

Fiscal Year 2008 Economic Impact Analysis

01 Oct 2007 – 30 Sep 2008



Langley
Air Force Base



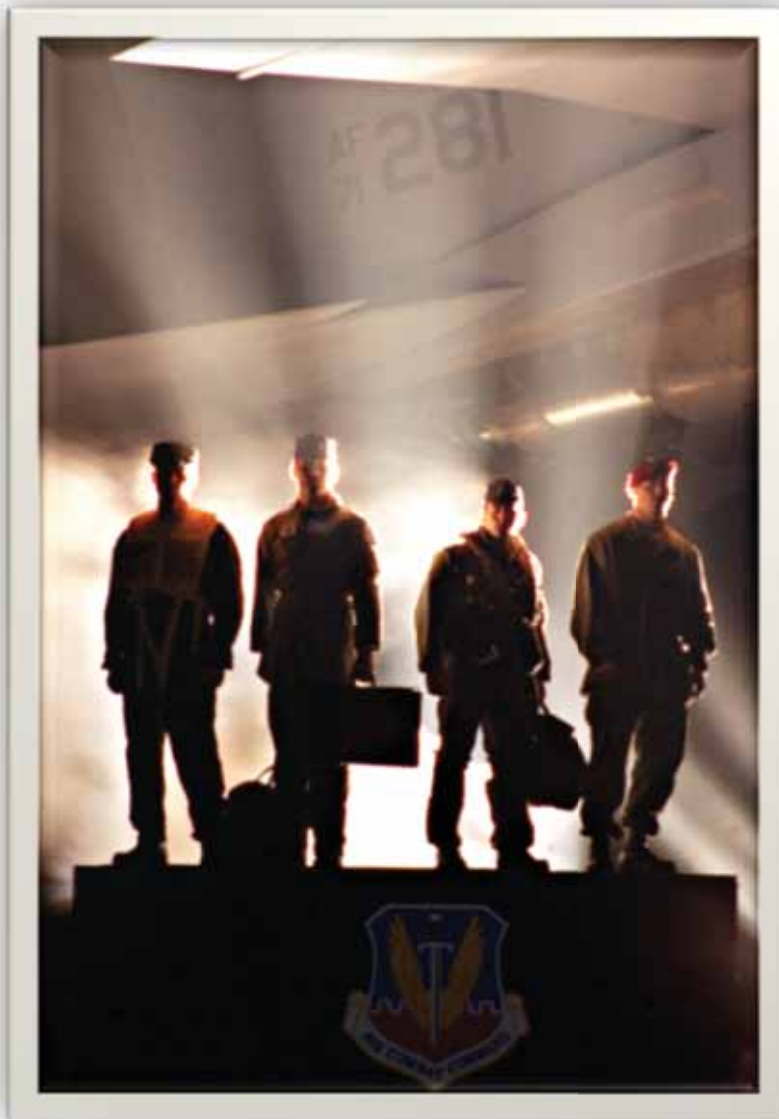
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Preface

The 1st Fighter Wing, host unit of Langley Air Force Base, presents the Fiscal Year 2008 Economic Impact Analysis (EIA). The purpose of this analysis is to provide an estimate of the economic effect Langley has on the local area. The EIA presents financial data, local expenditure data, and employment information. An estimate of the number of secondary jobs created by Langley's presence in the Hampton Roads area is also presented.

The mathematical formulas used for the computations were developed by the Deputy Assistant Secretary of the Air Force for Cost and Economics, based on the Office of the Secretary of Defense EIA model. All data and computations fairly represent the economic impact of Langley Air Force Base. For those areas where actual data were not available, estimates were made using historical data and published US Air Force or other federal government statistical factors.



Langley Air Force Base: A Brief History

Langley Air Force Base, Virginia, is the oldest continuously active air base in the United States. In 1916, the National Advisory Council for Aeronautics, predecessor to the National Aeronautics and Space Administration (NASA), established the need for a joint airfield and proving ground for Army, Navy and National Advisory Council for Aeronautics aircraft. National Advisory Council for Aeronautics determined that the site must be coastal for over-water flying and near an Army post. It also had to be flat and relatively clear for expansion and aircraft operations. In 1917, the new proving ground was designated Langley Field for one of America's early air pioneers, Samuel Pierpont Langley.

Throughout the 1930s, Langley Field played a key role in the Army's efforts to strengthen the offensive and defensive posture of its air arm. The small grassy field became a major airfield of the Army Air Corps, and many of the brick buildings we see today were constructed at that time. On 1 March 1935, Langley Field became the center of tactical aviation for the United States Army. On that day, the Army Air Corps underwent a major reorganization which created General Headquarters Air Force, commonly referred to as GHQ AF.

At the outbreak of World War II, Langley took on a new mission: to develop special detector equipment used in antisubmarine warfare. Langley units were pivotal in the sinking of enemy submarines off the United States coast during the war. On 25 May 1946, the headquarters of the newly formed Tactical Air Command was established at Langley. The Command's mission was to organize, train, equip and maintain combat-ready forces capable of rapid deployment to meet the challenges of peacetime air sovereignty and wartime air defense. The arrival of Tactical Air Command and jet aircraft marked the beginning of a new era in the history of the field, and in January 1948, Langley Field officially became Langley Air Force Base. Today, the host unit at Langley is the 1st Fighter Wing, with the mission of maintaining combat capability for rapid global deployment to conduct air superiority operations.

On 1 June 1992, Langley became the headquarters of the newly formed Air Combat Command, as Tactical Air Command was deactivated as part of the Air Force's restructuring. Air Combat Command acts as the primary provider of air combat forces in the warfighting commands—responsible for fighters, bombers, reconnaissance and battle-management aircraft, intercontinental ballistic missiles, and command, control, communications and intelligence systems.

Since 1975 the 1st Fighter Wing has flown the venerable air superiority fighter, the F-15 Eagle. Now the wing is also equipped with the Air Force's newest air dominance fighter, the F-22A Raptor. With stealth, super cruise and thrust vectoring capabilities, the wing is prepared to deliver sovereign options for the defense of the United States of America and its global interests.



Langley AFB Tenant Units

- Headquarters Air Combat Command
- Aerospace Expeditionary Force Center
- AFAA Eastern Audit Region (AFAA/FDE)
- AFAA Mid-Atlantic Area Audit Office
- AFMC Liaison Office
- AFOSI Detachment 201
- AFOSI Field Investigation Region 2
- Air Force Command and Control & Intelligence, Surveillance, Reconnaissance Center
- Air Force Doctrine Center
- Air Force Liaison (NASA)
- Air-Land-Sea Application Center
- American Red Cross
- ADC – Area Defense Counsel
- Defense Commissary Agency (DECA)
- Defense Logistics Agency, Defense Contracts Management Command (DLA/DCMC/GTNC)
- Defense Security Service (DSS)
- Detachment 1, 119th Fighter Wing (ANG)
- Defense Automated Printing Service (DAPS)
- Langley Composite Squadron, Civil Air Patrol
- Strategic Command (STRATCOM)
- US Army Corps of Engineers (CENAO)
- 12th Airlift Flight (AMC)
- 307th Combat Operation (CO)
- 372d TRS Detachment 18 (AETC)
- 71st Aerial Port Squadron (AFRES)
- 512d Mission Support Squadron (AFRES)
- 622d Communications Flight
- Joint Task Force Civil Support (JTFCS)
- Joint Task Force Homeland Security (JTFHLS)
- Richmond Air National Guard (RANG)



Langley Missions



HQ Air Combat Command

Mission Air Combat Command is the primary force provider of combat airpower to America's warfighting commands. To support global implementation of national security strategy, ACC operates fighter, bomber, reconnaissance, battle-management and electronic-combat aircraft. It also provides command, control, communications and intelligence systems, and conducts global information operations.

As a force provider, ACC organizes, trains, equips and maintains combat-ready forces for rapid deployment and employment while ensuring strategic air defense forces are ready to meet the challenges of peacetime air sovereignty and wartime air defense. ACC numbered air forces provide the air component to U.S. Central and Southern Commands with Headquarters ACC serving as the air component to U.S. Northern and Joint Forces Commands. ACC also augments forces to U.S. European, Pacific and Strategic Commands.



1st Fighter Wing

Mission As the host unit at Langley Air Force Base, Virginia, the 1st Fighter Wing operates and maintains one of the largest fighter bases in Air Combat Command. The wing flies the F-22A Raptor and F-15 Eagle. The 1st Fighter Wing's mission is to: "Train, organize and equip expeditionary Airmen; deploy, fight and win; provide world class support to Team Langley."

To accomplish their mission, the men and women of the 1st Fighter Wing work in one of four groups: the Operations Group, Maintenance Group, Mission Support Group, or Medical Group. More than 20 squadrons comprise the four groups, which includes three fighter squadrons: the 27th FS known as the Fightin' Eagles, the 71st FS known as the Ironmen, and the 94th FS known as the Hat-in-the-Ring Gang.



480th ISR Wing

Mission Highly skilled Airmen conducting regionally focused - globally networked Intelligence, Surveillance and Reconnaissance (ISR) warfighting operations, to meet Combatant Command, Component and national needs in the 21st century...warfighters of choice in the joint and coalition fight.

Provides global command and control for the processing, exploitation and dissemination (PED) of intelligence data received from a variety of sources, including U-2, RQ-4, MQ-1 and MQ-9 across a network of 14 sites. The wing executes PED for ISR operations from five distributed ground systems (co-located with its five ISR groups), seven federated sites and two distributed sites.

**TABLE 1
PERSONNEL BY CLASSIFICATION AND HOUSING LOCATION**

As of: **30-Sep-08**



CLASSIFICATION	LIVING ONBASE	LIVING OFFBASE	TOTAL
1. APPROPRIATED FUND MILITARY			
Active Duty	1,839	8,028	9,867
Air Force Reserve/Air National Guard	0	891	891
Non-Extended Active Duty Reserve/ANG	0	0	0
Trainees/Cadets	0	0	0
TOTAL:	1,839	8,919	10,758
2. ACTIVE DUTY MILITARY DEPENDENTS	2,227	10,619	12,846
3. APPROPRIATED FUND CIVILIANS			
General Schedule			1,502
Federal Wage Board			124
Other (Senior Executive, Senior Level and General Manager)			86
TOTAL:			1,712
4. NON-APPROPRIATED FUND CONTRACT CIVILIANS AND PRIVATE BUSINESSES			
Civilian NAF			350
Civilian BX			185
Contract Civilians (not elsewhere included)			52
Private Businesses On Base, By Type:			16
Branch Banks/Credit Union			16
Other Civilians (not elsewhere included)			0
TOTAL:			619
TOTAL PERSONNEL:			25,935



**ECONOMIC IMPACT ANALYSIS
LANGLEY AFB - FY 08**

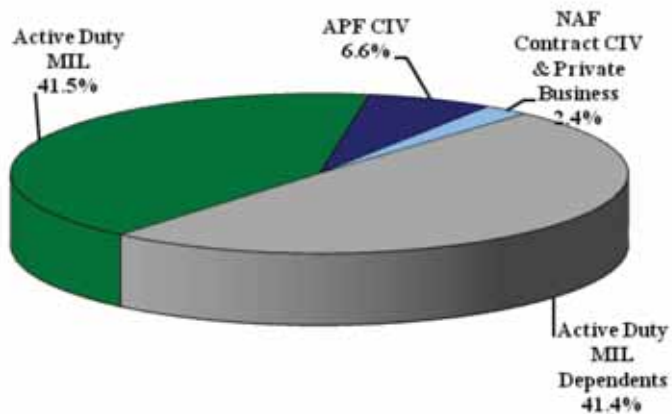
**TABLE 2
ANNUAL PAYROLL BY CLASSIFICATION AND HOUSING LOCATION**

As of: **30-Sep-08**

CLASSIFICATION	LIVING ONBASE (\$)	LIVING OFFBASE (\$)	TOTAL (\$)
1. APPROPRIATED FUND MILITARY			
Active Duty	18,812,396	505,769,404	524,581,800
ANG/Reserve	0	0	0
Trainees/Cadets	0	0	0
Non-Extended Active Duty ANG/Reserve	0	0	0
	-	-	-
TOTAL:	18,812,396	505,769,404	524,581,800
2. APPROPRIATED FUND CIVILIANS			
General Schedule			104,266,857
Federal Wage Board			5,852,094
Other (Senior Executive, Senior Level and General Manager)			7,006,264
		TOTAL:	117,125,215
3. NON-APPROPRIATED FUND CONTRACT CIVILIANS AND PRIVATE BUSINESSES			
Civilian NAF			6,708,327
Civilian BX			3,642,358
Contract Civilians (not elsewhere included)			217,682
Private Businesses On Base, By Type:			475,307
Branch Banks/Credit Union			
Other Civilians (not elsewhere included)			
		TOTAL:	11,043,674

Langley AFB FY08 Personnel & Annual Pay

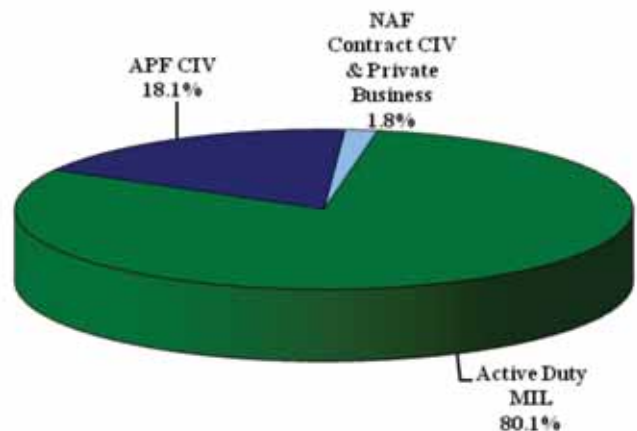
FY08 Personnel Classifications



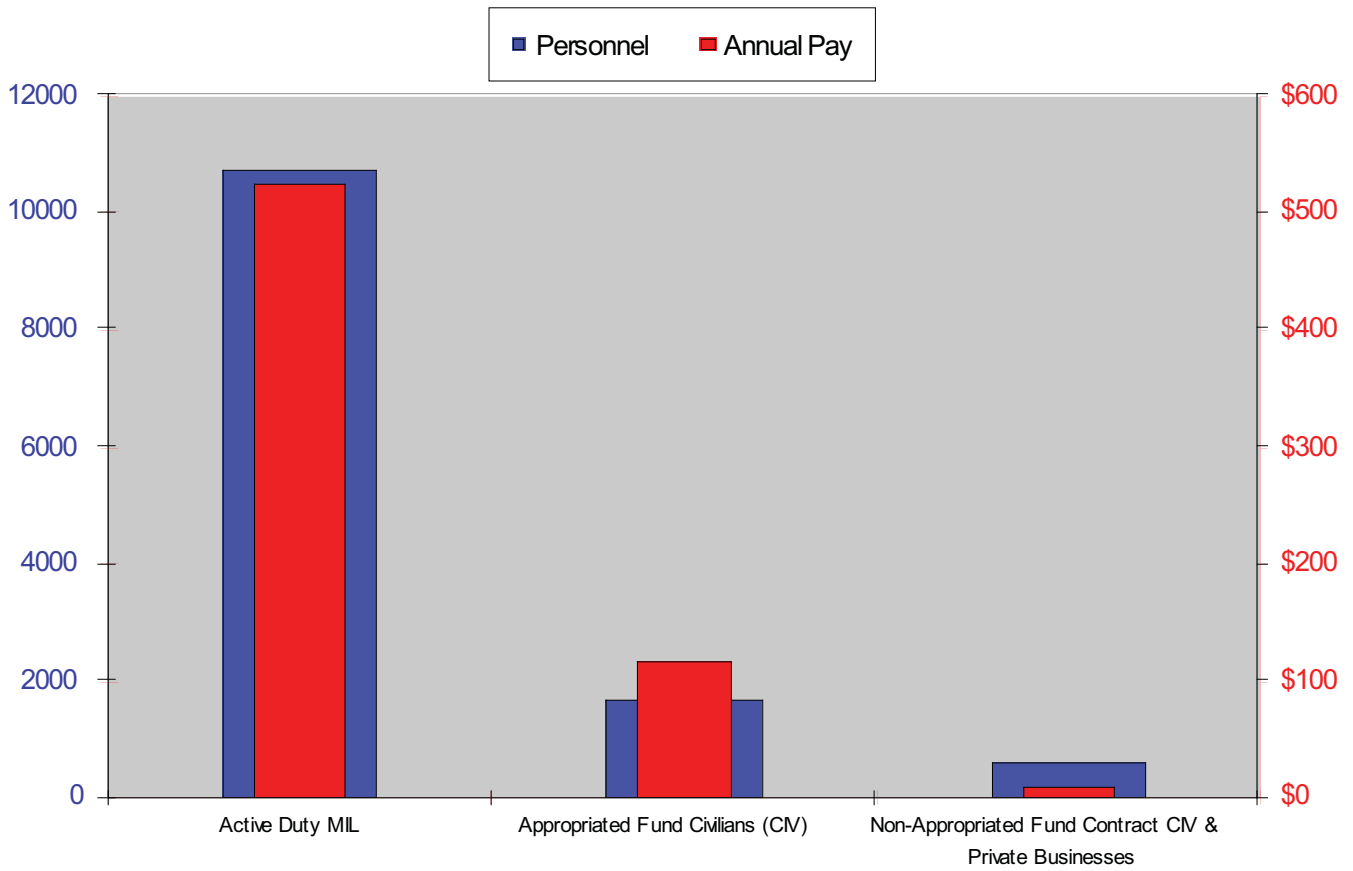
ACTIVE DUTY MILITARY (MIL) DEPENDENTS	12,846
ACTIVE DUTY MIL	10,758
APPROPRIATED FUND (APF) CIVILIANS (CIV)	1,712
NON-APPROPRIATED FUND (NAF) CONTRACT CIV & PRIVATE BUSINESSES	<u>619</u>
TOTAL	25,935

FY08 Annual Payroll

MILITARY (MIL)	\$524,581,800
APPROPRIATED FUND (APF) CIVILIAN (CIV)	\$117,125,215
NON-APPROPRIATED FUND (NAF) CONTRACT CIV & PRIVATE BUSINESSES	<u>\$11,043,674</u>
TOTAL	\$652,750,689



Langley AFB FY08 Personnel Vs. Pay (\$M)



Data a/o Sep 08

**ECONOMIC IMPACT ANALYSIS
LANGLEY AFB - FY08**

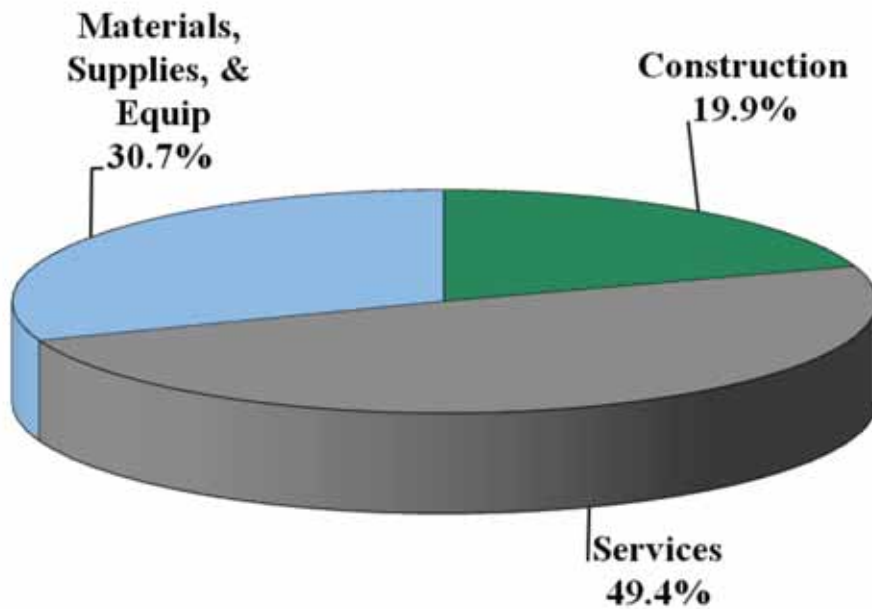
**TABLE 3
EXPENDITURES FOR CONSTRUCTION, SERVICES, AND
PROCUREMENT OF MATERIALS, EQUIPMENT, AND SUPPLIES
(Not including contracts for services supplied to other Air Force installations)**

As of: **30-Sep-08**



	ACTUAL ANNUAL EXPENDITURES
1. CONSTRUCTION	
Military Construction Program	116,108
Non-Appropriated Funds	622,574
Military Family Housing	1,183,060
O&M	69,906,024
Other	13,364,376
TOTAL:	85,192,142
2. SERVICES	
Services Contracts *	211,118,852
Other Services (not elsewhere included)	0
TOTAL:	211,118,852
3. MATERIALS, EQUIPMENT, AND SUPPLIES PROCUREMENT	
Commissary	62,000,000
Base Exchange (BX)	236,569
Health (CHAMPUS, Government cost only)	42,404,903
Education (Impact Aid and Tuition Assistance)	5,266,601
TDY	716,125
Other Materials, Equipment & Supplies (not elsewhere included)	20,680,721
TOTAL:	131,304,919
TOTAL ANNUAL EXPENDITURES:	427,615,913

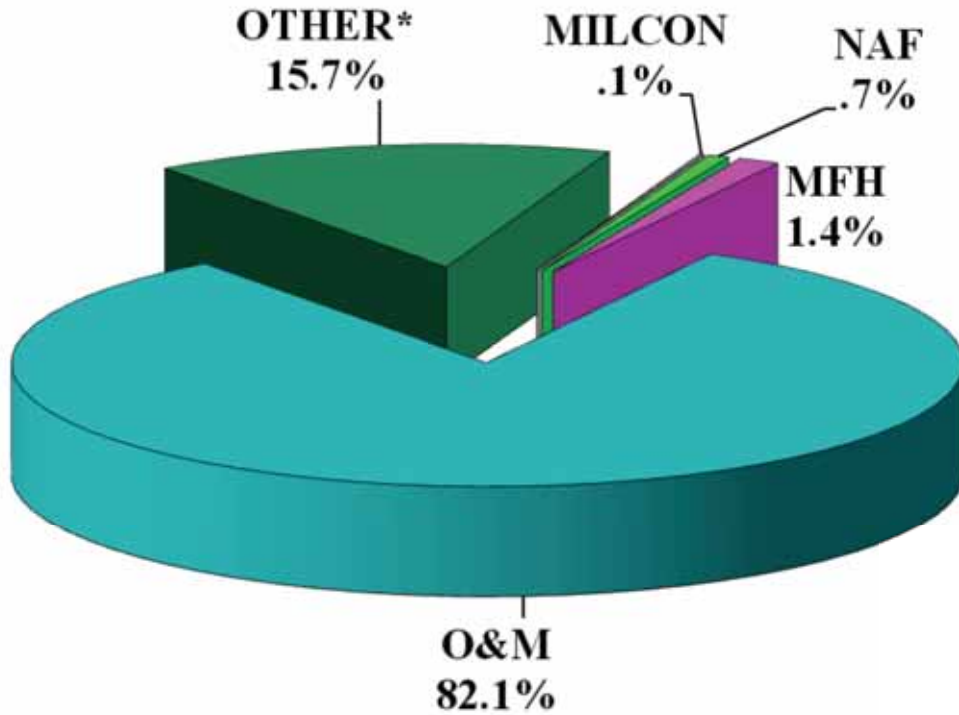
Langley AFB FY08 Local Expenditures



CONSTRUCTION	\$85,192,142
SERVICES	\$211,118,852
MATERIALS, SUPPLIES, EQUIP	<u>\$131,304,919</u>
TOTAL	\$427,615,913



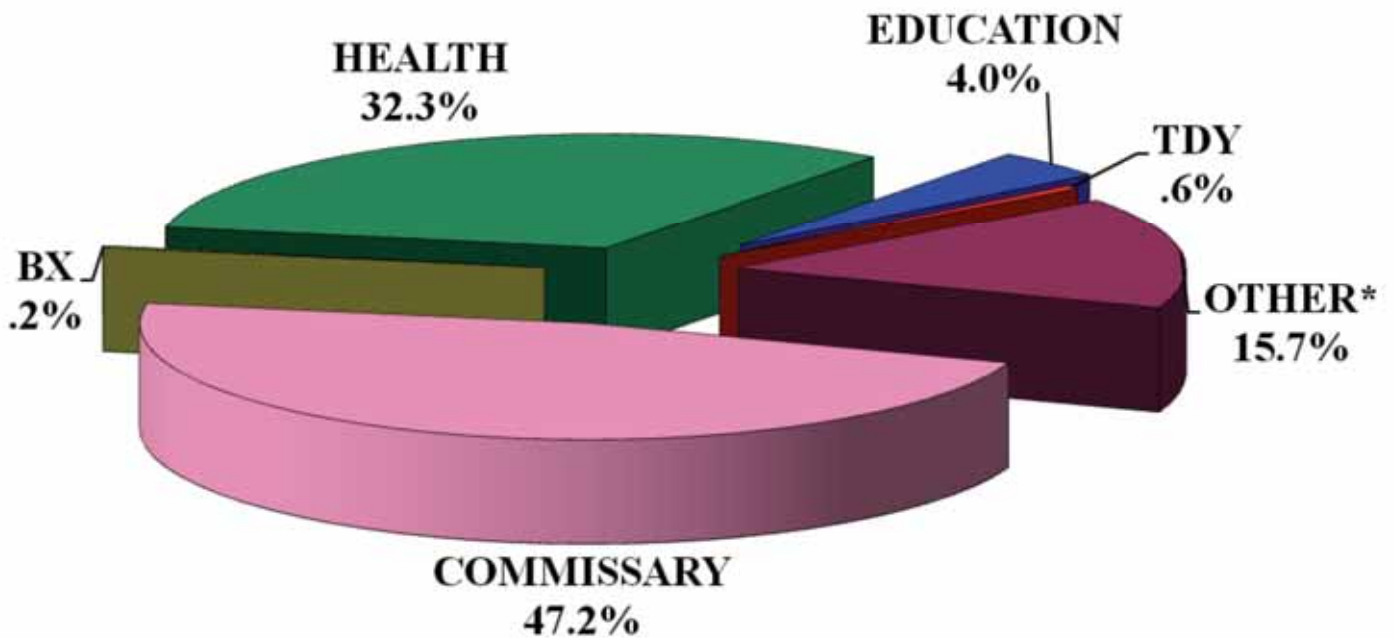
Langley AFB FY08 Construction



MILITARY CONSTRUCTION	\$116,108
NON-APPROPRIATED FUNDS	\$622,574
MILITARY FAMILY HOUSING	\$1,183,060
OPERATIONS & MAINTENANCE	\$69,906,024
OTHER	<u>\$13,364,376</u>
TOTAL	\$85,192,142

* Includes 1 MDG, and tenant organizations.

Langley AFB FY08 Materials, Equipment, & Supplies Procurement



COMMISSARY	\$62,000,000
BASE EXCHANGE	\$236,569
HEALTH	\$42,404,903
EDUCATION	\$5,266,601
TDY	\$716,125
OTHER	<u>\$20,680,721</u>
TOTAL	\$131,304,919



*Includes fuels, GPC purchases, supplies, equipment, leases, etc.

Data a/o Sep 08

ECONOMIC IMPACT ANALYSIS

LANGLEY AFB – FY08

TABLE 4

ESTIMATE OF NUMBER AND DOLLAR VALUE OF INDIRECT JOBS CREATED

As of: 30-Sep-08

Type of Personnel	# of Base Jobs	Multiplier	# of Indirect Jobs
ACTIVE DUTY MILITARY	9,867	0.50	4,933
GUARD/RESERVIST/TRAINEES	891	0.21	187
APF CIVILIANS	1,712	0.63	1,078
OTHER CIVILIANS	<u>603</u>	0.63	<u>379</u>
TOTAL:	13,073		6,577

ESTIMATED NUMBER OF INDIRECT JOBS CREATED: 6,577

AVERAGE ANNUAL PAY FOR THE LOCAL COMMUNITY: \$30,823

ESTIMATED ANNUAL DOLLAR VALUE OF JOBS CREATED: \$202,722,871

Data Sources:

Multipliers: LMI Economic Impact Database, Installations and Indirect/Induced Job Multipliers, Feb 95
 Avg Annual Pay: Current tables for Average Annual Pay Levels in Metropolitan Areas and Average Annual Pay by State and Industry are accessible at: <http://stats.bls.gov:80/newsrels.htm#OEUS>



Note: Indirect job formulation is at the top of this page.

**ECONOMIC IMPACT ANALYSIS
LANGLEY AFB - FY08**

**TABLE 5
TOTAL ANNUAL ECONOMIC IMPACT ESTIMATE**

As of: 30-Sep-08



ANNUAL PAYROLL:

Military	\$524,581,800
Federal Civilian	\$117,125,215
Other Civilian	\$11,043,674

\$652,750,689

ANNUAL EXPENDITURES:

\$427,615,913

ESTIMATED ANNUAL DOLLAR VALUE OF JOBS CREATED:

\$202,815,340

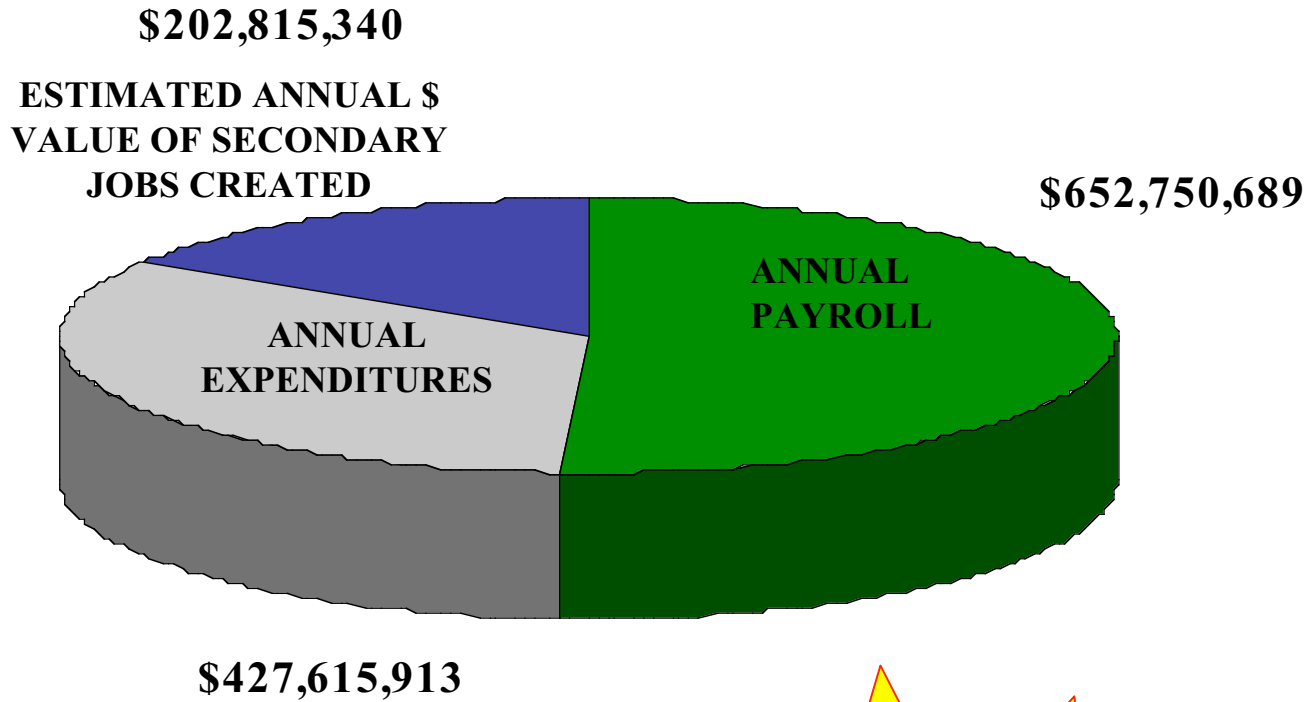
Estimated Indirect Jobs Created	6,580
Average Annual Pay	\$30,823

GRAND TOTAL:

\$1,283,181,942



Langley AFB FY08 Total Annual Economic Impact



**\$1.2B TOTAL
IMPACT
TO THE LOCAL
ECONOMY**

Lasting Partnership

Reaching our Community

\$1 Billion in payroll & local expenditures generated here in 2008 translated to \$1.2 Billion through secondary hiring and business opportunities

6,580 Secondary Jobs were sustained/created by our presence

Acknowledgements

The information presented in the report depicts mutually beneficial interdependence that Langley AFB, Hampton, and our surrounding communities share as we move forward.

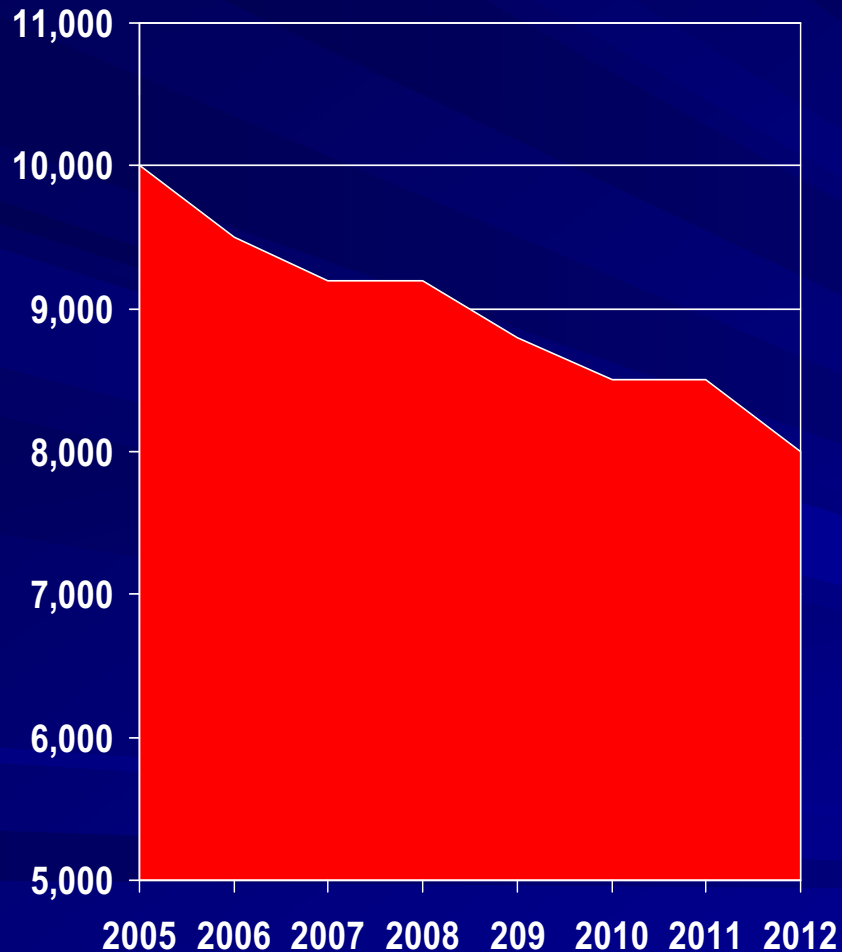
The EIA contains the combined efforts of financial managers throughout Langley Air Force Base, without whose assistance the collection and publishing of this analysis would not have been possible. Data was provided by the following organizations: 1FSS, 1CONS, 1CES, DECA, and AFEES.

Questions should be addressed to the 1st Comptroller Squadron, Financial Analysis Flight, DSN 574-2161, commercial (757) 764-2161.

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~1340 Job Losses @ LAFB



2006: *PBD 720 reduces LAFB by 630 jobs

2008: *AEF Center moves to Texas, 250 jobs

2010: AF FY 2010 Force Structure Adjustments, -399 mil. +125 civ.; 1st FW closes last F-15 Squadron

2012: *ACC staff losses to stand up Global Strike command, ~60 jobs



**See notes page for acronyms and details

Program Budget Decision (PBD) 720 was an internal Air Force manpower reduction that started in 2006 and ended in 2008. The overall reduction was approximately 20 thousand jobs across the Air Force.

Air Expeditionary Force (AEF) center was previously headquartered at LAFB and was moved to Texas. The AEF center is responsible for tasking AF units to meet joint forces contingency operations.

The AF created a major command, Global Strike Command (GSC), to oversee the AF's nuclear mission responsibilities. In the early 90's Tactical Air Command (TAC) and Strategic Air Command were merged under Air Combat Command. This merger brought the nuclear forces and tactical flying forces under one command. However as a result of some nuclear mishaps related to parts being shipped to Taiwan and a B-52 flying with a nuclear warhead the AF was directed to stand up the GSC.