

Economic Impact of the 2002 Military Wage Increase on Okaloosa County

Prepared for:

Economic Development Council
Okaloosa County, Florida

Final Report

June 1, 2002

Prepared by:

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The University of West Florida



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Commissioned by: Economic Development Council
Okaloosa County, Florida

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Executive Summary

The University of West Florida's Haas Center for Business Research and Economic Development (Haas Center) is pleased to submit the following report, in fulfillment of the terms of the contract entitled "Economic Impact of 2002 Military Wage Increase on Okaloosa County." Military activity in the Okaloosa County area has long been a major source of employment for local residents, of sales for local companies, and of tax revenues for local government. The military is now spending about \$1,868 million per year in Okaloosa County, through direct payrolls to servicemen and civilians, through retirement and veterans' benefits, and through contracts with companies doing business in Okaloosa County. In this report, we summarize the results of our investigation into the economic importance of the military in Okaloosa County. This research updates that by Dr. Rick Harper and Dr. Chris Pierce in January 2001. Among the most important findings are that:

- ▶ The military spends about \$1,868 million in Okaloosa annually. This is primarily due to the Air Force's major installations – Eglin AFB, Hurlburt AFB, and Duke Field.
- ▶ Among organizations that could relocate outside of Okaloosa County, the military is the largest employer. With over 24,000 active duty, reserve, and civilian employees, the military is nearly twenty times the size of the next largest mobile employer (Abbot Resorts with 1,200 employees) in the county.
- ▶ The military has the largest payroll among Okaloosa County's export industries at over \$1,201 million annually.
- ▶ Florida ranks sixth highest among the fifty states in the number of total military personnel (including civilian workers, reservists, and National Guard). Approximately 30% of federal military and civilian personnel stationed in Florida live in Okaloosa County.
- ▶ We estimate that the Fiscal 2002 wage increase for military personnel in Okaloosa will result in an increase in total local spending of approximately \$52.5 million, generate \$19 million in incomes in other industries, and support 779 new jobs in Okaloosa County.
- ▶ Military retirement pay in Okaloosa County is over \$170 million annually, or about \$19,819 per retiree. TriCare payments inject an additional \$16 million into Okaloosa County, and Survivor Benefits another \$7 million.

- ▶ U.S. Department of Defense (DOD) contracts with Okaloosa County businesses totaled \$472 million in Fiscal 2001. Okaloosa County ranks fifth among Florida's 67 counties in prime contract awards.
- ▶ We estimate that military activities generate about \$969.4 million in direct spending that stays in the local economy. When the total impact of military spending is considered (i.e., when taking the "multiplier effect" into account), approximately \$1,430 million in total spending is generated each year in Okaloosa County.
- ▶ About 20,080 jobs in other industry sectors in Okaloosa County are directly or indirectly related to military spending.
- ▶ Because of the "ripple effect", military spending is responsible for local incomes and wages in other industries of approximately \$551 million annually.

The report begins by documenting the economic importance of military activity in Okaloosa County. We track the Department of Defense dollars coming into Okaloosa County by category, including payroll, retirement and veteran income, and contracts. Next, we provide estimates of the effect of changes in military spending in Florida. An appendix provides the details of the overall magnitude of the economic impact that the military exerts on the other industry sectors of the local economy.

Guy Livingston

University of West Florida
June 1, 2002

Table of Contents

EXECUTIVE SUMMARY	3
LIST OF TABLES	6
LIST OF FIGURES	7
INTRODUCTION	8
INTRODUCTION	8
DEFENSE SPENDING	9
FISCAL YEAR 2003 BUDGET HIGHLIGHTS	11
New Directions in Military Spending	14
MILITARY PERSONNEL IN OKALOOSA COUNTY	16
FEDERAL MILITARY AND CIVILIAN WAGES	22
RETIREMENT AND VETERANS' INCOME	23
ECONOMIC IMPACT OF THE MILITARY IN OKALOOSA COUNTY	31
Introduction - Purpose, Definitions and Scope	31
Understanding Economic Multipliers	32
Military Spending Impacts	36
Impact of The 2002 National Defense Authorization Act Military Pay Raise	38
APPENDIX	39
Glossary Of Terms	39
Okaloosa Businesses Receiving Defense Contracts	44
Distribution of the Military Economic Impact in Okaloosa County	53

List of Tables

Table 1 - FY2003 Request for Selected Weapons Systems (\$ Millions).....	12
Table 2 – Military Budget Authority (\$Billions)	13
Table 3 - Where Military and Federal Civilian Personnel are Stationed	16
Table 4 - Military Personnel Compensation	22
Table 5 - Location of US Military Retirees.....	23
Table 6 - Prime Military Contract Awards.....	26
Table 7 - Department of Defense Prime Contract Awards by County	26
Table 8 - Distribution of Prime Defense Contracts by Industry Sector	29
Table 9 - Military Economic Inputs Used in Calculations	35
Table 10 - Estimated Economic Impact of the Military in Okaloosa	36
Table 11 - Estimated Impact of FY2002 Military Pay Increase	38
Table 12 - Glossary of Terms	39
Table 13 - Prime Defense Contract Awards to Okaloosa County Businesses, FY1999	44
Table 14 - Distribution of the Military Impact in Okaloosa County.....	53

List of Figures

Figure 1 - Distribution of Military Expenditures in Florida	11
Figure 2 - Distribution of Military Personnel in the State of Florida	17
Figure 3 - Percent of Workforce Employed in Each Industry Sector for Okaloosa, FL, US	19
Figure 4 – Number Employed by Industry in Okaloosa County, 1970-2000	20
Figure 5 - Distribution of Okaloosa County Workforce	21
Figure 6 - Distribution of Florida's Military Retirees.....	25
Figure 7 - Distribution of Prime Defense Contract Awards in Florida	28
Figure 8 - Distribution of the Economic Impact of Military Spending Activities in Okaloosa County	37

Introduction

The purpose of this analysis is to update our understanding of the economic impact of military spending in the local economy. Military activity has a direct quantifiable impact that includes wages paid to service members, pension checks, defense contracts awarded, and the like; however, the total economic impact is much greater. Servicemen and civilians working at Eglin and Hurlburt AFB spend much of their military pay in surrounding local economies. These installations spend millions with local businesses for construction, maintenance, utilities, food, and supplies. Local defense contractors also serve as prime contractors on federally generated projects, and spend their military-induced incomes throughout the region. Spending of wages by these servicemen, businesses, and retirees who have chosen to live in Okaloosa County ends up in the pockets of employees of grocery stores, car dealerships, hospitals, law firms, banks, insurance companies, and construction firms, all of whom in turn re-spend the dollars. This study will attempt to identify those spending activities that would not occur in the region were it not for the presence of the military, and clarify the impact that military activities have on the other industry sectors in the region.

As noted in previous studies conducted by the Haas Center, military installations provide a strong engine for growth of technology-based businesses in Okaloosa County. Okaloosa County is the technology leader in Northwest Florida; this leadership is the direct result of military spending; and policy makers should work to preserve the mission of these military facilities and the critical contracting relationships that go along with them.¹ The rapidly increasing national defense budget, and the ongoing military need for state-of-the-art technology, point to even greater military technology-based economic opportunities for businesses in Okaloosa County.

¹ *Economic Impact of Military Activity on Okaloosa County*, January 29, 2001, Haas Center for Business Research and Economic Development, University of West Florida.

Defense Spending

In order to provide a context for military-related economic benefits that flow into Okaloosa County, defense spending at the national and state levels will be briefly introduced. The State of Florida is a primary beneficiary of our nation's defense spending, ranking fourth among the fifty states in the amount of military defense contract dollars received. Florida received \$6.8 billion in Department of Defense (DoD) prime contract awards in Fiscal 1999, representing 5.9% of the nations total. Statewide, almost half (49%) of this contracting money is spent on supply and equipment contracts, followed by service contracts (26%), and then research, development, testing, and evaluation expenditures, which comprise 21%.² Okaloosa County ranks fifth among all Florida's counties in prime contract awards, receiving DoD contracts totaling \$443 million in Fiscal 1999. When payroll expenditures are added to contract awards, Okaloosa County ranks fourth of the 67 counties in the state in DoD expenditures (see Figure 1 below which shows how military expenditures are distributed throughout Florida).

In Fiscal 1999 the Department of Defense awarded \$118 billion to contractors nationwide for goods and services. Many analysts, including the Center for Strategic and Budgetary Assessments, (an independent, nonprofit public policy research institute that reports on defense planning and investment strategies), have stated that fully implementing the current administrations defense modernization plan would require average annual procurement budgets that are substantially larger than current levels.³ The larger defense budgets that they predicted appear to be coming. The Bush administration is requesting \$396.1 billion for the military in Fiscal 2003 (\$379.3 billion for the Defense Department and \$16.8 billion for the nuclear weapons functions of the

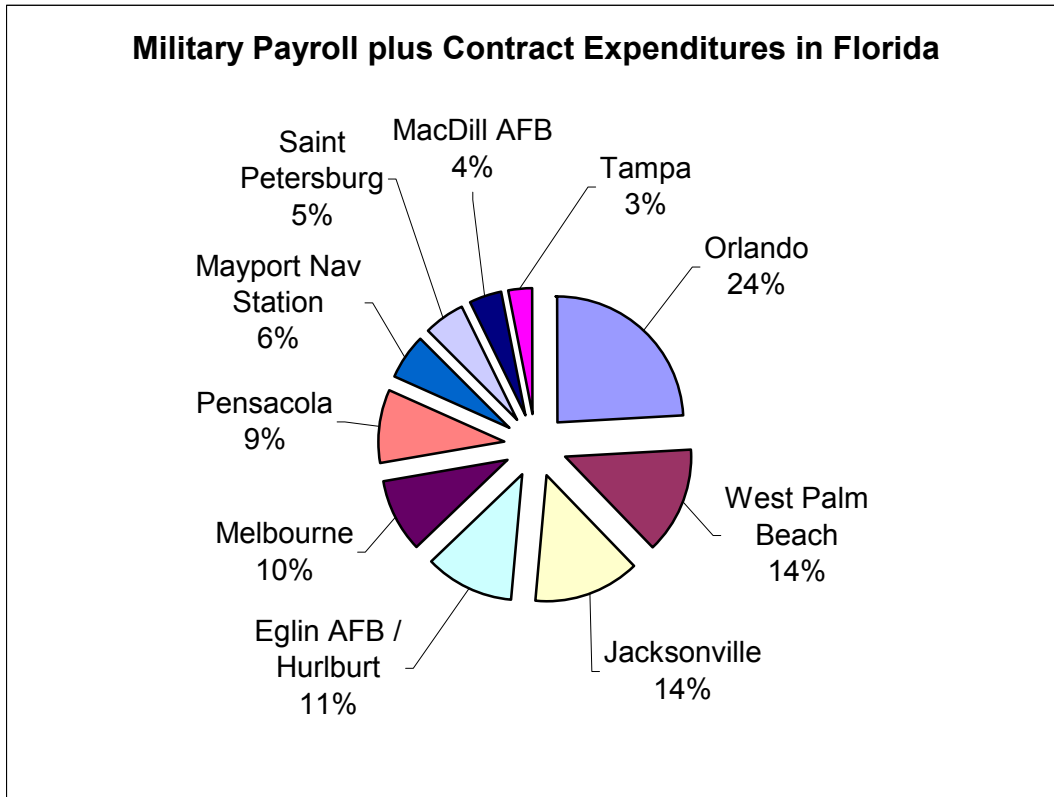
² Directorate for Information, Operations and Reports; Office of the Actuary, Department of Defense

³ Buying Tomorrow's Military: Options for Modernizing the US Defense Capital Stock, Steven Kosiak, Center for Strategic and Budgetary Assessments, 5/15/01, (<http://www.csbaonline.org>) For insight on current defense acquisition policies see <http://www.fas.org/man/crs/IB96022.pdf>

Department of Energy). This is \$45.5 billion more than the current budget, an increase of 13 percent. This will be the largest increase in military budget authority since Fiscal 1966 at the height of the Vietnam War. The increase alone is larger than the military budget of all other countries beside Japan, whose entire military budget is \$45.6 billion. It is also 15 percent higher than the Cold War average, to fund a force structure that is one-third smaller than it was a decade ago.⁴ A large percentage of this spending will go towards purchasing goods and services from public and private contractors. By Fiscal 2007, the National Defense budget is slated to increase to \$469.6 billion, if approved by Congress. In all, the current administration plans to spend \$2.1 trillion on the military over the next five years. The increasing defense budget is a source of economic opportunity for Okaloosa County, as funding is allocated towards military pay and benefits, increased research, and the transformation of the military into a force structured, trained and equipped to meet present and future threats to our national security.

⁴ Center for Defense Information (<http://www.cdi.org>)

Figure 1 - Distribution of Military Expenditures in Florida



Source: FY 1999 Atlas/Data Abstract for the U.S. and Selected Areas, Directorate for Information, Operations and Reports; Office of the Actuary, Department of Defense. (<http://web1.whs.osd.mil/mmid/103/fy00/00top.htm>)

Fiscal Year 2003 Budget Highlights

Funding By Function:

The administration's budget proposal calls for military funding to be allocated in the following way:

- ▶ Military Personnel - \$94.2 billion (15 percent increase)
- ▶ Operations & Maintenance - \$150.2 billion (18 percent increase)
- ▶ Procurement - \$68.7 billion (12 percent increase)
- ▶ Research & Development - \$53.9 billion (11 percent increase)
- ▶ Military Construction - \$4.8 billion (27 percent decrease)
- ▶ Housing - \$4.2 billion (2 percent increase).

Quality Of Life:

The administration is requesting a 4.1 percent increase in basic military pay, and reduction of out-of-pocket expenses for personnel living in private housing from 11.3 percent to 7.5 percent. Military construction is cut from \$6.6 billion to \$4.8 billion, with programs delayed until the next round of base closings (not including family housing).

To give the reader an idea of the type of major acquisition programs that are currently underway, the Fiscal 2003 requests for selected major weapon systems are provided in Table 1 below. It shows the major weapon systems that are funded by the current budget proposal, and indicates their unit cost and total program cost.

Table 1 - FY2003 Request for Selected Weapons Systems (\$ Millions)

	FY'03 Request	Quantity	Per Unit Cost	Total Program Cost
F-22 Fighter	5,248.3	23	225.9	68,884.8
C-17 Transport Aircraft	3,983.9	12	334.8	44,860.1
Joint Strike Fighter	3,471.2	----	73	219,000
F/A-18E/F Fighter	3,267.3	44	85.4	46,825.7
DDG-51 Destroyer	2,670.2	2	962.2	55,807.6
SSN-774 "Virginia" Attack Submarine	2,457.4	1	2,188.9	65,677.5
V-22 Osprey Aircraft	1,994.0	11	85.2	37,217.8
DD(X) Vessel Technology Program	961	N/A	N/A	5,219.5
Interim Armored Vehicle (IAV)	936.2	332	3.3	7,039.4
RAH-66 Comanche Helicopter	910.2	----	39.7	48,134.3
H-60 "Blackhawk" Helicopter (All Services)	880.0	27	N/A	N/A
Joint Direct Attack Munitions (JDAM)	830.2	35,000	0.03	2,626.4
Family of Medium Tactical Vehicles (FMTV)	683.4	3,409	0.21	17,789.4
Trident II D-5 Missile	626.1	12	60.0	27,183.8
LPD-17 Landing Ship	614.6	1	1,097.2	8,777.6
Aircraft Carrier Replacement Program (CVNX)	603.4	----	N/A	3,587.6
C-130 Cargo Aircraft (All Services)	545.5	4	82.3	2,633.2
Crusader Artillery System	457.2	----	23	11,100
E-8C Joint STARS Reconnaissance Aircraft	334.8	1	537.3	8,597.1
B-2 Bomber	297.4	----	2,114	44,400
Tactical Tomahawk Cruise Missile	240.1	106	1.4	1,878.2

	FY'03 Request	Quantity	Per Unit Cost	Total Program Cost
Joint Stand-off Weapon (JSOW)	211.9	476	0.32	5,794.3
MILSTAR Communications Satellite	148.9	----	N/A	N/A
Joint Air to Surface Standoff Missile (JASSM)	111.2	100	0.85	2,101.4

Sources: DoD, *Program Acquisition Costs By Weapon System*, February 2002, Congressional Budget Office. Per Unit Costs and Total Program Costs are based on DoD's *Selected Acquisition Report*, December 7, 2001. Center for Defense Information

The military budget request by the Bush Administration for the next several years is shown in Table 2 below. These requests, if approved by congress, will increase annual defense spending from the current \$350 billion to approximately \$470 billion by Fiscal 2007.

Table 2 – Military Budget Authority (\$Billions)

	FY'02	FY'03	FY'04	FY'05	FY'06	FY'07	FY'03-FY'07 Totals
DoD Military*	331.2	379.3	387.9	408.8	429.6	451.4	2,057.00
DoE and Other*	16.4	16.8	17.1	17.5	17.9	18.2	87.5
Total*	350.8**	396.1	405	426.2	447.5	469.6	2,144.40

Source: Center for Defense Information (<http://www.cdi.org>)

NOTES: *Includes the Defense Emergency Response Funds (FY2002-FY2007) **The total figure includes \$3.2 billion for "Civilian accrual" which in the other years is included in the actual DoD budget.

New Directions in Military Spending

For nearly a decade, the military services have been attempting to refocus on new and emerging threats fundamentally different from those faced by the U.S. during the cold war. Emerging threats include frequent intervention in complex civil wars and internal violence, often in economically and politically underdeveloped nations, along with requirements for peacekeeping and counter-terrorism operations. Also expected are conflicts with non-state actors that use weapons of mass destruction, are skilled in urban or guerilla warfare, and engage in ethnic cleansing, suicide bombing and other unconventional methods of waging war. These emerging “asymmetric warfare” missions often bypass the U.S. military’s current strengths and exploit its weaknesses.⁵

Analysts at the Center for Defense Information predict that the military transformation will likely include efforts to improve the agility, flexibility, and strategy-making speed of U.S. forces. Some of the focus will likely shift away from heavy Army, open-ocean Navy, nuclear and air superiority Air Force, and offensive nuclear forces towards light- and medium-weight Army and Marine Corps, increased emphasis on Special Operations; on a more littoral Navy; on airlift capabilities, close air support, and interdiction Air Force units. The military component of national security may increasingly be recast into an essentially supporting role that involves using national military power but also political, economic, social, and informational strengths to weaken, paralyze, and demoralize the enemy at his critical points. These national strengths would be employed, for example, to hack into the enemy's computers to prevent their ability to communicate or launch missiles, or applied in psychological operations to convince the enemy's soldiers to defect and surrender, or used to freeze bank accounts and cut off foreign assistance.⁶ The transforming military will likely be required to deal with the diversity of future transnational issues such as drug smuggling, migration, crime and terrorism, by integrating operations with U.S.

⁵ *Reforging the Sword: Forces for a 21st Century Security Strategy*, September 2001, Center for Defense Information.

⁶ *A Path Towards Transformation*, January 10, 2002, Gen. Charles Wilhelm, USMC (Ret.)

civilian agencies, and international and non-governmental organizations. Increased inter-service cooperation, and an increased integration with allies and partners to improve multinational military capabilities are also expected, along with greater emphasis on intelligence gathering and analysis capabilities. Each of these changes may present threats or opportunities to future military activities in Okaloosa County as funding is re-allocated towards missions, research and development, and the weapons acquisition programs that will be needed to transform the military to meet the emerging threats to our national security.

Military Personnel in Okaloosa County

Florida ranks sixth highest among the fifty states in total number of federal military and civilian personnel, as shown in Table 3 below. The greatest concentration in Florida of military and Department of Defense civilian personnel is in Northwest Florida, accounting for just over half of statewide military installation spending.⁷ Approximately 30% of federal military and civilian personnel stationed in Florida live in Okaloosa County (see Figure 2).

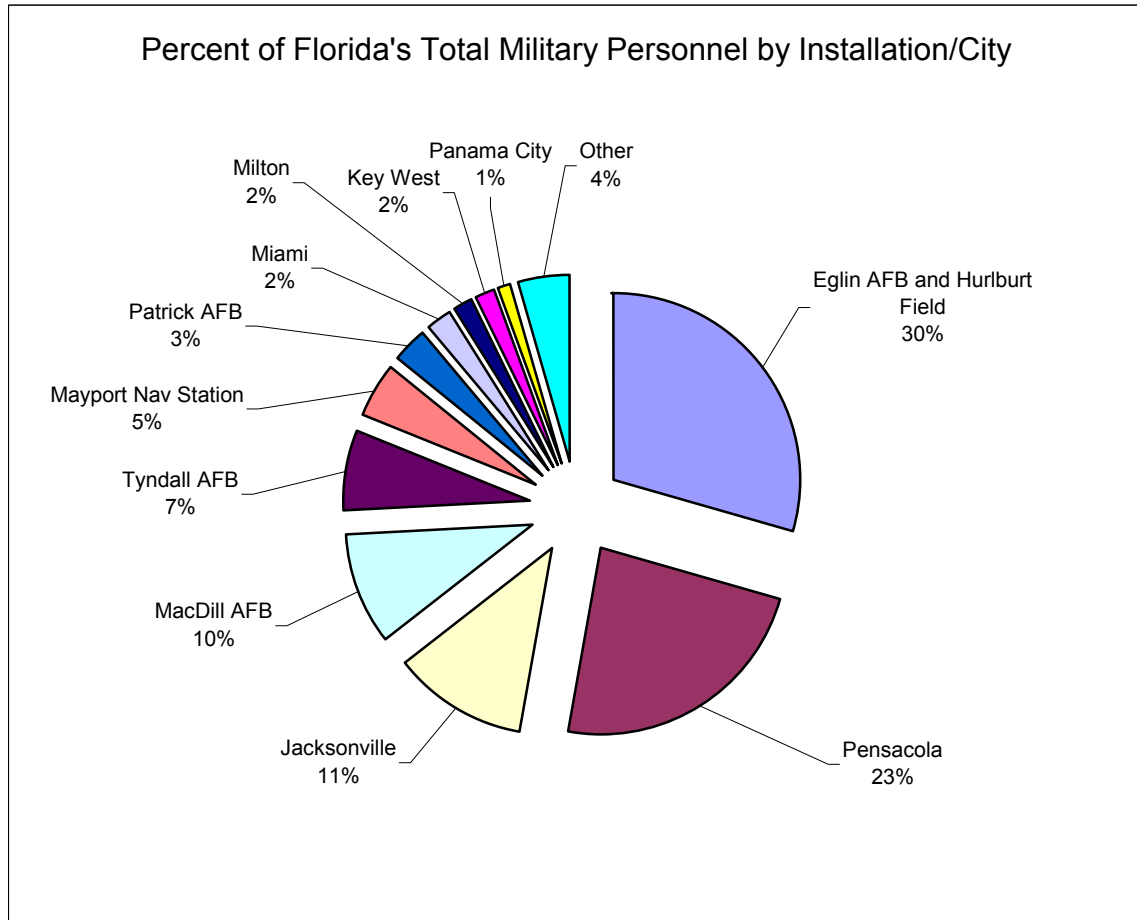
Table 3 - Where Military and Federal Civilian Personnel are Stationed

Total Military and Civilian Personnel (as of 30 September, 1999) ⁸		
1. California	173,783	10.6%
2. Virginia	159,105	9.7%
3. Texas	148,828	9.1%
4. North Carolina	102,905	6.3%
5. Georgia	93,392	5.7%
6. Florida	77,053	4.7%
7. Maryland	61,960	3.8%
8. Washington	54,720	3.3%
9. Hawaii	48,664	3.0%
10. Illinois	48,662	3.0%
Total for U.S	1,636,693	100.0%
Source: Center for Defense Information 2001-2002 Military Almanac http://www.cdi.org/products/almanac0102.pdf		

⁷ Economic Impacts of Military Base Activity in Florida, Fishkind & Associates, Inc., March 1998.

⁸ DoD FY1999 Atlas/Data Abstract for the U.S. and Selected Areas, Directorate for Information, Operations and Reports; Office of the Actuary, Department of Defense.

Figure 2 - Distribution of Military Personnel in the State of Florida



Source: Department of Defense, Directorate for Information Operations and Reports, Distribution of Personnel, September 30, 1999 (<http://web1.whs.osd.mil/mmids/m02/fy99/99city.htm>)

Okaloosa County is home to three military installations, Eglin Air Force Base, Hurlburt Field, and Duke Field. Eglin Air Force Base is the worlds largest Air Force Base, covering 724 square miles as well as 97,963 square miles of water test ranges. Eglin belongs to the Air Force Materiel Command, and the Air Armament Center is the host unit. The Air Armament Center is responsible for development, acquisition, testing, deployment, and sustainment of all air-delivered weapons. Eglin has been a major employer in the area from the 1930's to the present day. Hurlburt Field occupies 6,000 acres in Okaloosa County, and is the headquarters of the Air Force Special Operations Command. Its mission is to support the training and execution of special air operations that are conducted

worldwide. The 919th Special Operations Wing uses Duke Field, located within the Eglin reservation. The 919th Special Operations Wing is the only special operations unit in the Air Force Reserve. The missions of each of these installations give them a leadership role in the current transformation of the military into a force prepared to meet the threats that defense analysts anticipate.

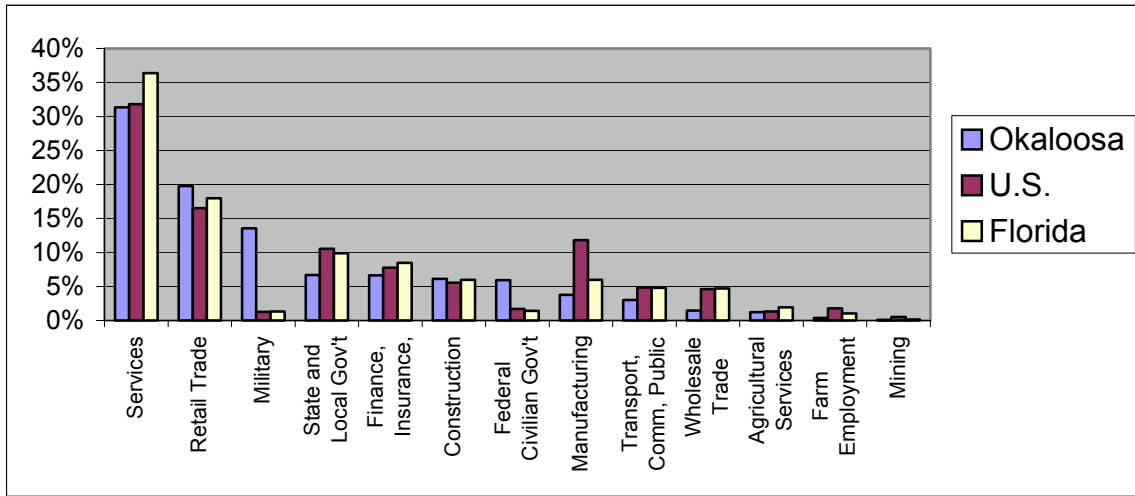
It is clear that the military and civilians working for the Department of Defense are very important contributors to the Okaloosa County economy, directly employing in excess of twenty-four thousand area residents, approximately 21% of the Okaloosa County workforce.⁹ Air Force bases at Hurlburt and Eglin insure the area's continued military presence. Eglin Air Force Base (AFB) employs 9,231 military personnel serving on active duty, in the reserves, or in training. These active duty military personnel have 13,187 dependents. Additionally, Eglin AFB is responsible for 3,726 appropriated fund civilians and 4,812 non-appropriated fund contract civilian employees.¹⁰ Hurlburt AFB is also an important employer, with 5,902 active duty military personnel and 537 civilian employees assigned locally.¹¹ Duke Field, located within the Eglin reservation, employs 1,200 reservists and 300 full-time civil service personnel. As shown in Figures 3 and 4 below, military employment is a much larger percent of the workforce, and therefore a more important element of the Okaloosa County economy, than it is for the State of Florida or the nation as a whole.

⁹ Woods and Poole Economics, 2000

¹⁰ Air Armament Center, Office of Public Affairs, Eglin AFB, 850-882-3931

¹¹ Ms. Joan Prichard, Hurlburt AFSOC Public Affairs Office, 850-884-5515

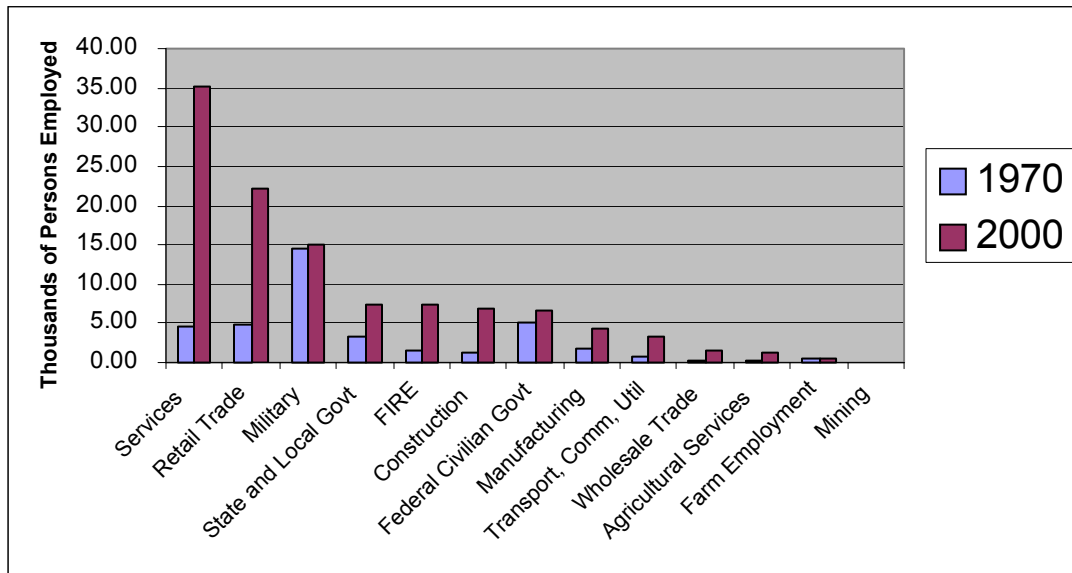
Figure 3 - Percent of Workforce Employed in Each Industry Sector for Okaloosa, FL, US



Source: Woods and Poole Economics, 2000

In Figure 3 above, which shows employment by industry sector, we see that the military is a much larger percent of the workforce in Okaloosa County than is true for Florida or the U.S., accounting for about 14% of the local workforce compared to about 1% of the workforce nationwide. Military employment has remained an important element of the local workforce, even while declining as a percent of the national workforce. Figure 4 below shows the number of persons employed by each industry sector in 1970 and in 2000. It shows that when looking at the sheer numbers of persons employed, the military has remained fairly constant in Okaloosa County over the past three decades.

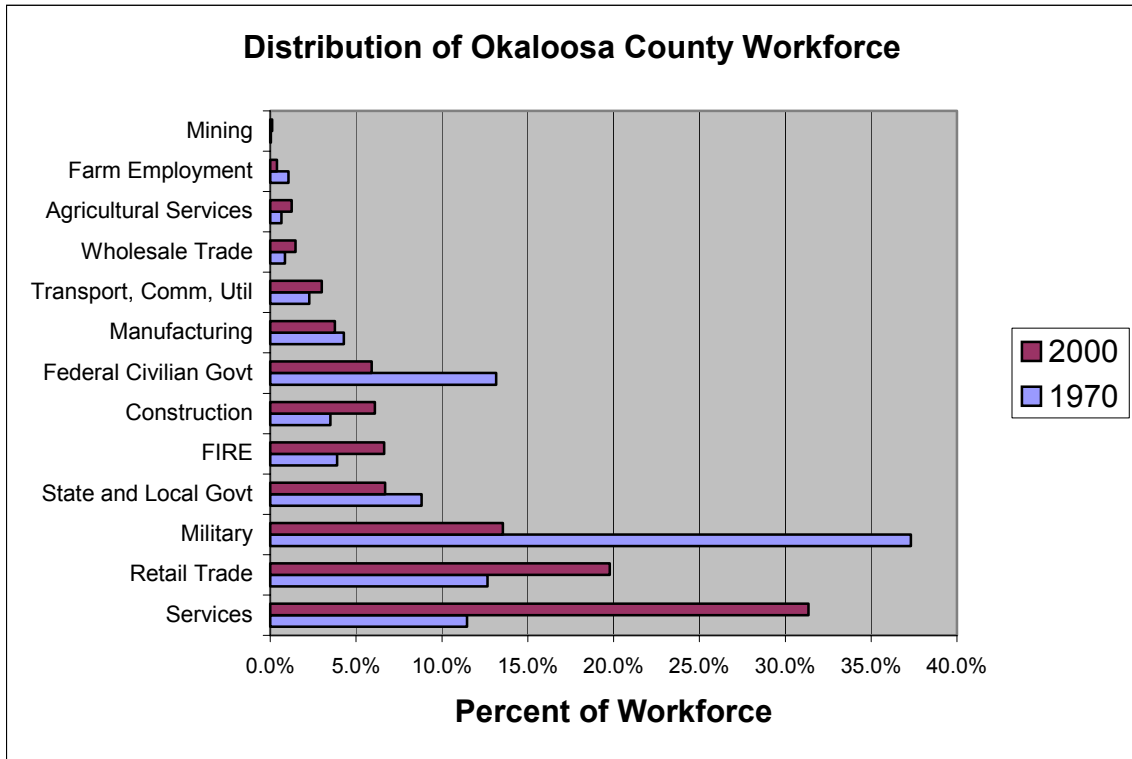
Figure 4 – Number Employed by Industry in Okaloosa County, 1970-2000



Source: Woods and Poole Economics, 2000

Due in part to the military’s privatization of expenditures for construction, services, and materials, combined with the spending of wages by military and federal civilian households, Okaloosa County has seen its economy become more diversified in the past three decades. In 1970, military and federal civilian employees accounted for almost half of the county workforce. In Figure 5, which shows changes in the distribution of the Okaloosa County workforce between 1970-2000, we see that Okaloosa County has experienced strong employment growth in industry sectors that benefit from the local military presence. Growth as a percent of the workforce has been especially strong in the services; retail trade; finance, insurance, and real estate (FIRE); and construction industry sectors over the past three decades. What Figures 4 and 5 show is that even while the number of military personnel in Okaloosa County has remained constant over the past three decades, the local economy offers many more civilian work opportunities than it did just three decades ago.

Figure 5 - Distribution of Okaloosa County Workforce



Source: Woods and Poole Economics, 2000

Federal Military and Civilian Wages

Florida ranks fourth among the fifty states in total military personnel compensation (see Table 4 below). Due to the presence of the local military installations, many of those military personnel are residents of Okaloosa County. Eglin AFB's annual payroll for active duty, reserve, and trainee military personnel was \$268,830,805 in Fiscal 2000. Appropriated fund civilian payroll totaled \$184,717,907; and non-appropriated fund contract civilians and private business payroll totaled \$228,382,761. Eglin's total annual payroll was \$681,931,474 in Fiscal 2000.¹² Hurlburt AFB has an annual payroll of \$519,673,000.¹³

Military personnel and civilians working at Eglin and Hurlburt AFB spend much of their pay in the local economy. Spending of wages by DoD civilian employees, military active duty, reserve, National Guard and retirees who have chosen to live in Okaloosa County benefits the owners and employees of local businesses, all of whom in turn re-spend the dollars.

Table 4 - Military Personnel Compensation

WHERE MILITARY DOLLARS ARE SPENT: PERSONNEL COMPENSATION (Fiscal Year 1999 estimated)¹⁴		
Total compensation includes civilian, military active duty, reserve and National Guard, and retired military pay.		
1. California	\$11,394,822,000	11.2%
2. Virginia	\$11,169,951,000	11.0%
3. Texas	\$8,811,306,000	8.7%
4. Florida	\$6,722,007,000	6.6%
5. Georgia	\$4,800,915,000	4.7%
6. North Carolina	\$4,519,786,000	4.4%
7. Washington	\$3,951,370,000	3.9%
8. Maryland	\$3,587,843,000	3.5%
9. Illinois	\$2,440,230,000	2.4%
10. South Carolina	\$2,426,677,000	2.4%
Total for U.S.	\$101,811,216,000	100.0%

¹² Air Armament Center, Office of Public Affairs, Eglin AFB, 850-882-3931

¹³ Ms. Joan Prichard, Hurlburt AFSOC Public Affairs Office, 850-884-5515

¹⁴ DoD FY1999 Atlas/Data Abstract for the U.S. and Selected Areas, Directorate for Information, Operations and Reports; Office of the Actuary, Department of Defense. Retired Military Almanac, 2001, Uniformed Services Almanacs, Inc.

Retirement and Veterans' Income

Florida has the second largest military retiree population of the fifty states (see Table 5 below). Military dollars flow into Okaloosa County each year to provide retirement, disability, life insurance, and other benefits to veterans and retired military personnel. Northwest Florida is a desirable location for military retirees, who are attracted by the areas climate, quality of life, and, most importantly, by the facilities available to military retirees at Hurlburt and Eglin Air Force Bases, and the nearby Pensacola Naval Air Station and Whiting Field.

Table 5 - Location of US Military Retirees

WHERE MILITARY RETIREES LIVE (as of 30 September 2000)		
1. California	195,456	10.4%
2. Florida	179,513	9.5%
3. Texas	173,604	9.2%
4. Virginia	122,777	6.5%
5. Georgia	77,157	4.1%
6. North Carolina	71,472	3.8%
7. Washington	67,314	3.6%
8. South Carolina	49,621	2.6%
9. Alabama	48,970	2.6%
10. Arizona	48,799	2.6%
Total for U.S.	1,879,985	100.0%

Source: DoD FY1999 Atlas/Data Abstract for the U.S. and Selected Areas, Directorate for Information, Operations and Reports; Office of the Actuary, Department of Defense.
Retired Military Almanac, 2001, Uniformed Services Almanacs, Inc.

Figure 6 below shows where military retirees live in Florida. This figure shows that military retirees are concentrated in the three western-most counties of Northwest Florida. In Fiscal 2000, there were 29,031 military retirees living in the 325 Zip Code, which covers Okaloosa, Santa Rosa, and Okaloosa counties. The total military retirement income received by these individuals was \$575,364,000, or about \$19,819 per retiree.¹⁵ Using 2000 Census data on the over age-40 population, we estimate that approximately 49% (14,226) of these

¹⁵ Department of Defense (DoD) Statistical Report on the Military Retirement System, Fiscal 2000, Office of the Actuary, page 49.

military retirees live in Escambia County, 21.3% (6,174) live in Santa Rosa County, and 29.7% (8,632) live in Okaloosa County. With these percentages we estimate that military retirees living in Okaloosa County receive approximately \$170,883,108 in retirement pay. Additionally, there are 2,835 individuals living in the 325 Zip Code that receive \$23,966,424 annually in survivor benefits.¹⁶ We estimate that approximately \$7,118,028 in survivor benefit payments goes to residents of Okaloosa County.

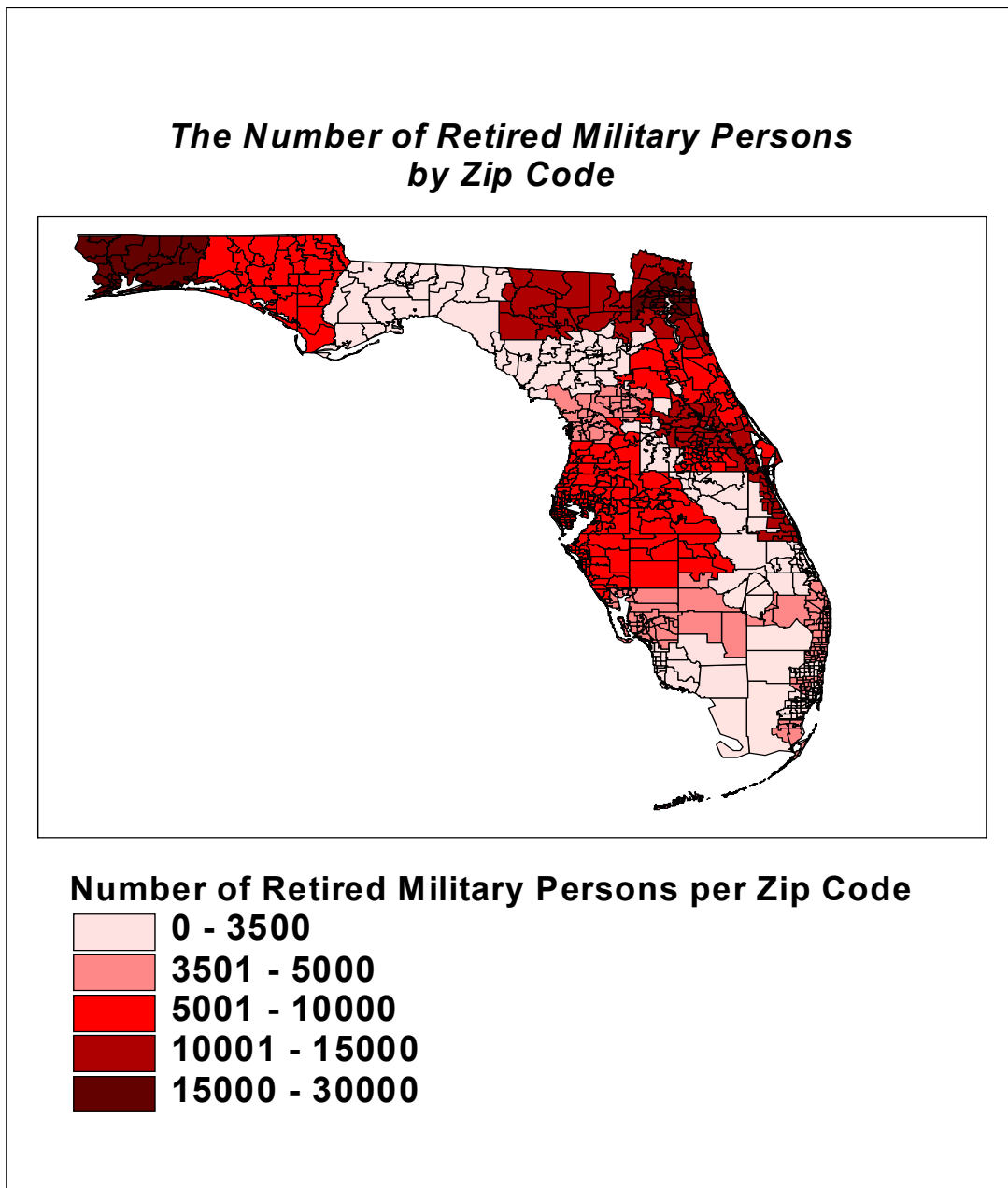
Payments are also made under the TriCare Management Program (formerly called CHAMPUS) for the medical care of dependents of active duty military personnel and of retired military personnel and their dependents at nonmilitary medical facilities. TriCare payments made to residents of Okaloosa County totaled \$16,362,000 in 1999.¹⁷ All together, we estimate that military retirees living in Okaloosa County receive \$194,363,136 annually in pay and benefits. As they spend this income, the economic benefits ripple through the local economy.

Military retirees are distinct from civilian retirees. They are often younger, usually in their 40's and 50's rather than in their 60's and 70's. Because of this age difference, they often pursue second careers, making them a valuable, and often highly skilled, addition to the local workforce. Being younger than civilian retirees, they often have children still living with them, making them concerned and involved in community activities.

¹⁶ Department of Defense (DoD) Statistical Report on the Military Retirement System, Fiscal 2000, Office of the Actuary, page 229.

¹⁷ Bureau of Economic Analysis, Transfer Payments to Ft. Walton MSA

Figure 6 - Distribution of Florida's Military Retirees



Defense Contract Revenues

The State of Florida is a primary beneficiary of our nations defense spending, ranking fourth among the fifty states in the amount of military defense contract dollars received. Florida received \$6.8 billion in Department of Defense (DoD) prime contract awards in Fiscal 1999, representing 5.9% of the nations total (see Table 6).

Table 6 - Prime Military Contract Awards

WHERE MILITARY DOLLARS ARE SPENT: PRIME MILITARY CONTRACT AWARDS (Fiscal Year 1999 estimated)		
1. California	\$17,371,558,000	15.1%
2. Virginia	\$12,240,573,000	10.7%
3. Texas	\$8,666,461,000	7.5%
4. Florida	\$6,806,055,000	5.9%
5. Maryland	\$5,466,503,000	4.8%
6. Massachusetts	\$4,714,942,000	4.1%
7. Missouri	\$4,602,627,000	4.0%
8. Arizona	\$4,171,941,000	3.6%
9. Georgia	\$4,112,571,000	3.6%
10. Pennsylvania	\$3,864,543,000	3.4%
Total for U.S.	\$114,875,139,000	100.0%

NOTES: Prime Contract Awards included civil functions contracts and military functions contracts (both of which are a part of the military dollars spent). SOURCES: DoD FY1999 Atlas/Data Abstract for the U.S. and Selected Areas, Directorate for Information, Operations and Reports; Office of the Actuary, Department of Defense. Retired Military Almanac, 2001, Uniformed Services

Okaloosa County ranks fifth among Florida's 67 counties in prime contract awards, receiving Department of Defense contracts totaling \$472 million in Fiscal 2001 (see Table 7). In Figure 7, we see the distribution of prime contract awards in Florida.

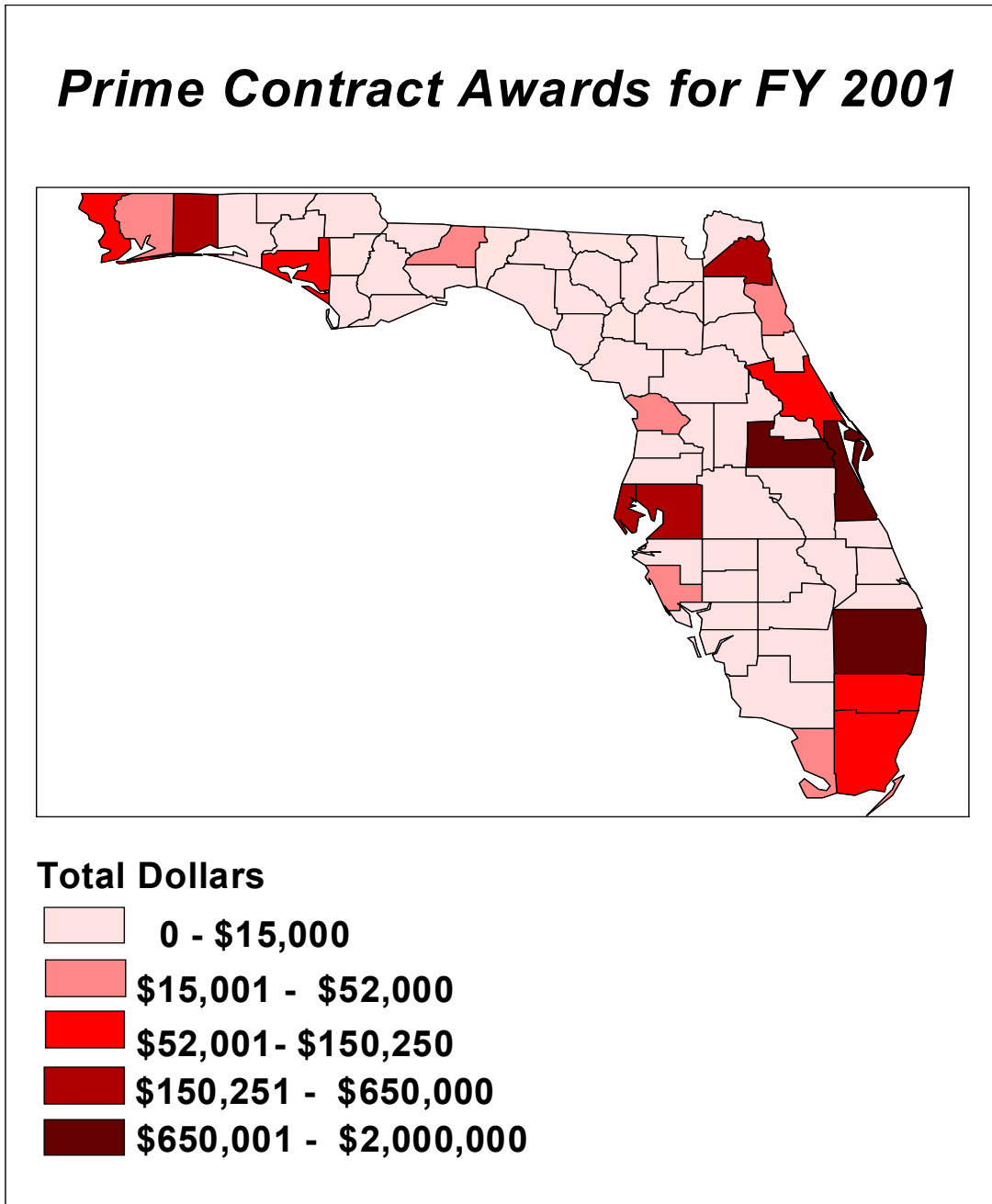
Table 7 - Department of Defense Prime Contract Awards by County

DoD Prime Contract Awards FY2001 (\$thousands)		
County	Total Dollars	Percent of State Total
1. Orange	\$1,641,604	24.5%
2. Palm Beach	\$1,144,939	17.1%
3. Brevard	\$1,034,255	15.4%
4. Pinellas	\$641,393	9.6%
5. Okaloosa	\$472,381	7.0%
6. Duval	\$420,077	6.3%

DoD Prime Contract Awards FY2001 (\$thousands)		
County	Total Dollars	Percent of State Total
7. Hillsborough	\$402,928	6.0%
8. Volusia	\$150,231	2.2%
9. Bay	\$149,509	2.2%
10. Dade	\$116,034	1.7%
11. Escambia	\$110,049	1.6%
12. Broward	\$101,609	1.5%
13. Santa Rosa	\$51,333	0.8%
Other	\$276,476	4.1%

Source: DoD Directorate for Information Operations and Reports, Statistical Information Analysis Division, Procurement; <http://web1.whs.osd.mil/peidhome/geostats/geostat.htm>

Figure 7 - Distribution of Prime Defense Contract Awards in Florida



The Department of Defense provides a list (shown in the appendix) of all of the businesses in Okaloosa County that receive prime contract awards in excess of \$25,000 at <http://web1.whs.osd.mil/peid/st/st25/STFlorid.HTM>. We analyzed this list to determine how defense contracts are distributed in Okaloosa County. A summary of our findings is presented in Table 8 below. When we aggregated prime defense contract awards into two-digit standard industrial classifications, we found that most half of the Fiscal 1999 outlays went to pay for Engineering, Accounting, Research, and Management Consultants and other establishments that provide business services. Other industries that benefit from defense spending in Okaloosa County included construction, wholesale trade of non-durable goods, analytical instruments, and electronic and electrical equipment.

Table 8 - Distribution of Prime Defense Contracts by Industry Sector

FY2001 Dollar Spending Estimate	Percent of Total	Business Category Description
\$184,519,520	39.06%	Engineering, Accounting, Research, and Management Consultants
\$93,613,608	19.82%	Business Services
\$67,179,543	14.22%	Aircraft and Parts; Guided Missiles
\$41,847,758	8.86%	Building Construction General Contractors And Operative Builders
\$18,771,577	3.97%	Construction Special Trade Contractors
\$17,642,560	3.73%	Wholesale Trade-non-durable Goods
\$14,477,910	3.06%	Measuring, Analyzing, And Controlling Instruments
\$7,685,579	1.63%	Electronic And Other Electrical Equipment And Components, Except Computer Equipment
\$6,295,272	1.33%	Heavy Construction Other Than Building Construction Contractors
\$5,064,169	1.07%	Transportation Equipment; Gas Turbines
\$2,994,508	0.63%	Administration Of Environmental Quality And Housing Programs
\$2,215,498	0.47%	Home Furniture, Furnishings, And Equipment Stores
\$1,499,684	0.32%	Wholesale Trade-durable Goods
\$1,499,684	0.32%	Miscellaneous Repair Services
\$1,491,177	0.32%	Building Materials, Hardware, Garden Supply, And Mobile Home Dealers
\$1,152,108	0.24%	Health Services
\$1,022,070	0.22%	Transportation Communication Services
\$607,652	0.13%	Electric, Gas, And Sanitary Services
\$490,983	0.10%	Communications
\$480,045	0.10%	Industrial And Commercial Machinery And Computer Equipment
\$392,543	0.08%	Food And Kindred Products

FY2001 Dollar Spending Estimate	Percent of Total	Business Category Description
\$367,022	0.08%	Services, Not Elsewhere Classified
\$363,376	0.08%	Social Services
\$215,109	0.05%	Automotive Repair, Services, And Parking
\$162,851	0.03%	Educational Services
\$108,162	0.02%	Real Estate
\$82,641	0.02%	Forestry
\$59,550	0.01%	Personal Services
\$47,397	0.01%	Agricultural Services
\$31,598	0.01%	Automotive Dealers And Gasoline Service Stations
Total \$472,381,152		

Economic Impact of the Military in Okaloosa County

Introduction - Purpose, Definitions and Scope

The military has long been an important economic engine for Okaloosa County. The purpose of this section is to present calculations of the magnitude of changes in economic activity arising from military-related spending in Okaloosa County. This analysis provides an excellent opportunity to examine the economic role that the military plays in the region and to enhance understanding of that role. The analysis describes the magnitude of the economic impact in Okaloosa County that is attributable to military, and clarifies the impact that military activities have on the other industry sectors in the region.

Several measures of military-related economic activity are estimated, including total spending, income, tax revenues, and employment. *Total spending* is the value of production by industry related to military activities for one annual calendar year of production. Total spending includes the total value of purchases by intermediate (business to business) and final consumers (households). The *income* figures that are reported are the sum of proprietor's income and wages and salaries accruing to workers in these businesses. *Employment* figures represent the number of jobs supported by sales of goods and services to consumers and by the increased level of inter-industry transactions resulting from military activities. The job estimates given include full time, part time, and seasonal jobs.

For these economic impact calculations the region of interest is Okaloosa County. The selection of a particular geographic region influences both the amount of spending by local businesses that is captured and the size of the multiplier effects. In these calculations, only spending that takes place within

Okaloosa County is included as stimulating the changes in economic activity, and all measures of impacts pertain to businesses and households located in the County.

Each of the measures of economic impact reflects the value generated by industry for one annual calendar year of production. In actuality, most of the local economic impact associated with local spending changes will have occurred within this one-year time frame.

This report does not attempt to quantify quality of life issues, whether positive or negative, that may result from the presence of military personnel and installations, such as increased real estate development, growing populations, or increased traffic. This report estimates only the gross impact of financial (spending) flows, ignoring ancillary non-financial costs (e.g. traffic congestion, crime, noise or pollution) and benefits (additional civic or cultural activities) that may be associated with the military.

Understanding Economic Multipliers

There are several key concepts that must be used to get a correct estimate of the total economic impact arising from military spending. One of these concepts is the regional purchase coefficient. The Regional Purchase Coefficient (RPC) represents the proportion of local demand purchased from local producers. For example, an RPC of 0.25 for a given commodity means that for each \$1 of local demand, 25% will be purchased from local producers. RPC's are based on the characteristics of the region and describe the actual trade flows for the region mathematically. The greater the RPC, the greater the level of local economic activity that is occurring, and the larger the economic multiplier will be. The RPC's used in this study indicate the percentage of military related spending that occurs within Okaloosa County. Spending that occurs outside Okaloosa County is not included in the reported economic impacts.

Another key concept of impact analysis is the price margin that separates wholesale from retail prices. Since this analysis involves retail prices in some spending categories and wholesale prices in others, the total spending values needed to be subdivided into either retail or wholesale prices. Wholesale prices are those paid in business-to-business transactions, retail prices are those paid at the consumer level. Margins represent the difference between wholesale (producer) and retail (purchaser) prices. Margining assigns direct expenditures to the correct industry sector multipliers by splitting a purchaser price into the appropriate producer values. In this study, the dollar value of impacts resulting from purchases by retail consumers are split appropriately in order to capture the portion going to the retailer, to the wholesaler, to transportation providers, and to the manufacturer.

Military activities generate spending in our local area, and cause jobs to be created that pay income to area residents and generate tax revenue that flows to government; however, quantifying these effects can be difficult. The calculated economic impact should be considered an estimate based the best information available at the time.

Conceptually, the total economic impact of an event can be separated into three different types of effects. First is the direct effect of spending; which is the impact of new spending on first tier suppliers. Thus, ten dollars spent by a military household at a local restaurant counts as a direct effect of ten dollars. An advantage of direct spending is that it can be counted relatively easily, but it does not capture the “multiplier effect” of the additional economic activity set in motion by the purchase of the meal.

To the direct effect must be added the indirect effect of spending. In order to produce the ten-dollar meal, the restaurant must purchase certain inputs from other businesses. To the extent that these inputs are local, these purchases represent additional local spending. For example, the restaurant may purchase two dollars worth of food inputs from the local produce market for every ten-dollar meal sold. The produce market may have paid a local farmer one dollar for the goods that are then sold to the restaurant, and the farmer may have paid 10

cents for local inputs into the farm. The indirect effect measures the cumulative local purchases from other businesses that are generated from the ten dollars spent on the meal. Because much of this spending goes either immediately or eventually to businesses outside of Okaloosa County, the indirect effect tends to be smaller than the direct effect. A reasonable estimate of the indirect effect of a ten-dollar meal might be five dollars.

To the direct and indirect effects must be added the induced effect, which measures the additional spending that occurs across the economy because of the income paid by all of the businesses involved, directly or indirectly, in producing the meal. There is a flow of wages received by the waiters, cooks, produce store clerks, and others who play a part in putting that meal in front of the military household. These people receive most of those wages as take-home pay, and they spend most of that take-home pay and save some. To the extent that their spending generates jobs in the local economy, there is additional economic impact attributable to the meal. However, much of that pay may go to a mortgage or car payment that leaves the local economy. In fact, most of the grocery store spending will leave the local economy to pay for food produced elsewhere in the country. But the part that pays the local banker administering the car loan, or the clerk at the local store, or other local employees, represents a local economic impact of that ten-dollar meal. A reasonable value for the induced effect might be three dollars.

Thus, the total local economic impact of the ten dollar meal would be eighteen dollars, representing the initial purchase (the direct effect), plus the local purchases made from other businesses in producing the meal (the indirect effect), plus the local purchases resulting from the spending by households who received wage income while producing the meal (the induced effect). Here, “the multiplier” is said to be 1.8, meaning that every dollar spent on that category (restaurant meals) has a total impact of \$1.80 on the local economy, once the direct, indirect and induced effects are accounted for.

The multiplier effect can also be seen in the number of jobs created by spending related to military activities. The number of jobs created includes those

employees working directly in businesses that meet the needs of military households and defense contractors, people working for companies that support operations of these businesses, and those who become employed as a result of the wage base associated with the military support industry locally.

In order to say that the multiplier is 1.8 (versus some other number like 1.2 or 3.7), the U.S. Department of Commerce, Bureau of Economic Analysis, uses actual historical data, specific to each county in the country, to describe how goods and services are produced in each county. These tables show the amount of inputs from other industries used to produce a dollar's worth of output in a particular industry. A number of commercial firms have elaborated on these basic input-output tables and used them to produce software that models these economic relationships. These are called economic impact models, or Input-Output models. The Haas Center owns several of these models and uses IMPLAN, which is the most widely used model, in most economic impact studies. The economic inputs that were entered into the IMPLAN model for this study are summarized in Table 9 below.

Table 9 - Military Economic Inputs Used in Calculations

Economic Input	Amount	Data Source
Prime Contract Awards	Okaloosa County, FY 2001 = \$472,381,000	Source: DoD Directorate for Information Operations and Reports, Statistical Information Analysis Division, Procurement http://web1.whs.osd.mil/peidhome/geostats/geostat.htm
Wages	Hurlburt FY2001 = \$519,673,000; Eglin FY2000 = \$681,931,474	Source: Air Armament Center, Office of Public Affairs, Eglin AFB, 850-882-3931 Ms. Joan Prichard, Hurlburt AFSOC Public Affairs Office, 850-884-5515
Retirement and Veterans' Income	325 Zip Code = \$575,364,000; Okaloosa County estimate = \$170,883,108	Source: Department of Defense (DoD) Statistical Report on the Military Retirement System, Fiscal 2000, Office of the Actuary, p49.
Survivors Payments	325 Zip Code = \$23,966,424; Okaloosa County estimate = \$7,118,028	Source: Department of Defense (DoD) Statistical Report on the Military Retirement System, Fiscal 2000, Office of the Actuary, p229.
TriCare Management Program	\$16,362,000	Source: Bureau of Economic Analysis, FY1999

Military Spending Impacts

Military spending activities in Okaloosa County, including wages paid to service men and women, pay and benefits paid to retirees, and defense contracts awarded to local businesses, injects about \$969.4 million in direct spending that stays in the local economy. When the total impact of military spending is considered (i.e., when taking the “multiplier effect” into account), approximately \$1,430 million in total spending is generated each year in the County. About 20,080 jobs in industry sectors other than the military are directly or indirectly supported by military spending in the regional economy, along with incomes to the workforce in other industry sectors totaling approximately \$551 million.

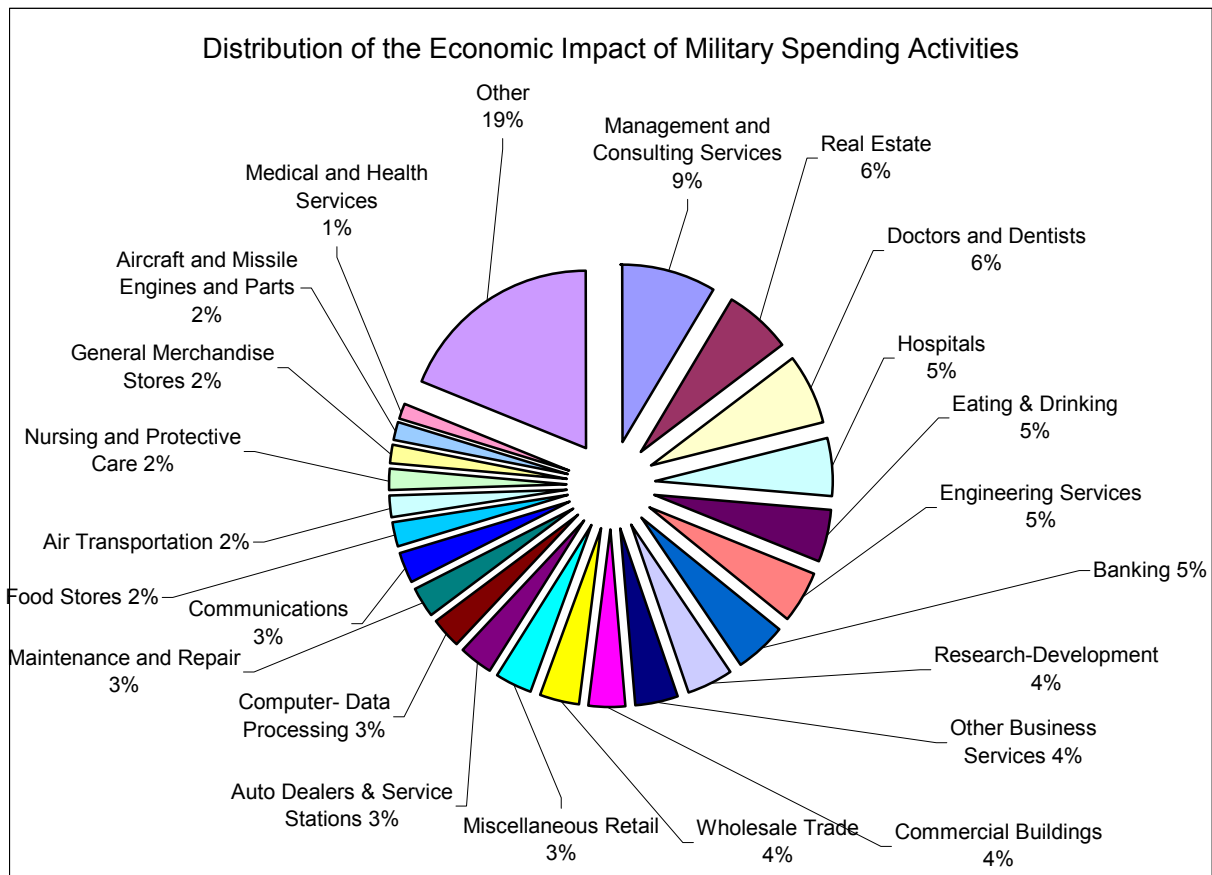
A summary of overall estimated economic impact of the Okaloosa County military household spending, delineating the direct, indirect, and induced impact of that spending is presented in Table 10 below.

Table 10 - Estimated Economic Impact of the Military in Okaloosa

Estimated Economic Impact of the Military in Okaloosa County				
Estimated Impact of Military Wages, Retirement Income, and TriCare Payments	Direct	Indirect	Induced	Total
Total Spending (Output)	\$632,355,567	\$142,419,375	\$120,006,350	\$894,781,296
Incomes Generated	\$229,451,379	\$56,173,639	\$44,177,309	\$329,802,328
Jobs Supported	9,559.6	1,894.1	1,809.8	13,263.5
Estimated Defense Contracting Impact	Direct	Indirect	Induced	Total
Total Spending (Output)	\$337,135,539	\$117,348,614	\$80,839,723	\$535,323,875
Incomes Generated	\$138,879,881	\$52,837,922	\$29,755,964	\$221,473,765
Jobs Supported	3,892.1	1,705.7	1,219.1	6,816.9
Estimated Overall Impact of the Military in Okaloosa	Direct	Indirect	Induced	Total
Total Spending (Output)	\$969,491,111	\$259,767,976	\$200,846,074	\$1,430,105,170
Incomes Generated	\$368,331,263	\$109,011,556	\$73,933,275	\$551,276,096
Jobs Supported	13,451.7	3,599.8	3,028.9	20,080.4
Source: IMPLAN Professional Social Accounting & Impact Analysis Software				

Military-related spending impacts are seen primarily in the management and consulting, real estate, health care, restaurant, banking, and engineering services industries. Other industry sectors that see a large economic impact due to military-related spending include research and development, business services, wholesale trade and retail trade. Figure 8 shows the industry sectors that are most affected by military spending in terms of total spending output stimulated by the military. A complete table of impacts by industry sector can be found in the Appendix (Table 14).

Figure 8 - Distribution of the Economic Impact of Military Spending Activities in Okaloosa County



Impact of The FY2002 National Defense Authorization Act Military Pay Raise

The Fiscal 2002 National Defense Authorization Act authorized military pay raises of between 5 and 10 percent effective January 1, 2002. The effect of this pay raise will be to increase the average military wage by 6.9 percent. Since military wages paid to active duty servicemen represents a large portion (53.3%) of the total overall impact of the military in Okaloosa County, this pay raise will have a substantial economic impact on the County. We estimate that an increase of 6.9 percent on the \$1,201 million in wages that are currently paid to military personnel in Okaloosa will result in an increase in total local spending of approximately \$52.5 million. This impact is equivalent to what would result if Okaloosa County created 1,288 new jobs for computer programmers (based on the average pay for computer programmers of \$51,490 in Okaloosa County¹⁸). The estimated impacts on total spending, incomes, and jobs resulting from the 2002 military wage increases are shown in Table 11 below.

Table 11 - Estimated Impact of FY2002 Military Pay Increase

Economic Impact of FY2002 Military Pay Raise				
Estimated Impact of FY2002 Military Pay Increase	Direct	Indirect	Induced	Total
Total Spending (Output)	\$37,197,650	\$8,354,597	\$6,997,984	\$52,550,231
Incomes Generated	\$13,367,070	\$3,288,094	\$2,576,128	\$19,231,293
Jobs Supported	562.5	111.0	105.5	779.0

¹⁸ Bureau of Labor Statistics, http://www.bls.gov/oes/2000/oes_2750.htm#b15-0000.

APPENDIX

Glossary Of Terms

Table 12 - Glossary of Terms

Glossary of Terms	
Term	Definition
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. Forward linkages, which are links between an industry producing a good or service, and the consumers of the good or service are not measured.
Direct effects	The effects of stimuli on economic activity are broken down into three components: direct, indirect, and induced. Direct effects are the changes in the industries to which a final demand change (the stimulus being measured in the study) was made. Industries producing goods and services for consumption purchase goods and services from other producers for final use (final demand).
Employment	Employment includes total wage and salary employees as well as self employed jobs in a region. It includes both full-time and part-time workers and is measured in annual average jobs. Data used to determine employment are ES202, Regional Economic Information System (REIS), and County Business Patterns.
Final Demand	Final demands consist of purchases of goods and services for final consumption as opposed to an intermediate purchase where the good will be further remanufactured.
Indirect Business Taxes	Indirect business taxes consist of excise taxes, property taxes, fees, licenses, and sales taxes paid by businesses. These taxes occur during the normal operation of businesses but do not include taxes on profit or income. Indirect business tax numbers are derived from U.S. Bureau of Economic Analysis Gross State Product data.

Glossary of Terms	
Term	Definition
Indirect effects	The effects of stimuli on economic activity are broken down into three components: direct, indirect, and induced. Indirect effects are the changes in inter-industry purchases as they respond to the new demands of the directly affected industries. These indirect purchases continue until leakage from the region stop the cycle.
Induced effects	The effects of stimuli on economic activity are broken down into three components: direct, indirect, and induced. Induced effects typically reflect changes in spending from households as income increases or decreases due to the changes in production.
Input-Output Model	An economic model that allows the assessment of change in overall activity as a result of some corresponding change in one or several activities.
Institutions	A type of final demand sector. Includes personal consumption expenditures or purchases made by households; federal, state, and local government purchases; investment purchases; and trade.
Labor Income	The terms Labor Income and wages are used interchangeably in this study. Labor Income includes changes in employee compensation and proprietor income resulting from the change in final demand measured by the study. Employee compensation is wage and salary payments as well as benefits including health and life insurance, retirement payments, and any other non-cash compensation. It includes all income to workers paid by employers. Proprietary income consists of payments received by self-employed individuals as income. This is income recorded on Federal Tax Form 1040C. Proprietary income includes income received by private business owners, doctors, lawyers, and so forth. Any income a person receives for payment of self-employed work is counted. Income estimates are derived using ES202, County Business Patterns and Regional Economic Information System (REIS) data.
Margins	Represents the difference between producer and purchaser prices. Producer prices are the prices of the goods at the site of production for commodity industries. Purchaser prices are prices paid by the end user of the good or service at a retail store.
Multipliers	Industries respond to meet final demands directly or indirectly by supplying goods and services to industries responding directly. 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.

Glossary of Terms	
Term	Definition
Output Impact	Total Industry Output is the value of production by industry for an annual calendar year production. Output is measured either by the total value of purchases by intermediate and final consumers, or by intermediate outlays plus value added. Output can also be thought of as value of sales plus or minus inventory. Most output data is from the Bureau of Economic Analysis output series and the Annual Survey of Manufacturers. Construction output is derived from the current Annual Survey of Construction Put-In-Place. State estimates are from the Census and Survey of Construction Activity.
Regional Purchase Coefficients (RPC)	Ratios representing the portion of regional demands purchased from local producers. RPC's are used to estimate the trade flows of the model before multipliers are generated. The portion of the specific impact that is imported will not have an indirect or induced effect.

Glossary of Terms	
Term	Definition
State and Local Government Taxes	<p>State and local government income and expenditures by specific category come from the Annual Survey of State and Local Government Expenditures and include the following:</p> <ul style="list-style-type: none"> Property Tax Total Sales Tax Alcoholic Beverage Tax Amusement License Corporate License Hunting Motor Vehicle Tax Motor Vehicle Operators PU License Occupational Business License Other License Individual Income Tax Corporate Income Tax Death and Gift Tax Document Stock Tax Severance Tax Taxes NEC Interest Earnings Fines Forfeits Rents Royalties State Education Transfers Local Education Transfers State Local Social Security Federal Grants in Aid State and Local Borrowing Corporate Interest Personal Interest Federal Education Transfers Total Education Operations State and Local Sales State and Local Non-education Purchases Federal Transfers Data

Glossary of Terms	
Term	Definition
Tax Impacts Report	This report describes taxes related to the chosen impact analysis. Income information is combined with tax information to estimate taxes generated by a change in final demand. These estimates are based on the average for all industries within the model; the average taxes associated with each household income class; the average taxes and transfers associated with each of the government institutions defined by the model. See “State and Local Government Taxes”
Total economic output	The effects of stimuli on economic activity are broken down into three components: direct, indirect, and induced. The total effect is the sum of direct, indirect, and induced effects, and is a measure of total inter-industry sales and purchases.
Value Added	Payments made by industry to workers, interest, profits and indirect business taxes.

Okaloosa Businesses Receiving Defense Contracts

Table 13 - Prime Defense Contract Awards to Okaloosa County Businesses, FY1999

Contractor	Location	Dollar Amount Of Contract
3-D Finishers	Hurlburt Field	\$32,000
A 2 Z Technologies Corporation	Niceville	\$99,000
A-Dec Inc	Hurlburt Field	\$59,000
Advanced Communications System	Hurlburt Field	\$49,000
Advanced Control Concepts Inc	Eglin AFB	\$33,000
Advanced Information Systems G	Longwood	\$3,000
Aerostat Inc	Eglin AFB	\$71,000
Ail Systems Holding Company	Eglin AFB	\$969,000
Ail Systems Inc.	Eglin AFB	\$531,000
Airlift Technologies International	Crestview	\$246,000
Alcatel Usa, Inc	Eglin AFB	\$130,000
Alfair Development Co Inc	Hurlburt Field	\$115,000
Allen Enterprises Of Jacksonville	Eglin AFB	\$67,000
Alpha Data Corporation	Eglin AFB	\$2,957,000
Alpha Data Corporation	Fort Walton Beach	\$4,229,000
American Institutes For Research	Eglin AFB	\$150,000
Analytical Services Inc	Eglin AFB	\$2,278,000
Anser Incorporated	Hurlburt Field	\$256,000
Anstec, Inc	Fort Walton Beach	\$14,498,000
Applied Research Associates, I	Eglin AFB	\$100,000
Applied Systems Engineering In	Niceville	\$704,000
Arinc Incorporated	Eglin AFB	\$176,000
Arinc Incorporated	Fort Walton Beach	\$262,000
Arinc Incorporated	Hurlburt Field	\$841,000
Arjay Enterprises Inc	Hurlburt Field	\$41,000
Arte' Ditta Inc	Eglin AFB	\$26,000
Asi Systems International Inc	Fort Walton Beach	\$869,000
Associates Real Estate Financial	Fort Walton Beach	\$70,000
Associates Real Estate Financial	Niceville	\$118,000
Associates Real Estate Financial	Shalimar	\$40,000
At&T Corp	Hurlburt Field	\$132,000
Atlantic Roofing Of Vero Beach	Eglin AFB	\$290,000
Autoguide Products Llc	Eglin AFB	\$32,000
Aviation Metals Of North Carol	Eglin AFB	\$29,000
Avionics Test & Analysis Corp	Eglin AFB	\$643,000
B 3 H Corporation	Eglin AFB	\$194,000
B 3 H Corporation	Shalimar	\$77,000

Baker, Michael Corporation	Eglin AFB	\$31,000
Baker, Michael Jr Inc	Eglin AFB	\$65,000
Ball Aerospace & Technologies	Eglin AFB	\$148,000
Barlow, Georgia	Eglin AFB	\$36,000
Bat Associates, Inc	Eglin AFB	\$60,000
Bayou Mechanical Inc	Eglin AFB	\$887,000
Bayou Mechanical Inc	Hurlburt Field	\$94,000
Bearden Construction Company I	Eglin AFB	\$48,000
Beldon Roofing & Remodeling Co	Eglin AFB	\$2,427,000
Bell Technologies Inc	Eglin AFB	\$115,000
Bem Systems, Inc.	Eglin AFB	\$465,000
Bestway Construction Company,	Eglin AFB	\$294,000
Bishop, Lisa	Eglin AFB	\$42,000
Blackhawk Management Corp	Fort Walton Beach	\$399,000
Blackwell Heating & Air Conditioning	Eglin AFB	\$45,000
Bmar & Associates, Inc	Eglin AFB	\$233,000
Boeing North American, Inc	Fort Walton Beach	\$44,435,000
Bombardier Services Corp	Eglin AFB	\$355,000
Brand Name Contractors	Eglin AFB	\$37,000
Brand, Thomas Siding	Eglin AFB	\$125,000
Brandon Smith Computers Incorporated	Fort Walton Beach	\$27,000
Btg, Inc.	Eglin AFB	\$1,190,000
Btg, Inc.	Niceville	\$73,000
Buffalo Rock Company Inc	Fort Walton Beach	\$323,000
Buffalo Supply Inc	Eglin AFB	\$62,000
Bullock Tice Associates, Inc	Eglin AFB	\$57,000
Bullock Tice Associates, Inc	Hurlburt Field	\$1,291,000
Burlington Industries Inc	Hurlburt Field	\$233,000
Burnett, Billy E Construction	Eglin AFB	\$40,000
Burnfield Ltd.	Eglin AFB	\$81,000
C & N Contractors, Inc	Eglin AFB	\$48,000
C M S Defense Systems Inc	Niceville	\$1,886,000
C M S Defense Systems Inc	Shalimar	\$68,000
Carco Electronics Inc	Fort Walton Beach	\$624,000
Cardamation Company Inc	Eglin AFB	\$58,000
Carothers Construction Inc	Eglin AFB	\$82,000
Carr Engineering & Construction	Eglin AFB	\$610,000
Ces Inc	Eglin AFB	\$48,000
Ch2m Hill Companies, Ltd. (Inc	Eglin AFB	\$3,315,000
Champion Contractors Inc	Eglin AFB	\$658,000
Champion Contractors Inc	Hurlburt Field	\$200,000

Childers Corporation, The	Hurlburt Field	\$2,753,000
Choctawhatchee Electric Cooper	Eglin AFB	\$500,000
Chromalloy Gas Turbine Corpora	Fort Walton Beach	\$3,613,000
Cilcorp Inc	Eglin AFB	\$33,000
Clean Bee Franchises Corp	Eglin AFB	\$34,000
Clement Contracting Group Inc	Hurlburt Field	\$335,000
Coastal Materials Inc	Eglin AFB	\$160,000
Coastal Materials Of Alabama I	Eglin AFB	\$242,000
Coastal Materials Of Alabama I	Valparaiso	\$176,000
Coastal Power Inc	Hurlburt Field	\$439,000
Commercial Siding And Maintenance	Eglin AFB	\$447,000
Comptek Amherst Systems Inc	Eglin AFB	\$1,098,000
Comptek Federal Systems, Inc	Fort Walton Beach	\$119,000
Computer Science & Application	Eglin AFB	\$638,000
Computer Science & Application	Shalimar	\$210,000
Concurrent Computer Corporation	Eglin AFB	\$33,000
Construction Sales And Service	Eglin AFB	\$76,000
Construction Sales And Service	Valparaiso	\$341,000
Consutec Inc	Eglin AFB	\$253,000
Corbett Of N W Florida	Eglin AFB	\$38,000
Couch Construction Lp	Eglin AFB	\$5,147,000
Couch Construction Lp	Hurlburt Field	\$33,000
Coulter Corporation	Eglin AFB	\$69,000
Cox Communications, Inc	Eglin AFB	\$180,000
Crestview Chain Saw & Tractor	Crestview	\$96,000
Crestview Mechanical Contractors	Eglin AFB	\$336,000
Cubic Applications Inc	Hurlburt Field	\$297,000
Danka Holding Company (Inc)	Eglin AFB	\$37,000
Dcs Corporation	Eglin AFB	\$630,000
De Caro, Alison	Eglin AFB	\$35,000
Dictaphone Corporation	Eglin AFB	\$44,000
Dylantic Contract Management S	Eglin AFB	\$252,000
Dynatech Corporation	Eglin AFB	\$27,000
Dyncorp	Eglin AFB	\$3,605,000
Dynetics Inc	Eglin AFB	\$327,000
Dynetics Inc	Fort Walton Beach	\$31,000
E D S Ordnance Inc	Fort Walton Beach	\$33,000
Eastman Kodak Company Inc	Eglin AFB	\$73,000
Emerald Coast Cable T V	Hurlburt Field	\$48,000
Ercon Corporation	Eglin AFB	\$37,000
Ercon Corporation	Hurlburt Field	\$293,000

Evco National, Inc.	Eglin AFB	\$247,000
Execution Information Systems	Eglin AFB	\$46,000
Execution Information Systems	Hurlburt Field	\$28,000
Expedite Nyc Inc	Eglin AFB	\$58,000
F & W Construction Company Inc	Eglin AFB	\$30,000
Federal Prison Industries, Inc	Eglin AFB	\$49,000
Fillmore Electric Company Inc	Hurlburt Field	\$36,000
Forestech Consulting Inc	Eglin AFB	\$32,000
Fort Walton Communications Inc	Hurlburt Field	\$31,000
Fort Walton Defense Housing Lt	Hurlburt Field	\$2,464,000
Foster-Miller Inc	Eglin AFB	\$117,000
G R D Inc	Hurlburt Field	\$334,000
G.E. Medical Systems	Eglin AFB	\$147,000
Gaddie Construction Co (Inc)	Eglin AFB	\$319,000
Gec Incorporated (Del)	Eglin AFB	\$44,935,000
Gec Incorporated (Del)	Fort Walton Beach	\$14,064,000
Gec Incorporated (Del)	Garnier	\$618,000
General Dynamics Government Systems	Eglin AFB	\$135,000
General Dynamics Government Systems	Hurlburt Field	\$502,000
Gerwend Enterprises Inc	Eglin AFB	\$152,000
Gigacom Inc	Fort Walton Beach	\$45,000
Gilbert Pump And Mechanical, I	Shalimar	\$37,000
Grande Ford Truck Sales, Inc	Eglin AFB	\$26,000
Green-Simmons Company, The Inc	Eglin AFB	\$273,000
Greenhut Construction Co Inc	Hurlburt Field	\$64,000
Griffin, D H Wrecking Co Inc	Eglin AFB	\$102,000
Grundy Marine Construction Com	Eglin AFB	\$665,000
Grundy Marine Construction Com	Hurlburt Field	\$5,833,000
Gulf Power Company Inc	Eglin AFB	\$269,000
Gulf Power Company Inc	Hurlburt Field	\$469,000
Gulfside Mechanical Inc	Eglin AFB	\$344,000
H J Group Ventures Inc	Hurlburt Field	\$1,292,000
Hall Contracting & Construction	Eglin AFB	\$28,000
Hamre Associates, Inc.	Hurlburt Field	\$179,000
Harbert, Bill International Co	Eglin AFB	\$8,882,000
Hauck Tree Service Inc	Niceville	\$39,000
Hedgecock Electric Inc	Eglin AFB	\$342,000
Heffernan Holland Morgan Architects	Eglin AFB	\$14,000
Hertz Corporation, The	Eglin AFB	\$49,000
Hewett-Kier Construction Inc	Hurlburt Field	\$163,000
Hewlett-Packard Company Inc	Eglin AFB	\$111,000

Hitec Financial Services Inc	Eglin AFB	\$59,000
Houston Fearless 76 Inc	Eglin AFB	\$41,000
Information International Association	Eglin AFB	\$239,000
Instrumentation And Engineering	Mary Esther	\$60,000
International Automated System	Hurlburt Field	\$91,000
International Baler Corporation	Eglin AFB	\$61,000
International Dynamics Corp	Longwood	\$304,000
Itt Avionics	Eglin AFB	\$177,000
J & P Construction Co Inc	Eglin AFB	\$49,000
J/Q Contracting Inc	Hurlburt Field	\$95,000
Jmc Construction, Inc	Hurlburt Field	\$188,000
Johnson, Brenda S	Hurlburt Field	\$27,000
Jones Floor Covering Inc	Eglin AFB	\$497,000
Jones Irrigation Service	Eglin AFB	\$336,000
Journey Construction, Inc	Eglin AFB	\$64,000
K. M. T., Inc	Eglin AFB	\$91,000
Koebas, Melody M	Hurlburt Field	\$28,000
Kq Services Inc	Hurlburt Field	\$351,000
L-3 Communications Corporation	Eglin AFB	\$91,000
L.J. Nichols Enterprises, Inc.	Eglin AFB	\$405,000
Labat-Anderson, Inc	Eglin AFB	\$155,000
Lakeview Center Inc	Eglin AFB	\$615,000
Law Engineering And Environment	Eglin AFB	\$135,000
Liffner & Co Inc	Eglin AFB	\$208,000
Liffner & Co Inc	Hurlburt Field	\$1,117,000
Liquid Engineering Corporation	Eglin AFB	\$47,000
Lloyd, Robert Electric Co, Inc	Eglin AFB	\$42,000
Lockheed Martin Corporation	Eglin AFB	\$385,000
Lockheed Martin Corporation	Hurlburt Field	\$3,010,000
Lockheed Martin Logistics Management	Eglin AFB	\$1,400,000
Lockheed Martin Services, Inc.	Eglin AFB	\$5,405,000
Lord & Son Construction Co Inc	Hurlburt Field	\$38,000
Macaulay-Brown Inc	Eglin AFB	\$911,000
Macaulay-Brown Inc	Hurlburt Field	\$681,000
Madison Research Corporation	Hurlburt Field	\$669,000
Mann Mechanical Services Inc	Eglin AFB	\$40,000
Manufacturing Services Inc	Fort Walton Beach	\$59,000
Manufacturing Technology Inc	Fort Walton Beach	\$10,356,000
Maptech Inc	Eglin AFB	\$37,000
Maptech Inc	Hurlburt Field	\$27,000
Marchman Construction Corporation	Eglin AFB	\$500,000

Mc Donald Construction Service	Eglin AFB	\$867,000
Mcdonnell Douglas Corporation	Eglin AFB	\$7,568,000
Meggitt International Ltd.	Eglin AFB	\$63,000
Metavr, Inc.	Hurlburt Field	\$34,000
Metric Systems Corporation	Fort Walton Beach	\$9,517,000
Metrocall, Inc	Hurlburt Field	\$138,000
Mevatec Corporation	Eglin AFB	\$2,043,000
Mfs, Inc	Eglin AFB	\$891,000
Micon Systems Inc	Fort Walton Beach	\$25,000
Micro Systems Inc	Fort Walton Beach	\$906,000
Microdyne Corporation	Eglin AFB	\$28,000
Military Transport Inc	Hurlburt Field	\$48,000
Miltec Machining Inc	Eglin AFB	\$52,000
Motorola Communications & Electronics	Eglin AFB	\$71,000
Nabers, Margaret	Hurlburt Field	\$149,000
National Maintenance, Inc	Eglin AFB	\$783,000
Network Construction Services	Hurlburt Field	\$86,000
Nichols Research Corporation	Eglin AFB	\$14,517,000
Northrop Grumman Corporation	Eglin AFB	\$347,000
Northwest Florida Facility Man	Eglin AFB	\$1,764,000
Northwest Florida Facility Man	Fort Walton Beach	\$439,000
Northwest Florida Facility Man	Hurlburt Field	\$1,169,000
Nuovo Technologies Incorporate	Eglin AFB	\$32,000
Okaloosa County Gas District	Eglin AFB	\$305,000
Oklahoma State University Inc	Eglin AFB	\$2,809,000
Ortho Clinical Diagnostic Inc	Eglin AFB	\$122,000
Ostrom Painting & Sandblasting	Hurlburt Field	\$35,000
Overstreet Electric Co, Inc	Eglin AFB	\$46,000
P R B Associates Inc	Eglin AFB	\$31,000
P R B Associates Inc	Hurlburt Field	\$35,000
P R B Associates Inc	Niceville	\$473,000
Pacific Environmental Services	Eglin AFB	\$56,000
Panhandle Lock & Safe, Inc	Mary Esther	\$143,000
Penn Camera Exchange Inc	Eglin AFB	\$30,000
Penske Truck Leasing Co, L P	Eglin AFB	\$26,000
Peterson Engineering Inc	Eglin AFB	\$57,000
Phoenix Air Group Inc	Eglin AFB	\$191,000
Phoenix Construction Services	Hurlburt Field	\$187,000
Pi Construction Corporation	Eglin AFB	\$1,230,000
Pond & Co Inc	Eglin AFB	\$95,000
Pond & Co Inc	Hurlburt Field	\$39,000

Post Electric Inc	Eglin AFB	\$32,000
Precision Control Design Inc	Fort Walton Beach	\$520,000
Progressive Forestry Services	Eglin AFB	\$68,000
Pyramid Services Inc	Eglin AFB	\$299,000
R & L Services Inc	Eglin AFB	\$345,000
R & R Limited	Eglin AFB	\$33,000
R.L. Campbell Roofing Co Inc	Eglin AFB	\$939,000
R.L. Campbell Roofing Co Inc	Hurlburt Field	\$881,000
Radian International Llc	Hurlburt Field	\$31,000
Rayco Painting And Sandblasting	Eglin AFB	\$48,000
Raytheon Company Inc	Eglin AFB	\$38,000
Raytheon Company Inc	Hurlburt Field	\$28,000
Reico Inc	Fort Walton Beach	\$99,000
Research Planning Inc	Hurlburt Field	\$2,882,000
Robbins-Kirkland Contractors I	Eglin AFB	\$29,000
Robert & Company Inc	Hurlburt Field	\$38,000
Rogers, Lovelock & Fritz Inc	Eglin AFB	\$1,632,000
Science Applications International	Eglin AFB	\$6,214,000
Science Applications International	Fort Walton Beach	\$1,018,000
Science Engineering Associates	Eglin AFB	\$112,000
Scot Incorporated	Eglin AFB	\$175,000
Seeker Technologies, Inc	Shalimar	\$98,000
Semcor, Inc	Fort Walton Beach	\$7,535,000
Sentel Corporation	Eglin AFB	\$10,490,000
Sergeant Major Construction Co	Eglin AFB	\$474,000
Sharp Electronics Corporation	Eglin AFB	\$75,000
Sharpe Inc	Eglin AFB	\$105,000
Sigcom Inc	Hurlburt Field	\$127,000
Signal Technology Corporation	Fort Walton Beach	\$2,259,000
Silicon Graphics, Inc	Eglin AFB	\$71,000
Simulation Support Inc	Eglin AFB	\$250,000
Soil Remediation Inc	Eglin AFB	\$111,000
Southern Ventures Of Ft Walton	Fort Walton Beach	\$89,000
Space Electronics, Inc.	Eglin AFB	\$202,000
Speegle Construction Inc	Eglin AFB	\$8,407,000
Speegle Construction Inc	Hurlburt Field	\$4,645,000
Stanford Computer Optics, Inc	Eglin AFB	\$161,000
Stanton, Mauricia D	Eglin AFB	\$36,000
Statewide Services Inc	Eglin AFB	\$35,000
Stendard Object System	Shalimar	\$100,000
Stock Controls Inc	Shalimar	\$595,000

Strosnider, Roger Keith	Eglin AFB	\$52,000
Stv Inc	Hurlburt Field	\$30,000
Sumlin & Sons Inc	Hurlburt Field	\$244,000
Sun Microsystems, Inc	Eglin AFB	\$32,000
Suncoast Scientific Inc	Fort Walton Beach	\$482,000
Sverdrup Corporation, The	Eglin AFB	\$46,173,000
Sverdrup Corporation, The	Fort Walton Beach	\$4,721,000
Symvionics, Inc	Eglin AFB	\$340,000
Tall Timbers Research Inc	Eglin AFB	\$77,000
Tasc, Inc	Eglin AFB	\$1,417,000
Tasc, Inc	Fort Walton Beach	\$4,734,000
Technical Services Laboratory	Fort Walton Beach	\$115,000
Tektronix Inc	Eglin AFB	\$387,000
Telecommunication Systems Inc	Eglin AFB	\$41,000
Telecommunication Systems Inc	Hurlburt Field	\$410,000
Tesco, Inc	Eglin AFB	\$279,000
Thermo Instrument Systems Inc	Eglin AFB	\$169,000
Thomas, Prentice & Associates,	Eglin AFB	\$432,000
Thomas, Richard Inc	Eglin AFB	\$298,000
Thomco Enterprises Inc	Eglin AFB	\$33,000
Thomco Enterprises Inc	Hurlburt Field	\$775,000
Townsc0 Contracting Company, I	Eglin AFB	\$299,000
Tri-Ark Industries Inc	Eglin AFB	\$1,762,000
Trimble Navigation Limited Inc	Eglin AFB	\$551,000
Trio-Tech International Inc	Eglin AFB	\$53,000
Tybrin Corporation	Eglin AFB	\$20,912,000
Tybrin Corporation	Hurlburt Field	\$4,264,000
Tybrin Corporation	Shalimar	\$15,293,000
Tyco International Group Sa	Eglin AFB	\$990,000
Tyco International Group Sa	Fort Walton Beach	\$44,000
Unconventional Concepts, Inc.	Mary Esther	\$199,000
United Technologies Corporation	Fort Walton Beach	\$1,854,000
University Of Florida	Eglin AFB	\$101,000
University Of Florida	Shalimar	\$30,000
Ver-Val Enterprises Inc	Fort Walton Beach	\$229,000
Waste Management Holdings, Inc	Eglin AFB	\$2,717,000
Wavenet Technologies Inc	Niceville	\$45,000
Weaver, Gloria S	Eglin AFB	\$25,000
Wesarah, Inc	Eglin AFB	\$33,000
Whitesell-Green Inc	Eglin AFB	\$4,974,000
Whitesell-Green Inc	Hurlburt Field	\$139,000

Wintec Inc	Fort Walton Beach	\$1,154,000
Wireless One Network, L.P.	Hurlburt Field	\$47,000
Wolfe, Paula R	Eglin AFB	\$25,000
Xerox Corporation	Eglin AFB	\$37,000
Xerox Corporation	Hurlburt Field	\$33,000
Xerox Corporation	Okaloosa	\$253,000
Yonge & Klocke	Hurlburt Field	\$157,000
York International Corporation	Eglin AFB	\$39,000
Total	Okaloosa	\$444,833,000

Distribution of the Military Economic Impact in

Okaloosa County

Table 14 - Distribution of the Military Impact in Okaloosa County

Industry Sector	Direct	Indirect	Induced	Total Spending Output	Incomes Generated	Jobs Supported
Management and Consulting Services	\$80,131,832	\$18,434,160	\$1,648,805	\$100,214,800	\$42,697,112	1,303.9
Real Estate	\$35,486,428	\$25,881,936	\$12,715,288	\$74,083,648	\$9,952,758	412.6
Doctors and Dentists	\$57,683,008	\$0	\$15,413,381	\$73,096,392	\$41,878,276	860.0
Hospitals	\$52,886,760	\$15,072	\$9,879,897	\$62,781,728	\$35,497,392	1,116.6
Eating & Drinking	\$41,112,216	\$2,734,212	\$12,304,737	\$56,151,164	\$21,927,268	1,507.7
Banking	\$33,762,112	\$11,534,528	\$10,674,323	\$55,970,964	\$11,685,125	320.7
Engineering- Architectural Services	\$44,519,500	\$10,812,632	\$467,220	\$55,799,352	\$25,237,122	606.0
Research- Development & Testing Services	\$40,293,616	\$6,641,264	\$534,862	\$47,469,744	\$29,030,124	575.6
Other Business Services	\$34,860,312	\$8,180,684	\$992,996	\$44,033,992	\$13,795,333	452.6
New Industrial and Commercial Buildings	\$41,847,744	\$0	\$0	\$41,847,744	\$12,453,381	391.3
Wholesale Trade	\$24,999,328	\$9,065,712	\$7,307,883	\$41,372,924	\$17,089,454	433.2
Miscellaneous Retail	\$31,585,090	\$1,058,360	\$7,884,114	\$40,527,564	\$20,076,916	1,151.6
Automotive Dealers & Service Stations	\$26,185,548	\$1,933,636	\$7,389,141	\$35,508,324	\$16,180,830	450.3
Computer and Data Processing Services	\$4,505,794	\$24,952,942	\$2,893,300	\$32,352,036	\$21,173,788	314.3
Maintenance and Repair Other Facilities	\$18,771,572	\$10,999,194	\$2,371,490	\$32,142,256	\$17,744,682	564.0
Communications- Except Radio and TV	\$13,965,423	\$12,346,893	\$5,484,112	\$31,796,428	\$7,426,883	146.5
Food Stores	\$19,734,698	\$300,088	\$5,544,308	\$25,579,094	\$15,036,785	796.8
Air Transportation	\$20,935,168	\$2,012,208	\$1,364,032	\$24,311,408	\$10,566,350	215.2
State/Local Government NonEducation	\$22,986,504	\$0	\$0	\$22,986,504	\$0	0.0
Nursing and Protective Care	\$19,953,600	\$0	\$1,952,711	\$21,906,310	\$15,130,656	655.8
General Merchandise Stores	\$14,910,605	\$262,914	\$4,617,725	\$19,791,244	\$9,289,820	589.7
Aircraft and Missile Engines and Parts	\$15,010,352	\$3,699,248	\$20,051	\$18,729,650	\$4,123,235	93.9
Other Medical and Health Services	\$13,130,310	\$741,629	\$2,661,862	\$16,533,800	\$6,721,251	371.7
Electric Services	\$10,780,902	\$2,466,429	\$3,265,457	\$16,512,788	\$3,211,981	44.8
Maintenance and Repair- Residential	\$0	\$12,665,010	\$3,528,731	\$16,193,741	\$3,531,874	128.2
Aircraft	\$15,010,961	\$200,731	\$10,927	\$15,222,619	\$1,812,782	63.5
Other State and Local Government Enterprises	\$9,828,123	\$1,912,010	\$3,209,235	\$14,949,368	\$3,180,561	82.4
Hotels and Lodging Places	\$7,616,062	\$4,378,737	\$2,914,567	\$14,909,366	\$5,947,111	351.9
Motor Freight Transport and	\$4,758,803	\$6,575,008	\$2,486,494	\$13,820,304	\$3,809,212	148.5

Industry Sector	Direct	Indirect	Induced	Total Spending Output	Incomes Generated	Jobs Supported
Warehousing						
Legal Services	\$8,630,484	\$2,828,064	\$1,992,135	\$13,450,683	\$9,366,604	184.3
Furniture & Home Furnishings Stores	\$10,268,183	\$293,876	\$2,471,861	\$13,033,920	\$6,514,395	294.2
Accounting- Auditing and Bookkeeping	\$183,731	\$11,453,930	\$1,311,475	\$12,949,136	\$9,194,072	262.4
Automobile Repair and Services	\$7,970,036	\$1,847,721	\$2,741,737	\$12,559,494	\$4,179,002	158.6
Personnel Supply Services	\$360,533	\$10,522,612	\$1,257,932	\$12,141,076	\$10,720,157	808.3
Insurance Carriers	\$8,044,418	\$468,883	\$2,561,559	\$11,074,860	\$3,550,539	150.1
Other Federal Government Enterprises	\$7,606,007	\$869,884	\$2,302,234	\$10,778,125	\$2,286,186	121.6
Building Materials & Gardening	\$7,987,288	\$509,551	\$2,185,971	\$10,682,809	\$5,679,996	245.4
Amusement and Recreation Services- N.E.C.	\$8,201,920	\$922	\$2,335,818	\$10,538,660	\$4,509,537	302.8
Apparel & Accessory Stores	\$7,794,039	\$218,941	\$2,492,938	\$10,505,918	\$4,138,801	225.9
Credit Agencies	\$2,886,430	\$4,263,354	\$1,773,180	\$8,922,964	\$5,567,567	199.1
Security and Commodity Brokers	\$2,076,325	\$3,937,881	\$1,357,251	\$7,371,457	\$4,324,808	42.4
U.S. Postal Service	\$886,582	\$4,523,980	\$1,035,927	\$6,446,489	\$4,999,594	84.6
New Utility Structures	\$6,295,270	\$0	\$0	\$6,295,270	\$2,440,261	75.1
Motion Pictures	\$2,144,794	\$2,299,778	\$1,232,776	\$5,677,347	\$1,077,481	83.4
Beauty and Barber Shops	\$4,008,720	\$388,720	\$1,115,483	\$5,512,923	\$3,142,196	221.9
Child Day Care Services	\$3,881,012	\$0	\$1,478,250	\$5,359,262	\$1,556,252	137.4
Residential Care	\$4,126,594	\$0	\$795,129	\$4,921,723	\$3,121,158	178.7
Automobile Rental and Leasing	\$1,338,163	\$2,420,805	\$793,573	\$4,552,540	\$1,316,996	74.7
Religious Organizations	\$2,990,714	\$0	\$1,095,609	\$4,086,323	\$352,911	34.1
Miscellaneous Personal Services	\$3,057,546	\$57,081	\$850,773	\$3,965,400	\$627,239	72.8
Social Services- N.E.C.	\$2,877,955	\$3,478	\$1,055,625	\$3,937,059	\$1,212,109	93.2
Newspapers	\$370,551	\$2,845,480	\$691,010	\$3,907,041	\$1,411,559	53.0
Sanitary Services and Steam Supply	\$919,811	\$2,165,865	\$669,079	\$3,754,754	\$1,161,283	28.5
Radio and TV Broadcasting	\$306,695	\$2,764,563	\$659,788	\$3,731,046	\$1,292,075	22.6
Services To Buildings	\$451,378	\$2,443,923	\$601,397	\$3,496,698	\$1,473,349	81.2
Labor and Civic Organizations	\$2,508,486	\$21,614	\$810,917	\$3,341,017	\$3,273,193	220.3
Miscellaneous Repair Shops	\$1,730,763	\$1,260,529	\$323,718	\$3,315,010	\$1,127,441	60.8
Membership Sports and Recreation Clubs	\$2,393,534	\$192,736	\$653,770	\$3,240,040	\$1,482,755	104.0
Electronic Components- N.E.C.	\$588,060	\$2,249,345	\$268,949	\$3,106,354	\$528,224	14.3
Capital	\$3,037,629	\$0	\$0	\$3,037,629	\$0	0.0
Laundry- Cleaning and Shoe Repair	\$1,679,945	\$603,844	\$725,040	\$3,008,829	\$1,974,091	171.4
Equipment Rental and Leasing	\$471,786	\$2,117,393	\$390,676	\$2,979,855	\$812,755	31.4
Domestic Services	\$2,350,678	\$0	\$530,091	\$2,880,769	\$2,880,769	306.0
Insurance Agents and Brokers	\$0	\$2,095,001	\$630,363	\$2,725,364	\$1,644,654	55.2
Water Transportation	\$1,482,807	\$552,584	\$536,399	\$2,571,790	\$472,727	13.3
Other Educational Services	\$1,778,920	\$62,766	\$616,714	\$2,458,400	\$937,923	48.3
Water Supply and Sewerage	\$1,513,097	\$299,178	\$488,219	\$2,300,494	\$537,968	15.8

Industry Sector	Direct	Indirect	Induced	Total Spending Output	Incomes Generated	Jobs Supported
Systems						
Landscape and Horticultural Services	\$58,023	\$1,757,562	\$392,374	\$2,207,959	\$921,914	74.5
Theatrical Producers- Bands Etc.	\$869,802	\$820,827	\$446,573	\$2,137,201	\$1,260,026	3.6
Business Associations	\$934,270	\$567,414	\$338,585	\$1,840,269	\$1,387,913	44.4
Portrait and Photographic Studios	\$1,281,336	\$24,267	\$361,690	\$1,667,293	\$623,728	37.4
Electrical Repair Service	\$718,529	\$614,631	\$311,601	\$1,644,760	\$611,294	21.7
Other Nonprofit Organizations	\$1,027,860	\$73,945	\$380,539	\$1,482,344	\$789,548	70.3
Commercial Printing	\$24,306	\$1,181,889	\$227,047	\$1,433,241	\$383,790	13.9
Complete Guided Missiles	\$1,003,144	\$300,064	\$15,377	\$1,318,585	\$337,236	6.0
Apparel Made From Purchased Materials	\$954,461	\$13,511	\$300,408	\$1,268,380	\$260,428	12.9
Arrangement Of Passenger Transportation	\$312,593	\$748,039	\$154,962	\$1,215,595	\$624,682	36.0
Photofinishing- Commercial Photography	\$402,398	\$507,099	\$210,396	\$1,119,893	\$251,292	14.1
Sawmills and Planing Mills- General	\$1,020	\$894,748	\$95,219	\$990,987	\$160,778	5.7
Job Trainings & Related Services	\$669,672	\$64,589	\$188,096	\$922,357	\$539,140	24.1
Search & Navigation Equipment	\$435,362	\$417,500	\$34,670	\$887,532	\$244,815	5.6
Transportation Services	\$489,229	\$255,894	\$66,759	\$811,882	\$440,664	26.3
Periodicals	\$215,044	\$433,562	\$148,046	\$796,652	\$244,121	4.2
Automotive and Apparel Trimmings	\$497,975	\$99,676	\$184,604	\$782,254	\$106,452	6.2
Advertising	\$8,138	\$638,709	\$134,705	\$781,552	\$319,688	9.7
Detective and Protective Services	\$128,033	\$511,839	\$134,499	\$774,370	\$547,355	32.3
Elementary and Secondary Schools	\$470,151	\$0	\$244,775	\$714,926	\$413,759	26.7
Greenhouse and Nursery Products	\$387,390	\$101,797	\$130,421	\$619,608	\$370,723	8.4
Watch- Clock- Jewelry and Furniture Repair	\$452,896	\$2,602	\$147,623	\$603,121	\$161,228	11.1
Funeral Service and Crematories	\$471,571	\$0	\$103,522	\$575,093	\$332,129	20.9
Automobile Parking and Car Wash	\$384,762	\$45,498	\$127,829	\$558,089	\$228,570	21.6
Aircraft and Missile Equipment-	\$212,342	\$326,411	\$18,583	\$557,336	\$153,463	4.7
Miscellaneous Publishing	\$61,671	\$389,896	\$100,716	\$552,283	\$125,221	5.5
Bowling Alleys and Pool Halls	\$427,340	\$843	\$123,524	\$551,707	\$261,070	19.0
Poultry and Eggs	\$339,372	\$40,659	\$103,602	\$483,633	\$279,661	5.4
Bread- Cake- and Related Products	\$243,539	\$109,702	\$97,141	\$450,382	\$82,583	3.0
Fabricated Textile Products- N.E.C.	\$232,131	\$109,778	\$87,943	\$429,853	\$43,513	3.7
Curtains and Draperies	\$188,785	\$39,624	\$73,123	\$301,532	\$57,401	4.1
Special Dies and Tools and Accessories	\$1,366	\$290,114	\$5,885	\$297,364	\$156,821	3.6
Paving Mixtures and Blocks	\$2,247	\$239,469	\$39,288	\$281,005	\$35,929	0.8
Logging Camps and Logging Contractors	\$103	\$248,773	\$26,643	\$275,519	\$55,843	1.6
Electrical Equipment- N.E.C.	\$202,261	\$24,129	\$43,984	\$270,373	\$60,897	1.3
Computer Peripheral Equipment-	\$49,098	\$183,549	\$29,648	\$262,295	\$31,088	1.0
Foreign Trade	\$52,598,228	\$0	\$0	\$52,598,228	\$0	0.0

Industry Sector	Direct	Indirect	Induced	Total Spending Output	Incomes Generated	Jobs Supported
Domestic Trade	\$570,338,176	\$0	\$0	\$570,338,176	\$0	0.0
Total	\$969,491,111	\$259,767,976	\$200,846,074	\$1,430,105,170	\$551,276,096	20,080.4