increase of 3.7% from 2010. The 2010-2011 state change was 3.4%, and the national change was 4.4%. In 2001, the PCPI of Brevard was $28,134 and ranked 17th in the state. The 2001-2011 compound annual growth rate of PCPI was 3.1%. The compound annual growth rate for the state was

Table 48. Brevard County Statistics	
Total Population	
2010 Census	543,376
Q2 2012 Estimate	546,574
2017 Projection	583,959
Growth 2010 to 2012	0.59%
Growth 2012 to 2017	6.8%
Income (2012)	
Average Household Income	$65,935
Median Household Income	$50,356

2.9% and for the nation was 2.9%.

As the data in Table 48 indicates, Brevard had a population of 543,376 as of the 2010 Census. The county has gained over 3,000 residents since the Census making the current population 546,574. Brevard is the 10th largest county in the State of Florida, based on population. The median household income is $50,356.

Figure 82 tracks earnings and growth rates for key industries in the county. The size of the bubble represents overall direct employment, while growth rates are displayed on the horizontal axis, and earnings per worker totals are displayed on the vertical axis. As the figure shows, the manufacturing and government sectors are the county's highest earners, and professional business services is the largest sector. The financial activities industry has been the fastest growing, although, it is below the county's median earnings per worker. Education and health services is the only higher-earning sector represented where significant positive growth has occurred. The industry with the next highest growth rate, leisure and hospitality, is well below the median earnings per worker for the county.



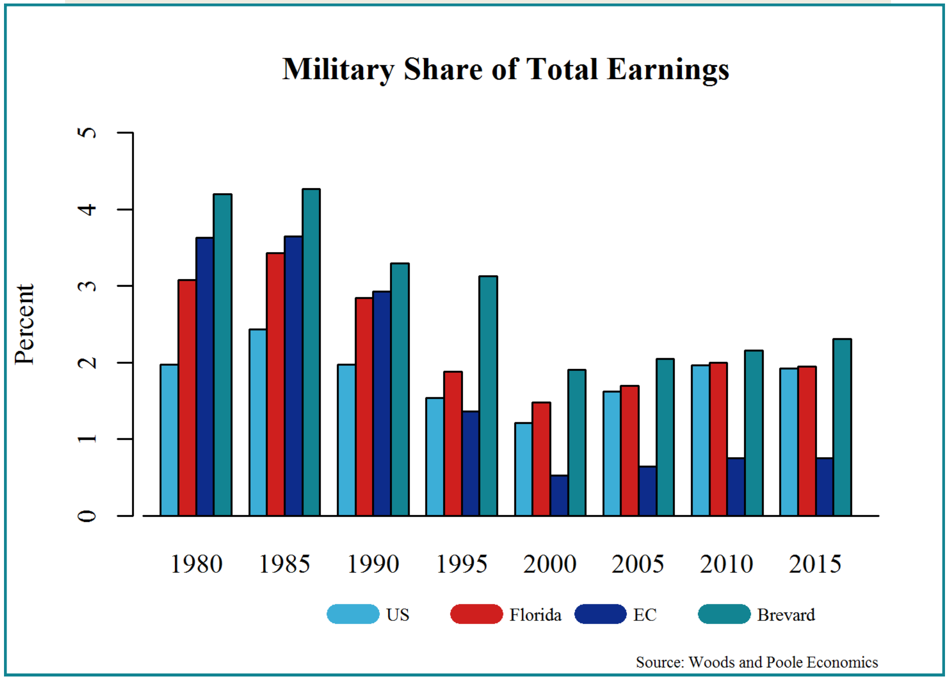


Figure 83. Military Share of Total Earnings

Earnings account for the majority of personal income and include wage and salary disbursements, proprietors' income, and supplements to wages and salaries. *Earnings are therefore a proxy economic impact measure, which are inclusive of more than simply income.* The figure above benchmarks the total share of Brevard County, Florida's income that can be attributed to the military (over time) against the East Central Florida Region, the State of Florida, and the US. As the data reflect, the military currently contributes to a substantially larger share of personal income in Brevard County than at the regional, state, and national level, although this has declined over the past few decades.

Figure 84. Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It thus allows us to benchmark the earnings of military employees against the earnings patterns of all workers. For Brevard County, military employees in 1980 had earnings which totaled 121% of the Brevard County workforce's average earnings level. For East Central Florida, this figure was 114%, for Florida 119%, and for the US as a whole it was 90%. By 2012 the Brevard County earnings figure had risen to 220%. East Central had risen to 162%. State comparative earnings ticked up to 205%, and for the US as a whole the relative earnings ratio now stands at 170%.

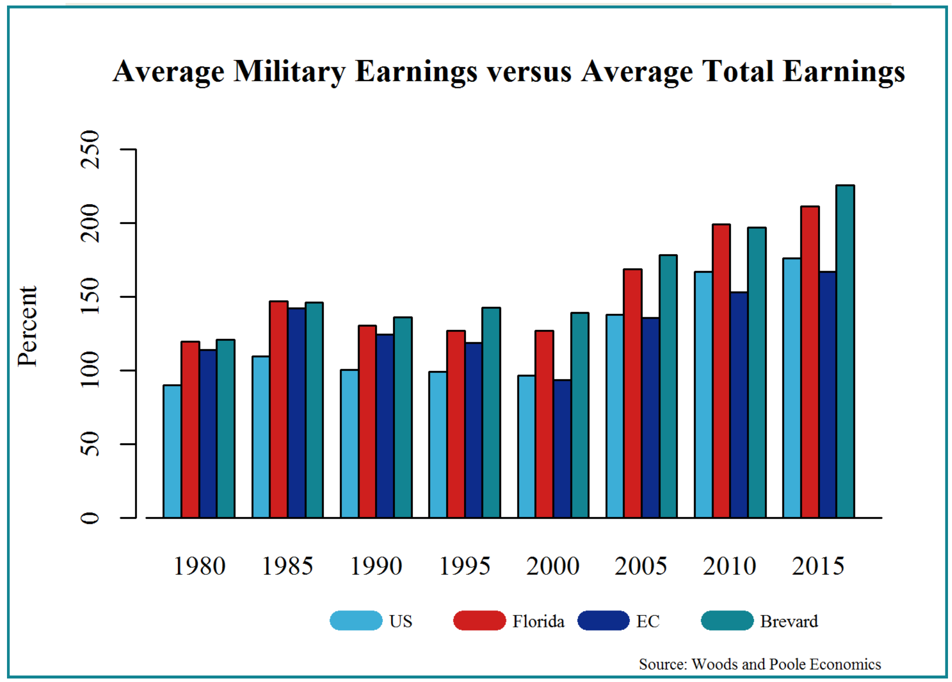
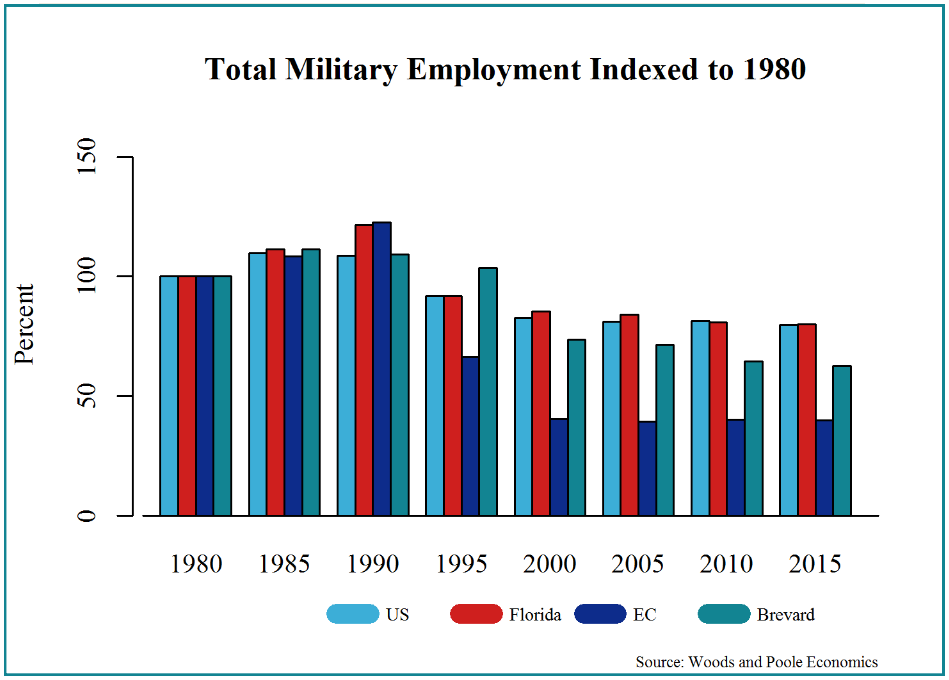


Figure 85. Military Employment as a Share of Total Employment

The figure below benchmarks military employment as a share of total employment for Brevard County against the East Central Florida Region, the state, and the US. As the data indicate, in 1980 the military accounted for 3% of Brevard County employment, 3% of East Central Florida employment, 3% of Florida employment, and 2% of US employment. In 2012, these same figures are 1%, 0.5%, 1%, and 1%, respectively. These data indicate that the military does not directly contribute to as large a share of county employment as it once did.



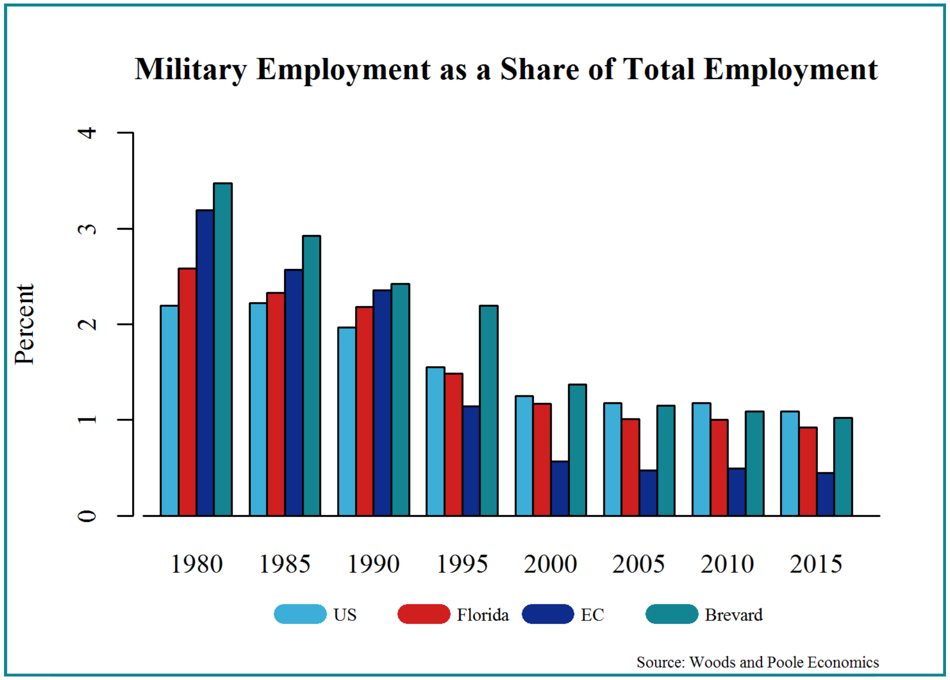


Figure 86. Total Military Employment Indexed to 1980

The figure above benchmarks the size of military employment in Brevard County against the 1980 total. For example, military employment in 1985 for Brevard County was 111% of the 1980 total. However, by 2010, the military had shrunk to 64% of its 1980 size. Overall, we note that military employment, relative to the 1980 totals, has declined. Indeed, military employment at the national level is currently less than 80% of its 1980 totals, while at the state level, it is approximately 80%. For Brevard County, military employment in 2012 stands at approximately 62% of its 1980 level.

Clay County

Clay County Summary

Location: North East Florida Region

Home to: Camp Blanding Joint Training Center

Camp Blanding Joint Training Center (Bradford and Clay Counties) is the primary military reservation and training base for the Florida National Guard. The base is located approximately 25 miles south of Jacksonville, and is composed of 73,000 acres of forest, lakes, and grassland. Camp Blanding possesses billeting to accommodate more than 3,500 personnel and ranges which can support training for small arms weapons, mortars, artillery, attack helicopter gunnery, and close air support aircraft.

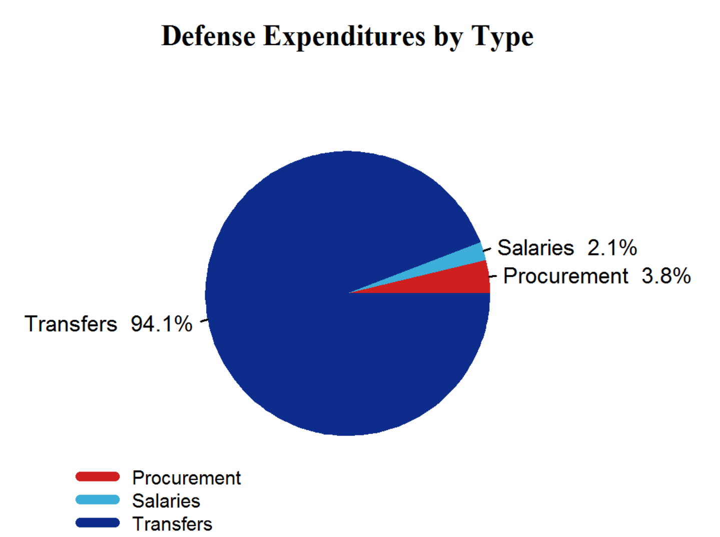
Economic Impact Estimates

Military spending, summed with the National Guard and the Coast Guard, totals to the Combined Direct Expenditure estimates as indicated in Figure 87 to the right. Transfers accounted for the largest direct share at 94.1% or roughly $509 Million of the $542 Million total. Salaries accounted for 2.1%, and procurement accounted for 3.8%.

Overall, the military accounted for almost 7,700 jobs in Clay County in 2011 and just under a half Billion dollars in total Gross Regional Product (GRP - total value of all goods and services produced in the region). This is roughly 12% of the county's estimated 2011 Gross Regional Product. The total impact for the county was forecast to remain relatively sta-

Figure 87. Clay County Combined Direct Defense Expenditures
(Millions US Dollars)

Procurement	$20.5
Salaries	$11.6
Transfers*	$509.4
Total Combined Direct Expenditures	$541.5



*Includes the dollar value of entitlement payments received by military and civilian retirees and veterans.

ble between 2011 and 2015. Defense activities are forecast to generate 7,992 jobs in 2015. This amounts to just over 300 new jobs by 2015.

Direct defense expenditures expended in the county generated additional employment, wages, consumption spending, and investment with total resulting impacts indicated in the table below. The impact categories are defined as follows:

- ◊ **Total Sales** represents the total value of all goods and services sold as a result of military activities. This includes direct spending, wages, transfer payments, plus spending associated with multiplier effects as initial receipts are re-spent. It incorporates the value of goods and services produced and sold in the county, **imports** into the county, and **exports** from the county.
- ◊ **Total Employment** measures total number of jobs generated by military activities.
- ◊ **Total Consumption** consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.
- ◊ **Investment** expenditures included **residential** and **non-residential** real estate as well as investment in **producers durable equipment** and **business inventories**.
- ◊ **Government** revenues include state and local government spending that occurs as a result of the combined activities that are modeled.

Table 49. Clay County Combined Economic Impact Estimates (Millions US Dollars)

	2011	2012	2013	2014	2015
Total Sales	$616.6	$675.6	$695.0	$687.4	$675.9
Total Employment	**7,694**	**8,217**	**8,327**	**8,175**	**7,992**
Total Consumption	$977.1	$1,033.9	$1,075.4	$1,093.5	$1,111.0
Investment Residential	$72.4	$112.1	$132.9	$135.6	$131.2
Investment Non-Residential	$24.0	$35.7	$42.3	$43.2	$41.9
Producers Durable Equipment	$11.0	$22.1	$32.3	$42.1	$51.2
Business Inventories	$0.4	$0.7	$0.7	$0.7	$0.7
Government	$31.8	$33.6	$34.1	$34.8	$35.3
Exports	$165.0	$162.3	$144.3	$124.9	$109.2
Imports (subtract)	$782.2	$865.9	$916.8	$933.5	$945.3
Gross Regional Product	**$499.5**	**$534.5**	**$545.3**	**$541.3**	**$535.1**

Clay County

Combined Economic Impacts*

- ⇒ 7,694 Total Jobs
- ⇒ $616.6 Million in Total Sales
- ⇒ $499.5 Million in Gross Regional Product
- ⇒ 11.7% of Total Gross Regional Product

*Includes Department of Defense, National Guard, and Coast Guard

Table 50. Military Impacts by Type (Millions US Dollars)	Jobs	Gross Regional Product
Procurement	768	$52.1
Salaries and Wages	3,871	$263.1
Transfers	3,055	$184.3
Military	6,234	$390.4
Coast Guard	66	$4.2
National Guard	1,394	$104.9

◊ **Gross Regional Product** is the sum of consumption, investment, government revenues, and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.

Military Impacts by Type

The data in Table 50 display the military impacts by type across the various categories. This includes impacts generated by procurement, salaries and wages, transfers (mirroring Figure 87), and impacts generated by the military, the Coast Guard, and the National Guard. The columns DO NOT sum to the total impacts because the cell entries are not mutually exclusive.

As the data in the table show, salaries and wages paid to military, Coast Guard, and National Guard employees have the highest impact—generating 3,871 jobs across the region. Procurement flows generate 768 jobs, and transfer payments generate 3,055 jobs. The bulk of these jobs are generated by the military (6,234) with the Coast Guard and the National Guard combining to generate over 1,400 jobs.

Demographics and the Economy

According to BEARFACTS at the Bureau of Economic Analysis, in 2011, Clay County had a per capita personal income (PCPI) of $33,476. This PCPI ranked 27th in the state and was 84% of the state average ($39,636) and 81% of the national average ($41,560). The 2011 PCPI reflected an increase of 3.8% from 2010. The 2010-2011 state change was 3.4% and the national change was 4.4%. In 2001, the PCPI of Clay County was $27,428 and ranked 20th in the state. The 2001-2011 compound annual growth rate of PCPI was 2.0%. The compound annual growth rate for the state was 2.9% and for the nation was 2.9%.

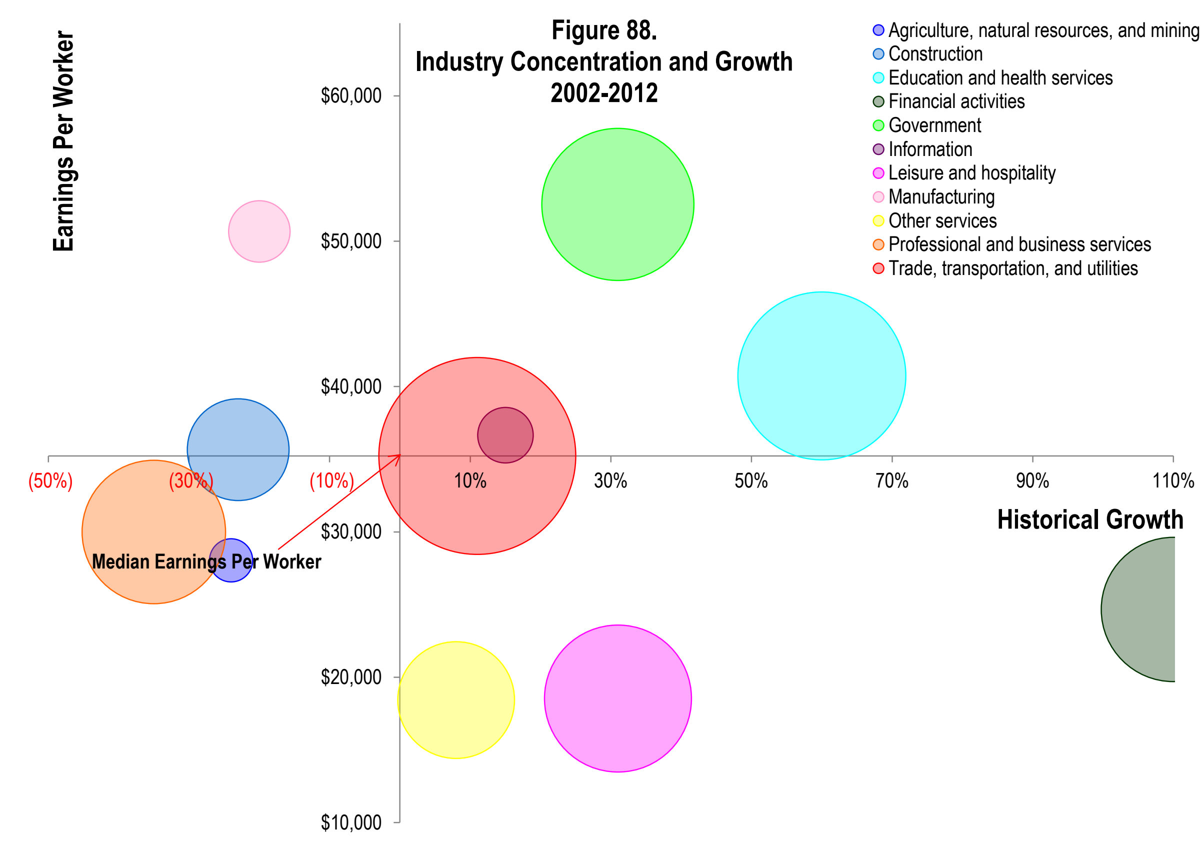
As the data in Table 51 indicates, Clay County had a population of 190,865 as of the 2010 Census. The county has gained nearly 1,000 residents since the Census making the current population 191,730. Clay is the 25th largest county

Table 51. Clay County Statistics	
Total Population	
2010 Census	190,865
Q2 2012 Estimate	191,730
2017 Projection	223,192
Growth 2010 to 2012	0.45%
Growth 2012 to 2017	16.4%
Income (2012)	
Average Household Income	$73,375
Median Household Income	$61,135

in the State of Florida, based on population. The median household income is $61,135.

Figure 88 tracks earnings and growth rates for key industries in the county. The size of the bubble represents overall direct employment, while growth rates are displayed on the horizontal axis, and earnings per worker totals are displayed on the vertical axis. As the figure shows, the government and manufacturing sectors are the county's highest earners, and trade, transportation and utilities is the largest sector. The financial activities industry has been the fastest growing, although, it is below the county's median earnings per worker. Education and health services is the only higher-earning sector where significant positive growth has occurred; information is the next highest-earning sector that also exhibits fairly strong growth.

Figure 88.
Industry Concentration and Growth
2002-2012



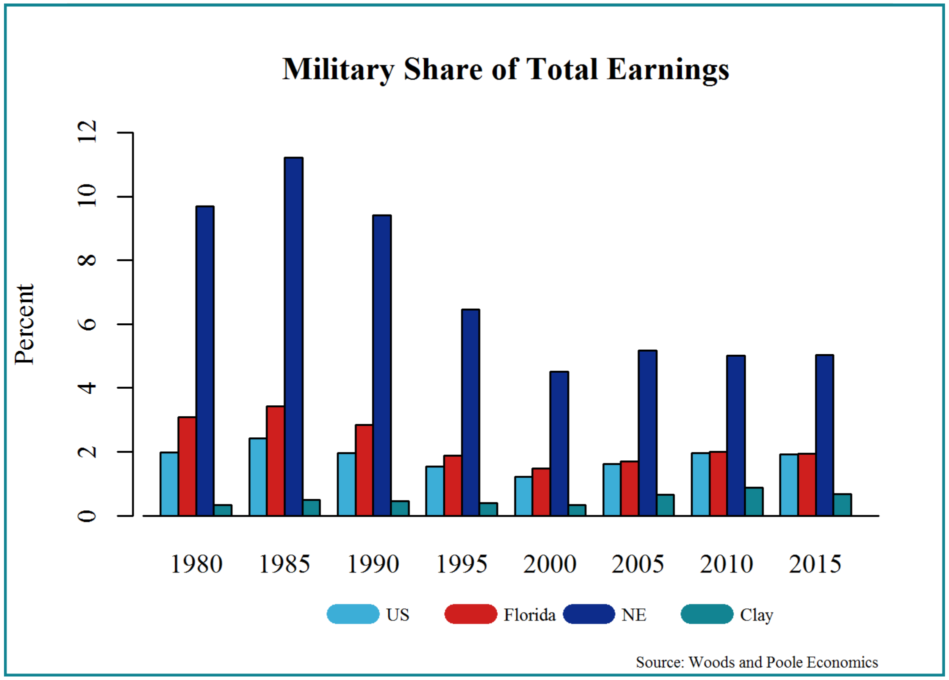


Figure 89. Military Share of Total Earnings

Earnings account for the majority of personal income and include wage and salary disbursements, proprietors' income, and supplements to wages and salaries. *Earnings are therefore a proxy economic impact measure, which are inclusive of more than simply income.* The figure above benchmarks the total share of Clay County, Florida's income that can be attributed to the military (over time) against the Northeast Florida Region, the State of Florida, and the US. As the data reflect, the military currently contributes to a slightly smaller share of personal income in Clay County than at the state and national levels and a substantially smaller share than the Northeast Region, although this has gently increased over the past few decades.

Figure 90. Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It thus allows us to benchmark the earnings of military employees against the earnings patterns of all workers. For Clay County, military employees in 1980 had earnings which totaled 38% of the Clay County workforce's average earnings level. For Northeast Florida, this figure was 122%, for Florida 119%, and for the US as a whole it was 90%. By 2012 the Clay County earnings figure had risen to 128%. Northeast Florida had risen to 230%. State comparative earnings ticked up to 205%, and for the US as a whole the relative earnings ratio now stands at 170%.

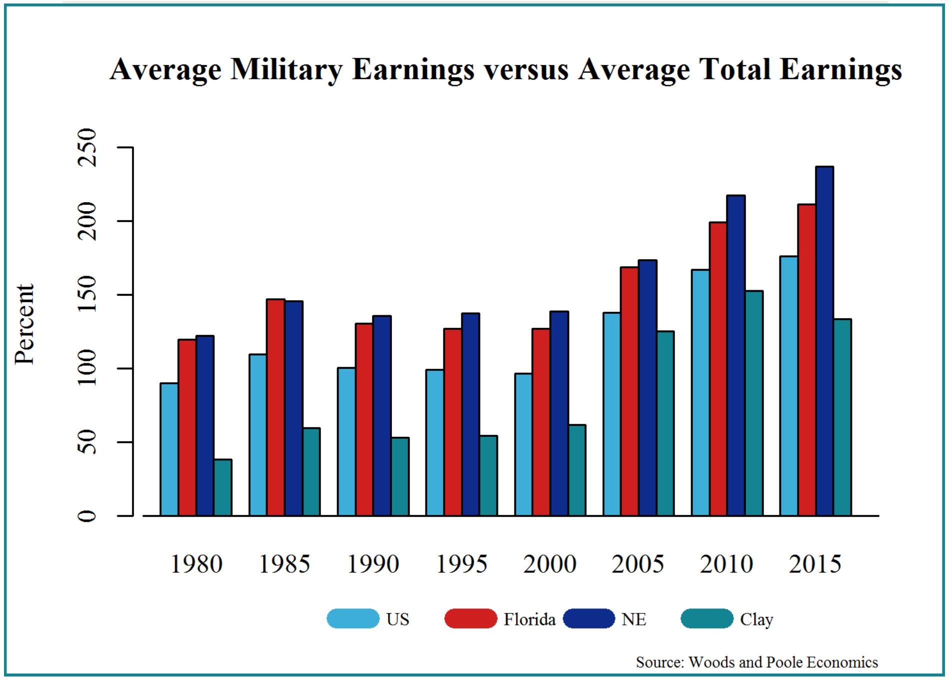
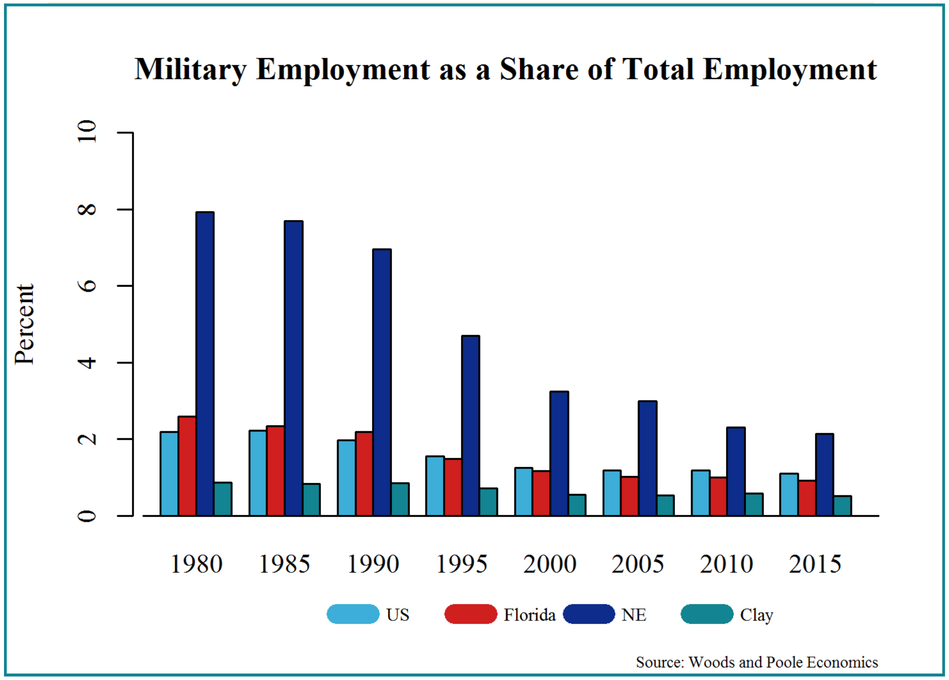


Figure 91. Military Employment as a Share of Total Employment

The figure below benchmarks military employment as a share of total employment for Clay County against the Northeast Florida Region, the state, and the US. As the data indicate, in 1980 the military accounted for 1% of Clay County employment, 8% of Northeast Florida employment, 3% of Florida employment, and 2% of US employment. In 2012, these same figures are 0.5%, 2%, 1%, and 1%, respectively. These data indicate that the military directly contributes approximately the same share of county employment as in 1980.



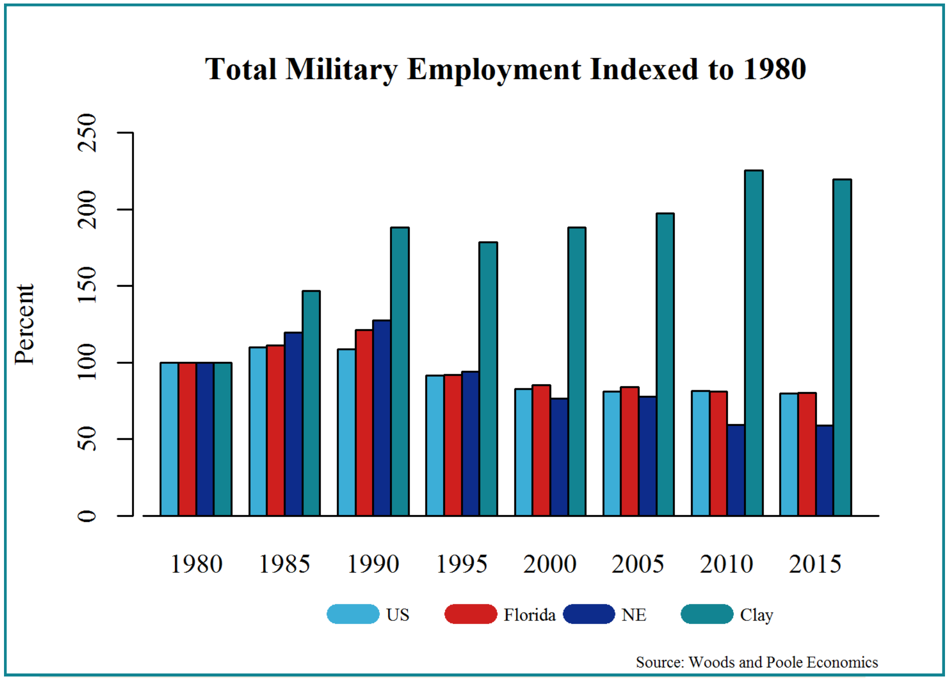


Figure 92. Total Military Employment Indexed to 1980

The figure above benchmarks the size of military employment in Clay County against the 1980 total. For example, military employment in 1985 for Clay County was 147% of the 1980 total. By 2010 the military had grown to 225% of its 1980 size in the county. Overall, however, we note that military employment, relative to the 1980 totals, has declined. Indeed, military employment at the national level is currently less than 80% of its 1980 totals, while at the state level, it is approximately 80%. For Clay County, military employment in 2012 stands at approximately 219% of its 1980 level.

Duval County

Summary

Location: North East Florida Region

Home to: Naval Air Station Jacksonville
Naval Station Mayport
Marine Corps Blount Island Command

Naval Air Station Jacksonville is a multi-mission base hosting more than 100 tenant organizations and is the third largest naval installation in the US.

Naval Station Mayport is host to 83 tenant commands including 16 ships, four helicopter squadrons and the Navy's Fourth Fleet.

Marine Corps Blount Island plans, coordinates and executes the logistic efforts necessary to support Maritime Prepositioning Ships squadrons.

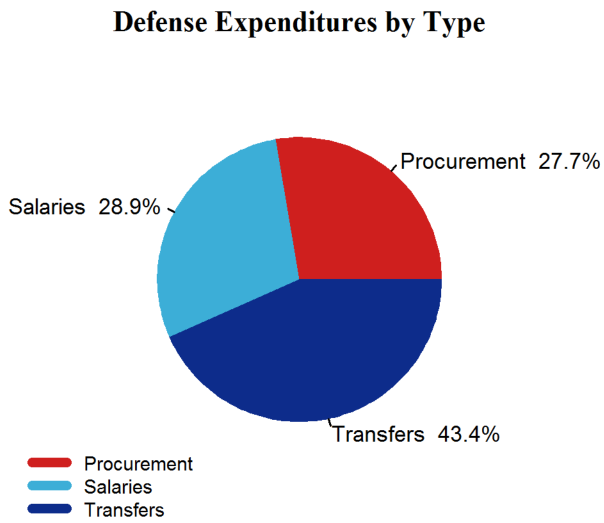
Economic Impact Estimates

As Figure 93 shows, the county's economy is a significant beneficiary of funds flowing through as a result of defense activities – almost $2.9 Billion in direct impacts in 2011 alone (National Guard + Coast Guard). Transfer payments accounted for the largest share at 43.4% or roughly $1.2 Billion of the $2.9 Billion total. Salaries accounted for 28.9%, and procurement was 27.7%.

Overall, the military accounted for 108,901 jobs in Duval County in 2011 and just over $11.9 Billion in total Gross Re-

Figure 93. Duval County Combined Direct Defense Expenditures
(Millions US Dollars)

Procurement	$791.8
Salaries	$827.6
Transfers*	$1,242.2
Total Combined Direct Expenditures	$2,861.7



*Includes the dollar value of entitlement payments received by military and civilian retirees and veterans.

gional Product (GRP - total value of all goods and services produced in the region). This is roughly 19.2% of the county's estimated 2011 Gross Regional Product. The total impact for the region is forecast to decline rather substantially between 2011 and 2015. Defense activities are forecast to generate 99,216 jobs in 2015 which is over 9,000 fewer jobs than 2011.

Direct defense expenditures expended in the county generated additional employment, wages, consumption spending, and investment with total resulting impacts indicated in the table below. The impact categories are defined as follows:

◊ **Total Sales** represents the total value of all goods and services sold as a result of military activities. This includes direct spending, wages, transfer payments, plus spending associated with multiplier effects as initial receipts are re-spent. It incorporates the value of goods and services produced and sold in the county, **imports** into the county, and **exports** from the county.

◊ **Total Employment** measures total number of jobs generated by military activities.

◊ **Total Consumption** consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.

◊ **Investment** expenditures included **residential** and **non-residential** real estate as well as investment in **producers durable equipment** and **business inventories**.

Table 52. Duval County Combined Economic Impact Estimates (Millions US Dollars)

	2011	2012	2013	2014	2015
Total Sales	$10,205.9	$10,504.5	$10,229.8	$9,790.5	$9,429.9
Total Employment	**108,901**	**109,280**	**106,068**	**102,360**	**99,216**
Total Consumption	$4,955.4	$5,067.7	$5,118.4	$5,117.8	$5,134.1
Investment Residential	$496.7	$750.6	$867.9	$868.3	$825.1
Investment Non-Residential	$174.8	$250.7	$290.0	$290.3	$277.5
Producers Durable Equipment	$69.9	$143.0	$210.6	$275.9	$335.6
Business Inventories	$10.0	$16.9	$16.1	$15.6	$15.6
Government	$810.1	$785.5	$753.9	$749.9	$746.9
Exports	$5,547.0	$5,412.8	$5,037.2	$4,716.4	$4,502.6
Imports (subtract)	$141.3	$530.4	$674.8	$674.9	$694.1
Gross Regional Product	**$11,922.7**	**$11,896.8**	**$11,619.2**	**$11,359.3**	**$11,143.3**

Duval County

Combined Economic Impacts*

⇒ 108,901 Total Jobs

⇒ $10.2 Billion in Total Sales

⇒ $11.9 Billion in Gross Regional Product

⇒ 19.2% of Total Gross Regional Product

*Includes Department of Defense, National Guard, and Coast Guard

Table 53. Military Impacts by Type (Millions US Dollars)	Jobs	Gross Regional Product
Procurement	11,878	$1,021.6
Salaries and Wages	83,496	$9,765.3
Transfers	13,527	$1,135.7
Military	94,450	$10,231.3
Coast Guard	1,632	$152.5
National Guard	12,819	$1,538.9

- **Government** revenues include state and local government spending that occurs as a result of the combined activities that are modeled.
- **Gross Regional Product** is the sum of consumption, investment, government revenues, and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.

Military Impacts by Type

The data in Table 53 display the military impacts by type across the various categories. This includes impacts generated by procurement, salaries and wages, transfers (mirroring Figure 93) and impacts generated by the military, the Coast Guard, and the National Guard. The columns DO NOT sum to the total impacts because the cell entries are not mutually exclusive.

As the data in the table show, salaries and wages paid to military, Coast Guard and National Guard employees have the highest impact—generating 83,496 jobs across the region. Procurement flows generate 11,878 jobs and transfer payments generate 13,527 jobs. The bulk of these jobs are generated by the military (94,450) with the Coast Guard and the National Guard combining to generate over 14,000 jobs in the county.

Demographics and the Economy

According to BEARFACTS at the Bureau of Economic Analysis, in 2011, Duval County had a per capita personal income (PCPI) of $39,858. This PCPI ranked 15th in the state and was 101% of the state average ($39,636) and 96% of the national average ($41,560). The 2011 PCPI reflected an increase of 3.2% from 2010. The 2010-2011 state change was 3.4%, and the national change was 4.4%. In 2001, the PCPI of Duval County was $29,832 and ranked 14th in the state. The 2001-2011 compound annual growth rate of PCPI was

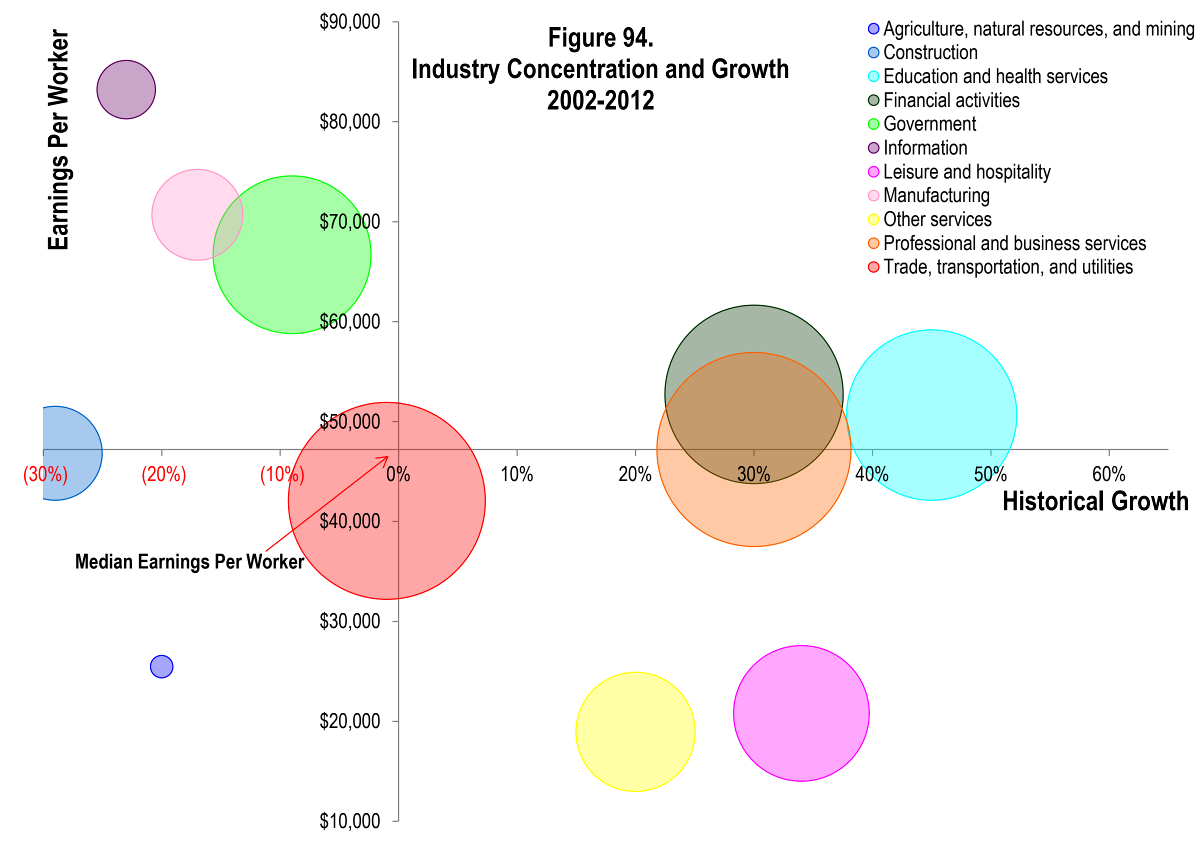
Table 54. Duval County Statistics	
Total Population	
2010 Census	864,263
Q2 2012 Estimate	869,588
2017 Projection	917,243
Growth 2010 to 2012	0.62%
Growth 2012 to 2017	5.5%
Income (2012)	
Average Household Income	$65,469
Median Household Income	$50,685

2.9%. The compound annual growth rate for the state was 2.9% and for the nation was 2.9%.

As the data in Table 54 indicates, Duval County had a population of 864,263 as of the 2010 Census. The county has gained over 5,000 residents since the Census making the current population 869,588. Duval is the 7th largest county in the State of Florida, based on population. The median household income is $50,685.

Figure 94 tracks earnings and growth rates for key industries in the county. The size of the bubble represents overall direct employment, while growth rates are displayed on the horizontal axis and earnings per worker totals are displayed on the vertical axis. As the figure shows, the government, information, and manufacturing sectors are the region's highest earners, and trade, transportation, and utilities and professional and business services are the largest sectors. The education and health services industry has been the fastest growing. This sector, along with financial activities, are among the higher-earning sectors where significant positive growth has occurred.

Figure 94.
Industry Concentration and Growth
2002-2012



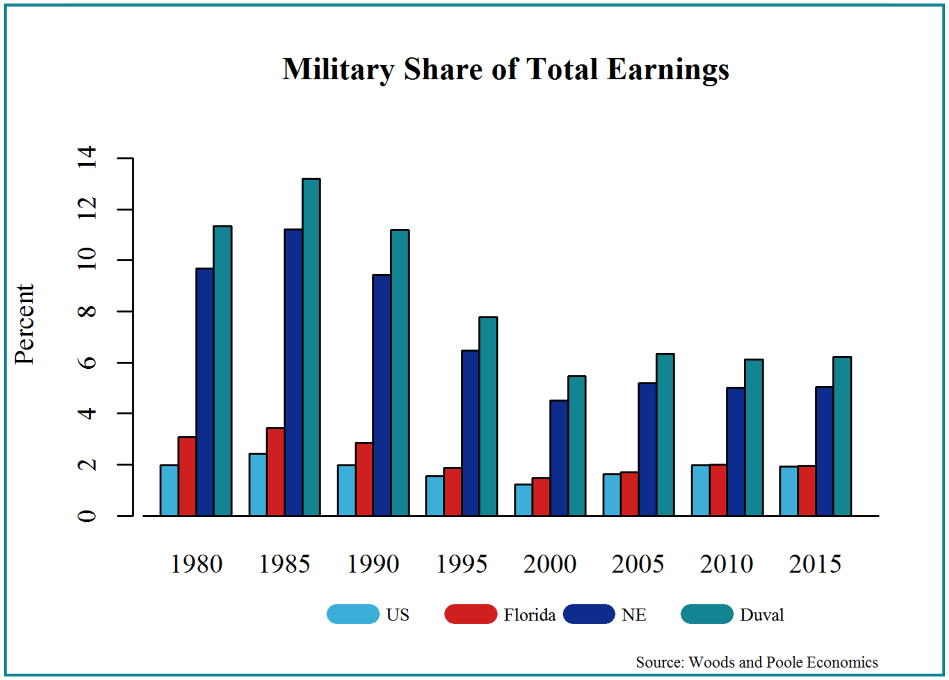


Figure 95. Military Share of Total Earnings

Earnings account for the majority of personal income and include wage and salary disbursements, proprietors' income, and supplements to wages and salaries. *Earnings are therefore a proxy economic impact measure, which are inclusive of more than simply income.* The figure above benchmarks the total share of Duval County, Florida's income that can be attributed to the military (over time) against the Northeast Florida Region, the State of Florida, and the US. As the data reflect, the military currently contributes to a substantially larger share of personal income in Duval County than at the regional, state and national level, although this has declined over the past few decades.

Figure 96. Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It thus allows us to benchmark the earnings of military employees against the earnings patterns of all workers. For Duval County, military employees in 1980 had earnings which totaled 119% of the Duval County workforce's average earnings level. For Northeast Florida, this figure was 122%, for Florida 119%, and for the US as a whole it was 90%. By 2012 the Duval County earnings figure had risen to 224%. Northeast Florida had risen to 230%. State comparative earnings ticked up to 205%, and for the US as a whole the relative earnings ratio now stands at 170%.

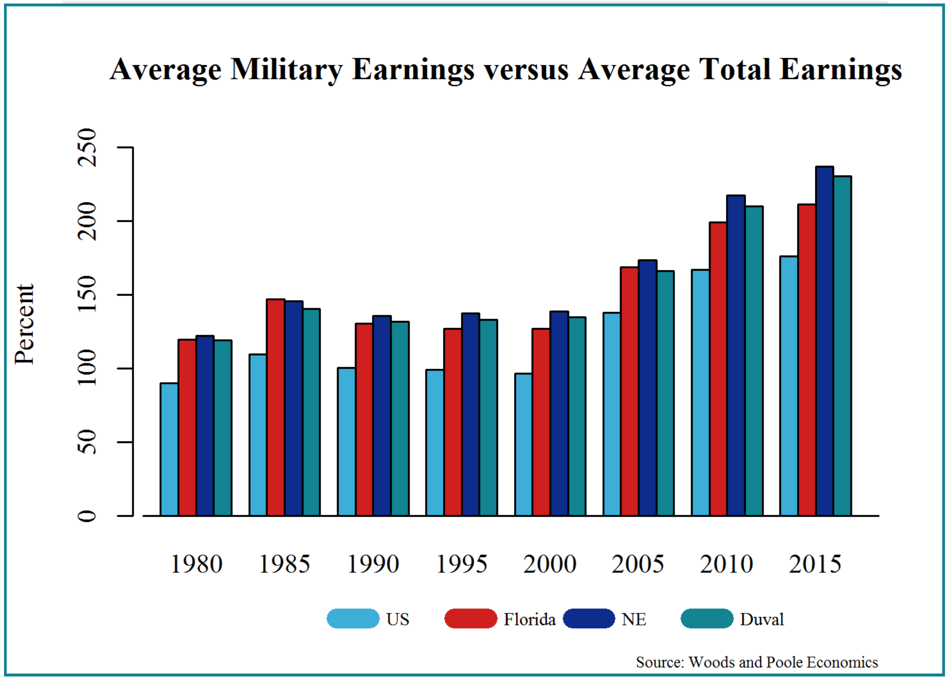
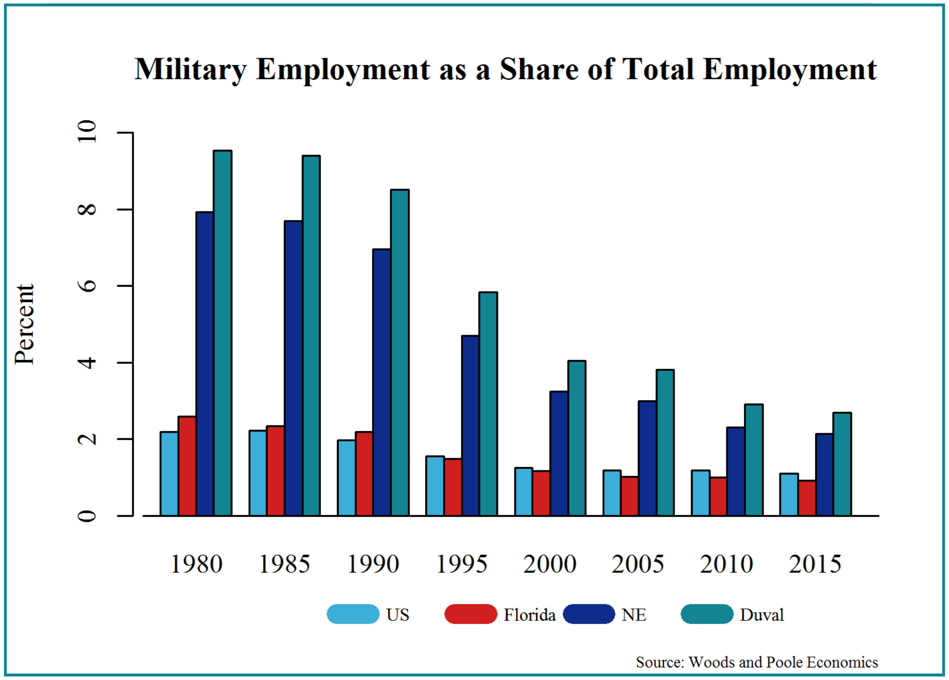


Figure 97. Military Employment as a Share of Total Employment

The figure below benchmarks military employment as a share of total employment for Duval County against the Northeast Florida Region, the state, and the US. As the data indicate, in 1980 the military accounted for 10% of Duval County employment, 8% of Northeast Florida employment, 3% of Florida employment, and 2% of US employment. By 2012, these figures declined to 3%, 2%, 1%, and 1%, respectively. These data indicate that the military does not directly contribute to as large a share of county employment as it once did.



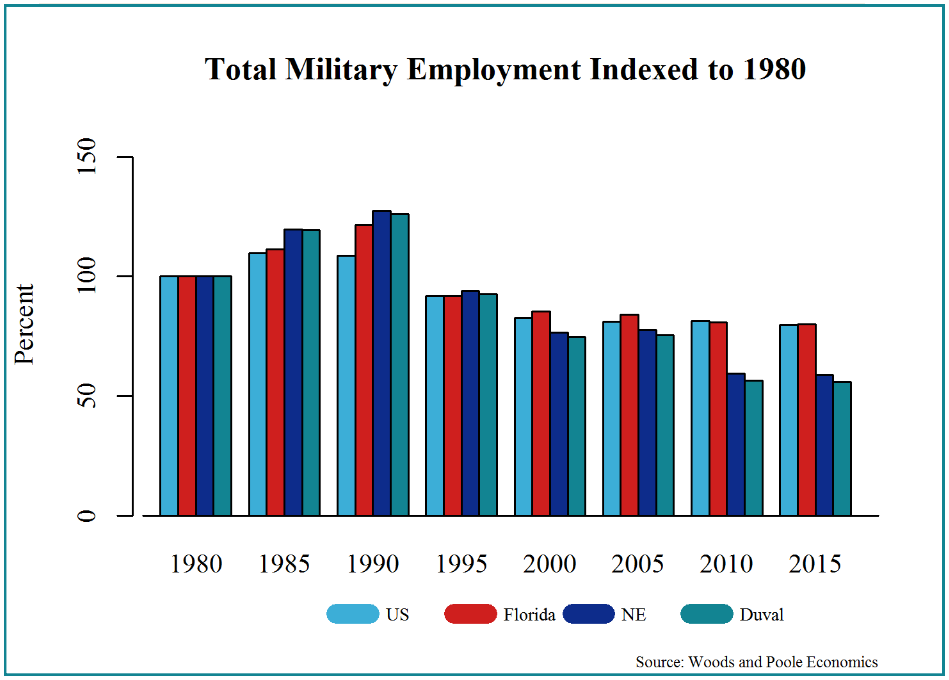


Figure 98. Total Military Employment Indexed to 1980

The figure above benchmarks the size of military employment in Duval County against the 1980 total. For example, military employment in 1985 for Duval County was 119% of the 1980 total. However, by 2010 the military had shrunk to 56% of its 1980 size, in the county. Overall, we note that military employment, relative to the 1980 totals, has declined. Indeed, military employment at the national level is currently less than 80% of its 1980 totals, while at the state level, it is approximately 80%. For Duval County, military employment in 2012 stands at approximately 56% of its 1980 level.

Escambia County

Escambia County Summary

Location: Northwest Florida Region

Home to: Naval Air Station Pensacola
Corry Station
Saufley Field

Naval Air Station Pensacola, the cradle of Naval Aviation, mission, is tasked with providing superior training support and a quality environment to its more than 90 tenant commands.

Corry Station's primary mission is to operate and administer assigned schools that provide training to military and civilian personnel of the Department of Defense and international military students.

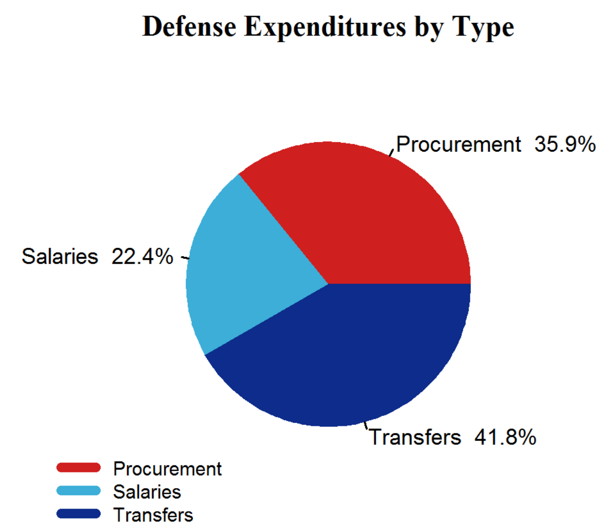
Saufley Field is a multi-purpose facility hosting the Naval Education and Program Management Support Activity, a Federal Prison Camp, and other activities.

Economic Impact Estimates

As Figure 99 shows, the county's economy is a significant beneficiary of funds flowing through as a result of defense activities—over $1.5 Billion in 2011. Transfers accounted for 41.8% or roughly $635.4 Million of the $1.5 Billion total. Salaries accounted for 22.4%, and procurement accounted for 35.9%.

Figure 99. Escambia County Combined Direct Defense Expenditures
(Millions US Dollars)

Procurement	$545.5
Salaries	$340.0
Transfers*	$635.4
Total Combined Direct Expenditures	$1,520.9



*Includes the dollar value of entitlement payments received by military and civilian retirees and veterans.

Overall, the military accounted for over 66,700 jobs in Escambia County in 2011 and just over $6.7 Billion in total Gross Regional Product (GRP - total value of all goods and services produced in the region). This is roughly 45% of the county's estimated 2011 Gross Regional Product. The total impact for the county is forecast to decline slightly between 2011 and 2015. Defense activities are forecast to generate 63,072 jobs in 2015. This amounts to over 3,000 fewer jobs in the county by 2015.

Direct defense expenditures expended in the county generated additional employment, wages, consumption spending, and investment with total resulting impacts indicated in the table below. The impact categories are defined as follows:

- ◊ **Total Sales** represents the total value of all goods and services sold as a result of military activities. This includes direct spending, wages, transfer payments, plus spending associated with multiplier effects as initial receipts are re-spent. It incorporates the value of goods and services produced and sold in the county, **imports** into the county, and **exports** from the county.
- ◊ **Total Employment** measures total number of jobs generated by military activities.
- ◊ **Total Consumption** consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.
- ◊ **Investment** expenditures included **residential** and **non-residential** real estate as well as invest-

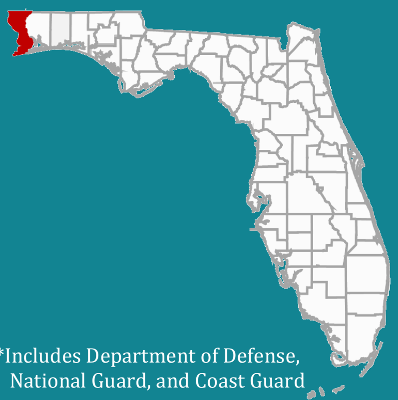
Table 55. Escambia County Combined Economic Impact Estimates (Millions US Dollars)

	2011	2012	2013	2014	2015
Total Sales	$4,694.9	$4,955.3	$4,878.3	$4,719.5	$4,607.9
Total Employment	**66,731**	**67,877**	**66,282**	**64,460**	**63,072**
Total Consumption	$2,757.2	$2,862.0	$2,925.9	$2,968.6	$3,015.6
Investment Residential	$311.2	$473.5	$550.0	$554.1	$531.4
Investment Non-Residential	$139.5	$205.5	$240.6	$244.0	$237.0
Producers Durable Equipment	$63.3	$125.8	$182.0	$236.3	$286.7
Business Inventories	$4.6	$7.9	$7.5	$7.3	$7.4
Government	$603.9	$586.5	$562.9	$562.2	$562.8
Exports	$2,782.1	$2,774.4	$2,595.7	$2,442.6	$2,358.0
Imports (subtract)	-$81.4	$273.2	$433.8	$478.6	$527.7
Gross Regional Product	**$6,743.1**	**$6,762.3**	**$6,630.9**	**$6,536.4**	**$6,471.2**

Escambia County

Combined Economic Impacts*

- ⇒ 66,731 Total Jobs
- ⇒ $4.7 Billion in Total Sales
- ⇒ $6.7 Billion in Gross Regional Product
- ⇒ 45.0% of Total Gross Regional Product



*Includes Department of Defense, National Guard, and Coast Guard

Table 56. Military Impacts by Type (Millions US Dollars)		
	Jobs	Gross Regional Product
Procurement	10,149	$701.0
Salaries and Wages	50,511	$5,628.5
Transfers	6,071	$413.5
Military	65,535	$6,629.0
Coast Guard	618	$48.1
National Guard	578	$66.0

ment in **producers durable equipment** and **business inventories.**

◊ **Government** revenues include state and local government spending that occurs as a result of the combined activities that are modeled.

◊ **Gross Regional Product** is the sum of consumption, investment, government revenues, and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.

Military Impacts by Type

The data in Table 56 display the military impacts by type across the various categories. This includes impacts generated by procurement, salaries and wages, transfers (mirroring Figure 99) and impacts generated by the military, the Coast Guard, and the National Guard. The columns DO NOT sum to the total impacts because the cell entries are not mutually exclusive.

As the data in the table show, salaries and wages paid to military, Coast Guard and National Guard employees have the highest impact—generating 50,511 jobs across the region. Procurement flows generate 10,149 jobs, and transfer payments generate 6,071 jobs. The bulk of these jobs are generated by the military (65,535) with the Coast Guard and the National Guard combining to generate just over 1,000 jobs in the county.

Demographics and the Economy

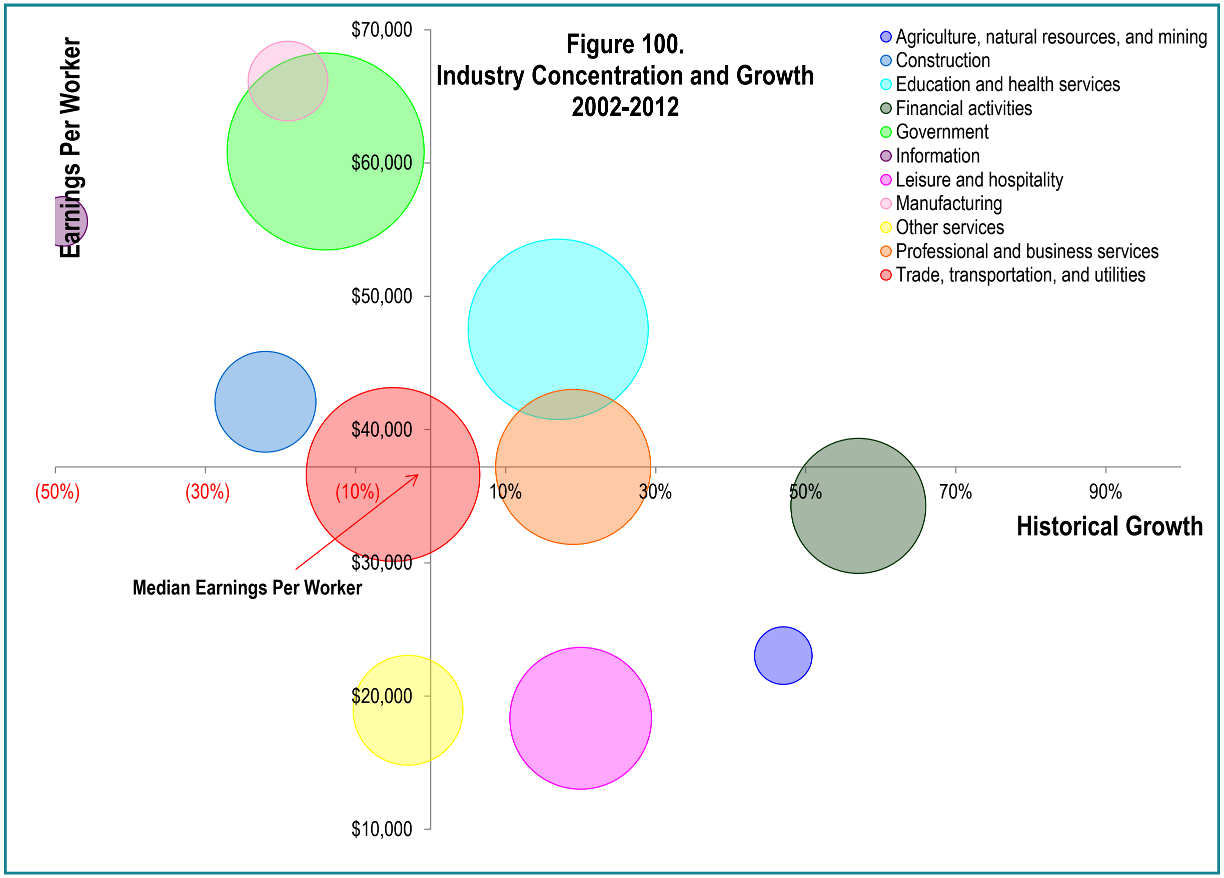
According to BEARFACTS at the Bureau of Economic Analysis, in 2011, Escambia County had a per capita personal income (PCPI) of $36,047. This PCPI ranked 22nd in the state and was 91% of the state average ($39,636) and 87% of the national average ($41,560). The 2011 PCPI reflected an increase of 4.3% from 2010. The 2010-2011 state change was 3.4%, and the national change was 4.4%. In 2001, the PCPI of Escambia County was $24,723 and ranked 29th in the state. The 2001-2011 compound annual growth rate of PCPI

Table 57. Escambia County Statistics	
Total Population	
2010 Census	297,619
Q2 2012 Estimate	298,701
2017 Projection	299,437
Growth 2010 to 2012	0.36%
Growth 2012 to 2017	0.25%
Income (2012)	
Average Household Income	$58,844
Median Household Income	$44,192

was 3.8%. The compound annual growth rate for the state was 2.9% and for the nation was 2.9%.

As the data in Table 57 indicate, Escambia County had a population of 297,619 as of the 2010 Census. The county has gained over 1,000 residents since the Census making the current population 298,701. Escambia is the 19th largest county in the State of Florida, based on population. The median household income is $44,192.

Figure 100 tracks earnings and growth rates for key industries in the county. The size of the bubble represents overall direct employment, while growth rates are displayed on the horizontal axis, and earnings per worker totals are displayed on the vertical axis. As the figure shows, the government and manufacturing sectors are the region's highest earners and government is the largest sector. The financial activities industry has been the fastest growing, although it is also below the county's median earnings per worker. Professional and business services and information are among the higher-earning sectors where significant positive growth has occurred.



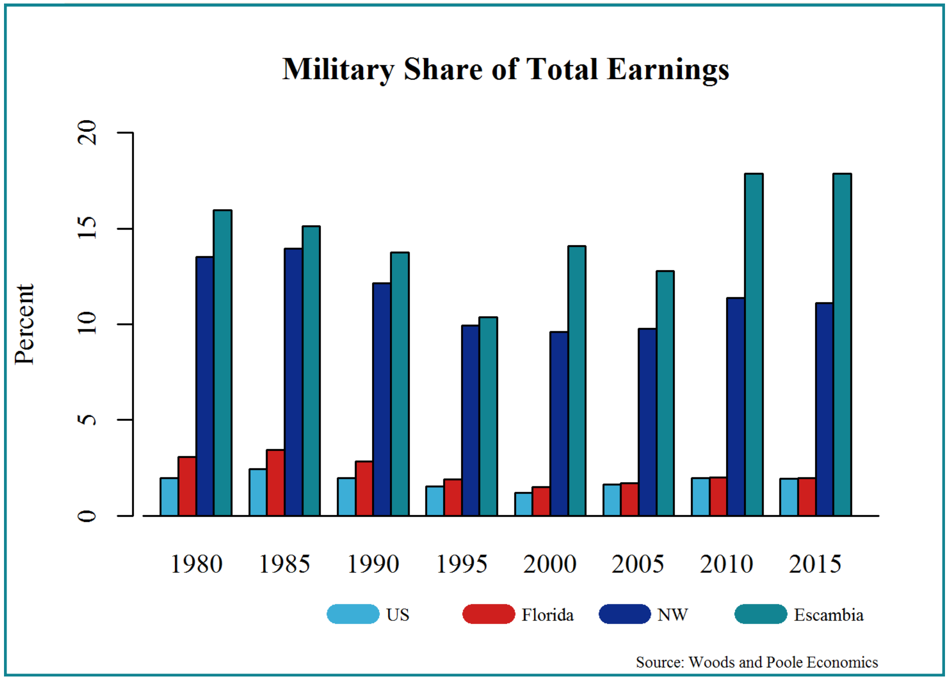


Figure 101. Military Share of Total Earnings

Earnings account for the majority of personal income and include wage and salary disbursements, proprietors' income, and supplements to wages and salaries. *Earnings are therefore a proxy economic impact measure, which are inclusive of more than simply income.* The figure above benchmarks the total share of Escambia County, Florida's income that can be attributed to the military (over time) against the Northwest Florida Region, the State of Florida, and the US. As the data reflect, the military currently contributes to a substantially larger share of personal income in Escambia County than at the regional, state, and national level.

Figure 102. Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It thus allows us to benchmark the earnings of military employees against the earnings patterns of all workers. For Escambia County, military employees in 1980 had earnings which totaled 144% of the Escambia County workforce's average earnings level. For Northwest Florida, this figure was 152%, for Florida 119%, and for the US as a whole it was 90%. By 2012 the Escambia County earnings figure had risen to 236%. Northwest Florida had risen to 245%. State comparative earnings ticked up to 205%, and for the US as a whole the relative earnings ratio now stands at 170%.

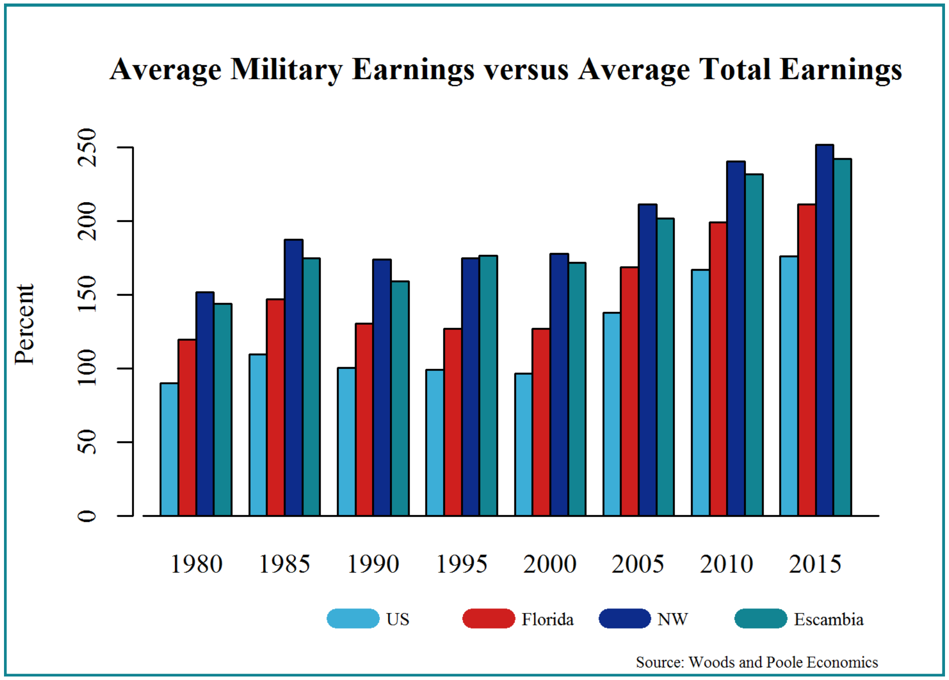
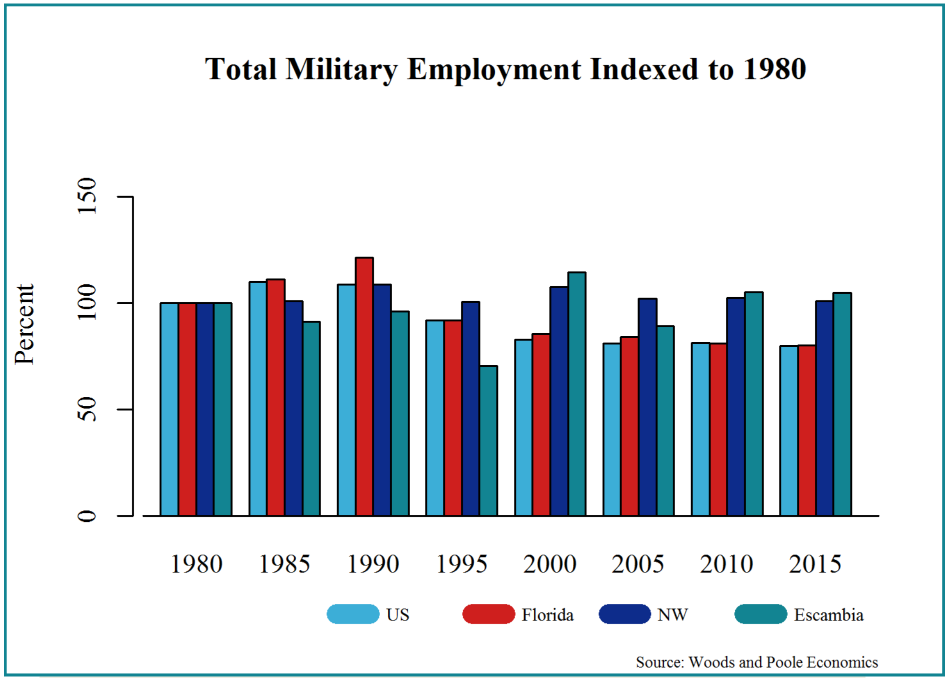


Figure 103. Military Employment as a Share of Total Employment

The figure below benchmarks military employment as a share of total employment for Escambia County against the Northwest Florida Region, the state, and the US. As the data indicate, in 1980 the military accounted for 11% of Escambia County employment, 9% of Northwest Florida employment, 3% of Florida employment, and 2% of US employment. In 2012, these figures declined to 8%, 5%, 1%, and 1%, respectively. These data indicate that the military does not directly contribute to as large a share of county employment as it once did.



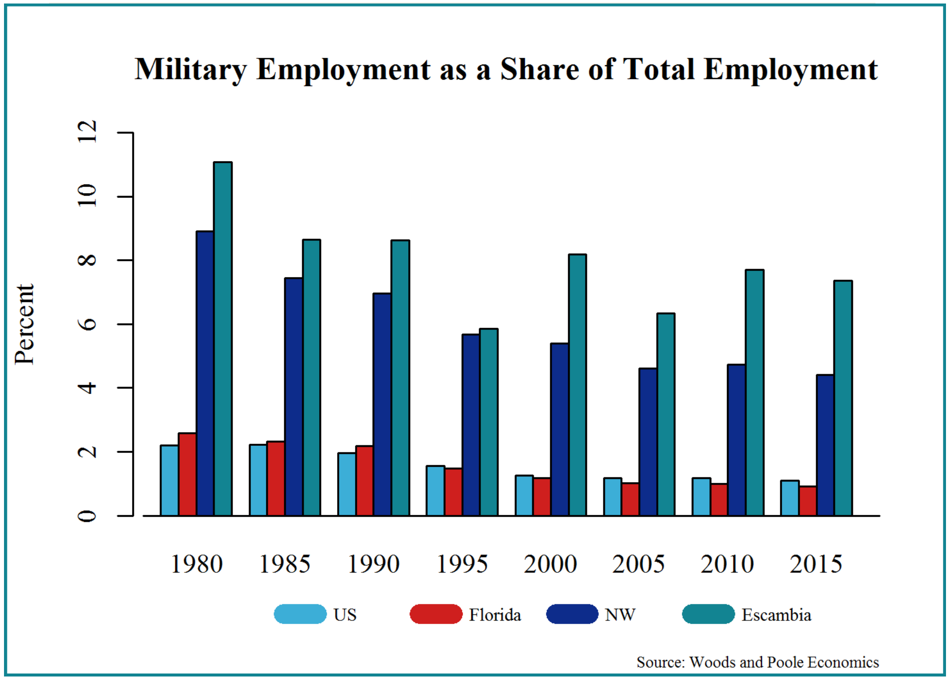


Figure 104. Total Military Employment Indexed to 1980

The figure above benchmarks the size of military employment in Escambia County against the 1980 total. For example, military employment in 1985 for Escambia County was 91% of the 1980 total. By 2010, the military had grown to 105% of its 1980 size, in the county. Overall, we note that military employment, relative to the 1980 totals, has declined. Indeed, military employment at the national level is currently less than 80% of its 1980 totals, while at the state level, it is approximately 80%. For Escambia County, military employment in 2012 stands at approximately 104% of its 1980 level.

Highlands County

Highlands County Summary

Location: South Central Florida Region

Home to: Avon Park Air Force Range

Avon Park Air Force Range (Highlands and Polk Counties) is home to a Deployed Unit Complex of the 23rd Wing detachment reporting to Moody Air Force Base, Georgia. It provides a variety of air-to-ground ranges, and targets in support of air and ground operations.

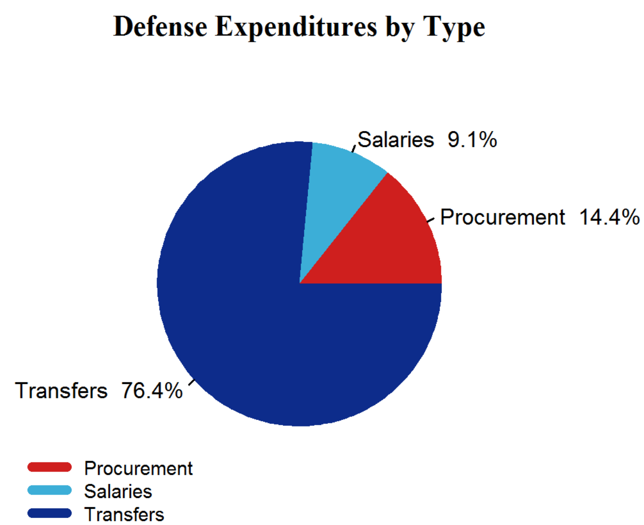
Economic Impact Estimates

As Figure 105 shows, the defense activities injected approximately $70 Million into the Highlands County economy in 2011. Transfer payments totaled roughly $54 Million, which are 76.4% of the total direct dollar flow to the county. Salaries accounted for 9.1%, and procurement accounted for 14.4%.

As the impact estimates indicate, the military accounted for over 1,200 jobs in Highlands County in 2011 and around $84.4 Million in total Gross Regional Product (GRP - total value of all goods and services produced in the region). This is roughly 3.6% of the county's estimated 2011 Gross Regional Product. The total impact for the region is forecast to decline only slightly between 2011 and 2015. Defense activities are forecast to generate 1,164 jobs in 2015. This amounts to about 100 fewer jobs in the county by 2015.

Figure 105. Highlands County Combined Direct Defense Expenditures
(Millions US Dollars)

Procurement	$10.1
Salaries	$6.4
Transfers*	$53.5
Total Combined Direct Expenditures	$70.0



*Includes the dollar value of entitlement payments received by military and civilian retirees and veterans.

Direct defense expenditures expended in the county generated additional employment, wages, consumption spending, and investment with total resulting impacts indicated in the table below. The impact categories are defined as follows:

◊ **Total Sales** represents the total value of all goods and services sold as a result of military activities. This includes direct spending, wages, transfer payments, plus spending associated with multiplier effects as initial receipts are re-spent. It incorporates the value of goods and services produced and sold in the county, **imports** into the county, and **exports** from the county.

◊ **Total Employment** measures total number of jobs generated by military activities.

◊ **Total Consumption** consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.

◊ **Investment** expenditures included **residential** and **non-residential** real estate as well as investment in **producers durable equipment** and **business inventories**.

◊ **Government** revenues include state and local government spending that occurs as a result of the combined activities that are modeled.

◊ **Gross Regional Product** is the sum of consumption, investment, government revenues, and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.

Table 58. Highlands County Combined Economic Impact Estimates (Millions US Dollars)

	2011	2012	2013	2014	2015
Total Sales	$78.9	$83.0	$82.1	$79.8	$78.7
Total Employment	**1,263**	**1,281**	**1,239**	**1,192**	**1,164**
Total Consumption	$77.2	$77.8	$78.5	$78.5	$79.2
Investment Residential	$4.9	$7.4	$8.5	$8.4	$8.0
Investment Non-Residential	$2.0	$3.0	$3.5	$3.5	$3.5
Producers Durable Equipment	$0.9	$1.7	$2.6	$3.3	$4.1
Business Inventories	$0.1	$0.1	$0.1	$0.1	$0.1
Government	$5.7	$5.6	$5.4	$5.4	$5.4
Exports	$40.7	$41.9	$39.4	$36.5	$35.0
Imports (subtract)	$47.1	$51.6	$53.4	$52.9	$52.7
Gross Regional Product	**$84.4**	**$85.9**	**$84.5**	**$83.0**	**$82.5**

Highlands County

Combined Economic Impacts*

⇒ 1,263 Total Jobs

⇒ $78.9 Million in Total Sales

⇒ $84.4 Million in Gross Regional Product

⇒ 3.6% of Total Gross Regional Product

*Includes Department of Defense, National Guard, and Coast Guard

Table 59. Military Impacts by Type (Millions US Dollars)

	Jobs	Gross Regional Product
Procurement	251	$13.7
Salaries and Wages	624	$48.0
Transfers	388	$22.7
Military	1,230	$82.3
Coast Guard	12	$0.7
National Guard	22	$1.3

Military Impacts by Type

The data in Table 59 display the military impacts by type across the various categories. This includes impacts generated by procurement, salaries and wages, transfers (mirroring Figure 105) and impacts generated by the military, the Coast Guard, and the National Guard. The columns DO NOT sum to the total impacts because the cell entries are not mutually exclusive.

As the data in the table show, salaries and wages paid to military, Coast Guard, and National Guard employees have the highest impact—generating 624 jobs across the county. Procurement flows generated 251 jobs, and transfer payments generated 388 jobs. The bulk of these jobs are generated by the military (1,230) with the Coast Guard and the National Guard combining to generate 34 jobs in the county.

Demographics and the Economy

According to BEARFACTS at the Bureau of Economic Analysis, in 2011, Highlands County had a per capita personal income (PCPI) of $29,809. This PCPI ranked 38th in the state and was 75% of the state average ($39,636) and 72% of the national average ($41,560). The 2011 PCPI reflected an increase of 3.7% from 2010. The 2010-2011 state change was 3.4% and the national change was 4.4%. In 2001, the PCPI of Highlands County was $21,514 and ranked 40th in the state. The 2001-2011 compound annual growth rate of PCPI was 3.3%. The compound annual growth rate for the state was 2.9% and for the nation was 2.9%.

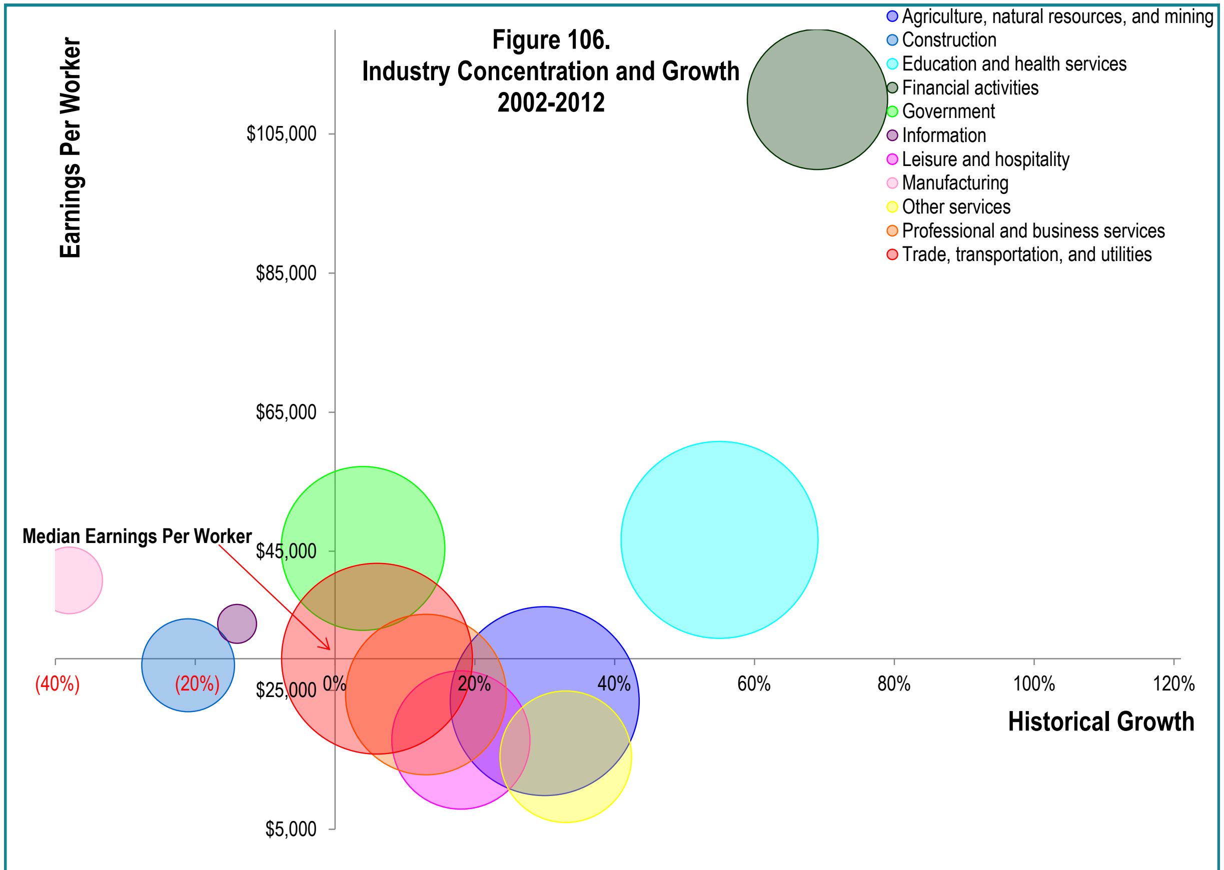
As the data in Table 60 indicate, Highlands County had a population of 98,786 as of the 2010 Census. The county has lost nearly 1,000 residents since the Census making the current population 97,909. Highlands is the 34th largest county in the State of Florida, based on population. The median household income is $36,122.

Figure 106 tracks earnings and growth rates for key industries in the county. The size of the bubble represents over-

Table 60. Highlands County Statistics	
Total Population	
2010 Census	98,786
Q2 2012 Estimate	97,909
2017 Projection	104,109
Growth 2010 to 2012	-0.89%
Growth 2012 to 2017	6.3%
Income (2012)	
Average Household Income	$46,444
Median Household Income	$36,122

all direct employment, while growth rates are displayed on the horizontal axis, and earnings per worker totals are displayed on the vertical axis. As the figure shows, the financial activities sectors is by far the region's highest earner, and it has also seen the most growth in the last ten years compared to the other industries represented. Agriculture, natural resources and mining, education and health services, and trade, transportation and utilities are the largest sectors in this region. Along with financial activities, education and health services is also a high-earning sector that has seen significant positive growth.

Figure 106.
Industry Concentration and Growth
2002-2012



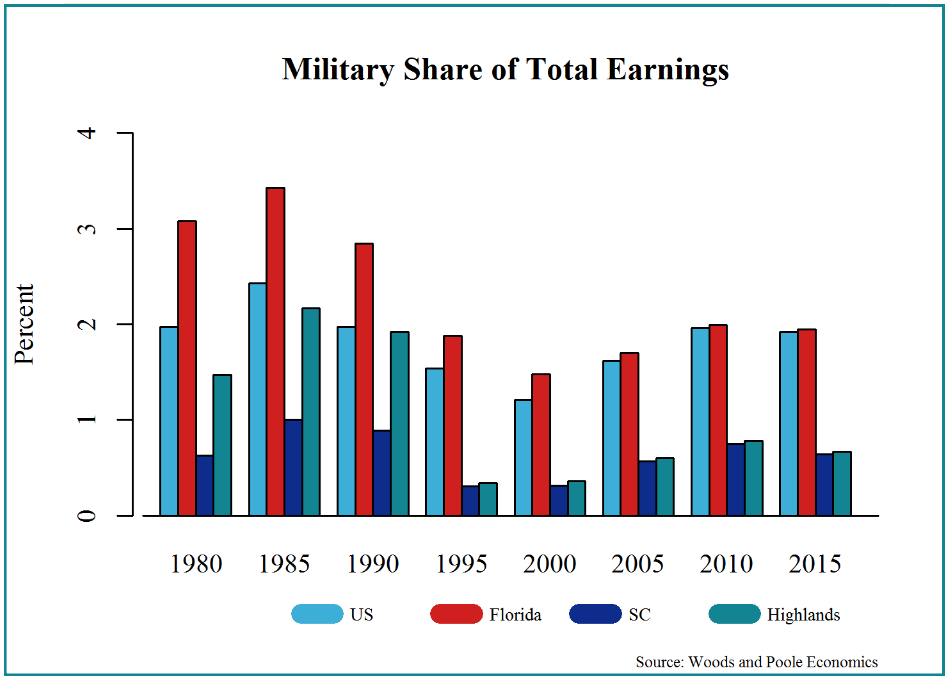


Figure 107. Military Share of Total Earnings

Earnings account for the majority of personal income and include wage and salary disbursements, proprietors' income, and supplements to wages and salaries. *Earnings are therefore a proxy economic impact measure, which are inclusive of more than simply income.* The figure above benchmarks the total share of Highlands County, Florida's income that can be attributed to the military (over time) against the South Central Florida Region, the State of Florida, and the US. As the data reflect, the military currently contributes to a slightly smaller share of personal income in Highlands County than at the state and national levels and a slightly larger share than the South Central Region. This share has fluctuated over the past few decades, however.

Figure 108. Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It thus allows us to benchmark the earnings of military employees against the earnings patterns of all workers. For Highlands County, military employees in 1980 had earnings which totaled 93% of the Highlands County workforce's average earnings level. For South Central Florida, this figure was 65%, for Florida 119%, and for the US as a whole it was 90%. By 2012, the Highlands County earnings figure had risen to 138%. South Central Florida had risen to 132%. State comparative earnings ticked up to 205%, and for the US as a whole the relative earnings ratio now stands at 170%.

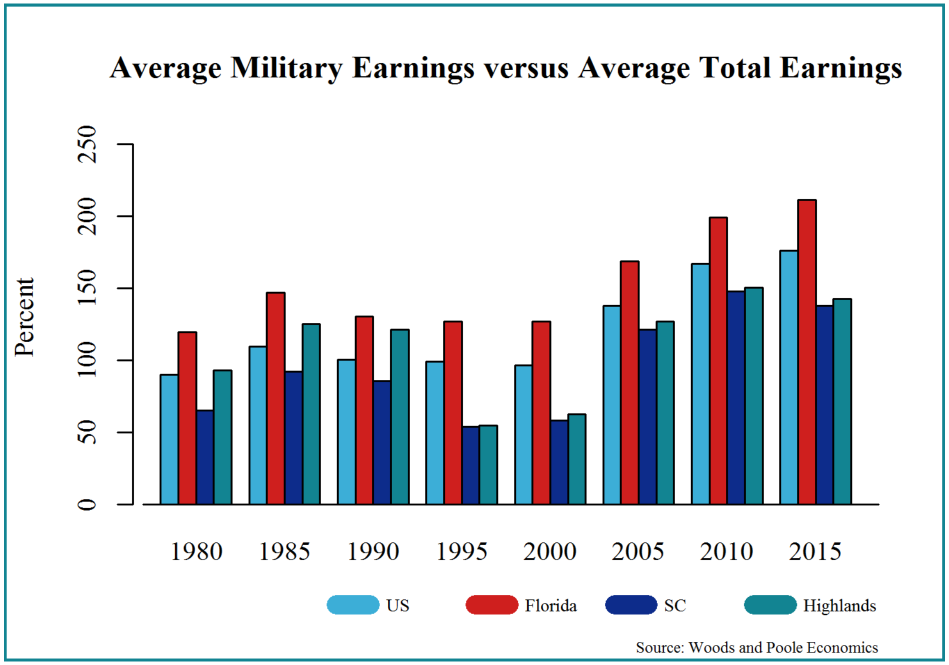
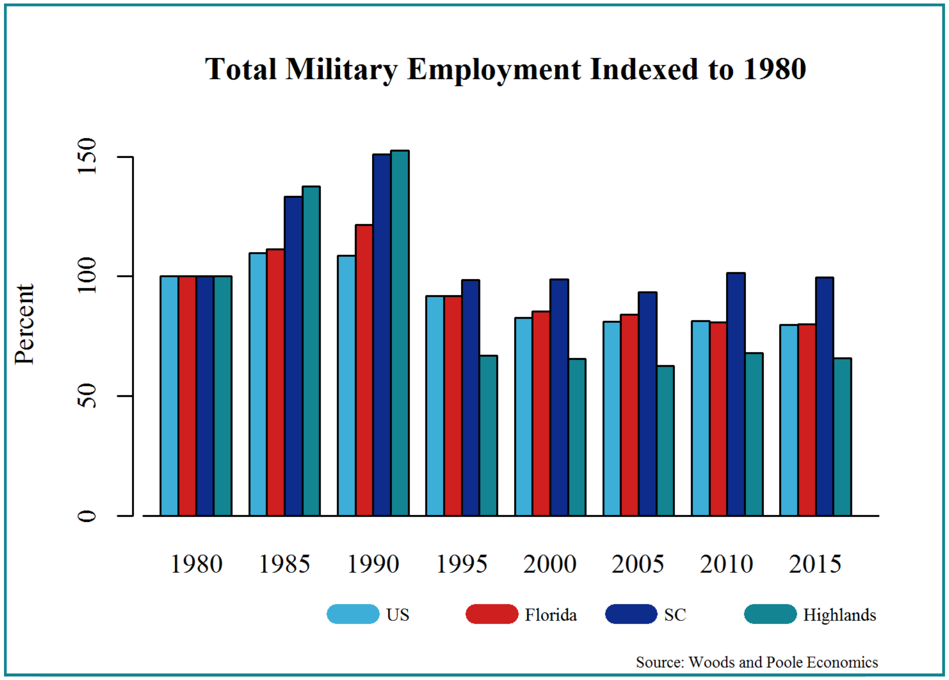


Figure 109. Military Employment as a Share of Total Employment

The figure below benchmarks military employment as a share of total employment for Highlands County against the South Central Florida Region, the state, and the US. As the data indicate, in 1980 the military accounted for about 2% of Highlands County employment, 1% of South Central Florida employment, 3% of Florida employment, and 2% of US employment. By 2012, these figures declined to 0.5%, 0.5%, 1%, and 1%, respectively. These data indicate that the military does not directly contribute to as large a share of county employment as it once did.



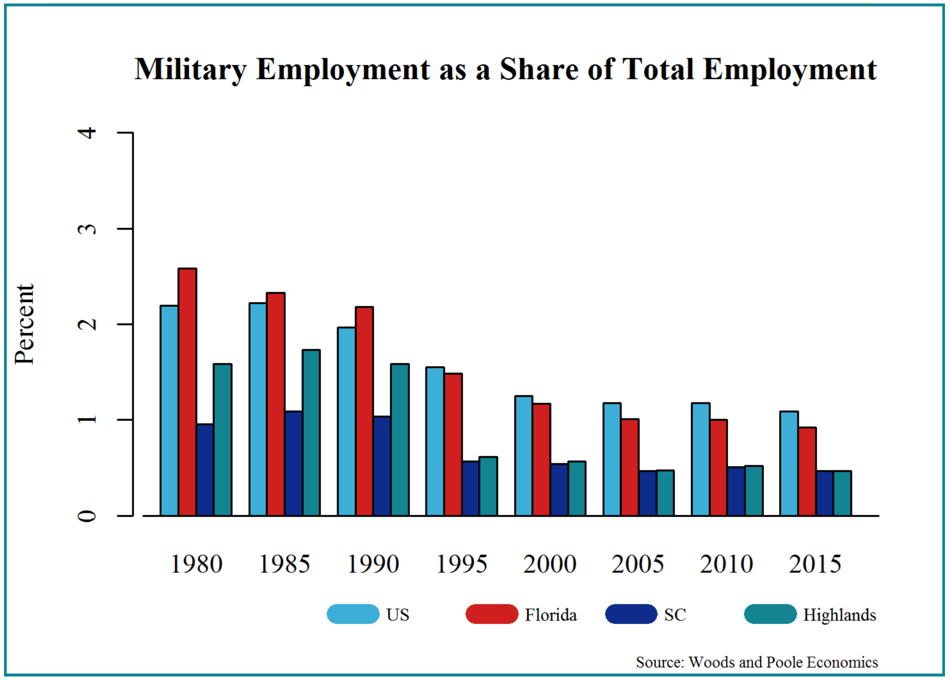


Figure 110. Total Military Employment Indexed to 1980

The figure above benchmarks the size of military employment in Highlands County against the 1980 total. For example, military employment in 1985 for Highlands County was 138% of the 1980 total. However, by 2010 the military had shrunk to 68% of its 1980 size, in the county. Overall, we note that military employment, relative to the 1980 totals, has declined. Indeed, military employment at the national level is currently less than 80% of its 1980 totals, while at the state level, it is approximately 80%. For Highlands County, military employment in 2012 stands at approximately 65% of its 1980 level.

Hillsborough County

Hillsborough County Summary

Location: Tampa Bay Region

Home to: MacDill Air Force Base
US Central Command
US Special Operations Command

MacDill Air Force Base's host command is the 6th Air Mobility Wing whose primary mission is airlift and aerial refueling. MacDill hosts US Central Command and US Special Operations Command.

US Central Command is one of five geographically defined commands within the DoD, and is responsible for US Security interests in 25 nations in Northeast Africa, and Southwest and Central Asia.

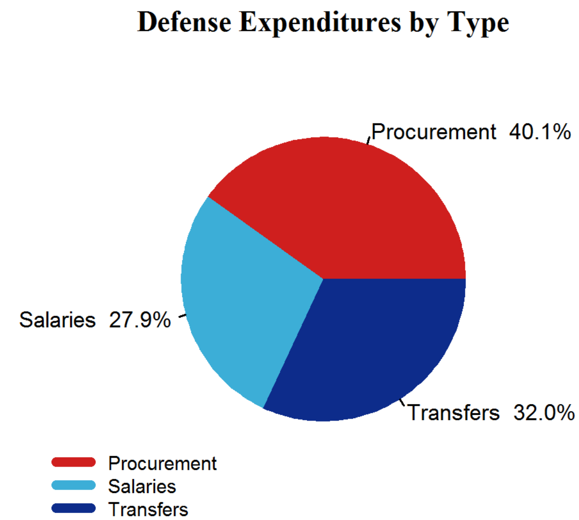
US Special Operations Command's primary mission is to disrupt, defeat, and destroy terrorist networks that threaten US citizens and interests worldwide.

Economic Impact Estimates

As Figure 111 indicates, Hillsborough County is a prominent beneficiary of defense activities receiving over $3.3 Billion direct dollars in 2011. Procurement accounted for the largest share at 40.1% or roughly $1.3 Billion of the $3.3 Billion total. Salaries accounted for 27.9%, and transfers accounted for 32.0%. Overall, defense activities accounted for 68,066 jobs in Hillsborough County in 2011 and just

Figure 111. Hillsborough County Combined Direct Defense Expenditures
(Millions US Dollars)

Procurement	$1,340.5
Salaries	$931.7
Transfers*	$1,069.4
Total Combined Direct Expenditures	$3,341.5



*Includes the dollar value of entitlement payments received by military and civilian retirees and veterans.

over $7.7 Billion in total Gross Regional Product (GRP - total value of all goods and services produced in the region), which is roughly 9.9% of the county's estimated 2011 Gross Regional Product. The total impact for the region is forecast to decline rather substantially between 2011 and 2015. Defense activities are forecast to generate 60,191 jobs in 2015. This amounts to nearly 8,000 fewer jobs in the county by 2015.

Direct defense expenditures expended in the county generated additional employment, wages, consumption spending, and investment with total resulting impacts indicated in the table below. The impact categories are defined as follows:

- **Total Sales** represents the total value of all goods and services sold as a result of military activities. This includes direct spending, wages, transfer payments, plus spending associated with multiplier effects as initial receipts are re-spent. It incorporates the value of goods and services produced and sold in the county, **imports** into the county, and **exports** from the county.
- **Total Employment** measures total number of jobs generated by military activities.
- **Total Consumption** consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.
- **Investment** expenditures included **residential** and **non-residential** real estate as well as invest-

Table 61. Hillsborough County Combined Economic Impact Estimates (Millions US Dollars)

	2011	2012	2013	2014	2015
Total Sales	$8,768.2	$9,235.8	$8,833.6	$8,285.8	$7,986.1
Total Employment	**68,066**	**69,526**	**66,290**	**62,578**	**60,191**
Total Consumption	$3,498.7	$3,622.9	$3,614.0	$3,555.3	$3,545.4
Investment Residential	$306.8	$467.2	$536.8	$529.8	$497.7
Investment Non-Residential	$125.4	$183.7	$211.6	$209.4	$198.9
Producers Durable Equipment	$53.1	$108.0	$157.0	$203.1	$244.8
Business Inventories	$10.9	$19.0	$17.9	$17.1	$17.2
Government	$648.9	$643.1	$608.1	$592.9	$587.0
Exports	$4,480.4	$4,578.0	$4,189.7	$3,795.2	$3,594.4
Imports (subtract)	$1,389.0	$1,723.2	$1,738.5	$1,631.4	$1,595.7
Gross Regional Product	**$7,735.2**	**$7,898.7**	**$7,596.6**	**$7,271.3**	**$7,089.7**

Hillsborough County

Combined Economic Impacts*

- ⇒ 68,066 Total Jobs
- ⇒ $8.8 Billion in Total Sales
- ⇒ $ 7.7 Billion in Gross Regional Product
- ⇒ 9.9% of Total Gross Regional Product

*Includes Department of Defense, National Guard, and Coast Guard

Table 62. Military Impacts by Type (Millions US Dollars)	Jobs	Gross Regional Product
Procurement	19,226	$2,069.2
Salaries and Wages	36,658	$4,565.2
Transfers	12,183	$1,100.8
Military	64,886	$7,374.1
Coast Guard	708	$70.6
National Guard	2,472	$290.5

ment in **producers durable equipment** and **business inventories.**

- ◊ **Government** revenues include state and local government spending that occurs as a result of the combined activities that are modeled.
- ◊ **Gross Regional Product** is the sum of consumption, investment, government revenues, and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.

Military Impacts by Type

The data in Table 62 display the military impacts by type across the various categories. This includes impacts generated by procurement, salaries and wages, transfers (mirroring Figure 111) and impacts generated by the military, the Coast Guard, and the National Guard. The columns DO NOT sum to the total impacts because the cell entries are not mutually exclusive.

As the data in the table show, salaries and wages paid to military, Coast Guard, and National Guard employees have the highest impact—generating 36,658 jobs across the county. Procurement flows generate 19,226 jobs, and transfer payments generate 12,183 jobs. The bulk of these jobs are generated by the military (64,886) with the Coast Guard and the National Guard combining to generate over 3,000 jobs in the county.

Demographics and the Economy

According to BEARFACTS at the Bureau of Economic Analysis in 2011, Hillsborough County had a per capita personal income (PCPI) of $39,180. This PCPI ranked 16th in the state and was 99% of the state average ($39,636) and 94% of the national average ($41,560). The 2011 PCPI reflected an increase of 2.1% from 2010. The 2010-2011 state change was 3.4%, and the national change was 4.4%. In 2001, the PCPI of Hillsborough County was $29,434 and ranked 15th in the state. The 2001-2011 compound annual

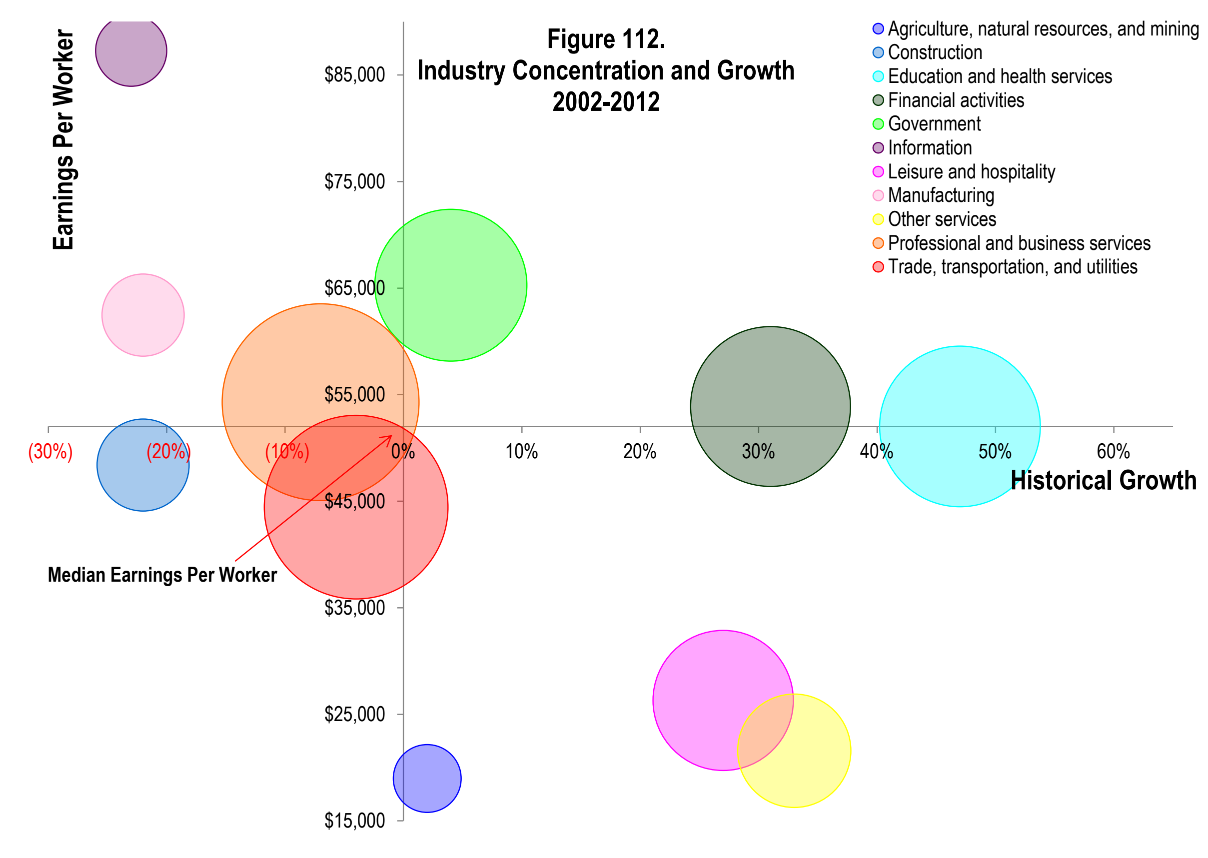
Table 63. Hillsborough County Statistics	
Total Population	
2010 Census	1,229,226
Q2 2012 Estimate	1,286,257
2017 Projection	1,426,233
Growth 2010 to 2012	4.6%
Growth 2012 to 2017	10.9%
Income (2012)	
Average Household Income	$70,169
Median Household Income	$51,538

growth rate of PCPI was 2.9%. The compound annual growth rate for the state was 2.9% and for the nation was 2.9%.

As the data in Table 63 indicates, Hillsborough County had a population of 1,229,226 as of the 2010 Census. The county has gained nearly 60,000 residents since the Census making the current population 1,286,257. Hillsborough is the 4th largest county in the State of Florida, based on population. The median household income is $51,538.

Figure 112 tracks earnings and growth rates for key industries in the county. The size of the bubble represents overall direct employment, while growth rates are displayed on the horizontal axis, and earnings per worker totals are displayed on the vertical axis. As the figure shows, the information, and government sectors are the region's highest earners, and professional and business services is the largest sector. The education and health services industry has been the fastest growing. This sector, along with financial activities, are among the higher-earning sectors where significant positive growth has occurred.

Figure 112.
Industry Concentration and Growth
2002-2012



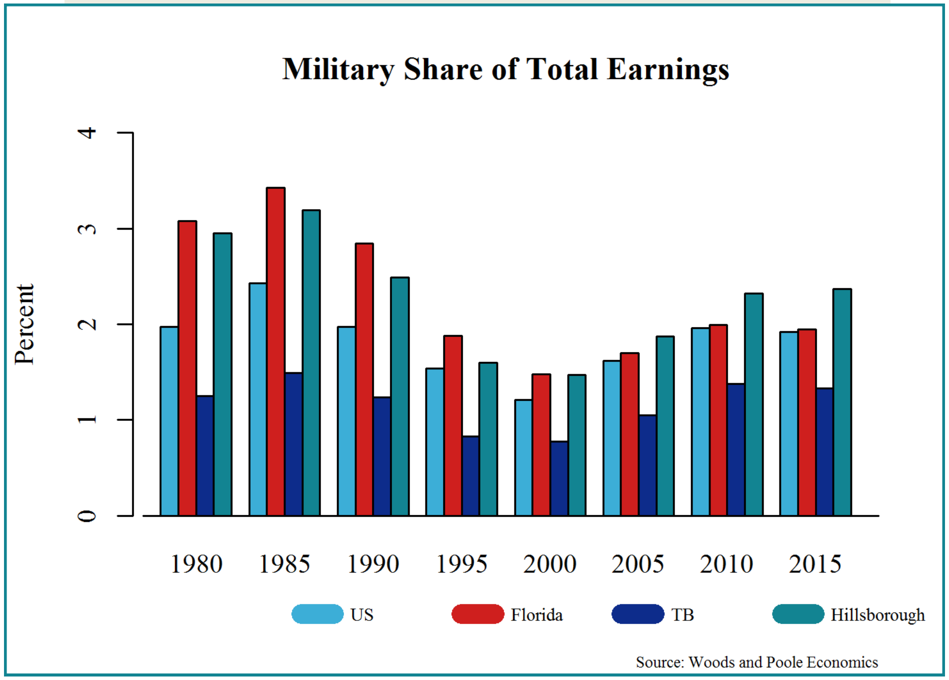


Figure 113. Military Share of Total Earnings

Earnings account for the majority of personal income and include wage and salary disbursements, proprietors' income, and supplements to wages and salaries. *Earnings are therefore a proxy economic impact measure, which are inclusive of more than simply income.* The figure above benchmarks the total share of Hillsborough County, Florida's income that can be attributed to the military (over time) against the Tampa Bay Florida Region, the State of Florida, and the US. As the data reflect, the military currently contributes to a slightly larger share of personal income in Hillsborough County than at the regional, state, and national levels, although this has fluctuated over the past few decades.

Figure 114. Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It thus allows us to benchmark the earnings of military employees against the earnings patterns of all workers. For Hillsborough County, military employees in 1980 had earnings which totaled 122% of the Hillsborough County workforce's average earnings level. For the Tampa Bay region of Florida, this figure was 98%, for Florida 119%, and for the US it was 90%. By 2012, the Hillsborough County earnings figure had risen to 224%. The Tampa Bay Region increased to 197%, state comparative earnings increased to 205%, and the cumulative US relative earnings ratio is now 170%.

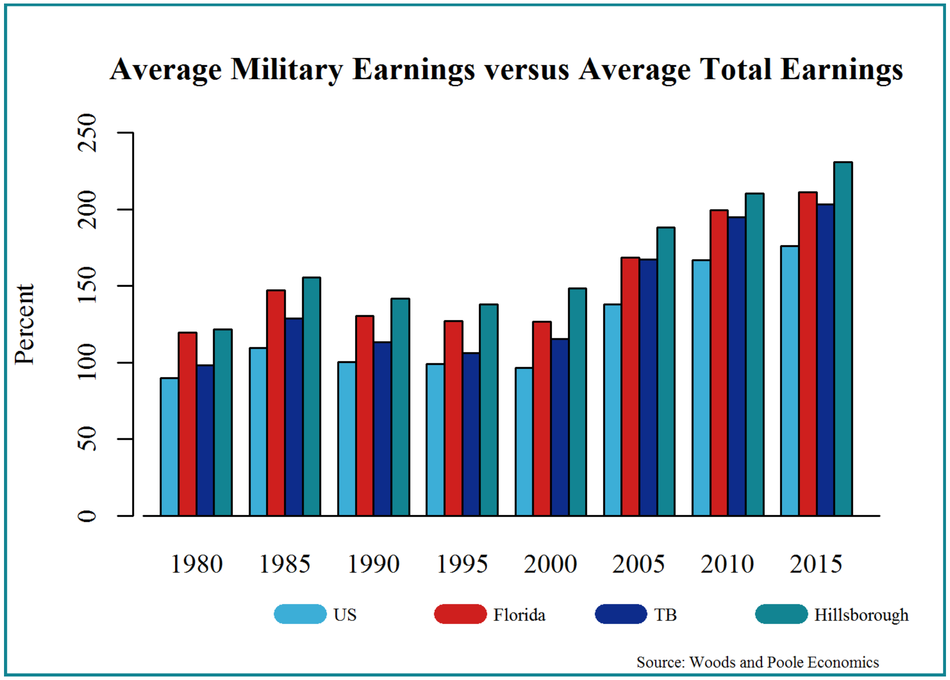
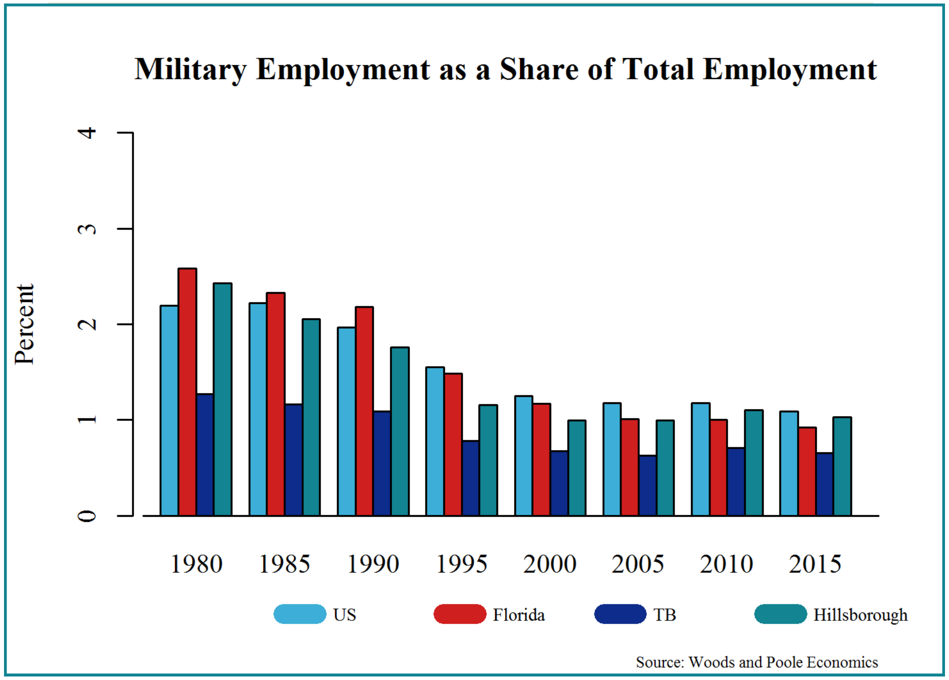


Figure 115. Military Employment as a Share of Total Employment

The figure below benchmarks military employment as a share of total employment for Hillsborough County against the Tampa Bay Region, the state, and the US. As the data indicate, in 1980 the military accounted for a little more than 2% of Hillsborough County employment, 1% of the Tampa Bay Region employment, 3% of Florida employment, and 2% of US employment. These figures in 2012 are all roughly 1%. These data indicate that the military does not directly contribute to as large a share of county employment as it once did.



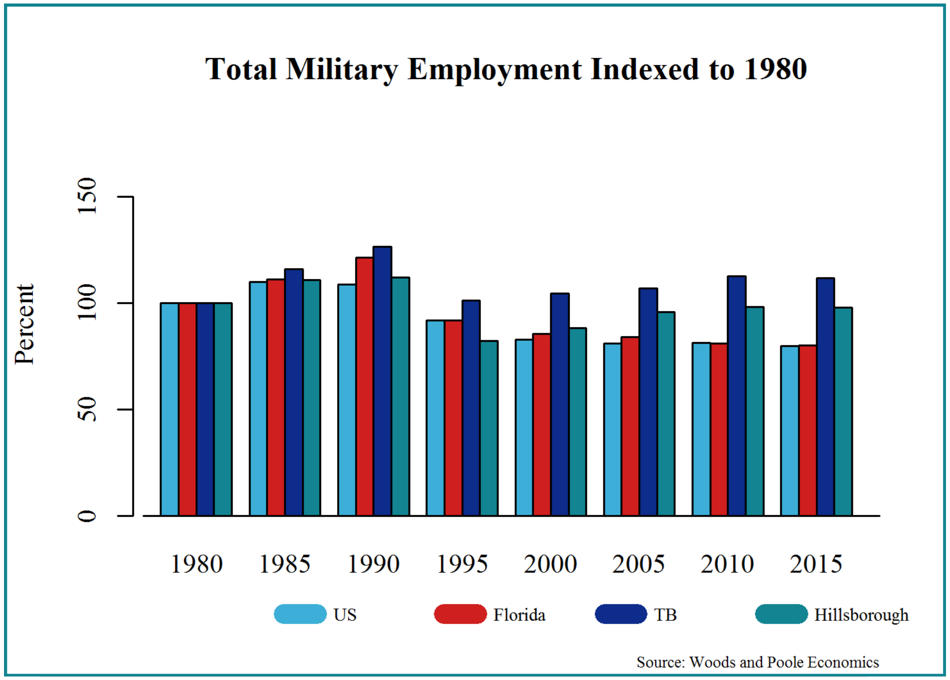


Figure 116. Total Military Employment Indexed to 1980

The figure above benchmarks the size of military employment in Hillsborough County against the 1980 total. For example, military employment in 1985 for Hillsborough County was 111% of the 1980 total. However, by 2010 the military had shrunk to 98% of its 1980 size in the county. Overall, we note that military employment, relative to the 1980 totals, has declined. Indeed, military employment at the national level is currently less than 80% of its 1980 totals, while at the state level, it is approximately 80%. For Hillsborough County, military employment in 2012 stands at approximately 97% of its 1980 level.

Miami-Dade County

Miami-Dade County Summary

Location:	Southeast Florida Region
Home to:	United States Southern Command Homestead Air Reserve Base

United States Southern Command's mission is to embrace the concept of preventative defense through constructive engagement. The Command is assigned the areas of Latin American south of Mexico, the water adjacent to Central and South America and its 13 island nations, the Gulf of Mexico and a portion of the Atlantic Ocean.

Homestead Air Reserve Base hosts the 482nd Fighter Wing of the Air Force Reserve, whose mission is to provide a combat-ready unit capable of worldwide deployment on short notice.

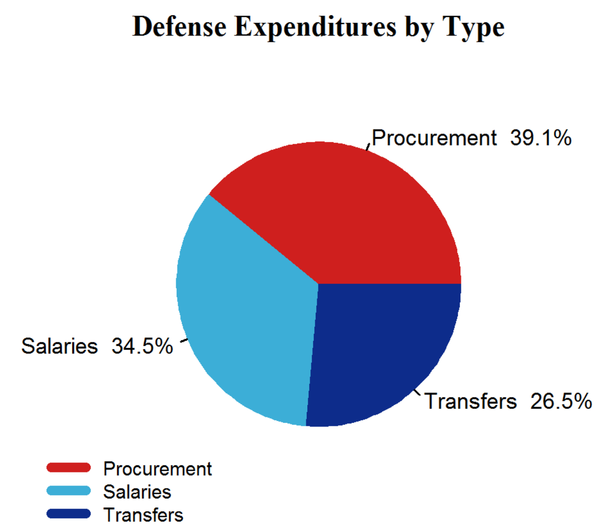
Economic Impact Estimates

As Figure 117 shows, the county's economy is a significant beneficiary of funds flowing through as a result of defense activities - over $1.2 Billion in 2011. Procurement accounted for roughly $486 Million or 39.1% of the $1.2 Billion total. Salaries accounted for 34.5%, and transfers accounted for 26.5%.

Overall, the military accounted for over 53,000 jobs in Miami-Dade County in 2011 and just over $5.1 Billion in total Gross Regional Product (GRP - total value of all goods and services produced in the region). This is roughly 4.0% of

Figure 117. Miami-Dade County Combined Direct Defense Expenditures
(Millions US Dollars)

Procurement	$486.3
Salaries	$428.9
Transfers*	$329.5
Total Combined Direct Expenditures	$1,244.8



*Includes the dollar value of entitlement payments received by military and civilian retirees and veterans.

the county's estimated 2011 Gross Regional Product. The total impact for the county is forecast to decline rather substantially between 2011 and 2015. Defense activities are forecast to generate 47,572 jobs in 2015. This amounts to nearly 6,000 fewer jobs in the county by 2015.

Direct defense expenditures expended in the county generated additional employment, wages, consumption spending, and investment with total resulting impacts indicated in the table below. The impact categories are defined as follows:

- ◊ **Total Sales** represents the total value of all goods and services sold as a result of military activities. This includes direct spending, wages, transfer payments, plus spending associated with multiplier effects as initial receipts are re-spent. It incorporates the value of goods and services produced and sold in the county, **imports** into the county, and **exports** from the county.
- ◊ **Total Employment** measures total number of jobs generated by military activities.
- ◊ **Total Consumption** consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.
- ◊ **Investment** expenditures included **residential** and **non-residential** real estate as well as investment in **producers durable equipment** and **business inventories**.

Table 64. Miami-Dade County Combined Economic Impact Estimates (Millions US Dollars)

	2011	2012	2013	2014	2015
Total Sales	$5,434.3	$5,682.1	$5,492.9	$5,242.8	$5,111.8
Total Employment	**53,151**	**53,621**	**51,358**	**49,061**	**47,572**
Total Consumption	$2,217.4	$2,284.6	$2,274.6	$2,247.2	$2,247.3
Investment Residential	$158.4	$241.6	$278.3	$276.3	$261.1
Investment Non-Residential	$80.6	$120.2	$139.5	$139.1	$133.1
Producers Durable Equipment	$37.7	$75.0	$107.5	$137.9	$165.6
Business Inventories	$9.0	$15.7	$14.7	$14.1	$14.2
Government	$446.3	$440.8	$421.3	$416.8	$416.6
Exports	$2,406.4	$2,472.6	$2,293.9	$2,088.7	$1,973.7
Imports (subtract)	$252.5	$468.7	$495.6	$429.7	$397.9
Gross Regional Product	**$5,103.3**	**$5,181.7**	**$5,034.3**	**$4,890.4**	**$4,813.6**

Miami-Dade County

Combined Economic Impacts*

- ⇒ 53,151 Total Jobs
- ⇒ $5.4 Billion in Total Sales
- ⇒ $5.1 Billion in Gross Regional Product
- ⇒ 4.0% of Total Gross Regional Product

*Includes Department of Defense, National Guard, and Coast Guard

Table 65. Military Impacts by Type (Millions US Dollars)		
	Jobs	Gross Regional Product
Procurement	11,416	$1,010.6
Salaries and Wages	35,875	$3,600.2
Transfers	5,860	$492.5
Military	44,558	$4,283.7
Coast Guard	5,327	$491.0
National Guard	3,266	$328.6

◊ **Government** revenues include state and local government spending that occurs as a result of the combined activities that are modeled.

◊ **Gross Regional Product** is the sum of consumption, investment, government revenues and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.

Military Impacts by Type

The data in Table 65 display the military impacts by type across the various categories. This includes impacts generated by procurement, salaries and wages, transfers (mirroring Figure 117) and impacts generated by the military, the Coast Guard, and the National Guard. The columns DO NOT sum to the total impacts because the cell entries are not mutually exclusive.

As the data in the table show, salaries and wages paid to military, Coast Guard and National Guard employees have the highest 2011 impact—generating nearly 36,000 jobs across the county. Procurement flows generated 11,416 jobs and transfer payments generate 5,860 jobs. The bulk of these jobs, are generated by the military (44,558), with the Coast Guard and the National Guard combining to generate nearly 9,000 jobs in the county.

Demographics and the Economy

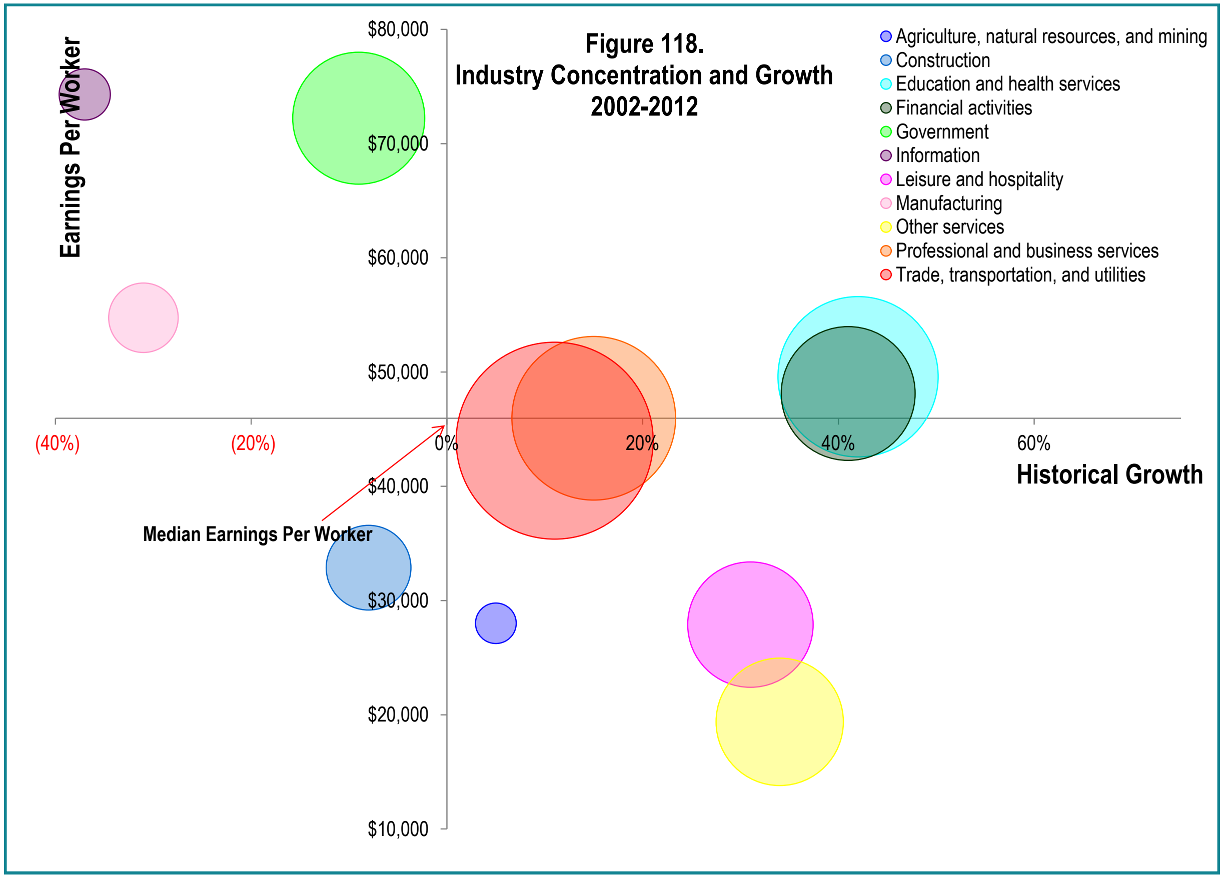
According to BEARFACTS at the Bureau of Economic Analysis, in 2011, Miami-Dade County had a per capita personal income (PCPI) of $37,834. This PCPI ranked 18th in the state and was 95% of the state average ($39,636) and 91% of the national average ($41,560). The 2011 PCPI reflected an increase of 2.7% from 2010. The 2010-2011 state change was 3.4%, and the national change was 4.4%. In 2001, the PCPI of Miami-Dade County was $27,126 and ranked 21st in the state. The 2001-2011 compound annual

Table 66. Miami-Dade County Statistics	
Total Population	
2010 Census	2,496,435
Q2 2012 Estimate	2,566,389
2017 Projection	2,701,358
Growth 2010 to 2012	2.8%
Growth 2012 to 2017	5.3%
Income (2012)	
Average Household Income	$68,330
Median Household Income	$46,888

growth rate of PCPI was 3.4%. The compound annual growth rate for the state was 2.9% and for the nation was 2.9%.

As the data in Table 66 indicates Miami-Dade County had a population of 2,496,435 as of the 2010 Census. The county has gained nearly 70,000 residents since the Census, making the current population 2,566,389. Miami-Dade is the largest county in the State of Florida, based on population. The median household income is $46,888.

Figure 118 tracks earnings and growth rates for key industries in the county. The size of the bubble represents overall direct employment, while growth rates are displayed on the horizontal axis, and earnings per worker totals are displayed on the vertical axis. As the figure shows, the government and information sectors are the region's highest earners, although the information sector has seen considerable negative growth in the last ten years. The trade, transportation, and utilities is the county's largest sector. The education and health services industry has been the fastest growing. This sector, along with financial activities, was among the higher-earning sectors where significant positive growth has occurred.



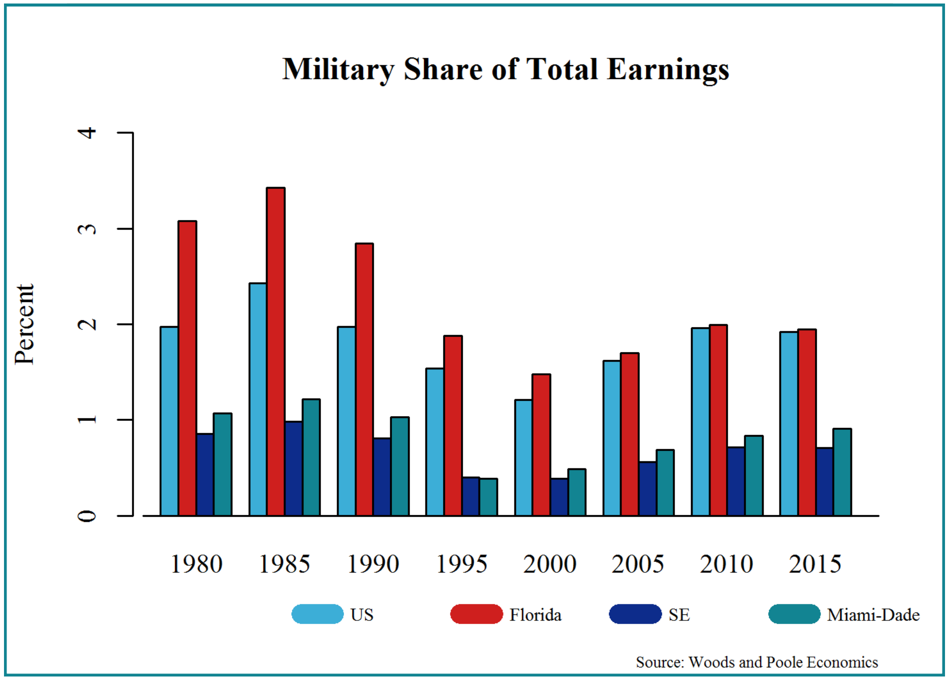


Figure 119. Military Share of Total Earnings

Earnings account for the majority of personal income and include wage and salary disbursements, proprietors' income, and supplements to wages and salaries. *Earnings are therefore a proxy economic impact measure, which are inclusive of more than simply income.* The figure above benchmarks the total share of Miami-Dade County, Florida's income that can be attributed to the military (over time) against the Southeast Florida Region, the State of Florida, and the US. As the data reflect, the military currently contributes to a slightly smaller share of personal income in Miami-Dade County than at the state and national levels and a slightly larger share than the Southeast Region, although this has declined over the past few decades.

Figure 120. Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It thus allows us to benchmark the earnings of military employees against the earnings patterns of all workers. For Miami-Dade County, military employees in 1980 had earnings which totaled 90% of the Miami-Dade County workforce's average earnings level. For Southeast Florida, this figure was 83%, for Florida 119%, and for the US it was 90%. By 2012, the Miami-Dade County earnings figure had risen to 176%. Southeast Florida increased to 152%, state comparative earnings ticked up to 205%, and for the US as a whole the relative earnings ratio now stands at 170%.

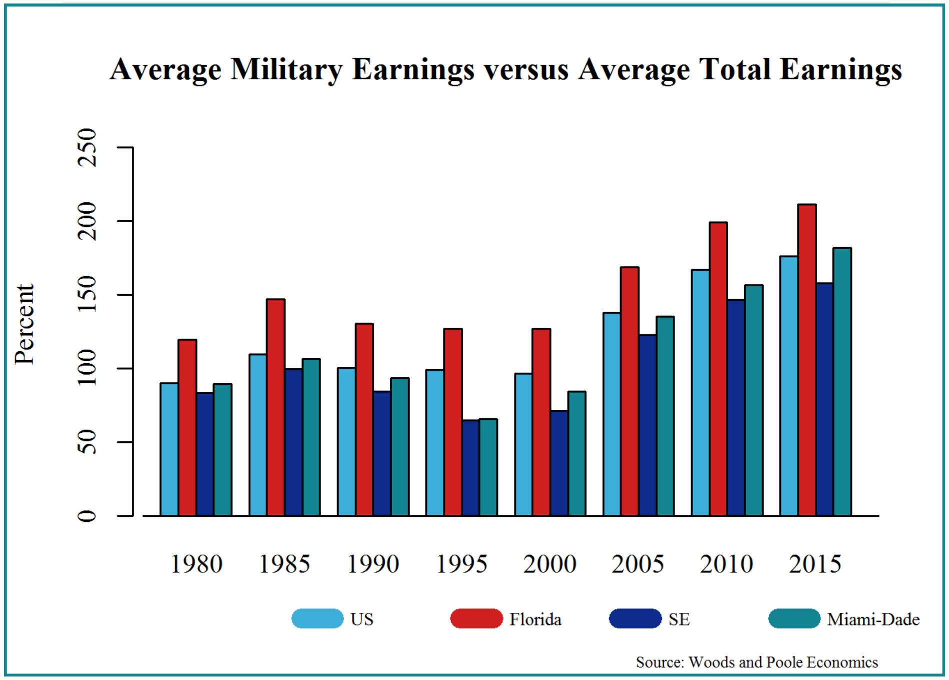
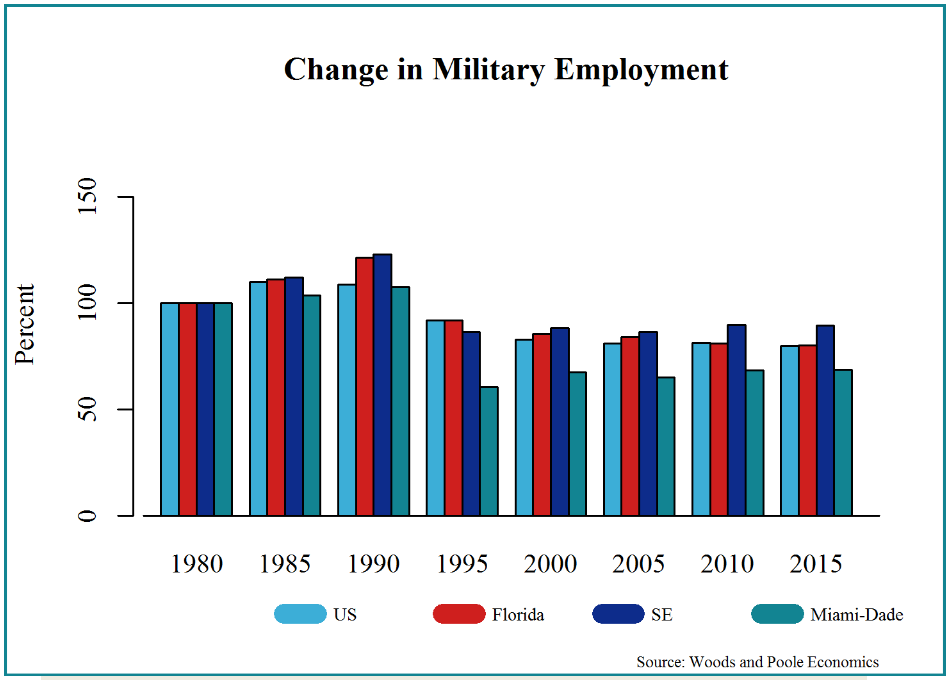


Figure 121. Military Employment as a Share of Total Employment

The figure below benchmarks military employment as a share of total employment for Miami-Dade County against the Southeast Florida Region, the state, and the US. As the data indicate, in 1980 the military accounted for about 1% of Miami-Dade County employment, 1% of Southeast Florida employment, 3% of Florida employment, and 2% of US employment. By 2012, these figures had a slight decline to 0.5%, 0.5%, 1%, and 1%, respectively. Despite the decline in proportional employment, these data indicate that the military directly contributes close to the same share of county employment as in 1980.



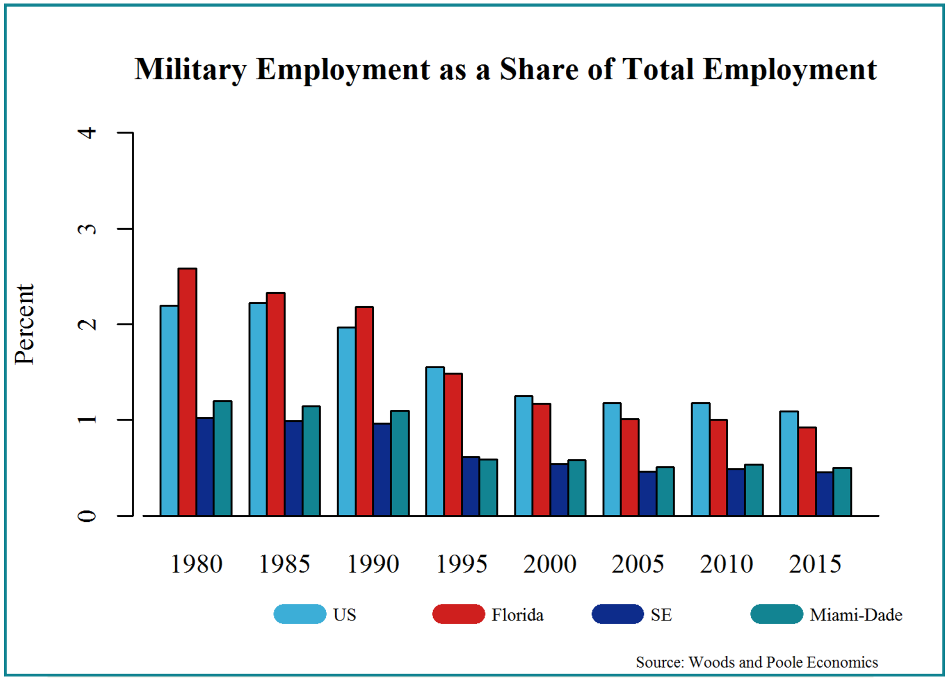


Figure 122. Total Military Employment Indexed to 1980

The figure above benchmarks the size of military employment in Miami-Dade County against the 1980 total. So, for example, military employment in 1985 for Miami-Dade County was 104% of the 1980 total. However, by 2010 the military had shrunk to 68% of its 1980 size in the county. Overall, we note that military employment, relative to the 1980 totals, has declined. Indeed, military employment at the national level is currently less than 80% of its 1980 totals, while at the state level, it is approximately 80%. For Miami-Dade County, military employment in 2012 stands at approximately 68% of its 1980 level.

Monroe County

Monroe County Summary

Location: Southeast Florida Region

Home to: Naval Air Station Key West

Naval Air Station Key West provides an extensive air-to-air training venue for transient tactical aviation squadrons. It is home to the Joint Interagency Task Force - South whose mission is to provide the necessary operations for detection, monitoring and deterrence of drug smuggling operations. Major tenants also include the Army Special Forces Underwater Operations School.

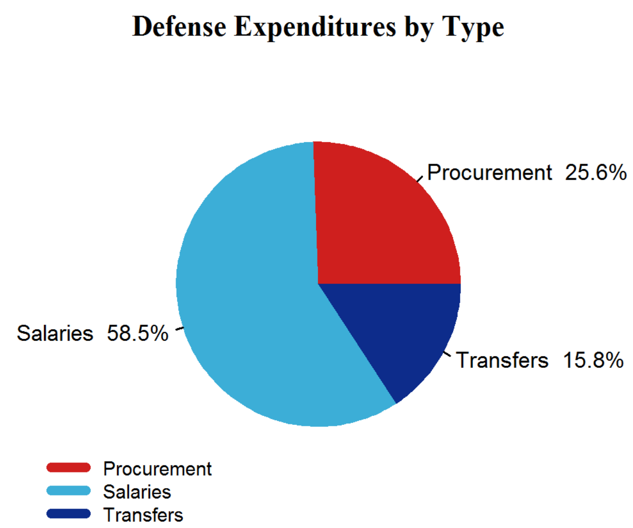
Economic Impact Estimates

As Figure 123 shows, in 2011, defense activities injected over $272 Million directly into the Monroe County economy. Of this, 58.5% was in the form of salaries and wages paid to military, National Guard, and Coast Guard personnel. Procurement flows accounted for 25.6%, and transfers accounted for 15.8%.

Overall, the military accounted for over 7,923 jobs in Monroe County in 2011 and $791.3 Million in total Gross Regional Product (GRP - total value of all goods and services produced in the region), which is roughly 19% of the county's total estimated 2011 Gross Regional Product. The total impact for Monroe County is forecast to decline between 2011 and 2015. Defense activities are forecast to generate 6,925 jobs in 2015—nearly 1,000 fewer than 2011.

Figure 123. Monroe County Combined Direct Defense Expenditures
(Millions US Dollars)

Procurement	$69.8
Salaries	$159.2
Transfers*	$43.1
Total Combined Direct Expenditures	$272.1



*Includes the dollar value of entitlement payments received by military and civilian retirees and veterans.

Direct defense expenditures expended in the county generated additional employment, wages, consumption spending, and investment with total resulting impacts indicated in the table below. The impact categories are defined as follows:

- **Total Sales** represents the total value of all goods and services sold as a result of military activities. This includes direct spending, wages, transfer payments, plus spending associated with multiplier effects as initial receipts are re-spent. It incorporates the value of goods and services produced and sold in the county, **imports** into the county, and **exports** from the county.
- **Total Employment** measures total number of jobs generated by military activities.
- **Total Consumption** consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.
- **Investment** expenditures included **residential** and **non-residential** real estate as well as investment in **producers durable equipment** and **business inventories**.
- **Government** revenues include state and local government spending that occurs as a result of the combined activities that are modeled.
- **Gross Regional Product** is the sum of consumption, investment, government revenues, and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.

Table 67. Monroe County Combined Economic Impact Estimates (Millions US Dollars)

	2011	2012	2013	2014	2015
Total Sales	$426.7	$437.9	$416.0	$387.6	$366.4
Total Employment	**7,923**	**7,883**	**7,527**	**7,182**	**6,925**
Total Consumption	$388.2	$398.9	$400.7	$400.7	$404.3
Investment Residential	$28.4	$43.4	$50.4	$50.8	$48.7
Investment Non-Residential	$13.1	$19.3	$22.4	$22.4	$21.4
Producers Durable Equipment	$7.0	$13.3	$18.6	$23.5	$27.9
Business Inventories	$0.3	$0.4	$0.4	$0.4	$0.4
Government	$81.9	$78.4	$74.4	$73.5	$73.0
Exports	$273.6	$265.6	$240.7	$219.7	$206.8
Imports (subtract)	$1.0	$38.3	$52.1	$54.3	$59.9
Gross Regional Product	**$791.3**	**$781.0**	**$755.5**	**$736.7**	**$722.6**

Monroe County

Combined Economic Impacts*

⇒ 7,923 Total Jobs

⇒ $426.7 Million in Total Sales

⇒ $791.3 Million in Gross Regional Product

⇒ 19.0% of Total Gross Regional Product

*Includes Department of Defense, National Guard, and Coast Guard

Table 68. Military Impacts by Type (Millions US Dollars)		
	Jobs	Gross Regional Product
Procurement	1,189	$70.3
Salaries and Wages	6,447	$701.8
Transfers	288	$19.2
Military	6,000	$636.9
Coast Guard	1,916	$153.8
National Guard	8	$0.7

Military Impacts by Type

The data in Table 68 display the military impacts by type across the various categories. This includes impacts generated by procurement, salaries and wages, transfers (mirroring Figure 123) and impacts generated by the military, the Coast Guard, and the National Guard. The columns DO NOT sum to the total impacts because the cell entries are not mutually exclusive.

As the data in the table show, salaries and wages paid to military, Coast Guard, and National Guard employees has the highest impact—generating 6,447 jobs across the county. Procurement flows generated 1,189 jobs, and transfer payments generate 288 jobs. The bulk of these jobs are generated by the military (6,000) with the Coast Guard and the National Guard combining to generate nearly 2,000 jobs.

Demographics and the Economy

According to BEARFACTS at the Bureau of Economic Analysis, in 2011, Monroe County had a per capita personal income (PCPI) of $58,941. This PCPI ranked 2nd in the state and was 149% of the state average ($39,636) and 142% of the national average ($41,560). The 2011 PCPI reflected an increase of 4.5% from 2010. The 2010-2011 state change was 3.4%, and the national change was 4.4%. In 2001, the PCPI of Monroe County was $38,084 and ranked 6th in the state. The 2001-2011 compound annual growth rate of PCPI was 4.5%. The compound annual growth rate for the state was 2.9% and for the nation was 2.9%.

As the data in Table 69 indicate, Monroe County had a population of 73,090 as of the 2010 Census. The county has gained nearly 1,000 residents since the Census making the current population 74,069. Monroe is the 39th largest county in the State of Florida, based on population. The me-

Table 69. Monroe County Statistics	
Total Population	
2010 Census	73,090
Q2 2012 Estimate	74,069
2017 Projection	71,191
Growth 2010 to 2012	1.3%
Growth 2012 to 2017	-3.9%
Income (2012)	
Average Household Income	$84,212
Median Household Income	$59,555

dian household income is $59,555.

Figure 124 tracks earnings and growth rates for key industries in the county. The size of the bubble represents overall direct employment, while growth rates are displayed on the horizontal axis, and earnings per worker totals are displayed on the vertical axis. As the figure shows, the government and information sectors are the region's highest earners, and leisure and hospitality is the largest sector in the region. The financial activities industry has been the fastest growing, and it is also one of the higher-earning sectors that has seen significant positive growth. Along with this sector, professional and business services is also a high-earning sector that has seen strong positive growth.

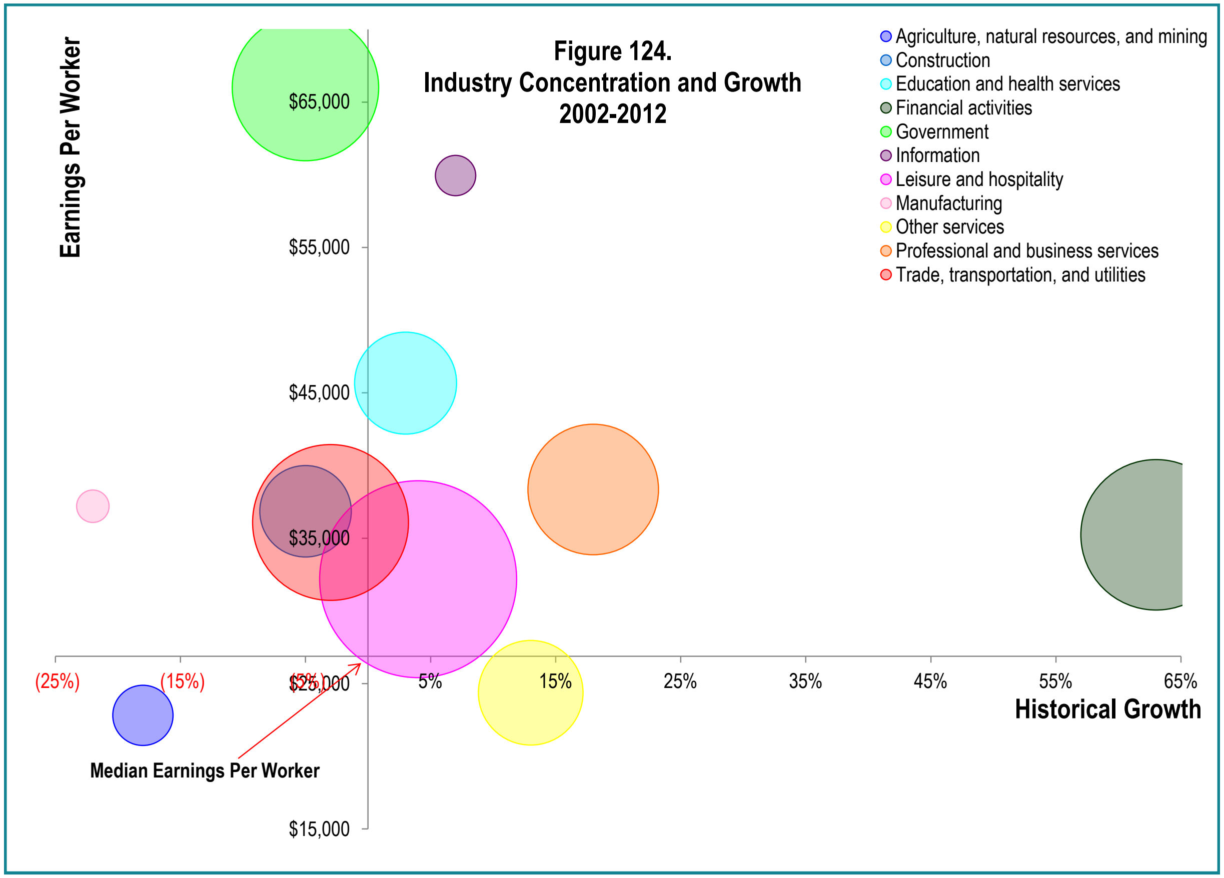


Figure 124.
Industry Concentration and Growth
2002-2012

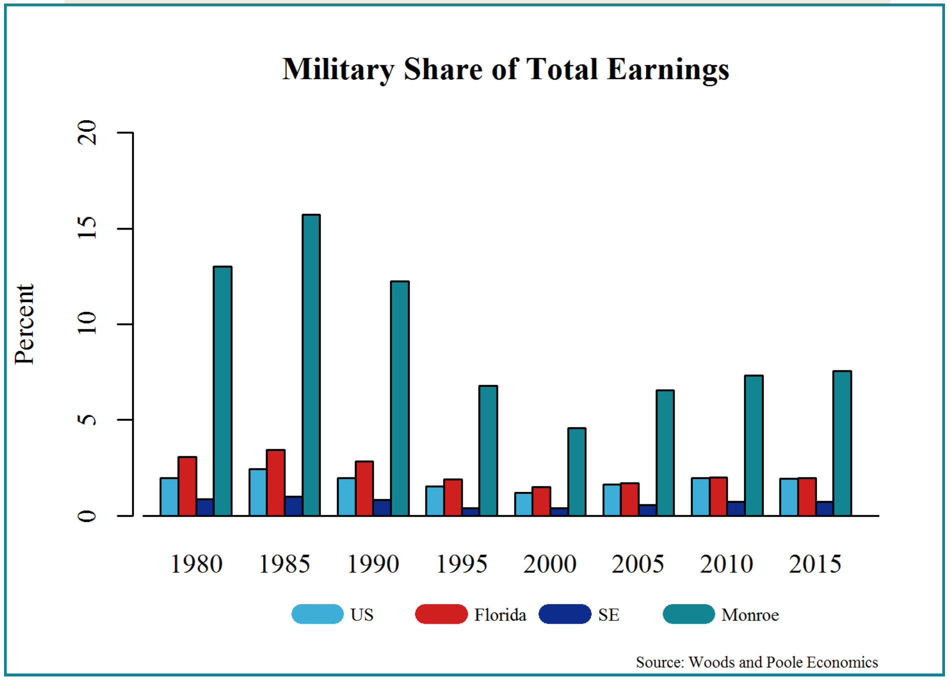


Figure 125. Military Share of Total Earnings

Earnings account for the majority of personal income and include wage and salary disbursements, proprietors' income, and supplements to wages and salaries. *Earnings are therefore a proxy economic impact measure, which are inclusive of more than simply income.* The figure above benchmarks the total share of Monroe County, Florida's income that can be attributed to the military (over time) against the Southeast Florida Region, the State of Florida, and the US. As the data reflect, the military currently contributes to a substantially larger share of personal income in Monroe County than at the regional, state and national level, although this has declined over the past few decades.

Figure 126. Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It thus allows us to benchmark the earnings of military employees against the earnings patterns of all workers. For Monroe County, military employees in 1980 had earnings which totaled 158% of the Monroe County workforce's average earnings level. For Southeast Florida, this figure was 83%, for Florida 119%, and for the US as a whole it was 90%. By 2012, the Monroe County earnings figure had risen to 283%. Southeast Florida had risen to 152%. State comparative earnings ticked up to 205%, and for the US as a whole the relative earnings ratio now stands at 170%.

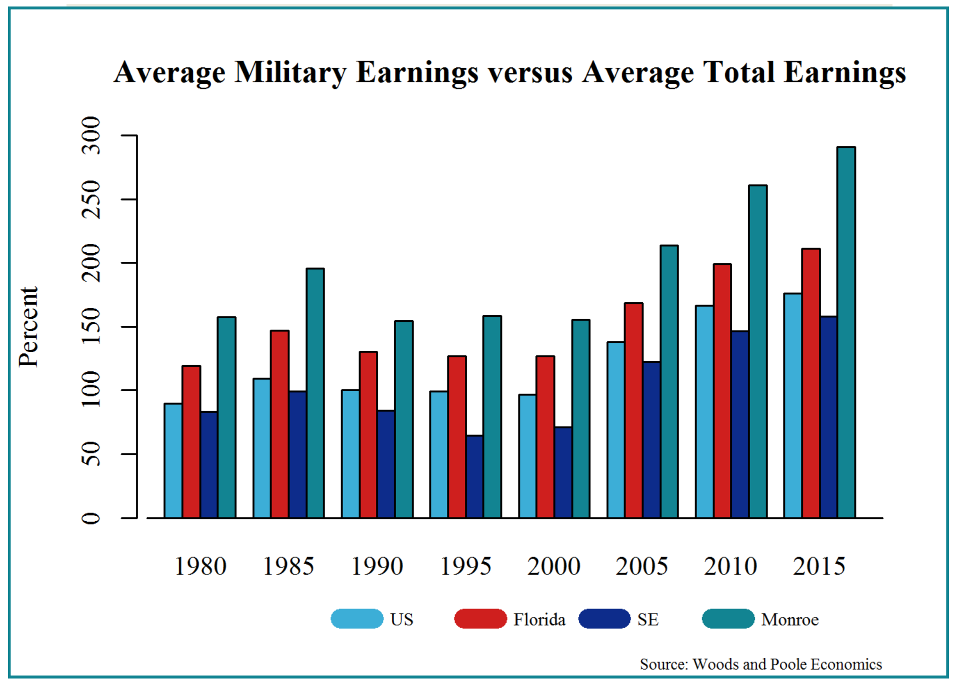
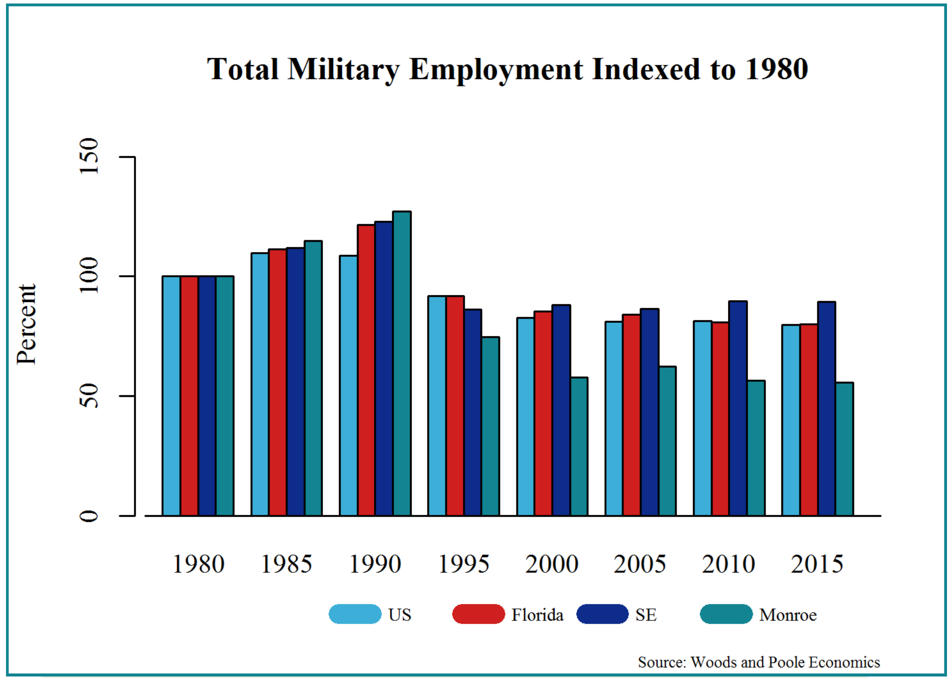


Figure 127. Military Employment as a Share of Total Employment

The figure below benchmarks military employment as a share of total employment for Monroe County against the Southeast Florida Region, the state, and the US. As the data indicate, in 1980 the military accounted for 8% of Monroe County employment, 1% of Southeast Florida employment, 3% of Florida employment, and 2% of US employment. By 2012, these figures declined to 3%, 0.5%, 1%, and 1%, respectively. These data indicate that the military does not directly contribute to as large a share of county employment as it once did.



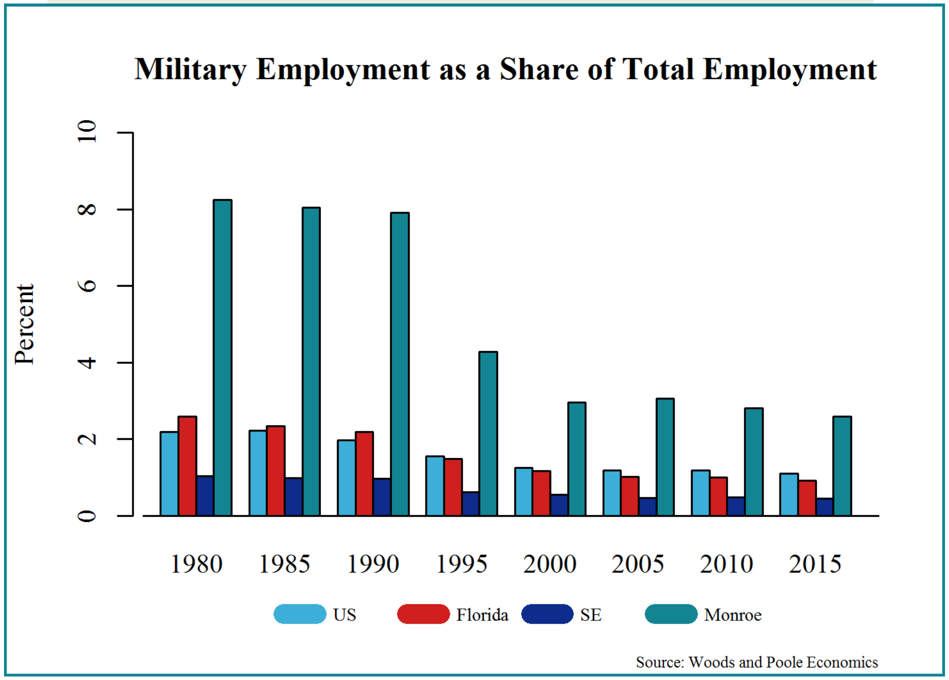


Figure 128. Total Military Employment Indexed to 1980

The figure above benchmarks the size of military employment in Monroe County against the 1980 total. For example, military employment in 1985 for Monroe County was 115% of the 1980 total. However, by 2010 the military had shrunk to 56% of its 1980 size in the county. Overall, we note that military employment, relative to the 1980 totals, has declined. Indeed, military employment at the national level is currently less than 80% of its 1980 totals, while at the state level, it is approximately 80%. For Monroe County, military employment, in 2012, stands at approximately 55% of its 1980 level.

Okaloosa County

Summary

Location: Northwest Florida Region

Home to: Eglin Air Force Base
Hurlburt Field

Eglin Air Force Base hosts the 96th Test Wing and the 7th Special Forces Group (Airborne) and is the largest military base in the US with 724 square miles of land range. Eglin hosts the Joint Gulf Range Complex which is a key training resource with tremendous capabilities and commitment to partnering for joint training.

Hurlburt Field's mission is to support the training and execution of worldwide aviation special operations such as unconventional warfare, special reconnaissance, counter proliferation, foreign internal defense, information operations, psychological operations, civil affairs, and combating terrorism.

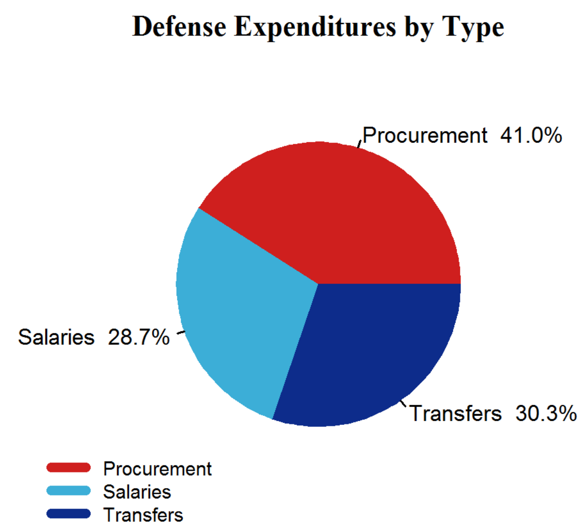
Economic Impact Estimates

Defense activities play a significant role in the Okaloosa County economy. Indeed, defense activities account for a higher share of economic output in Okaloosa County than any other county in the State of Florida. As Figure 129 shows, the county's economy is a significant beneficiary of funds flowing through as a result of defense activities.

Procurement accounted for the largest share of defense spending at 41.0% or roughly $1.2 Billion of the $2.9 Billion

Figure 129. Okaloosa County Combined Direct Defense Expenditures
(Millions US Dollars)

Procurement	$1,192.6
Salaries	$883.9
Transfers*	$883.1
Total Combined Direct Expenditures	**$2,909.6**



*Includes the dollar value of entitlement payments received by military and civilian retirees and veterans.

total. Salaries accounted for 28.7% and transfers accounted for 30.3%.

Overall, the military accounted for over 71,000 jobs in Okaloosa County in 2011 and just over $7.5 Billion in total Gross Regional Product (GRP - total value of all goods and services produced in the region), which is roughly 65.1% of the county's estimated 2011 Gross Regional Product. The total impact for the county is forecast to decline rather substantially between 2011 and 2015. Defense activities are forecast to generate approximately 64,400 jobs in 2015. This amounts to nearly 7,000 fewer jobs in the county by 2015.

Direct defense expenditures expended in the region generated additional employment, wages, consumption spending, and investment with total resulting impacts indicated in the table below. The impact categories are defined as follows:

◊ **Total Sales** represents the total value of all goods and services sold as a result of military activities. This includes direct spending, wages, transfer payments, plus spending associated with multiplier effects as initial receipts are re-spent. It incorporates the value of goods and services produced and sold in the county, **imports** into the county, and **exports** from the county.

◊ **Total Employment** measures total number of jobs generated by military activities.

Table 70. Okaloosa County Combined Economic Impact Estimates (Millions US Dollars)

	2011	2012	2013	2014	2015
Total Sales	$5,068.2	$5,264.3	$5,024.5	$4,720.4	$4,528.1
Total Employment	**71,150**	**71,807**	**69,082**	**66,284**	**64,384**
Total Consumption	$3,499.8	$3,601.8	$3,639.9	$3,653.8	$3,685.4
Investment Residential	$324.5	$491.6	$568.0	$568.5	$542.0
Investment Non-Residential	$136.0	$194.1	$221.3	$218.6	$207.5
Producers Durable Equipment	$63.1	$123.7	$175.5	$223.4	$266.5
Business Inventories	$4.0	$7.0	$6.5	$6.1	$6.1
Government	$538.9	$521.0	$495.5	$490.7	$489.1
Exports	$3,098.9	$3,087.0	$2,800.9	$2,538.5	$2,390.8
Imports (subtract)	$182.2	$580.2	$705.3	$688.5	$698.6
Gross Regional Product	**$7,483.2**	**$7,446.2**	**$7,202.3**	**$7,011.2**	**$6,888.8**

Okaloosa County

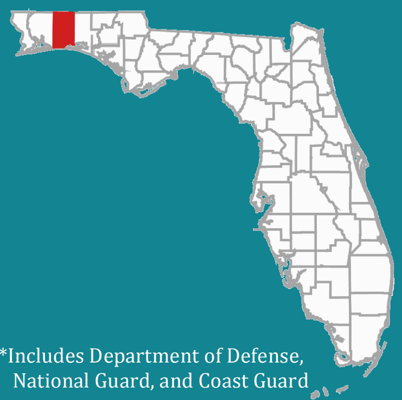
Combined Economic Impacts*

⇒ 71,150 Total Jobs

⇒ $5.1 Billion in Total Sales

⇒ $7.5 Billion in Gross Regional Product

⇒ 65.1% of Total Gross Regional Product



*Includes Department of Defense, National Guard, and Coast Guard

Table 71. Military Impacts by Type (Millions US Dollars)

	Jobs	Gross Regional Product
Procurement	14,357	$1,073.1
Salaries and Wages	51,104	$6,041.6
Transfers	5,689	$368.5
Military	70,768	$7,441.8
Coast Guard	90	$7.1
National Guard	292	$34.3

- ◊ **Total Consumption** consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.
- ◊ **Investment** expenditures included **residential** and **non-residential** real estate as well as investment in **producers durable equipment** and **business inventories**.
- ◊ **Government** revenues include state and local government spending that occurs as a result of the combined activities that are modeled.
- ◊ **Gross Regional Product** is the sum of consumption, investment, government revenues, and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.

Military Impacts by Type

The data in Table 71 display the military impacts by type across the various categories. This includes impacts generated by procurement, salaries and wages, transfers (mirroring Figure 129) and impacts generated by the military, the Coast Guard, and the National Guard. The columns DO NOT sum to the total impacts because the cell entries are not mutually exclusive.

As the data in the table show, salaries and wages paid to military, Coast Guard, and National Guard employees have the highest impact—generating over 51,000 jobs across the region. Procurement flows generate 14,357 jobs, and transfer payments generate 5,689 jobs. The bulk of these jobs are generated by the military (70,768) with the Coast Guard and the National Guard combining to generate fewer than 400 jobs in the county.

Demographics and the Economy

According to BEARFACTS at the Bureau of Economic Analysis, in 2011, Okaloosa County had a per capita personal income (PCPI) of $43,132. This PCPI ranked 10th in the state and was 109% of the state average ($39,636) and 104% of the national average ($41,560). The 2011 PCPI reflected an increase of 4.9% from 2010. The 2010-2011 state change

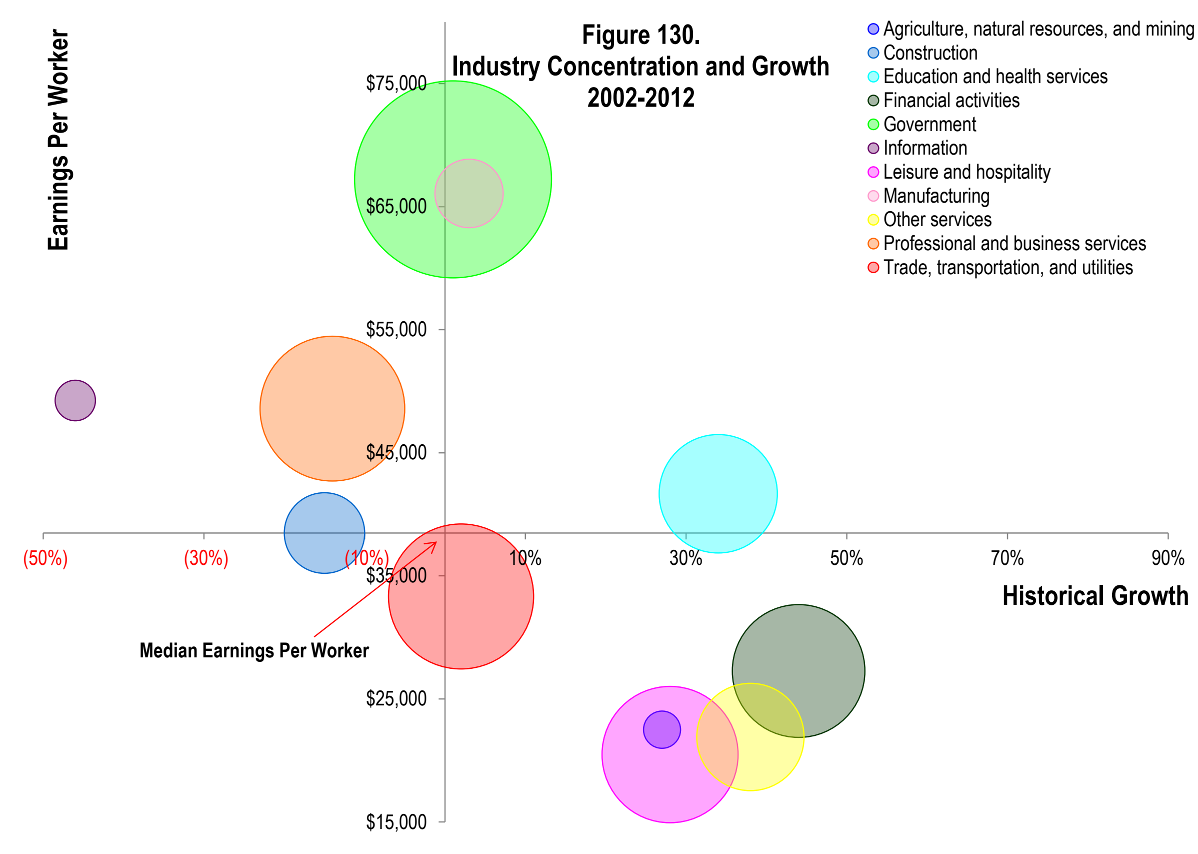
Table 72. Okaloosa County Statistics	
Total Population	
2010 Census	180,822
Q2 2012 Estimate	183,225
2017 Projection	189,152
Growth 2010 to 2012	7.5%
Growth 2012 to 2017	3.2%
Income (2012)	
Average Household Income	$71,450
Median Household Income	$56,162

was 3.4%, and the national change was 4.4%. In 2001, the PCPI of Okaloosa County was $28,523 and ranked 16th in the state. The 2001-2011 compound annual growth rate of PCPI was 4.2%. The compound annual growth rate for the state was 2.9% and for the nation was 2.9%.

As the data in Table 72 indicate, Okaloosa County had a population of 180,822 as of the 2010 Census. The county has gained over 2,000 residents since the Census making the current population 183,225. Okaloosa is the 26th largest county in the State of Florida, based on population. The median household income is $56,162.

Figure 130 tracks earnings and growth rates for key industries in the county. The size of the bubble represents overall direct employment, while growth rates are displayed on the horizontal axis, and earnings per worker totals are displayed on the vertical axis. As the figure shows, the government and manufacturing sectors are the region's highest earners, and government is the largest sector. The financial activities industry has been the fastest growing, although it is also below the county's median earnings per worker. Education and health services is the highest earning sector where significant positive growth has occurred.

Figure 130. Industry Concentration and Growth 2002-2012



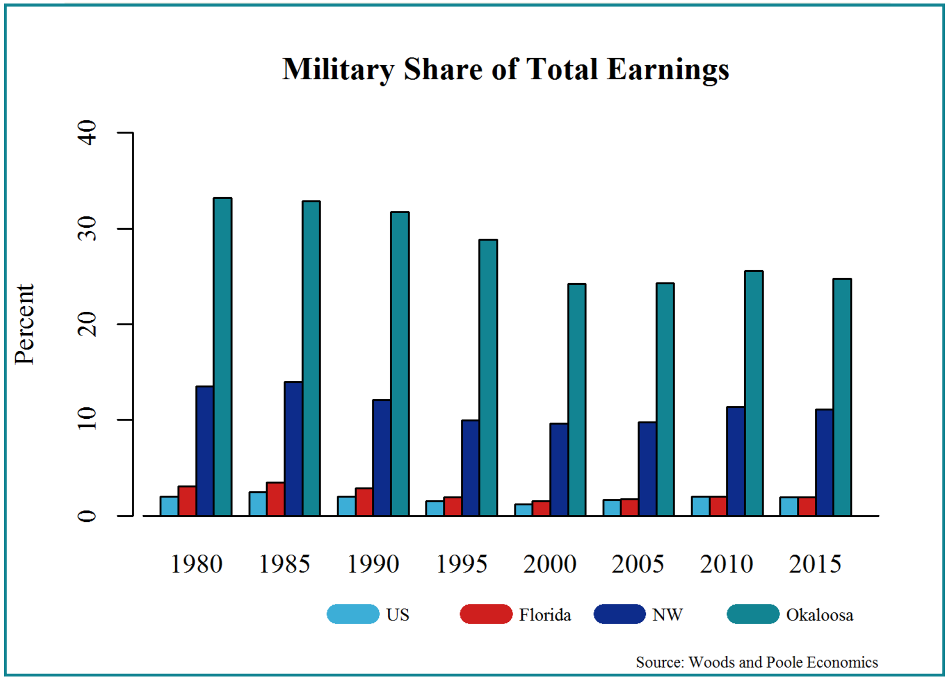


Figure 131. Military Share of Total Earnings

Earnings account for the majority of personal income and include wage and salary disbursements, proprietors' income, and supplements to wages and salaries. *Earnings are therefore a proxy economic impact measure, which are inclusive of more than simply income.* The figure above benchmarks the total share of Okaloosa County, Florida's income that can be attributed to the military (over time) against the Northwest Florida Region, the State of Florida, and the US. As the data reflect, the military currently contributes to a substantially larger share of personal income in Okaloosa County than at the regional, state, and national levels, although this has declined over the past few decades.

Figure 132. Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It thus allows us to benchmark the earnings of military employees against the earnings patterns of all workers. For Okaloosa County, military employees in 1980 had earnings which totaled 145% of the Okaloosa County workforce's average earnings level. For Northwest Florida, this figure was 152%, for Florida 119%, and for the US as a whole it was 90%. By 2012, the Okaloosa County earnings figure had risen to 217%. Northwest Florida had risen to 245%. State comparative earnings ticked up to 205%, and for the US as a whole the relative earnings ratio now stands at 170%.

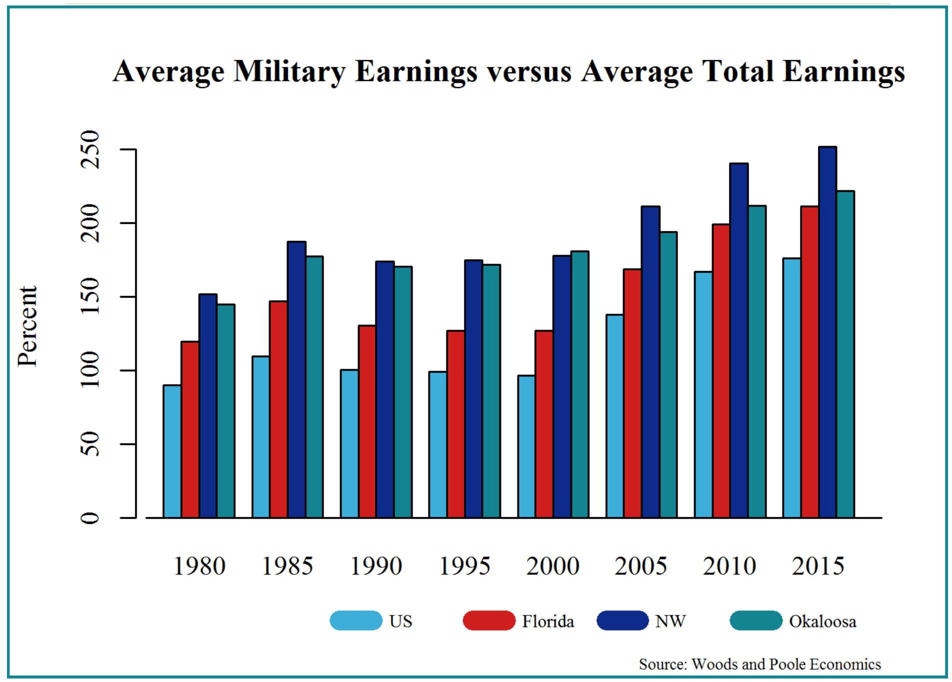
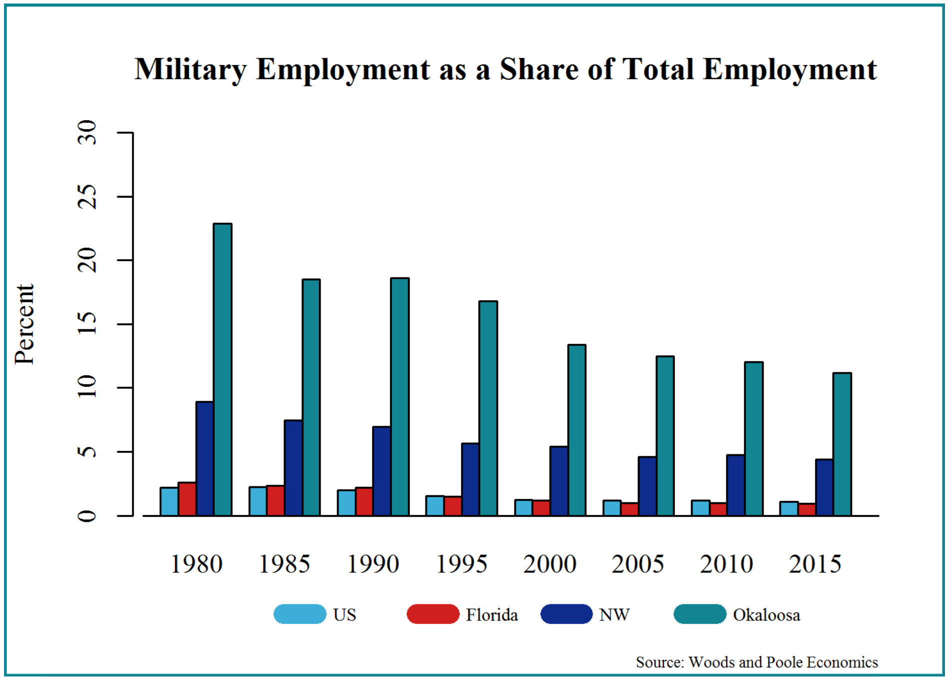


Figure 133. Military Employment as a Share of Total Employment

The figure below benchmarks military employment as a share of total employment for Okaloosa County against the Northwest Florida Region, the state, and the US. As the data indicate, in 1980 the military accounted for 23% of Okaloosa County employment, 9% of Northwest Florida employment, 3% of Florida employment, and 2% of US employment. By 2012, these figures declined to 12%, 5%, 1%, and 1%, respectively. These data indicate that the military does not directly contribute to as large a share of county employment as it once did.



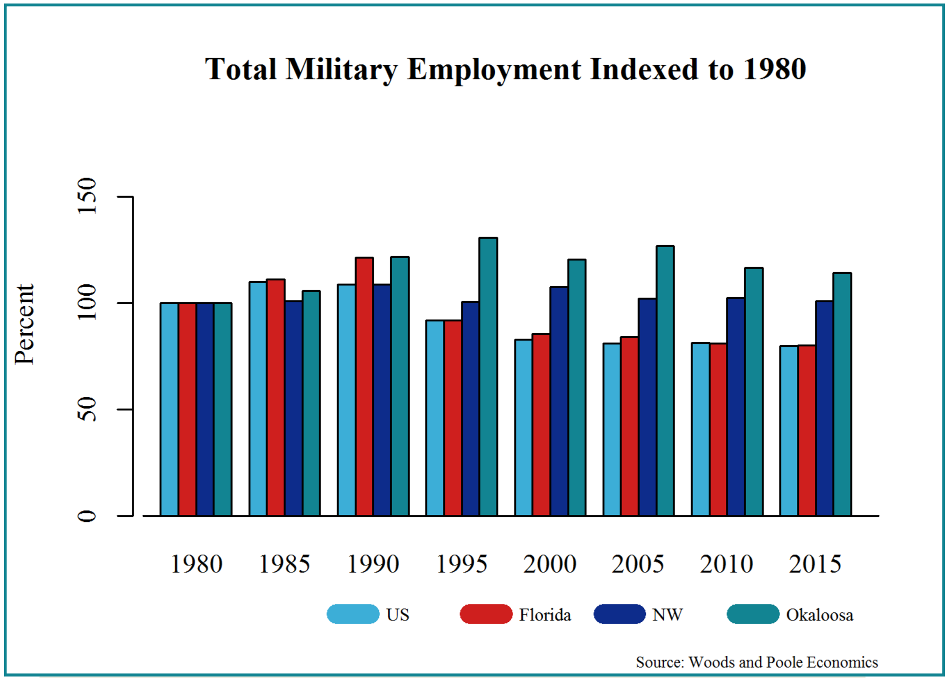


Figure 134. Total Military Employment Indexed to 1980

The figure above benchmarks the size of military employment in Okaloosa County against the 1980 total. For example, military employment in 1985 for Okaloosa County was 106% of the 1980 total. By 2010, the military had grown to 116% of its 1980 size in the county. Overall, we note that military employment, relative to the 1980 totals, has declined. Indeed, military employment at the national level is currently less than 80% of its 1980 totals, while at the state level, it is approximately 80%. For Okaloosa County, military employment, in 2012, stands at approximately 114% of its 1980 level.

Orange County

Summary

Location: East Central Region

Home to: Naval Air Warfare Center Training Systems Division/Naval Support Activity Orlando/Team Orlando

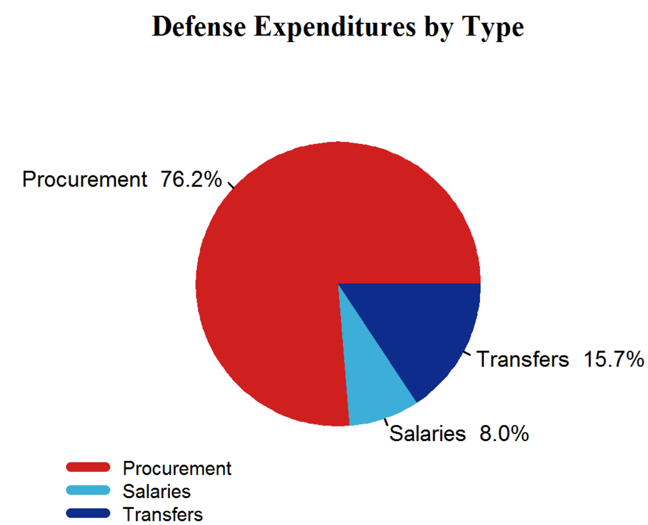
NSA Orlando is a 40-acre facility located within the Central Florida Research Park adjacent to the University of Central Florida. Naval Support Activity Orlando's mission is to provide shore installation support services to all tenant DoD agencies, enabling their mission accomplishment in a joint services environment. Naval Support Activity Orlando also served as one of the principal foundations of Orlando's new Central Florida Research Park, home to a wide variety of private industry, government, and academic organizations, many of which specialize in high-tech research and development programs, including modeling, simulation, and training, collectively known as ***Team Orlando***.

Economic Impact Estimates

As Figure 135 shows, the Orange County economy is a significant beneficiary of funds flowing through as a result of defense activities. Of the $4.2 Billion flow in 2011, procurement accounted for the largest share at 76.2% or roughly $3.2 Billion. Salaries accounted for 8.0% and transfers accounted for 15.7%. Overall, the military accounted for 57,092 jobs in Orange County in 2011 and just over $6.0

Figure 135. Orange County Combined Direct Defense Expenditures
(Millions US Dollars)

Procurement	$3,221.6
Salaries	$338.9
Transfers*	$665.4
Total Combined Direct Expenditures	$4,226.0



*Includes the dollar value of entitlement payments received by military and civilian retirees and veterans.

Billion in total Gross Regional Product (GRP - total value of all goods and services produced in the region), which is roughly 7.0% of the county's estimated 2011 Gross Regional Product. The total impact for the region is forecast to decline rather substantially between 2011 and 2015. Defense activities are forecast to generate 47,802 jobs in 2015. This amounts to just over 9,000 fewer jobs in the county by 2015.

Direct defense expenditures expended in the county generated additional employment, wages, consumption spending, and investment with total resulting impacts indicated in the table below. The impact categories are defined as follows:

◊ **Total Sales** represents the total value of all goods and services sold as a result of military activities. This includes direct spending, wages, transfer payments, plus spending associated with multiplier effects as initial receipts are re-spent. It incorporates the value of goods and services produced and sold in the county, **imports** into the county, and **exports** from the county.

◊ **Total Employment** measures total number of jobs generated by military activities.

◊ **Total Consumption** consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.

Table 73. Orange County Combined Economic Impact Estimates (Millions US Dollars)

	2011	2012	2013	2014	2015
Total Sales	$10,108.1	$11,049.9	$10,254.2	$9,249.4	$8,830.5
Total Employment	**57,092**	**60,705**	**56,129**	**50,644**	**47,802**
Total Consumption	$2,283.2	$2,483.0	$2,439.3	$2,333.3	$2,301.7
Investment Residential	$223.2	$351.5	$402.9	$389.9	$359.3
Investment Non-Residential	$111.8	$173.0	$200.0	$195.0	$183.2
Producers Durable Equipment	$51.6	$105.0	$150.9	$192.0	$228.7
Business Inventories	$23.2	$41.9	$38.6	$36.1	$36.4
Government	$514.0	$538.6	$495.9	$462.2	$450.0
Exports	$6,431.4	$6,912.6	$6,243.5	$5,507.9	$5,211.6
Imports (subtract)	$3,627.6	$4,143.8	$3,946.3	$3,631.5	$3,530.2
Gross Regional Product	**$6,010.9**	**$6,461.7**	**$6,024.8**	**$5,484.8**	**$5,240.7**

Orange County

Combined Economic Impacts*

⇒ 57,092 Total Jobs

⇒ $10.1 Billion in Total Sales

⇒ $6.0 Billion in Gross Regional Product

⇒ 7.0% of Total Gross Regional Product

*Includes Department of Defense, National Guard, and Coast Guard

Table 74. Military Impacts by Type (Millions US Dollars)		
	Jobs	Gross Regional Product
Procurement	34,257	$3,778.3
Salaries and Wages	13,512	$1,380.3
Transfers	9,322	$852.2
Military	54,726	$5,768.5
Coast Guard	231	$23.9
National Guard	2,135	$218.5

- **Investment** expenditures included **residential** and **non-residential** real estate as well as investment in **producers durable equipment** and **business inventories**.
- **Government** revenues include state and local government spending that occurs as a result of the combined activities that are modeled.
- **Gross Regional Product** is the sum of consumption, investment, government revenues, and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.

Military Impacts by Type

The data in Table 74 display the military impacts by type across the various categories. This includes impacts generated by procurement, salaries and wages, transfers (mirroring Figure 135) and impacts generated by the military, the Coast Guard, and the National Guard. The columns DO NOT sum to the total impacts because the cell entries are not mutually exclusive.

As the data in the table show, procurement had the highest impact—generating over 34,000 jobs across the region. Salaries and wages generated 13,512 jobs and transfer payments generated 9,322 jobs. The bulk of these jobs are generated by the military (54,726) with the Coast Guard and the National Guard combining to generate over 2,300 jobs in the county.

Demographics and the Economy

According to BEARFACTS at the Bureau of Economic Analysis, in 2011, Orange County had a per capita personal income (PCPI) of $35,990. This PCPI ranked 23rd in the state and was 91% of the state average ($39,636) and 87% of the national average ($41,560). The 2011 PCPI reflected an increase of 3.1% from 2010. The 2010-2011 state change was 3.4%, and the national change was 4.4%. In 2001, the PCPI

Table 75. Orange County Statistics	
Total Population	
2010 Census	1,145,956
Q2 2012 Estimate	1,186,305
2017 Projection	1,339,697
Growth 2010 to 2012	3.5%
Growth 2012 to 2017	12.9%
Income (2012)	
Average Household Income	$68,886
Median Household Income	$51,136

of Orange County was $27,756 and ranked 19th in the state. The 2001-2011 compound annual growth rate of PCPI was 2.6%. The compound annual growth rate for the state was 2.9% and for the nation was 2.9%.

As the data in Table 75 indicate, Orange County had a population of 1,145,956 as of the 2010 Census. The county has gained over 40,000 residents since the Census making the current population 1,186,305. Orange is the 5th largest county in the State of Florida, based on population. The median household income is $51,136.

Figure 136 tracks earnings and growth rates for key industries in the county. The size of the bubble represents overall direct employment while growth rates are displayed on the horizontal axis, and earnings per worker totals are displayed on the vertical axis. As the figure shows, the manufacturing, information, and government sectors are the region's highest earners, and leisure and hospitality is the largest sector. The financial activities industry has been the fastest growing, and it is slightly above the median earnings per worker. Along with financial activities, education and health services is another higher-earnings sector that has seen significant positive growth.

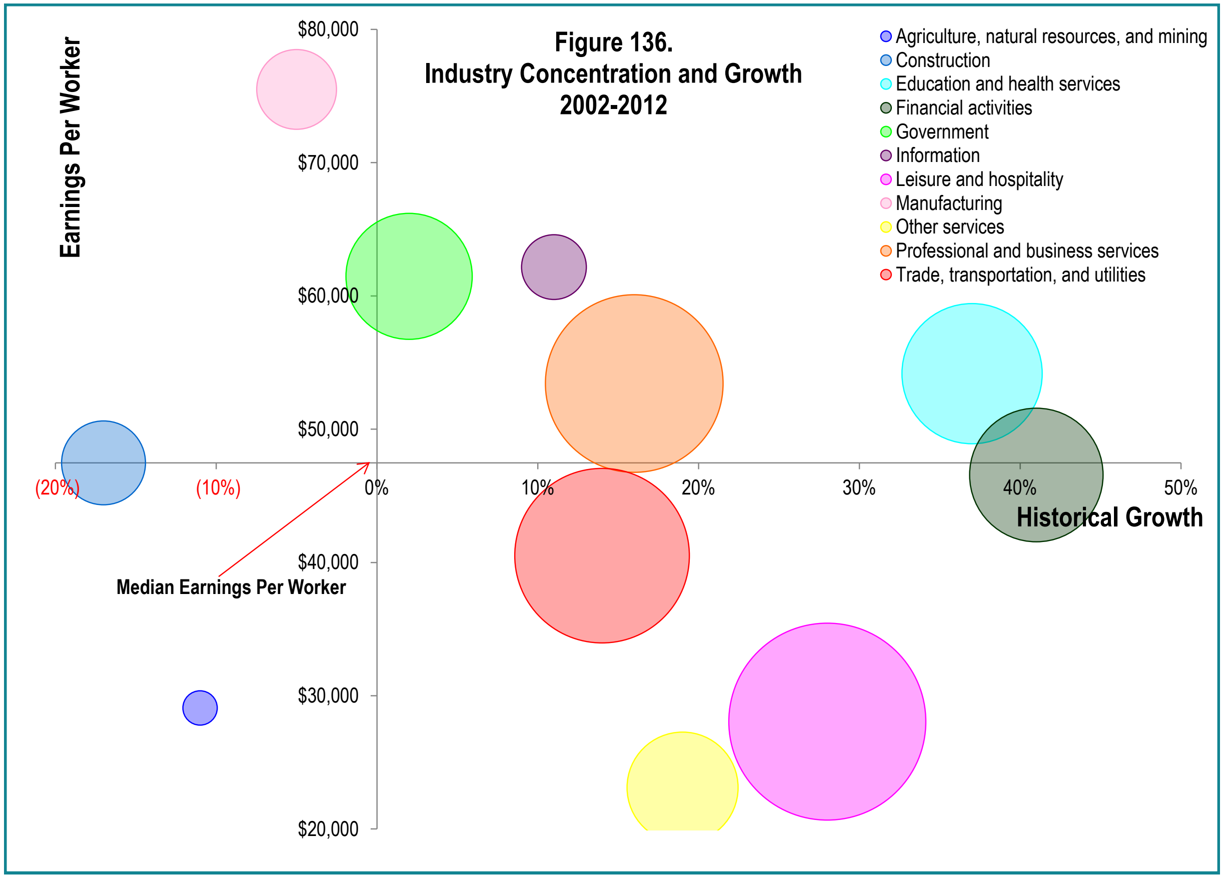


Figure 136. Industry Concentration and Growth 2002-2012

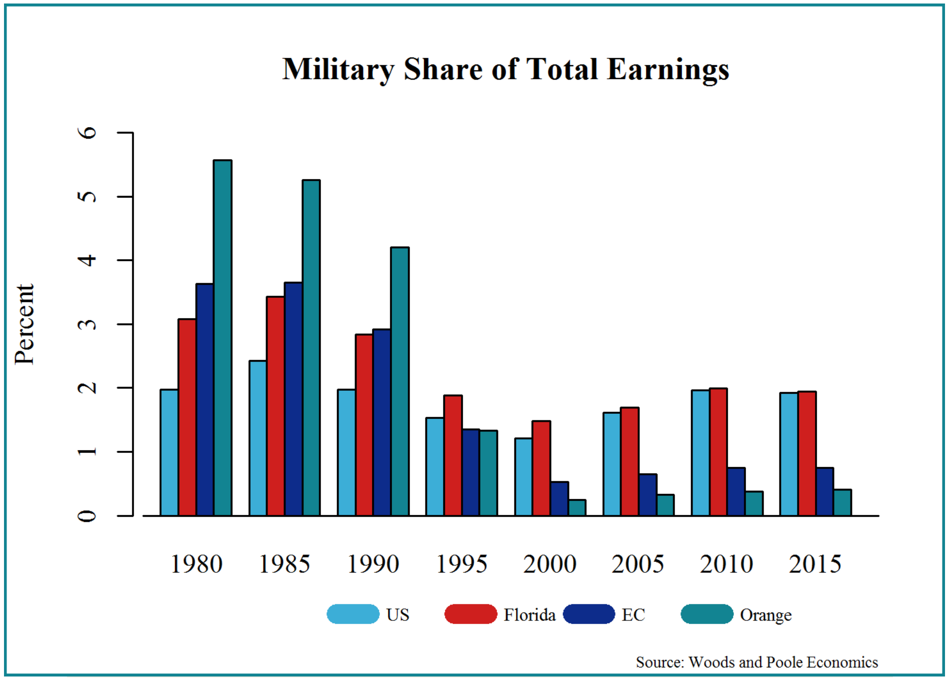


Figure 137. Military Share of Total Earnings

Earnings account for the majority of personal income and include wage and salary disbursements, proprietors' income, and supplements to wages and salaries. *Earnings are therefore a proxy economic impact measure, which are inclusive of more than simply income.* The figure above benchmarks the total share of Orange County, Florida income that can be attributed to the military (over time) against the East Central Florida Region, the State of Florida, and the US. As the data reflect, the military currently contributes to a slightly smaller share of personal income in Orange County than at the regional, state, and national levels, a fairly sharp turn since 1990.

Figure 138. Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It thus allows us to benchmark the earnings of military employees against the earnings patterns of all workers. For Orange County, military employees in 1980 had earnings which totaled 110% of the Orange County workforce's average earnings level. For East Central Florida, this figure was 114%, for Florida 119%, and for the US as a whole it was 90%. By 2012, the Orange County earnings figure had risen to 142%. East Central had risen to 162%. State comparative earnings ticked up to 205%, and for the US as a whole the relative earnings ratio now stands at 170%.

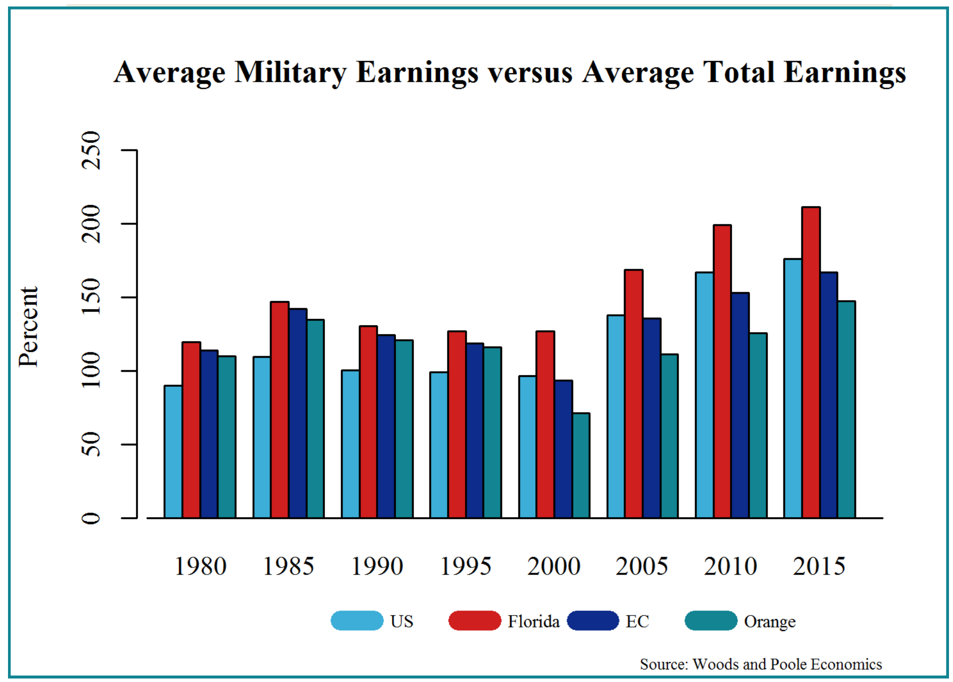
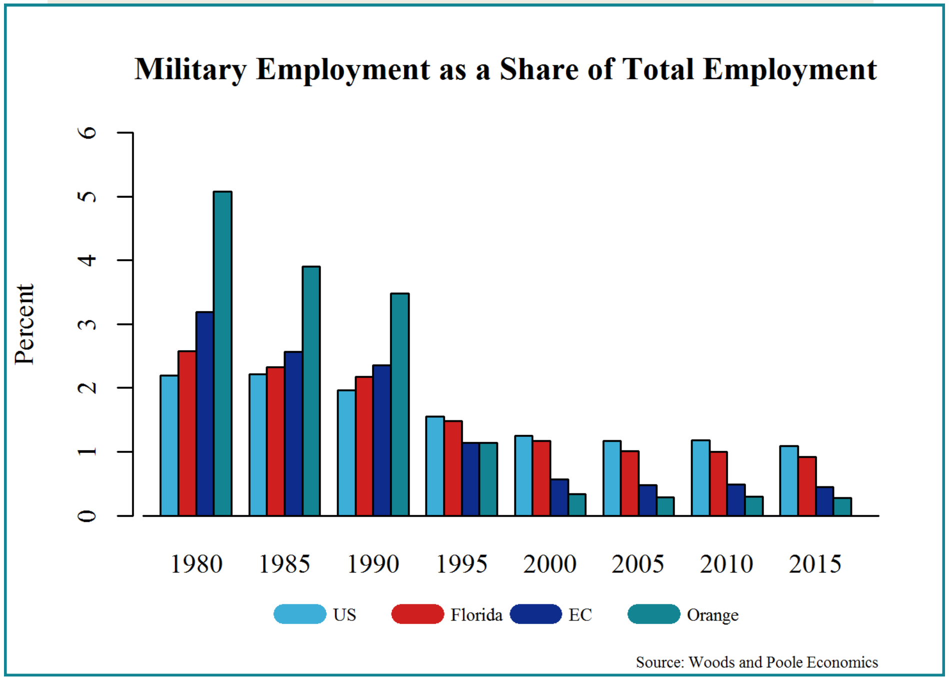


Figure 139. Military Employment as a Share of Total Employment

The figure below benchmarks military employment as a share of total employment for Orange County against the East Central Florida Region, the state, and the US. As the data indicate, in 1980 the military accounted for 5% of Orange County employment, 3% of East Central Florida employment, about 3% of Florida employment, and 2% of US employment. By 2012, these figures declined to 0.3%, 0.5%, 1%, and 1%, respectively. These data indicate that the military does not directly contribute to as large a share of county employment as it once did.



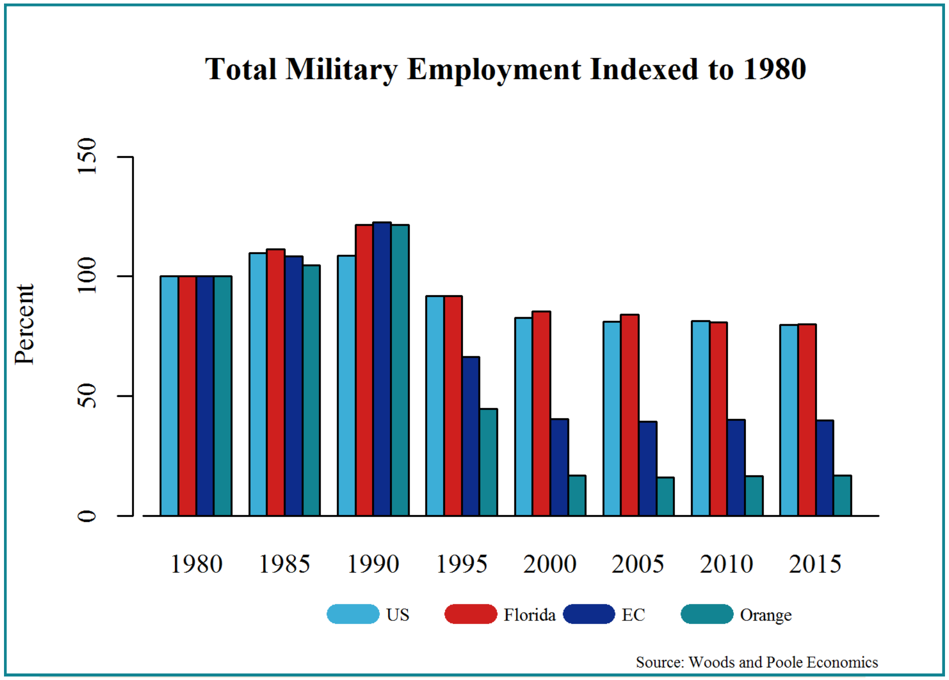


Figure 140. Change In Military Employment

The figure above benchmarks the size of military employment in Orange County against the 1980 total. For example, military employment in 1985 for Orange County was 105% of the 1980 total. However, by 2010 the military had shrunk to 17% of its 1980 size in the county. Overall, we note that military employment, relative to the 1980 totals, has declined. Indeed, military employment at the national level is currently less than 80% of its 1980 totals, while at the state level, it is approximately 80%. For Orange County, military employment, in 2012, stands at approximately 17% of its 1980 level.

Pinellas County

Pinellas County Summary

Location: Tampa Bay Florida Region

Home to: United States Coast Guard Air Station Clearwater

Coast Guard Air Station Clearwater is the largest and busiest Air Station in the Coast Guard. The Area of Operations includes the Gulf of Mexico, the Caribbean basin, and the Bahamas. The Stations maintains deployed H-60s for Operations Bahamas, and Turks and Caicos engaging anti-drug and migrant smuggling operations . The Station also has C-130s deployed in support of its operations in the Caribbean.

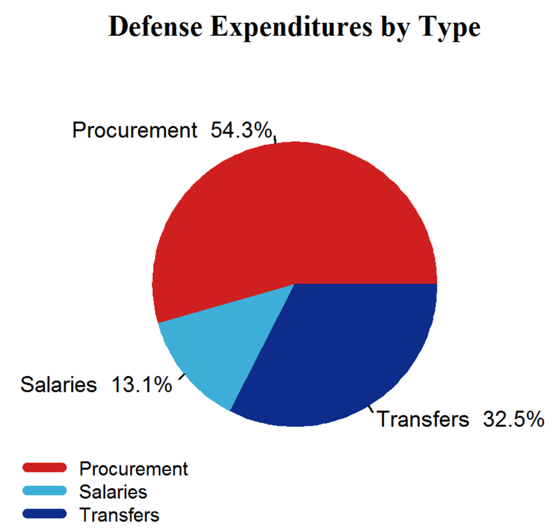
Economic Impact Estimates

As Figure 141 shows, the Pinellas County economy is a significant beneficiary of dollars associated with defense activities—nearly $1.9 Billion direct dollars in 2011. Procurement accounted for the largest share at 54.3% or roughly $1.0 Billion of the $1.9 Billion total. Salaries accounted for 13.1%, and transfers accounted for 32.5%.

Overall, the military accounted for over 39,000 jobs in Pinellas County in 2011 and just over $3.6 Billion in total Gross Regional Product (GRP - total value of all goods and services produced in the region). This is 7.8% of the county's estimated 2011 Gross Regional Product. The total impact for the region is forecast to decline between 2011 and 2015. Defense activities are forecast to generate 35,536

Figure 141. Pinellas County Combined Direct Defense Expenditures
(Millions US Dollars)

Procurement	$1,021.6
Salaries	$246.9
Transfers*	$611.7
Total Combined Direct Expenditures	$1,880.2



*Includes the dollar value of entitlement payments received by military and civilian retirees and veterans.

jobs in 2015. This amounts to about 4,000 fewer jobs in the county by 2015.

Direct defense expenditures expended in the county generated additional employment, wages, consumption spending, and investment with total resulting impacts indicated in the table below. The impact categories are defined as follows:

- **Total Sales** represents the total value of all goods and services sold as a result of military activities. This includes direct spending, wages, transfer payments, plus spending associated with multiplier effects as initial receipts are re-spent. It incorporates the value of goods and services produced and sold in the county, **imports** into the county, and **exports** from the county.
- **Total Employment** measures total number of jobs generated by military activities.
- **Total Consumption** consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.
- **Investment** expenditures included **residential** and **non-residential** real estate as well as investment in **producers durable equipment** and **business inventories.**
- **Government** revenues include state and local government spending that occurs as a result of the combined activities that are modeled.
- **Gross Regional Product** is the sum of consumption, investment, government revenues, and ex-

Table 76. Pinellas County Combined Economic Impact Estimates (Millions US Dollars)

	2011	2012	2013	2014	2015
Total Sales	$5,263.3	$5,720.5	$5,471.8	$5,114.5	$4,976.6
Total Employment	**39,702**	**41,399**	**39,401**	**36,916**	**35,536**
Total Consumption	$1,999.5	$2,098.6	$2,084.1	$2,037.8	$2,034.4
Investment Residential	$143.0	$221.2	$255.4	$252.1	$237.0
Investment Non-Residential	$78.2	$119.2	$138.7	$137.4	$130.9
Producers Durable Equipment	$35.3	$71.4	$103.4	$133.0	$160.1
Business Inventories	$12.1	$21.6	$20.0	$18.7	$18.9
Government	$237.1	$244.0	$232.0	$225.3	$224.2
Exports	$2,738.9	$2,946.6	$2,721.2	$2,468.9	$2,382.7
Imports (subtract)	$1,630.9	$1,903.3	$1,867.9	$1,763.0	$1,750.2
Gross Regional Product	**$3,613.2**	**$3,819.3**	**$3,686.8**	**$3,510.3**	**$3,437.8**

Pinellas County

Combined Economic Impacts*

⇒ 39,702 Total Jobs

⇒ $5.3 Billion in Total Sales

⇒ $3.6 Billion in Gross Regional Product

⇒ 7.8% of Total Gross Regional Product

*Includes Department of Defense, National Guard, and Coast Guard

Table 77. Military Impacts by Type (Millions US Dollars)		
	Jobs	Gross Regional Product
Procurement	14,992	$1,417.5
Salaries and Wages	17,043	$1,602.0
Transfers	7,666	$593.7
Military	32,745	$2,971.8
Coast Guard	3,525	$309.8
National Guard	3,432	$331.7

ports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.

Military Impacts by Type

The data in Table 77 display the military impacts by type across the various categories. This includes impacts generated by procurement, salaries and wages, transfers (mirroring Figure 141) and impacts generated by the military, the Coast Guard, and the National Guard. The columns DO NOT sum to the total impacts because the cell entries are not mutually exclusive.

As the data in the table show, salaries and wages paid to military, Coast Guard, and National Guard employees have the highest impact—generating 17,043 jobs across the region. Procurement flows generate 14,992 jobs, and transfer payments generate 7,666 jobs. The bulk of these jobs are generated by the military (32,745) with the Coast Guard and the National Guard combining to generate nearly 7,000 jobs in the county.

Demographics and the Economy

According to BEARFACTS at the Bureau of Economic Analysis, in 2011, Pinellas County had a per capita personal income (PCPI) of $44,622. This PCPI ranked 9th in the state and was 113% of the state average ($39,636) and 107% of the national average ($41,560). The 2011 PCPI reflected an increase of 3.8% from 2010. The 2010-2011 state change was 3.4%, and the national change was 4.4%. In 2001, the PCPI of Pinellas County was $32,638 and ranked 9th in the state. The 2001-2011 compound annual growth rate of PCPI was 3.2%. The compound annual growth rate for the state was 2.9% and for the nation was 2.9%.

As the data in Table 78 indicates, Pinellas County had a population of 916,542 as of the 2010 Census. The county has lost nearly 5,000 residents since the Census making the current population 911,029. Pinellas is the 6th largest county in the State of Florida, based on population. The median

Table 78. Pinellas County Statistics

Total Population	
2010 Census	916,542
Q2 2012 Estimate	911,029
2017 Projection	908,648
Growth 2010 to 2012	-0.54%
Growth 2012 to 2017	-0.26%
Income (2012)	
Average Household Income	$64,098
Median Household Income	$46,452

household income is $46,452.

Figure 142 tracks earnings and growth rates for key industries in the county. The size of the bubble represents overall direct employment while growth rates are displayed on the horizontal axis, and earnings per worker totals are displayed on the vertical axis. As the figure shows, the government, information, and manufacturing sectors are the county's highest earners, and professional and business services is the largest sector.

The financial activities industry has been the fastest growing, although it is slightly below the median earnings per worker. Education and health services is the highest earning sector that has seen significant positive growth.

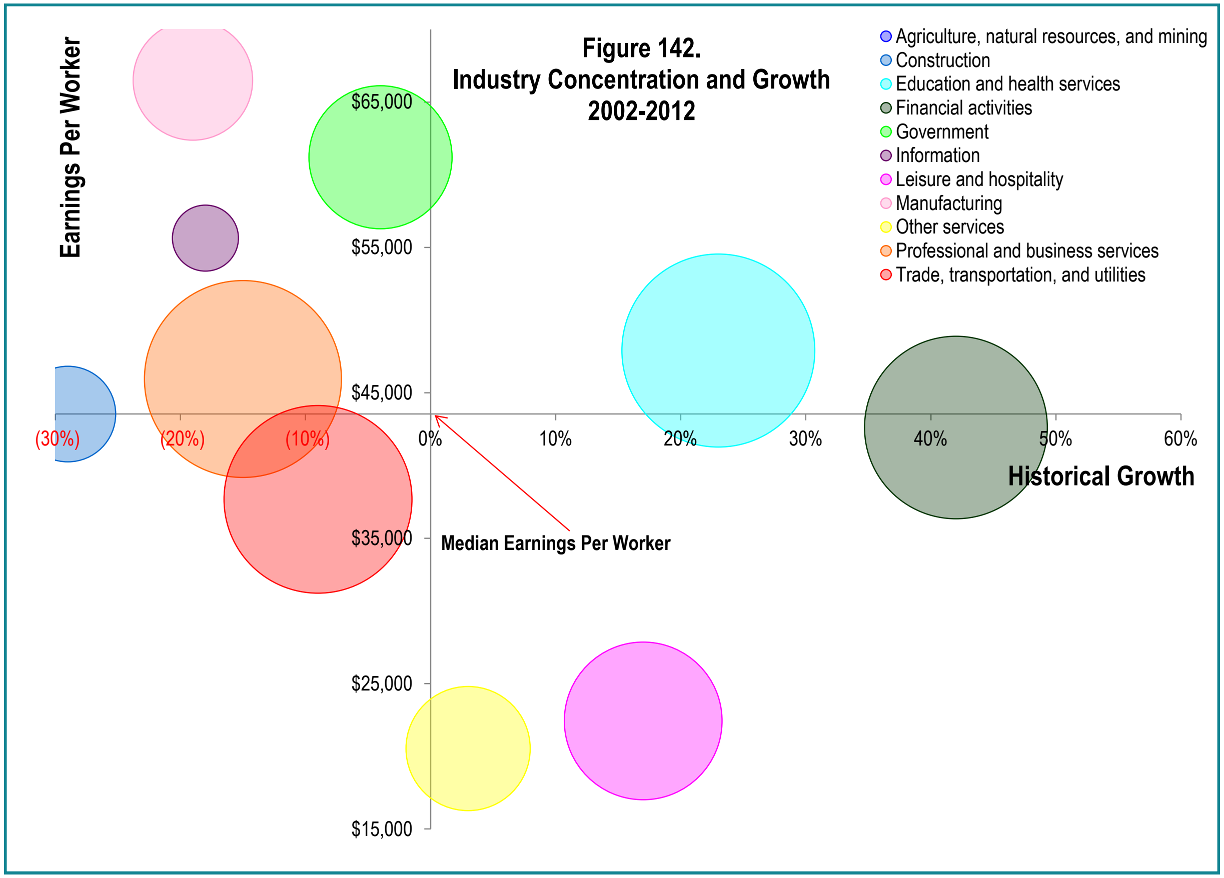


Figure 142. Industry Concentration and Growth 2002-2012

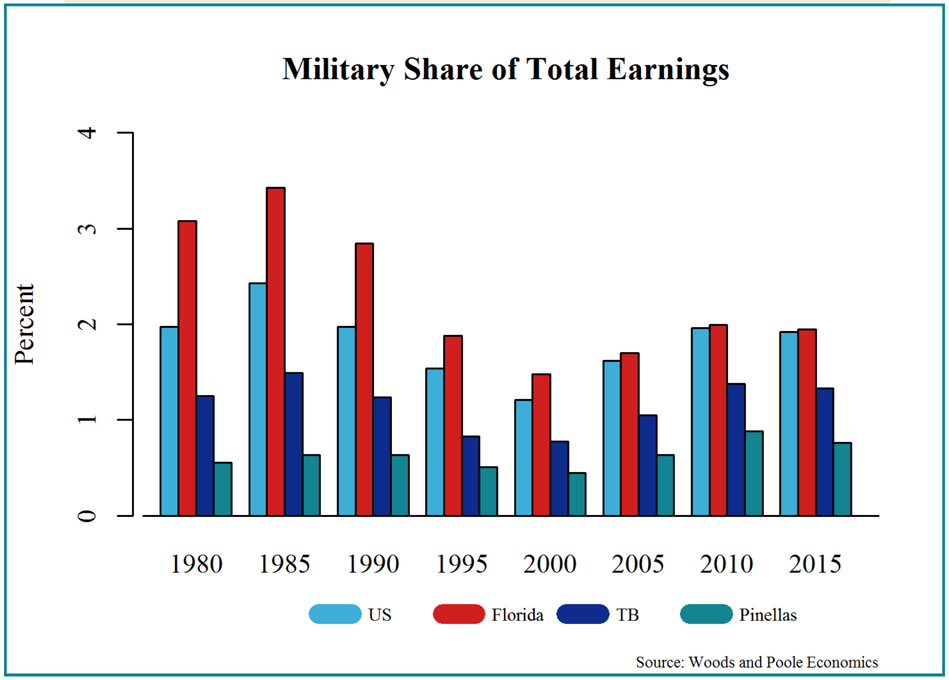


Figure 143. Military Share of Total Earnings

Earnings account for the majority of personal income and include wage and salary disbursements, proprietors' income, and supplements to wages and salaries. *Earnings are therefore a proxy economic impact measure, which are inclusive of more than simply income.* The figure above benchmarks the total share of Pinellas County, Florida's income that can be attributed to the military (over time) against the Tampa Bay Florida Region, the State of Florida, and the US. As the data reflect, the military currently contributes to a slightly smaller share of personal income in Pinellas County than at the regional, state, and national levels. The Pinellas County share has fluctuated only slightly in the last few decades.

Figure 144. Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It thus allows us to benchmark the earnings of military employees against the earnings patterns of all workers. For Pinellas County, military employees in 1980 had earnings which totaled 67% of the Pinellas County workforce's average earnings level. For the Tampa Bay region of Florida, this figure was 98%, for Florida 119%, and for the US as a whole it was 90%. By 2012, the Pinellas County earnings figure had risen to 144%. The Tampa Bay region increased to 197%, the state figure increased to 205%, and for the US as a whole the relative earnings ratio now stands at 170%.

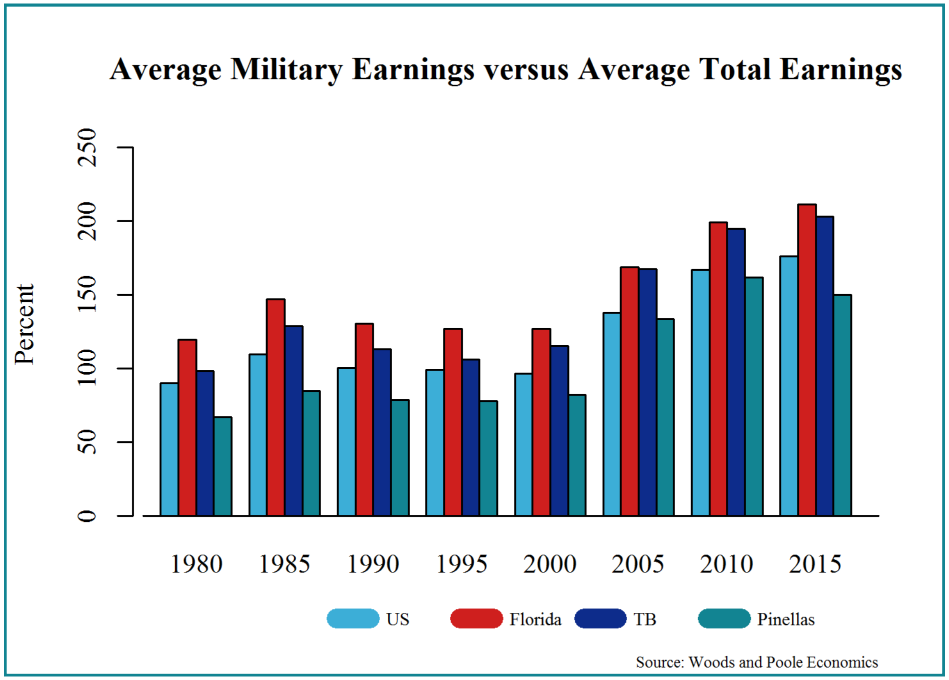
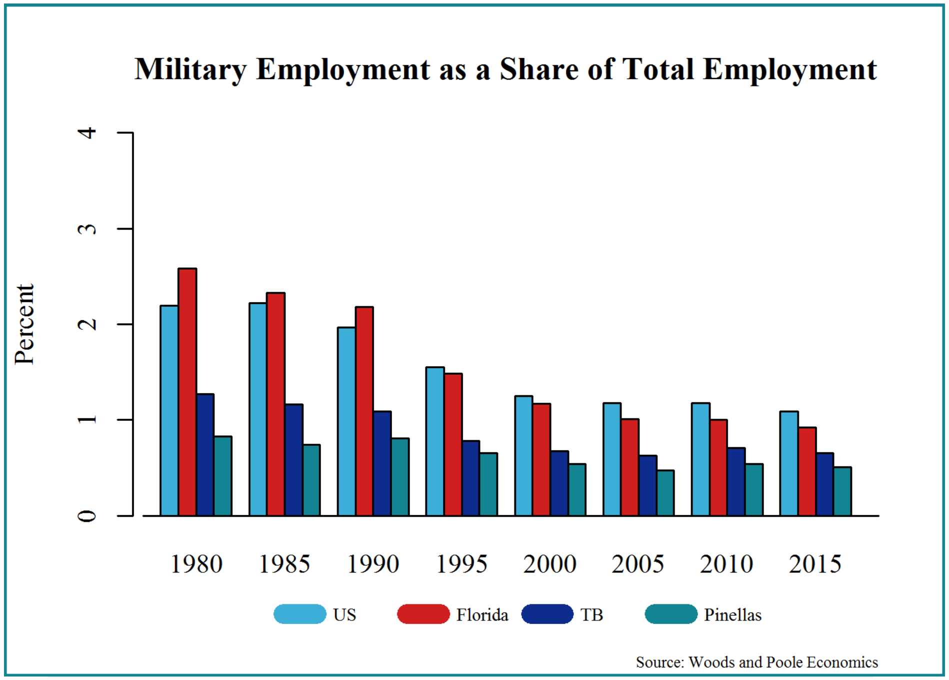


Figure 145. Military Employment as a Share of Total Employment

The figure below benchmarks military employment as a share of total employment for Pinellas County against the Tampa Bay Region, the state, and the US. As the data indicate, in 1980 the military accounted for about 1% of Pinellas County employment, 1% of the Tampa Bay Region employment, 3% of Florida employment, and 2% of US employment. By 2012, these figures declined to 0.5%, 1%, 1% and 1%, respectively. These data indicate that the military directly contributes approximately the same share of county employment as in 1980.



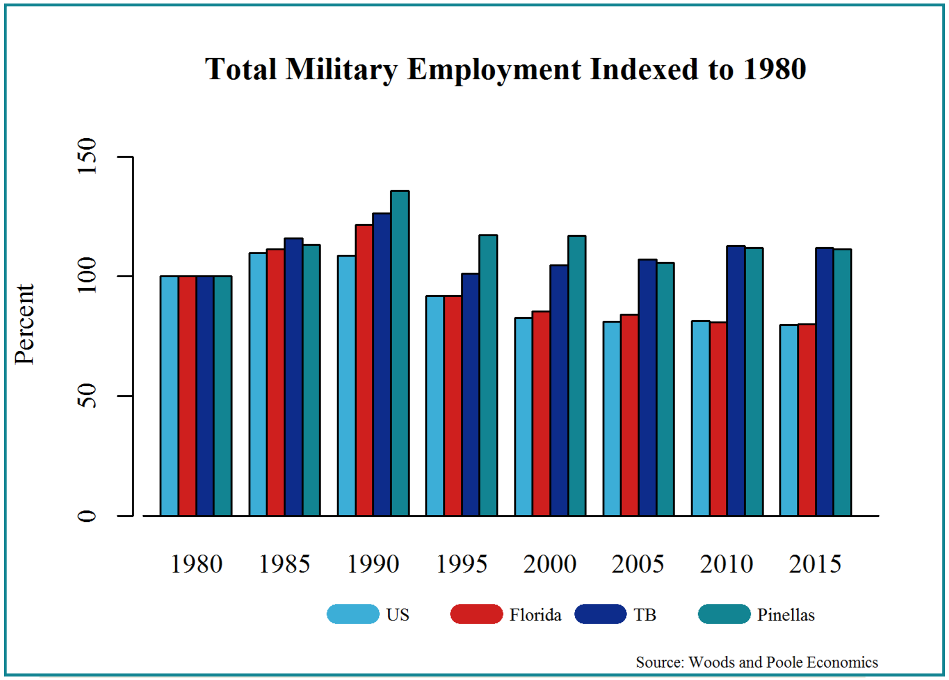


Figure 146. Change In Military Employment

The figure above benchmarks the size of military employment in Pinellas County against the 1980 total. For example, military employment in 1985 for Pinellas County was 113% of the 1980 total. By 2010 the military had shrunk to 112% in the county. Overall, we note that military employment, relative to the 1980 totals, has declined. Military employment at the national level is currently less than 80% of its 1980 totals, while at the state level, it is approximately 80%. For Pinellas County, however, military employment, in 2012, stands at approximately 111% of its 1980 level.

Polk County

Polk County Summary

Location: Tampa Bay Florida Region

Home to: Avon Park Air Force Range

Avon Park Air Force Range (Highlands and Polk Counties) is the largest live ordnance bombing and gunnery range east of the Mississippi River. Avon Park Air Force Range includes 400 square miles of restricted airspace, 1,000 square miles of military operating area, and 100,929 acres, providing an important training facility for Active, Guard, and Reserve military units from the Army, Navy, Air Force, Marines, and Coast Guard, and for special operations and Homeland Security personnel.

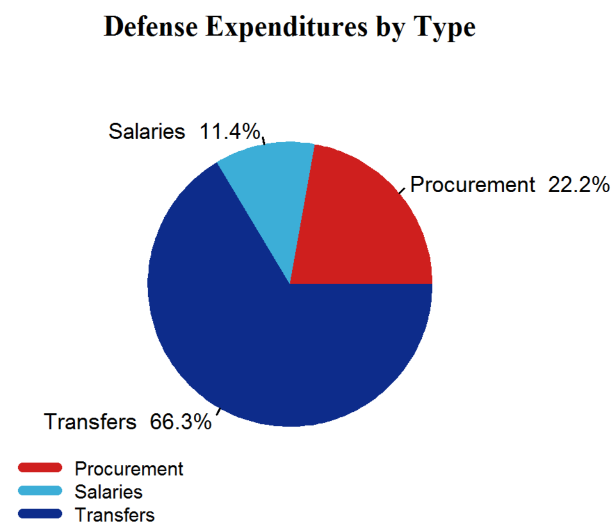
Economic Impact Estimates

Polk County benefits substantially from defense activities. As indicated in Figure 147, in 2011, an estimated $468.3 Million flowed through to Polk County. Transfer payments accounted for the largest share at 66.3% or roughly $311 Million of the total. Salaries accounted for 11.4%, and procurement accounted for 22.2%.

Overall, defense activities generated nearly 10,000 jobs in Polk County in 2011 and $765.9 Million in total Gross Regional Product (GRP - total value of all goods and services produced in the region), which is roughly 3.7% of the county's estimated 2011 Gross Regional Product. The total impact for the county is forecast to decline slightly between

Figure 147. Polk County Combined Direct Defense Expenditures
(Millions US Dollars)

Procurement	$104.1
Salaries	$53.6
Transfers*	$310.6
Total Combined Direct Expenditures	$468.3



*Includes the dollar value of entitlement payments received by military and civilian retirees and veterans.

2011 and 2015. Defense activities are forecast to generate about 9,309 jobs in 2015. This amounts to more than 500 fewer jobs in the region by 2015.

Direct defense expenditures expended in the county generated additional employment, wages, consumption spending, and investment with total resulting impacts indicated in the table below. The impact categories are defined as follows :

- ◊ **Total Sales** represents the total value of all goods and services sold as a result of military activities. This includes direct spending, wages, transfer payments, plus spending associated with multiplier effects as initial receipts are re-spent. It incorporates the value of goods and services produced and sold in the county, **imports** into the county, and **exports** from the county.
- ◊ **Total Employment** measures total number of jobs generated by military activities.
- ◊ **Total Consumption** consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.
- ◊ **Investment** expenditures included **residential** and **non-residential** real estate as well as investment in **producers durable equipment** and **business inventories**.
- ◊ **Government** revenues include state and local government spending that occurs as a result of the combined activities that are modeled.

Table 79. Polk County Combined Economic Impact Estimates (Millions US Dollars)

	2011	2012	2013	2014	2015
Total Sales	$1,026.1	$1,116.5	$1,104.3	$1,061.3	$1,038.1
Total Employment	**9,871**	**10,352**	**10,070**	**9,611**	**9,309**
Total Consumption	$683.2	$720.6	$729.0	$722.4	$724.5
Investment Residential	$54.3	$83.9	$97.6	$97.1	$91.8
Investment Non-Residential	$22.9	$34.9	$41.3	$41.8	$40.5
Producers Durable Equipment	$9.9	$20.2	$29.9	$39.2	$47.8
Business Inventories	$1.7	$2.9	$2.7	$2.6	$2.6
Government	$60.1	$62.4	$60.9	$60.5	$60.7
Exports	$491.5	$516.4	$480.9	$438.5	$415.6
Imports (subtract)	$557.6	$628.6	$638.5	$620.9	$614.1
Gross Regional Product	**$765.9**	**$812.7**	**$803.8**	**$781.2**	**$769.5**

Polk County

Combined Economic Impacts*

- ⇒ 9,871 Total Jobs
- ⇒ $1.0 Billion in Total Sales
- ⇒ $765.9 Million in Gross Regional Product
- ⇒ 3.7% of Total Gross Regional Product

*Includes Department of Defense, National Guard, and Coast Guard

Table 80. Military Impacts by Type (Millions US Dollars)

	Jobs	Gross Regional Product
Procurement	2,774	$210.7
Salaries and Wages	4,016	$333.6
Transfers	3,080	$221.6
Military	8,690	$666.0
Coast Guard	93	$7.4
National Guard	1,088	$92.5

- ◊ **Gross Regional Product** is the sum of consumption, investment, government revenues, and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.

Military Impacts by Type

The data in Table 80 display the military impacts by type across the various categories. This includes impacts generated by procurement, salaries and wages, transfers (mirroring Figure 147) and impacts generated by the military, the Coast Guard, and the National Guard. The columns DO NOT sum to the total impacts because the cell entries are not mutually exclusive.

As the data in the table show, salaries and wages paid to military, Coast Guard, and National Guard employees have the highest impact—generating just over 4,000 jobs across the region. Procurement flows generated 2,774 jobs, and transfer payments generated 3,080 jobs. The bulk of these jobs are associated with the military (8,690) with the Coast Guard and the National Guard combining to generate nearly 1,200 jobs in the county.

Demographics and the Economy

According to BEARFACTS at the Bureau of Economic Analysis, in 2011, Polk County had a per capita personal income (PCPI) of $33,447. This PCPI ranked 28th in the state and was 84% of the state average ($39,636) and 80% of the national average ($41,560). The 2011 PCPI reflected an increase of 3.3% from 2010. The 2010-2011 state change was 3.4%, and the national change was 4.4%. In 2001, the PCPI of Polk County was $24,898 and ranked 28th in the state. The 2001-2011 compound annual growth rate of PCPI was 3.0%. The compound annual growth rate for the state was 2.9% and for the nation was 2.9%.

As the data in Table 81 indicate, Polk County had a population of 602,095 as of the 2010 Census. The county has

Table 81. Polk County Statistics	
Total Population	
2010 Census	602,095
Q2 2012 Estimate	607,247
2017 Projection	677,253
Growth 2010 to 2012	0.85%
Growth 2012 to 2017	11.5%
Income (2012)	
Average Household Income	$57,300
Median Household Income	$44,484

gained over 5,000 residents since the Census, making the current population 607,247. Polk is the 9th largest county in the State of Florida, based on population. The median household income is $44,484.

Figure 148 tracks earnings and growth rates for key industries in the county. The size of the bubble represents overall direct employment while growth rates are displayed on the horizontal axis, and earnings per worker totals are displayed on the vertical axis. As the figure shows, the government and manufacturing sectors are the region's highest earners, and trade, transportation, and utilities is the largest sector. The financial activities industry has been the fastest growing, although its earnings per worker is lower than the median level. Education and health services is the highest earning sector that has seen significant positive growth.

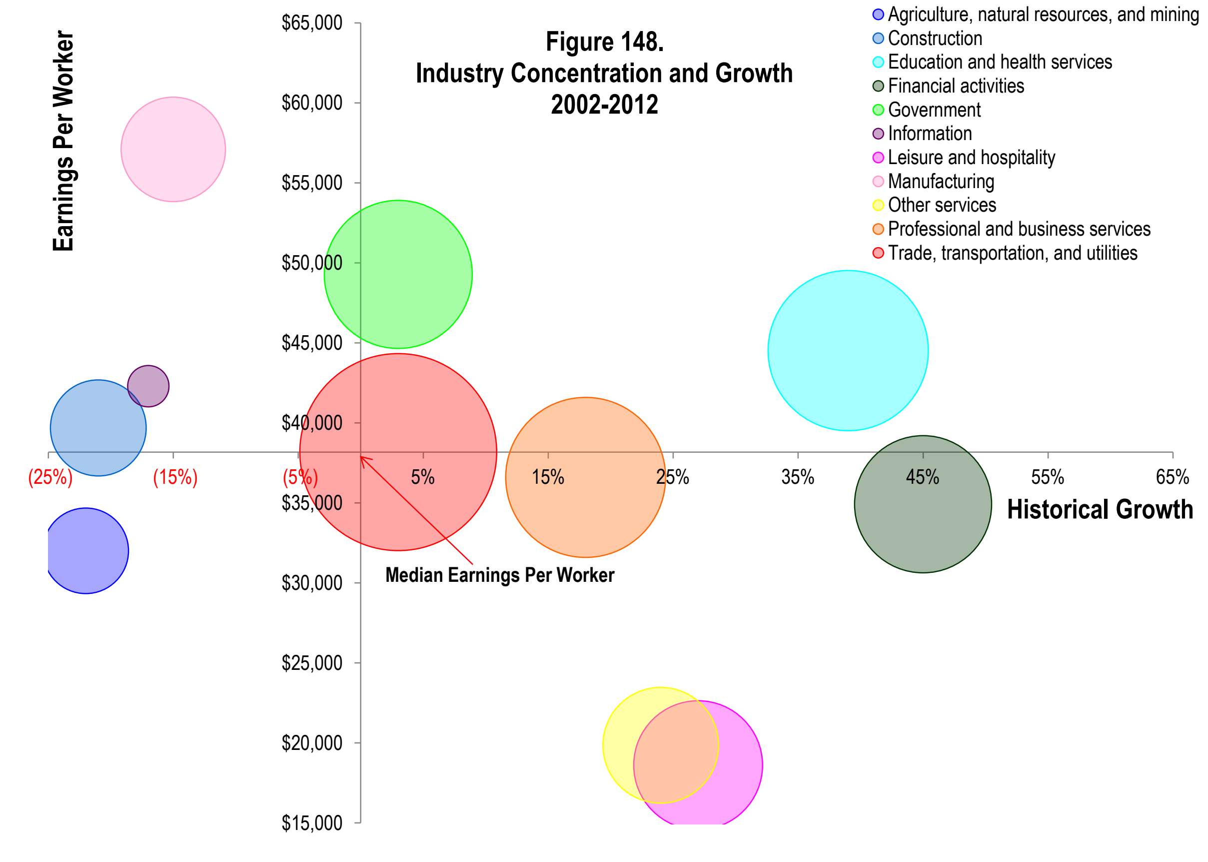


Figure 148.
Industry Concentration and Growth
2002-2012

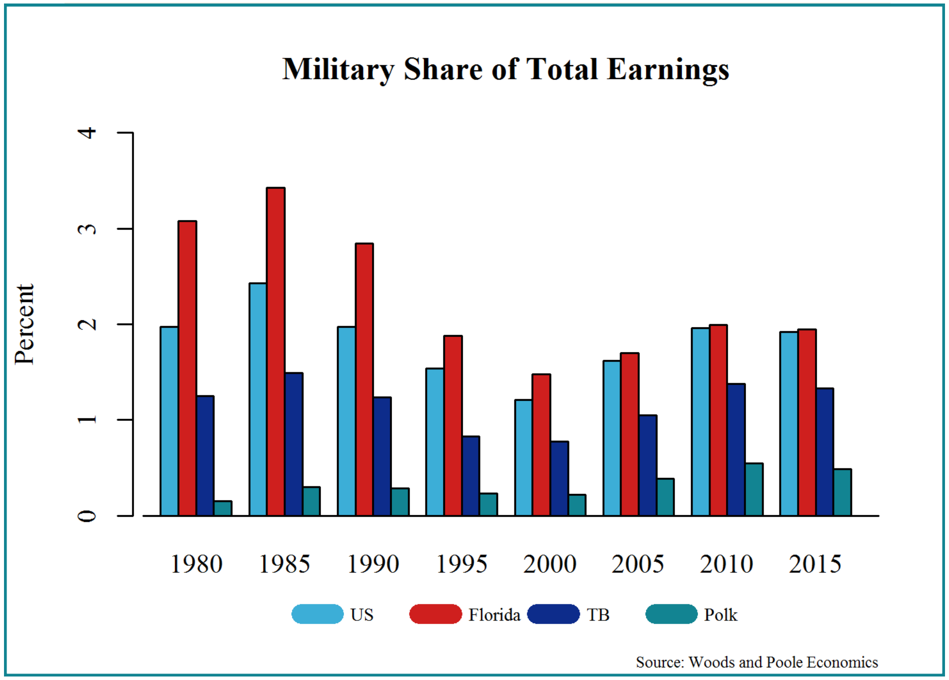


Figure 149. Military Share of Total Earnings

Earnings account for the majority of personal income and include wage and salary disbursements, proprietors' income, and supplements to wages and salaries. *Earnings are therefore a proxy economic impact measure, which are inclusive of more than simply income.* The figure above benchmarks the total share of Polk County, Florida's income that can be attributed to the military (over time) against the Tampa Bay Region, the State of Florida, and the US. As the data reflect, the military currently contributes to a slightly smaller share of personal income in Polk County than at the regional, state, and national levels, consistent with past decades.

Figure 150. Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It thus allows us to benchmark the earnings of military employees against the earnings patterns of all workers. For Polk County, military employees in 1980 had earnings which totaled 30% of the Polk County workforce's average earnings level. For the Tampa Bay region of Florida, this figure was 98%, for Florida 119%, and for the US as a whole it was 90%. By 2012, the Polk County earnings figure had risen to 112%. The Tampa Bay region increased to 197%, state comparative earnings increased to 205%, and for the US as a whole the relative earnings ratio is now at 170%.

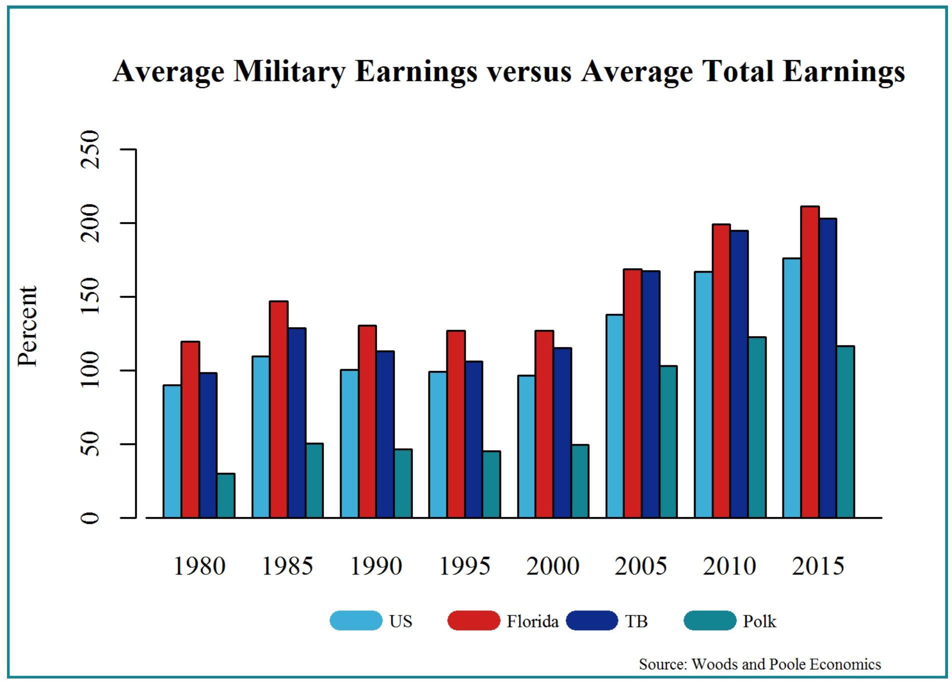
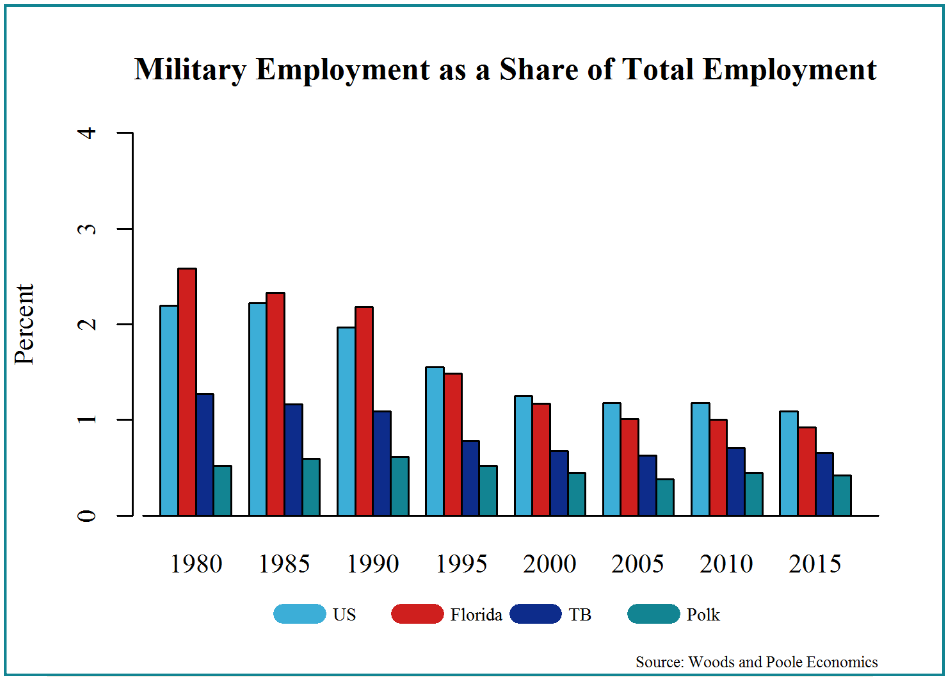


Figure 151. Military Employment as a Share of Total Employment

The figure below benchmarks military employment as a share of total employment for Polk County against the Tampa Bay Florida Region, the state, and the US. As the data indicate, in 1980 the military accounted for almost 1% of Polk County employment, over 1% of the Tampa Bay Region employment, about 3% of Florida employment, and 2% of US employment. By 2012, these figures declined to 0.5%, 1%, 1%, and 1%, respectively. These data indicate that the military does not directly contribute to as large a share of county employment as it once did.



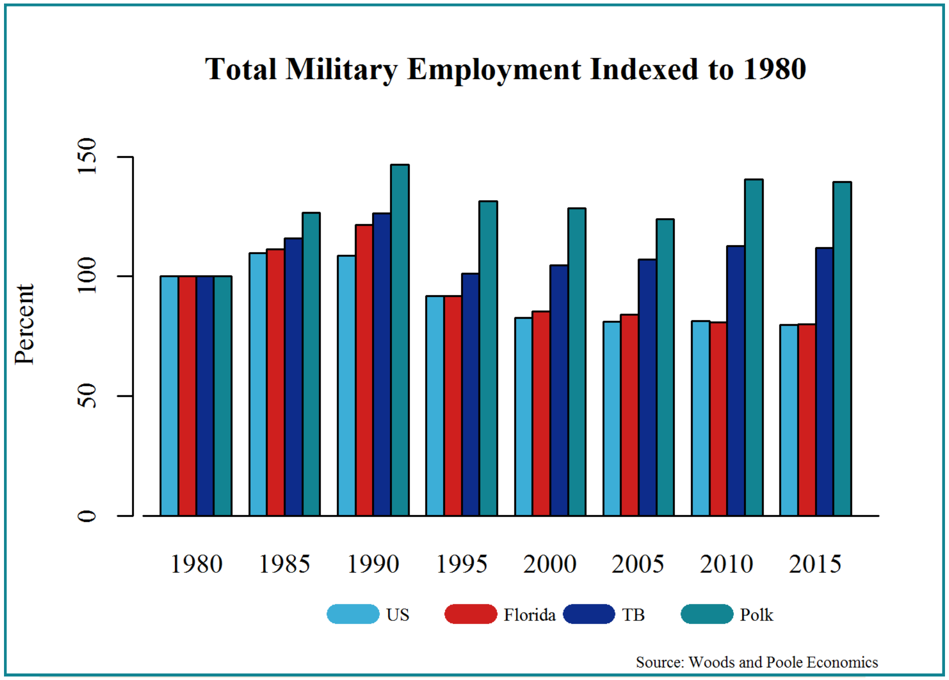


Figure 152. Total Military Employment Indexed to 1980

The figure above benchmarks the size of military employment in Polk County against the 1980 total. For example, military employment in 1985 for Polk County was 127% of the 1980 total. By 2010, the military had grown to 140% of its 1980 size in the county. Overall, we note that military employment, relative to the 1980 totals, has declined. Indeed, military employment at the national level is currently less than 80% of its 1980 totals, while at the state level, it is approximately 80%. For Polk County, military employment, in 2012, stands at approximately 139% of its 1980 level.

Santa Rosa County

Santa Rosa County Summary

Location: Northwest Florida Region

Home to: Naval Air Station Whiting Field

Naval Air Station Whiting Field's mission is to produce the military's best trained "Aviation Warfighter." Naval Air Station Whiting Field is where the future of Naval Aviation begins. With 13 outlying fields, Naval Air Station Whiting hosts 20 tenant activities, including Training Air Wing 5 which produces over 700 pilots a year. Naval Air Station Whiting Field owns 61% of Navy outlying landing fields, and 11% of all DoD flight hours are flown out of NAS Whiting annually.

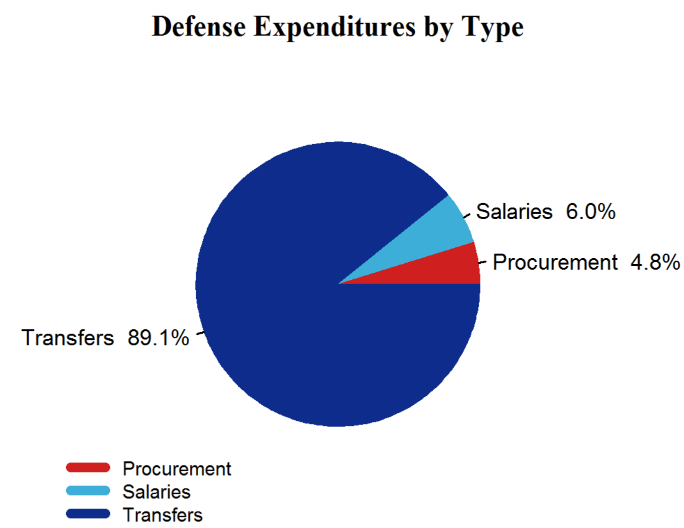
Economic Impact Estimates

As the data in Figure 153 indicate, Santa Rosa County is a significant beneficiary of funding associated with defense activities—just over a half Billion dollars in 2011. Transfer payments accounted for the largest share at 89.1% or roughly $447 Million of the total. Salaries accounted for 6.0%, and procurement accounted for 4.8%.

Overall, defense activities generated 14,211 jobs in Santa Rosa County in 2011 and just over $1.1 Billion in total Gross Regional Product (GRP - total value of all goods and services produced in the region). This is roughly 33.4% of the county's estimated 2011 Gross Regional Product. The total impact for the county is forecast to tick up slightly between

Figure 153. Santa Rosa County Combined Direct Defense Expenditures
(Millions US Dollars)

Procurement	$24.2
Salaries	$30.3
Transfers*	$446.8
Total Combined Direct Expenditures	$501.2



*Includes the dollar value of entitlement payments received by military and civilian retirees and veterans.

2011 and 2015. Defense activities are forecast to generate 14,672 jobs by 2015. This amounts to just over 400 additional jobs in the county by 2015.

Direct defense expenditures expended in the county generated additional employment, wages, consumption spending, and investment with total resulting impacts indicated in the table below. The impact categories are defined as follows:

◊ **Total Sales** represents the total value of all goods and services sold as a result of military activities. This includes direct spending, wages, transfer payments, plus spending associated with multiplier effects as initial receipts are re-spent. It incorporates the value of goods and services produced and sold in the county, **imports** into the county, and **exports** from the county.

◊ **Total Employment** measures total number of jobs generated by military activities.

◊ **Total Consumption** consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.

◊ **Investment** expenditures included **residential** and **non-residential** real estate as well as investment in **producers durable equipment** and **business inventories**.

◊ **Government** revenues include state and local government spending that occurs as a result of the combined activities that are modeled.

Table 82. Santa Rosa County Combined Economic Impact Estimates (Millions US Dollars)

	2011	2012	2013	2014	2015
Total Sales	$954.4	$1,048.4	$1,077.2	$1,070.1	$1,055.0
Total Employment	**14,211**	**15,113**	**15,207**	**14,962**	**14,672**
Total Consumption	$1,535.2	$1,644.3	$1,712.3	$1,753.0	$1,792.2
Investment Residential	$117.0	$182.6	$216.8	$222.0	$215.9
Investment Non-Residential	$42.2	$63.3	$75.4	$77.3	$75.3
Producers Durable Equipment	$19.2	$38.9	$57.2	$74.9	$91.3
Business Inventories	$0.4	$0.6	$0.6	$0.6	$0.6
Government	$76.0	$77.3	$76.8	$78.2	$79.2
Exports	$552.6	$540.0	$508.6	$481.9	$458.9
Imports (subtract)	$1,212.6	$1,375.3	$1,470.3	$1,513.8	$1,547.1
Gross Regional Product	**$1,130.0**	**$1,171.7**	**$1,177.4**	**$1,174.0**	**$1,166.3**

Santa Rosa County

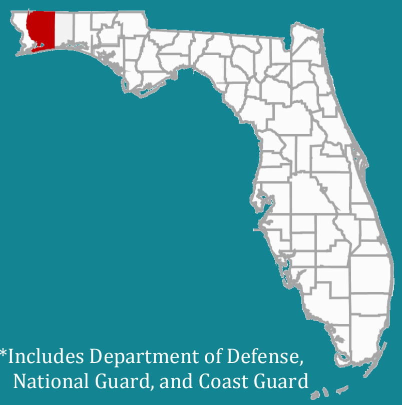
Combined Economic Impacts*

⇒ 14,211 Total Jobs

⇒ $954.4 Million in Total Sales

⇒ $1.1 Billion in Gross Regional Product

⇒ 33.4% of Total Gross Regional Product



*Includes Department of Defense, National Guard, and Coast Guard

Table 83. Military Impacts by Type (Millions US Dollars)	Jobs	Gross Regional Product
Procurement	1,801	$89.0
Salaries and Wages	9,909	$898.5
Transfers	2,500	$142.4
Military	14,104	$1,123.4
Coast Guard	51	$3.1
National Guard	56	$3.5

◊ **Gross Regional Product** is the sum of consumption, investment, government revenues, and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.

Military Impacts by Type

The data in Table 83 display the military impacts by type across the various categories. This includes impacts generated by procurement, salaries and wages, and transfers (mirroring Figure 153) and impacts generated by the military, the Coast Guard, and the National Guard. The columns DO NOT sum to the total impacts because the cell entries are not mutually exclusive.

As the data in the table show, salaries and wages paid to military, Coast Guard, and National Guard employees have the highest impact—generating nearly 10,000 jobs across the region. Procurement flows generate 1,801 jobs and transfer payments generate 2,500 jobs. The bulk of these jobs are generated by the military (14,104) with the Coast Guard and the National Guard combining to generate just over 100 jobs in the county.

Demographics and the Economy

According to BEARFACTS at the Bureau of Economic Analysis, in 2011, Santa Rosa County had a per capita personal income (PCPI) of $36,141. This PCPI ranked 21st in the state and was 91% of the state average ($39,636) and 87% of the national average ($41,560). The 2011 PCPI reflected an increase of 5.2% from 2010. The 2010-2011 state change was 3.4%, and the national change was 4.4%. In 2001, the PCPI of Santa Rosa County was $25,214 and ranked 26th in the state. The 2001-2011 compound annual growth rate of PCPI was 3.7%. The compound annual growth rate for the state was 2.9% and for the nation was 2.9%.

As the data in Table 84 indicate, Santa Rosa County had a

Table 84. Santa Rosa County Statistics	
Total Population	
2010 Census	151,372
Q2 2012 Estimate	155,557
2017 Projection	176,168
Growth 2010 to 2012	2.7%
Growth 2012 to 2017	13.3%
Income (2012)	
Average Household Income	$68,009
Median Household Income	$56,208

population of 151,372 as of the 2010 Census. The county has gained over 4,000 residents since the Census making the current population 155,557. Santa Rosa is the 30th largest county in the State of Florida, based on population. The median household income is $56,208.

Figure 154 tracks earnings and growth rates for key industries in the county. The size of the bubble represents overall direct employment while growth rates are displayed on the horizontal axis, and earnings per worker totals are displayed on the vertical axis. As the figure shows, the government sector is the county's highest earner, and government and trade, transportation, and utilities are the largest sectors in the county. The agriculture, natural resources, and mining industry has been the fastest growing, although it also has one of the lowest earnings per worker totals of any of the county's industries. The information and education and health services sectors are the highest earning sectors where significant positive growth was experienced.

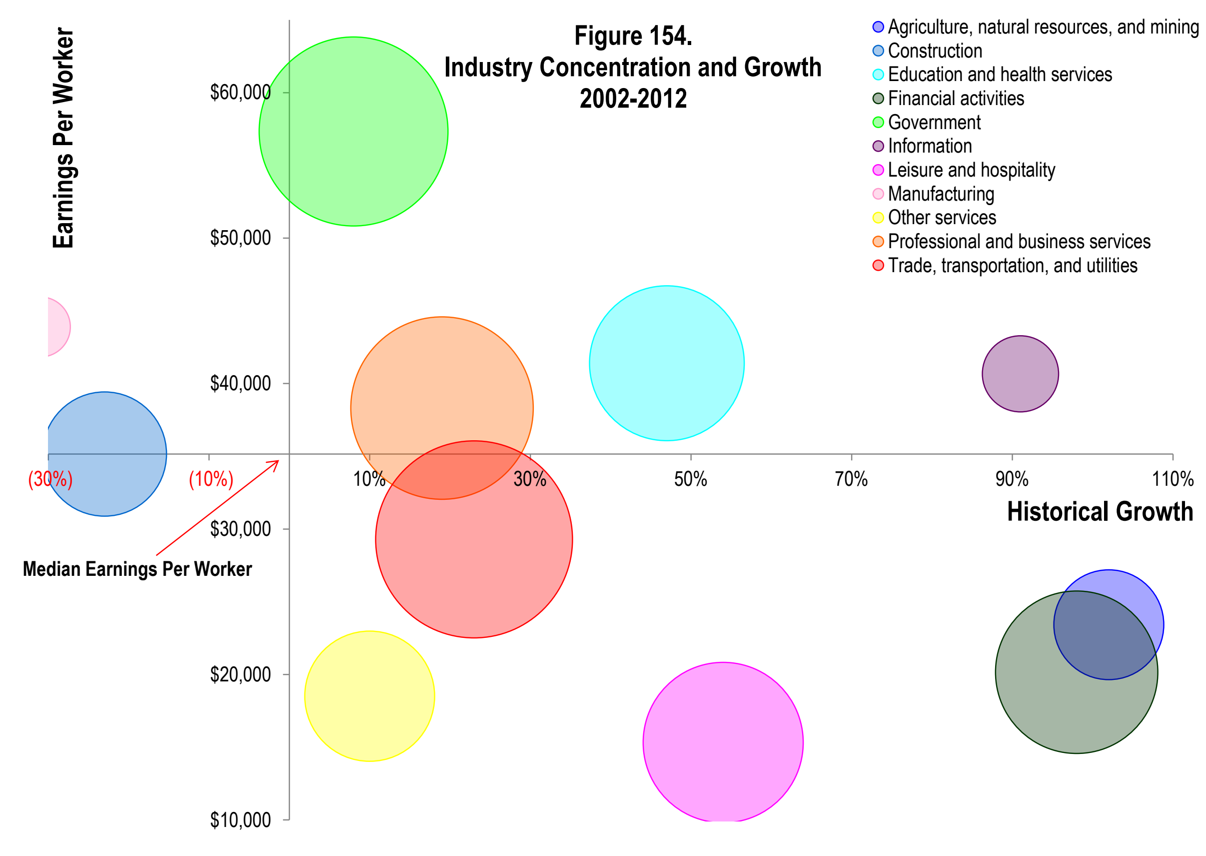


Figure 154.
Industry Concentration and Growth
2002-2012

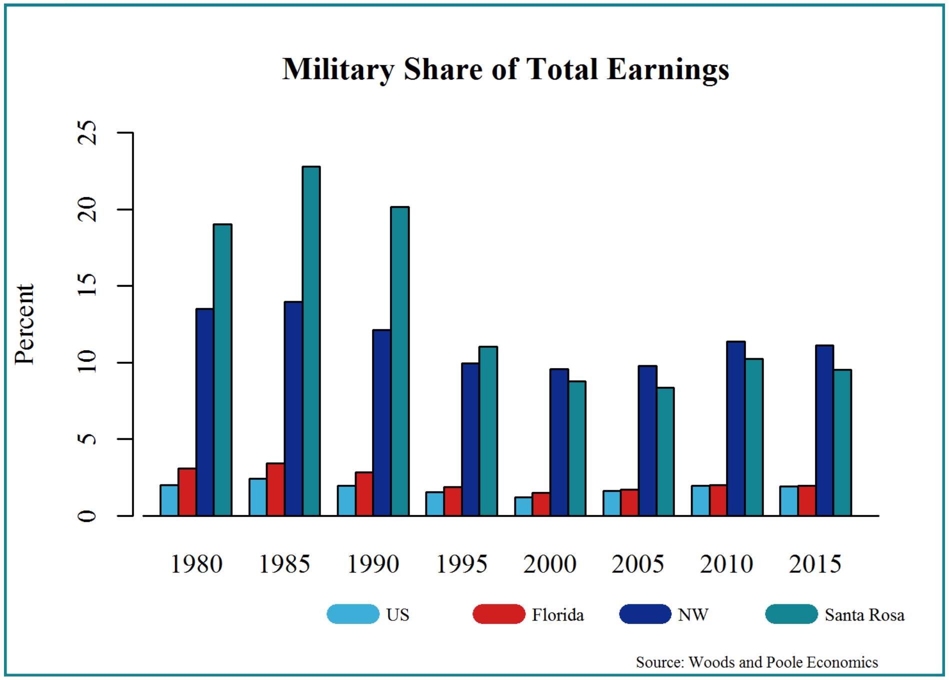


Figure 155. Military Share of Total Earnings

Earnings account for the majority of personal income and include wage and salary disbursements, proprietors' income and supplements to wages and salaries. *Earnings are therefore a proxy economic impact measure, which are inclusive of more than simply income.* The figure above benchmarks the total share of Santa Rosa County, Florida's income that can be attributed to the military (over time) against the Northwest Florida Region, the US and the State of Florida. As the data reflect, the military currently contributes to a substantially larger share of personal income in Santa Rosa County than at the state and national levels and a slightly smaller share than the Northwest Florida Region.

Figure 156. Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It thus allows us to benchmark the earnings of military employees against the earnings patterns of all workers. For Santa Rosa County, military employees in 1980 had earnings which totaled 151% of the Santa Rosa County workforce's average earnings level. For Northwest Florida, this figure was 152%, for Florida 119% and for the US as a whole it was 90%. By 2012, the Santa Rosa County earnings figure had risen to 387%, Northwest Florida increased to 245%, state comparative earnings had risen to 205% and for the US the relative earnings ratio increased to 170%.

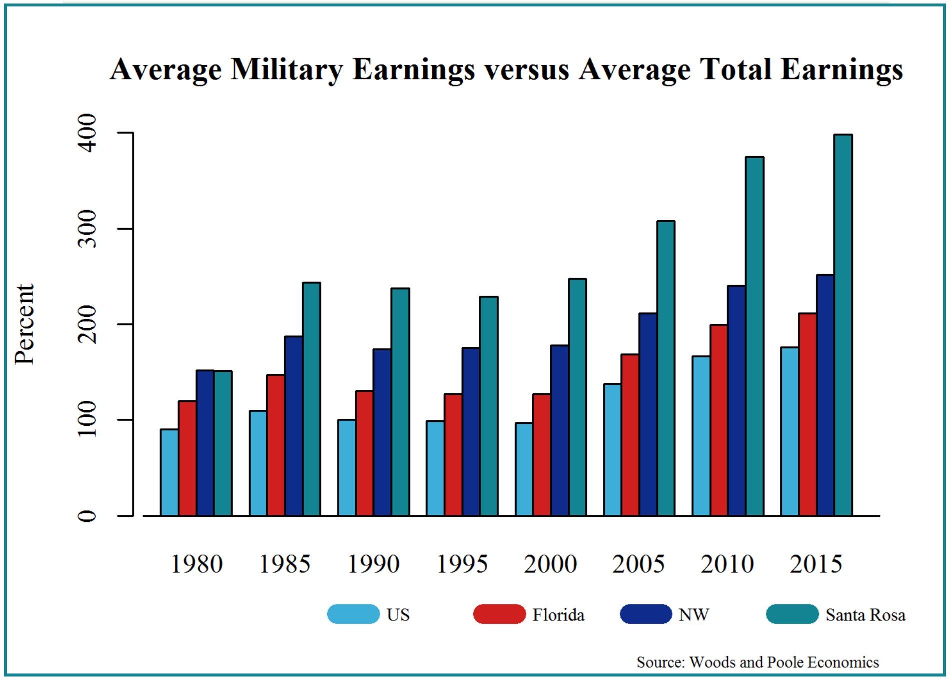
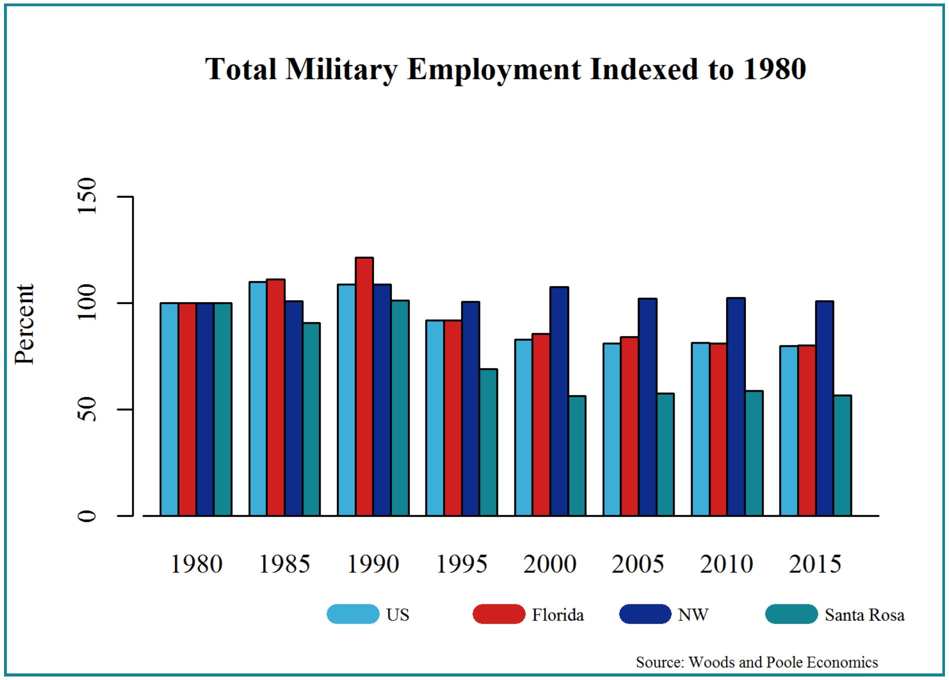


Figure 157. Military Employment as a Share of Total Employment

The figure below benchmarks military employment as a share of total employment for Santa Rosa County against the Northwest Florida Region, the state and the US. As the data indicate, in 1980, the military accounted for 13% of Santa Rosa County employment, 9% of Northwest Florida employment, 3% of Florida employment and 2% of US employment. By 2012, these figures declined to 3%, 5%, 1% and 1%, respectively. These data indicate that the military does not directly contribute to as large a share of county employment as it once did.



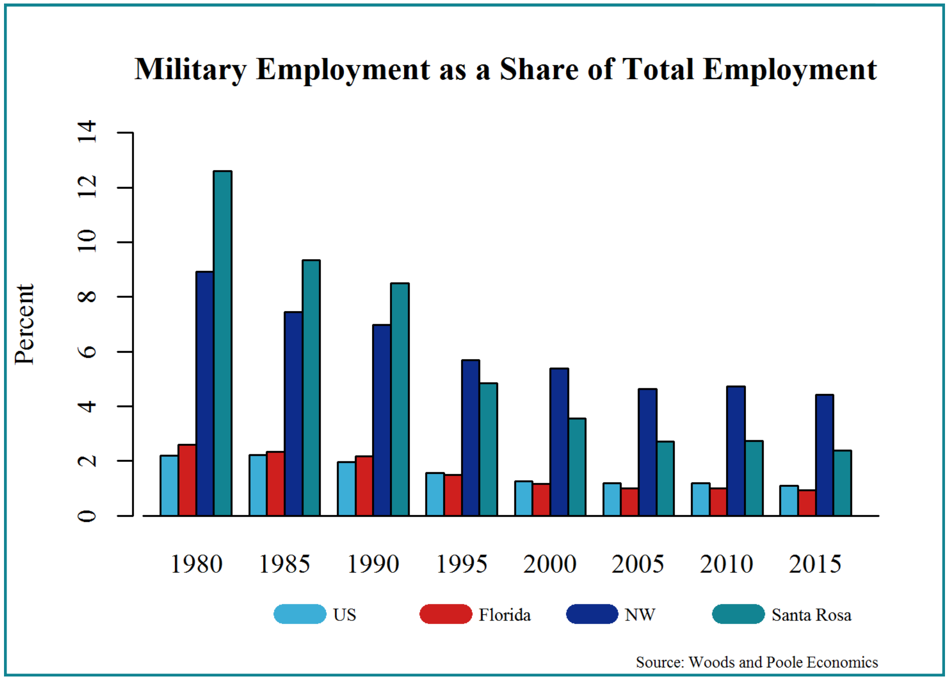


Figure 158. Change In Military Employment

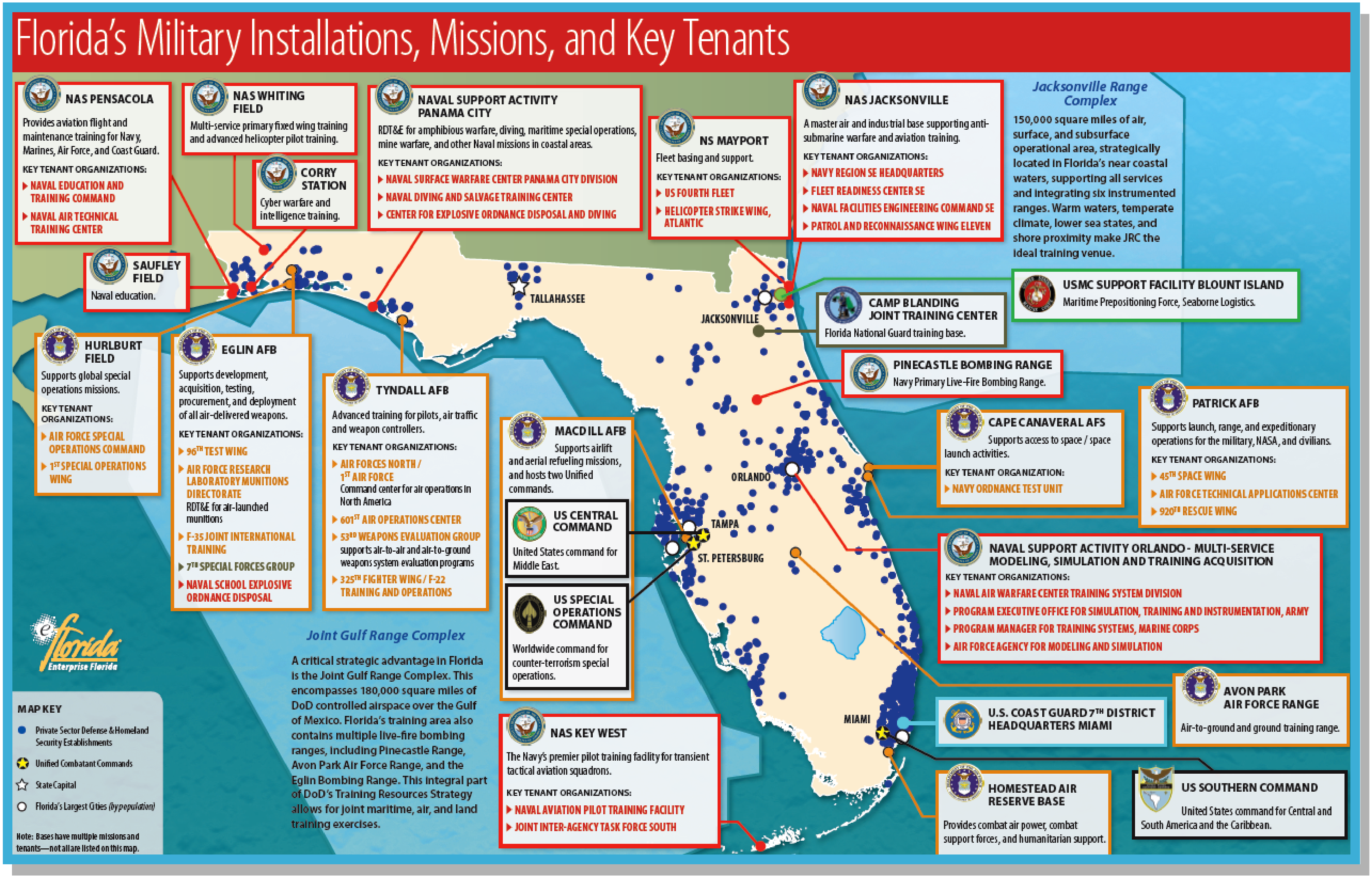
The figure above benchmarks the size of military employment in Santa Rosa County against the 1980 total. For example, military employment in 1985 for Santa Rosa County was 90% of the 1980 total. However, by 2010 the military had shrunk to 59% of its 1980 size in the county. Overall, we note that military employment, relative to the 1980 totals, has declined. Indeed, military employment at the national level is currently less than 80% of its 1980 totals, while at the state level, it is approximately 80%. For Santa Rosa County, military employment in 2012 stands at approximately 56% of its 1980 level.

Florida's Military Installations

Florida is home to 20 military installations and three major commands, including US Central Command, US Special Operations Command, and US Southern Command. These installations and commands, as we have outlined in the document, bring literally billions of dollars in positive economic benefits to the State of Florida and hundreds of thousands of jobs (direct, indirect, and induced).

Given the potential threats posed by looming federal budget cuts, the State of Florida commissioned a study of all of Florida's military installations. This study resulted in a series of documents, one of which was a publicly releasable version of base descriptions for all of Florida's key installations and commands. We have adapted those documents to suit our purposes here and have appended it to the end of the economic impact statements in order to paint a better picture of what Florida installations and commands contribute to national defense.

The map on the following page plots Florida's installations along with basic mission descriptions and lists some of the key tenants that are present at each installation. The map also highlights two of Florida's key range complexes—the Jacksonville Range Complex and the Joint Gulf Range Complex. Together, these ranges cover over 300,000 square miles and supplement the land ranges that are available at installations such as Eglin Air Force Base and Avon Park Air Force Range Each of Florida's installations are described on the pages that follow.


Florida's Military Installations, Missions, and Key Tenants
NAS PENSACOLA
Provides aviation flight and maintenance training for Navy, Marines, Air Force, and Coast Guard.
KEY TENANT ORGANIZATIONS:
NAVAL EDUCATION AND TRAINING COMMAND
NAVAL AIR TECHNICAL TRAINING CENTER
NAS WHITING FIELD
Multi-service primary fixed wing training and advanced helicopter pilot training.
CORRY STATION
Cyber warfare and intelligence training.
NAVAL SUPPORT ACTIVITY PANAMA CITY
RDT&E for amphibious warfare, diving, maritime special operations, mine warfare, and other Naval missions in coastal areas.
KEY TENANT ORGANIZATIONS:
NAVAL SURFACE WARFARE CENTER PANAMA CITY DIVISION
NAVAL DIVING AND SALVAGE TRAINING CENTER
CENTER FOR EXPLOSIVE ORDNANCE DISPOSAL AND DIVING
NS MAYPORT
Fleet basing and support.
KEY TENANT ORGANIZATIONS:
US FOURTH FLEET
HELICOPTER STRIKE WING, ATLANTIC
NAS JACKSONVILLE
A master air and industrial base supporting anti-submarine warfare and aviation training.
KEY TENANT ORGANIZATIONS:
NAVY REGION SE HEADQUARTERS
FLEET READINESS CENTER SE
NAVAL FACILITIES ENGINEERING COMMAND SE
PATROL AND RECONNAISSANCE WING ELEVEN
Jacksonville Range Complex
150,000 square miles of air, surface, and subsurface operational area, strategically located in Florida's near coastal waters, supporting all services and integrating six instrumented ranges. Warm waters, temperate climate, lower sea states, and shore proximity make JRC the ideal training venue.
SAUFLEY FIELD
Naval education.
TALLAHASSEE
JACKSONVILLE
USMC SUPPORT FACILITY BLOUNT ISLAND
Maritime Prepositioning Force, Seaborne Logistics.
CAMP BLANDING JOINT TRAINING CENTER
Florida National Guard training base.
PINECASTLE BOMBING RANGE
Navy Primary Live-Fire Bombing Range.
HURLBURT FIELD
Supports global special operations missions.
KEY TENANT ORGANIZATIONS:
AIR FORCE SPECIAL OPERATIONS COMMAND
1ST SPECIAL OPERATIONS WING
EGLIN AFB
Supports development, acquisition, testing, procurement, and deployment of all air-delivered weapons.
KEY TENANT ORGANIZATIONS:
96TH TEST WING
AIR FORCE RESEARCH LABORATORY MUNITIONS DIRECTORATE
RDT&E for air-launched munitions
F-35 JOINT INTERNATIONAL TRAINING
7TH SPECIAL FORCES GROUP
NAVAL SCHOOL EXPLOSIVE ORDNANCE DISPOSAL
TYNDALL AFB
Advanced training for pilots, air traffic and weapon controllers.
KEY TENANT ORGANIZATIONS:
AIR FORCES NORTH / 1ST AIR FORCE
Command center for air operations in North America
601ST AIR OPERATIONS CENTER
53RD WEAPONS EVALUATION GROUP
supports air-to-air and air-to-ground weapons system evaluation programs
325TH FIGHTER WING / F-22 TRAINING AND OPERATIONS
MACDILL AFB
Supports airlift and aerial refueling missions, and hosts two Unified commands.
US CENTRAL COMMAND
United States command for Middle East.
US SPECIAL OPERATIONS COMMAND
Worldwide command for counter-terrorism special operations.
ORLANDO
TAMPA
ST. PETERSBURG
CAPE CANAVERAL AFS
Supports access to space / space launch activities.
KEY TENANT ORGANIZATION:
NAVY ORDNANCE TEST UNIT
PATRICK AFB
Supports launch, range, and expeditionary operations for the military, NASA, and civilians.
KEY TENANT ORGANIZATIONS:
45TH SPACE WING
AIR FORCE TECHNICAL APPLICATIONS CENTER
920TH RESCUE WING
NAVAL SUPPORT ACTIVITY ORLANDO - MULTI-SERVICE MODELING, SIMULATION AND TRAINING ACQUISITION
KEY TENANT ORGANIZATIONS:
NAVAL AIR WARFARE CENTER TRAINING SYSTEM DIVISION
PROGRAM EXECUTIVE OFFICE FOR SIMULATION, TRAINING AND INSTRUMENTATION, ARMY
PROGRAM MANAGER FOR TRAINING SYSTEMS, MARINE CORPS
AIR FORCE AGENCY FOR MODELING AND SIMULATION
Joint Gulf Range Complex
A critical strategic advantage in Florida is the Joint Gulf Range Complex. This encompasses 180,000 square miles of DoD controlled airspace over the Gulf of Mexico. Florida's training area also contains multiple live-fire bombing ranges, including Pinecastle Range, Avon Park Air Force Range, and the Eglin Bombing Range. This integral part of DoD's Training Resources Strategy allows for joint maritime, air, and land training exercises.
eflorida
Enterprise Florida
MIAMI
AVON PARK AIR FORCE RANGE
Air-to-ground and ground training range.
U.S. COAST GUARD 7TH DISTRICT HEADQUARTERS MIAMI
NAS KEY WEST
The Navy's premier pilot training facility for transient tactical aviation squadrons.
KEY TENANT ORGANIZATIONS:
NAVAL AVIATION PILOT TRAINING FACILITY
JOINT INTER-AGENCY TASK FORCE SOUTH
HOMESTEAD AIR RESERVE BASE
Provides combat air power, combat support forces, and humanitarian support.
US SOUTHERN COMMAND
United States command for Central and South America and the Caribbean.
MAP KEY
Private Sector Defense & Homeland Security Establishments
Unified Combatant Commands
State Capital
Florida's Largest Cities (by population)
Note: Bases have multiple missions and tenants—not all are listed on this map.

Homestead Air Reserve Base

Overview:

The primary and host unit at Homestead Air Reserve Base is the 482nd Fighter Wing, Air Force Reserve Command. The wing is equipped with approximately 24 primary assigned aircraft (F-16C/D). The 482nd Fighter Wing provides mission capable aircraft, air crews, and maintenance capability to the Air Force as required and tasked. Flying from Homestead Air Reserve Base is routine with access to airspace and ranges in the region. Besides the operational flying mission, the wing includes mission support, medical support, security, and an aerial port squadron.

In context, Homestead Air Reserve Base is the largest military airfield in Southern Florida. There is crucial access to special use airspace, an air traffic control environment that allows flexible scheduling, and a large metropolitan commercial environment that can provide various contract support. This strategic location was demonstrated during the airlift organized for the Haitian relief. In almost any scenario of requirements for Air Force support to the Caribbean basin and South America, Homestead Air Reserve Base provides a valuable departure point.

Mission:

Provide ready, trained, and equipped combat air power and agile combat support forces to the joint warfighter, and provide quality programs, services, and recognition to our Citizen Airmen. On order, provide ready, on-call humanitarian support.

Major Units/Tenants:

- 482 Fighter Wing, (AFRC)
- Detachment 1 of the 125th Fighter Wing (Florida ANG)
- Detachment 2, 20th Operations Group
- Special Operations Command South (SOCSOUTH)
- 50th Army Support Group (Florida National Guard)
- USCG Marine Safety and Security Team

Patrick Air Force Base and Cape Canaveral Air Force Station

Overview:

Patrick Air Force Base hosts and provides support for numerous one-of-a-kind units that operate and maintain the Air Force facilities at Cape Canaveral and the Eastern Test Range. Patrick Air Force Base hosts an Air Force Reserve Command combat search and rescue unit, the Department of State/Office of Aviation operation, and the Air Force Technical Applications Center. Air Force Technical Applications Center monitors compliance with nuclear treaties throughout the world.

The 45th Space Wing operates Cape Canaveral Air Force Station. The installation is comprised of numerous space launch complexes that have been built over the last fifty years and provides the facilities to assemble heavy lift rockets and their payloads for launch into space. The government payloads support our national defense, navigation systems, and government satellite communications. Cape Canaveral Air Force Station is not to be confused with NASA's Kennedy Space Center which conducted manned space flight with the Space Shuttle for many years.

Associated with Cape Canaveral Air Force Station is the Eastern Test Range. The "range" extends from Cape Canaveral south and east through the eastern Caribbean to Ascension Island, which is off the western coast of Africa. The range can also support missions to the northeast through the gap between Iceland and Ireland.

Mission:

One Team... Delivering Assured Space Launch, Range, and Combat Capabilities for the Nation.

Major Units/Tenants:

- 45th Space Wing
- Air Force Technical Applications Center
- 920th Rescue Wing (AFRC)
- Naval Ordinance Test Unit
- Department of State/Office of Aviation
- 114th Range Operations Squadron (FANG)

Avon Park Air Force Range

Overview:

Avon Park Air Force Range is the largest bombing and gunnery range east of the Mississippi River. Avon Park Air Force Range has approximately 400 square miles of restricted airspace, 1,000 square miles of military operating area, and 100,929 acres, providing an important training facility for Active, Guard, and Reserve military units from the Army, Navy, Air Force, Marines, and Coast Guard, and for special operations and Homeland Security personnel.

Mission:

Support large force, full spectrum training exercises, including close air support, realistic combat search and rescue, and special operations training.

Major Units/Tenants:

- Detachment 1, 23rd Wing
- Florida Army National Guard Unit Training Equipment Site
- State of Florida Juvenile Academy
- Avon Park Correctional Institution, State of Florida

Tyndall Air Force Base

Overview:

The primary operational unit and host at Tyndall Air Force Base is the 325th Fighter Wing. The 325th FW contains the Formal Training Unit for the F-22 fighter. Numerous tenants on the base include 53rd Weapons Evaluation Group, 1st Air Force – AFNORTH, the 601st Air Operation Center, Det 1, 823 Red Horse, and the Air Force Civil Engineer Support Agency. The 325th Fighter Wing mission also includes the training of F-22 maintainers, air battle managers, and intelligence personnel associated with the missions.

Tyndall AFB is located adjacent to the overwater Gulf Range, which is Special Use Airspace that is heavily used by the 29 F-22 aircraft of the Formal Training Unit as well as weapons evaluation including live munitions against supersonic QF-4 drones. The Air Force recently announced the movement of a combat-coded F-22 squadron of 24 aircraft to Tyndall Air Force Base. The move will raise the total assigned F-22s to 53. The Air Force is also moving 20 T-38 Talon aircraft from a variety of locations to Tyndall. The T-38s will be used as aggressor aircraft for the training and continued proficiency of the F-22 pilots.

Mission:

To train and project unrivaled combat power and support tenant units.

Major Units/Tenants:

- 325th Fighter Wing (FW)

- 1st Air Force
- Air Force Civil Engineer Support Agency (AFCESA)
- Air Force Research Laboratory, Airbase Technologies Division (AFRL)
- 601st Air and Space Operations Center (AOC)
- 53rd Weapons Evaluation Group (WEG)
- Detachment 1, 823 CES (HR) Red Horse Squadron (RHS)
- Paul W. Airey NCO Academy (NCOA)
- 325 Logistics Readiness Division (LRD)
- Department of Homeland Security (DHS)

Hurlburt Field

Overview:

Hurlburt Air Force Base is part of the greater Eglin Air Force Base reservation. It is home to Headquarters Air Force Special Operations Command, the 1st Special Operations Wing, the USAF Special Operations School, and the Air Combat Command's 505th Command and Control Wing.

Mission:

Organize, train, and equip Air Force special operations forces for global deployment, and to assist foreign countries in the establishment of internal air defense abilities.

Major Units/Tenants:

- Air Force Special Operations Command
- 1st Special Operations Wing
- 24th Special Operations Wing
- Air Force Special Operations Training Center
- 361st Intelligence, Surveillance and Reconnaissance Group
- 720th Special Tactics Group
- 505th Command and Control Wing
- The Air Force Combat Weather Center

- 25th Intelligence Squadron
- 413th Flight Test Squadron
- Detachment 3, 342nd Training Squadron
- 39th Information Operations Squadron
- Air Force Operational Test and Evaluation Center
- 823rd RED HORSE Squadron

Eglin Air Force Base

Overview:

A major organizational change occurred on July 18, 2012 with the deactivation of the Air Armament Center. The diverse Air Armament Center missions at Eglin Air Force Base officially became part of two newly established Air Force Materiel Command centers during a ceremony on July 18. The 96th Test Wing, Eglin Air Force Base, Florida, is the test and evaluation center for Air Force air delivered weapons, navigation and guidance systems, Command and Control systems, and Air Force Special Operations Command systems. The wing provides evaluation and validation of the performance of systems throughout the design, development, acquisition, and sustainment phases to ensure the warfighter has technologically superior, reliable, maintainable, sustainable, and safe systems. Additionally, the wing commander serves as the installation commander, supporting Team Eglin with traditional military services to include civil engineering, personnel, logistics, communications, computer, medical, security, and all other host services. Units at Eglin also operate the Eglin Range, the Gulf Test and Training Range, and in consultation with civil authorities, the airspace over the panhandle of Florida.

Mission:

To facilitate the weapon-system life-cycle from concept through development, acquisition, experimental testing, procurement, operational testing, and final employment in combat, and to support key tenant units in accomplishment of their mission.

Major Units/Tenants:

- 96th Test Wing
- 33rd Fighter Wing – F-35 Training
- 53rd Wing
- Air Force Research Laboratory, Munitions Directorate
- Armament Directorate
- Naval School Explosive Ordnance Disposal
- 919th Special Operations Wing
- 20th Space Control Squadron
- 6th Ranger Training Battalion
- 7th Special Forces Group

MacDill Air Force Base

Overview:

MacDill Air Force Base is an active United States Air Force base located eight miles south-southwest of downtown Tampa, Florida. The "host wing" for MacDill AFB is the 6th Air Mobility Wing of the Air Mobility Command, part of AMC's Eighteenth Air Force. In addition to the 6th Air Mobility Wing, MacDill Air Force Base is also home to numerous Mission Partners, including United States Central Command and United States Special Operations Command. The presence of these two Combatant Commands and other Mission Partners creates a unique multi-service community at MacDill Air Force Base, with all branches of service represented.

Mission:

Provide worldwide air refueling and airlift in support for the Air Force’s Global Reach, Global Power mission; provide administrative, medical, and logistical support for United States Central Command, United States Special Operations Command, and other tenants.

Major Units/Tenants:

- Headquarters, United States Central Command
- Headquarters, United States Special Operations Command
- 6th Air Mobility Wing
- 927th Air Refueling Wing
- Joint Communications Support Element
- National Oceanic and Atmospheric Administration

Naval Air Station Pensacola, Corry Station, Saufley Field

Overview:

For this section, we have combined the assessments into a single report because of the relationship of the three installations of Naval Air Station Pensacola, Corry Station, and Saufley Field.

Naval Air Station Pensacola

NASP includes 5,809 acres at four sites: Naval Air Station Pensacola, Saufley Field, Corry Station, and Blue Angel Park, a small recreation area.

Mission:

Support the many Navy and other operational and training units that reside there.

Major Units/Tenants:

- Naval Education and Training Command
- Marine Aviation Training Support Group 21
- Center for Naval Aviation Technical Training
- Naval Air Technical Training Center
- Naval Aviation Schools Command
- Naval Hospital Pensacola
- Navy Medicine Operational Training Center
- Training Air Wing Six
- 479th Flying Training Group
- Naval Education and Training Security Assistance Field Activity
- Naval Flight Demonstration Team – Blue Angels
- National Museum of Naval Aviation

Corry Station

Corry Station's primary unit is the Center for Information Dominance. The base also hosts the 10th Fleet's Navy Information Operations Center, which includes numerous other DoD and non-DoD units, to include a Department of Homeland Security cyber warfare training unit. Non-DoD units contribute to the site's $70M annual operating budget. In addition to hosting these important training and operational units, Corry Station is home to the primary Naval Air Station Pensacola shopping mall with an exchange, commissary, autoport, and pharmacy refill center. It also supports an Army veterinary clinic, numerous Morale, Welfare, and Recreation (MWR) facilities, and a boys "boot-camp" run by Escambia County.

Mission:

Support the Center for Information Dominance, other tenants, and the military and their families in the Naval Air Station Pensacola community.

Major Units/Tenants:

- Center for Information Dominance
- 10th Fleet's Navy Information Operations Center
- NASP shopping mall

Saufley Field

Saufley Field, is home to the Naval Education and Training Development and Technology Center.

Mission:

Support the Naval Education and Training Development and Technology Center.

Major Units/Tenants:

- Naval Education and Training Development and Technology Center
- Defense Activity for Non-Traditional Education Support
- Department of Justice federal prison

Naval Air Station
Whiting Field

Overview:

Naval Air Station Whiting Field is located 30 minutes outside Pensacola, FL, north of the city of Milton, in the heart of Santa Rosa County. It is well supported by numerous Outlying Landing fields and its mission, in the words of one former Commodore of the Training Wing, is to “manufacture aviation warriors.” The base is very proud of its mission and its contribution to the war fighting effort. It is a critical partner to a very patriotic and pro-military community.

Mission:

Train student naval aviators in the primary and intermediate phases of fixed-wing aviation and in the advanced phases of helicopter training.

Major Units/Tenants:

- Training Air Wing Five
- Training Squadron VT-2
- Training Squadron VT-3
- Training Squadron VT-6
- Helicopter Training Squadron HT-8
- Helicopter Training Squadron HT-18
- Helicopter Training Squadron HT-28

Naval Air Station

Jacksonville

Overview:

Naval Air Station Jacksonville is the largest Navy base in the Southeast Region and third largest in the nation. As a master air and industrial base, Naval Air Station Jacksonville supports U.S. and allied forces specializing in anti-submarine warfare and aviation training.

Naval Air Station Jacksonville was named the 2012 Presidential Installation Excellence Award Winner. Naval Air Station Jacksonville is host to 117 tenant commands.

Base Facilities and Capacities:

Naval Air Station Jacksonville is comprised of over 460 buildings in three sites and three ranges encompassing more than 24,699 acres. The acreage includes the Outlying Field Whitehouse (2,564 acres); training ranges at Pinecastle (5,698 acres), Rodman (3,258 acres), and Lake George (8,960 acres); and Yellow Water housing (253 acres). Naval Air Station Jacksonville alone is 3,881 acres on the St. Johns and Ortega Rivers. There are two runways, one of 8,000 feet and the other 6,000 feet. In addition, there is the 8,000 foot runway at Outlying Field Whitehouse, just outside Jacksonville.

The Base is one of the largest employers in the area and one of the largest in the State of Florida. There are nearly 5,500 military personnel and over 6,000 civilian personnel assigned there. Annual budget is in excess of $66M and another $17.5M for non-appropriated fund activities (MWR). The replacement value is estimated to be in excess of $2.7 Billion.

Mission:

Enable naval aviation war-fighting readiness by supporting the fleet, fighter, and family.

Major Units/Tenants:

- Commander Navy Region Southeast (CNRSE)
- Fleet Readiness Center SE (FRCSE)
- Commander Helicopter Maritime Strike Wing Atlantic
- Commander Patrol Wing 11
- VP-30, Fleet Readiness Squadron (FRS)
- VR-58 and VR-62, Reserve Fleet Logistics Squadrons
- Naval Hospital
- NAVFAC SE
- Fleet Logistics Center
- Defense Depot Jacksonville Florida (DDJF)
- Fleet Area Control and Surveillance Facility (FACSFAC)

Naval Station Mayport

Overview:

Naval Station Mayport offers a superb combination of operational advantages and community support not seen anywhere else. The co-location of an airfield and deep-water harbor offers unique capabilities available at only a few naval facilities in the nation. The proximity to the Atlantic Ocean allows for the shortest transit times for both ships and aircraft from pier or tarmac to open water of any U.S. Navy Base. Its location is in what may be the most pro-Navy city in the United States, where one in four residents is either a Sailor, ex-Sailor, or family member.

Naval Station Mayport is host to 83 tenant commands including 16 ships, four helicopter squadrons, and the Navy's Fourth Fleet. The installation represents the third largest naval fleet concentration area in the U.S. Most of the tenant commands located at Mayport have missions in direct support of the ships and aircraft assigned.

Base Facilities and Capacities:

Naval Station Mayport, 3,230 acres situated along the Atlantic Ocean and St. Johns River, takes full advantage of its useable land space (much of the base area is wetlands). Boasting almost 2.6 million square feet of working space in almost 300 buildings with a plant replacement value of $1.3 Billion, the base supports significant operational capability for both naval aviation and surface force operations. The Base and its tenant commands provide employment for thousands of Active Duty and Reserve military personnel, military civilians, and contractors. With dependent family members residing in base housing added to the mix, Naval Station Mayport is the home and/or work place for almost 13,500 military personnel, government civilians, and contractors.

Mission:

To sustain and enhance Warfighter readiness by providing support to the Fleet and Sailors.

Major Units/Tenants:

- Commander, U.S. Fourth Fleet/U.S Naval Forces Southern Command
- Commander, Helicopter Maritime Strike Wing, U.S Atlantic Fleet
- Two Destroyer Squadrons
- Four Aegis Class Cruisers (CGs)
- Four Arleigh Burke Class Destroyers (DDGs)
- Eight Oliver Hazard Perry Class Frigates (FFGs)
- Three Active and One Reserve Helicopter Squadrons
- Afloat Training Group Mayport
- Southeast Regional Maintenance Center
- Explosive Ordnance Disposal Detachment
- Naval Aviation Forecast Component Mayport
- Center for Surface Combat Systems Detachment Mayport
- Fleet Readiness Center Southeast Mayport

Blount Island Command/MCSF Blount Island

Overview:

There are two major commands at Blount Island: Blount Island Command and Marine Corps Support Facility Blount Island. Blount Island is managed by a single integrated staff with the Commanding Officer serving in the dual role of Commanding Officer of both Blount Island Command and Marine Corps Support Facility Blount Island. The staff oversees a civilian workforce comprised of over 830 personnel.

Mission:

Provide Prepositioning Programs and operational logistics support to Marine Corps and Department of Defense forces to enable them to rapidly and successfully conduct and quickly recover from assigned missions across the full spectrum of expeditionary warfare and anti-terrorist operations.

Major Units/ Tenants:

- Blount Island Command (BIC)
- Marine Corps Support Facility Blount Island (MCSF-BI)

Naval Air Station Key West

Overview:

Key West is the southernmost point in the United States. Famous for many things, it is also the home of Naval Air Station Key West and several of its tenants. It is situated in a strategic location and is also a training base for the Navy's finest pilots. Weather is a key factor, but the proximity of the training ranges and the technical aspects of the range complex make the area unique.

Mission:

Support operational and readiness requirements for the Department of Defense, Department of Homeland Security, National Guard, Federal agencies, and Allied Forces.

Major Units/Tenants:

- Joint Interagency Task Force (JIATF) – South
- U.S. Coast Guard
- U.S. Army Special Forces Combat Divers School
- VFC-111 Adversary Squadron
- VFA-106 Detachment, maintenance support for NAS Oceana squadron
- Tactical Combat Training System (TCTS)
- Naval Research Laboratory
- National Oceanic and Atmospheric Administration

Naval Support Activity Panama City

Overview:

Naval Support Activity Panama City was commissioned as a Navy Base in 1945. The installation has been in continuous operation since commissioning, having undergone name changes and reorganizations. Littoral and Mine Warfare, Special Operations support, Autonomous/Unmanned Vehicle development, Littoral Combat Ship Mission Package support, SEAL Delivery Vehicle support, and underwater training are all areas that Naval Support Activity Panama City provides warfighter readiness support. Additionally, the installation serves as the Navy's premier site for naval diving/salvage research, development, test, and evaluation. Covering 678 acres, Naval Support Activity Panama City's location enjoys a diversity of test environments, low encroachment, and mission synergies making it an ideal location and climate for development, test, and training in littoral warfare missions. The beach contours and water depths present at Naval Support Activity Panama City can replicate more than 80% of the world's littoral regions.

Mission:

Enable and sustain warfighter readiness through support to tenant commands and management and operation of the ranges on the base and the Gulf of Mexico.

Major Units/Tenants:

- Naval Surface Warfare Center Panama City Division
- Naval Experimental Diving Unit
- Center for Explosive Ordnance Disposal and Diving

- Naval Diving and Salvage Training Center
- US Coast Guard Station Panama City
- Florida Fish and Wildlife Conservation Commission

Naval Air Warfare Center Training Systems Division/Naval Support Activity Orlando/Team Orlando

Overview:

Naval Support Activity Orlando is a 40-acre facility located within the Central Florida Research Park adjacent to the University of Central Florida. Naval Support Activity Orlando's mission is to provide consistent, effective, and efficient shore installation support services to all tenant DoD agencies enabling their mission accomplishment in a joint services environment.

Naval Support Activity Orlando opened in 1988 as the home of the Naval Air Warfare Center Training Systems Division Orlando. Naval Support Activity Orlando also served as one of the principal foundations of Orlando’s new Central Florida Research Park, home to a wide variety of private industry, government, and academic organizations, many of which specialize in high-tech research and development programs that are today collectively known as Team Orlando.

The Florida Research Park includes three facilities funded by the State of Florida called Partnerships I, II, and III. The current occupancy of these three buildings is 50% DoD and 50% University of Central Florida. The park also includes a cluster of buildings that house over 100 modeling, simulation, and training (MS&T) companies. Following the terrorist attacks in September 2001, the State of Florida provided $9.1 Million to fund force protection measures to satisfy new DoD requirements.

Today, Naval Station Activity Orlando provides support to all DoD activities in Central Florida, most of which support modeling, simulation, and training activities that include over 190 industry and academic partners. The proximity facilitates synergy between academia, industry, and government.

Mission:

Naval Air Warfare Center Training and Simulation Division is the principal Navy center for research, development, test and evaluation, and acquisition and product support for training systems. It provides inter-service coordination and training systems support for the Army and Air Force. Naval Station Activity Orlando provides consistent, effective, and efficient shore installation support services to all tenant Department of Defense agencies enabling their mission accomplishment in a joint services environment. Team Orlando is Central Florida's unique collaborative alliance of leading modeling and simulation commands from four military services augmented, supplemented, and supported by academia and industry.

Major Units/Tenants:

- Naval Air Warfare Center Training and Simulation
- Naval Support Activity Orlando
- U.S. Army Program Executive Office for Simulation, Training, and Instrumentation
- U.S. Army Research Institute for the Behavioral and Social Sciences
- U.S. Marine Corps' Program Manager for Training Systems
- U.S. Army Research, Development and Engineering Command
- U.S. Air Force Agency for Modeling and Simulation
- U.S. Coast Guard Liaison Office
- Air Force Training Systems Product Group
- Joint Chiefs of Staff Directorate for Joint Force Development, Joint and Coalition Warfighting
- Joint Advanced Distributed Learning Co-Laboratory
- Defense Acquisition University

Camp Blanding Joint Training Center

Overview:

Camp Blanding Joint Training Center is the primary military reservation and training base for the Florida National Guard. The base is located in rural Clay County and Bradford County, approximately 25 miles south of Jacksonville. Camp Blanding possesses billeting to accommodate more than 3,500 personnel and ranges which can support small arms weapons, mortars, artillery, attack helicopter gunnery, and close air support aircraft.

The base is home to a range of tenants, including seven deployable Florida National Guard units, two US Army Reserve units, the National Guard Readiness and Targetry Center, the University of Florida Lighting Test Facility, the Space Florida Titan Missile Storage Site, the Florida Regional Training Institute, the Multi-Jurisdictional Counterdrug Academy, and the Florida Youth Challenge Academy.

Calculating one training event as equal to one person training on a single range, Camp Blanding supported more than 2 Million Reserve Component, 50,000 Active Component, and 24,000 civilian personnel training events during the 2011-2012 training year.

Mission:

Provide the resources to enhance joint, interagency, and multinational training in support of our communities, state, and nation.

Major Units/Tenants:

Florida Army National Guard:

- 3rd Battalion, 20th Special Forces (deployable unit)
- 2nd Battalion, 111th Airfield Operations Battalion (deployable unit)
- 927th Combat Sustainment Support Battalion (deployable unit)
- 221st Explosive Ordinance Disposal Company (deployable unit)
- 256th Area Support Medical Company (deployable unit)
- 44th Civil Support Team (Active Duty, quick response chemical, biological, and radiological unit)

Florida Air National Guard:

- 202nd Red Horse Squadron (deployable engineering/construction unit)
- 159th Weather Flight (deployable unit; exclusive sponsor of tactical weather instruction for all USAF personnel)

US Army Reserve:

- 2nd Battalion, 350th Regiment, 177th Armor Brigade (training advisory unit)
- 3rd Battalion, 348th Regiment, 87th Training Division (training advisory unit)

Other major tenant organizations:

- The Florida Regional Training Institute
- Florida Combined Support Maintenance Shops
- National Guard Range Readiness and Targetry Center
- Space Florida/Launch Alliance

- Dupont Mining
- University of Florida Lighting Test Facility
- Multi-Jurisdictional Counterdrug Training Academy
- Florida Youth Challenge Academy

Jacksonville Air National Guard Base

Overview:

Located adjacent to Jacksonville International Airport (JIA) and near Interstate Highways 70, 95, and 495, the Jacksonville Air Guard Base is home to the Florida Air Guard's 125th Fighter Wing. This relatively small installation is made up of 342 acres and has been tailored to meet the requirements of the 125th Fighter Wing. The Base possesses more than fifty aircraft support buildings and hangars. During BRAC 1995, the US Air Force rated the Jacksonville Air Guard Base as the best Air National Guard F-15 installation in the country.

Mission:

Support the 125th Fighter Wing to provide fully trained and qualified personnel to USNORTHCOM/NORAD in time of war or national emergency for defense of the North American Continent, and provide forces to other combatant commands for air dominance missions outside the US. When ordered, provide trained and equipped personnel to protect life and property and to preserve peace, order, and public safety of Florida citizens.

Major Units/Tenants:

- 125th Fighter Wing
- Air Force Air Test Center's Enhanced Eagle Test Team
- STARBASE Florida

Appendix A: Data, Sources and Methods

Sources of Impact

This analysis captured the impact of defense-related expenditures that flowed into the State of Florida. Defense spending impacts were derived from a number of sources. They may have arisen via defense spending done directly for Florida goods and services (e.g., procurement expenditures with Florida firms, wages paid to Florida households with active duty servicemen and women, DoD payments to military retirees in Florida, wages paid to National Guard and Coast Guard members, etc.). They may have arisen from defense spending not specifically targeted at Florida firms or DoD employees that directly generated other Florida economic activity (e.g., exports of Florida-produced goods driven by defense procurement in other states, presence of military spouses in the Florida economy, etc.).

Those spending flows generated income for businesses and workers in the defense industry supply chain. As those spending flows moved through the economy, some were spent in other states (e.g., a Florida serviceman or woman bought a new car produced in Tennessee), generating economic impacts in those areas. This latter effect is characterized as indirect (spending by businesses flowing to other businesses in the supply chain), or induced (spending done by households using their income generated by these direct and indirect spending flows). The analysis presented was intended to capture the total Florida output, or gross state product, driven by direct, indirect, and induced defense-related spending flows.

There were several types of direct expenditure components. One such category was procurement expenditures. Those were dollar flows which represented contracts or purchases throughout the state by installations and other defense entities for goods and services. Procurement dollar flows have risen over time as the military has outsourced more and more goods and services from private sector providers, rather than having them reduced through use of military personnel and other resources. Examples of procurement expenditures included prime contract awards to a university to conduct weapons development research, to a firm to provide architectural services, or to a business to build on-base housing.

Personnel expenses was a major spending category; it included the cost of wages and benefits paid to active duty officers and enlisted service members, as well as reserve and National Guard military personnel along with Coast Guard personnel. Additionally, appropriated fund civil service personnel were counted, as were non-appropriated personnel such as non-appropriated fund employees, private business employees (e.g., on-base bank), exchange personnel, and the like. A particularly important component of total defense-related spending was transfer payments, including military and civilian retirement pay. Veteran's Administration expenditures were also quite substantial.

Many of the spending categories were not driven by particular installation operating budgets but were instead identifiable by county. These included retirement pay, Veteran's Administration spending, and other non-installation spending flows, such as DoD grants and contracts for university-based research, ROTC programs, or Corps of Engineers spending. For those reasons, county-level spending data was generally preferred to installation data in order to more accurately characterize the size of defense-related spending. However, installation-specific data generally offered more specific detail (e.g., spending purpose associated with a particular procurement contract). While county-based flows were used as the basis for this analysis, a machine-readable database was constructed where specific contract flows were enumerated.

The Census Bureau's Consolidated Federal Funds Report (CFFR) presents data on Federal Government expenditures or obligations. The Consolidated Federal Funds Report provided an excellent source of expenditure data on military, National Guard, and Coast Guard related programs. Statistics covered grants to state and local governments, salaries and wages, procurement contracts, direct payments for individuals, and some other major programs. The report also included government loans and insurance, as well as total direct spending for defense and non-defense functions. The Consolidated Federal Funds Report was also used to validate other sources of data. Other general base information included number of quarters, strength, hospital rooms, recreational facilities, etc. were obtained from available public sources including military affiliated publications.

The Defense Department, Directorate for Information, and Operations and Reports of the Washington Headquarters Services, provided information for the Consolidated Federal Funds Report on military payrolls, with separate amounts for active military and inactive military (Reserve and National Guard). Amounts reported represent estimates of fiscal year outlays by county and state and included gross compensation. These cover salaries and wages, housing allowances, and in general all other personnel compensation, except retired military pay. We did not include amounts for military personnel stationed overseas. These flows are large for Florida due to the presence of the U.S. Southern Command, U.S. Central Command, and U.S. Special Operations Command who coordinate considerable overseas military operations.

Data Collection Issues

Military personnel estimates were compiled from several sources. Personnel numbers used in model development were those provided by Woods and Poole Economics, Inc. (Woods and Poole), the Bureau of Economic Analysis, and estimates from Regional Economic Modeling Incorporated's Policy Insight Plus Model, CEDDS database, the DoD's L03 Atlas/Data Abstract for the US and Selected Areas for Fiscal Year 2011, and the DoD's M02 Distribution of Personnel by State and by Selected Locations. Woods and Poole employment numbers were typically higher than those reported from other sources because they measured more kinds of employment.

Income and wage estimates were also compiled or calculated from the Consolidated Federal Funds Report. Total wage expenditures were reported in the Consolidated Federal Funds Report and allowed direct calculation of average wage (including relevant fringe benefits) for active-duty military personnel as well as for other military employees.

For purposes of comparing average earnings across all Florida jobs with average earnings across military jobs, Woods and Poole data was used in order to ensure direct comparability in earnings concepts. The data was obtained from the Bureau of Economic Analysis on place of work, rather than place of residence basis so that earnings were attributed to the county where the job was.

In this study, the question was posed: "What would the economy of the State of Florida look like in the absence of DoD spending?" A typical economic impact study instead asks: "What is the economic impact in local area x of spending y new dollars on project z?" In the latter situation, it would be correct to measure the value of procurement contracts to firms located in Florida counties as a spending input. However, a substantial fraction of this funding is spent out of the state. This effect is correctly accounted for through the use of regional purchase coefficients.

Economic Model

There are several types of models typically used to calculate economic impacts. Input-output models used financial flow data generated from businesses' accounting data and spending patterns for households of particular income levels to describe the economic linkages that exist within a regional economy. Those models began with U.S. government generated county-level data on business purchases and receipts in order to model the inputs that were used across the many sectors of the economy in the production of particular goods and services. The level of geographic and commodity detail can vary from production of printing ink, to storage batteries, to banking services in a geographic area as small as a zip code or as large as the national economy. The most commonly reported and useful level of detail is county-level geography at the 1 to 6 digit North American Industry Classification System (NAICS) level of commodity detail, whereas the previous 2003 report was conducted with the 1, 2, and 3 Standard Industrial Classification (SIC) code level of commodity detail. Examples of these models include the RIMSII modeling system from the US Department of Commerce and the IMPLAN modeling system from MIG, Inc. of St. Paul, MN.

Econometric simulation models combined the sector detail and geography detail of input/output models but provided for functioning economic linkages between sectors and regions over time. The current study used REMI PI+ Version 1.4.2 Build 3031 (Regional Economic Models Inc.), in a 67 region (one for each county) structural econometric model of the State of Florida, while the previous 2011 study employed REMI PI+ Version 1.1.14. It incorporated the basic input/output linkages, but also used econometrically estimated county-specific parameters, for example, interregional migration in response to changes in economic opportunities, in generating impact results. Because of those between-sector linkages, the model incorporated general equilibrium tendencies as the economy responds to shocks over time. That is, changes in spending in a region affect not just conditions in that market, but also in other markets within the region (economists term this as "general equilibrium") and outside the region (via trade and also via migration in response to changes in economic opportunities). That was in contrast to traditional input-output models that were both static (all effects are assumed to occur simultaneously, so there is no adjustment path over time) and partial equilibrium (e.g., changes in employment do not change wage rates) in nature. That described the phenomenon whereby, for example, a new financial services back office call center opened in a county, and bank managers throughout the county found they had to give staff a raise in order to keep them from leaving to take a job at the new call center. A traditional input-output model description of the economic impact would have held everything else fixed (including bank wages across the county) and simply documented the employment and job creation effects that resulted directly at the new call center and indirectly via businesses in its supply chain, as well as household spending induced by the new income flows.

A simulation model such as REMI was able to capture not only the spending effects flowing from the call center and its local suppliers and employees and owners, but also the spillover effects into other markets as wages and prices changed due to competition for the same employees and other resources. Those were the general equilibrium (equilibrium across all markets simultaneously) tendencies of the model. It also simulated the adjustment path over time of these market responses, using historical parameters estimated specifically for that county (the dynamic component). A rule of thumb was that the smaller the spending change being considered, the more appropriate it was to use the traditional input/output model. However, the general equilibrium and dynamic characteristics of an economic simulation model were particularly important when considering "large" changes. The presence or absence of $31 Billion in direct defense spending in Florida was a "large" change, because spending of that magnitude was likely to have spillover impacts in other markets not directly in the defense-related supply chain.

The approach used in this simulation study was to construct a regional baseline forecast extending through 2050 for each of the 67 regions (Florida counties). This forecast was developed based on US 2011 macroeconomic data, which was the last full year of data adequate to run the REMI simulation. REMI model policy variables were then selected and an intervention constructed based on data collected from data year 2011 secondary sources. The model was then run with the military spending interventions in place in order to simulate a Florida economy with no military spending occurring in Florida. The differences between the baseline forecast and the forecast with the interventions comprised the results or the causes associated with the given effects.

One other benefit of using an economic simulation model was particularly important when large spending flows were considered. In an input-output model, impacts were usually measured as gross impacts, or additions to the area's economy without consideration of the extent to which, for example, a project's use of labor force would have made labor more expensive to other businesses or required additional infrastructure investment. The use of REMI attenuated that problem and so came closer to an estimate of net, rather than gross, economic impacts because of the feedback effects present in this simulation model.

Reporting

Economic impacts can be reported in different ways. Defense spending created jobs, directly in the military and civilian ranks as well as in defense-related industries in the supply chain and in the broader economy where households spent their income. Thus, a job count was an appropriate way to measure impact; it was an intuitive concept and provided a broad measure of economic opportunities created for workers. It had the shortcoming that not all jobs were equal; differences in industry structure between regions and differences in pay for similar jobs due to other factors (e.g., quality of life) may have meant that jobs in one region were different from jobs in another region.

Defense spending created sales, both final (to consumers) and intermediate (to businesses). Thus, the magnitude of total spending was often provided in economic impact calculations. However, calculation and reporting of the dollar value of all sales associated with new defense spending created a risk of double counting, since the cost of inputs was included in the value of the final product. For example, the delivered price of a new car included the cost of the tires, the battery, and other components purchased from suppliers, and even though we can measure the dollar value of all those transactions, they were implicitly included in the final sale price.

Defense spending created personal income, both to workers (wages, salaries, fringe benefits, and other compensation) and to business owners (proprietors' income). To the extent that those workers and owners spent their income in the local economy, there were spin-off benefits and local economic impact associated with the flow. To the extent that the workers and owners were from other regions and spent their income elsewhere, personal income may not have been an accurate indicator of local impact. Projects may have also created wealth, because part of the income that flowed from this economic activity may have been saved and invested in order to provide future income and consumption. The type of wealth creation due to increased flows of saving was already accounted for when we calculated personal income because saving and subsequent investment flows were financed out of personal income. On the other hand, we may have observed appreciation of existing assets due to new economic activity (e.g., values of existing properties may have increased due to the presence of new regional spending).

Perhaps the most widely accepted measure of economic impact was the increase in Gross Regional Product (GRP) which resulted from the presence of new spending flows. The increased GRP was measured as the addition to the money value of all final goods and services produced within the region during a given time period. Because it measured final goods and services, it avoided the double counting inherent in the "total spending" measure. Because it incorporated leakages from regional income flows and from regional spending flows, it measured regional, as opposed to total (which would have included national and international effects). That concept can be viewed as the value that was added within the region as part of the production process. Regional value-added, or addition to GRP, was the concept that we reported most frequently in this report.

Any of those effects may have implied the presence of fiscal impacts, such as additional tax revenue or additional government expenditure required by the economic activity. It should be noted that we did not consider the payment of federal and/or state and local taxes (which finance military spending) by Florida residents and businesses in this report.

Definitions

Aggregate demand. Aggregate demand is the total amount that all consumers, business firms, and government agencies are willing to spend on final goods and services.

Analysis of economic impact. An assessment of change in overall economic activity as a result of some corresponding change in one or several activities.

Backward linkage. Links an industry to its suppliers or a household (an institution) and the producers of household goods and services. The figures in this report are measures of backward linkages.

Concentration. Concentration of an industry measures the share of the total sales or assets of the industry in the hands of its largest firms.

Correlated. Two variables are correlated if they tend to go up or down together. Correlation does not imply causation.

Disposable income. Disposable income is the sum of the incomes of all the individuals in the economy after all taxes have been deducted and all transfer payments have been added.

Economic model. An economic model is a simplified, small-scale version of some aspect of the economy. Economic models are often expressed in equations, by graphs or in words.

Equilibrium. Equilibrium is a situation in which there are no inherent forces that produce change. Changes away from an equilibrium position will occur only as a result of "outside events" that disturb the status quo.

Exports. Goods and services sold outside the boundaries of the economic entity being measured.

Final goods and services. Final goods and services are those that are purchased by their ultimate users.

Gross domestic product (GDP). Gross domestic product is the sum of the money values of all final goods and services produced in the domestic economy and sold on organized markets during a specified period of time.

Gross regional product (GRP). Gross regional product is analogous to gross domestic product but is for a sub-set of the entire domestic economy. It can be any size market and is usually defined along geographical boundaries.

Imports. Goods and services purchased from outside the economic unit being measured.

Intermediate good. An intermediate good is a good purchased for resale or for use in producing another good.

Multiplier. The multiplier is the ratio of the change in equilibrium divided by the original change in spending that causes the change. Each industry that produces goods and services generates demands for other goods and services. These demands ripple through the economy, multiplying the original economic impact.

Outputs. Outputs are the goods and services that consumers want to acquire.

Transfer payment. Payment to individuals arising from an entitlement created by law. Usually funded from current period budgetary appropriations. Examples include retirement pay to military retirees, as well as the costs of other retirement benefits.

Value added. The value added by a firm is its revenue from selling a product minus the amount paid for goods and services purchased from other firms.