



Florida Defense Industry Economic Impact Analysis





Florida Defense Industry Economic Analysis Report

2020 Update

Prepared for
The Florida Defense Support Task Force

Prepared by
 **Matrix**

JANUARY 2020

Acknowledgments

Matrix Design Group would like to thank the Florida Defense Support Task Force for their ongoing support of our Armed Services and the men and women who protect our nation.

Florida Defense Support Task Force

Beth Medina
Vice President, Military & Defense

Raymond Collins
Executive Director


Marcy Muldrow Sanders
Grants Manager

Michelle Griggs
Executive Assistant

Florida Defense Support Task Force Members

Representative Thad Altman
Rear Admiral Stanley Bozin (Ret.)
Senator Doug Broxson, Chairman
Brigadier General Chip Diehl, USAF (Ret.)
Lieutenant Colonel William Dudley, USAF (Ret.)
Major General James O. Eifert
Amy Gowder

Major General Richard Haddad, USAF (Ret.)
Colonel Jim Heald, USAF (Ret.)
Captain Keith Hoskins (Ret.)
Tom Neubauer, Vice Chairman
Representative Mel Ponder
Representative Holly Raschein



Please see next page.

Table of Contents

Executive Summary	23
Introduction	27
Trends in National Defense Spending	30
Methodological Approach	33
State of Florida Summary	37
Statewide Impacts by Type.....	40
Military Share of Total Earnings	41
Average Military Earnings versus Average Total Earnings	42
Military Employment as a Share of Total Employment	43
Total Military Employment Indexed to 1980	44
Florida’s Procurement Economy	45
Regional Analysis Overview	51
Northwest Florida Region.....	53
Regional Impacts by Type.....	56
Military Share of Total Earnings	58
Average Military Earnings versus Average Total Earnings	59
Military Employment as a Share of Total Employment	60
Total Military Employment Indexed to 1980	61
Demographics and the Regional Economy	62
<i>North Central Florida Region</i>	64
North Central Florida Regional Summary	64
Regional Impacts by Type.....	67

Military Share of Total Earnings	69
Average Military Earnings versus Average Total Earnings	70
Military Employment as a Share of Total Employment	71
Change in Military Employment	72
Demographics and the Regional Economy	73
Northeast Florida Region	75
Northeast Florida Regional Summary	75
Regional Impacts by Type	78
Military Share of Total Earnings	80
Average Military Earnings versus Average Total Earnings	81
Military Employment as a Share of Total Employment	82
Change in Military Employment	83
Demographics and the Regional Economy	84
East Central Florida Region	86
East Central Florida Region Summary	86
Regional Impacts by Type	89
Military Share of Total Earnings	91
Average Military Earnings versus Average Total Earnings	92
Military Employment as a Share of Total Employment	93
Change in Military Employment	94
Demographics and the Regional Economy	95
Tampa Bay Florida Region	97
Tampa Bay Florida Region Summary	97

Regional Impacts by Type.....	100
Military Share of Total Earnings	102
Average Military Earnings versus Average Total Earnings	103
Military Employment as a Share of Total Employment	104
Change in Military Employment	105
Demographics and the Regional Economy	106
South Central Florida Region	108
South Central Florida Region Summary.....	108
Regional Impacts by Type.....	111
Military Share of Total Earnings	113
Average Military Earnings versus Average Total Earnings	114
Military Employment as a Share of Total Employment	115
Change in Military Employment	116
Demographics and the Regional Economy	117
Southeast Florida Region.....	119
Southeast Florida Region Summary.....	119
Regional Impacts by Type.....	122
Military Share of Total Earnings	124
Average Military Earnings versus Average Total Earnings	125
Military Employment as a Share of Total Employment	126
Change in Military Employment	127
Demographics and the Regional Economy	128
Southwest Florida Region.....	130

Southwest Florida Region Summary	130
Regional Impacts by Type	133
Military Share of Total Earnings	135
Average Military Earnings versus Average Total Earnings	136
Military Employment as a Share of Total Employment	137
Change in Military Employment	138
Demographics and the Regional Economy	139
County Analysis Overview	141
Bay County	143
Economic Impact Estimates	143
Military Impacts by Type	146
Military Share of Total Earnings	147
Average Military Earnings versus Average Total Earnings	148
Military Employment as a Share of Total Employment	149
Total Military Employment Indexed to 1980	150
Demographics and the Regional Economy	151
Bradford County	153
Economic Impact Estimates	153
Military Impacts by Type	156
Military Share of Total Earnings	157
Average Military Earnings versus Average Total Earnings	158
Military Employment as a Share of Total Employment	159
Change in Military Employment	160

Demographics and the Regional Economy	161
Brevard County.....	163
Economic Impact Estimates	163
Military Impacts by Type	166
Military Share of Total Earnings	167
Average Military Earnings versus Average Total Earnings	168
Military Employment as a Share of Total Employment	169
Change in Military Employment	170
Demographics and the Regional Economy	171
Clay County	173
Economic Impact Estimates	173
Military Impacts by Type	176
Military Share of Total Earnings	177
Average Military Earnings versus Average Total Earnings	178
Military Employment as a Share of Total Employment	179
Change in Military Employment	180
Demographics and the Regional Economy	181
Duval County	183
Economic Impact Estimates	183
Military Impacts by Type	186
Military Share of Total Earnings	187
Average Military Earnings versus Average Total Earnings	188
Military Employment as a Share of Total Employment	189

Total Military Employment Indexed to 1980	190
Demographics and the Regional Economy	191
Escambia County	193
Economic Impact Estimates	193
Military Impacts by Type	196
Military Share of Total Earnings	197
Average Military Earnings versus Average Total Earnings	198
Military Employment as a Share of Total Employment	199
Change in Military Employment	200
Demographics and the Regional Economy	201
Highlands County	203
Highlands County Summary	203
Economic Impact Estimates	203
Military Impacts by Type	206
Military Share of Total Earnings	207
Average Military Earnings versus Average Total Earnings	208
Military Employment as a Share of Total Employment	209
Change in Military Employment	210
Demographics and the Regional Economy	211
Hillsborough County	213
Economic Impacts Estimates	213
Military Share of Total Earnings	217
Average Military Earnings versus Average Total Earnings	218

Military Employment as a Share of Total Employment	219
Change in Military Employment	220
Demographics and the Regional Economy	221
Miami-Dade County	223
Economic Impact Estimates	223
Military Impacts by Type	226
Average Military Earnings versus Average Total Earnings	228
Military Employment as a Share of Total Employment	229
Change in Military Employment	230
Demographics and the Regional Economy	231
Monroe County	233
Monroe.....	233
Economic Impact Estimates	233
Military Impacts by Type	236
Military Share of Total Earnings	237
Average Military Earnings versus Average Total Earnings	238
Military Employment as a Share of Total Employment	239
Change in Military Employment	240
Demographics and the Regional Economy	241
Okaloosa County	243
Economic Impact Estimates	243
Military Impacts by Type	246
Military Share of Total Earnings	247

Average Military Earnings versus Average Total Earnings	248
Military Employment as a Share of Total Employment	249
Change in Military Employment	250
Demographics and the Regional Economy	251
Orange County	253
Economic Impact Estimates	253
Military Impacts by Type	256
Military Share of Total Earnings	257
Average Military Earnings versus Average Total Earnings	258
Military Employment as a Share of Total Employment	259
Change in Military Employment	260
Demographics and the Regional Economy	261
Pinellas County	263
Economic Impact Estimates	263
Military Impacts by Type	266
Military Share of Total Earnings	267
Average Military Earnings versus Average Total Earnings	268
Military Employment as a Share of Total Employment	269
Change in Military Employment	270
Demographics and the Regional Economy	271
Polk County	273
Economic Impact Estimates	273
Military Impacts by Type	276

Military Share of Total Earnings	277
Average Military Earnings versus Average Total Earnings	278
Military Employment as a Share of Total Employment	279
Change in Military Employment	280
Demographics and the Regional Economy	281
Santa Rosa County.....	283
Economic Impact Estimates	283
Military Impacts by Type	286
Military Share of Total Earnings	287
Average Military Earnings versus Average Total Earnings	288
Military Employment as a Share of Total Employment	289
Change in Military Employment	290
Demographics and the Regional Economy	291

Table of Tables

Table 1. State of Florida: Combined Direct Defense Expenditures 2018.....	37
Table 2. Total Economic Impacts by Component, Millions USD (2018).....	40
Table 3. State Rankings: Procurement Contracts by Place of Performance, 2009 – 2018.....	47
Table 4. Occupations Generated by Procurement Spending, 2018.....	49
Table 5. Regional Impacts as a Percent of Whole.....	52
Table 6. Northwest Region: Combined Direct Defense Expenditures	53
Table 7. Northwest Florida Region: Economic Impact Forecast, 2018-2022.....	54
Table 8. Northwest Region: Total Economic Impacts by Component, Millions USD (2018)	56
Table 9. Northwest Region: Defense Impacts by County, 2018.....	57
Table 10. Demographic Estimates: Northwest Florida Region	62

Table 11. North Central Region: Combined Direct Defense Expenditures	64
Table 12. North Central Region: Economic Impact Forecast, 2018 – 2022	65
Table 13. North Central Region: Total Economic Impacts by Component, Millions USD (2018)	67
Table 14. North Central Region - Defense Impacts by County, 2018	68
Table 15. Demographic Estimates, North Central Florida Region.....	73
Table 16. Northeast Region: Combined Direct Defense Expenditures	75
Table 17. Northeast Region: Economic Impact Forecast, 2018 – 2022	76
Table 18. Northeast Region: Total Economic Impacts by Component, Millions USD (2018)	78
Table 19. Northeast Region - Defense Impacts by County, 2018	79
Table 20. Demographic Estimates, Northeast Florida Region	84
Table 21. East Central Region: Combined Direct Defense Expenditures	86
Table 22. East Central Region: Economic Impact Forecast, 2018 – 2022	87
Table 23. East Central Region: Total Economic Impacts by Component, Millions USD (2018)	89
Table 24. East Central Region - Defense Impacts by County, 2018	90
Table 25. Demographic Estimates, East Central Florida Region	95
Table 26. Tampa Bay Region: Combined Direct Defense Expenditures.....	97
Table 27. Tampa Bay Region: Economic Impact Forecast, 2018 – 2022.....	98
Table 28. Tampa Bay Region: Total Economic Impacts by Component, Millions USD (2018)	100
Table 29. Tampa Bay Region - Defense Impacts by County, 2018.....	101
Table 30. Demographic Estimates, Tampa Bay Florida Region	106
Table 31. South Central Region Combined Direct Defense Expenditures	108
Table 32. South Central Region: Economic Impact Forecast, 2018 – 2022	109
Table 33. South Central Region: Total Economic Impacts by Component, Millions USD (2018)	111
Table 34. South Central Region - Defense Impacts by County, 2018.....	112
Table 35. Demographic Estimates, South Central Florida Region.....	117
Table 36. Southeast Region: Combined Direct Defense Expenditures	119
Table 37. Southeast Region: Economic Impact Forecast, 2018 – 2022	120
Table 38. Southeast Region: Total Economic Impacts by Component, Millions USD (2018)	122
Table 39. Southeast Region	123
Table 40. Demographic Estimates, Southeast Florida Region	128

Table 41. Southwest Region: Combined Direct Defense Expenditures	130
Table 42. Southwest Region: Economic Impact Forecast, 2018 – 2022	131
Table 43. Southwest Region: Total Economic Impacts by Component, Millions USD (2018)	133
Table 44. Southwest Region - Defense Impacts by County, 2018	134
Table 45. Demographic Estimates, Southwest Florida Region.....	139
Table 46. Bay County: Combined Direct Defense Expenditures	143
Table 47. Bay County: Economic Impact Forecast, 2018 – 2022	144
Table 48. Bay County: Total Economic Impacts by Component, Millions USD (2018)	146
Table 49. Demographic Estimates, Bay County	151
Table 50. Bradford County: Combined Direct Defense Expenditures.....	153
Table 51. Bradford County: Economic Impact Forecast, 2018 – 2022.....	154
Table 52. Bradford County: Total Economic Impacts by Component, Millions USD (2018)	156
Table 53. Demographic Estimates, Bradford County.....	161
Table 54. Brevard County: Combined Direct Defense Expenditures	163
Table 55. Brevard County: Economic Impact Forecast, 2018 – 2022	164
Table 56. Brevard County: Total Economic Impacts by Component, Millions USD (2018)	166
Table 57. Demographic Estimates, Brevard County	171
Table 58. Clay County: Combined Direct Defense Expenditures	173
Table 59. Clay County: Economic Impact Forecast, 2018 – 2022	174
Table 60. Clay County: Total Economic Impacts by Component, Millions USD (2018)	176
Table 61. Demographic Estimates, Clay County	181
Table 62. Duval County: Combined Direct Defense Expenditures	183
Table 63. Duval County: Economic Impact Forecast, 2018 – 2022.....	184
Table 64. Duval County: Total Economic Impacts by Component, Millions USD (2018).....	186
Table 65. Demographic Estimates, Duval County	191
Table 66. Escambia County: Combined Direct Defense Expenditures	193
Table 67. Escambia County: Economic Impact Forecast, 2018 – 2022.....	194
Table 68. Escambia County: Total Economic Impacts by Component, Millions USD (2018).....	196
Table 69. Demographic Estimates, Escambia County	201
Table 70. Highlands County: Combined Direct Defense Expenditures	203

Table 71. Highlands County: Economic Impact Forecast, 2018 – 2022	204
Table 72. Highlands County: Total Economic Impacts by Component, Millions USD (2018)	206
Table 73. Demographic Estimates, Highlands County	211
Table 74. Hillsborough County: Combined Direct Defense Expenditures	213
Table 75. Hillsborough County: Economic Impact Forecast, 2018 – 2022	214
Table 76. Hillsborough County: Total Economic Impacts by Component, Millions USD (2018)	216
Table 77. Demographic Estimates, Hillsborough County	221
Table 78. Miami-Dade County: Combined Direct Defense Expenditures	223
Table 79. Miami-Dade County: Economic Impact Forecast, 2018 – 2022	224
Table 80. Miami-Dade County: Total Economic Impacts by Component, Millions USD (2018)	226
Table 81. Demographic Estimates, Miami-Dade County	231
Table 82. Monroe County: Combined Direct Defense Expenditures	233
Table 83. Monroe County: Economic Impact Forecast, 2018 – 2022	234
Table 84. Monroe County: Total Economic Impacts by Component, Millions USD (2018)	236
Table 85. Demographic Estimates, Monroe County	241
Table 86. Okaloosa County: Combined Direct Defense Expenditures	243
Table 87. Okaloosa County: Economic Impact Forecast, 2018 – 2022	244
Table 88. Okaloosa County: Total Economic Impacts by Component, Millions USD (2018)	246
Table 89. Demographic Estimates, Okaloosa County	251
Table 90. Orange County: Combined Direct Defense Expenditures	253
Table 91. Orange County: Economic Impact Forecast, 2018 – 2022	254
Table 92. Orange County: Total Economic Impacts by Component, Millions USD (2018)	256
Table 93. Demographic Estimates, Orange County	261
Table 94. Pinellas County: Combined Direct Defense Expenditures	263
Table 95. Pinellas County: Economic Impact Forecast, 2018 – 2022	264
Table 96. Pinellas County: Total Economic Impacts by Component, Millions USD (2018)	266
Table 97. Demographic Estimates, Pinellas County	271
Table 98. Polk County: Combined Direct Defense Expenditures	273
Table 99. Polk County: Economic Impact Forecast, 2018 – 2022	274
Table 100. Polk County: Total Economic Impacts by Component, Millions USD (2018)	276

Table 101. Demographic Estimates, Polk County	281
Table 102. Santa Rosa County: Combined Direct Defense Expenditures	283
Table 103. Santa Rosa County: Economic Impact Forecast, 2018 – 2022	284
Table 104. Santa Rosa County: Total Economic Impacts by Component, Millions USD (2018)	286
Table 105. Demographic Estimates, Santa Rosa County	291

Table of Figures

Figure 1. Components of the Defense Economy	27
Figure 2. Defense Spending as a Share of Gross Domestic Product and Total Federal Spending	31
Figure 3. National Defense Spending by Service, 1948 - 2023	32
Figure 4. State of Florida Distribution of Direct Defense Expenditures	37
Figure 5. Military Share of Total Earnings, Statewide	41
Figure 6. Average Military Earnings versus Average Total Earnings (as a Percent), Statewide	42
Figure 7. Military Employment as a Share of Total Employment Statewide	43
Figure 8. Total Military Employment Indexed to 1980 Statewide	44
Figure 9. Florida Procurement: Historic and Forecast, 1995 - 2022	46
Figure 11. Defense Procurement by Industry, 2001 – 2018	48
Figure 12. County Groupings for Regions	52
Figure 13. North Central Region: Distribution of Direct Defense Expenditures	53
Figure 14. Military Share of Earnings, 1970 – 2030: Nation, Florida, and the Northwest Florida Region	58
Figure 15. Average Military Earnings versus Average Total Earnings, 1970 – 2030: Nation, Florida, and Northwest Florida Region	59
Figure 16. Military Employment as a Share of Total Employment, 1970 – 2030: Nation, Florida, and the Northwest Florida Region	60
Figure 17. Total Military Employment Indexed to 1980, 1970 – 2030: Nation, Florida, and the Northwest Florida Region	61
Figure 18. Regional Industry Concentration and Earnings Growth 2018-2028 – Northwest Florida Region	63
Figure 19. North Central Region: Distribution of Direct Defense Expenditures	64
Figure 19. Military Share of Total Earnings, 1970 – 2030: Nation, Florida, and the North Central Region	69
Figure 20. Average Military Earnings vs Average Total Earnings, 1970 – 2030: Nation, Florida, and the North Central Region	70
Figure 21. Military Employment as a Share of Total Employment, 1970 – 2030: Nation, Florida, and the North Central Region	71
Figure 22. Total Military employment Indexed to 1980, 1970 – 2030: Nation, Florida, and the North Central Region	72

Figure 24. Regional Industry Concentration and Earnings Growth 2018-2028 – North Central Florida Region	74
Figure 25 . Northeast Region: Distribution of Direct Defense Expenditures	75
Figure 26. Military Share of Total Earnings, 1970 – 2030: Nation, Florida, and the Northeast Florida Region	80
Figure 27. Average Military Earnings vs Average Total Earnings, 1970 – 2030: Nation, Florida, and the Northeast Florida Region	81
Figure 28. Military Employment as a Share of Total Employment, 1970 – 2030: Nation, Florida, and the Northeast Florida Region	82
Figure 29. Total Military Employment Indexed to 1980, 1970 – 2030: Nation, Florida, and the Northeast Florida Region	83
Figure 29. Regional Industry Concentration and Earnings Growth 2018-2028 – Northeast Florida Region	85
Figure 30. East Central Region: Distribution of Direct Defense Expenditures	86
Figure 32. Military Share of Total Earnings, 1970 – 2030: Nation, Florida, and the East Central Florida Region	91
Figure 33. Average Military Earnings vs Average Total Earnings, 1970 – 2030: Nation, Florida, and the East Central Region	92
Figure 34. Military Employment as a Share of Total Employment, 1970 – 2030: Nation, Florida, and the East Central Florida Region	93
Figure 35. Total Military Employment Indexed to 1980, 1970 – 2030: Nation, Florida, and the East Central Florida Region	94
Figure 36. Regional Industry Concentration and Earnings Growth 2018-2028 – East Central Florida Region	96
Figure 37. Tampa Bay Region: Distribution of Direct Defense Spending	97
Figure 38. Military Share of Total Earnings, 1970 – 2030: Nation, Florida, and the Tampa Bay Florida Region	102
Figure 39. Average Military Earnings vs Average Total Earnings, 1970 – 2030: Nation, Florida, and the Tampa Bay Florida Region	103
Figure 40. Military Employment as a Share of Total Employment, 1970 – 2030: Nation, Florida, and the Tampa Bay Florida Region	104
Figure 41. Total Military employment Indexed to 1980, 1970 – 2030: Nation, Florida, and the Tampa Bay Florida Region	105
Figure 41. Regional Industry Concentration and Earnings Growth 2018-2028 – Tampa Bay Florida Region	107
Figure 43. South Central Region: Distribution of Direct Defense Spending	108
Figure 44. Military Share of Total Earnings, 1970 -2030: Nation, Florida, and the South Central Florida Region	113
Figure 44. Average Military Earnings vs Average Total Earnings, 1970 – 2030: Nation, Florida, and the South Central Region	114
Figure 45. Military Employment as a Share of Total Employment, 1970 -2030: Nation, Florida, and the South Central Region	115
Figure 46. Total Military Employment Indexed to 1980, 1970 – 2030: Nation, Florida, and the South Central Florida Region	116
Figure 47. Regional Industry Concentration and Earnings Growth 2018-2028 – South Central Florida Region	118
Figure 48. Southeast Region: Distribution of Direct Defense Spending	119
Figure 49. Military Share of Total Earnings, 1970 -2030: Nation, Florida, and the Southeast Region	124
Figure 50. Average Military Earnings vs Average Total Earnings, 1970 -2030: Nation, Florida, and the Southeast Region	125
Figure 51. Military Employment as a Share of Total Employment, 1970 – 2030: Nation, Florida, and the Southeast Region	126
Figure 52. Total military Employment Indexed to 1980, 1970 – 2030: Nation, Florida, and the Southeast Region	127

Figure 53. Regional Industry Concentration and Earnings Growth 2018-2028 – Southeast Florida Region.....	129
Figure 54. Southwest Region: Distribution of Direct Defense Spending.....	130
Figure 55. Military Share of Total Earnings, 1970 -2030: Nation, Florida, and the Southwest Region	135
Figure 56. Average Military Earnings vs Average Total Earnings, 1970 -2030: Nation, Florida, and the Southwest Florida Region.....	136
Figure 57. Military Employment as a Share of Total Employment, 1970 – 2030: Nation, Florida, and the Southwest Region	137
Figure 58. Total Military Employment Indexed to 1980, 1970 – 2030: Nation, Florida, and the Southwest Region	138
Figure 59. Regional Industry Concentration and Earnings Growth 2018-2028 – Southwest Florida Region.....	140
Figure 60. Southwest Region: Distribution of Direct Defense Spending.....	143
Figure 61. Military Share of Total Earnings, 1970 – 2030: Nation, Florida, Northwest Region, Bay County.....	147
Figure 62. Average Military Earnings vs Average Total Earnings, 1970 -2030: Nation, Florida, Northwest Region, Bay County.....	148
Figure 63. Military Employment as a Share of Total Employment, 1970 – 2030: Nation, Florida, Northwest Region, Bay County	149
Figure 65. Total Military Employment Indexed to 1980, 1970 – 2030: Nation, Florida, Northwest Region, Bay County	150
Figure 66. Industry Concentration and Earnings Growth 2018-2028 – Bay County	152
Figure 66. Bradford County: Distribution of Direct Defense Spending.....	153
Figure 67. Military Share of the Total Earnings, 1970 – 2030: Nation, Florida, North Central Region, Bradford County	157
Figure 68. Average Military Earnings vs Average Total Earnings, 1970 – 2030: Nation, Florida, North Central Region, Bradford County.....	158
Figure 69. Military Employment as a Share of Total Employment, 1970 – 2030: Nation, Florida, North Central Region, Bradford County	159
Figure 70. Total Military Employment Indexed to 1980, 1970 – 2030: Nation, Florida, North Central Region, Bradford County	160
Figure 71. Industry Concentration and Earnings Growth 2018-2028 – Bradford County.....	162
Figure 72. Bradford County: Distribution of Direct Defense Spending.....	163
Figure 73. Military Share of Total Earnings, 1970 – 2030: Nation, Florida, East Central Region, Brevard County	167
Figure 75. Average Military Earnings vs Average Total Earnings, 1970-2030: Nation, Florida, East Central Region, Brevard County.....	168
Figure 75. Military Employment as a Share of Total Employment, 1970 – 2030: Nation, Florida, East Central Region, Brevard County	169
Figure 77. Total Military Employment Indexed to 1980, 1970 – 2030: Nation, Florida, East Central Region, Brevard County	170
Figure 77. Industry Concentration and Earnings Growth 2018-2028 – Brevard County	172
Figure 78. Bradford County: Distribution of Direct Defense Spending.....	173
Figure 79. Military Share of Total Earnings, 1970 – 2030: Nation, Florida, Northeast Region, Clay County.....	177
Figure 80. Average Military Earnings vs Average Total Earnings, 1970 – 2030: Nation, Florida, Northeast Region, Clay County	178
Figure 81. Military Employment as a Share of Total Employment, 1970 – 2030: Nation, Florida, Northeast Region, Clay County.....	179
Figure 82. Total Military Employment Indexed to 1980, 1970 – 2030: Nation, Florida, Northeast Region, Clay County	180

Figure 83. Industry Concentration and Earnings Growth 2018-2028 – Clay County	182
Figure 84. Duval County: Distribution of Direct Defense Spending	183
Figure 85. Military Share of Total Earnings, 1970 – 2030: Nation, Florida, Northeast Region, Duval County	187
Figure 86. Average Military Earnings vs Average Total Earnings, 1970 – 2030: Nation, Florida, Northeast Region, Duval County	188
Figure 87. Military Employment as a Share of Total Employment, 1970 – 2030: Nation, Florida, Northeast Region, Duval County	189
Figure 89. Total Military Employment Indexed to 1980, 1970 – 2030: Nation, Florida, Northeast Region, and Duval County	190
Figure 89. Industry Concentration and Earnings Growth 2018-2028 – Duval County	192
Figure 90. Escambia County: Distribution of Direct Defense Spending	193
Figure 91. Military Share of Total Earnings, 1970 – 2030: Nation, Florida, Northwest Region, Escambia County	197
Figure 92. Average Military Earnings vs Average Total Earnings, 1970 – 2030: Nation, Florida, Northwest Region, Escambia County	198
Figure 93. Military Employment as a Share of Total Employment, 1970 – 2030: Nation, Florida, Northwest Region, Escambia County	199
Figure 94. Total Military Employment Indexed to 1980, 1970 – 2030: Nation, Florida, Northwest Region, Escambia County	200
Figure 95. Industry Concentration and Earnings Growth 2018-2028 – Escambia County	202
Figure 96. Highland County: Distribution of Direct Defense Spending	203
Figure 97. Military Share of Total Earnings, 1970 – 2030: Nation, Florida, South Central Region, Highlands County	207
Figure 98. Average Military Earnings vs Average Total Earnings, 1970 – 2030: Nation, Florida, South Central Region, Highlands County	208
Figure 99. Military Employment as a Share of Total Employment, 1970 – 2030: Nation, Florida, South Central Region, Highlands County	209
Figure 100. Total Military Employment Indexed to 1980, 1970 – 2030: Nation, Florida, South Central Region, Highlands County	210
Figure 101. Industry Concentration and Earnings Growth 2018-2028 – Highlands County	212
Figure 102. Hillsborough County: Distribution of Direct Defense Spending	213
Figure 103. Military Share of Total Earnings, 1970 – 2030: Nation, Florida, Tampa Bay Region, Hillsborough County	217
Figure 104. Average Military Earnings vs Average Total Earnings, 1970 – 2030: Nation, Florida, Tampa Bay Region, Hillsborough County	218
Figure 105. Military Employment as a Share of Total Employment, 1970 – 2030: Nation, Florida, Tampa Bay Region, Hillsborough County	219
Figure 107. Total Military Employment Indexed to 1980, 1970 – 2030: Nation, Florida, Tampa Bay Region, Hillsborough County	220
Figure 107. Industry Concentration and Earnings Growth 2018-2028 – Hillsborough County	222
Figure 108. Miami-Dade County: Distribution of Direct Defense Spending	223
Figure 109. Military Share of Total Earnings, 1970 – 2030: Nation, Florida, Southeast Region, Miami-Dade County	227
Figure 110. Average Military Earnings vs Average Total Earnings, 1970 – 2030: Nation, Florida, Southeast Region, Miami-Dade County	228
Figure 111. Military Employment as a Share of Total Employment, 1970 – 2030: Nation, Florida, Southeast Region, Miami-Dade County	229
Figure 112. Total Military Employment Indexed to 1980, 1970 – 2030: Nation, Florida, Southeast Region, Miami-Dade County	230

Figure 113. Industry Concentration and Earnings Growth 2018-2028 – Miami-Dade County	232
Figure 114. Monroe County: Distribution of Direct Defense Spending	233
Figure 116. Military Share of Total Earnings, 1970 – 2030: Nation, Florida, Southeast Region, Monroe County	237
Figure 116. Average Military Earnings vs Average Total Earnings, 1970 – 2030: Nation, Florida, Southeast Region, Monroe County	238
Figure 117. Military Employment as a Share of Total Employment, 1970 – 2030: Nation, Florida, Southeast Region, Monroe County	239
Figure 118. Total Military Employment Indexed to 1980, 1970 – 2030: Nation, Florida, Southeast Region, Monroe County	240
Figure 119. Regional Industry Concentration and Earnings Growth 2018-2028 – Monroe County	242
Figure 120. Okaloosa County: Distribution of Direct Defense Spending	243
Figure 122. Military Share of total Earnings, 1970 – 2030: Nation, Florida, Northwest Region, Okaloosa County	247
Figure 122. Average Military Earnings vs Average Total Earnings, 1970 – 2030: Nation, Florida, Northwest Region, Okaloosa County	248
Figure 123. Military Employment as a Share of Total Employment, 1970 – 2030: Nation, Florida, Northwest Region, Okaloosa County	249
Figure 124. Total Military Employment Indexed to 1980, 1970 – 2030: Nation, Florida, Northwest Region, Okaloosa County	250
Figure 125. Industry Concentration and Earnings Growth 2018-2028 – Okaloosa County	252
Figure 126. Orange County: Distribution of Direct Defense Spending	253
Figure 127. Military Share of total Earnings, 1970 – 2030: Nation, Florida, East Central Region, Orange County	257
Figure 128. Average Military Earnings vs Average Total Earnings, 1970 – 2030: Nation, Florida, East Central Region, Orange County	258
Figure 129. Military Employment as a Share of Total Employment, 1970 – 2030: Nation, Florida, East Central Region, Orange County	259
Figure 130. Total Military Employment Indexed to 1980, 1970 – 2030: Nation, Florida, East Central Region, Orange County	260
Figure 131. Industry Concentration and Earnings Growth 2018-2028 – Orange County	262
Figure 132. Pinellas County: Distribution of Direct Defense Spending	263
Figure 133. Military Share of total Earnings, 1970 – 2030: Nation, Florida, Tampa Bay Region, Pinellas County	267
Figure 134. Average Military Earnings vs Average Total Earnings, 1970 – 2030: Nation, Florida, Tampa Bay Region, Pinellas County	268
Figure 135. Military Employment as a Share of Total Employment, 1970 – 2030: Nation, Florida, Tampa Bay Region, Pinellas County	269
Figure 136. Total Military Employment Indexed to 1980, 1970 – 2030: Nation, Florida, Tampa Bay Region, Pinellas County	270
Figure 137. Industry Concentration and Earnings Growth 2018-2028, Pinellas County	272
Figure 138. Polk County: Distribution of Direct Defense Spending	273
Figure 139. Military Share of total Earnings, 1970 – 2030: Nation, Florida, Tampa Bay Region, Polk County	277
Figure 140. Average Military Earnings vs Average Total Earnings, 1970 – 2030: Nation, Florida, Tampa Bay Region, Polk County	278
Figure 141. Military Employment as a Share of Total Employment, 1970 – 2030: Nation, Florida, Tampa Bay Region, Polk County	279
Figure 142. Total Military Employment Indexed to 1980, 1970 – 2030: Nation, Florida, Tampa Bay Region, Polk County	280

Figure 143. Industry Concentrations and Earnings Growth 2018-2028, Polk County	282
Figure 144. Santa Rosa County: Distribution of Direct Defense Spending.....	283
Figure 145. Military Share of Total Earnings, 1970 – 2030: Nation, Florida, Northwest Florida Region, Santa Rosa County	287
Figure 146. Average Military Earnings vs Average Total Earnings, 1970 -2030: Nation, Florida, Northwest Florida Region, Santa Rosa County .	288
Figure 147. Military Employment as a share of Total Employment, 1970 -2030: Nation, Florida, Northwest Florida, Santa Rosa County.....	289
Figure 148. Total employment Indexed to 1980, 1970 – 2030: Nation, Florida, Northwest Florida Region, Santa Rosa County.....	290
Figure 149. Industry Concentration and Earnings Growth 2018-2028, Santa Rosa County	292

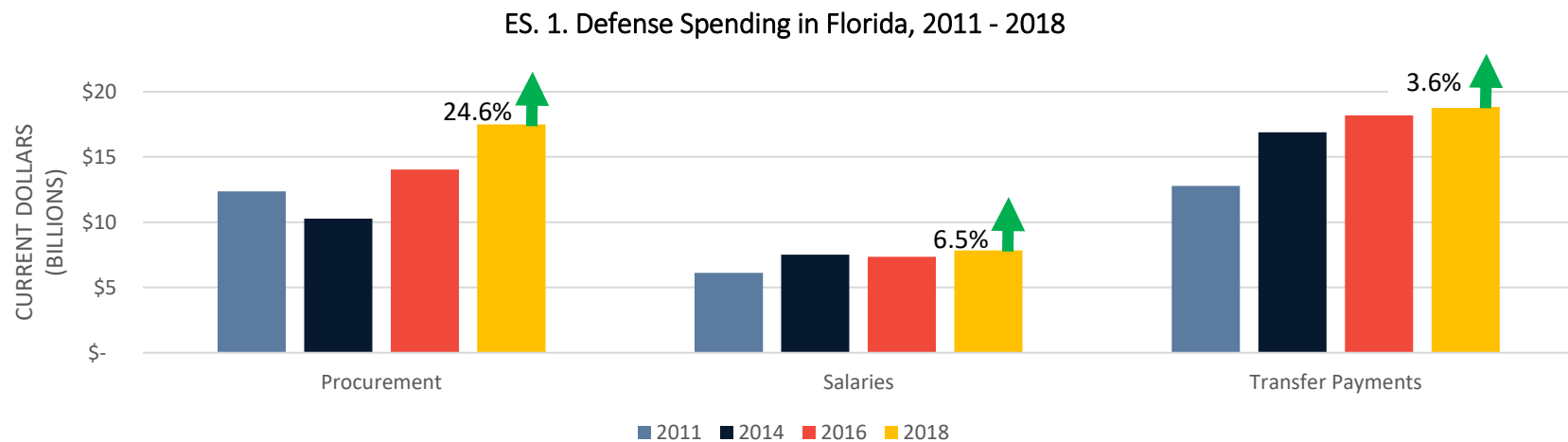


This page intentionally left blank.

Executive Summary

The Florida Defense Support Task Force (FDSTF) has commissioned the Matrix Design Group to conduct the 2020 update to the Florida Defense Industry Economic Impact Study. Now in its 5th bi-annual update, this study measures the total economic impact associated with defense-related spending flowing into the Florida economy. This update utilizes consistent econometric forecasting models and defense-related spending flows to compare the performance of the defense industry every two years. The study relies on the REMI PI+ software to estimate these impacts at the state and county levels. Our data sources used include the REMI model, U.S. Department of Treasury, U.S. Department of Defense (DoD), U.S. Department of Veterans Affairs (DVA), U.S. Department of Homeland Security (DHS), Florida National Guard, DoD Base Structures Report, DoD Green Book, U.S. Census Bureau, U.S. BEA, and U.S. Bureau of Labor Statistics (BLS).

Table ES. 1. provides changes in direct defense spending over the previous four updates (2011 – 2018). As the table indicates, between 2016 and 2018 Florida experienced a 24.6% jump in procurement contracts for nearly a \$3.5 billion increase. As a percentage, this 24.6% increase is down from the 2016 increase at 36.5%; however, from a dollar standpoint, Florida's increase in defense contracts was \$300 million more than the 2016 increase (\$3.5 billion in 2018 vs \$3.2 billion 2016). Florida has experienced a slight uptick in salary payments by 6.5% from 2016 to 2018, which is an improvement from the 2.5% decline in salary payments from 2014 to 2016. Lastly, Florida experienced a 3.6% rise in transfer payments to the veterans and military retirees who call Florida home.



Source: U.S Department of Defense; U.S. Department of Treasury; U.S. Bureau of Economic Analysis; U.S. Department of Veterans Affairs

Table ES. 2. presents the total economic impacts associated with the direct spending presented in Table ES. 1. compared to 2016. These impacts represent how the direct spending in Table ES. 1., ripples through the economy generating indirect (secondary) and induced (tertiary) economic

effects. Nominally, defense spending in Florida generated \$95 billion in total economic impacts in 2018, up from \$84.9 billion in 2016 (12%). This spending supports nearly 915,000 jobs (full and part-time) in 2018, up from nearly 802,000 in 2016 (14%).

Table ES. 3., on the following page, presents these impacts distributed across the state. Although Northwest Florida receives the largest impacts at \$22.7 billion, the Southeast region realized the largest absolute gain with \$3.7 billion in gross regional product (GRP) between 2016 and 2018. This \$3.7 billion in GRP translates to an additional 27,500 jobs for Southeast Florida.

ES. 2. Total Economic Impacts of Defense Spending, 2016 - 2018 Billions USD (Nominal)						
Impact Type	2016 Economic Impact (GSP)	2018 Economic Impact (GSP)	Nominal Change	2016 Employment	2018 Employment	Change
Total	\$84.90	\$94.90	12%	801,747	914,787	14%
<i>Installation Footprint</i>	\$47.50	\$50.70	7%	390,730	417,950	7%
<i>Procurement</i>	\$18.80	\$21.30	13%	178,172	225,589	27%
<i>Transfers</i>	\$18.70	\$23.00	23%	232,846	271,248	16%


Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

Totals may not sum due to rounding.

ES. 3. Impacts by Region 2016 - 2018 Billion USD (Nominal)						
Region	2016 Economic Impact (GRP)	2019 Economic Impact (GRP)	Nominal Change	2016 Employment	2019 Employment	Change
Northwest	\$22.10	\$22.70	2%	182,449	209,622	15%
East Central	\$17.40	\$18.40	6%	166,406	190,366	14%
Tampa Bay	\$17.10	\$19.30	13%	163,071	183,942	13%
Southeast	\$12.40	\$16.10	30%	127,832	155,355	22%
Northeast	\$12.30	\$14.20	15%	115,965	124,437	7%
Southwest	\$1.90	\$2.30	19%	23,625	25,346	7%
North Central	\$1.40	\$1.80	27%	19,074	21,928	15%
South Central	\$0.20	\$0.30	60%	3,325	3,790	14%

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

Totals may not sum due to rounding



Please see next page.

Introduction

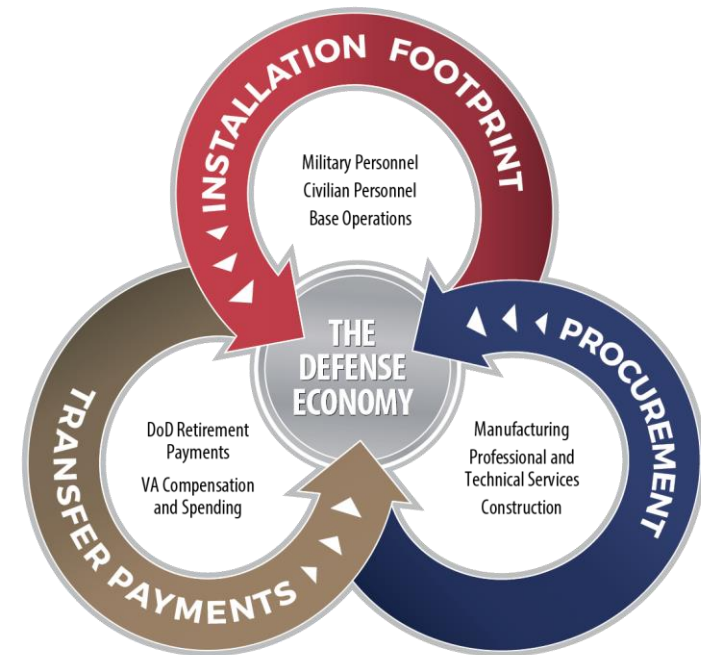
Now in its 5th bi-annual update, the Florida Defense Support Task Force (FDSTF) has commissioned the Matrix Design Group to provide the 2020 update to the Florida Defense Industry Economic Impact Analysis, which documents and examines the ever-changing trends in defense spending flowing into the state of Florida. Commonly referred to as the defense economy, this spending is realized predominately by way of three federal spending flows:

1. Installation Footprint
2. Defense-related Procurement Contracts
3. Transfer Payments

As of 2018, Florida is home to 20 major military installations, nearly 135,000 active duty military, National Guard / Reserve, and Department of Defense (DoD) civilian personnel. Private-sector defense contracts performed in the state supported just over 73,000 contractors. Moreover, Florida is home to more than 1.6 million veterans and military retirees. Across each of these metrics, Florida ranks in the top 5 amongst all 50 U.S. states. The federal dollars associated with supporting each of these components sum to nearly \$44 billion in direct defense spending in 2018. Known as the multiplier effect, these spending flows ripple through the state economy to create additional secondary (indirect) and tertiary (induced) impacts. The intent of this study is to measure this ripple effect as defense spending flows through the Florida economy.

By measuring this ripple effect, the FDSTF and its stakeholders can track how bi-annual changes in defense spending impact their region of interest. An accurate calculation of defense-related economic impacts requires an accurate accounting of the magnitude of defense spending flowing into Florida and an accurate mapping (both geographically and by industry sector) of this spending as it flows through local economies within the state. To measure comparable estimates across time, it is necessary to apply consistent data sources and analytical methods as those used in past updates. However, as new data becomes available, it is the responsibility of an analyst to incorporate these data if they are to provide better, more reliable estimates. For the 2020 update, we have used the same data sources as in past updates except for our regional demographic and economic profile data provided

Figure 1. Components of the Defense Economy



in the Regional and County-level analysis. We have opted to use data from Woods & Poole Economics, Inc. for average household personal income and population growth forecasts due to the reliability of these estimates and the breadth and scope of their forecasts.

As was noted in previous updates, the scope of this study is limited to measures of economic activity. The value of defense personnel to Florida extends well beyond this singular dimension. Military men and women and their spouses, as well as veterans and military retirees, all make positive, intangible contributions to the communities in which they reside. However, to remain consistent, these contributions were not considered in our estimates. Rather, economic data were compiled primarily from secondary sources – such as DoD reports and other federal databases – with the objective of identifying all defense-related expenditures occurring in Florida for the most recent annual period, which for this update is 2018. These federal expenditures provide for the military (active-duty / civilian), National Guard / Reserve, and the U.S. Coast Guard and include the following spending flows:



- Installation Footprint = military and civilian personnel earnings & base operating support contracts (construction, utilities, supplies, etc.)
- Defense-related Procurement Contracts = private-sector defense-related contracts (weapons development, manufacturing, modeling and simulation, RDT&E, etc.) and defense-related grants
- Transfer Payments = military retiree pensions and veterans benefits

Sources for each of these expenditures include the following:

- Installation Footprint = U.S. Department of Defense, Florida National Guard, U.S. Bureau of Economic Analysis, U.S. Department of Treasury (USAspending.gov)
- Defense-related Procurement Contracts and Grants = U.S. Department of Treasury (USAspending.gov)
- Transfer Payments = U.S. Department of Defense, U.S. Department of Veterans Affairs

These expenditures are collected at the county and/or ZIP code levels and constitute what is known as **direct** defense spending. Direct spending across the state has first order economic impacts – meaning they generate the first round of employment, income, and gross regional product (GRP) impacts. For instance, the \$16.5 billion in procurement contracts performed in-state during 2018 generated nearly 73,500 direct jobs. However, as these expenditures flow through the economy, they multiply as they induce further rounds of spending. Once the \$16.5 billion in contracts are realized, in order to perform these contracts, contractors must purchase intermediate inputs from suppliers (indirect effect). Contractors must also hire the necessary labor to perform their contractual obligations. As these contractors spend their income in the local economy, these expenditures create a third order or tertiary (induced effect) spending impacts. Together – direct, indirect, and induced spending – create what is referred to as the total economic impact of a particular spending flow – in this case procurement contracts. In order to estimate these impacts, a socio-econometric model is used at the appropriate industry and geographic (county) level. Using this model, it estimated the \$16.5 billion in procurement contracts generates the initial 73,500 jobs then the second and third order spending generates an additional 152,000.¹



The Regional Economic Models, Inc. Policy Insight Plus (REMI PI+) economic simulation model was used to evaluate the economic impact of these direct spending flows. A regional baseline forecast extending through the year 2022 for each of the 67 Florida counties was constructed. The differences between the baseline forecast and a forecast where military spending has been removed comprises the results. The resulting change in GRP resulting from the absence of defense-related spending flows is the measure of economic impact reported. We utilize two measures of economic impact used throughout the report - the change in gross regional product (GRP) and total employment. While results could be reported in terms of total sales, personal income, or other measures, GRP is the local equivalent to the widely understood national level concept of Gross Domestic Product (GDP). We utilized GRP as it follows the structure of the National Income and Product Accounts (NIPA) produced by the U.S. Bureau of Economic Analysis (BEA), which contain the

¹ The study also includes an additional \$1 billion in DoD and Coast Guard grants awarded to Florida agencies and communities. With these grants, the State received and performed roughly \$17.5 billion in defense-related procurement contracts and grants.

primary measures used for tracking changes in the national economy. This conceptual framework for organizing economic activity recognizes the dollar value of all final goods and services produced (the GDP) can be measured by the following equation:

$$\text{GRP} = \text{C} + \text{I} + \text{G} + (\text{X}-\text{M})$$

- Consumption spending by individuals on goods and services
- Internal investment expenditures by businesses and individuals
- Government spending
- Exports (gross value)
- Imports (gross value)

The results reported, which are the changes in GRP attributable to defense-related spending, are composed of the same elements as would be found in the national-level GDP. For the reader's convenience, this report is organized into three separate sections. Section 1 (here) presents information on the national defense budget and Florida's defense presence relative to other key states. It includes an analysis of defense spending in Florida along with statewide economic impact estimates. In Section 2, the state-level impacts are provided at regional level with includes eight geographies (as identified by Enterprise Florida, Incorporated) and spending for each region is analyzed. Each regional spending pattern is accompanied by regional economic impact estimates associated with defense spending (as defined in this study), as well as regional demographic information. Finally, in Section 3, spending analysis is provided for those counties in which defense spending is most pronounced. As in past updates, county-level demographics for each county are discussed along with military employment trends and comparisons. Defense spending inputs are also presented and discussed as well as economic impact estimates for each county.

Trends in National Defense Spending

To understand defense-spending trends at the state and regional levels, an overview of national spending trends is provided here. As can be seen in Figure 2 on the following page, national defense spending has varied significantly since the end of World War II (WWII). As the data indicate, during the war, national defense spending consumed nearly 90% of all federal spending and almost 40% of the country's GDP. This declined considerably in the years between the end of World War II and the start of the Korean War—when defense spending spiked once again to nearly 15% of GDP. Since that time, spending—relative to the overall size of the federal budget and GDP— has declined dramatically. By the end of the Cold War, defense spending fell below 4% of the country's GDP and consumed less than 20% of the federal budget. While Sequestration has put downward pressure on defense spending since 2011, due to an improving economy and the Trump administration's emphasis on increased defense spending, total defense (when controlled for inflation) has rebounded from its trough in 2015 and is forecasted by the DoD to peak (again, when controlled for inflation) in 2021 (see Figure 3). While many factors have influenced these variations, the current U.S. economic expansion has led to a larger federal budget, thus leading to defense spending capturing a lower share of both the federal budget and the overall economy.

The data in Figure 3 are comprised of DoD Green Book estimates of current and projected DoD outlays by service in real 2019 dollars (controlled for inflation). As these data indicate, defense spending is highly cyclical but has generally increased (in real terms) since the end of WWII. So, while the defense spending has declined as a share of both GDP and the federal budget, it has grown over time – albeit cyclically. As such, while the DoD is forecasting a continual increase through 2021, spending is projected to begin declining in 2022 and continue to through 2024.

Figure 2. Defense Spending as a Share of Gross Domestic Product and Total Federal Spending

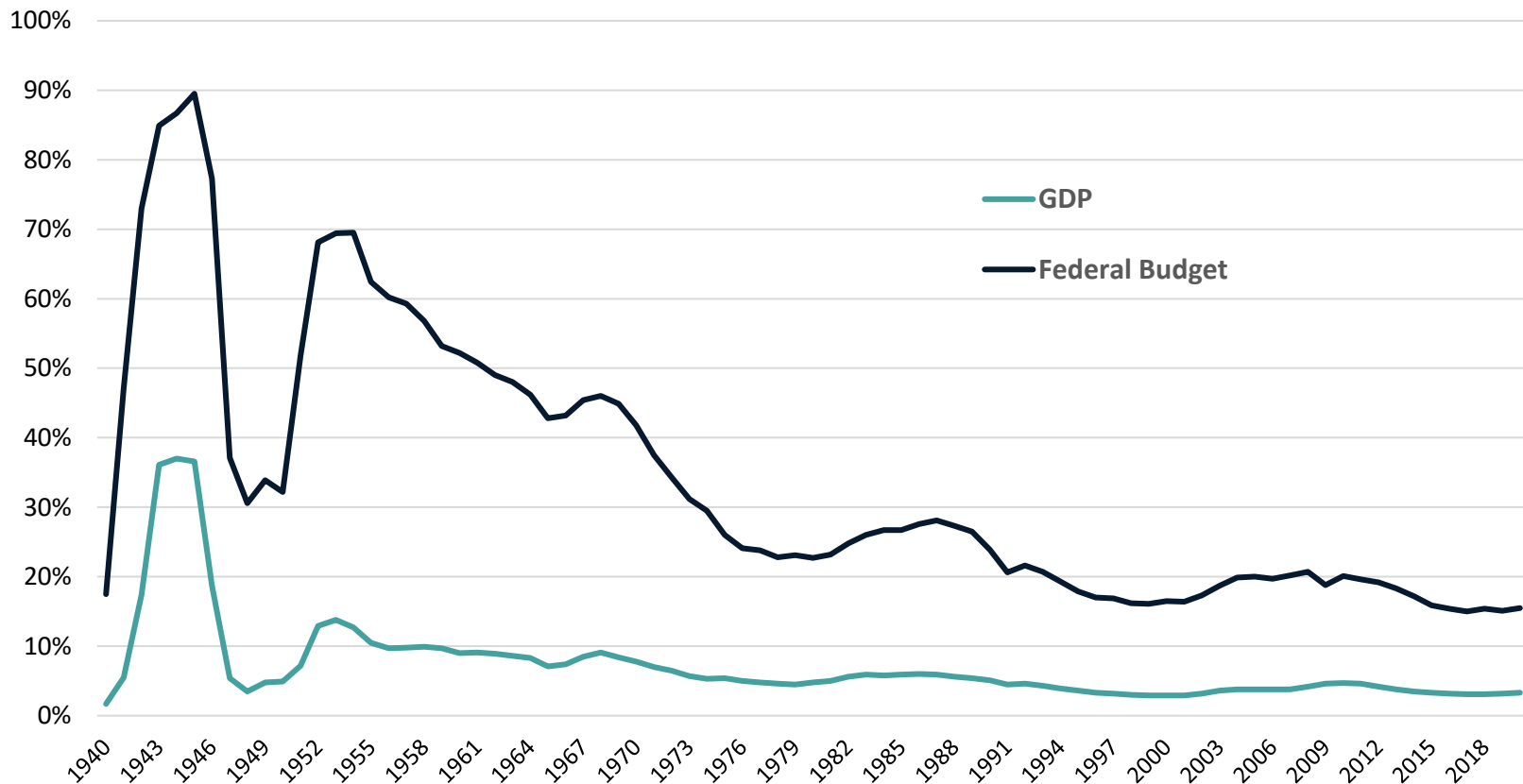
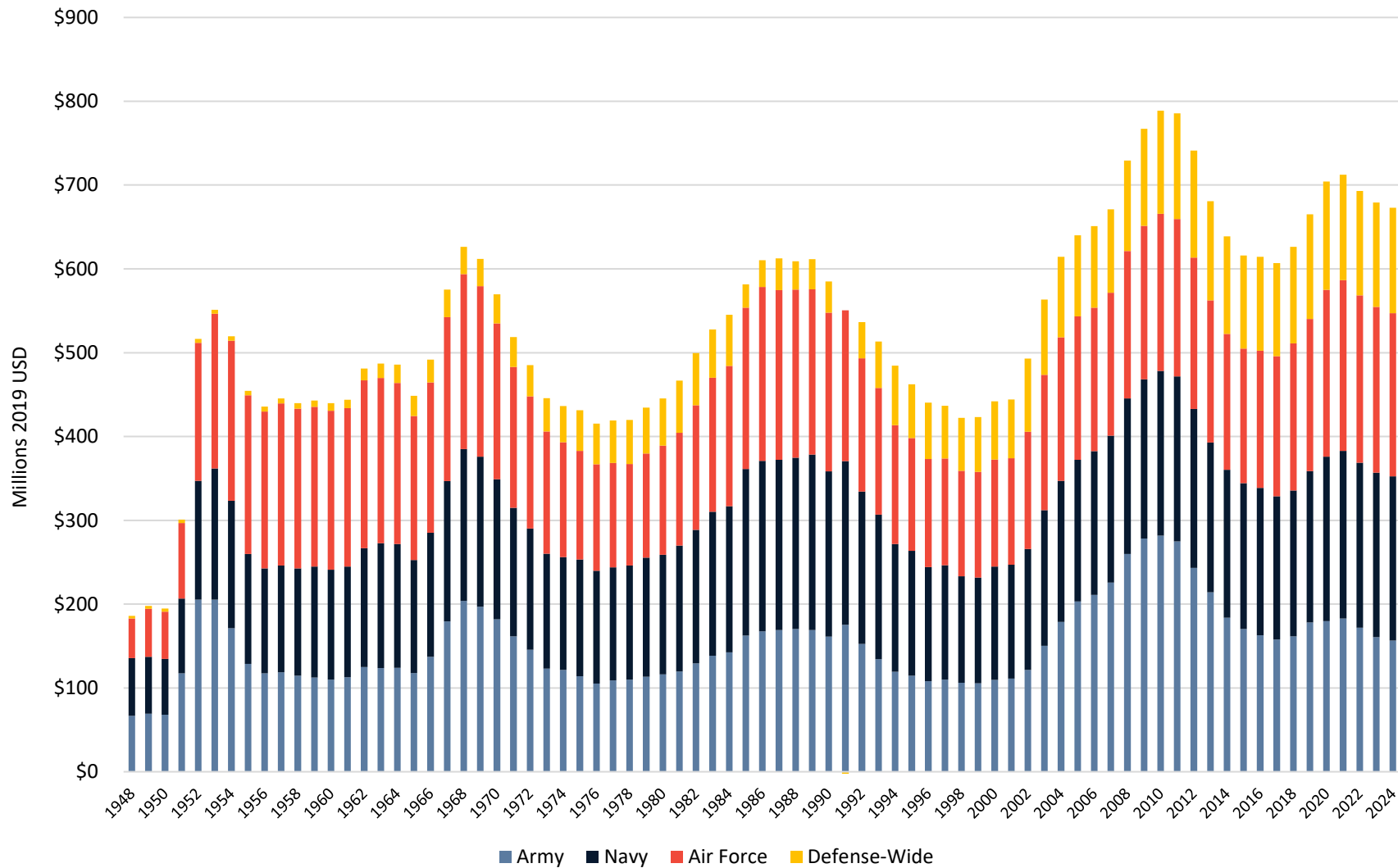


Figure 3. National Defense Spending by Service, 1948 - 2023



Methodological Approach

As in previous updates, each section begins by presenting the direct defense spending for that region and is separated by the three core spending types (procurement, salaries, and transfers). It should be noted that direct procurement and personnel spending flows are converted to employment estimates at the county-level. These estimates are then used as actual inputs into the model, and as with previous updates, there are slight variations from the spending totals that are presented at the beginning of each section. This is done to account for changes in the sales per worker figures over time – specifically as it relates to procurement spending. For federal military employment, federal civilian employment associated with DoD, and National Guard employment (federal and state), we rely on actual employment figures reported by the Bureau of Economic Analysis (BEA) in each county and supplemented by Florida National Guard estimates.

For the National Guard figures, we rely on the state report on National Guard spending in Florida and calculate associated employment totals utilizing those figures and then distribute those spending flows per the BEA estimates on employment and compensation. Civilian employment totals, by place of production, are provided by the BEA. However, these data are not parsed by federal workers, who are associated with the military/National Guard/Coast Guard, etc. To obtain those figures, the first iteration of this study utilized the Consolidated Federal Funds Report to develop a ratio of federal military salaries to federal civilian salaries and federal military payrolls to military and civilian employees in order to calculate the share of federal workers in a particular region that is associated with the DoD. For the Coast Guard, much like with the federal





military, we rely on BEA employment and compensation estimates and their respective distributions, as the BEA includes U.S Coast Guard in their federal military estimates. To estimate the impacts, we impute employment data, not salary data. Salary data are, however, a good benchmark for the employment totals. On the procurement side, we obtained data from USAspending.gov (maintained by the U.S. Department of Treasury), which provides every procurement contract awarded and performed by the federal government including the DoD, the DVA, and DHS. We separate DoD expenditures for the National Guard and “other” to get procurement totals for National Guard and federal military. We then utilize Coast Guard procurement flows through DHS to estimate Coast Guard procurements that flowed into the state. Those data are available for each contract at the individual contract level and are provided by county place of performance (i.e. in which county the contract was performed). We aggregate those dollar

values by their respective NAICS (North American Industry Classification System) code to get the dollar values that flow into each industry sector in each county. We then convert those dollar values into employment totals and utilized a matrix, which allow us to calculate jobs based on spending in each six-digit industry sector. Then, we aggregate those job totals up to the two-digit NAICS sector. To ensure that the data were comparable with the employment data utilized previously, we utilized direct job impacts in each sector at the county level.


For transfer payments, we calculated those totals at the county level for each county in the state of Florida for the Coast Guard, National Guard, and military. Those data include retirement payments to military workers as well as retirement payments to former National Guard and Coast Guard members. We include, in this category, payments made through the DVA to disabled veterans for pensions, health care, etc.

We then enter those data into the REMI PI+ model for every county in the state of Florida and for each segment of impacts, yielding a 3x3 matrix of impact outputs. We detailed impacts for military, National Guard, and Coast Guard for salaries and wages and base operating support contracts (encompasses the total installation operational footprint), off-base procurement contracts, and transfer payments. Those, in turn, are summed to estimate the total economic impact across the various types of spending and for “defense activities” as a whole. We report this as the impact on

employment (including direct, indirect, and induced impacts) and economic impact (which is the impact on GDP or gross domestic product, or at the state level, gross state product and at the regional/county level, gross regional product). Strictly speaking, we modeled the simulated effects of “removing” defense activities from the Florida economy. We thus took out defense activities and saw how large of a hole that left in the model of Florida’s economy. Thus, our impact estimates, at the county level, measured the impact on County “X” of removing defense activities from the entire Florida economy. Because county economies are interlinked in the model (due to trade effects), just as they are in the real world, that gave us a slightly larger impact figure than if we had simply removed defense activities from each county separately and reported the results. The same is true at the regional level.

Moreover, different types of spending have different impacts. The largest total impacts came from direct federal employment in the military, National Guard, and Coast Guard. Thus, a region that had fewer dollars spent in salaries would show higher impacts than a region that had more dollars in procurement or transfer payments. Further, county-to-county linkages (trade flow patterns) and the presence of large military economies in neighboring counties magnifies the impacts in an interconnected county versus a county that was more isolated but had a large military presence. Thus, in these models, the whole may well appear to be greater than the sum of the parts. Each of the impact sections that follow were laid out in roughly the same manner with impacts for the given area under consideration reported on the first page with supporting facts and figures reported on the pages following





Please see next page.

State of Florida Summary

The Defense and Homeland Security Cluster is recognized by Enterprise Florida as one of Florida's nine target industry clusters. Constituting approximately 9% of the state economy in 2018, this cluster is one of the largest in Florida. As can be seen from the data presented in Table 1, the state received nearly \$44 billion in direct defense spending in 2018. The data in the figure sum military spending with National Guard and Coast Guard totals to form the Combined Direct Expenditure estimate. As the data indicate, transfer payments accounted for the largest share of expenditures at \$18.8 billion (43%). Salaries brought an additional \$7.6 billion (17%) to Florida. Procurement spending brought an additional \$17.5 billion (40%), which is up by \$3.5 billion from 2016. These dollars also generate indirect and induced impacts and, when summed with total impacts, yield the estimates presented in Table 2 (next page). Overall the military accounted for nearly 915,000 jobs in 2018 and close to \$95 billion in total gross state product (GSP - total value of all goods and services produced in the state).



Table 1. State of Florida: Combined Direct Defense Expenditures 2018

Spending Flow	Millions (Current USD)
Procurement	\$17,484
Salaries	\$7,640
Pensions & Transfers	\$18,836
Total Combined Direct Expenditure	\$43,960

Source: Department of Defense; Department of Veterans Affairs; Bureau of Economic Analysis; Department of Treasury

Figure 4. State of Florida Distribution of Direct Defense Expenditures

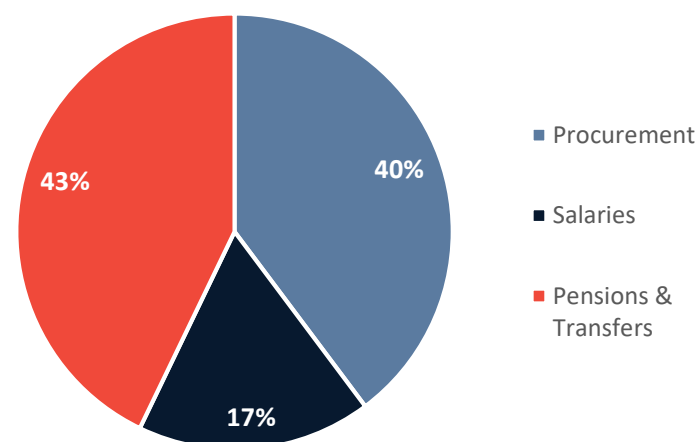


Table 2. State of Florida: Economic Impact Forecast, 2018-2022
Current USD in Millions

Impact Type	2018	2019	2020	2021	2022
Total Employment	914,787	919,493	997,450	1,006,185	993,742
Gross State Product	\$94,991	\$96,952	\$105,552	\$108,319	\$109,100
<i>Total Consumption</i>	<i>\$57,492</i>	<i>\$54,816</i>	<i>\$60,459</i>	<i>\$62,654</i>	<i>\$64,332</i>
<i>Investment Residential</i>	<i>\$13,155</i>	<i>\$17,337</i>	<i>\$18,687</i>	<i>\$17,815</i>	<i>\$15,748</i>
<i>Investment Non-residential</i>	<i>\$3,596</i>	<i>\$3,831</i>	<i>\$4,189</i>	<i>\$4,236</i>	<i>\$4,108</i>
<i>Producer's Durable Equipment</i>	<i>\$1,877</i>	<i>\$3,127</i>	<i>\$4,158</i>	<i>\$4,894</i>	<i>\$5,433</i>
<i>Business Inventories</i>	<i>\$128</i>	<i>\$177</i>	<i>\$151</i>	<i>\$124</i>	<i>\$116</i>
<i>Government</i>	<i>\$3,883</i>	<i>\$5,913</i>	<i>\$7,406</i>	<i>\$8,353</i>	<i>\$8,908</i>
<i>Exports</i>	<i>\$53,657</i>	<i>\$52,213</i>	<i>\$56,275</i>	<i>\$58,390</i>	<i>\$60,018</i>
<i>Imports (subtract)</i>	<i>\$38,796</i>	<i>\$40,464</i>	<i>\$45,772</i>	<i>\$48,148</i>	<i>\$49,563</i>

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

Totals may not sum due to rounding

Based on historic and actual values, 5-year forecasts are also provided in Table 2. In the 2017 Handbook, the 2018-2020 estimates were included in this 5-year forecast. Compared to the 2019 handbook, we now see approximately 10% larger projections for employment for 2018-2020, and between 3%-13% larger projections for gross state product (GSP) for 2018-2020. Based on the 2019 trend analysis here, REMI estimates total state-level impacts are to exceed \$100 billion by 2020. By 2020, the defense spending is expected to support nearly 1 million jobs. Total employment and gross regional product are expected to see slowing growth rates and some shrinking after 2021. Any drastic change to defense spending nationally could impact this forecast either putting downward pressure by way of fiscal tightening or upward through fiscal expansion.

In addition to the employment and GSP estimates, Table 2 provide the constituent components of the GSP. As was explained in the introduction, direct defense expenditures in the state generated **additional employment, wages, consumption spending, and investment** with total impacts indicated in the table below. The impact categories are defined as follows:

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



Table 2. Total Economic Impacts by Component, Millions USD (2018)				
Spending Flow	Military	National Guard	Coast Guard	Totals
Procurement	\$20,727	\$32	\$579	\$21,338
	220,260	299	5,329	225,888
Employment	\$43,846	\$4,574	\$2,264	\$50,684
	357,206	36,410	23,980	417,596
Transfers	\$22,784	\$4	\$181	\$22,969
	269,102	54	2,146	271,302
Totals	\$87,357	\$4,610	\$3,024	\$94,991
	846,568	36,763	31,455	914,786

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

Totals may not sum due to rounding

Statewide Impacts by Type

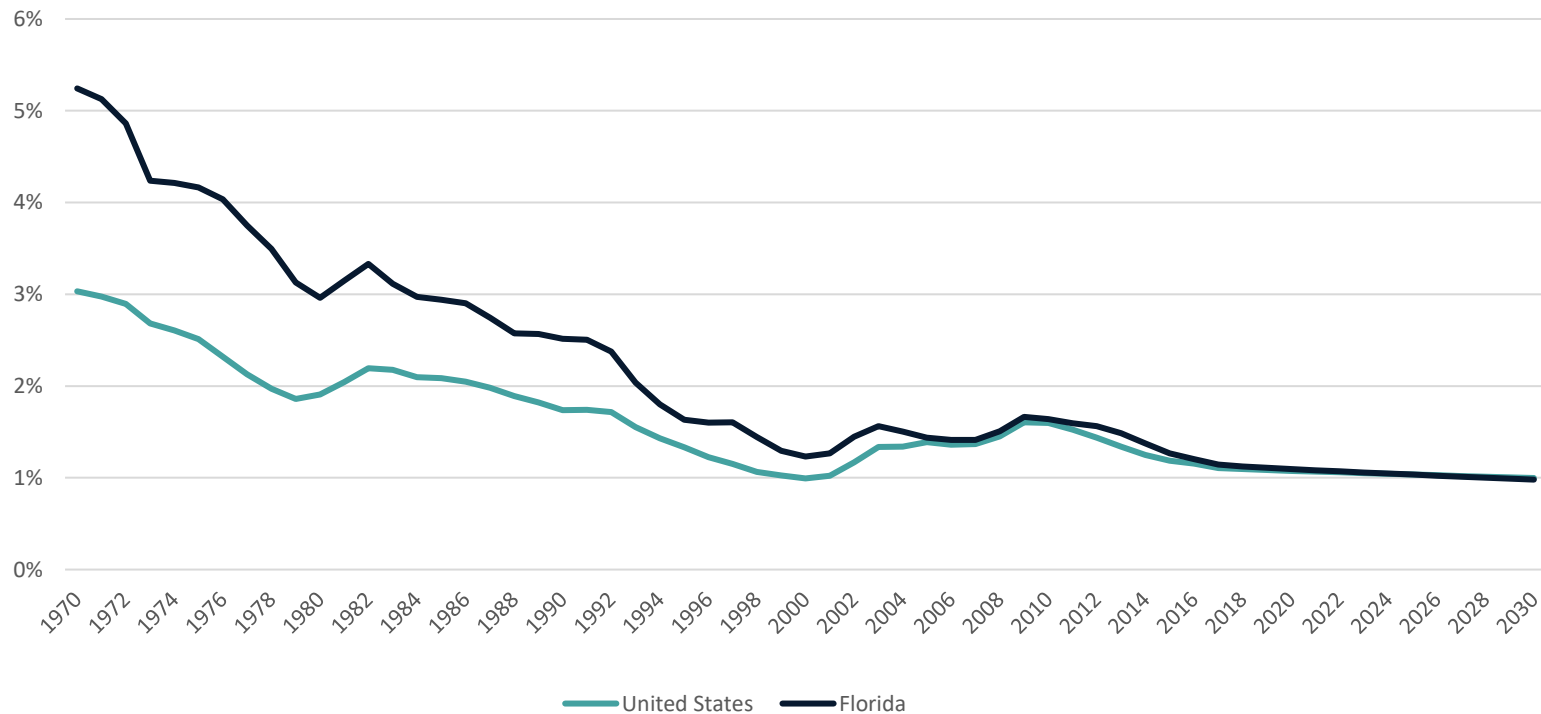
The above table displays the military impacts by type across the various categories. This includes impacts generated by procurement, federal military (salaries and wages), and transfers and impacts generated by the military, the Coast Guard, and the National Guard. As the data in the table show, federal military, Coast Guard and National Guard employees have the highest impact. The GRP impacts (in 2018 U.S. Dollars) are displayed next to the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner.

- The three impacts combined for **\$95 billion dollars** in GSP impacts and **914,786 jobs** as of 2018 for **the state of Florida**.
- Military generated **846,500 jobs** in the state in 2018, an increase of **14%** from 2016.
 - o Procurement for the military generated **220,260 jobs** in 2018, an increase of **25%** from 2016.
 - o Employment for the military generated **357,206 jobs** in 2018, an increase of **7%** from in 2016.
 - o Transfers for the military generated **269,102 jobs** in 2018, an increase of **17%** in 2016.
- The military accounted for **93%** of all job impacts and **92%** of GSP economic impacts as of 2018.
- Total, economic GSP impacts in 2018 were up **12%** from **\$84.9 billion** in 2016.

Military Share of Total Earnings

This figure benchmarks the total share of state income that can be attributed to the military over time. This is graphed alongside the national spending. Earnings include more than wage and salary disbursements. They also include proprietors' income and other supplements to wages and salaries. As the data reflect, the Florida military personnel receive personal income at a near equal level to the national average. As the U.S. and Florida continue to diversify their economies, military share of the total earnings has converged over time to approximately 1.0% of all earnings. This downward, convergent trend is projected to continue.

Figure 5. Military Share of Total Earnings, Statewide

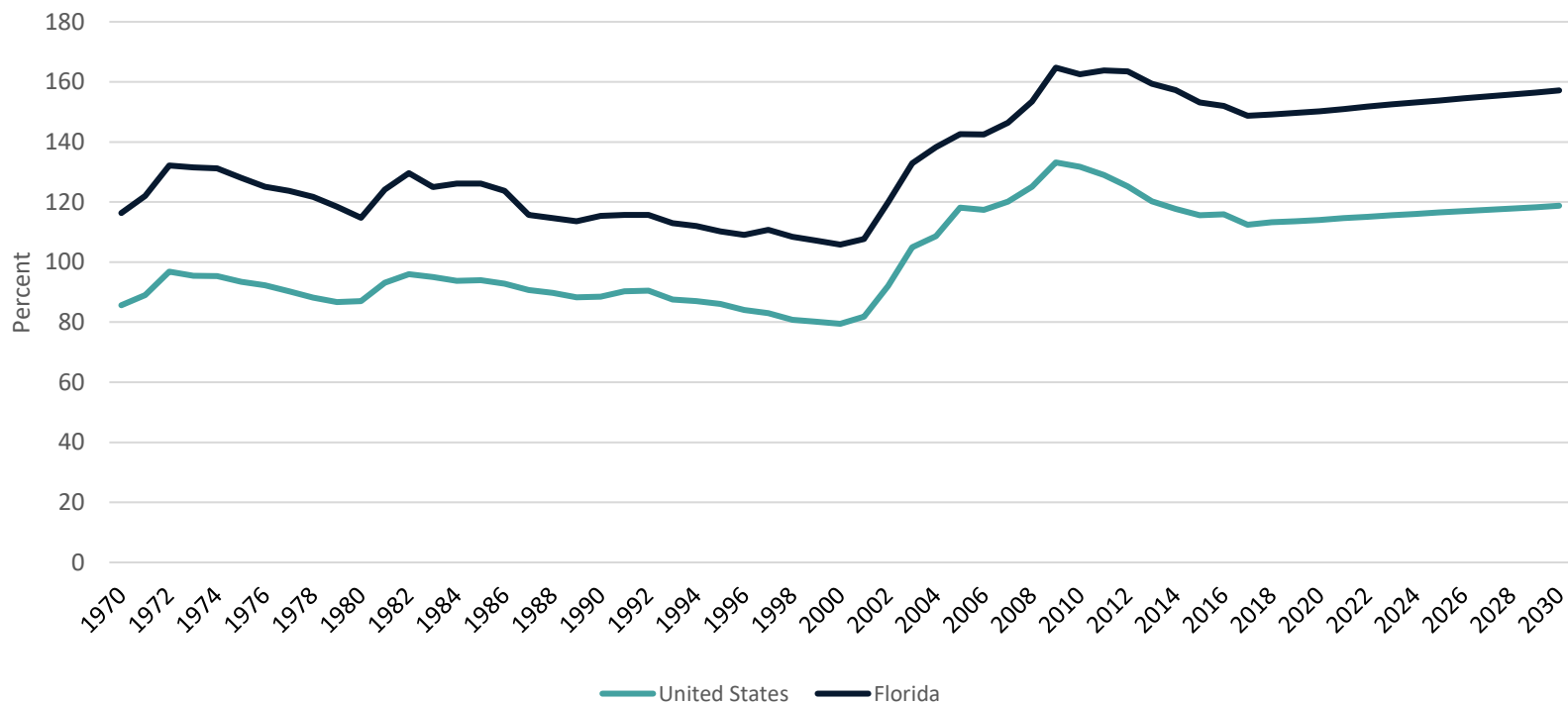


Source: Woods & Poole Economics, Inc. 2019

Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It allows us to benchmark the earnings of military employees against the average total workforce earnings. Nationwide, military earnings before the year 2000 were below that of the total national workforce, on average. This shifted post-9/11, and national military earnings have since consistently stayed above the national total workforce earnings, on average. In contrast, the state of Florida's military employees have consistently earned above the national workforce average by at least 5% since 1970 (with the lowest comparative wages for Florida military earnings being 105.8% in 2000). The state of Florida's relative earnings ratio is steady at 150%. For the U.S., the relative earnings ratio is also steady, at 113%. The trend of increasing military earnings on average is expected to continue to rise faster than the national earnings on average.

Figure 6. Average Military Earnings versus Average Total Earnings (as a Percent), Statewide

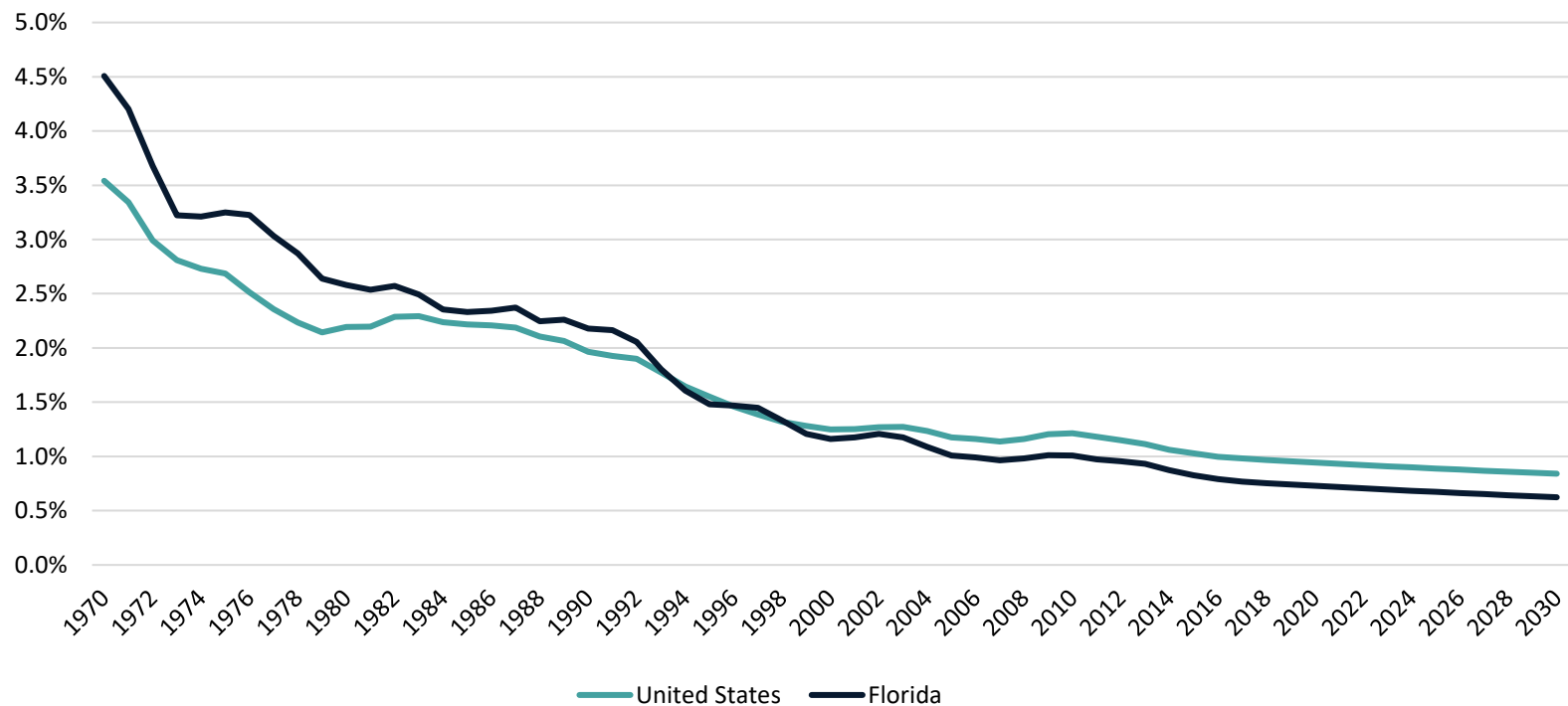


Source: Woods & Poole Economics, Inc. 2019

Military Employment as a Share of Total Employment

The figure below benchmarks military employment as a share of total employment for the state of Florida against the U.S. As the data indicate, in 1980 the military accounted for nearly 3% of Florida employment and 2% of U.S. employment. By 2018, these figures declined to 0.75% for both the state and the U.S. These data indicate that the military does not directly contribute to as large a share of state employment as it once did. As the state and national economies continue to diversify and total military employment remains relatively flat since the drastic drawdown in active duty force post World War II through the end of the Cold War.

Figure 7. Military Employment as a Share of Total Employment Statewide

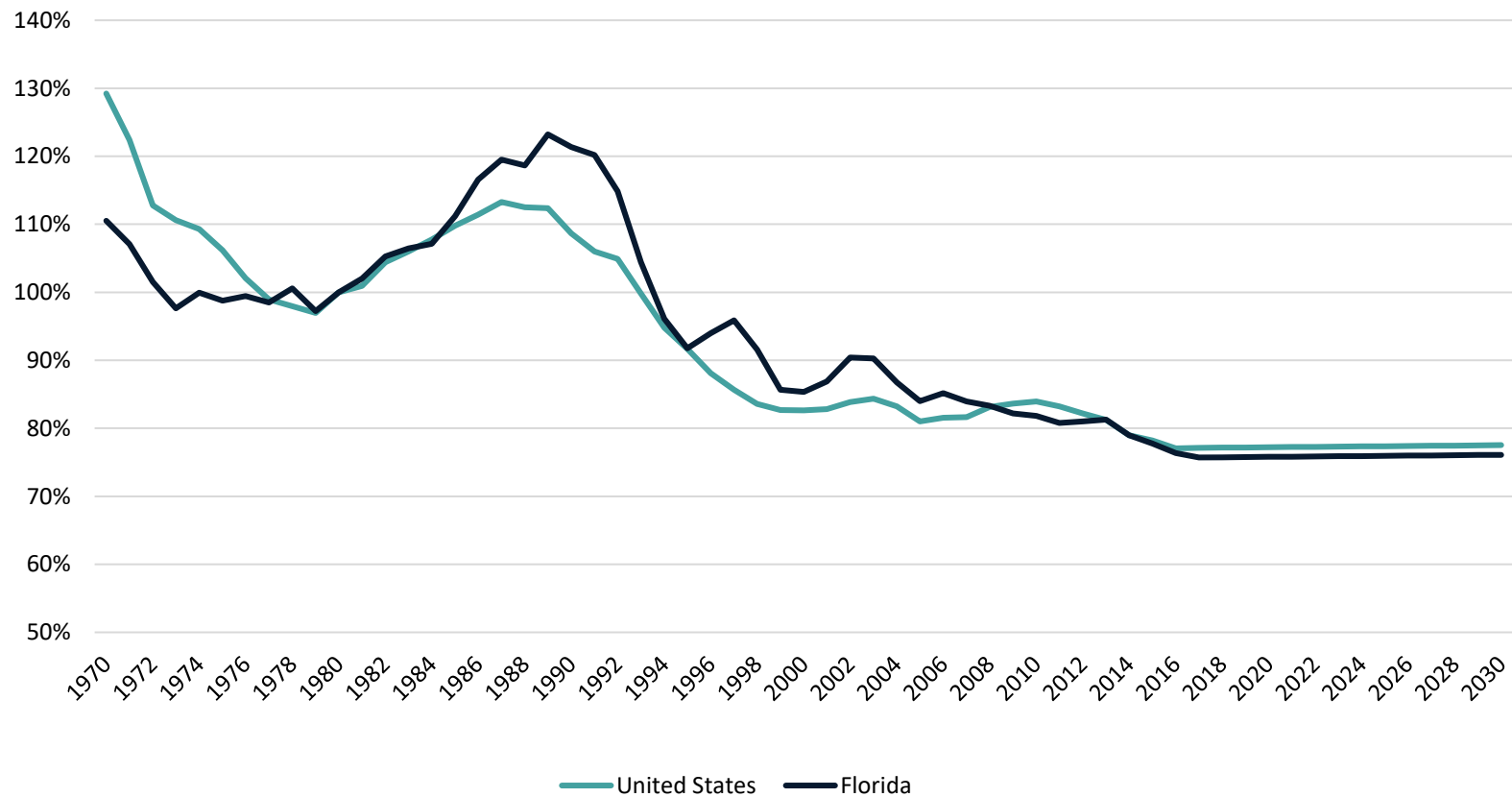


Source: Woods & Poole Economics, Inc. 2019

Total Military Employment Indexed to 1980

The figure below benchmarks the size of military employment in the state of Florida against the 1980 state total. For example, Florida's military employment in 1985 was 111% of the 1980 total. In 2018, the military share of employment in Florida was 76% and the state's military share of employment was 76% of the 1980 relative size.

Figure 8. Total Military Employment Indexed to 1980 Statewide



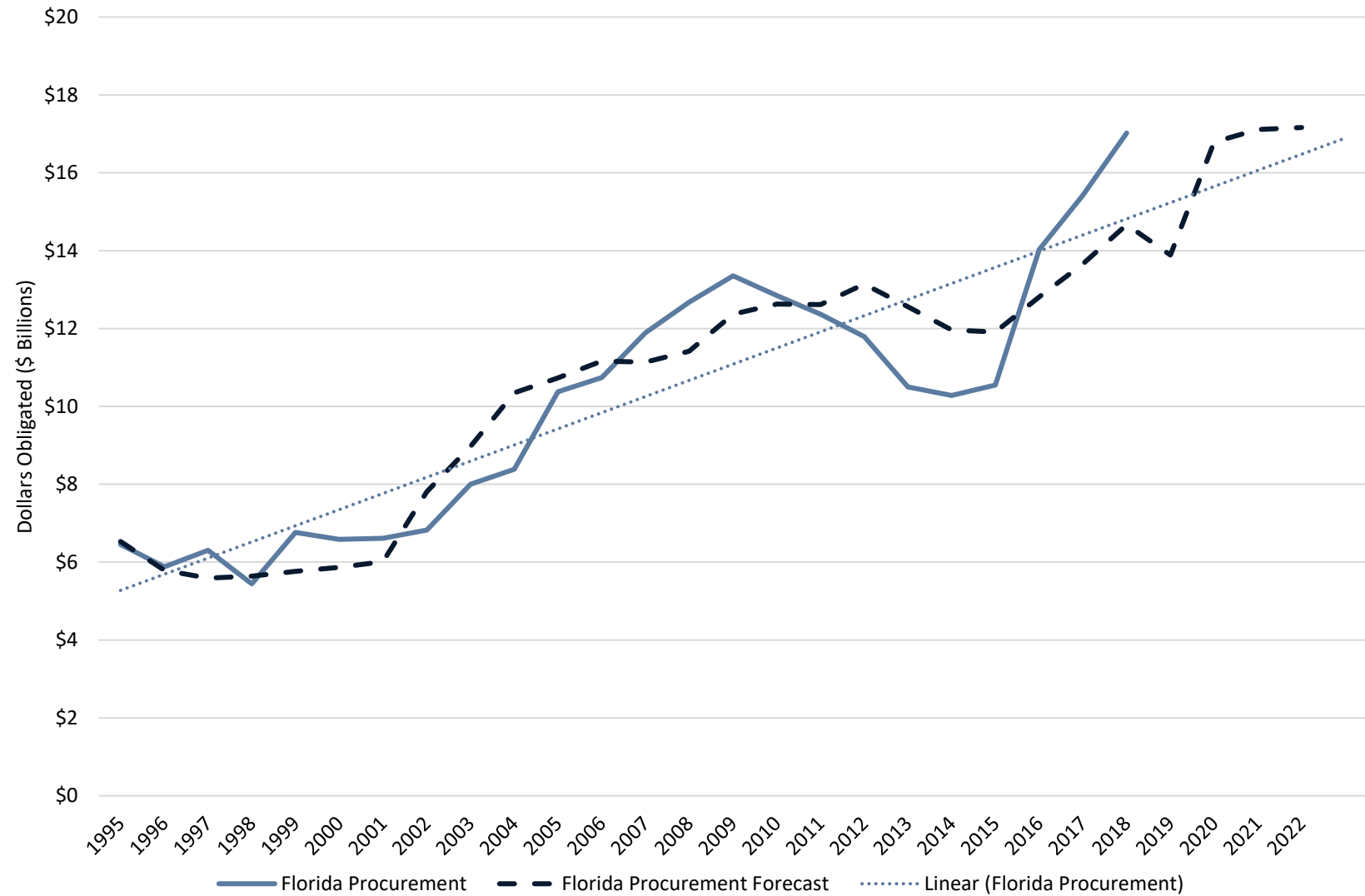
Source: Woods & Poole Economics, Inc. 2019

Florida's Procurement Economy

Federal military procurement is a key driver of Florida's high-wage, high-technology economy, generating, as we noted in Table 2, nearly 225,000 jobs across the state. These dollars drive a considerable amount of employment in high value industries such as manufacturing and professional and scientific services. In Figure 9, defense-related procurement flows to Florida are presented from 1995 through 2018 (solid line). Florida procurement is then forecasted for the 2019 to 2022 period (dashed line). As was used in previous updates, the forecasts presented in Figure 9 are based on DoD projections for national Army, Navy, and Air Force procurement spending. A regression is utilized to forecast Florida's share of these spending flows. As the data shows, procurement was flat for the period between 1995 and 2002. However, in the post-9/11 era, procurement flows to the state have approximately doubled, rising from an average of near \$6.5 billion per year pre-9/11 to \$16.5 billion in the state by 2018. Due to the industry in which these dollars flow – primarily manufacturing and professional and scientific services – defense procurement spending has significant impacts to the Florida economy. While 2018 procurement spending in the state was the highest ever, this elevated level is projected to level off beginning in 2020. In fact, preliminary data from the U.S. Department of Treasury suggest procurement spending in Florida declined by \$500,000 between 2018 and 2019.



Figure 9. Florida Procurement: Historic and Forecast, 1995 - 2022



Source: U.S. Department of Treasury; Authors forecasts

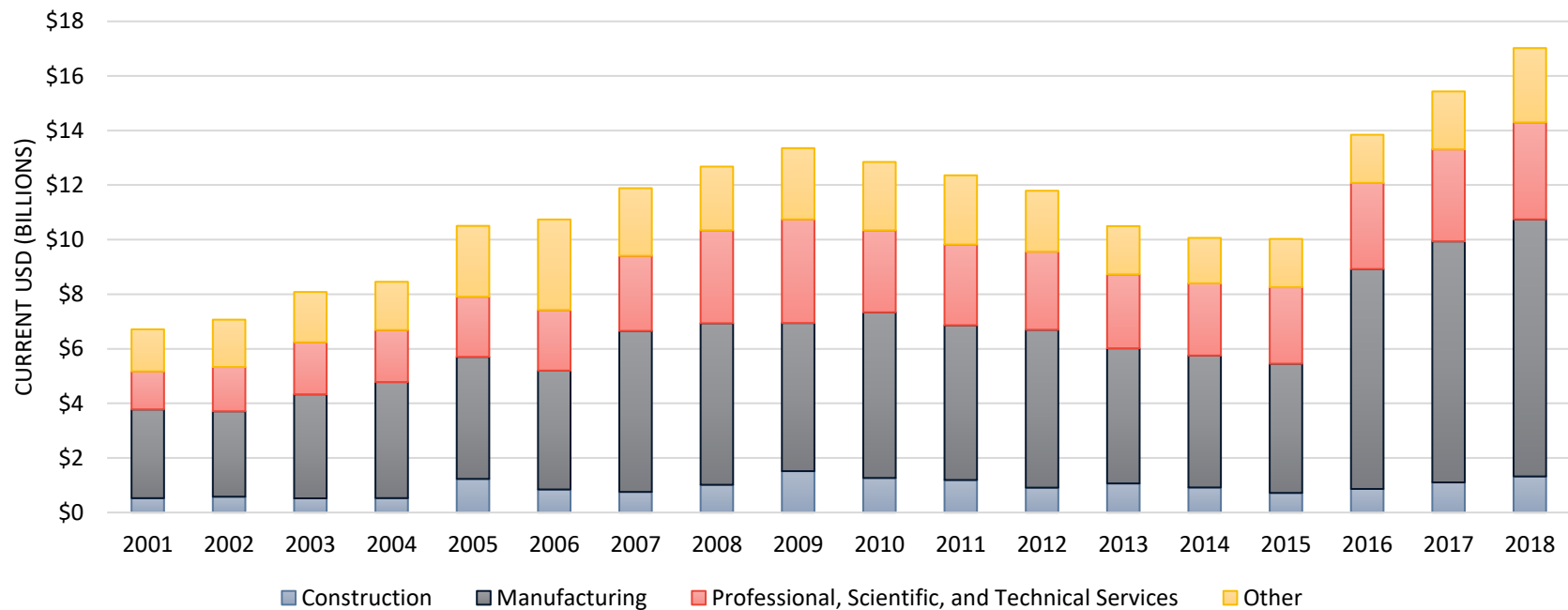
Table 3. State Rankings: Procurement Contracts by Place of Performance, 2009 – 2018

Rank	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
1	CA	CA	VA	CA	CA	VA	CA	CA	TX	TX
2	VA	VA	CA	VA	VA	CA	VA	VA	VA	VA
3	TX	TX	TX	TX	TX	TX	TX	TX	CA	CA
4	MA	FL	AZ	MD	MD	CT	MD	CT	FL	FL
5	FL	MA	CT	MO	AZ	MD	CT	FL	MD	MD
6	MD	MD	MD	AZ	MA	PA	PA	MD	PA	CT
7	AZ	PA	FL	CT	FL	FL	FL	PA	CT	MO
8	PA	CT	PA	PA	CT	AZ	MA	MO	AZ	PA
9	CT	AZ	MA	FL	PA	MA	AL	WA	MA	MA
10	MO	MO	AL	MA	MO	AL	AZ	MA	MO	AZ

Source: U.S. Department of Treasury

As the data in Table 3 indicate, since 2009 Florida has been among the top states in total procurement flows, consistently ranking behind Virginia, California, Texas, Connecticut, and Pennsylvania. While Florida's portion of procurement spending declined between 2011 – 2015, as of 2017 Florida has regained its position behind Texas, Virginia, and California. As is consistent with past years, procurement spending has mostly flowed into three of Florida's major industry sectors: construction, manufacturing, and professional, scientific, and technical services. As the data in Figure 10 (on next page) demonstrate, manufacturing has been the overwhelming beneficiary of federal procurement dollars, raking in, in 2010 alone, approximately \$6.1 billion—up from \$3.3 billion in 2001. Although experiencing a decline during Sequestration, by 2018 Florida's defense-related manufacturing sector had fully rebounded with record setting expenditures of more than \$9 billion. In fact, Florida's defense manufacturing sector led the way to Florida's highest procurement spending on record at nearly \$16.5 billion. Professional and technical services, which is a key driver of the high-tech, high wage economy, increased nearly 13% from 2016 to over \$3.5 billion. Construction, the third largest sector in terms of procurement flows, while nowhere near the post BRAC highs during 2009 – 2011, did experienced increases of 53% over 2016.

Figure 10. Defense Procurement by Industry, 2001 – 2018




Source: U.S. Department of Treasury

Not surprisingly, these dollars support a wide range of occupations across the State of Florida. These occupations, along with their two-digit Standard Occupational Classification (SOC) codes are displayed in the Table 4 (on next page). These are direct jobs and do not include the indirect and induced jobs modeled earlier. However, as the data show, nearly 13% of all Florida jobs in the architecture and engineering occupations (associated with professional and scientific services) are supported directly by federal procurement flows into the state. Nearly 3.75% of all production occupations (closely tied to the manufacturing sector) are supported directly by procurement flows. As the data here indicate, procurement dollars are critical to the successful growth of Florida's high-wage, high-tech, and high impact industry sectors, such as professional/technical services and manufacturing. As the considerable growth in both industries since 2016 demonstrates, Florida has remained a national leader in the defense industry in Orange, Okaloosa, and Brevard counties.

Table 4. Occupations Generated by Procurement Spending, 2018 State of Florida			
SOC 2 Digit	Description	Jobs from Procurement	% of Florida Private Jobs
17-0000	Architecture and Engineering	13,586	12.81%
51-0000	Production	11,394	3.74%
47-0000	Construction and Extraction	9,655	2.46%
43-0000	Office and Administrative Support	9,623	0.66%
11-0000	Management	6,096	1.68%
13-0000	Business and Financial Operations	6,052	1.30%
15-0000	Computer and Mathematical	3,777	1.83%
53-0000	Transportation and Material Moving	2,821	0.52%
49-0000	Installation, Maintenance, and Repair	2,602	0.74%
23-0000	Legal	2,199	2.54%
41-0000	Sales and Related	1,786	0.17%
19-0000	Life, Physical, and Social Science	982	2.46%
25-0000	Education, Training, and Library	799	0.20%
27-0000	Arts, Design, Entertainment, Sports, and Media	677	0.66%
37-0000	Building and Grounds Cleaning and Maintenance	454	0.14%
29-0000	Healthcare Practitioners and Technical	375	0.07%
33-0000	Protective Service	154	0.07%
39-0000	Personal Care and Service	133	0.05%
21-0000	Community and Social Service	69	0.07%
35-0000	Food Preparation and Serving Related	68	0.01%
31-0000	Healthcare Support	54	0.02%
45-0000	Farming, Fishing, and Forestry	19	0.11%
Total		73,375	32.31%

Source: U.S. Department of Treasury; Economic Modeling Specialist, Inc. (2019 All Class of Worker; Datarun 2019.4)



Please see next page.

Regional Analysis Overview

In the section that follows, an overview of regional impacts is provided. This analysis utilizes the same regions as in past updates, which include the following:

- Northwest Region
- North Central Region
- Northeast Region
- East Central Region
- Tampa Bay Region
- South Central Region
- Southeast Region
- Southwest Region

Much like the state-level analysis in the previous section, an analysis of the impacts of defense spending on each of these eight regional economies is provided. The analyses of impact spending include all military branches, including civilians, the Coast Guard, and the National Guard. Each of these regional analyses includes:

- An overview of the defense-related expenditures of:
 - Salaries and wages
 - Procurement
 - Transfer payments
- The total economic impacts associated with expenditure type, including:
 - Gross Regional Product (GRP)
 - Employment
 - Imports & exports
 - Etc.

The impact of expenditure, broken down by branch. **In addition to providing these impacts at the regional level, impacts are provided for each county within the region.** Each section also contains an overview of defense trends within the region over the past several decades, as well as projections going forward. This includes military employment as a share of total employment, military pay relative to all wages, and trends in military employment. We then close with an overview of regional demographic and economic conditions. We present a map of Florida's eight economic regions on the following page. As the map and subsequent analyses show, defense activities affect the regional economies in very different ways.

Figure 11. County Groupings for Regions

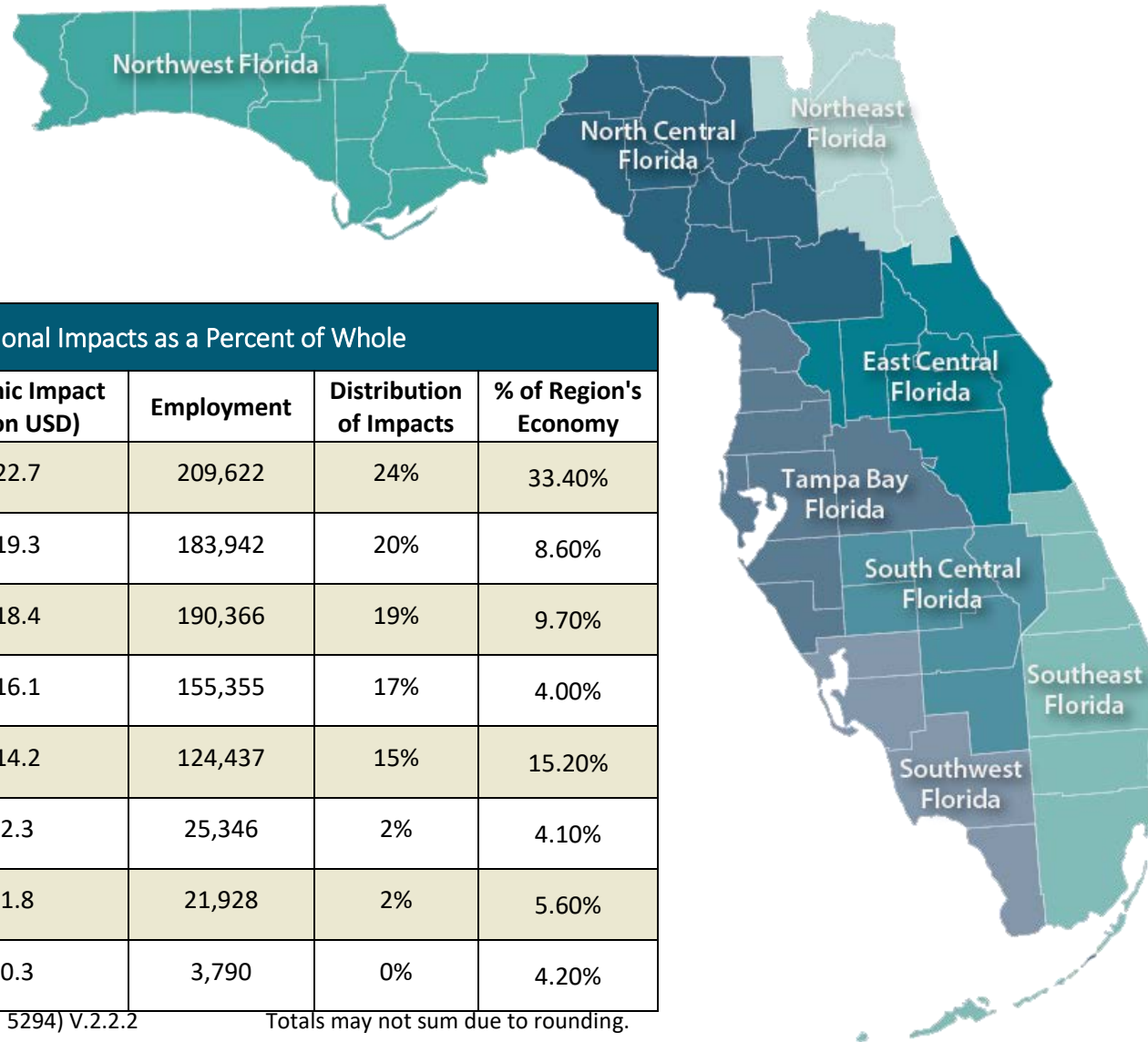


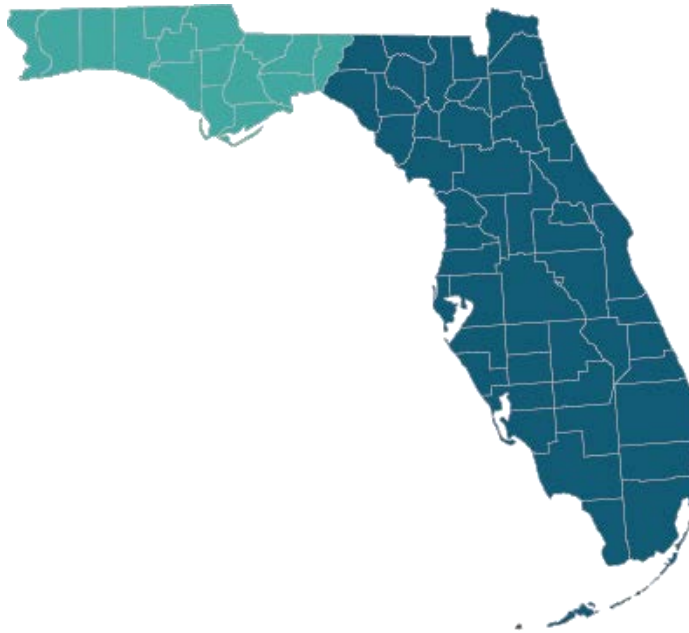
Table 5. Regional Impacts as a Percent of Whole

Region	Economic Impact (Billion USD)	Employment	Distribution of Impacts	% of Region's Economy
Northwest	\$22.7	209,622	24%	33.40%
Tampa Bay	\$19.3	183,942	20%	8.60%
East Central	\$18.4	190,366	19%	9.70%
Southeast	\$16.1	155,355	17%	4.00%
Northeast	\$14.2	124,437	15%	15.20%
Southwest	\$2.3	25,346	2%	4.10%
North Central	\$1.8	21,928	2%	5.60%
South Central	\$0.3	3,790	0%	4.20%

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

Totals may not sum due to rounding.

Northwest Florida Region



Northwest Florida Summary

The Northwest Florida Region includes 16 counties: Bay, Calhoun, Escambia, Franklin, Gadsden, Gulf, Holmes, Jackson, Jefferson, Leon, Liberty, Okaloosa, Santa Rosa, Wakulla, Walton, and Washington. Northwest Florida receives approximately 24% of all economic impacts flowing in the state. Defense is a major industry in the Northwest region with multiple major installations, one of which is the largest U.S. military reservation (Eglin Air Force Base). In Table 6, military spending is combined with National Guard and Coast Guard spending to give the total direct expenditure. As presented in Figure 12, salaries accounted for the largest share at 37% of spending, or roughly \$3.5 billion of the \$9.3 billion total. Transfers accounted for 29%, and procurement spending accounted for 34%.

Table 6. Northwest Region: Combined Direct Defense Expenditures

Spending Flow	Millions (Current USD)
Procurement	\$3,126
Salaries	\$3,461
Pensions & Transfers	\$2,707
Total Combined Direct Expenditure	\$9,293

Source: Department of Defense; Department of Veterans Affairs; Bureau of Economic Analysis; Department of Treasury

Figure 12. North Central Region: Distribution of Direct Defense Expenditures

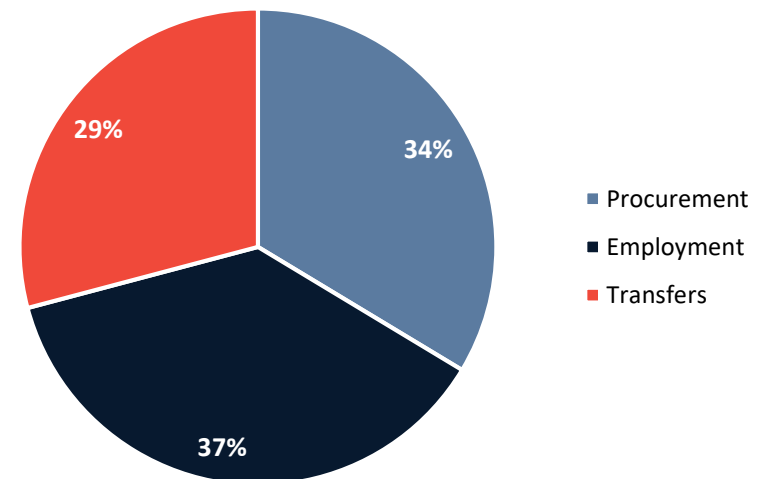


Table 7. Northwest Florida Region: Economic Impact Forecast, 2018-2022					
Current Millions USD					
Impact Type	2018	2019	2020	2021	2022
Total Employment	209,622	210,700	228,564	230,566	227,715
Gross Regional Product	\$22,651	\$23,793	\$25,542	\$26,534	\$27,061
<i>Total Consumption</i>	<i>\$11,950</i>	<i>\$12,115</i>	<i>\$13,421</i>	<i>\$14,209</i>	<i>\$14,792</i>
<i>Investment Residential</i>	<i>\$2,725</i>	<i>\$3,743</i>	<i>\$4,108</i>	<i>\$4,016</i>	<i>\$3,645</i>
<i>Investment Non-residential</i>	<i>\$665</i>	<i>\$712</i>	<i>\$773</i>	<i>\$793</i>	<i>\$779</i>
<i>Producer's Durable Equipment</i>	<i>\$344</i>	<i>\$590</i>	<i>\$790</i>	<i>\$936</i>	<i>\$1,047</i>
<i>Business Inventories</i>	<i>\$15</i>	<i>\$22</i>	<i>\$18</i>	<i>\$15</i>	<i>\$14</i>
<i>Government</i>	<i>\$1,070</i>	<i>\$1,655</i>	<i>\$2,102</i>	<i>\$2,411</i>	<i>\$2,610</i>
<i>Exports</i>	<i>\$20,635</i>	<i>\$21,005</i>	<i>\$22,090</i>	<i>\$22,938</i>	<i>\$23,594</i>
<i>Imports (subtract)</i>	<i>\$14,754</i>	<i>\$16,050</i>	<i>\$17,759</i>	<i>\$18,785</i>	<i>\$19,420</i>

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

Totals may not sum due to rounding.

The table above represents the defense activities total economic impact in the Northwest Florida region. Defense activities in 2018 accounted for nearly 210,000 jobs, which surpassed the 2016 projection for 2018. The number of employed in the region in 2018 increased by 15% from 2016 number of employed. Table 7 shows that the military accounted for 33.4% of all GRP in the region, up from 32% in 2016. Employment impacts in the region are projected to increase through 2021 and then decrease beginning in 2022.

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

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



Table 8. Northwest Region: Total Economic Impacts by Component, Millions USD (2018)					
Spending Flow	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Gross Regional Product	\$2,919	\$ -	\$ 439	\$ 3,357
	Total Jobs	36,450	-	3,700	40,150
Employment	Gross Regional Product	\$15,919	\$1,314	\$91	\$ 17,325
	Total Jobs	132,180	9,640	1,262	143,082
Transfers	Gross Regional Product	\$ 1,957	\$ -	\$12	\$1,969
	Total Jobs	26,217	2	167	26,386
Totals	Gross Regional Product	\$20,794	\$1,314	\$ 542	\$22,651
	Total Jobs	194,847	9,642	5,129	209,618

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

Regional Impacts by Type

The data in the table above display a 4x4 matrix of the impacts by type for 2018. This includes procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2018 U.S. Dollars) are displayed next to the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner.

- Military generated the most jobs in the region (**194,847**) in 2018, an increase of **14%** from 2016.
 - o Procurement for the military generated **36,450** jobs in 2018, an increase of **57%** from 2016.
 - o Transfers for the military accounted for **26,000** jobs in 2018, an increase of **14%** from 2016.
 - o Employment for the military accounted for over **93%** of all economic impacts as of 2018.
- The military accounted for **92%** of all GRP economic impacts.
- Total, economic GRP impacts in 2018 were up **2%** from **\$22.1 billion** in 2016.
- Total defense spending accounts for approximately **33.4% of the total regional economy** in 2018.

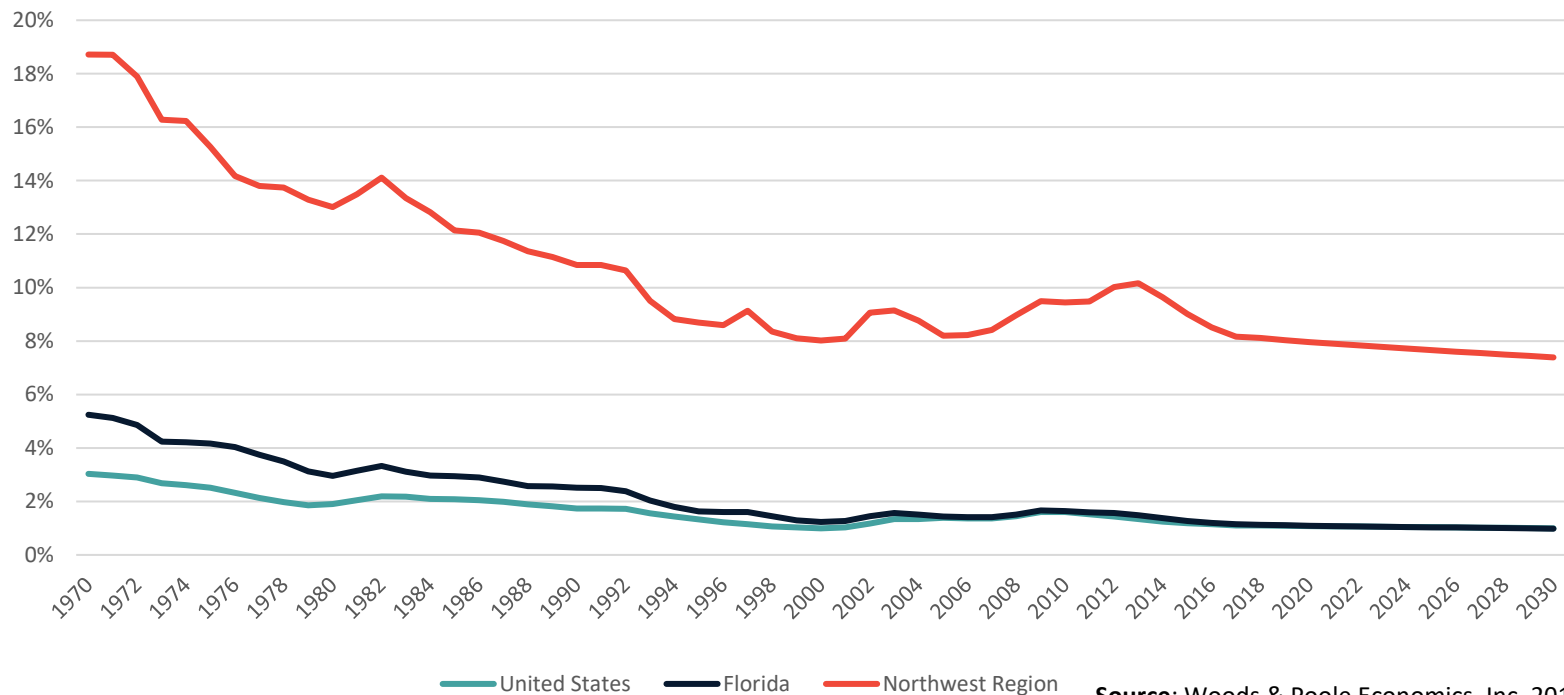
Table 9. Northwest Region: Defense Impacts by County, 2018 Millions USD							
County	Model Inputs – Combined Expenditures				Model Outputs – Combined Impacts		
	Procurement	Transfers	Salaries	Total	GDP	Employment	Percent GDP
Bay	\$728.6	\$374.6	\$355.5	\$1,458.7	\$3,162.5	28,965	32.8%
Calhoun	\$0.0	\$16.1	\$0.5	\$16.7	\$11.2	184	5.1%
Escambia	\$408.2	\$643.8	\$1,194.9	\$2,246.9	\$6,786.0	63,391	43.6%
Franklin	\$3.5	\$12.0	\$0.6	\$16.2	\$17.7	245	4.7%
Gadsden	\$1.6	\$35.0	\$23.6	\$60.2	\$44.9	677	3.7%
Gulf	\$0.0	\$12.1	\$0.5	\$12.6	\$24.4	334	5.5%
Holmes	\$0.0	\$24.1	\$1.1	\$25.2	\$15.5	281	5.2%
Jackson	\$0.0	\$49.8	\$2.0	\$51.9	\$35.4	588	2.8%
Jefferson	\$0.0	\$25.4	\$0.7	\$26.1	\$15.8	236	5.7%
Leon	\$762.9	\$170.5	\$28.3	\$961.7	\$1,145.9	14,833	7.2%
Liberty	\$0.0	\$3.4	\$0.3	\$3.7	\$5.3	70	3.2%
Okaloosa	\$1,189.9	\$753.3	\$1,787.9	\$3,731.1	\$9,388.8	78,757	72.2%
Santa Rosa	\$26.6	\$465.8	\$53.8	\$546.2	\$1,405.4	14,505	31.3%
Wakulla	\$0.1	\$19.5	\$1.2	\$20.9	\$32.5	417	4.8%
Walton	\$4.2	\$83.5	\$8.9	\$96.5	\$537.8	5,732	14.1%
Washington	\$0.0	\$17.6	\$0.9	\$18.6	\$21.9	409	4.5%
Total	\$3,125.8	\$2,706.6	\$3,460.8	\$9,293.2	\$22,651.1	209,622	33.4%

Source: Department of Defense; Department of Veterans Affairs; Bureau of Economic Analysis; Department of Treasury; REMI PI+ Florida Counties (Build 5294) V.2.2.2

Military Share of Total Earnings

This figure benchmarks the total share of state income that can be attributed to the military over time in the Northwest Florida region. This is graphed alongside the state and national spending. Earnings include more than wage and salary disbursements. They also include proprietors' income and other supplements to wages and salaries. In 2018, the Northwest military personnel receive an 8.1% share of total personal income in the region, a significantly larger share of personal income than at the state and national average. As the U.S. and Florida continue to diversify their economies, military share of the total earnings has converged over time to approximately 1.0% of all state and national earnings.

Figure 13. Military Share of Earnings, 1970 – 2030: Nation, Florida, and the Northwest Florida Region

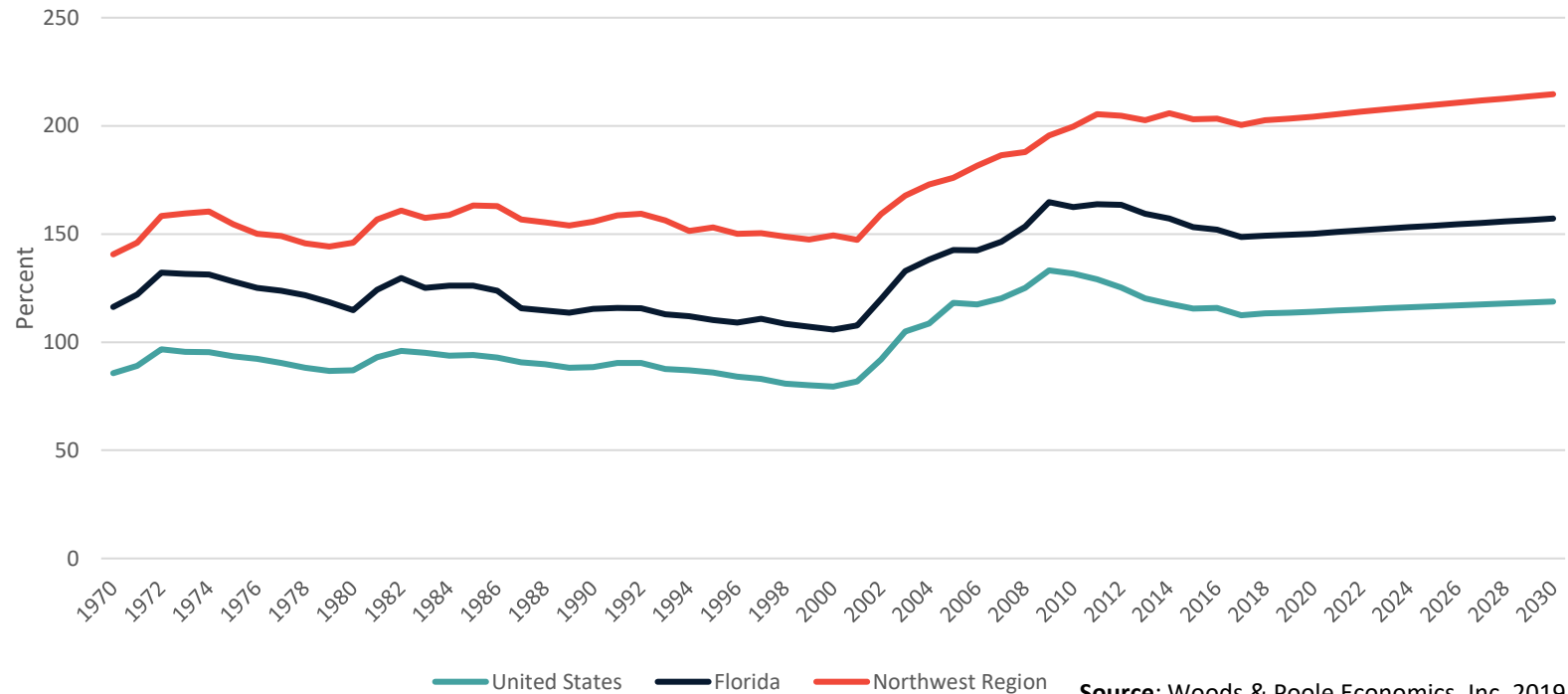


Source: Woods & Poole Economics, Inc. 2019

Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It shows a benchmark of the earnings of military employees against the earnings patterns of all workers. For the Northwest Florida Region, military employees in 1980 had earnings which totaled 145% of the Northwest Florida workforce's average earnings level. This jumped post-9/11 for the Northwest Florida Region, with military earnings recently surpassing 200% of the average worker in that region. This trend of military earnings increasing is expected to continue for the Northwest Florida Region. The state of Florida's relative earnings ratio is steady at 150%. For the U.S., the relative earnings ratio is also steady, at 113%.

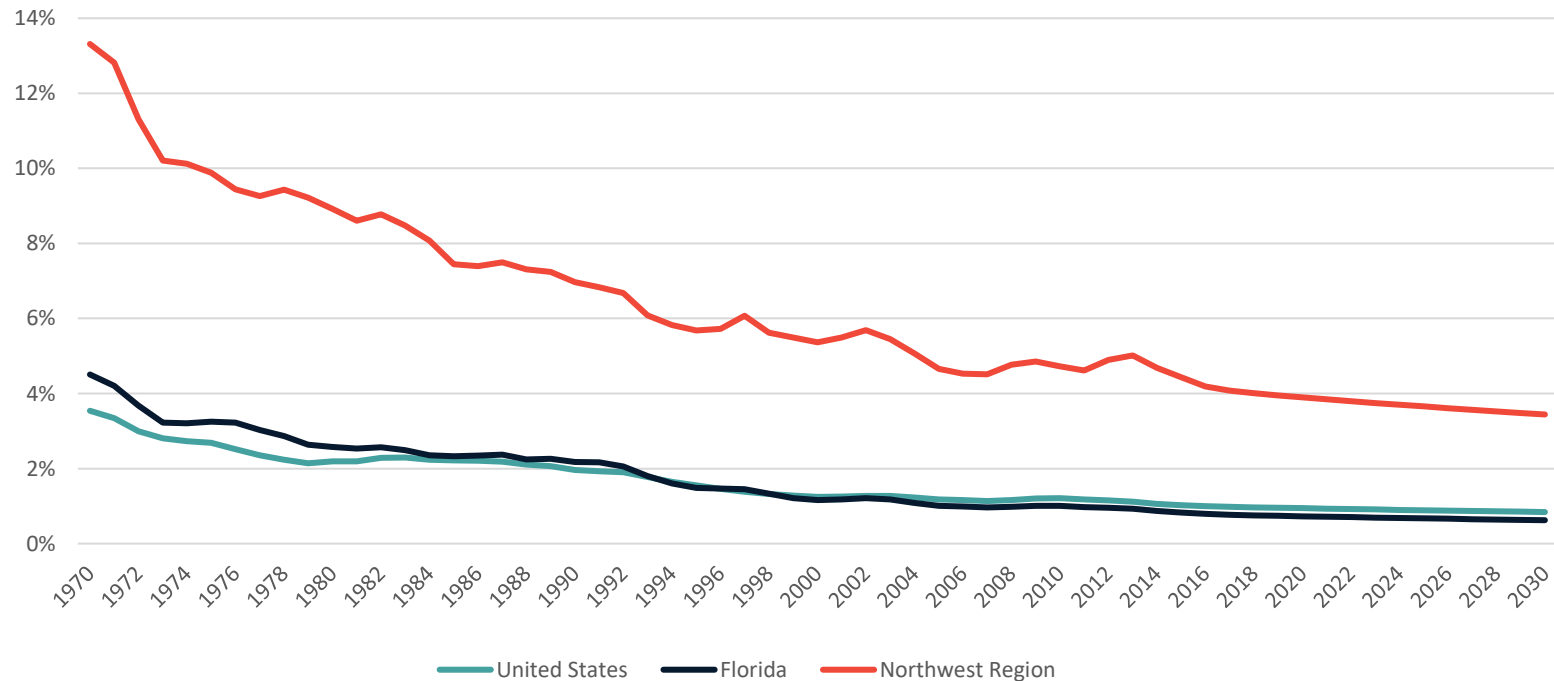
Figure 14. Average Military Earnings versus Average Total Earnings, 1970 – 2030: Nation, Florida, and Northwest Florida Region



Military Employment as a Share of Total Employment

The figure below shows military employment as a share of total employment for the Northwest Florida Region. This is shown alongside the military employment shares for both the state of Florida and the U.S. In 1980 the military accounted for 8.9% of Northwest Florida employment, 2.6% of Florida employment, and 2.2% of U.S. employment. By 2018, the Northwest Florida Region had an employment share of 4.0%. These figures declined to 0.75% and 1% for the state and the U.S., respectively. These data indicate that the military does not directly contribute to as large a share of state employment as it once did. Most defense-heavy regions have military employment ratios that are well above the average but have shrunk significantly from recent decades. In recent post-Cold War decades, state and national economies have diversified while military spending has remained relatively flat.

Figure 15. Military Employment as a Share of Total Employment, 1970 – 2030: Nation, Florida, and the Northwest Florida Region

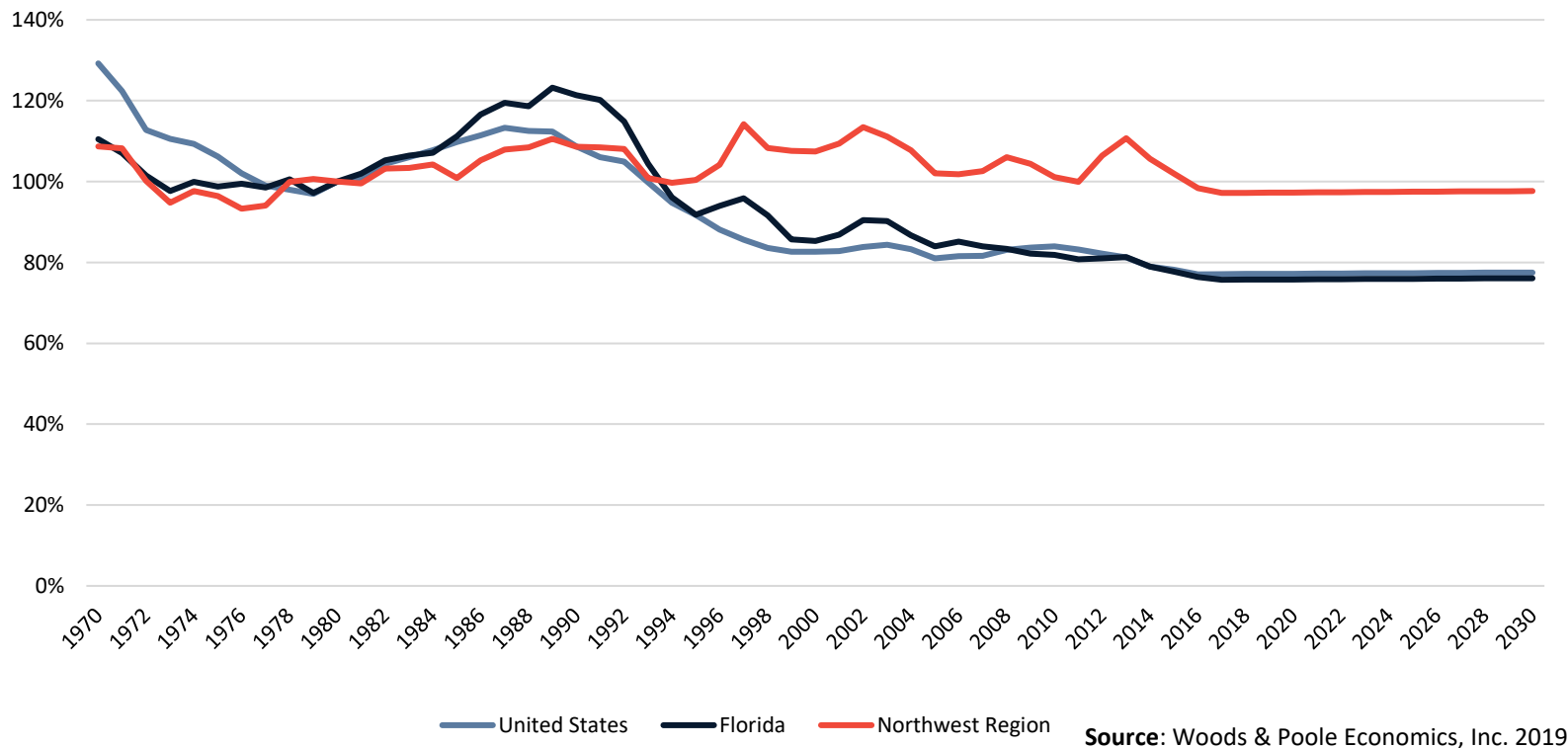


Source: Woods & Poole Economics, Inc. 2019

Total Military Employment Indexed to 1980

The figure below benchmarks the size of military employment in the Northwest region against the 1980 total. In 2018, the military share of employment in the Northwest region had declined to 67% of its size in 1980. Decreases in share of military employment can result from a decrease in military workforce size, an increase in civilian workforce size, or a slower growth of military workforce versus the growth of civilian workforce. Decreases can also result from economic diversification away from defense. Military employment at the national level is currently at 77% of its 1980 size, and at the state level, it is at 76%.

Figure 16. Total Military Employment Indexed to 1980, 1970 – 2030: Nation, Florida, and the Northwest Florida Region



Demographics and the Regional Economy

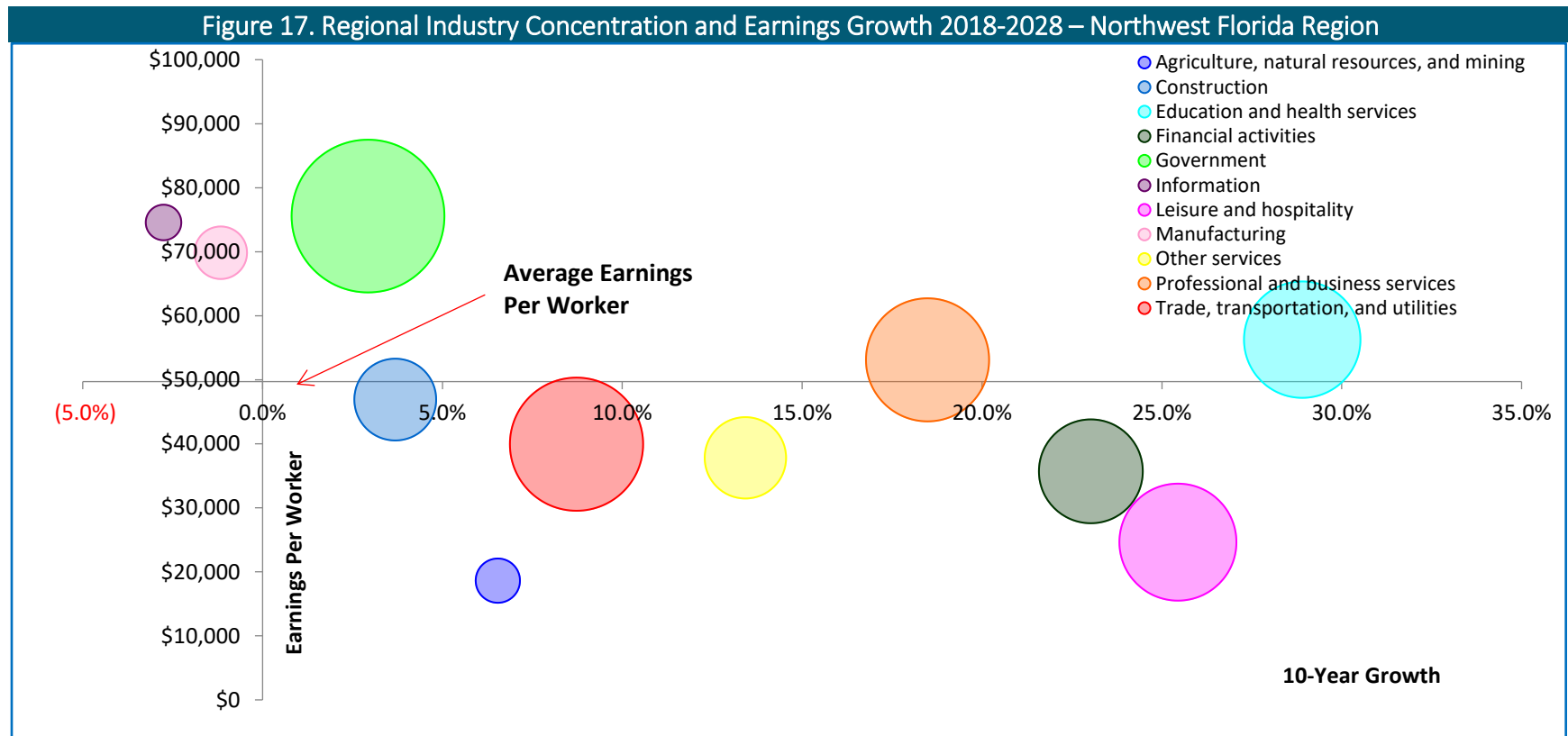
The table below contains information on Northwest Florida's regional population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Between 2007 and 2017, the region's population grew at 10.1%. Between 2009 and 2019, the region's population grew at 9.9%. The region's growth rate is expected to slow to 8.8% in the next decade. Two years ago, the predicted the growth rate was projected to be 13.8% in the next decade. The region's average household income was 91% of the average statewide wage.

Table 10. Demographic Estimates: Northwest Florida Region

Total Population	Estimate
Population in 2009	1,359,791
Population in 2019	1,494,878
Population in 2029	1,626,504
Growth from 2009 to 2019	9.9%
Growth from 2019 to 2029	8.8%
Personal Income (inclusive of all income sources)	
Average Regional Household Income (2019)	\$108,038
Average Florida Household Income (2019)	\$118,835
Number of Households (2019)	599,766

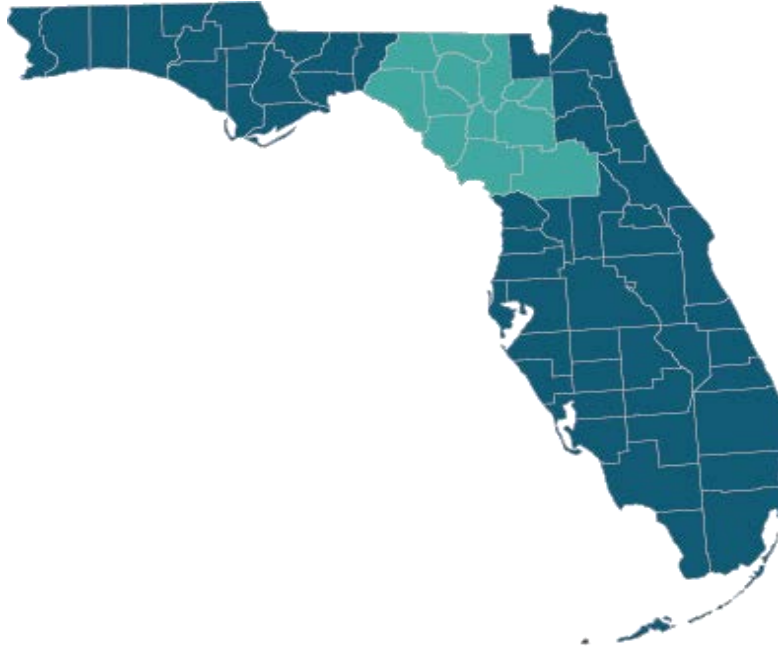
Source: Woods & Poole Economics, Inc. 2019

The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while the horizontal axis shows the ten-year growth and the vertical axis shows the average earnings per worker. The **largest employment sector** in the Northwest Florida region is the government with over 166,000 employed. This is followed by the trade sector with nearly 127,000 employed. The **greatest average earning sectors** are government, information, and manufacturing. Government is the highest average earning sector with \$75,575 average earnings. However, these three sectors also have the lowest predicted 10-year growth, with information and manufacturing both expected to shrink in the next ten years. The **sector projected to experience the most growth** over the next 10 years is education and health services with 10-year growth at 29%. This is followed closely by leisure and hospitality and financial sectors with 25% and 23% growth, respectively.



Source: Woods & Poole Economics, Inc. 2019

North Central Florida Region



North Central Florida Regional Summary

The North Central Florida Region includes Alachua, Bradford, Columbia, Dixie, Gilchrist, Hamilton, Lafayette, Levy, Madison, Marion, Suwannee, Taylor, and Union Counties. As in years past, defense activities play a role in the regional economy primarily as a function of transfer payments to retirees, veterans, etc. Military spending, summed with the National Guard and the Coast Guard, totals to the Combined Direct Expenditure estimates as indicated in Table 11. Transfer payments accounted for the largest share at roughly \$1.1 billion (74%) of the \$1.4 billion total. Salaries accounted for \$97 million (5%), and procurement accounted for \$160 million (21%).

Table 11. North Central Region: Combined Direct Defense Expenditures	
Spending Flow	Millions (Current USD)
Procurement	\$160
Salaries	\$97
Pensions & Transfers	\$1,111
Total Combined Direct Expenditure	\$1,369

Source: Department of Defense; Department of Veterans Affairs; Bureau of Economic Analysis; Department of Treasury

Figure 18. North Central Region: Distribution of Direct Defense Expenditures

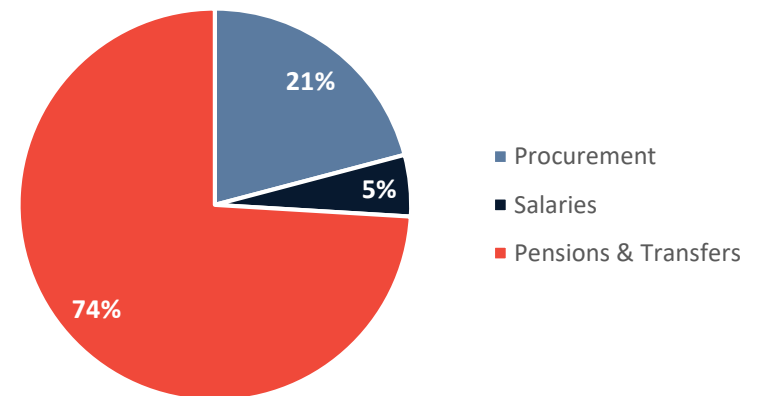


Table 12. North Central Region: Economic Impact Forecast, 2018 – 2022 Current Millions USD					
Impact Type	2018	2019	2020	2021	2022
Total Employment	21,928	22,041	23,910	24,119	23,821
Gross Regional Product	\$1,787	\$1,927	\$2,089	\$2,156	\$2,182
<i>Total Consumption</i>	<i>\$1,777</i>	<i>\$1,752</i>	<i>\$1,858</i>	<i>\$1,911</i>	<i>\$1,959</i>
<i>Investment Residential</i>	<i>\$412</i>	<i>\$555</i>	<i>\$584</i>	<i>\$547</i>	<i>\$477</i>
<i>Investment Non-residential</i>	<i>\$99</i>	<i>\$115</i>	<i>\$125</i>	<i>\$127</i>	<i>\$123</i>
<i>Producer's Durable Equipment</i>	<i>\$55</i>	<i>\$93</i>	<i>\$124</i>	<i>\$146</i>	<i>\$162</i>
<i>Business Inventories</i>	<i>\$3</i>	<i>\$5</i>	<i>\$4</i>	<i>\$3</i>	<i>\$3</i>
<i>Government</i>	<i>\$282</i>	<i>\$438</i>	<i>\$543</i>	<i>\$610</i>	<i>\$651</i>
<i>Exports</i>	<i>\$982</i>	<i>\$966</i>	<i>\$1,046</i>	<i>\$1,075</i>	<i>\$1,091</i>
<i>Imports (subtract)</i>	<i>\$1,823</i>	<i>\$1,998</i>	<i>\$2,196</i>	<i>\$2,264</i>	<i>\$2,285</i>

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

Totals may not sum due to rounding.

The table above represents the defense activities total economic impact in the North Central Florida region. Defense activities in 2018 accounted for nearly 22,000 jobs, which was 2% shy of the 2016 projection for 2018. The number of employed in the region in 2018 increased by 15% from 2016 number of employed. Employment impacts in the region are projected to increase slightly through 2022.

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

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



Table 13. North Central Region: Total Economic Impacts by Component, Millions USD (2018)					
Spending Flow	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Gross Regional Product	\$203	\$ -	\$2	\$205
	Total Jobs	2,301	1	17	2,319
Employment	Gross Regional Product	\$660	\$ 70	\$14	\$ 744
	Total Jobs	6,703	731	169	7,603
Transfers	Gross Regional Product	\$833	\$-	\$5	\$838
	Total Jobs	11,933	-	72	12,005
Totals	Gross Regional Product	\$1,697	\$70	\$20	\$1,787
	Total Jobs	20,937	732	258	21,927

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

Regional Impacts by Type

The data in the table above display a 4x4 matrix of the impacts by type for 2018. This includes procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2018 U.S. Dollars) are displayed next to the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner.

- Military generated the most jobs in the region (**20,937**) in 2018, an increase of **15%** from 2016.
 - o Procurement for the military generated **2,301** jobs in 2018, an increase of **7%** from 2016.
 - o Transfers for the military accounted for **11,933** jobs in 2018, an increase of **20%** from 2016.
 - o Transfers for the military accounted for over **54%** of all job impacts as of 2018.
- The military accounted for **95%** of all GRP economic impacts.
- Total, economic GRP impacts in 2018 were up **25%** from \$1.43 billion in 2016.
- Defense spending accounts for approximately **5.6% of the region's total economy**.

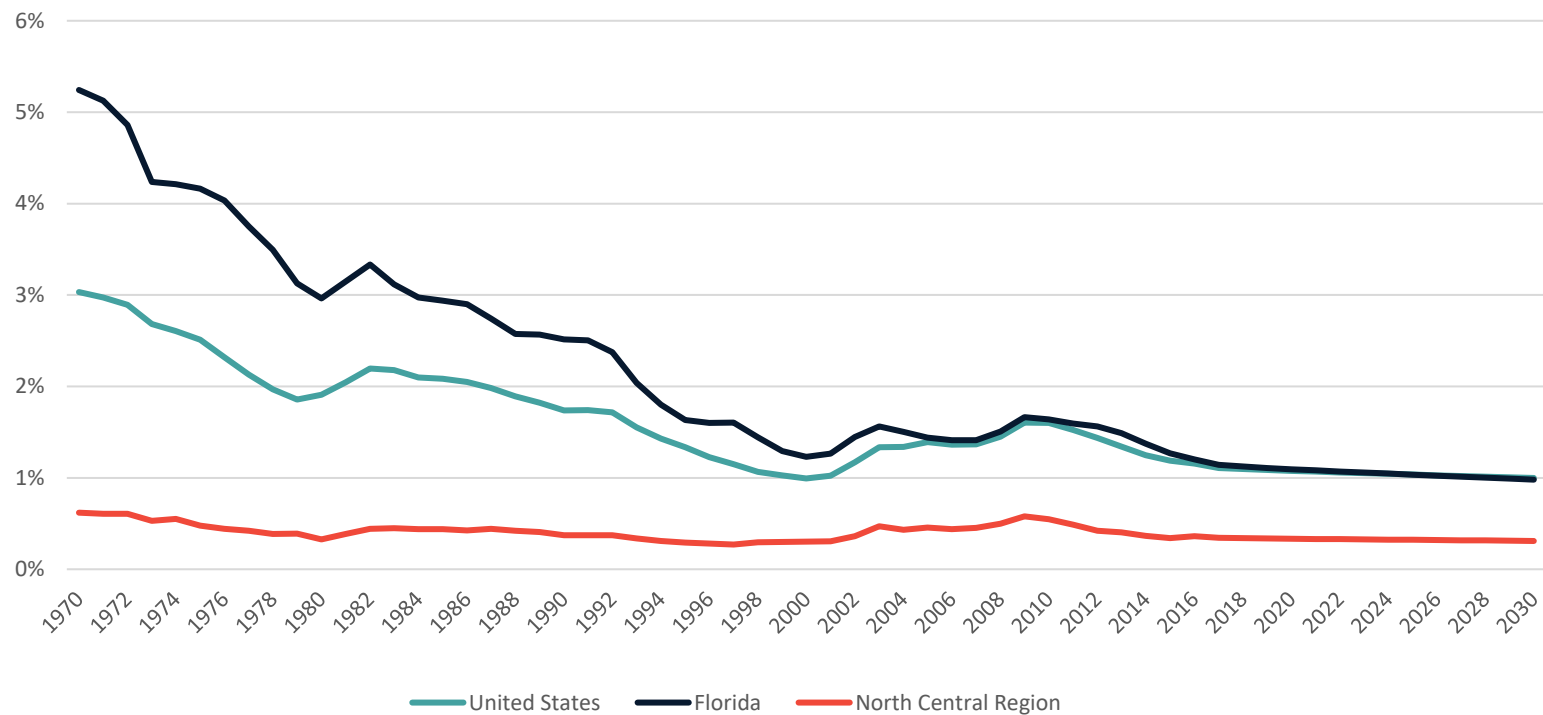
Table 14. North Central Region - Defense Impacts by County, 2018 Millions USD							
County	Model Inputs –				Model Outputs –		
	Combined Expenditures				Combined Impacts		
	Procurement	Transfers	Salaries	Total	GDP	Employment	Percent GDP
Alachua	\$59.9	\$292.4	\$54.1	\$406.3	\$757.0	8,171	5.2%
Bradford	\$0.3	\$39.5	\$1.6	\$41.4	\$33.7	451	5.0%
Columbia	\$1.2	\$142.8	\$2.8	\$146.8	\$119.3	1,696	5.1%
Dixie	\$0.0	\$23.3	\$0.4	\$23.7	\$13.6	175	6.1%
Gilchrist	\$0.0	\$23.8	\$0.6	\$24.3	\$14.2	209	4.4%
Hamilton	\$0.0	\$16.2	\$0.5	\$16.7	\$10.7	121	2.9%
Lafayette	\$0.0	\$4.9	\$0.3	\$5.2	\$3.6	44	2.4%
Levy	\$21.8	\$61.2	\$3.2	\$86.2	\$77.6	1,045	9.5%
Madison	\$0.0	\$17.5	\$0.7	\$18.3	\$20.3	226	3.8%
Marion	\$47.1	\$401.5	\$29.9	\$478.5	\$622.1	8,402	6.3%
Suwannee	\$3.4	\$57.0	\$1.8	\$62.2	\$50.9	737	4.6%
Taylor	\$26.4	\$20.1	\$1.1	\$47.5	\$51.4	510	7.0%
Union	\$0.0	\$11.1	\$0.4	\$11.6	\$12.7	143	3.2%
Total	\$160.0	\$1,111.2	\$97.3	\$1,368.5	\$1,787.2	21,928	5.6%

Source: Department of Defense; Department of Veterans Affairs; Bureau of Economic Analysis; Department of Treasury;
REMI PI+ Florida Counties (Build 5294) V.2.2.2

Military Share of Total Earnings

This figure benchmarks the total share of state income that can be attributed to the military over time in the North Central Florida region. This is graphed alongside the state and national spending. Earnings include more than wage and salary disbursements. They also include proprietors' income and other supplements to wages and salaries. In 2018, the North Central military personnel receive a 0.34% share of total personal income in the region, a smaller share of personal income than at the state and national average. As the U.S. and Florida continue to diversify their economies, military share of the total earnings has converged over time to approximately 1.0% of all state and national earnings.

Figure 19. Military Share of Total Earnings, 1970 – 2030: Nation, Florida, and the North Central Region

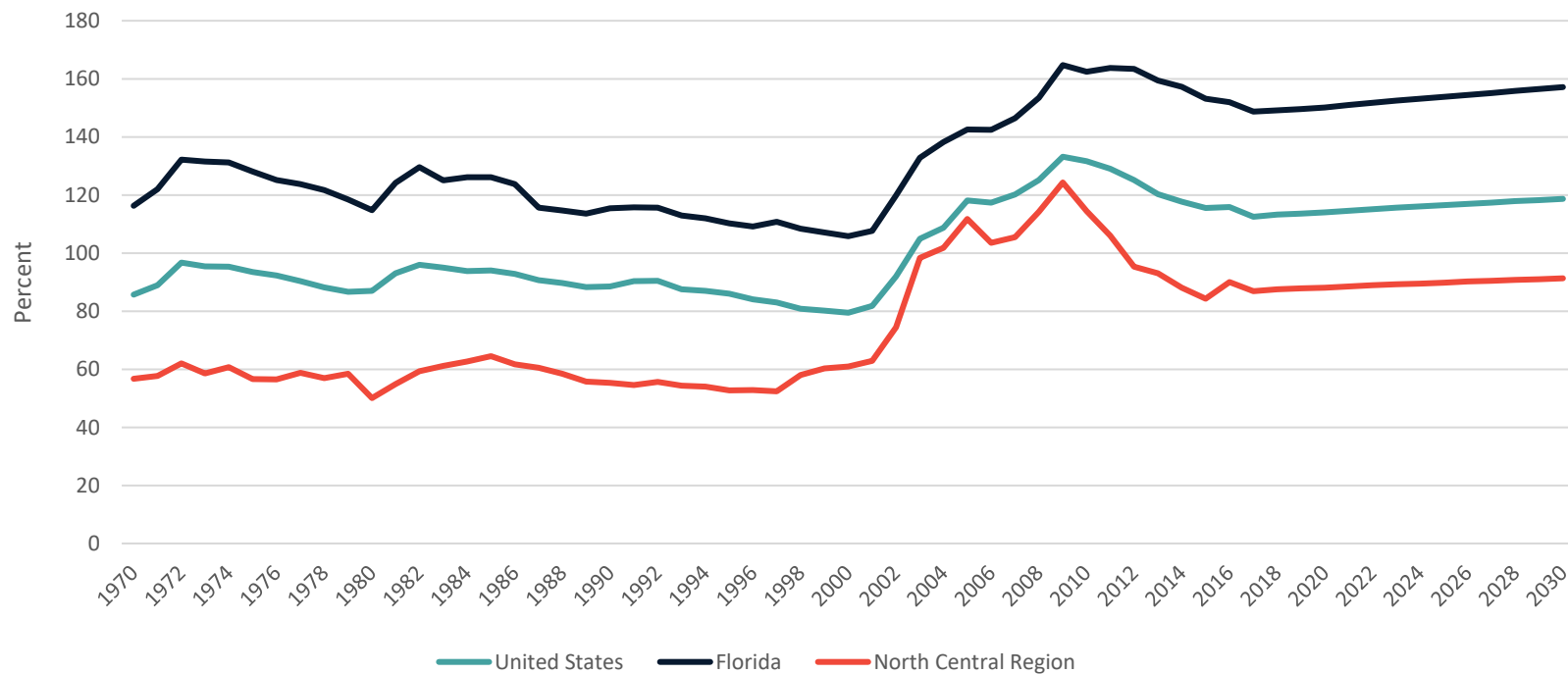


Source: Woods & Poole Economics, Inc. 2019

Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It shows a benchmark of the earnings of military employees against the earnings patterns of all workers. For the North Central Florida Region, military employees in 1980 had very low earnings at only 50% of the North Central Florida workforce's average earnings level. Post-9/11, this jumped for the North Central Florida region, but military earnings only surpassed regional earnings from 2004 to 2011. As of 2018, average military earnings for the region stand at 87% of the average regional earnings. North Central Florida's military average earnings are projected to stay below the regional average wage level in the next decade. The state of Florida's relative earnings ratio is steady at 150%. For the U.S., the relative earnings ratio is also steady, at 113%.

Figure 20. Average Military Earnings vs Average Total Earnings, 1970 – 2030: Nation, Florida, and the North Central Region

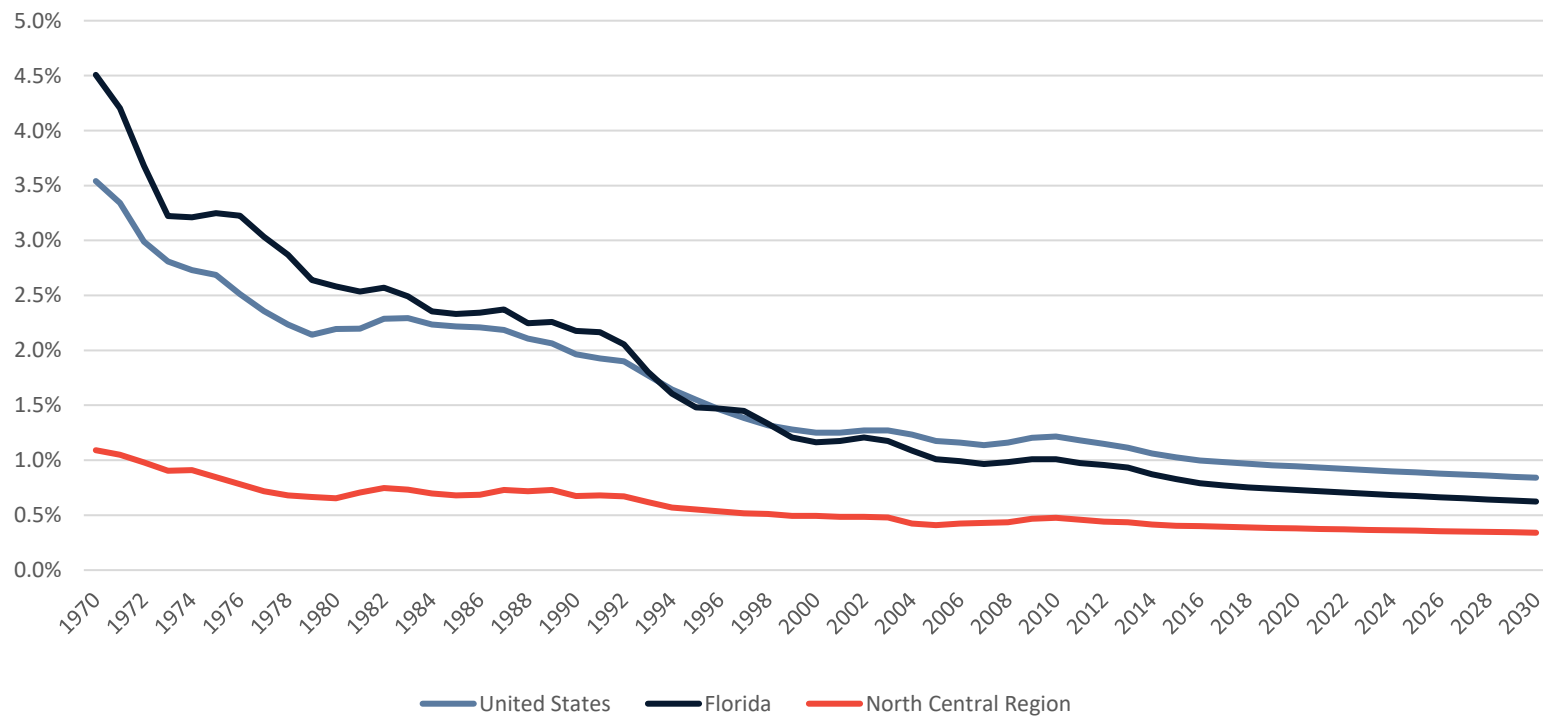


Source: Woods & Poole Economics, Inc. 2019

Military Employment as a Share of Total Employment

The figure below shows military employment as a share of total employment for the North Central Florida Region. This is shown alongside the military employment shares for both the state of Florida and the U.S. In 1980 the military accounted for 0.65% of North Central Florida employment, 2.6% of Florida employment, and 2.2% of U.S. employment. By 2018, the North Central Florida Region had an employment share of 0.4%. These figures declined to 0.75% and 1% for the state and the U.S., respectively. These data indicate that the military does not directly contribute to as large a share of state employment as it once did. In recent post-Cold War decades, state and national economies have diversified while military spending has remained relatively flat.

Figure 21. Military Employment as a Share of Total Employment, 1970 – 2030: Nation, Florida, and the North Central Region

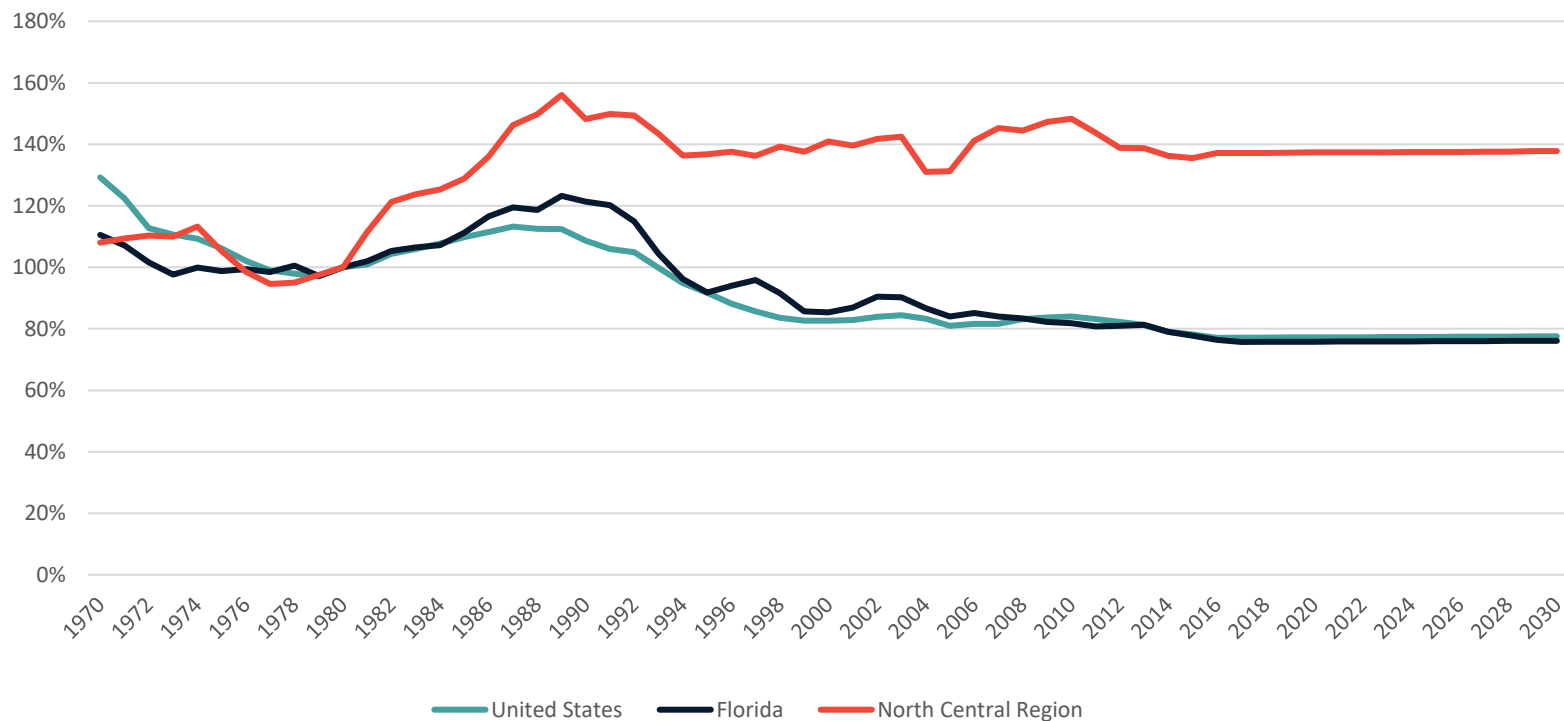


Source: Woods & Poole Economics, Inc. 2019

Change in Military Employment

The figure below benchmarks the size of military employment in the North Central Florida region against the 1980 regional total. For example, North Central Florida Region military employment in 1985 was 129% of the 1980 total. In 2018, the military share of employment in the North Central region had grown by 37% of its size in 1980. Increases in share of military employment can result from an increase in military workforce size, a decrease in civilian workforce size, or a faster growth of military workforce versus the growth of civilian workforce. Increases can also result from economic diversification towards from defense. Military employment at the national level is currently at 77% of its 1980 size, and at the state level, it is at 76%.

Figure 22. Total Military employment Indexed to 1980, 1970 – 2030: Nation, Florida, and the North Central Region



Source: Woods & Poole Economics, Inc. 2019

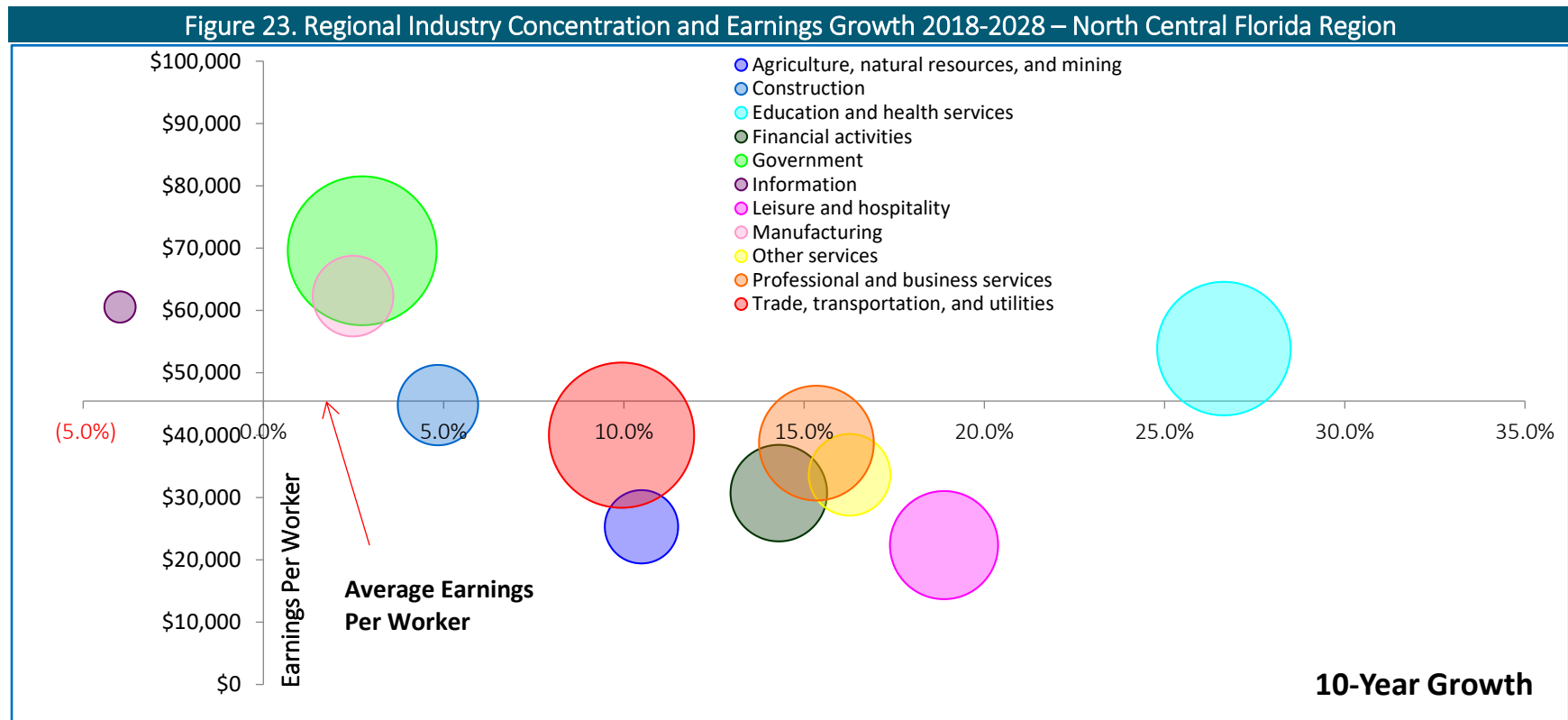
Demographics and the Regional Economy

The table below contains information on North Central Florida's regional population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Between 2007 and 2017, the region's population grew 7.5%. Between 2009 and 2019, the region's population also grew 7.5%. The region's growth rate is expected to grow to 10.8% in the next decade. Two years ago, the predicted growth rate was projected to be 16.8% in the next decade. The region's average household income in 2018 was 75% of the average statewide wage.

Table 15. Demographic Estimates, North Central Florida Region	
Total Population	Estimate
Population in 2009	869,819
Population in 2019	935,256
Population in 2029	1,036,050
Growth from 2009 to 2019	0.08%
Growth from 2019 to 2029	0.11%
Personal Income (Inclusive of all forms of income)	
Average Regional Personal Income (2019)	\$89,456
Average Florida Personal Income (2019)	\$118,835
Number of Households (2019)	391,076

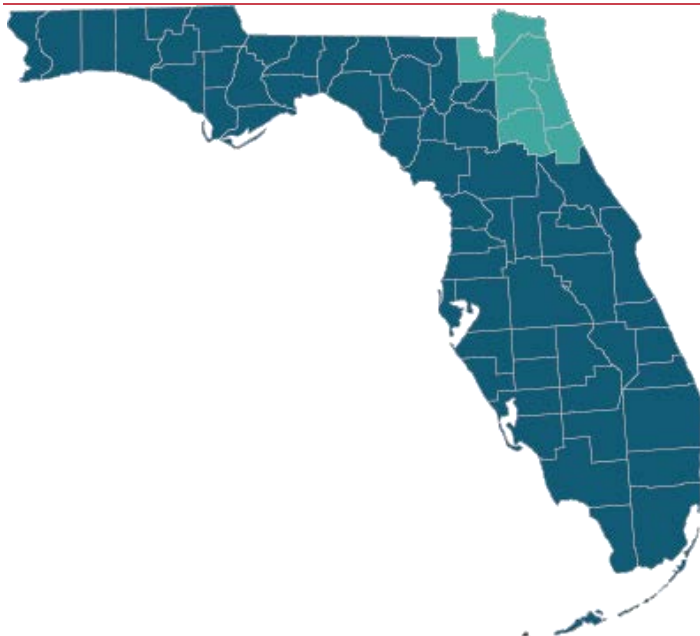
Source: Woods & Poole Economics, Inc. 2019

The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while the horizontal axis shows the ten-year growth and the vertical axis shows the average earnings per worker. The **largest employment sector** in the North Central Florida region is the government with nearly 79,000 employed. This is followed by the trade sector and education/health sector with nearly 75,000 and 64,000 employed in the region, respectively. The **greatest average earning sectors** are government, information, and manufacturing. Government is the highest average earning sector with \$69,587 average earnings. However, these three sectors also have the lowest predicted 10-year growth, with information expected to shrink in the next ten years. The **sector projected to experience the most growth** over the next 10 years is education/health with 10-year growth at 27%. This is followed closely by leisure/hospitality with 19% growth.



Source: Woods & Poole Economics, Inc. 2019

Northeast Florida Region



Northeast Florida Regional Summary

The Northeast Florida Region includes Baker, Clay, Duval, Flagler, Nassau, Putnam, and St. Johns Counties. Defense activities play a substantial role in the regional economy, injecting over \$5.8 billion in spending into the region in 2018. Military spending, summed with the National Guard and the Coast Guard, totals to the Combined Direct Expenditure estimates as indicated in Table 16. Transfer payments accounted for the largest share at \$2.2 billion (38%) of the \$5.8 billion total. Salaries accounted for \$1.8 billion (30%), and procurement accounted for \$1.8 billion (32%).

Table 16. Northeast Region: Combined Direct Defense Expenditures	
Spending Flow	Millions (Current USD)
Procurement	\$1,824
Salaries	\$1,756
Pensions & Transfers	\$2,230
Total Combined Direct Expenditure	\$5,811

Source: Department of Defense; Department of Veterans Affairs; Bureau of Economic Analysis; Department of Treasury

Figure 24 . Northeast Region: Distribution of Direct Defense Expenditures

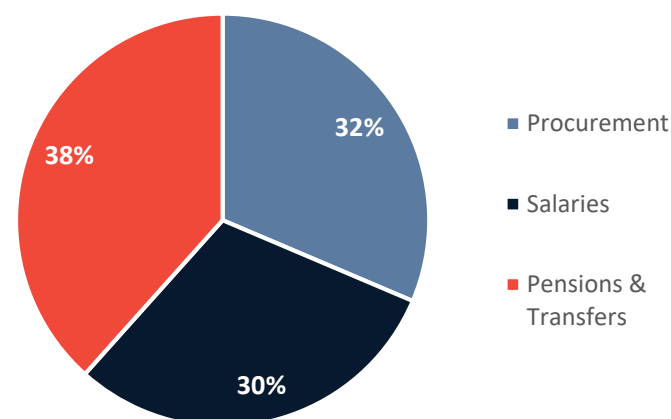


Table 17. Northeast Region: Economic Impact Forecast, 2018 – 2022 Current Millions USD					
Impact Type	2018	2019	2020	2021	2022
Total Employment	124,437	125,077	135,681	136,870	135,177
Gross Regional Product	\$14,168	\$14,757	\$15,760	\$16,104	\$16,146
<i>Total Consumption</i>	<i>\$8,152</i>	<i>\$8,035</i>	<i>\$8,722</i>	<i>\$9,015</i>	<i>\$9,201</i>
<i>Investment Residential</i>	<i>\$1,859</i>	<i>\$2,516</i>	<i>\$2,708</i>	<i>\$2,575</i>	<i>\$2,260</i>
<i>Investment Non-residential</i>	<i>\$428</i>	<i>\$476</i>	<i>\$515</i>	<i>\$519</i>	<i>\$498</i>
<i>Producer's Durable Equipment</i>	<i>\$212</i>	<i>\$363</i>	<i>\$483</i>	<i>\$569</i>	<i>\$631</i>
<i>Business Inventories</i>	<i>\$14</i>	<i>\$20</i>	<i>\$17</i>	<i>\$14</i>	<i>\$13</i>
<i>Government</i>	<i>\$415</i>	<i>\$650</i>	<i>\$812</i>	<i>\$912</i>	<i>\$968</i>
<i>Exports</i>	<i>\$10,179</i>	<i>\$10,191</i>	<i>\$10,750</i>	<i>\$11,058</i>	<i>\$11,267</i>
<i>Imports (subtract)</i>	<i>\$7,092</i>	<i>\$7,495</i>	<i>\$8,247</i>	<i>\$8,557</i>	<i>\$8,692</i>

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

Totals may not sum due to rounding.

The table above represents the defense activities total economic impact in the Northeast Florida region. Defense activities in 2018 accounted for over 124,000 jobs, which was about equal to the 2016 projection for 2018. The number of employed in the region in 2018 increased by 7% from the 2016 number of employed. Employment impacts in the region are projected to increase slightly through 2021 and then decrease in 2022. Gross Regional Product impacts in the region in 2018 accounted for over \$14.1 billion in impacts, which was 6.5% greater than the 2016 projection for 2018. Gross Regional Product impacts are projected to increase through 2022.

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

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



Table 18. Northeast Region: Total Economic Impacts by Component, Millions USD (2018)					
Spending Flow	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Gross Regional Product	\$1,934	\$31	\$8	\$1,973
	Total Jobs	19,955	297	98	20,350
Employment	Gross Regional Product	\$8,247	\$988	\$200	\$9,435
	Total Jobs	63,840	7,677	2,177	73,694
Transfers	Gross Regional Product	\$2,735	\$4	\$21	\$2,760
	Total Jobs	30,115	49	230	30,394
Totals	Gross Regional Product	\$12,916	\$1,023	\$229	\$14,168
	Total Jobs	113,910	8,023	2,505	124,438

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

Regional Impacts by Type

The data in the table above display a 4x4 matrix of the impacts by type for 2018. This includes procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2018 U.S. Dollars) are displayed next to the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner.

- Military generated the most jobs in the region (**113,910**) in 2018, an increase of **8%** from 2016.
 - o Procurement for the military generated **19,995** jobs in 2018, an increase of **19%** from 2016.
 - o Transfers for the military accounted for **30,115** jobs in 2018, an increase of **21%** from 2016.
 - o Employment for the military accounted for over **51%** of all job impacts as of 2018.
- The military accounted for **92%** of all job economic impacts and **91%** of all GRP economic impacts.
- Total, economic GRP impacts in 2018 were up **15%** from \$12.3 billion in 2016.
- Defense spending accounts for approximately **15.2% of the region's total economy**.

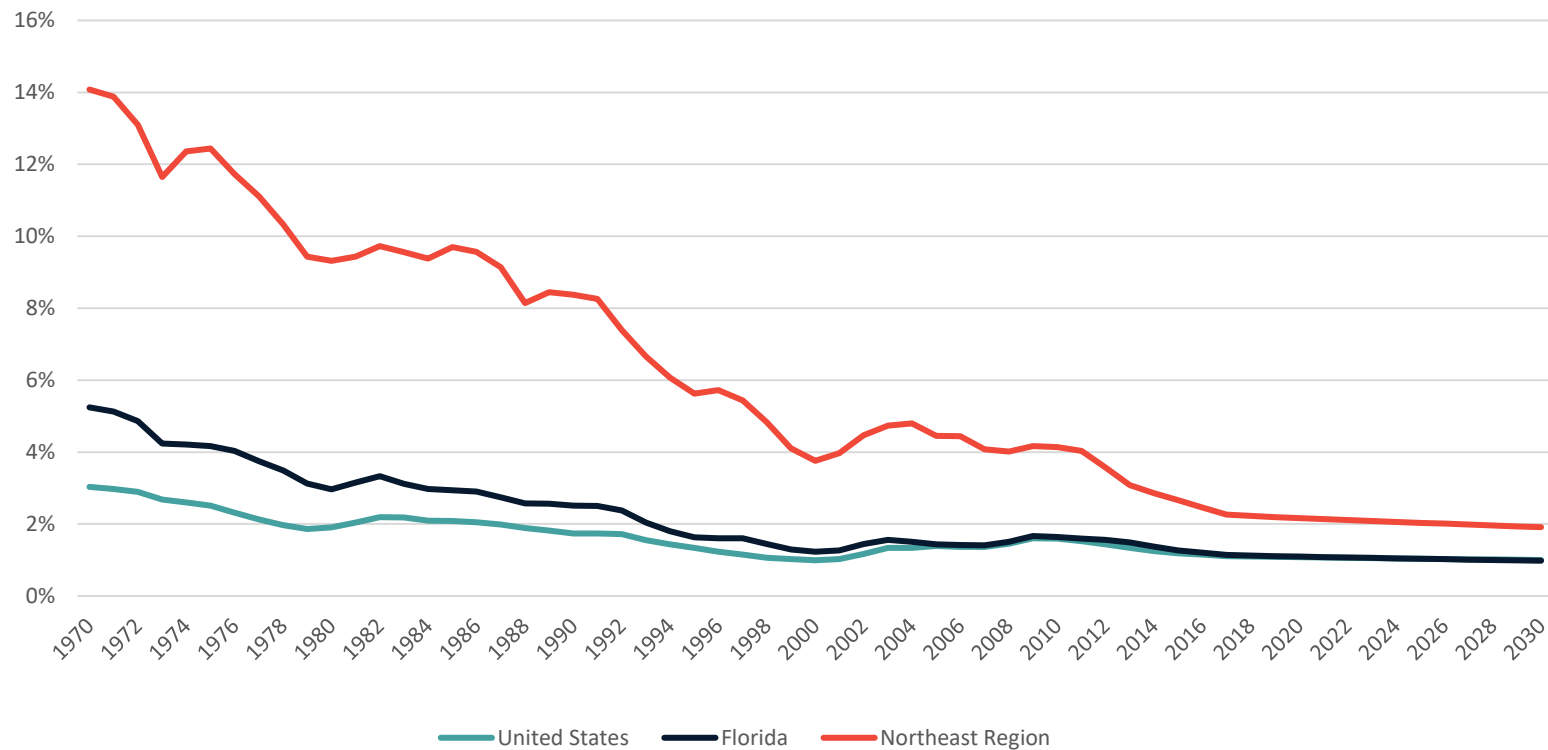
Table 19. Northeast Region - Defense Impacts by County, 2018 Millions USD							
	Model Inputs – Combined Expenditures				Model Outputs – Combined Impacts		
County	Procurement	Transfers	Salaries	Total	GDP	Employment	Percent GDP
Baker	\$1.0	\$24.5	\$0.9	\$26.5	\$28.9	485	5.0%
Clay	\$32.7	\$490.3	\$226.8	\$749.8	\$780.6	10,382	14.7%
Duval	\$1,718.5	\$1,164.2	\$1,492.0	\$4,374.8	\$12,017.0	97,280	17.0%
Flagler	\$2.2	\$147.5	\$7.8	\$157.6	\$161.5	2,566	7.0%
Nassau	\$4.8	\$105.7	\$3.2	\$113.8	\$144.1	2,035	6.2%
Putnam	\$0.5	\$88.2	\$4.7	\$93.4	\$139.3	1,256	5.7%
St. Johns	\$64.6	\$209.7	\$21.0	\$295.2	\$897.0	10,433	9.5%
Total	\$1,824.3	\$2,230.1	\$1,756.5	\$5,810.9	\$14,168.3	124,437	15.2%

Source: Department of Defense; Department of Veterans Affairs; Bureau of Economic Analysis; Department of Treasury;
REMI PI+ Florida Counties (Build 5294) V.2.2.2

Military Share of Total Earnings

This figure benchmarks the total share of state income that can be attributed to the military over time in the Northeast Florida region. This is graphed alongside the state and national spending. Earnings include more than wage and salary disbursements. They also include proprietors' income and other supplements to wages and salaries. In 2018, the Northeast military personnel received a 2.2% share of total personal income in the region, a slightly larger share of personal income than at the state and national average. As the U.S. and Florida continue to diversify their economies, military share of the total earnings has converged over time to approximately 1.0% of all state and national earnings.

Figure 25. Military Share of Total Earnings, 1970 – 2030: Nation, Florida, and the Northeast Florida Region

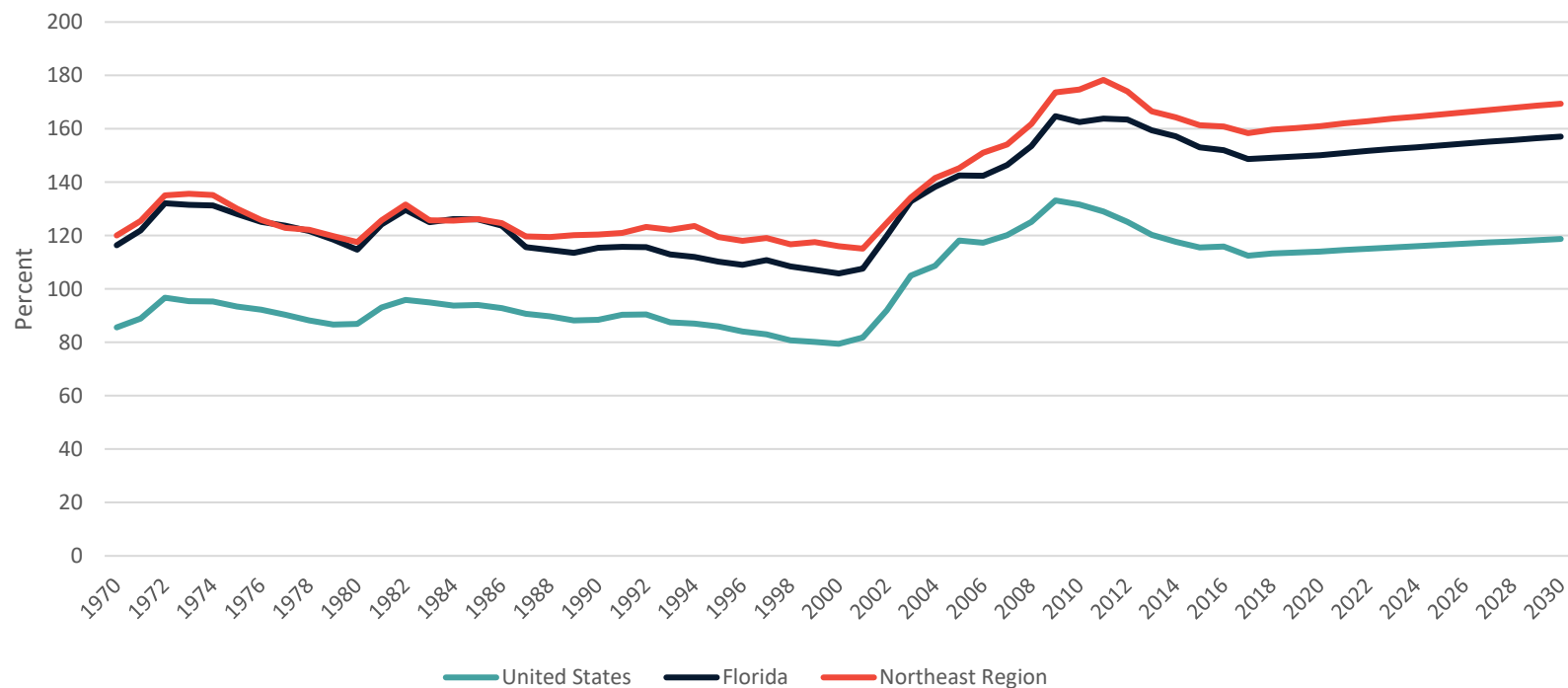


Source: Woods & Poole Economics, Inc. 2019

Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It shows a benchmark of the earnings of military employees against the earnings patterns of all workers. For the Northeast Florida Region, military employees in 1980 had earnings which totaled 118% of the Northeast Florida workforce's average earnings level. As of 2018, the average military earnings for the Northeast Florida region were 160% of the average workforce wages for the region. Northeast Florida's military average earnings are projected to stay well above the regional average wage level in the next decade. The state of Florida's relative earnings ratio is steady at 150%. For the U.S., the relative earnings ratio is also steady, at 113%.

Figure 26. Average Military Earnings vs Average Total Earnings, 1970 – 2030: Nation, Florida, and the Northeast Florida Region

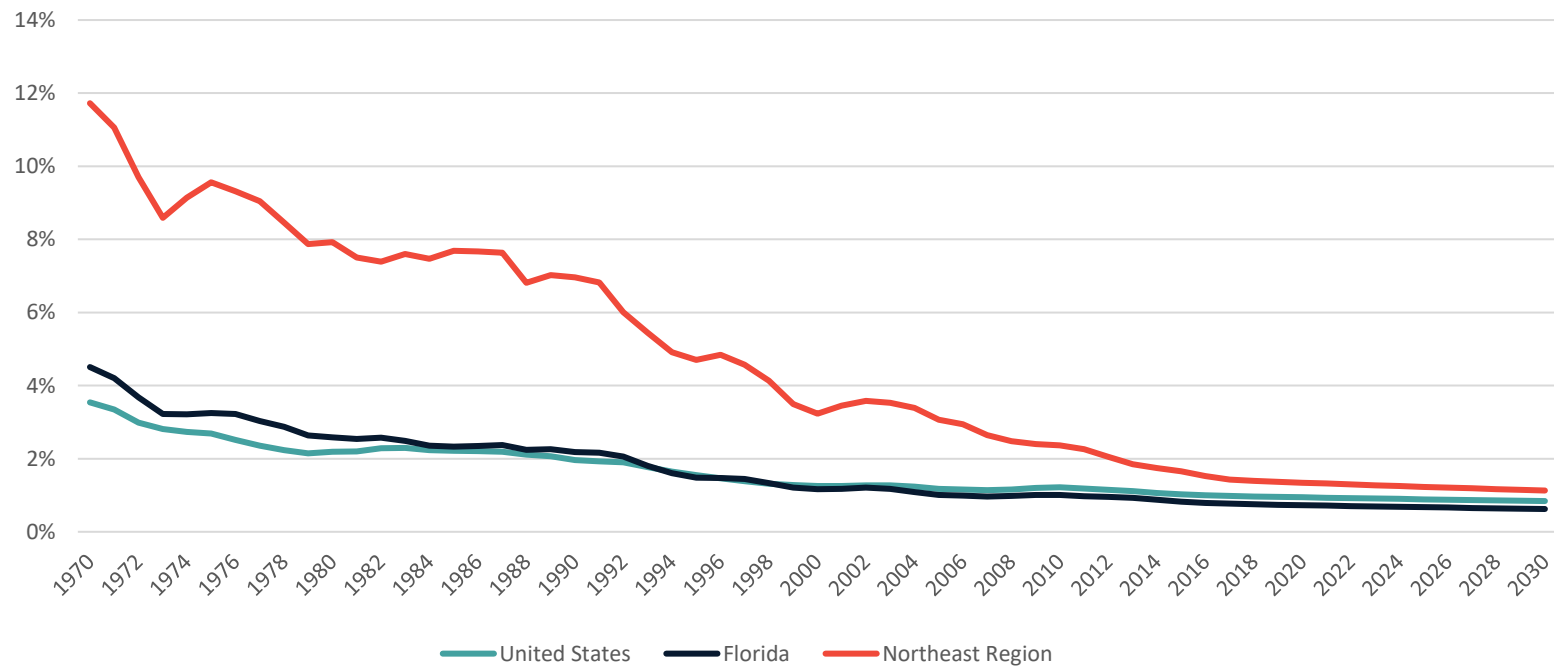


Source: Woods & Poole Economics, Inc. 2019

Military Employment as a Share of Total Employment

The figure below shows military employment as a share of total employment for the Northeast Florida Region. This is shown alongside the military employment shares for both the state of Florida and the U.S. In 1980 the military accounted for 7.9% of Northeast Florida employment, 2.6% of Florida employment, and 2.2% of U.S. employment. By 2018, the Northeast Florida Region had an employment share of 1.4%. These figures declined to 0.75% and 1% for the state and the U.S., respectively. The military does not directly contribute to as large a share of state employment as it once did. In recent post-Cold War decades, state and national economies have diversified while military spending has remained relatively flat.

Figure 27. Military Employment as a Share of Total Employment, 1970 – 2030: Nation, Florida, and the Northeast Florida Region

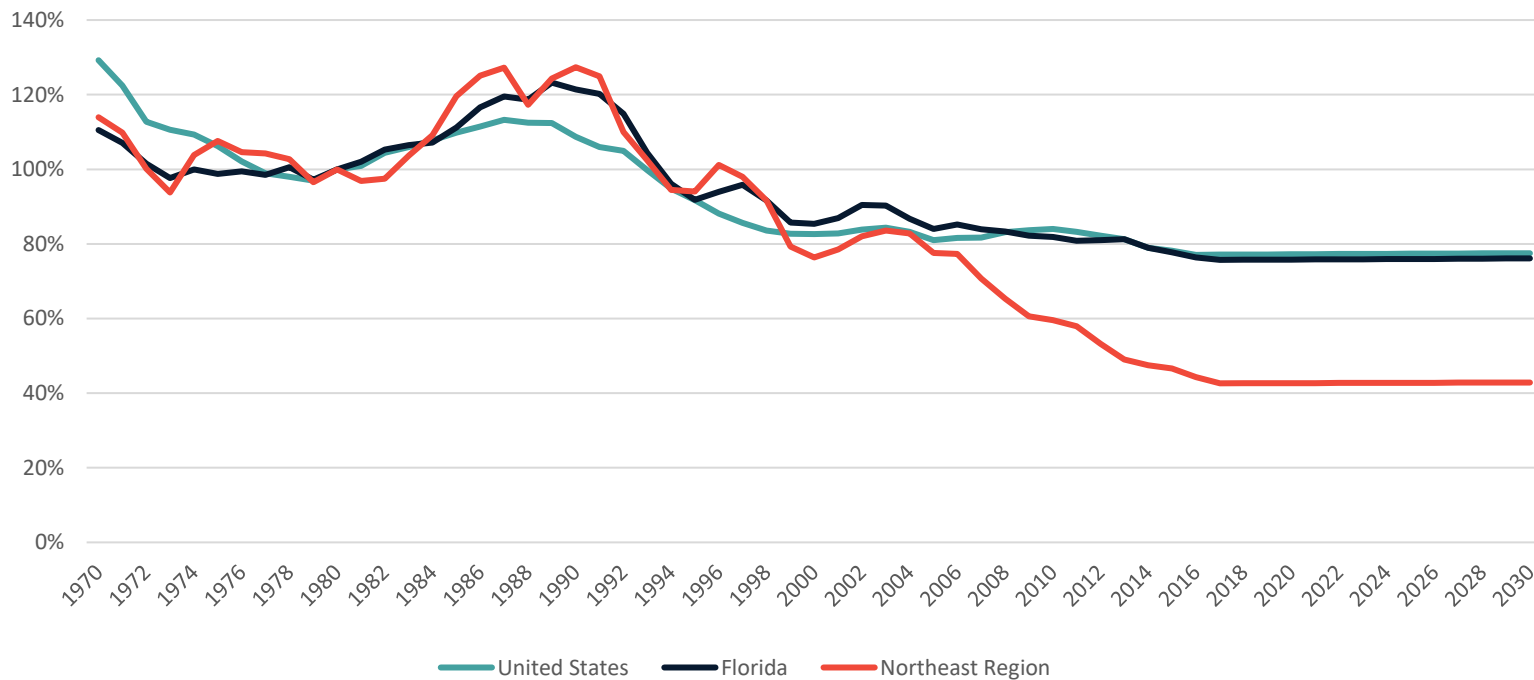


Source: Woods & Poole Economics, Inc. 2019

Change in Military Employment

The figure below benchmarks the size of military employment in the Northeast Florida region against the 1980 regional total. For example, Northeast Florida region military employment in 1985 was 120% of the 1980 total. In 2018, the military share of employment in the Northeast region had shrunk to 43% of its 1980 relative size. Increases in share of military employment can result from an increase in military workforce size, a decrease in civilian workforce size, or a faster growth of military workforce versus the growth of civilian workforce. Increases can also result from economic diversification heavier in defense. Military employment at the national level is currently at 77% of its 1980 size, and at the state level, it is at 76%.

Figure 28. Total Military Employment Indexed to 1980, 1970 – 2030: Nation, Florida, and the Northeast Florida Region



Source: Woods & Poole Economics, Inc. 2019

Demographics and the Regional Economy

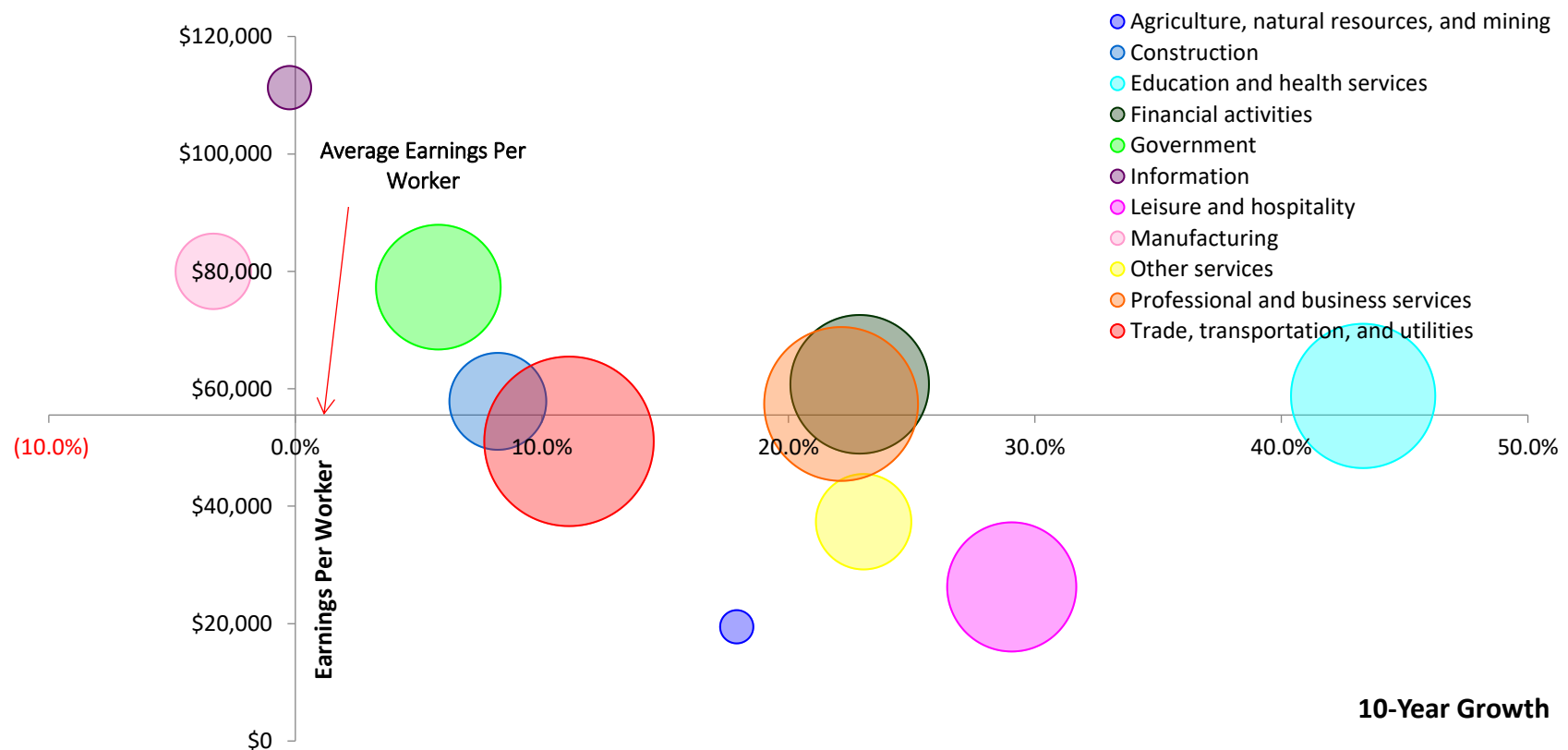
The table below contains information on Northeast Florida's regional population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Between 2007 and 2017, the region's population grew 14.8%. Between 2009 and 2019, the region's population grew 15.4%. The region's growth rate is expected to slow to 14.1% in the next decade. Two years ago, the predicted the growth rate was projected to be 18.6% in the next decade. The region's average household income in 2018 was 104% of the average statewide wage.

Table 20. Demographic Estimates, Northeast Florida Region	
Total Population	Estimates
Population in 2009	1,504,218
Population in 2019	1,735,828
Population in 2029	1,980,877
Growth from 2009 to 2019	15.4%
Growth from 2019 to 2029	14.1%
Personal Income (inclusive of all forms of income)	
Average Regional Household Income (2019)	\$124,007
Average Florida Household Income (2019)	\$118,835
Number of Households (2019)	696,500

Source: Woods & Poole Economics, Inc. 2019

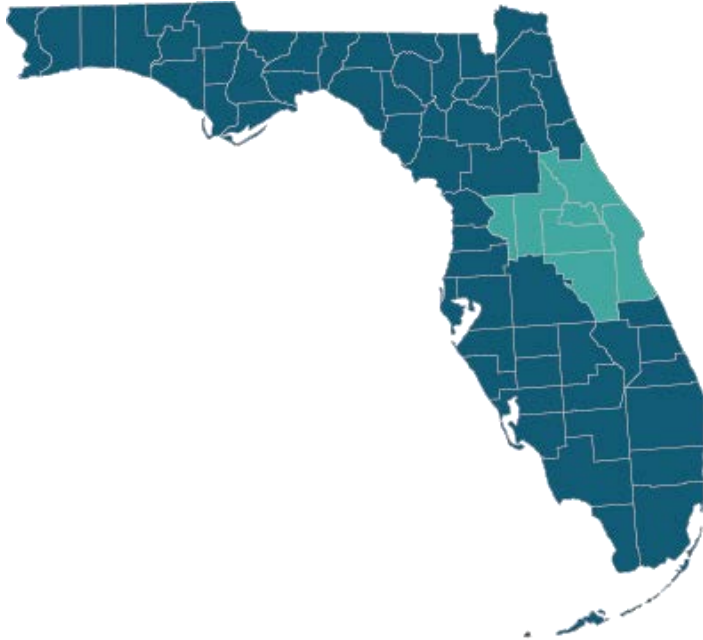
The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while the horizontal axis shows the ten-year growth and the vertical axis shows the average earnings per worker. The **largest employment sector** in the Northeast Florida region is trade, with nearly 183,000 employed. This is followed by the professional/business services with 151,000 employed. The **greatest average earning sector** is information, with average earnings of over \$111,000. This is followed by the manufacturing sector and the government. Both the information and the manufacturing sectors are projected to shrink over the next 10 years. The **sector projected to experience the most growth** over the next 10 years is education/health with 10-year growth at 43%. This is followed closely by leisure and hospitality with 30% growth.

Figure 29. Regional Industry Concentration and Earnings Growth 2018-2028 – Northeast Florida Region



Source: Woods & Poole Economics, Inc. 2019

East Central Florida Region



East Central Florida Region Summary

The East Central Florida Region includes Brevard, Lake, Orange, Osceola, Seminole, Sumter, and Volusia Counties. Defense activities play a sizeable role in the regional economy primarily—on the direct side—as a function of procurement expenditures in the region. Military spending, summed with the National Guard and the Coast Guard, totals to the Combined Direct Expenditure estimates as indicated in Table 21. Procurement spending accounted for the largest share at 65% or roughly \$8 billion of the \$12.5 billion total. Salaries accounted for 5%, and transfers accounted for 30%.

Table 21. East Central Region: Combined Direct Defense Expenditures	
Spending Flow	Millions (Current USD)
Procurement	\$8,081
Salaries	\$594
Pensions & Transfers	\$3,757
Total Combined Direct Expenditure	\$12,432

Source: Department of Defense; Department of Veterans Affairs; Bureau of Economic Analysis; Department of Treasury

Figure 30. East Central Region: Distribution of Direct Defense Expenditures

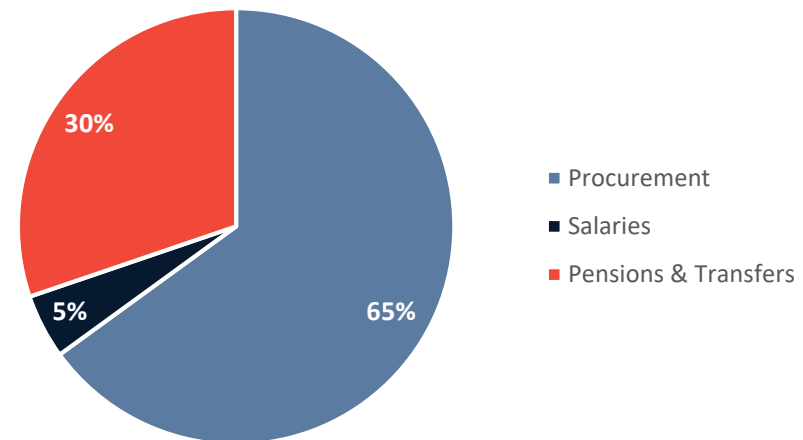


Table 22. East Central Region: Economic Impact Forecast, 2018 – 2022 Current Millions USD					
Impact Type	2018	2019	2020	2021	2022
Total Employment	190,366	191,345	207,568	209,386	206,796
Gross Regional Product	\$18,374	\$18,001	\$20,409	\$20,863	\$20,896
<i>Total Consumption</i>	<i>\$11,526</i>	<i>\$10,656</i>	<i>\$12,042</i>	<i>\$12,378</i>	<i>\$12,658</i>
<i>Investment Residential</i>	<i>\$2,640</i>	<i>\$3,411</i>	<i>\$3,712</i>	<i>\$3,532</i>	<i>\$3,106</i>
<i>Investment Non-residential</i>	<i>\$835</i>	<i>\$903</i>	<i>\$1,018</i>	<i>\$1,033</i>	<i>\$1,001</i>
<i>Producer's Durable Equipment</i>	<i>\$439</i>	<i>\$714</i>	<i>\$957</i>	<i>\$1,129</i>	<i>\$1,254</i>
<i>Business Inventories</i>	<i>\$51</i>	<i>\$67</i>	<i>\$59</i>	<i>\$49</i>	<i>\$46</i>
<i>Government</i>	<i>\$780</i>	<i>\$1,155</i>	<i>\$1,451</i>	<i>\$1,630</i>	<i>\$1,728</i>
<i>Exports</i>	<i>\$13,976</i>	<i>\$12,658</i>	<i>\$14,644</i>	<i>\$15,111</i>	<i>\$15,365</i>
<i>Imports (subtract)</i>	<i>\$11,873</i>	<i>\$11,563</i>	<i>\$13,474</i>	<i>\$13,998</i>	<i>\$14,263</i>

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

Totals may not sum due to rounding.

The table above represents the defense activities total economic impact in the East Central Florida region. Defense activities in 2018 accounted for over 190,000 jobs, which was about 9% greater than the 2016 projection for 2018. The number of employed in the region in 2018 increased by about 14% from the 2016 number of employed. Employment impacts in the region are projected to increase slightly through 2021 and then decrease in 2022. GRP impacts in the region in 2018 accounted for about \$18.4 billion in impacts, which about equal to the 2016 projection for 2018. GRP impacts are projected to increase through 2022.

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

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



Table 23. East Central Region: Total Economic Impacts by Component, Millions USD (2018)					
Spending Flow	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Gross Regional Product	\$8,728	\$ -	\$11	\$8,739
	Total Jobs	88,443	-	126	88,569
Employment	Gross Regional Product	\$3,767	\$ 452	\$139	\$4,358
	Total Jobs	33,220	4,030	1,482	38,732
Transfers	Gross Regional Product	\$ 5,242	\$-	\$35	\$5,277
	Total Jobs	62,639	-	427	63,066
Totals	Gross Regional Product	\$17,737	\$452	\$186	\$18,374
	Total Jobs	184,302	4,030	2,035	190,367

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

Regional Impacts by Type

The data in the table above display a 4x4 matrix of the impacts by type for 2018. This includes procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2018 U.S. Dollars) are displayed next to the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner.

- Military generated the most jobs in the region (**184,302**) in 2018, an increase of **15%** from 2016.
 - o Procurement for the military generated **88,443** jobs in 2018, an increase of **11%** from 2016.
 - o Transfers for the military accounted for **62,636** jobs in 2018, an increase of **26%** from 2016.
 - o Procurement for the military accounted for over **46%** of all job impacts as of 2018.
- The military accounted for **97%** of all GRP economic impacts.
- Total, economic GRP impacts in 2018 were up **6%** from \$17.4 billion in 2016.
- Defense spending accounts for approximately **9.7% of the region's total economy**.

Table 24. East Central Region - Defense Impacts by County, 2018
Millions USD

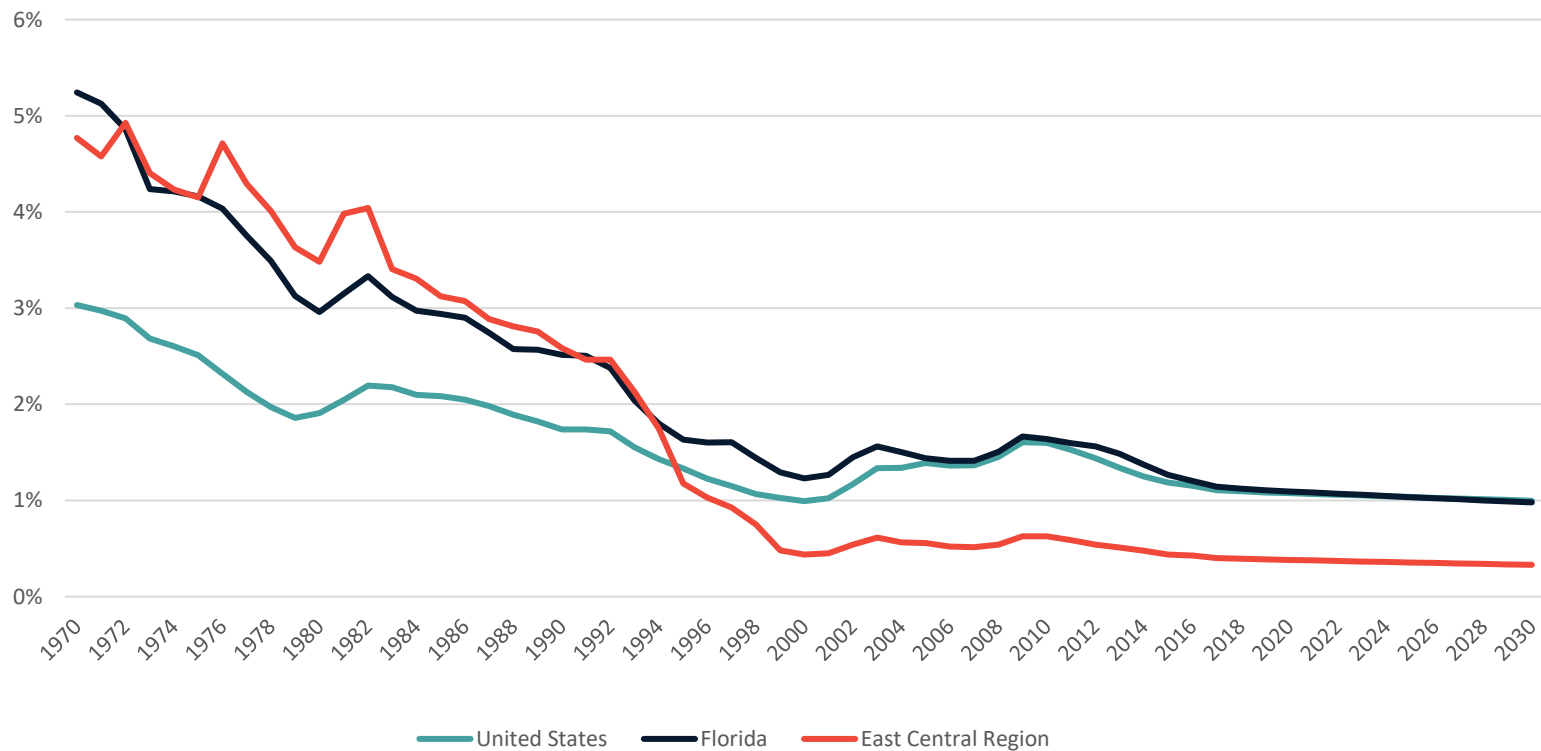
	Model Inputs – Combined Expenditures				Model Outputs – Combined Impacts		
County	Procurement	Transfers	Salaries	Total	GDP	Employment	Percent GDP
Brevard	\$3,467.5	\$1,010.1	\$257.8	\$4,735.3	\$6,181.2	61,089	25.1%
Lake	\$4.5	\$439.5	\$14.4	\$458.5	\$602.6	8,512	6.4%
Orange	\$4,449.5	\$973.9	\$111.8	\$5,535.3	\$8,258.3	80,460	8.2%
Osceola	\$5.1	\$312.1	\$12.9	\$330.1	\$700.4	8,256	6.3%
Seminole	\$100.2	\$308.5	\$165.7	\$574.3	\$1,467.4	17,284	6.6%
Sumter	\$0.9	\$153.6	\$4.2	\$158.7	\$149.6	1,916	5.0%
Volusia	\$53.1	\$559.2	\$27.4	\$639.7	\$1,014.8	12,849	5.6%
Total	\$8,080.8	\$3,756.8	\$594.3	\$12,431.9	\$18,374.4	190,366	9.7%

Source: Department of Defense; Department of Veterans Affairs; Bureau of Economic Analysis; Department of Treasury;
REMI PI+ Florida Counties (Build 5294) V.2.2.2

Military Share of Total Earnings

This figure benchmarks the total share of state income that can be attributed to the military over time in the East Central Florida region. This is graphed alongside the state and national spending. Earnings include more than wage and salary disbursements. They also include proprietors' income and other supplements to wages and salaries. In 2018, the East Central military personnel received a 0.4% share of total personal income in the region, a smaller share of personal income than at the state and national average. As the U.S. and Florida continue to diversify their economies, military share of the total earnings has converged over time to approximately 1.0% of all state and national earnings.

Figure 31. Military Share of Total Earnings, 1970 – 2030: Nation, Florida, and the East Central Florida Region

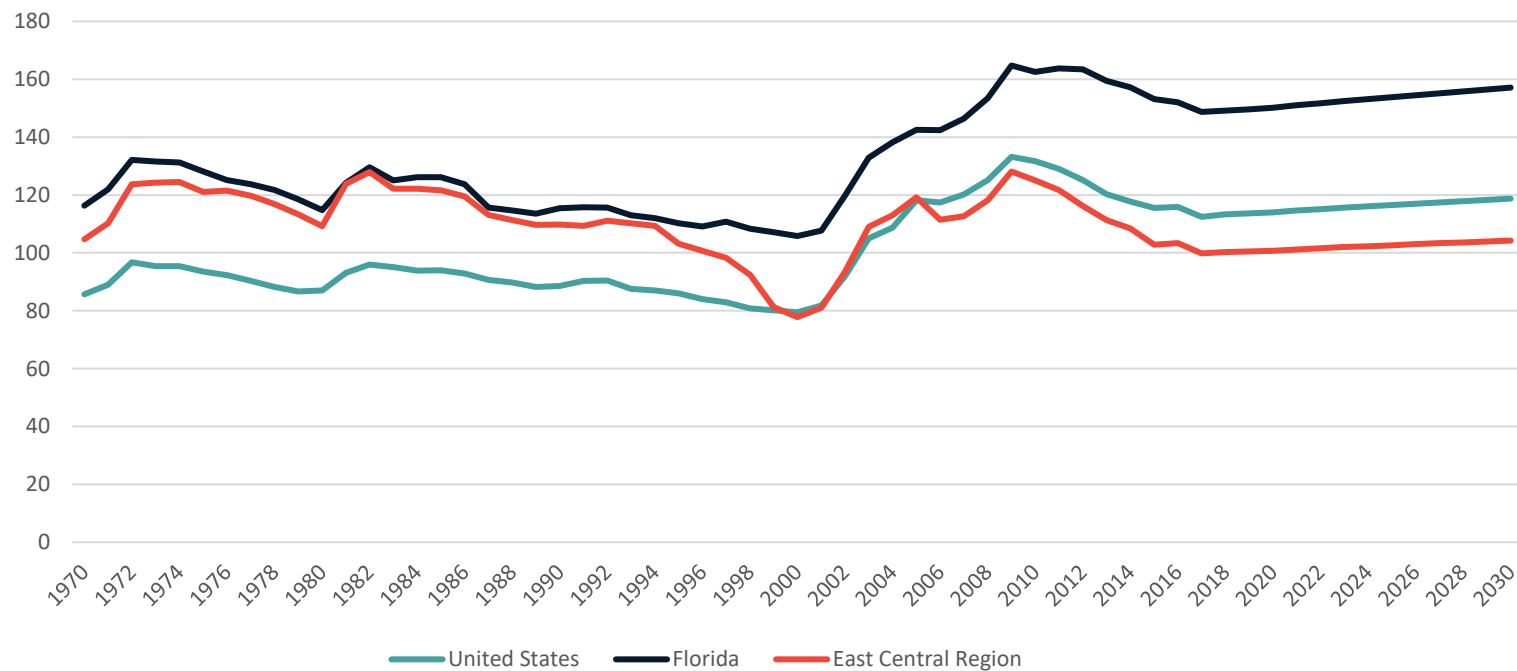


Source: Woods & Poole Economics, Inc. 2019

Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It shows a benchmark of the earnings of military employees against the earnings patterns of all workers. For the East Central Florida Region, military employees in 1980 had earnings which totaled 115% of the East Central Florida workforce's average earnings level. As of 2018, the average military earnings for the East Central Florida region were 150% of the average workforce wages for the region. East Central Florida's military average earnings are projected to stay about equal or above the regional average wage level in the next decade. The state of Florida's relative earnings ratio is steady at 150%. For the U.S., the relative earnings ratio is also steady, at 113%.

Figure 32. Average Military Earnings vs Average Total Earnings, 1970 – 2030: Nation, Florida, and the East Central Region

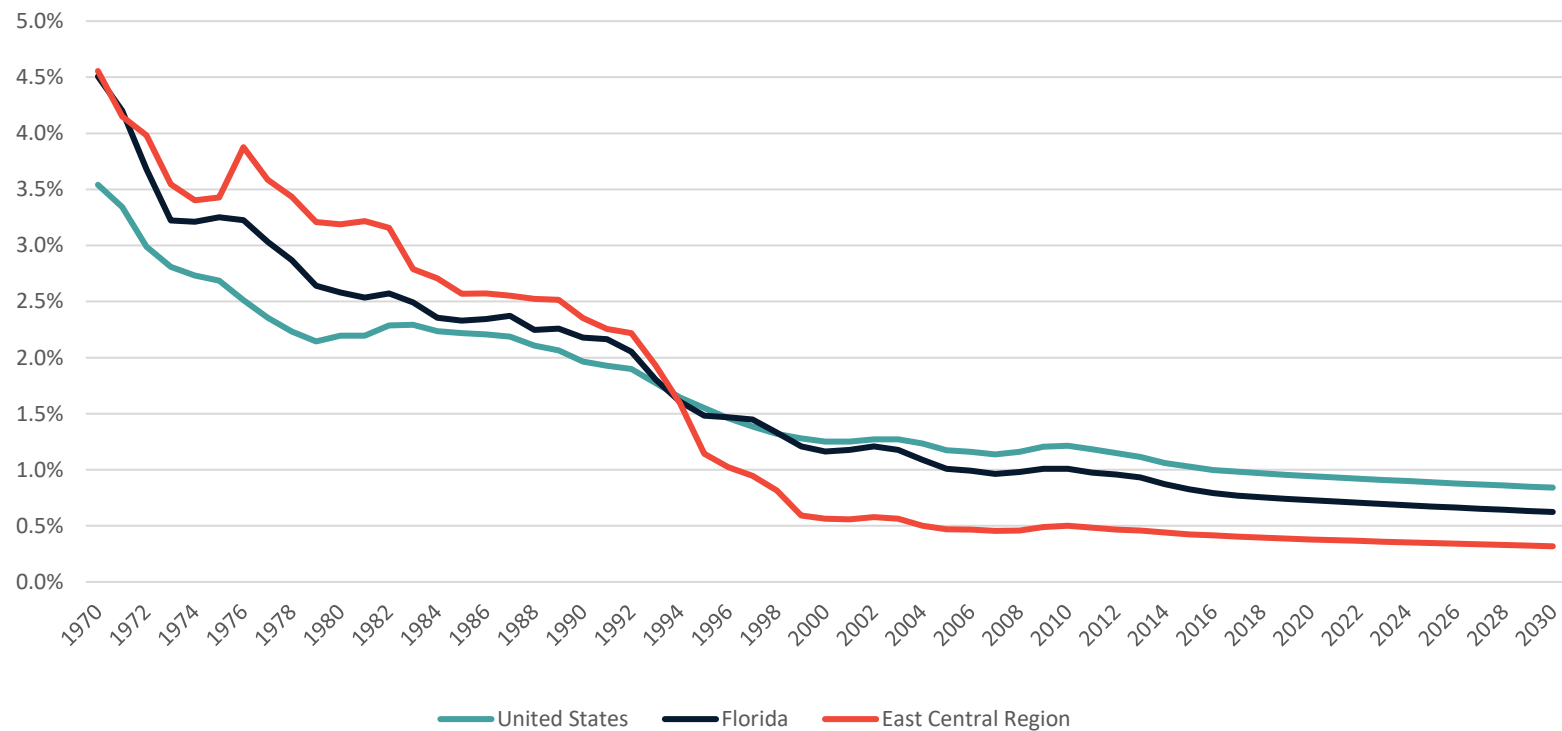


Source: Woods & Poole Economics, Inc. 2019

Military Employment as a Share of Total Employment

The figure below shows military employment as a share of total employment for the East Central Florida Region. This is shown alongside the military employment shares for both the state of Florida and the U.S. In 1980 the military accounted for 3.2% of East Central Florida employment, 2.6% of Florida employment, and 2.2% of U.S. employment. By 2018, the East Central Florida Region had an employment share of 0.4%. These figures declined to 0.75% and 1% for the state and the U.S., respectively. The military does not directly contribute to as large a share of state employment as it once did.

Figure 33. Military Employment as a Share of Total Employment, 1970 – 2030: Nation, Florida, and the East Central Florida Region

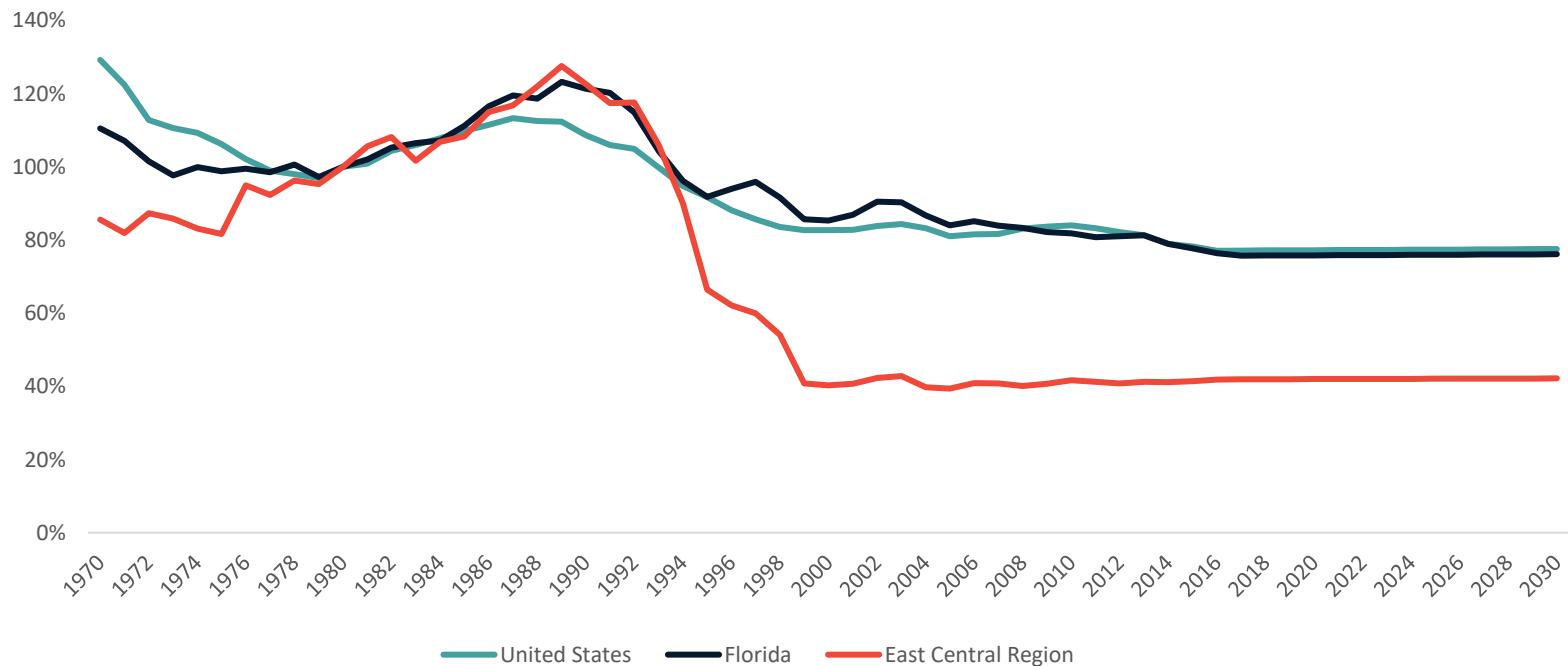


Source: Woods & Poole Economics, Inc. 2019

Change in Military Employment

The figure below benchmarks the size of military employment in the East Central Florida region against the 1980 regional total. For example, East Central Florida region military employment in 1985 was 108% of the 1980 total. In 2018, the military share of employment in the East Central region had shrunk to 42% of its 1980 relative size. Decreases in share of military employment can result from an increase in military workforce size, an increase in civilian workforce size, or a slower growth of military workforce versus the growth of civilian workforce. Decreases can also result from economic diversification away from defense. Military employment at the national level is currently at 77% of its 1980 size, and at the state level, it is at 76%.

Figure 34. Total Military Employment Indexed to 1980, 1970 – 2030: Nation, Florida, and the East Central Florida Region



Source: Woods & Poole Economics, Inc. 2019

Demographics and the Regional Economy

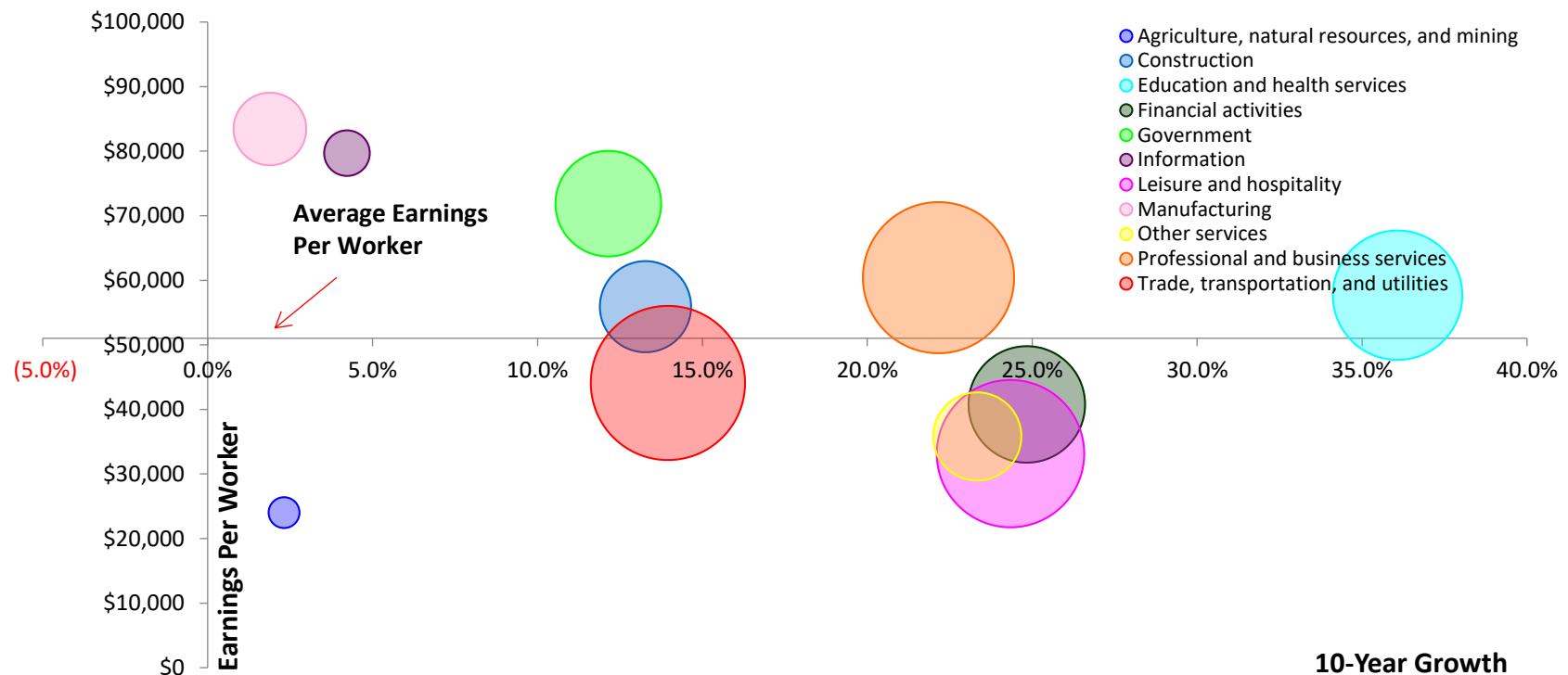
The table below contains information on East Central Florida's regional population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Between 2007 and 2017, the region's population grew 18.8%. Between 2009 and 2019, the region's population grew 19.6%. The region's growth rate is expected to slow to 15.2% in the next decade. Two years ago, the predicted the growth rate was projected to be 29% in the next decade. The region's average household income in 2018 was 97% of the average statewide wage.

Table 25. Demographic Estimates, East Central Florida Region	
Total Population	Estimates
Population in 2009	3,239,357
Population in 2019	3,874,920
Population in 2029	4,465,054
Growth from 2009 to 2019	19.6%
Growth from 2019 to 2029	15.2%
Personal Income (inclusive of all forms of income)	
Average Regional Household Income (2019)	\$115,172
Average Florida Household Income (2019)	\$118,835
Number of Households (2019)	1,489,657

Source: Woods & Poole Economics, Inc. 2019

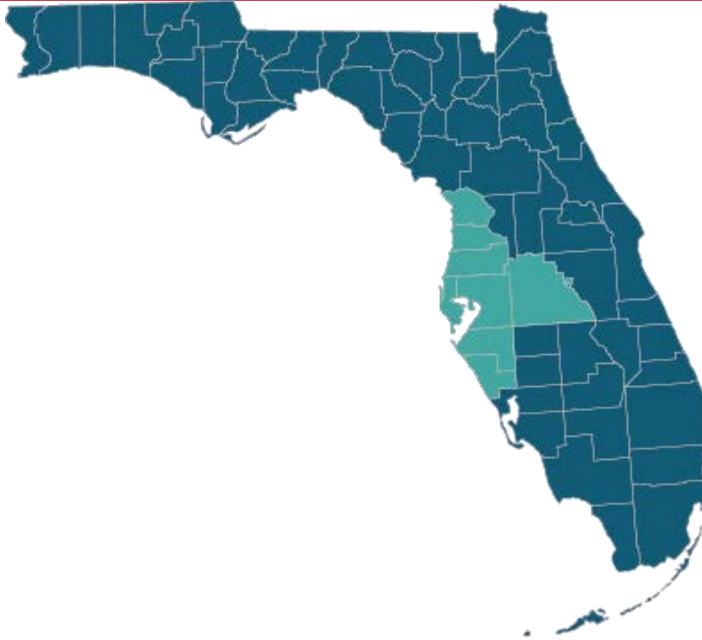
The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while the horizontal axis shows the ten-year growth and the vertical axis shows the average earnings per worker. The **largest employment sector** in the East Central Florida region is trade, with over 394,000 employed. This is followed by the professional/business services sector and the leisure/hospitality sector with 380,000 employed and 360,000 employed, respectively. The **greatest average earning sector** is manufacturing, with average earnings of over \$83,000. This is followed by the information sector with nearly \$80,000 in average earnings. All sectors are expected to grow over the next ten years. The **sector projected to experience the most growth** over the next 10 years is education/health with 10-year growth at 36%. This is followed closely by financial services, leisure/hospitality, and other services with 25%, 24%, and 23% projected 10-year growth, respectively.

Figure 35. Regional Industry Concentration and Earnings Growth 2018-2028 – East Central Florida Region



Source: Woods & Poole Economics, Inc. 2019

Tampa Bay Florida Region



Tampa Bay Florida Region Summary

The Tampa Bay Florida Region includes Citrus, Hernando, Hillsborough, Manatee, Pasco, Pinellas, Polk, and Sarasota Counties. Defense activities play a consequential role in the regional economy generating nearly \$8.5 billion in spending. Military spending, summed with the National Guard and the Coast Guard, totals to the Combined Direct Expenditure estimates as indicated in Table 26. Transfer payments accounted for the largest share at 61% or roughly \$5.1 billion of the \$8.5 billion total. Salaries accounted for 10%, and procurement accounted for 29%.

Spending Flow	Millions (Current USD)
Procurement	\$2,447
Salaries	\$902
Pensions & Transfers	\$5,158
Total Combined Direct Expenditure	\$8,508

Source: Department of Defense; Department of Veterans Affairs; Bureau of Economic Analysis; Department of Treasury

Figure 36. Tampa Bay Region: Distribution of Direct Defense Spending

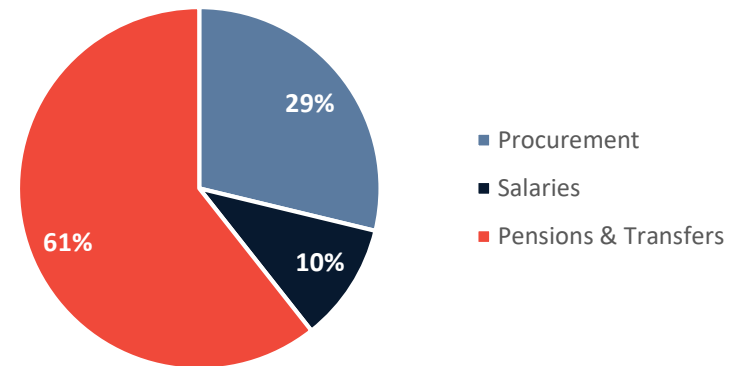


Table 27. Tampa Bay Region: Economic Impact Forecast, 2018 – 2022 Current Millions USD					
Impact Type	2018	2019	2020	2021	2022
Total Employment	183,942	184,889	200,564	202,320	199,818
Gross Regional Product	\$19,296	\$19,613	\$21,220	\$21,605	\$21,606
<i>Total Consumption</i>	<i>\$12,512</i>	<i>\$11,688</i>	<i>\$12,691</i>	<i>\$13,009</i>	<i>\$13,260</i>
<i>Investment Residential</i>	<i>\$2,861</i>	<i>\$3,720</i>	<i>\$3,946</i>	<i>\$3,702</i>	<i>\$3,223</i>
<i>Investment Non-residential</i>	<i>\$782</i>	<i>\$843</i>	<i>\$914</i>	<i>\$918</i>	<i>\$885</i>
<i>Producer's Durable Equipment</i>	<i>\$386</i>	<i>\$645</i>	<i>\$853</i>	<i>\$1,001</i>	<i>\$1,110</i>
<i>Business Inventories</i>	<i>\$25</i>	<i>\$35</i>	<i>\$29</i>	<i>\$24</i>	<i>\$22</i>
<i>Government</i>	<i>\$707</i>	<i>\$1,074</i>	<i>\$1,331</i>	<i>\$1,486</i>	<i>\$1,569</i>
<i>Exports</i>	<i>\$12,116</i>	<i>\$11,866</i>	<i>\$12,761</i>	<i>\$13,105</i>	<i>\$13,312</i>
<i>Imports (subtract)</i>	<i>\$10,094</i>	<i>\$10,257</i>	<i>\$11,306</i>	<i>\$11,639</i>	<i>\$11,775</i>

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

Totals may not sum due to rounding

The table above represents the defense activities total economic impact in the Tampa Bay Florida region. Defense activities in 2018 accounted for about 184,000 jobs, which was about equal to the 2016 projection for 2018. The number of employed in the region in 2018 increased by about 13% from the 2016 number of employed. Employment impacts in the region are projected to increase slightly through 2021 and then decrease in 2022. GRP impacts in the region in 2018 accounted for about \$19.3 billion in impacts, which is about equal to the 2016 projection for 2018. The GRP impacts in the region in 2018 increased by about 13% from the 2016 GRP impacts. GRP impacts are projected to increase through 2022.

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

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



Table 28. Tampa Bay Region: Total Economic Impacts by Component, Millions USD (2018)					
Spending Flow	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Gross Regional Product	\$3,778	\$0	\$49	\$3,827
	Total Jobs	38,368	0	533	38,901
Employment	Gross Regional Product	\$7,245	\$893	\$600	\$8,738
	Total Jobs	53,600	7,076	6,268	66,944
Transfers	Gross Regional Product	\$6,673	\$0	\$58	\$6,731
	Total Jobs	77,413	0	683	78,096
Totals	Gross Regional Product	\$17,696	\$893	\$707	\$19,296
	Total Jobs	169,381	7,076	7,484	183,941

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

Regional Impacts by Type

The data in the table above display a 4x4 matrix of the impacts by type for 2018. This includes procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2018 US Dollars) are displayed next to the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner.

- Military generated the most jobs in the region (**169,381**) in 2018, an increase of **13%** from 2016.
 - o Procurement for the military generated **38,368** jobs in 2018, an increase of **13%** from 2016.
 - o Transfers for the military accounted for **77,413** jobs in 2018, an increase of **14%** from 2016.
 - o Transfers for the military accounted for over **42%** of all economic impacts as of 2018.
- The military accounted for **92%** of all job economic impacts and **92%** of all GRP economic impacts.
- Total, economic GRP impacts in 2018 were up **13%** from \$17.9 billion in 2016.
- Defense spending accounts for approximately **8.6% of the region's total economy**.

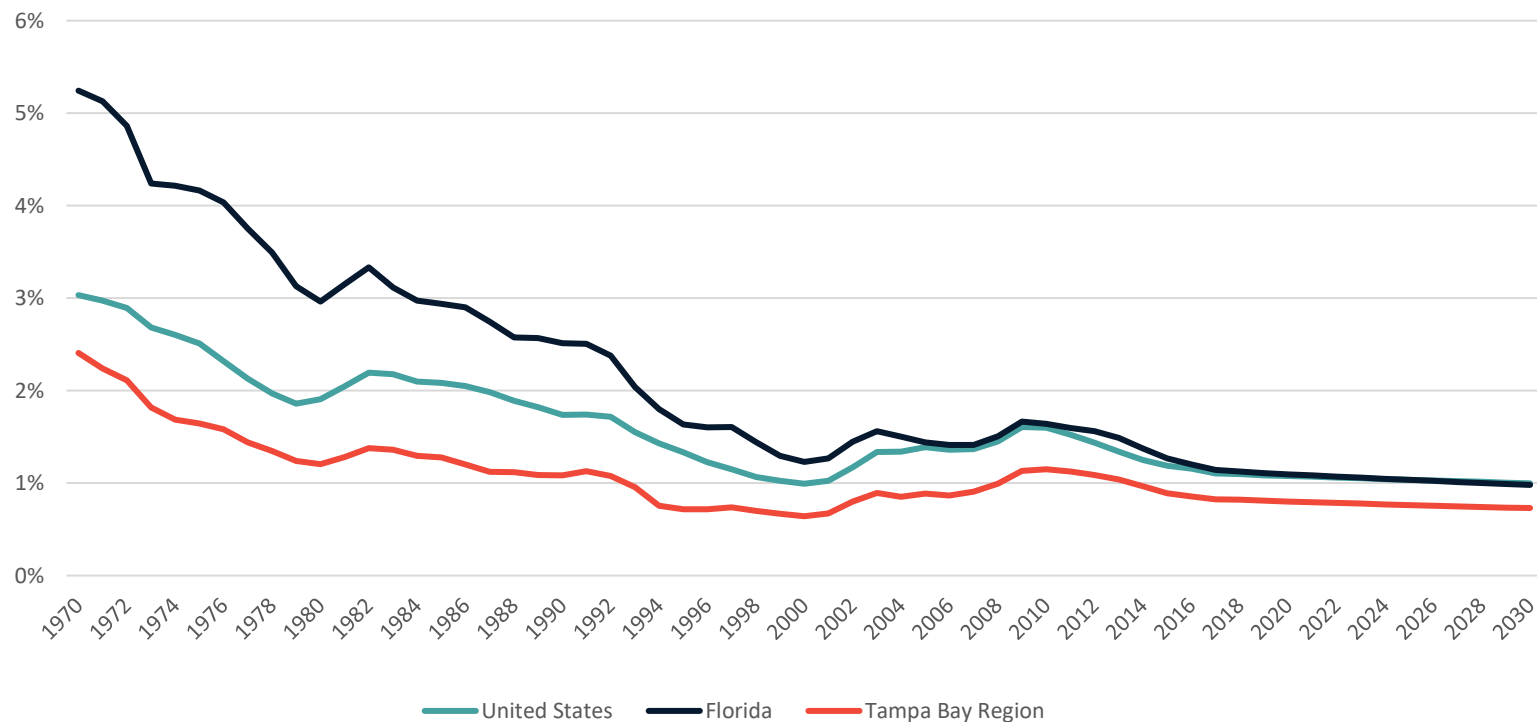
Table 29. Tampa Bay Region - Defense Impacts by County, 2018 (Millions USD)							
	Model Inputs – Combined Expenditures				Model Outputs – Combined Impacts		
County	Procurement	Transfers	Salaries	Total	GDP	Employment	Percent GDP
Citrus	\$0.4	\$217.4	\$12.1	\$229.9	\$252.4	2,868	6.2%
Hernando	\$26.5	\$243.8	\$20.6	\$291.0	\$314.7	4,598	8.0%
Hillsborough	\$1,357.4	\$1,775.0	\$666.9	\$3,799.3	\$11,009.0	90,148	11.7%
Manatee	\$55.3	\$294.4	\$16.2	\$365.9	\$620.6	7,035	4.1%
Pasco	\$36.9	\$619.7	\$20.3	\$676.9	\$923.3	12,916	7.7%
Pinellas	\$929.4	\$1,199.7	\$119.0	\$2,248.1	\$4,445.1	46,559	8.7%
Polk	\$18.8	\$512.8	\$31.3	\$562.8	\$1,159.8	12,859	4.5%
Sarasota	\$22.8	\$294.8	\$16.0	\$333.7	\$570.9	6,958	3.0%
Total	\$2,447.4	\$5,157.6	\$902.5	\$8,507.5	\$19,295.8	183,942	8.6%

Source: Department of Defense; Department of Veterans Affairs; Bureau of Economic Analysis; Department of Treasury;
REMI PI+ Florida Counties (Build 5294) V.2.2.2

Military Share of Total Earnings

This figure benchmarks the total share of state income that can be attributed to the military over time in the Tampa Bay Florida region. This is graphed alongside the state and national spending. Earnings include more than wage and salary disbursements. They also include proprietors' income and other supplements to wages and salaries. In 2018, the Tampa Bay military personnel received a 0.8% share of total personal income in the region, a smaller share of personal income than at the state and national average. As the U.S. and Florida continue to diversify their economies, military share of the total earnings has converged over time to approximately 1.0% of all state and national earnings.

Figure 37. Military Share of Total Earnings, 1970 – 2030: Nation, Florida, and the Tampa Bay Florida Region

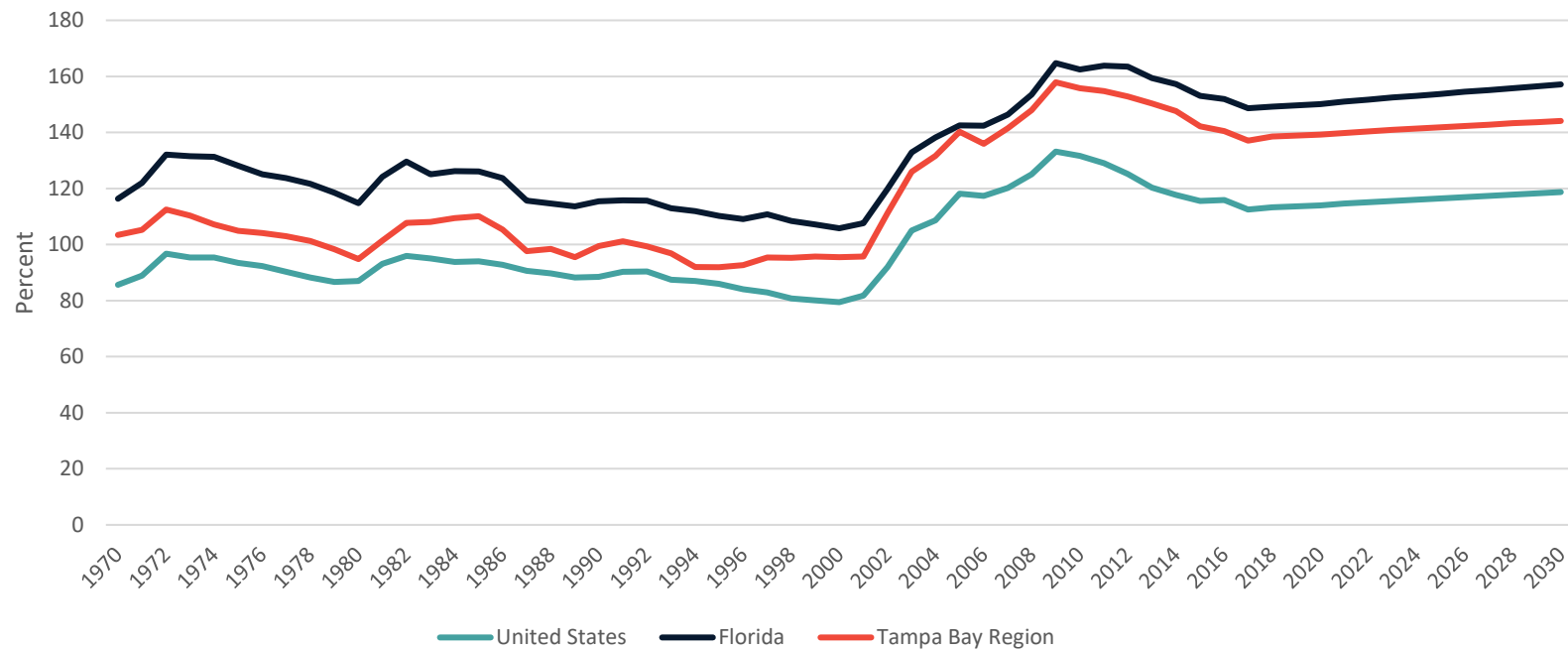


Source: Woods & Poole Economics, Inc. 2019

Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It shows a benchmark of the earnings of military employees against the earnings patterns of all workers. For the Tampa Bay's region, military employees in 1980 had earnings which totaled 118% of the Tampa Bay's workforce's average earnings level. As of 2018, the average military earnings for the Tampa Bay region were 139% of the average workforce wages for the region. Tampa Bay's military average earnings are projected to stay well above the regional average wage level in the next decade. The state of Florida's relative earnings ratio is steady at 150%. For the U.S., the relative earnings ratio is also steady, at 113%.

Figure 38. Average Military Earnings vs Average Total Earnings, 1970 – 2030: Nation, Florida, and the Tampa Bay Florida Region

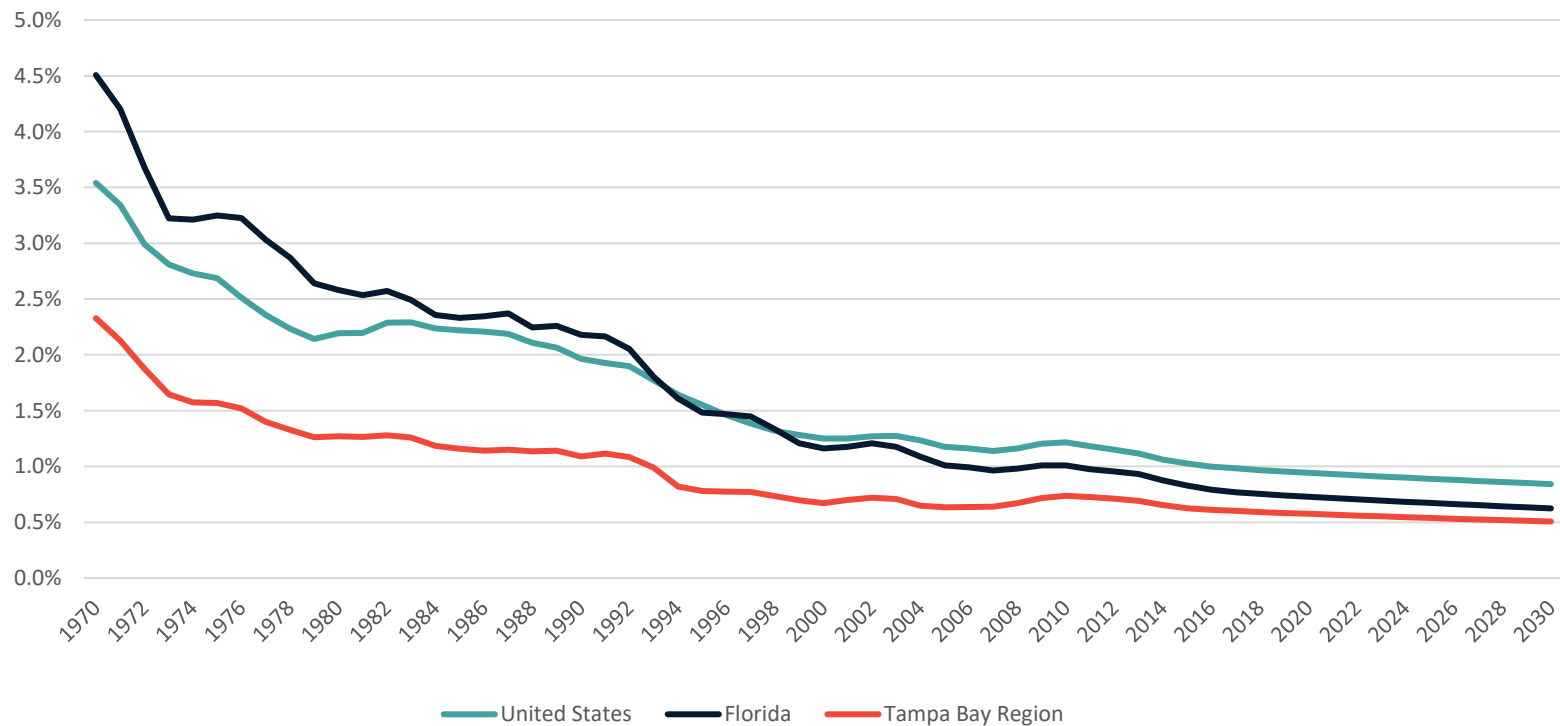


Source: Woods & Poole Economics, Inc. 2019

Military Employment as a Share of Total Employment

The figure below shows military employment as a share of total employment for the Tampa Bay Florida Region. This is shown alongside the military employment shares for both the state of Florida and the U.S. In 1980 the military accounted for 1.3% of Tampa Bay Florida employment, 2.6% of Florida employment, and 2.2% of U.S. employment. By 2018, the Tampa Bay Florida Region had an employment share of 0.6%. These figures declined to 0.75% and 1% for the state and the U.S., respectively. The military does not directly contribute to as large a share of state employment as it once did. In recent post-Cold War decades, state and national economies have diversified while military spending has remained relatively flat.

Figure 39. Military Employment as a Share of Total Employment, 1970 – 2030: Nation, Florida, and the Tampa Bay Florida Region

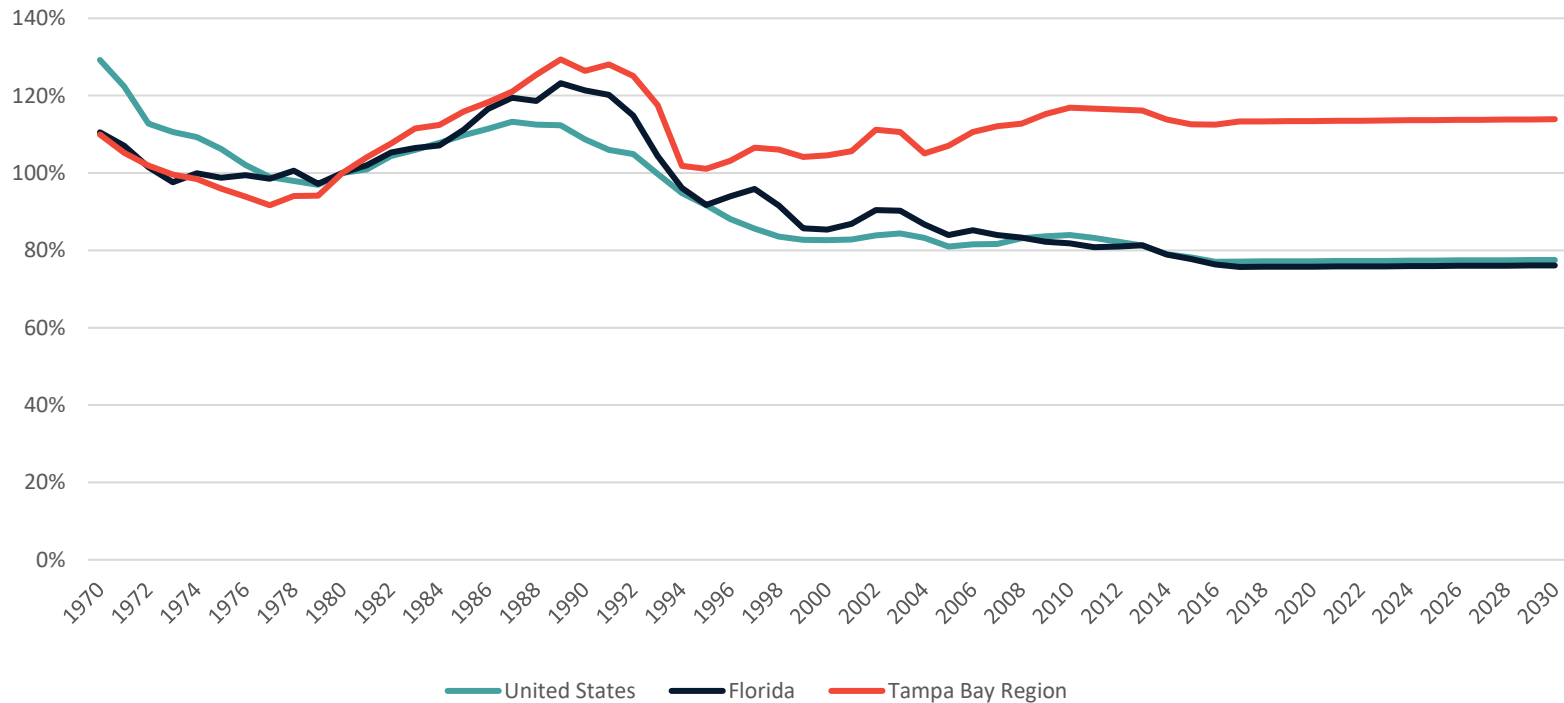


Source: Woods & Poole Economics, Inc. 2019

Change in Military Employment

The figure below benchmarks the size of military employment in the Tampa Bay Florida region against the 1980 regional total. For example, Tampa Bay Florida region military employment in 1985 was 116% of the 1980 total. In 2018, the military share of employment in the Tampa Bay region had experienced some fluctuations but overall had remained steady at 113% of its 1980 size. Increases in share of military employment can result from an increase in military workforce size, a decrease in civilian workforce size, or a faster growth of military workforce versus the growth of civilian workforce. Increases can also result from economic diversification towards defense. Military employment at the national level is currently at 77% of its 1980 size, and at the state level, it is at 76%.

Figure 40. Total Military employment Indexed to 1980, 1970 – 2030: Nation, Florida, and the Tampa Bay Florida Region



Source: Woods & Poole Economics, Inc. 2019

Demographics and the Regional Economy

The table below contains information on Tampa Bay Florida's regional population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Between 2007 and 2017, the region's population grew 13.8%. Between 2009 and 2019, the region's population grew 15.1%. The region's growth rate is expected to slow to 11.5% in the next decade. Two years ago, the predicted the growth rate was projected to be 18.6% in the next decade. The region's average household income in 2018 was 97% of the average statewide wage.

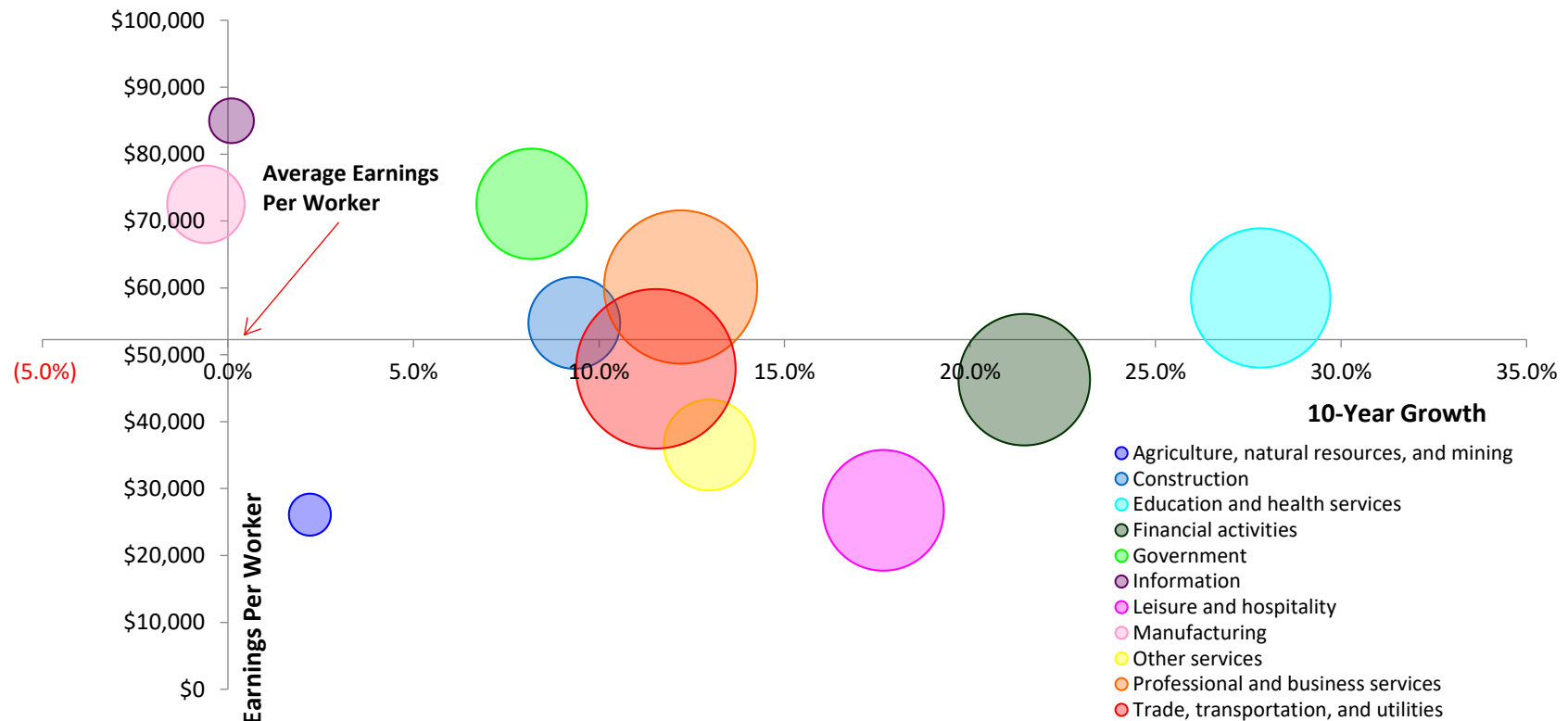
Table 30. Demographic Estimates, Tampa Bay Florida Region

Total Population	Estimate
Population in 2009	4,201,974
Population in 2019	4,837,034
Population in 2029	5,391,102
Growth from 2009 to 2019	15.1%
Growth from 2019 to 2029	11.5%
Personal Income (inclusive of all forms of income)	
Average Regional Household Income (2019)	\$114,980
Average Florida Household Income (2019)	\$118,835
Number of Households (2019)	2,009,455

Source: Woods & Poole Economics, Inc. 2019

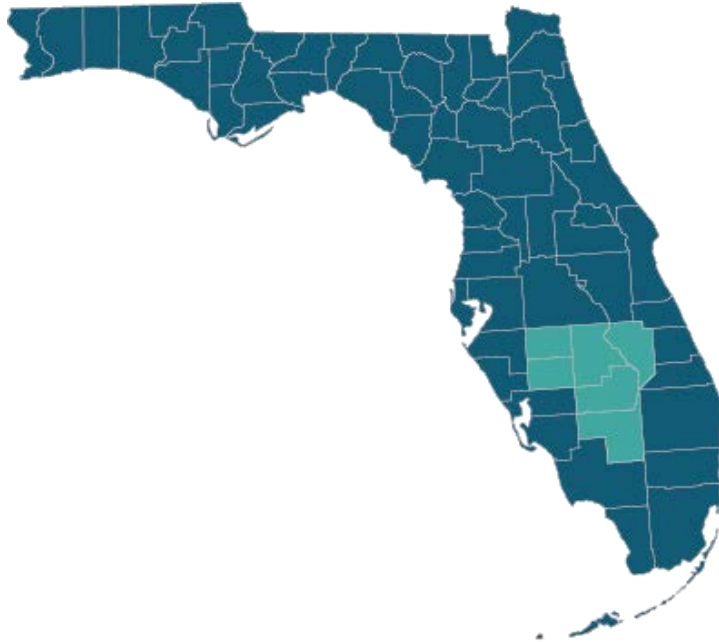
The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while the horizontal axis shows the ten-year growth and the vertical axis shows the average earnings per worker. The **largest employment sector** in the Tampa Bay Florida region is trade, with over 465,000 employed. This is followed by the professional/business services sector with nearly 430,000 employed. The **greatest average earning sector** is information, with average earnings of nearly \$85,000. This is followed by the manufacturing sector with over \$72,000 in average earnings. All sectors are expected to experience 10-year growth except manufacturing which has a 10-year growth rate of -0.6%. The **sector projected to experience the most growth** over the next 10 years is education/health with 10-year growth at 28%. This is followed closely by financial services with a projected 10-year growth rate of 22%.

Figure 41. Regional Industry Concentration and Earnings Growth 2018-2028 – Tampa Bay Florida Region



Source: Woods & Poole Economics, Inc. 2019

South Central Florida Region



South Central Florida Region Summary

The South Central Florida Region includes DeSoto, Glades, Hardee, Hendry, Highlands, and Okeechobee Counties. Defense activities play a role in the regional economy, injecting over \$253 million in spending into the region in 2018. Military spending, summed with the National Guard and the Coast Guard, totals to the Combined Direct Expenditure estimates as indicated in Table 31. Transfer payments accounted for the largest share at 74% or roughly \$188 million of the \$253 million total. Salaries accounted for 5% (\$13M), and procurement accounted for 21% (\$53M).

Table 31. South Central Region Combined Direct Defense Expenditures	
Spending Flow	Million Current USD
Procurement	\$53
Salaries	\$13
Pensions & Transfers	\$188
Total Combined Direct Expenditure	\$253

Source: Department of Defense; Department of Veterans Affairs; Bureau of Economic Analysis; Department of Treasury

Figure 42. South Central Region: Distribution of Direct Defense Spending

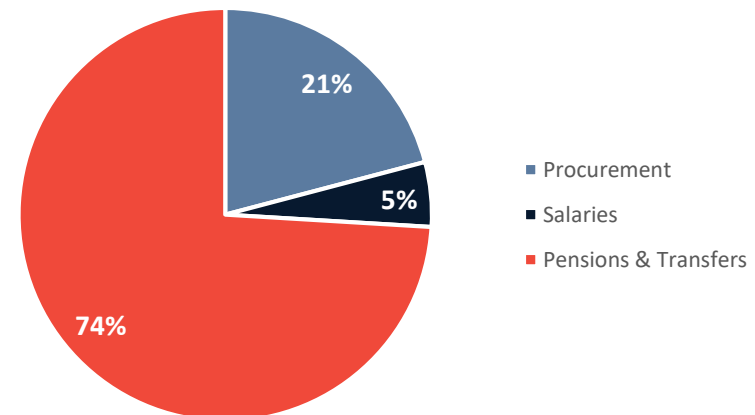


Table 32. South Central Region: Economic Impact Forecast, 2018 – 2022 Current Millions USD					
Impact Type	2018	2019	2020	2021	2022
Total Employment	3,788	3,810	4,133	4,169	4,118
Gross Regional Product	\$319	\$331	\$360	\$368	\$369
<i>Total Consumption</i>	<i>\$289</i>	<i>\$272</i>	<i>\$288</i>	<i>\$292</i>	<i>\$297</i>
<i>Investment Residential</i>	<i>\$66</i>	<i>\$86</i>	<i>\$90</i>	<i>\$82</i>	<i>\$71</i>
<i>Investment Non-residential</i>	<i>\$26</i>	<i>\$30</i>	<i>\$32</i>	<i>\$32</i>	<i>\$31</i>
<i>Producer's Durable Equipment</i>	<i>\$32</i>	<i>\$53</i>	<i>\$70</i>	<i>\$82</i>	<i>\$91</i>
<i>Business Inventories</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>
<i>Government</i>	<i>\$51</i>	<i>\$75</i>	<i>\$92</i>	<i>\$103</i>	<i>\$108</i>
<i>Exports</i>	<i>\$257</i>	<i>\$252</i>	<i>\$277</i>	<i>\$285</i>	<i>\$289</i>
<i>Imports (subtract)</i>	<i>\$401</i>	<i>\$437</i>	<i>\$490</i>	<i>\$510</i>	<i>\$517</i>

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

Totals may not sum due to rounding.

The table above represents the defense activities total economic impact in the South Central Florida region. Defense activities in 2018 accounted for about 3,800 jobs, which was about 2.5% greater than the 2016 projection for 2018. The number of employed in the region in 2018 increased by about 14% from the 2016 number of employed. Employment impacts in the region are projected to increase slightly through 2021 and then decrease in 2022. Gross regional product impacts (GRP) in the region in 2018 accounted for about \$320 million in impacts, which is about 31% greater than the 2016 projection for 2018. The GRP impacts in the region in 2018 increased by about 52% from the 2016 GRP impacts. Gross regional product impacts are projected to increase through 2022.

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

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



Table 33. South Central Region: Total Economic Impacts by Component, Millions USD (2018)					
Spending Flow	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Gross Regional Product	\$68	\$0	\$0	\$68
	Total Jobs	833	1	6	840
Employment	Gross Regional Product	\$105	\$11	\$3	\$119
	Total Jobs	1,023	97	31	1,151
Transfers	Gross Regional Product	\$131	\$0	\$1	\$132
	Total Jobs	1,785	0	12	1,797
Totals	Gross Regional Product	\$304	\$11	\$4	\$319
	Total Jobs	3,641	98	49	3,788

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

Regional Impacts by Type

The data in the table above display a 4x4 matrix of the impacts by type for 2018. This includes procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2018 U.S. Dollars) are displayed next to the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner.

- Military generated the most jobs in the region (**3,641**) in 2018, an increase of **14%** from 2016.
 - o Procurement for the military generated **833** jobs in 2018, an increase of **30%** from 2016.
 - o Transfers for the military accounted for **1,785** jobs in 2018, an increase of **13%** from 2016.
 - o Transfers for the military accounted for over **47%** of all economic impacts as of 2018.
- The military accounted for **95%** of all GRP economic impacts.
- Total, economic GRP impacts in 2018 were up **52%** from \$210 million in 2016.
- Defense spending accounts for approximately **4.2% of the region's total economy**.

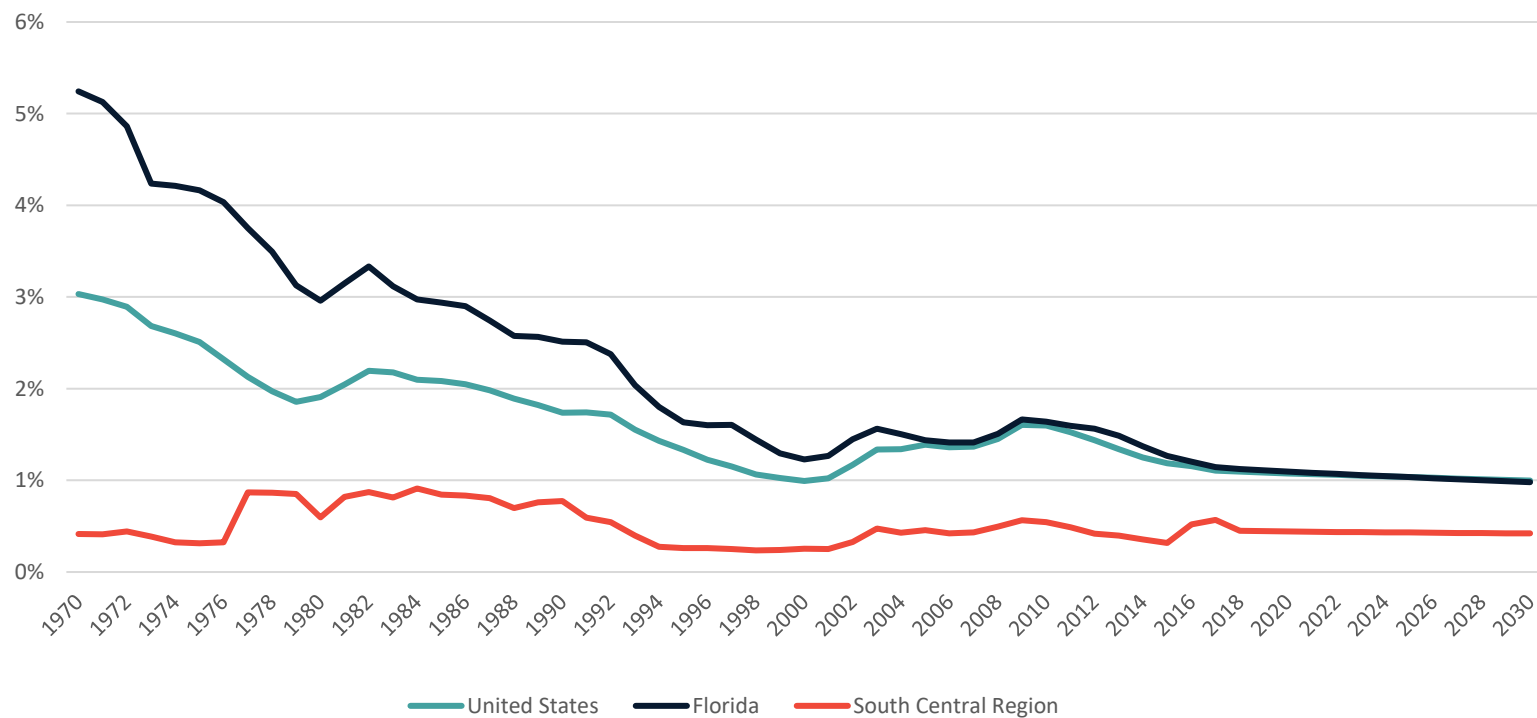
Table 34. South Central Region - Defense Impacts by County, 2018 (Millions USD)							
County	Model Inputs – Combined Expenditures				Model Outputs – Combined Impacts		
	Procurement	Transfers	Salaries and Wages	Total	GDP	Employment	Percent GDP
DeSoto	\$0.0	\$15.1	\$1.3	\$16.4	\$21.4	312	2.6%
Glades	\$43.8	\$13.1	\$0.6	\$57.5	\$33.7	443	16.2%
Hardee	\$0.0	\$9.5	\$1.1	\$10.6	\$42.7	317	3.2%
Hendry	\$3.9	\$18.0	\$1.9	\$23.8	\$45.2	491	3.4%
Highlands	\$2.1	\$97.9	\$6.3	\$106.4	\$119.0	1,588	4.6%
Okeechobee	\$3.1	\$34.1	\$1.6	\$38.7	\$57.2	640	4.5%
Total	\$53.0	\$187.7	\$12.8	\$253.4	\$319.3	3,790	4.2%

Source: Department of Defense; Department of Veterans Affairs; Bureau of Economic Analysis; Department of Treasury;
REMI PI+ Florida Counties (Build 5294) V.2.2.2

Military Share of Total Earnings

This figure benchmarks the total share of state income that can be attributed to the military over time in the South Central Florida region. This is graphed alongside the state and national spending. Earnings include more than wage and salary disbursements. They also include proprietors' income and other supplements to wages and salaries. In 2018, the South Central military personnel received a 0.4% share of total personal income in the region, a smaller share of personal income than at the state and national average. As the U.S. and Florida continue to diversify their economies, military share of the total earnings has converged over time to approximately 1.0% of all state and national earnings.

Figure 43. Military Share of Total Earnings, 1970 -2030: Nation, Florida, and the South Central Florida Region

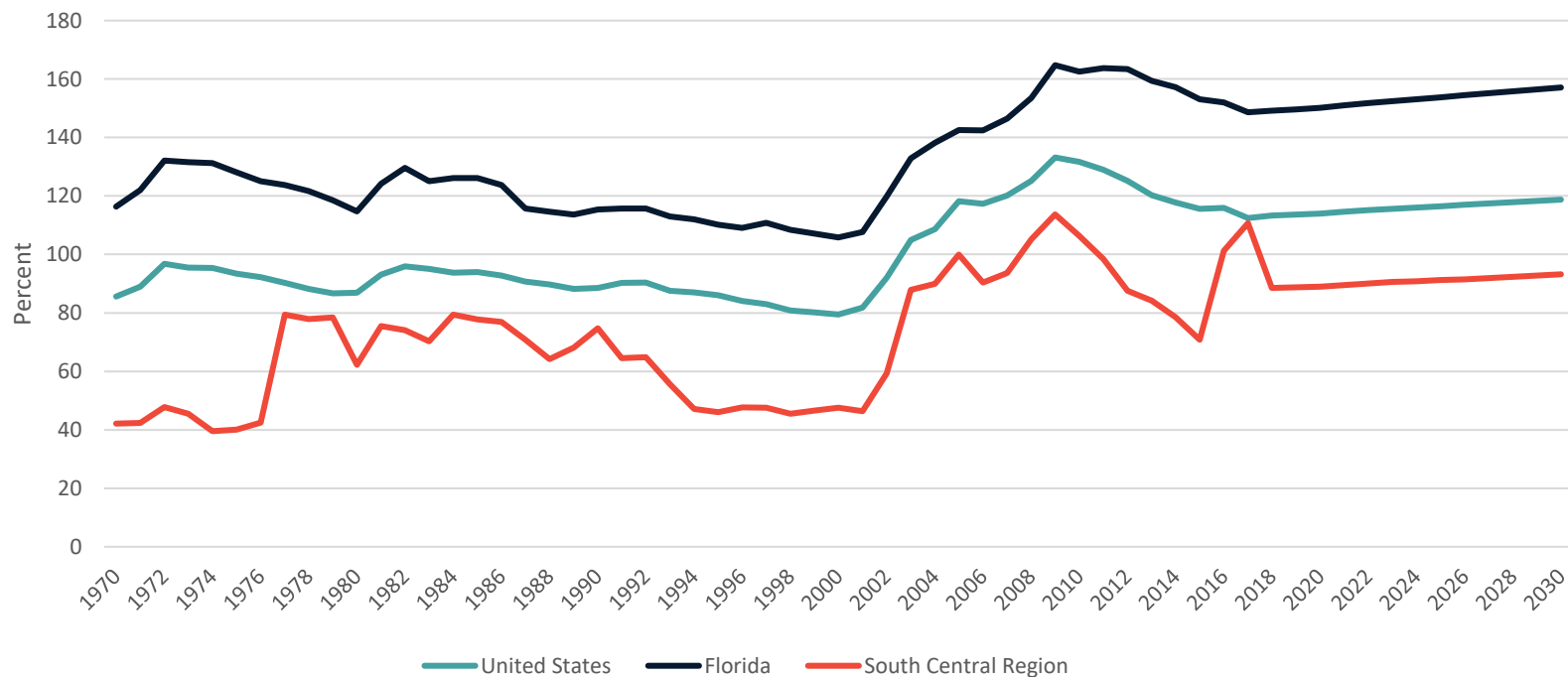


Source: Woods & Poole Economics, Inc. 2019

Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It shows a benchmark of the earnings of military employees against the earnings patterns of all workers. For the South Central Florida region, military employees in 1980 had earnings which totaled only 62% of the Northeast Florida workforce's average earnings level. As of 2018, the average military earnings for the South Central region were 89% of the average workforce wages for the region. South Central's military average earnings are projected to stay below the regional average wage level in the next decade. The state of Florida's relative earnings ratio is steady at 150%. For the U.S., the relative earnings ratio is also steady, at 113%.

Figure 44. Average Military Earnings vs Average Total Earnings, 1970 – 2030: Nation, Florida, and the South Central Region

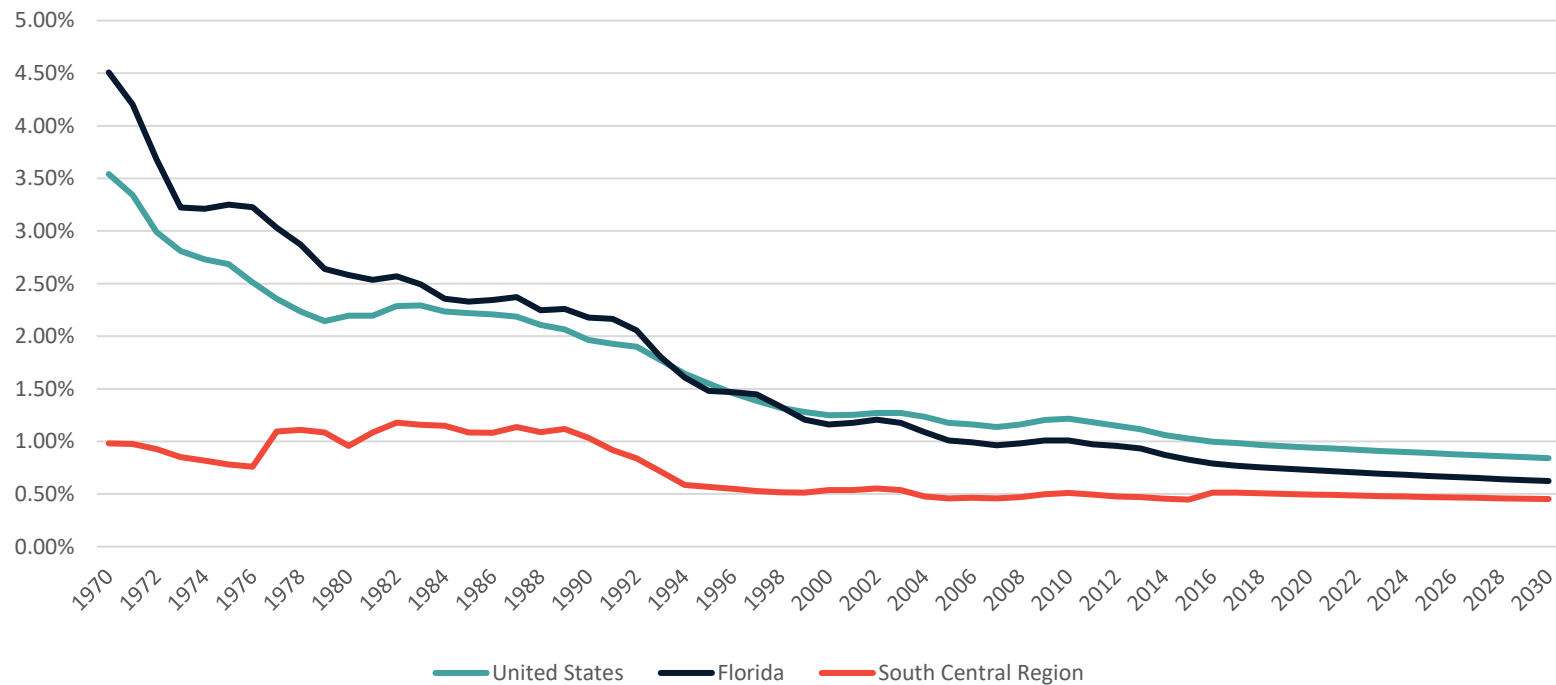


Source: Woods & Poole Economics, Inc. 2019

Military Employment as a Share of Total Employment

The figure below shows military employment as a share of total employment for the South-Central Florida Region. This is shown alongside the military employment shares for both the state of Florida and the U.S. In 1980 the military accounted for 1.0% of South-Central Florida employment, 2.6% of Florida employment, and 2.2% of U.S. employment. By 2018, the South-Central Florida Region had an employment share of 0.5%. These figures declined to 0.75% and 1% for the state and the U.S., respectively. The military does not directly contribute to as large a share of state employment as it once did. In recent post-Cold War decades, state and national economies have diversified while military spending has remained relatively flat.

Figure 45. Military Employment as a Share of Total Employment, 1970 -2030: Nation, Florida, and the South Central Region

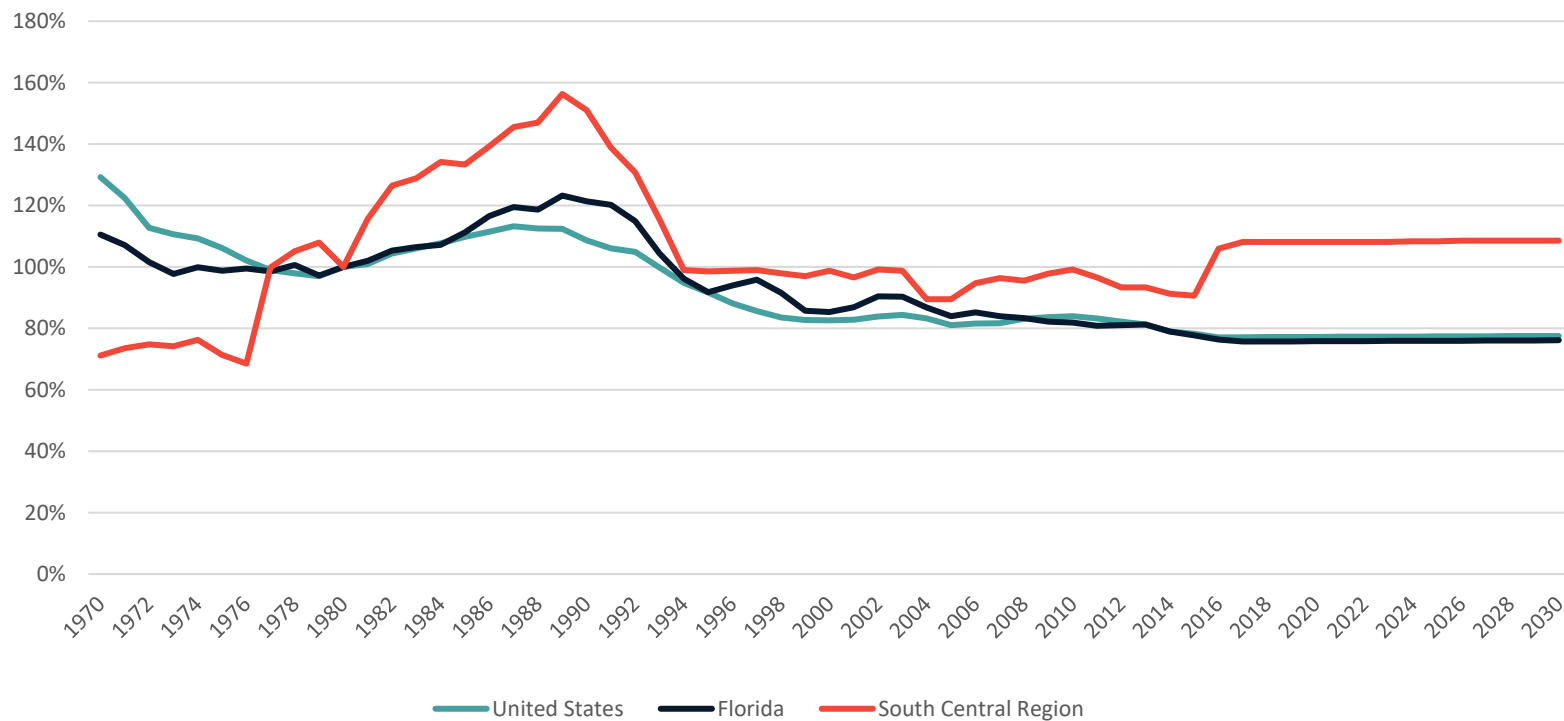


Source: Woods & Poole Economics, Inc. 2019

Change in Military Employment

The figure below benchmarks the size of military employment in the South-Central Florida region against the 1980 regional total. For example, South-Central Florida region military employment in 1985 was 133% of the 1980 total. In 2018, the military share of employment in the South-Central region had experienced some fluctuations but overall had remained steady at 108% of its 1980 size. Increases in share of military employment can result from an increase in military workforce size, a decrease in civilian workforce size, or a faster growth of military workforce versus the growth of civilian workforce. Increases can also result from economic diversification towards defense. Military employment at the national level is currently at 77% of its 1980 size, and at the state level, it is at 76%.

Figure 46. Total Military Employment Indexed to 1980, 1970 – 2030: Nation, Florida, and the South Central Florida Region



Source: Woods & Poole Economics, Inc. 2019

Demographics and the Regional Economy

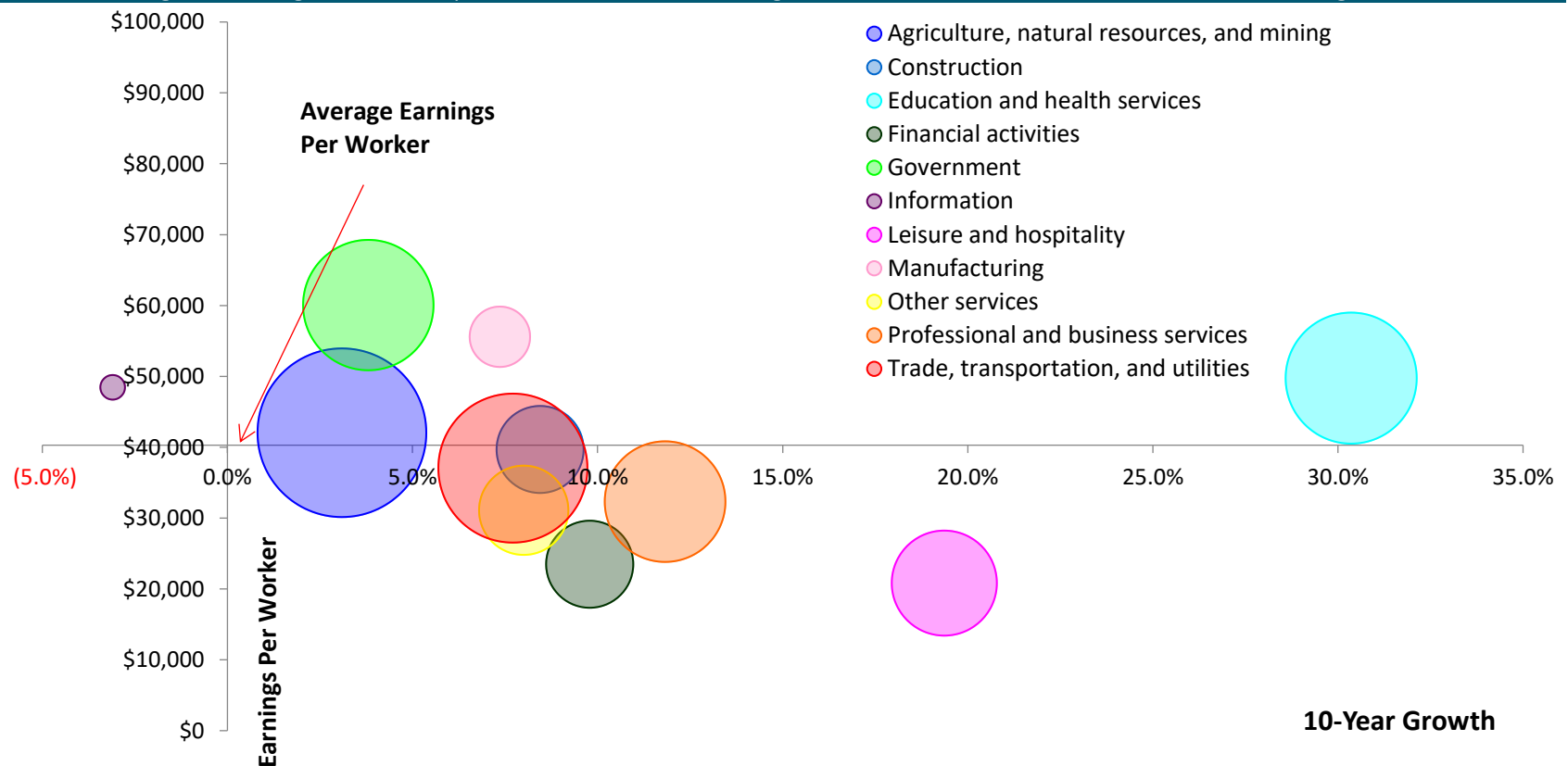
The table below contains information on South Central Florida's regional population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Between 2007 and 2017, the region's population grew 3.3%. Between 2009 and 2019, the region's population grew 5.2%. The region's growth rate is expected to slow to 6.3% in the next decade. Two years ago, the predicted the growth rate was projected to be 9.9% in the next decade. The region's average household income in 2018 was 67% of the average statewide wage.

Table 35. Demographic Estimates, South Central Florida Region	
Total Population	Estimate
Population in 2009	252,957
Population in 2019	266,091
Population in 2029	282,878
Growth from 2009 to 2019	5.2%
Growth from 2019 to 2029	6.3%
Personal Income (Inclusive of all income sources)	
Average Regional Household Income (2019)	\$79,285
Average Florida Household Income (2019)	\$118,835
Number of Households (2019)	104,889

Source: Woods & Poole Economics, Inc. 2019

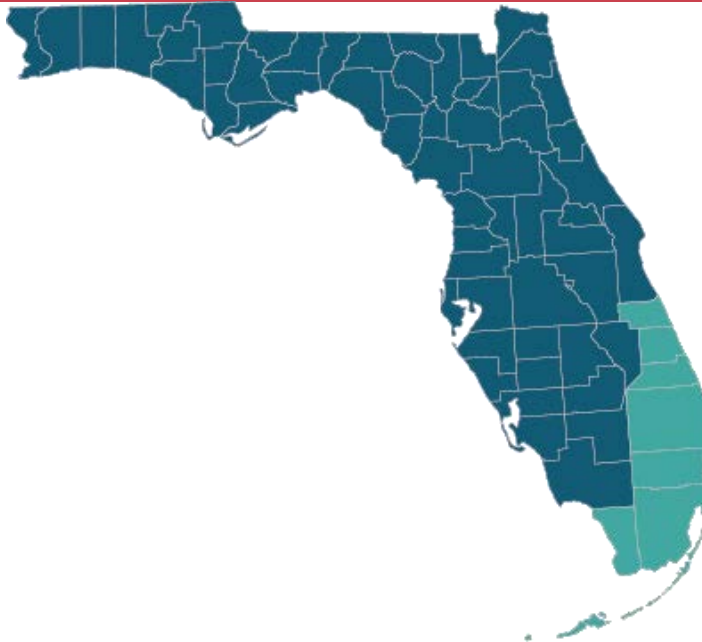
The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while the horizontal axis shows the ten-year growth and the vertical axis shows the average earnings per worker. The **largest employment sector** in the South Central Florida region is agriculture, with over 21,000 employed. This is followed by the trade sector with nearly 17,000 employed. The **greatest average earning sector** is the government, with average earnings of nearly \$60,000. This is followed by the manufacturing sector with nearly \$56,000 in average earnings. All sectors are expected to experience 10-year growth except the information sector, which has a 10-year growth rate of -3.1%. The **sector projected to experience the most growth** over the next 10 years is education/health with 10-year growth at 30%.

Figure 47. Regional Industry Concentration and Earnings Growth 2018-2028 – South Central Florida Region



Source: Woods & Poole Economics, Inc. 2019

Southeast Florida Region



Southeast Florida Region Summary

The Southeast Florida Region includes Broward, Miami-Dade, Indian River, Martin, Monroe, Palm Beach, and St. Lucie Counties. Defense activities play a significant role in the regional economy, injecting about \$5.2 billion in spending into Southeast Florida in 2016. Military spending, summed with the National Guard and the Coast Guard, totals to the Combined Direct Expenditure estimates as indicated in Table 36. Transfer payments accounted for the largest share at 55% or roughly \$2.9 billion of the \$5.2 billion total. Salaries accounted for 13% (\$685M), and procurement accounted for 32% (\$1.7B).

Table 36. Southeast Region: Combined Direct Defense Expenditures	
Spending Flow	Millions (Current USD)
Procurement	\$1,671
Salaries	\$685
Pensions & Transfers	\$2,859
Total Combined Direct Expenditure	\$5,215

Source: Department of Defense; Department of Veterans Affairs; Bureau of Economic Analysis; Department of Treasury

Figure 48. Southeast Region: Distribution of Direct Defense Spending

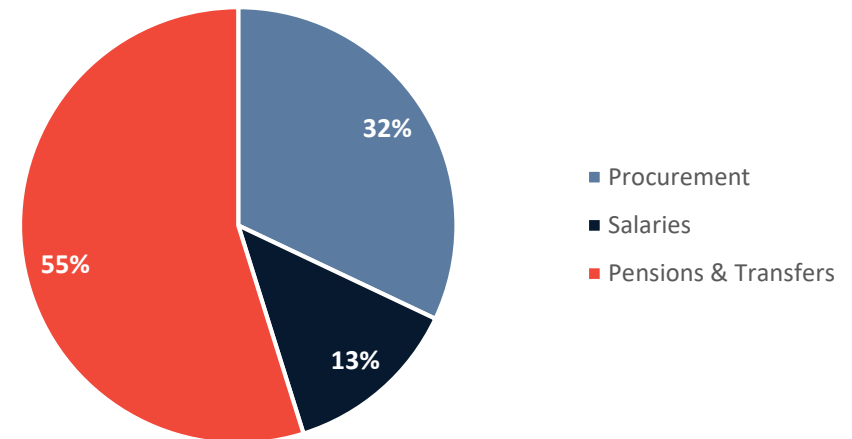


Table 37. Southeast Region: Economic Impact Forecast, 2018 – 2022
Current Millions USD

Impact Type	2018	2019	2020	2021	2022
Total Employment	155,355	156,154	169,393	170,876	168,763
Gross Regional Product	\$16,134	\$16,121	\$17,567	\$18,001	\$18,123
<i>Total Consumption</i>	<i>\$9,480</i>	<i>\$8,580</i>	<i>\$9,588</i>	<i>\$9,924</i>	<i>\$10,191</i>
<i>Investment Residential</i>	<i>\$2,173</i>	<i>\$2,756</i>	<i>\$2,957</i>	<i>\$2,810</i>	<i>\$2,480</i>
<i>Investment Non-residential</i>	<i>\$658</i>	<i>\$635</i>	<i>\$681</i>	<i>\$681</i>	<i>\$660</i>
<i>Producer's Durable Equipment</i>	<i>\$355</i>	<i>\$577</i>	<i>\$758</i>	<i>\$885</i>	<i>\$976</i>
<i>Business Inventories</i>	<i>\$18</i>	<i>\$25</i>	<i>\$21</i>	<i>\$18</i>	<i>\$17</i>
<i>Government</i>	<i>\$458</i>	<i>\$676</i>	<i>\$837</i>	<i>\$934</i>	<i>\$989</i>
<i>Exports</i>	<i>\$9,592</i>	<i>\$9,411</i>	<i>\$10,179</i>	<i>\$10,521</i>	<i>\$10,746</i>
<i>Imports (subtract)</i>	<i>\$6,600</i>	<i>\$6,539</i>	<i>\$7,453</i>	<i>\$7,773</i>	<i>\$7,936</i>

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

Totals may not sum due to rounding.

The table above represents the defense activities total economic impact in the Southeast Florida region. Defense activities in 2018 accounted for about 155,000 jobs, which was about 12% greater than the 2016 projection for 2018. The number of employed in the region in 2018 increased by about 22% from the 2016 number of employed. Employment impacts in the region are projected to increase slightly through 2021 and then decrease in 2022. Gross regional product (GRP) impacts in the region in 2018 accounted for about \$16.1 billion in impacts, which is about 16% greater than the 2016 projection for 2018. The GRP impacts in the region in 2018 increased by about 30% from the 2016 GRP impacts. Gross regional product impacts are projected to increase through 2022.

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

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



Table 38. Southeast Region: Total Economic Impacts by Component, Millions USD (2018)					
Spending Flow	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Gross Regional Product	\$2,903	\$0	\$67	\$2,970
	Total Jobs	31,861	0	818	32,679
Employment	Gross Regional Product	\$6,766	\$764	\$1,188	\$8,719
	Total Jobs	54,852	6,332	12,250	73,434
Transfers	Gross Regional Product	\$4,404	\$0	\$41	\$4,445
	Total Jobs	48,781	0	460	49,241
Totals	Gross Regional Product	\$14,073	\$764	\$1,296	\$16,134
	Total Jobs	135,494	6,332	13,528	155,354

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

Regional Impacts by Type

The data in the table above display a matrix of the impacts by type for 2018. This includes procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2018 U.S. Dollars) are displayed next to the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner.

- Military generated the most jobs in the region (**135,494**) in 2018, an increase of **22%** from 2016.
 - o Procurement for the military generated **31,861** jobs in 2018, an increase of **79%** from 2016.
 - o Transfers for the military accounted for **48,781** jobs in 2018, an increase of **10%** from 2016.
 - o Employment for the military accounted for over **35%** of all economic impacts as of 2018.
- The military accounted for **87%** of all GRP economic impacts.
- Total, economic GRP impacts in 2018 were up **30%** from **\$12.4 billion** in 2016.
- Defense spending accounts for approximately **4% the region's total economy**.

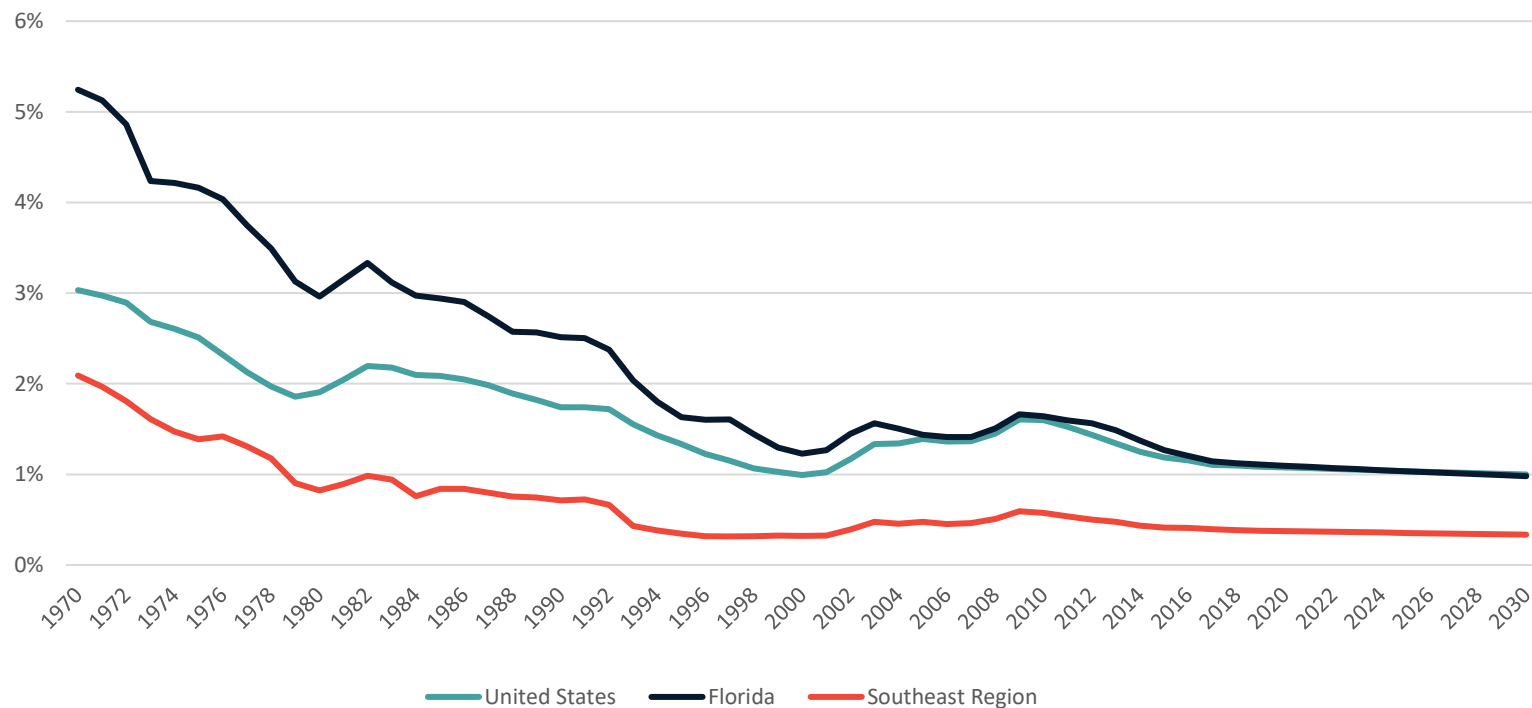
Table 39. Southeast Region MILLIONS USD							
County	Model Inputs – Combined Expenditures				Model Outputs – Combined Impacts		
	Procurement	Transfers	Salaries	Total	GDP	Employment	Percent GDP
Broward	\$434.9	\$760.5	\$106.7	\$1,302.1	\$3,917.0	39,481	3.4%
Indian River	\$6.6	\$136.0	\$6.0	\$148.6	\$255.3	3,181	4.2%
Martin	\$68.8	\$123.5	\$10.4	\$202.7	\$307.2	3,532	3.7%
Miami-Dade	\$518.0	\$744.7	\$357.9	\$1,620.6	\$7,436.5	66,315	4.4%
Monroe	\$133.0	\$81.5	\$107.8	\$322.3	\$1,025.5	9,220	22.8%
Palm Beach	\$507.0	\$755.4	\$76.7	\$1,339.1	\$2,733.1	28,369	3.0%
St. Lucie	\$2.5	\$257.6	\$19.0	\$279.1	\$459.2	5,257	4.9%
Total	\$1,670.7	\$2,859.3	\$684.5	\$5,214.6	\$16,133.7	155,355	4.0%

Source: Department of Defense; Department of Veterans Affairs; Bureau of Economic Analysis; Department of Treasury; REMI PI+ Florida Counties (Build 5294) V.2.2.2

Military Share of Total Earnings

This figure benchmarks the total share of state income that can be attributed to the military over time in the Southeast Florida region. This is graphed alongside the state and national spending. Earnings include more than wage and salary disbursements. They also include proprietors' income and other supplements to wages and salaries. In 2018, the Southeast military personnel received a 0.4% share of total personal income in the region, a smaller share of personal income than at the state and national average. As the U.S. and Florida continue to diversify their economies, military share of the total earnings has converged over time to approximately 1.0% of all state and national earnings.

Figure 49. Military Share of Total Earnings, 1970 -2030: Nation, Florida, and the Southeast Region

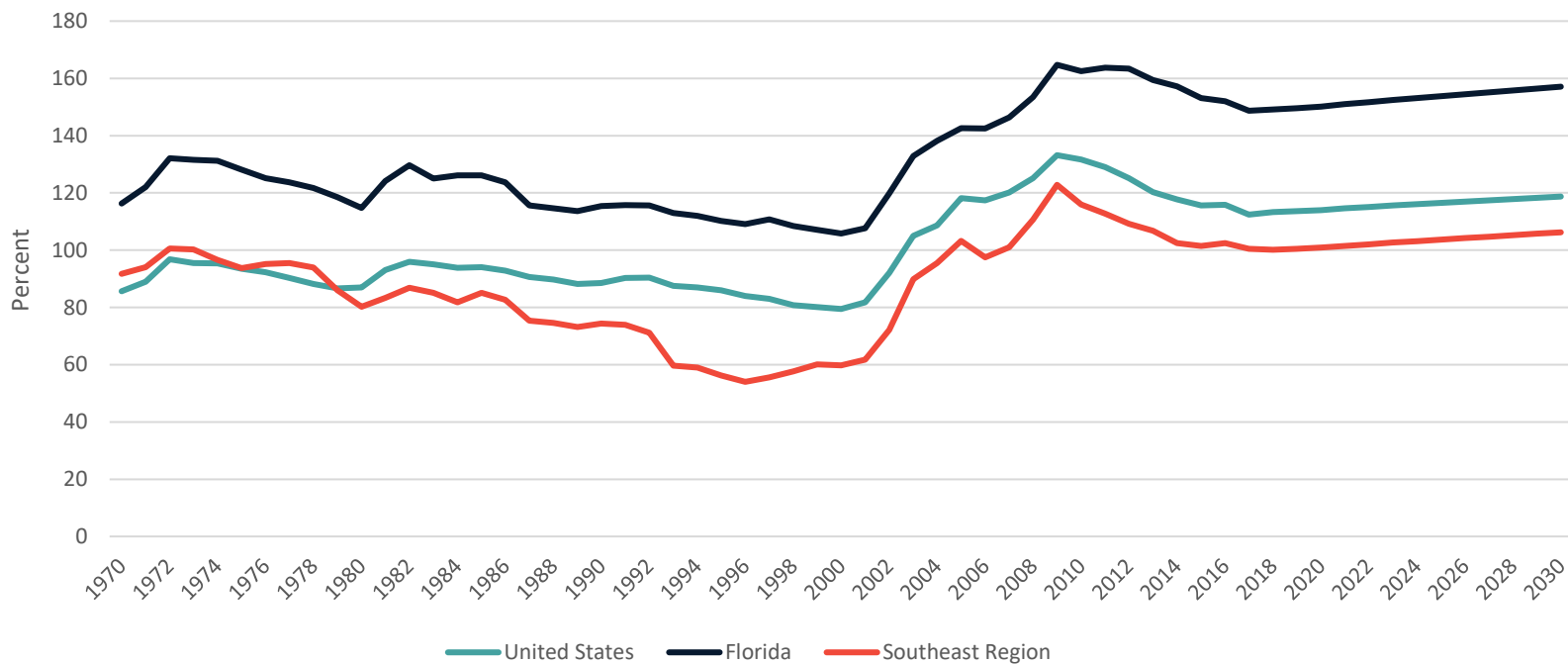


Source: Woods & Poole Economics, Inc. 2019

Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It shows a benchmark of the earnings of military employees against the earnings patterns of all workers. For the Southeast region, military employees in 1980 had earnings which totaled only 80% of the Northeast Florida workforce's average earnings level. As of 2018, the average military earnings for the Southeast region were 100% of the average workforce wages for the region. The Southeast's military average earnings are projected to stay about equal with the regional average wage level in the next decade. The state of Florida's relative earnings ratio is steady at 150%. For the U.S., the relative earnings ratio is also steady, at 113%.

Figure 50. Average Military Earnings vs Average Total Earnings, 1970 -2030: Nation, Florida, and the Southeast Region

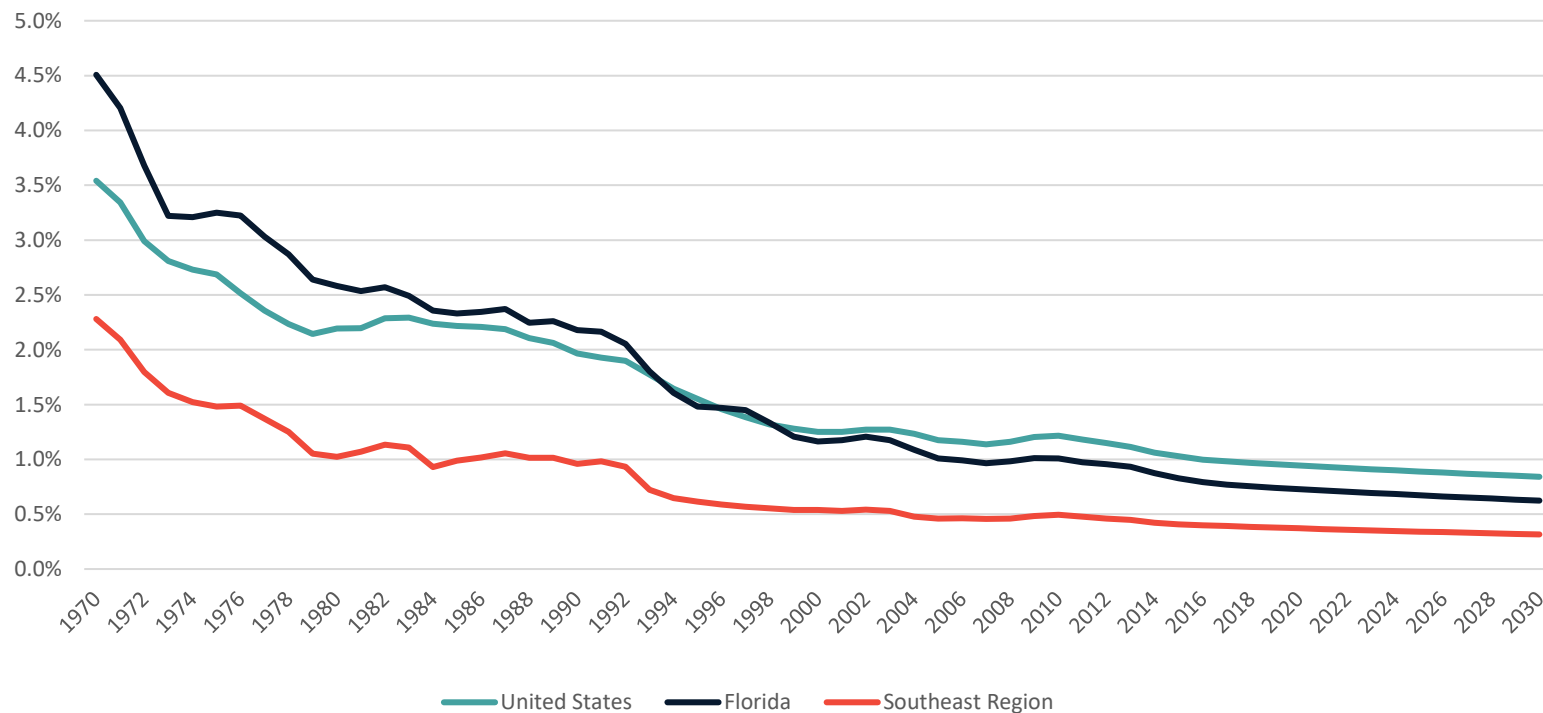


Source: Woods & Poole Economics, Inc. 2019

Military Employment as a Share of Total Employment

The figure below shows military employment as a share of total employment for the Southeast Florida Region. This is shown alongside the military employment shares for both the state of Florida and the U.S. In 1980 the military accounted for 1.0% of Southeast Florida employment, 2.6% of Florida employment, and 2.2% of U.S. employment. By 2018, the Southeast Florida Region had an employment share of 0.4%. These figures declined to 0.75% and 1% for the state and the US, respectively. The military does not directly contribute to as large a share of state employment as it once did. In recent post-Cold War decades, state and national economies have diversified while military spending has remained relatively flat.

Figure 51. Military Employment as a Share of Total Employment, 1970 – 2030: Nation, Florida, and the Southeast Region

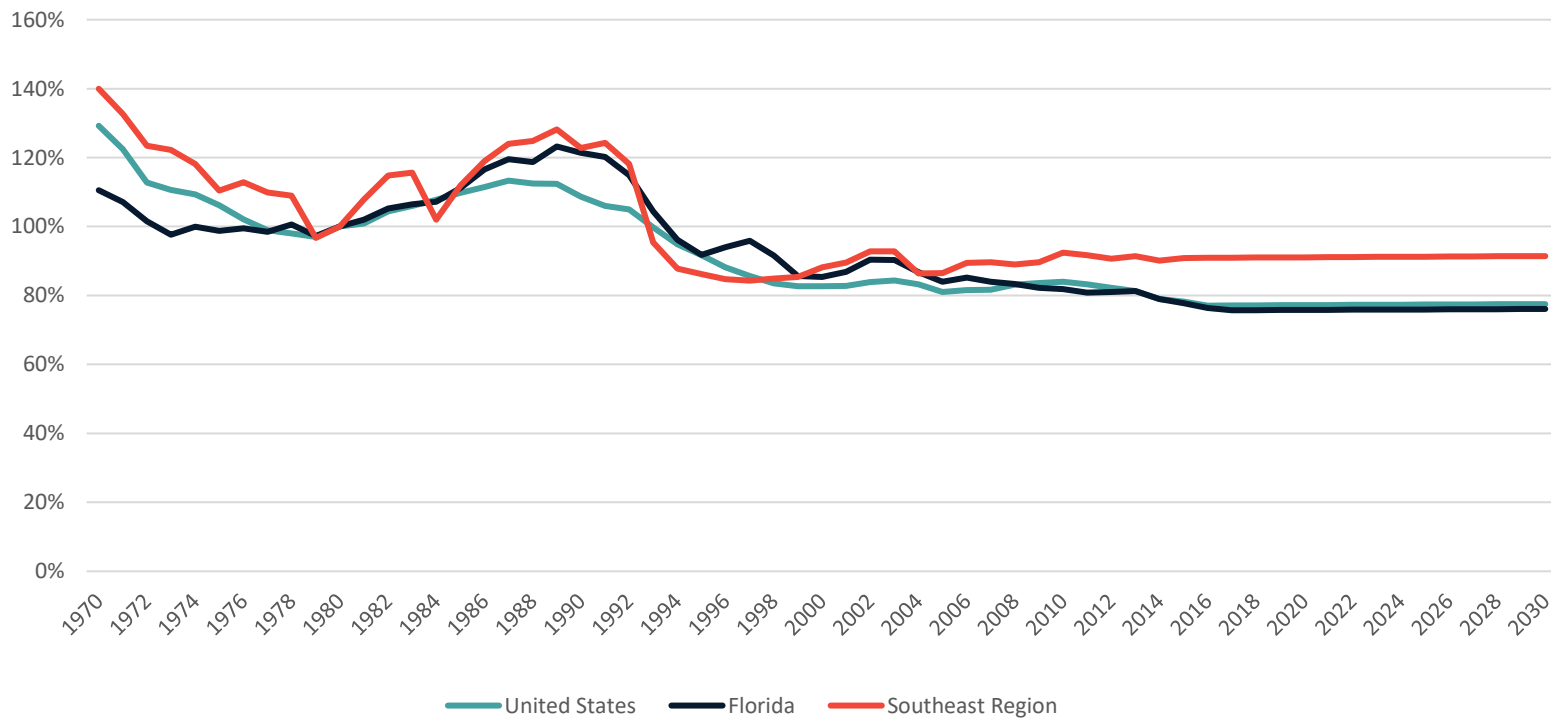


Source: Woods & Poole Economics, Inc. 2019

Change in Military Employment

The figure below benchmarks the size of military employment in the Southeast Florida region against the 1980 regional total. For example, Southeast Florida region military employment in 1985 was 112% of the 1980 total. In 2018, the military share of employment in the Southeast region had experienced some fluctuations but overall had remained steady at 91% of its size in 1980. Decreases in share of military employment can result from an increase in military workforce size, an increase in civilian workforce size, or a slower growth of military workforce versus the growth of civilian workforce. Decreases can also result from economic diversification away from defense. Military employment at the national level is currently at 77% of its 1980 size, and at the state level, it is at 76%.

Figure 52. Total military Employment Indexed to 1980, 1970 – 2030: Nation, Florida, and the Southeast Region



Source: Woods & Poole Economics, Inc. 2019

Demographics and the Regional Economy

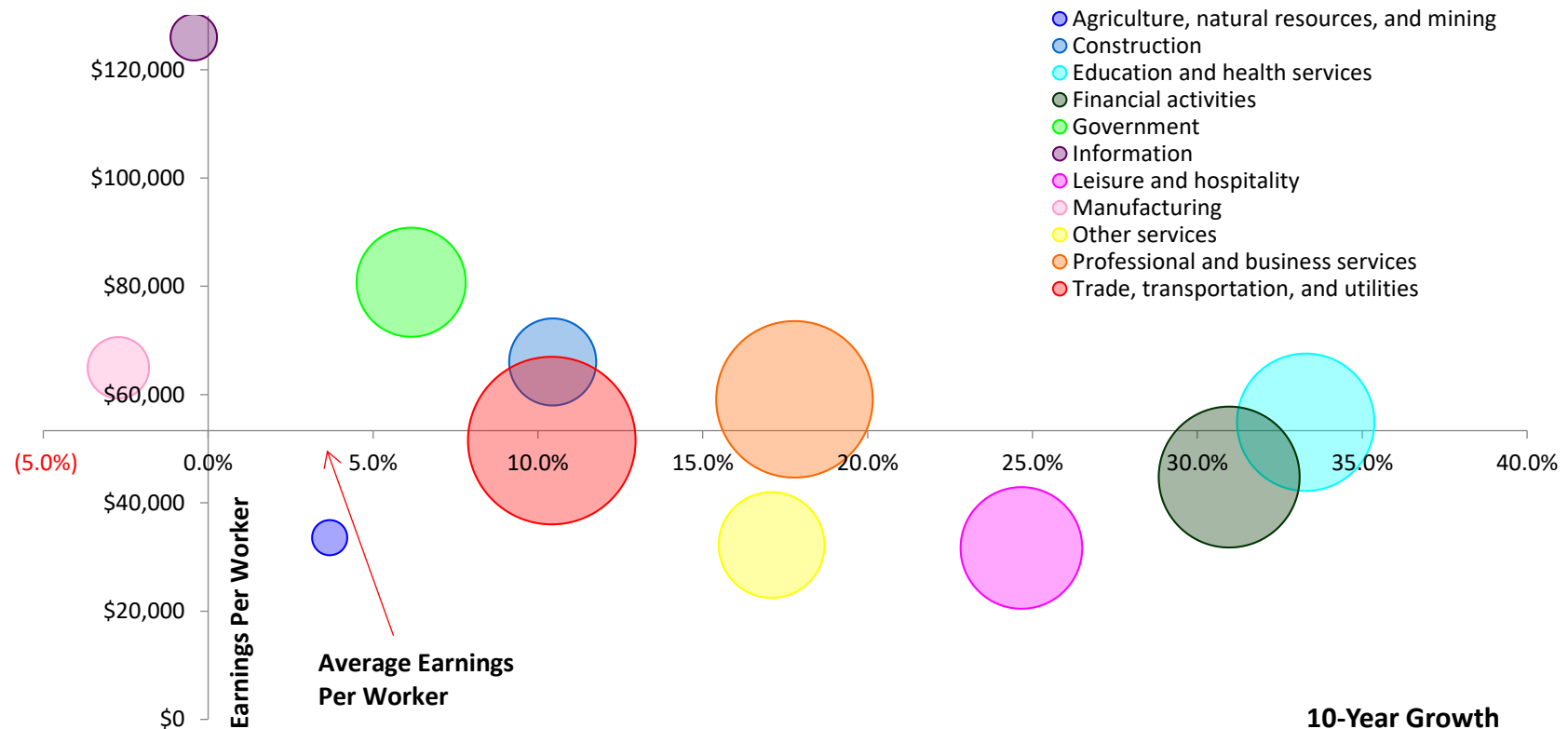
The table below contains information on Southeast Florida's regional population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Between 2007 and 2017, the region's population grew 14.0%. Between 2009 and 2019, the region's population grew 14.4%. The region's growth rate is expected to slow to 11.2% in the next decade. Two years ago, the predicted the growth rate was projected to be 18.9% in the next decade. The region's average household income in 2018 was 128% of the average statewide wage.

Table 40. Demographic Estimates, Southeast Florida Region	
Total Population	Estimate
Population in 2009	6,134,117
Population in 2019	7,017,262
Population in 2029	7,800,363
Growth from 2009 to 2019	14.4%
Growth from 2019 to 2029	11.2%
Personal Income (Inclusive of all income sources)	
Average Regional Household Income (2019)	\$151,707
Average Florida Household Income (2019)	\$118,835
Number of Households (2019)	2,719,005

Source: Woods & Poole Economics, Inc. 2019

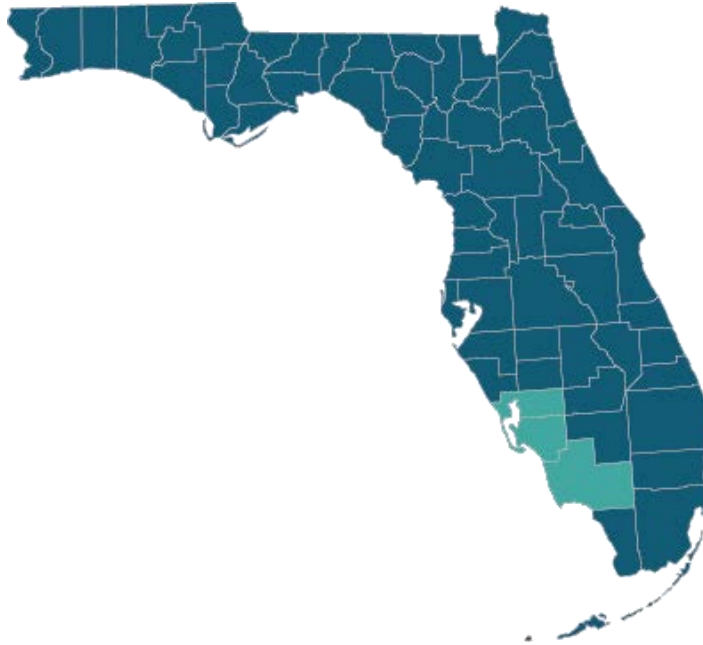
The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while the horizontal axis shows the ten-year growth and the vertical axis shows the average earnings per worker. The **largest employment sector** in the Southeast Florida region is trade, with nearly 842,000 employed. This is followed by the professional/business services sector with nearly 736,000 employed. The **greatest average earning sector** is the information sector, with average earnings of \$126,000. All sectors are expected to experience 10-year growth except the information and manufacturing sectors, with 10-year growth rates at -0.4% and -2.7%, respectively. The **sector projected to experience the most growth** over the next 10 years is education/health with 10-year growth at 33%. This is followed by the financial sector at 31% growth.

Figure 53. Regional Industry Concentration and Earnings Growth 2018-2028 – Southeast Florida Region



Source: Woods & Poole Economics, Inc. 2019

Southwest Florida Region



Southwest Florida Region Summary

The Southwest Florida Region includes Charlotte, Collier, and Lee Counties. Defense activities play a role in the regional economy primarily as a function of transfer payments to retirees, veterans, etc. Military spending, summed with the National Guard and the Coast Guard, totals to the Combined Direct Expenditure estimates as indicated in Table 41. Transfer payments accounted for the largest share at 77% or roughly \$826 million of the \$1 billion total. Salaries accounted for 12% (\$131M), and procurement accounted for 11% (\$122M).

Table 41. Southwest Region: Combined Direct Defense Expenditures	
Spending Flow	Millions (Current USD)
Procurement	\$122
Salaries	\$131
Pensions & Transfers	\$826
Total Combined Direct Expenditure	\$1,080

Source: Department of Defense; Department of Veterans Affairs; Bureau of Economic Analysis; Department of Treasury

Figure 54. Southwest Region: Distribution of Direct Defense Spending

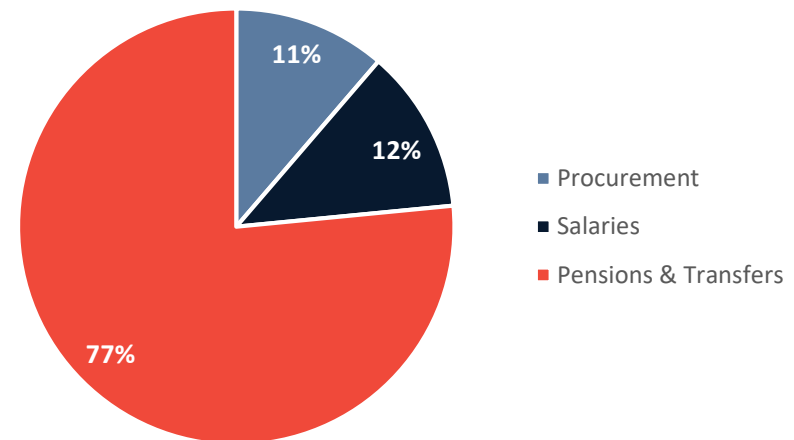


Table 42. Southwest Region: Economic Impact Forecast, 2018 – 2022
Current Millions USD

Impact Type	2018	2019	2020	2021	2022
Total Employment	25,346	25,477	27,637	27,879	27,534
Gross Regional Product	\$2,262	\$2,409	\$2,604	\$2,688	\$2,718
<i>Total Consumption</i>	<i>\$1,806</i>	<i>\$1,718</i>	<i>\$1,849</i>	<i>\$1,916</i>	<i>\$1,973</i>
<i>Investment Residential</i>	<i>\$418</i>	<i>\$550</i>	<i>\$582</i>	<i>\$551</i>	<i>\$486</i>
<i>Investment Non-residential</i>	<i>\$102</i>	<i>\$118</i>	<i>\$130</i>	<i>\$133</i>	<i>\$130</i>
<i>Producer's Durable Equipment</i>	<i>\$54</i>	<i>\$92</i>	<i>\$123</i>	<i>\$145</i>	<i>\$162</i>
<i>Business Inventories</i>	<i>\$1</i>	<i>\$2</i>	<i>\$2</i>	<i>\$1</i>	<i>\$1</i>
<i>Government</i>	<i>\$120</i>	<i>\$190</i>	<i>\$237</i>	<i>\$267</i>	<i>\$286</i>
<i>Exports</i>	<i>\$1,004</i>	<i>\$1,019</i>	<i>\$1,091</i>	<i>\$1,139</i>	<i>\$1,174</i>
<i>Imports (subtract)</i>	<i>\$1,244</i>	<i>\$1,278</i>	<i>\$1,410</i>	<i>\$1,465</i>	<i>\$1,495</i>

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

Totals may not sum due to rounding.

The table above represents the defense activities total economic impact in the Southwest Florida region. Defense activities in 2018 accounted for about 25,000 jobs, which was about 8% less than the 2016 projection for 2018. The number of employed in the region in 2018 increased by about 7.3% from the 2016 number of employed. Employment impacts in the region are projected to increase slightly through 2021 and then decrease in 2022. GRP impacts in the region in 2018 accounted for about \$2.3 billion in impacts, which is about 3% less than the 2016 projection for 2018. The GRP impacts in the region in 2018 increased by about 17% from the 2016 GRP impacts. GRP impacts are projected to increase through 2022.

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

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



Table 43. Southwest Region: Total Economic Impacts by Component, Millions USD (2018)					
Spending Flow	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Gross Regional Product	\$195	\$0	\$2	\$197
	Total Jobs	2,045	0	30	2,075
Employment	Gross Regional Product	\$1,136	\$82	\$30	\$1,248
	Total Jobs	11,790	828	339	12,957
Transfers	Gross Regional Product	\$809	\$0	\$7	\$816
	Total Jobs	10,222	0	94	10,316
Totals	Gross Regional Product	\$2,140	\$82	\$40	\$2,262
	Total Jobs	24,057	828	463	25,348

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

Regional Impacts by Type

The data in the table above display a matrix of the impacts by type for 2018. This includes procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2018 U.S. Dollars) are displayed next to the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner.

- Military generated the most jobs in the region (**24,057**) in 2018, an increase of **8%** from 2016.
 - o Procurement for the military generated **2,045** jobs in 2018, an increase of **42%** from 2016.
 - o Transfers for the military accounted for **10,222** jobs in 2018, an increase of **2%** from 2016.
 - o Transfers for the military accounted for over **47%** of all economic impacts as of 2018.
- The military accounted for **95%** of all GRP economic impacts.
- Total, economic GRP impacts in 2018 were up **17%** from \$1.9 billion in 2016.
- In the Southwest Region, defense spending accounts for an approximately **4.1% of the region's total economy**.

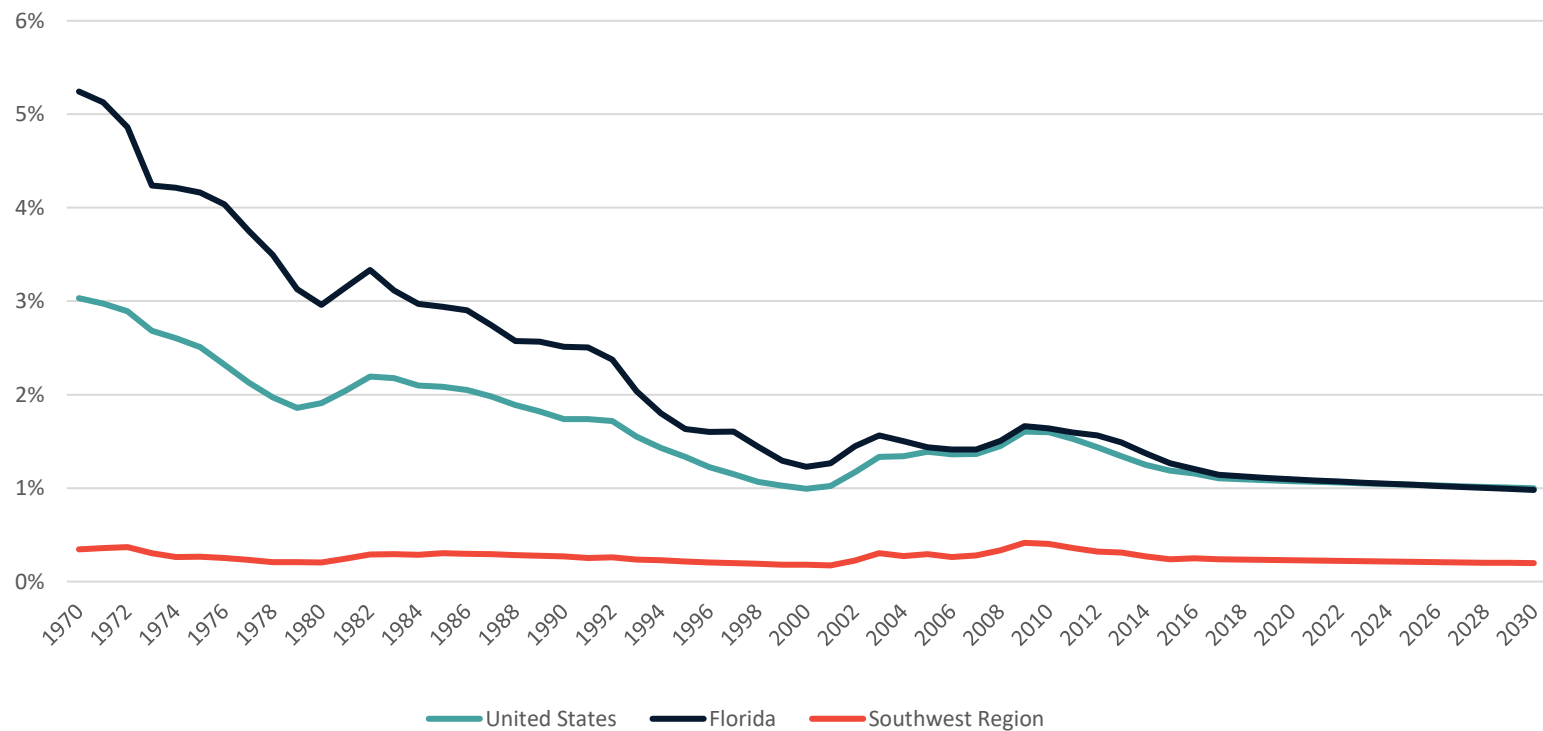
Table 44. Southwest Region - Defense Impacts by County, 2018 Millions USD							
County	Model Inputs – Combined Expenditures				Model Outputs – Combined Impacts		
	Procurement	Transfers	Salaries and Wages	Total	GDP	Employment	Percent GDP
Charlotte	\$13.1	\$203.8	\$7.6	\$224.5	\$247.7	3,239	4.9%
Collier	\$48.1	\$172.5	\$31.8	\$252.4	\$552.2	5,887	3.0%
Lee	\$60.8	\$450.0	\$91.8	\$602.6	\$1,461.7	16,220	4.7%
Total	\$122.0	\$826.3	\$131.2	\$1,079.6	\$2,261.6	25,346	4.1%

Source: Department of Defense; Department of Veterans Affairs; Bureau of Economic Analysis; Department of Treasury;
REMI PI+ Florida Counties (Build 5294) V.2.2.2

Military Share of Total Earnings

This figure benchmarks the total share of state income that can be attributed to the military over time in the Southwest Florida region. This is graphed alongside the state and national spending. Earnings include more than wage and salary disbursements. They also include proprietors' income and other supplements to wages and salaries. In 2018, the Southwest military personnel received a 0.2% share of total personal income in the region, a smaller share of personal income than at the state and national average. As the U.S. and Florida continue to diversify their economies, military share of the total earnings has converged over time to approximately 1.0% of all state and national earnings.

Figure 55. Military Share of Total Earnings, 1970 -2030: Nation, Florida, and the Southwest Region

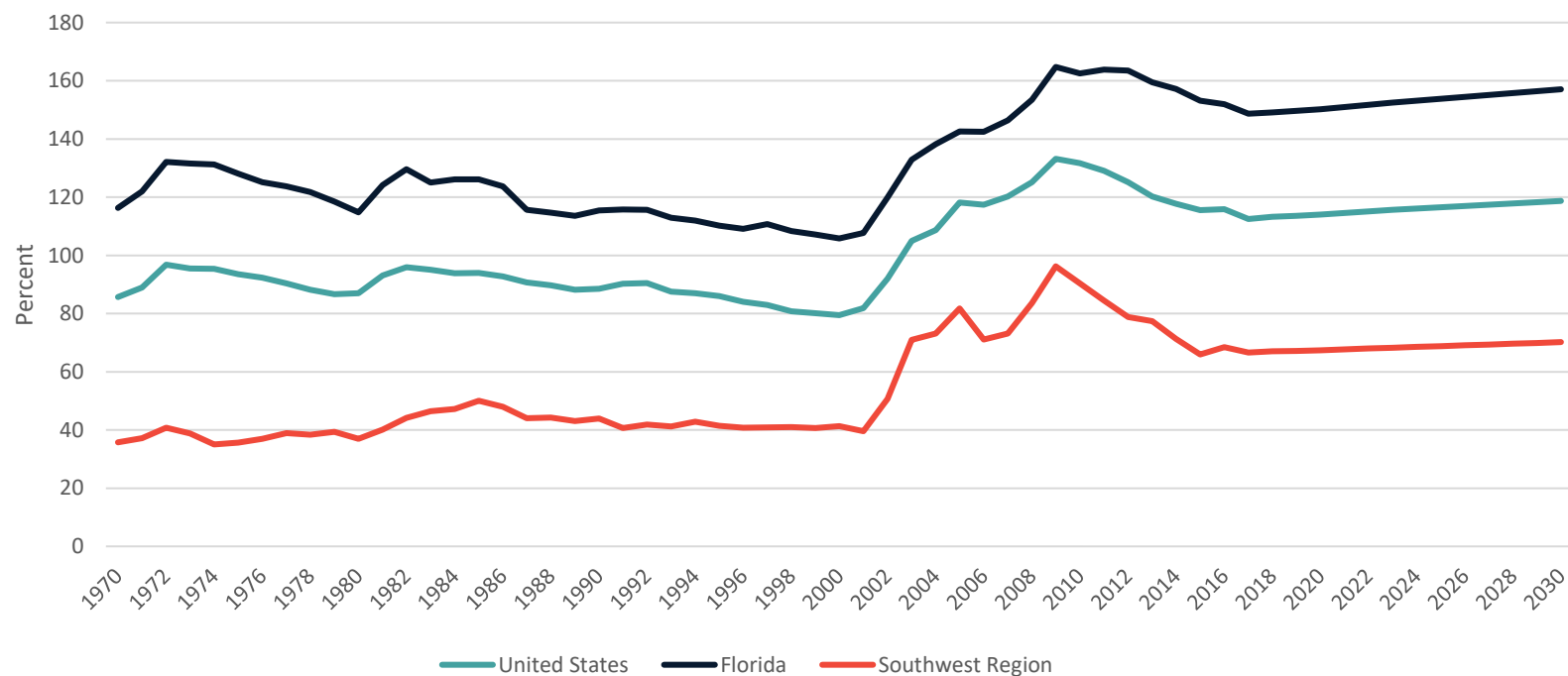


Source: Woods & Poole Economics, Inc. 2019

Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It shows a benchmark of the earnings of military employees against the earnings patterns of all workers. For the Southwest region, military employees in 1980 had earnings which totaled only 37% of the Northeast Florida workforce's average earnings level. As of 2018, the average military earnings for the Southwest region were 67% of the average workforce wages for the region. The Southwest's military average earnings are projected to stay significantly below the regional average wage level in the next decade. The state of Florida's relative earnings ratio is steady at 150%. For the U.S., the relative earnings ratio is also steady, at 113%.

Figure 56. Average Military Earnings vs Average Total Earnings, 1970 -2030: Nation, Florida, and the Southwest Florida Region

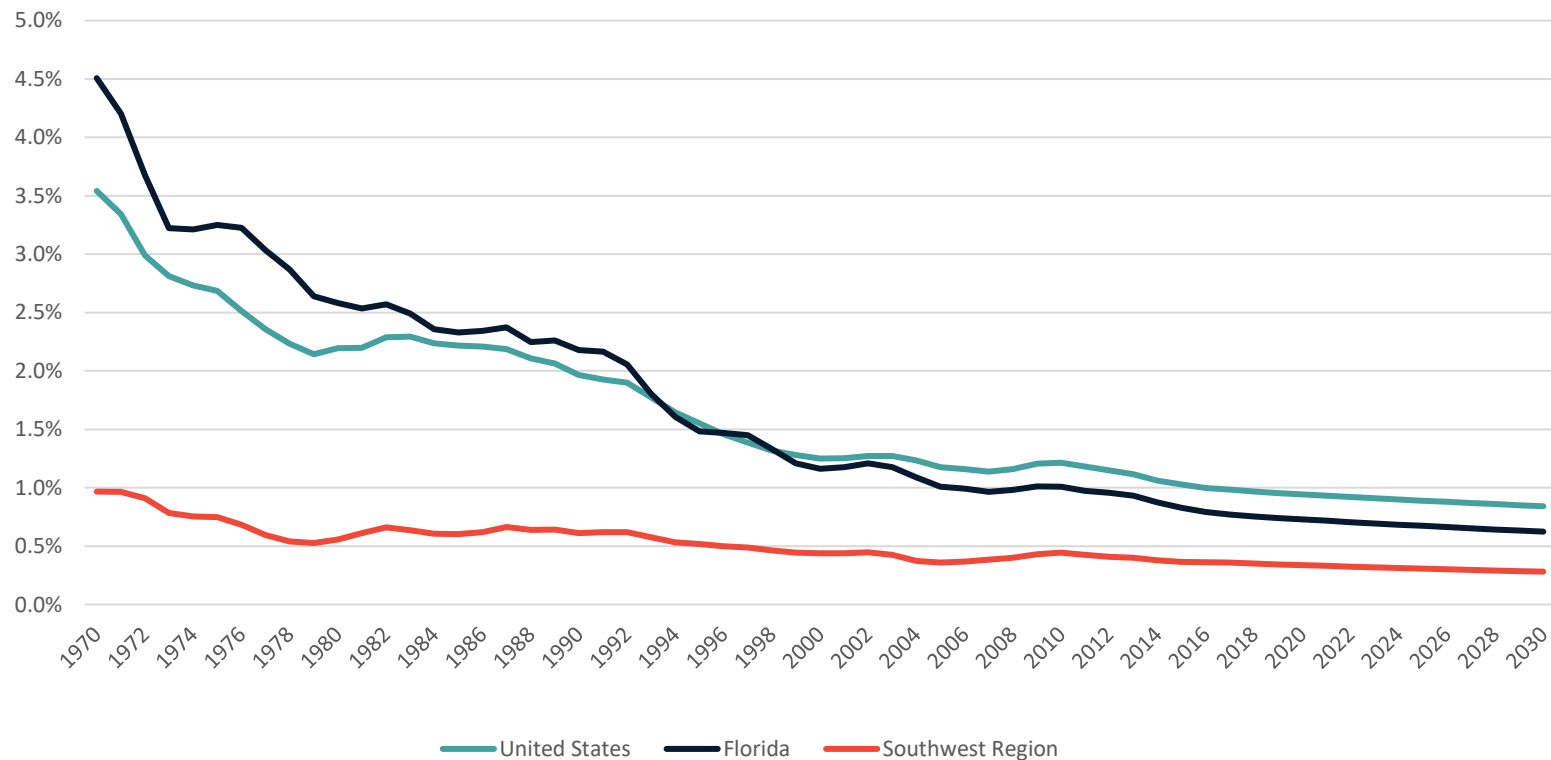


Source: Woods & Poole Economics, Inc. 2019

Military Employment as a Share of Total Employment

The figure below shows military employment as a share of total employment for the Southwest Florida Region. This is shown alongside the military employment shares for both the state of Florida and the U.S. In 1980 the military accounted for 0.6% of Southwest Florida employment, 2.6% of Florida employment, and 2.2% of U.S. employment. By 2018, the Southwest Florida Region had an employment share of 0.4%. These figures declined to 0.75% and 1% for the state and the US, respectively. The military does not directly contribute to as large a share of state employment as it once did. In recent post-Cold War decades, state and national economies have diversified while military spending has remained relatively flat.

Figure 57. Military Employment as a Share of Total Employment, 1970 – 2030: Nation, Florida, and the Southwest Region

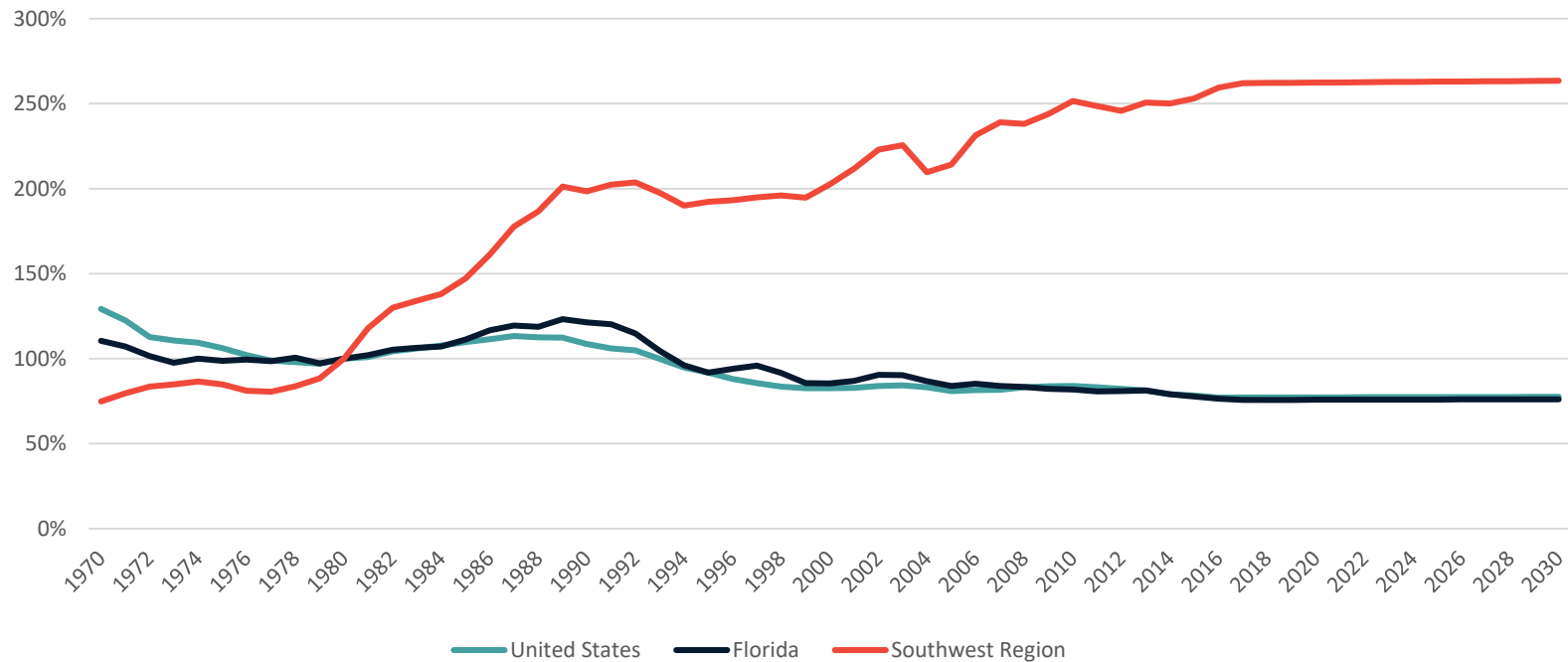


Source: Woods & Poole Economics, Inc. 2019

Change in Military Employment

The figure below benchmarks the size of military employment in the Southwest Florida region against the 1980 regional total. For example, Southwest Florida region military employment in 1985 was 100% of the 1980 total. In 2018, the military share of employment in the Southwest region was 262% of its size in 1980. Increases in share of military employment can result from an increase in military workforce size, a decrease in civilian workforce size, or a faster growth of military workforce versus the growth of civilian workforce. Decreases can also result from economic diversification away from defense. Military employment at the national level is currently at 77% of its 1980 size, and at the state level, it is at 76%.

Figure 58. Total Military Employment Indexed to 1980, 1970 – 2030: Nation, Florida, and the Southwest Region



Source: Woods & Poole Economics, Inc. 2019

Demographics and the Regional Economy

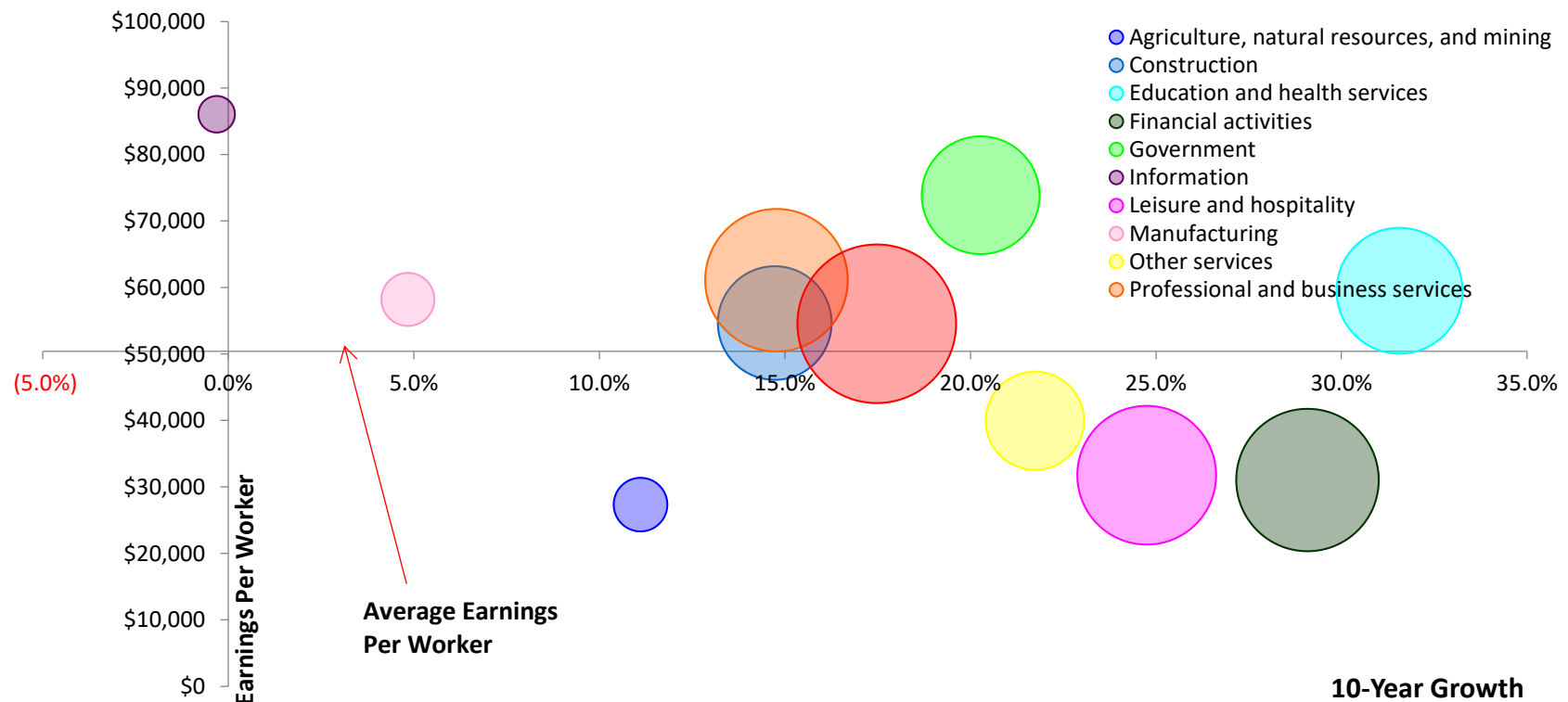
The table below contains information on Southwest Florida's regional population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Between 2007 and 2017, the region's population grew 21.3%. Between 2009 and 2019, the region's population grew 22.8%. The region's growth rate is expected to slow to 18.1% in the next decade. Two years ago, the predicted the growth rate was projected to be 39.6% in the next decade. The region's average household income in 2018 was 128% of the average statewide wage.

Table 45. Demographic Estimates, Southwest Florida Region	
Total Population	Estimate
Population in 2009	1,090,411
Population in 2019	1,339,129
Population in 2029	1,580,930
Growth from 2009 to 2019	22.8%
Growth from 2019 to 2029	18.1%
Personal Income (Inclusive of all income sources)	
Average Regional Household Income (2019)	\$152,791
Average Florida Household Income (2019)	\$118,835
Number of Households (2019)	557,359

Source: Woods & Poole Economics, Inc. 2019

The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while the horizontal axis shows the ten-year growth and the vertical axis shows the average earnings per worker. The **largest employment sector** in the Southwest Florida region is trade, with nearly 118,000 employed. This is followed by the professional/business services sector with over 65,000 employed. The **greatest average earning sector** is the information sector, with average earnings of \$86,000. All sectors are expected to experience 10-year growth except the information sector, with 10-year growth rate at -0.3%. The **sector projected to experience the most growth** over the next 10 years is education/health with 10-year growth at 32%. This is followed by the financial sector and leisure/hospitality sector at 29% and 25% growth, respectively.

Figure 59. Regional Industry Concentration and Earnings Growth 2018-2028 – Southwest Florida Region



Source: Woods & Poole Economics, Inc. 2019

County Analysis Overview

In this section, we provided an analysis of the impacts of defense activities on economies of counties that were heavily affected by defense activities. These counties, for the most part, are home to military installations and/or significantly affected by neighboring installations. Counties discussed in the county analyses include:

- Bay
- Bradford
- Brevard
- Clay
- Duval
- Escambia
- Highlands
- Hillsborough
- Miami-Dade
- Monroe
- Okaloosa
- Orange
- Pinellas
- Polk
- Santa Rosa

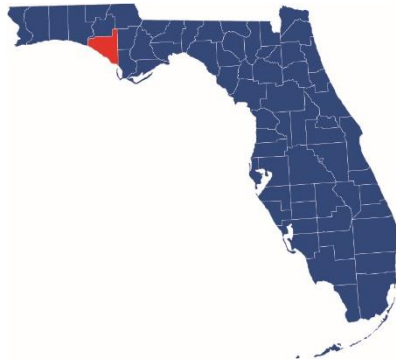
The county impact data are reported in sections that were arrayed in precisely the same fashion. We open each analysis with an overview of the flow of defense-related spending, by type, into the county and included basic data about the counties and the installations located therein. The expenditure data are inclusive of activities related to salaries and wages, procurement, and transfer payments for all federal military branches (including civilians), the Coast Guard, and the National Guard (including state and federal spending). We present the economic impacts across various measures that include Gross regional product (GRP), employment, sales, imports, exports, etc. Following this, we look at the economic impacts of each type of spending activity to include procurement, federal employment (salaries and wages), and transfer payments across the military, Coast Guard, and National Guard. This provides an overview of the types of spending flows, for each county, that have the greatest impact. Each section also contains an overview of defense trends within the county over the past several decades as well as projections going forward. This includes military employment as a share of total employment, military pay relative to all wages, and trends in military employment. We then close with an overview of county-level demographic and economic conditions.

Table 46 (on the following page) presents the direct spending for each defense-related spending flow for Bay County. As the data here, and subsequent analyses, show, defense activities affect county-level economies in very different ways. Bay County, for example, received approximately \$1.5 billion in direct military spending in 2018. When modeled, the military impacts account for \$3.2 billion in gross regional product (GRP) and nearly 29,000 jobs.

As we note elsewhere, every county in the state of Florida is affected by defense-related activities regardless of whether major installations are in the county. We outline the impacts for counties that are heavily affected by defense activities here. We capture approximately 77% of the total impact (GRP) of defense activities on the Florida economy within the fifteen county analyses that we present here. Those counties are responsible for about \$73 billion of the \$95 billion total impact (GRP), and they account for over 661,968 of the total 914,787 jobs generated.

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

Bay County



Bay County Summary²

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

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

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

Economic Impact Estimates

Defense activities play a substantial role in the Bay County economy. Military spending, summed with the National Guard and the Coast Guard, totals to the Combined Direct Expenditure estimates presented in Table 46. Procurement accounted for the largest share at 50% or roughly \$729 million of the \$1.5 billion total. Salaries accounted for 24%, and transfers accounted for 26%.

² It should be noted that defense spending data used in this study is from FY 2018 and does not include impacts from Hurricane Michael.

Table 46. Bay County: Combined Direct Defense Expenditures

Spending Flow	Millions (Current USD)
Procurement	\$729
Salaries	\$356
Pensions & Transfers	\$375
Total Combined Direct Expenditure	\$1,459

Source: Department of Defense; Department of Veterans Affairs; Bureau of Economic Analysis; Department of Treasury

Figure 60. Southwest Region: Distribution of Direct Defense Spending

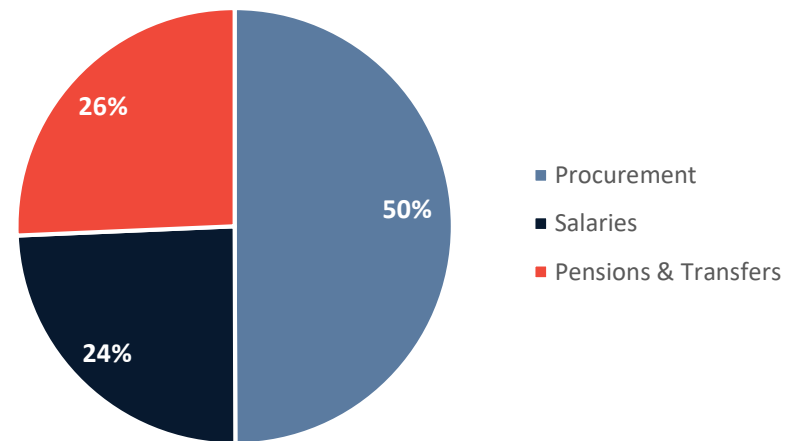


Table 47. Bay County: Economic Impact Forecast, 2018 – 2022
Current Millions USD

Impact Type	2018	2019	2020	2021	2022
Total Employment	28,965	29,114	31,582	31,859	31,465
Gross Regional Product	\$3,162	\$3,265	\$3,477	\$3,583	\$3,632
<i>Total Consumption</i>	<i>\$1,565</i>	<i>\$1,551</i>	<i>\$1,706</i>	<i>\$1,791</i>	<i>\$1,851</i>
<i>Investment Residential</i>	<i>\$355</i>	<i>\$479</i>	<i>\$519</i>	<i>\$502</i>	<i>\$449</i>
<i>Investment Non-residential</i>	<i>\$102</i>	<i>\$106</i>	<i>\$113</i>	<i>\$114</i>	<i>\$110</i>
<i>Producer's Durable Equipment</i>	<i>\$53</i>	<i>\$90</i>	<i>\$119</i>	<i>\$140</i>	<i>\$155</i>
<i>Business Inventories</i>	<i>\$5</i>	<i>\$7</i>	<i>\$5</i>	<i>\$4</i>	<i>\$4</i>
<i>Government</i>	<i>\$111</i>	<i>\$168</i>	<i>\$208</i>	<i>\$233</i>	<i>\$248</i>
<i>Exports</i>	<i>\$2,911</i>	<i>\$2,932</i>	<i>\$3,056</i>	<i>\$3,151</i>	<i>\$3,228</i>
<i>Imports (subtract)</i>	<i>\$1,939</i>	<i>\$2,069</i>	<i>\$2,249</i>	<i>\$2,352</i>	<i>\$2,414</i>

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

Totals may not sum due to rounding.

The table above represents the defense activities total economic impact in Bay County. Defense activities in 2018 accounted for about 29,000 jobs, which was about 22% greater than the 2016 projection for 2018. The number of employed in the county in 2018 increased by about 28% from the 2016 number of employed. Employment impacts in the county are projected to increase slightly through 2021 and then decrease in 2022. Gross regional product impacts in the county in 2018 accounted for about \$3.2 billion in impacts, which is about 19% greater than the 2016 projection for 2018. The GRP impacts in the county in 2018 increased by about 25% from the 2016 GRP impacts. Gross regional product impacts are projected to increase through 2022.

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

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



Table 48. Bay County: Total Economic Impacts by Component, Millions USD (2018)					
Spending Flow	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Gross Regional Product	\$378	\$0	\$422	\$800
	Total Jobs	4,654	0	3,488	8,142
Employment	Gross Regional Product	\$1,781	\$215	\$20	\$2,016
	Total Jobs	14,364	1,741	243	16,348
Transfers	Gross Regional Product	\$343	\$0	\$3	\$346
	Total Jobs	4,438	0	36	4,474
Totals	Gross Regional Product	\$2,502	\$215	\$445	\$3,162
	Total Jobs	23,456	1,741	3,767	28,964

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

Military Impacts by Type

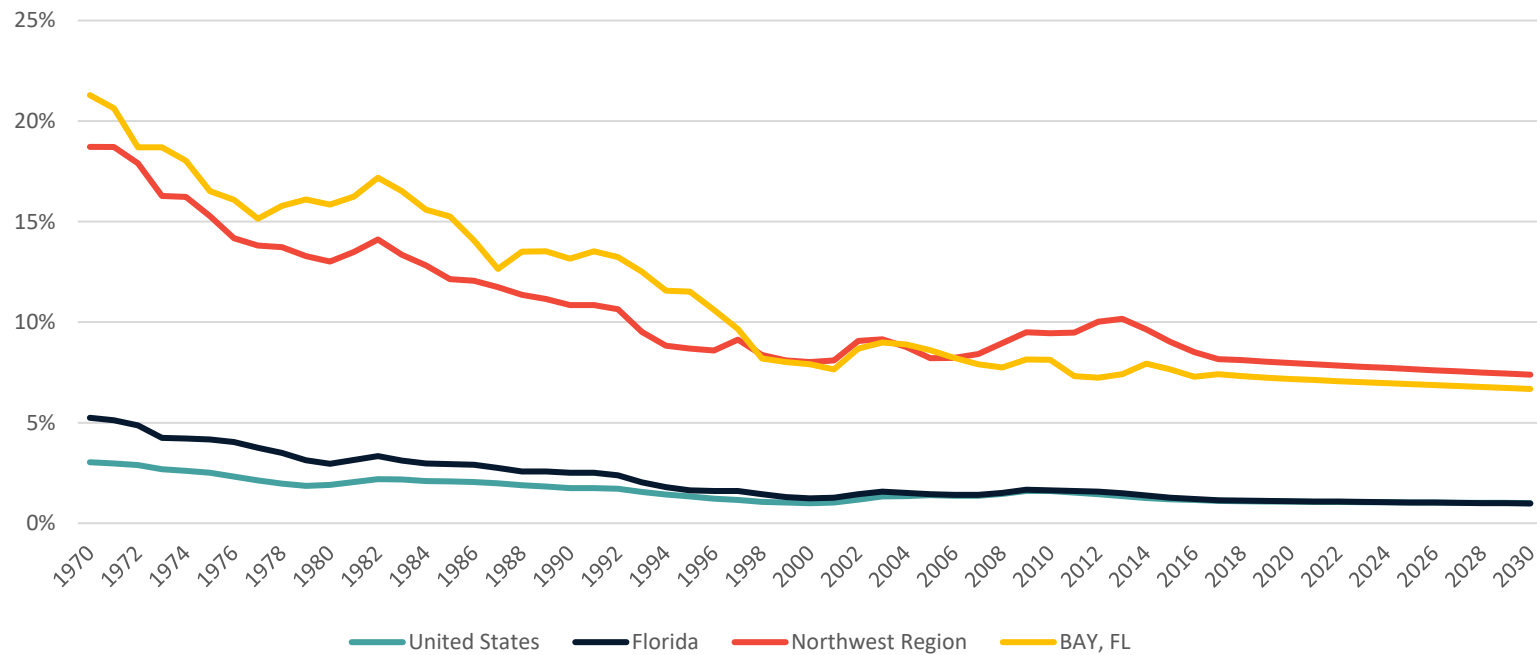
The data in the table above display a matrix of the impacts by type for 2018. This includes procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2018 U.S. Dollars) are displayed next to the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner.

- The three impacts combined for **\$3.1 billion dollars** in GRP impacts and **nearly 29,000 jobs** as of 2018 for **Bay County**.
- Military generated the most jobs in the county (**23,456**) in 2018, an increase of **17%** from 2016.
 - o Procurement for the military generated **4,654** jobs in 2018, an increase of **5%** from 2016.
 - o Employment for the military generated **14,364** jobs in 2018, an increase of **17%** from 2016.
 - o Transfers for the military generated **4,438** jobs in 2018, an increase of **34%** from 2016.
- The military accounted for **81%** of all job impacts and **79%** of GRP economic impacts as of 2018.
- Total, economic GRP impacts in 2018 were up **25%** from **\$2.53 billion** in 2016.

Military Share of Total Earnings

This figure benchmarks the total share of state income that can be attributed to the military over time in Southwest Florida's Bay County. This is graphed alongside the regional, state, and national spending. Earnings include more than wage and salary disbursements. They also include proprietors' income and other supplements to wages and salaries. In 2018, the Bay County military personnel received a 7.2% share of total personal income in the county. As the U.S. and Florida continue to diversify their economies, military share of the total earnings has converged over time to approximately 1.0% of all state and national earnings.

Figure 61. Military Share of Total Earnings, 1970 – 2030: Nation, Florida, Northwest Region, Bay County

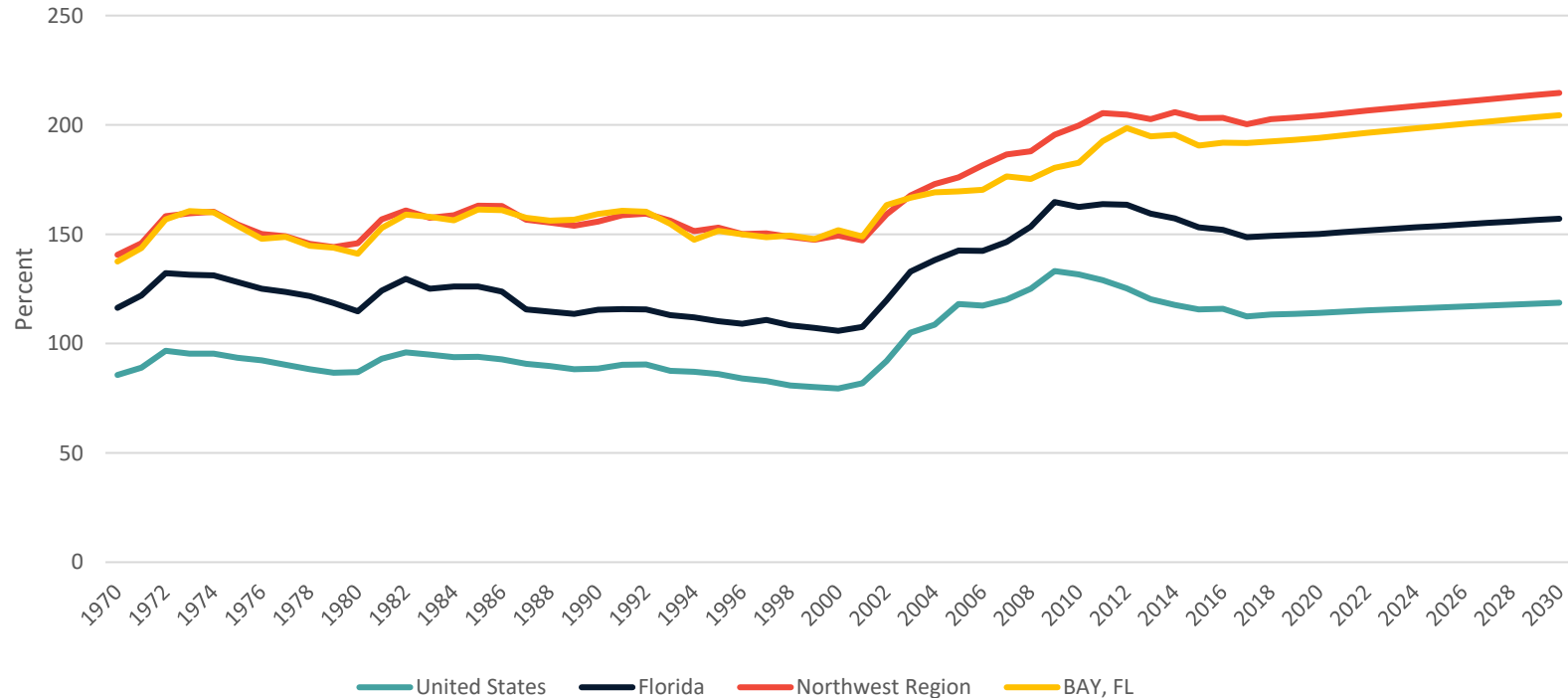


Source: Woods & Poole Economics, Inc. 2019

Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It shows a benchmark of the earnings of military employees against the earnings patterns of all workers. For Bay County, military employees in 1980 had earnings which totaled 141% of the whole Bay County workforce's average earnings level. As of 2018, the average military earnings for Bay County were 192% of the average workforce wages for the county. Bay County's military average earnings are projected to increase and stay significantly above the county average wage level in the next decade. The Northwest region's earnings ratio stands strong at 203%. The state of Florida's relative earnings ratio is steady at 150%. For the U.S., the relative earnings ratio is also steady, at 113%.

Figure 62. Average Military Earnings vs Average Total Earnings, 1970 -2030: Nation, Florida, Northwest Region, Bay County

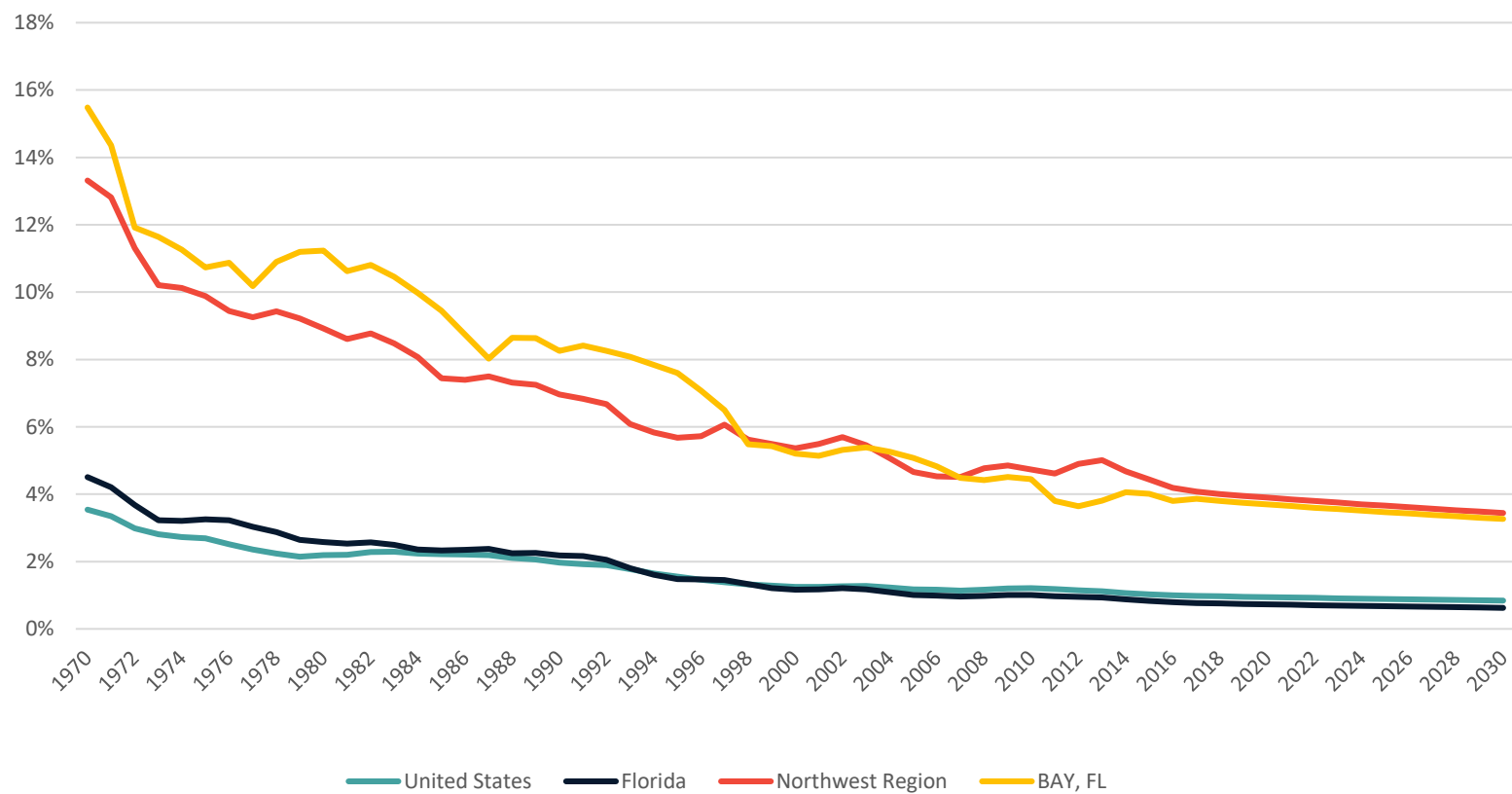


Source: Woods & Poole Economics, Inc. 2019

Military Employment as a Share of Total Employment

The figure below shows military employment as a share of total employment for Bay County. This is shown alongside the military employment shares for the surrounding region, the state, and the U.S. In 1980 the military accounted for 11.2% of Bay County employment, 8.9% of regional employment, 2.6% of state employment, and 2.2% of U.S. employment. In 2018, military employment had a 3.8% share of the Bay County workforce. By 2018, the region, Florida state, and the U.S. had employment shares of 4.0%, 0.75% and 1%, respectively.

Figure 63. Military Employment as a Share of Total Employment, 1970 – 2030: Nation, Florida, Northwest Region, Bay County

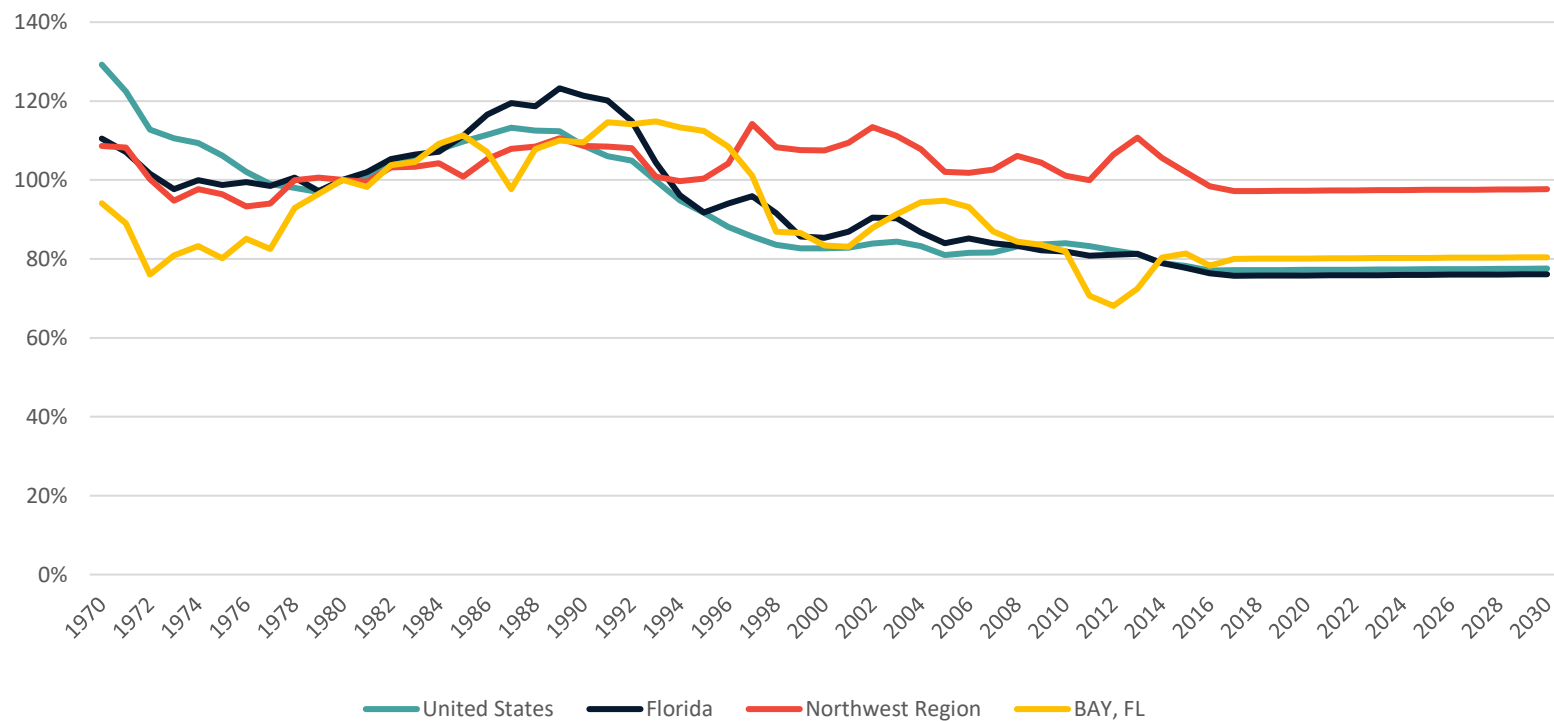


Source: Woods & Poole Economics, Inc. 2019

Total Military Employment Indexed to 1980

The figure below benchmarks the size of military employment in Bay County against the 1980 county total. For example, Bay County 's military employment in 1985 was 119% of the 1980 total. In 2018, the military share of employment in Bay County was 80% and the Northeast region's military share of employment was 97% of the 1980 relative size. Decreases in share of military employment can result from an increase in military workforce size, an increase in civilian workforce size, or a slower growth of military workforce versus the growth of civilian workforce. Concurring decreases can also result from economic diversification towards defense. Military employment at the national level is currently at 77% of its 1980 size, and at the state level, it is at 76%.

Figure 64. Total Military Employment Indexed to 1980, 1970 – 2030: Nation, Florida, Northwest Region, Bay County



Source: Woods & Poole Economics, Inc. 2019

Demographics and the Regional Economy

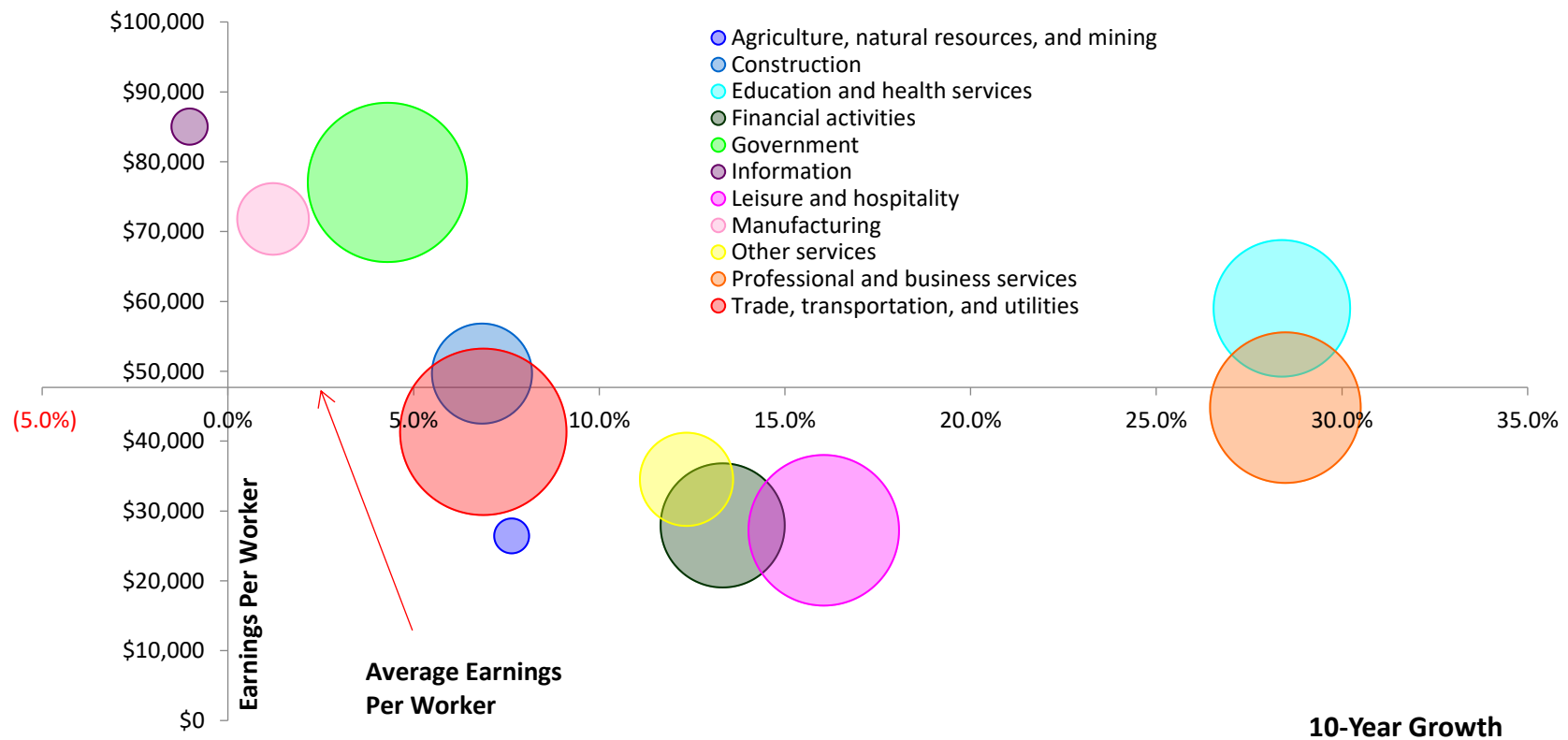
The table below contains information on Bay County's population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Between 2007 and 2017, the county's population grew 13.1%. Between 2009 and 2019, the county's population grew 11.7%. The county's growth rate is expected to slow to 9.3% in the next decade. Two years ago, the predicted the growth rate was projected to be 15.8% in the next decade. The county's average household income in 2018 was 92% of the average statewide wage.

Table 49. Demographic Estimates, Bay County	
Total Population	Estimate
Population in 2009	167,464
Population in 2019	187,078
Population in 2029	204,422
Growth from 2009 to 2019	11.7%
Growth from 2019 to 2029	9.3%
Personal Income (Inclusive of all income sources)	
Average Regional Household Income (2019)	\$109,579
Average Florida Household Income (2019)	\$118,835
Number of Households (2019)	76,842

Source: Woods & Poole Economics, Inc. 2019

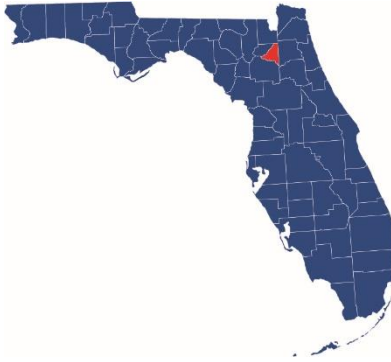
The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while the horizontal axis shows the ten-year growth and the vertical axis shows the average earnings per worker. The **largest employment sector** in Bay County is trade, with nearly 19,000 employed. This is followed by the government, with over 17,000 employed. The **greatest average earning sector** is the information sector, with average earnings of over \$85,000. All sectors are expected to experience 10-year growth except the information sector, with 10-year growth rate at -1.0%. The **sector projected to experience the most growth** over the next 10 years is education/health with 10-year growth at 29%. This is followed by the professional/business sector growth.

Figure 65. Industry Concentration and Earnings Growth 2018-2028 – Bay County



Source: Woods & Poole Economics, Inc. 2019

Bradford County



Bradford County Summary

Location:

North Central Florida Region

Home to:

Camp Blanding Joint Training Center

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

Economic Impact Estimates

Military spending, summed with the National Guard and the Coast Guard, totals to the Combined Direct Expenditure estimates as indicated in Table 50 to the right. Overall, defense activities injected just over \$41 million into the Bradford County economy in 2018. Approximately 95% of this total was in the form of transfers.

Table 50. Bradford County: Combined Direct Defense Expenditures

Spending Flow	Millions (Current USD)
Procurement	\$0
Salaries	\$2
Pensions & Transfers	\$39
Total Combined Direct Expenditure	\$41

Source: Department of Defense; Department of Veterans Affairs; Bureau of Economic Analysis; Department of Treasury

Figure 66. Bradford County: Distribution of Direct Defense Spending

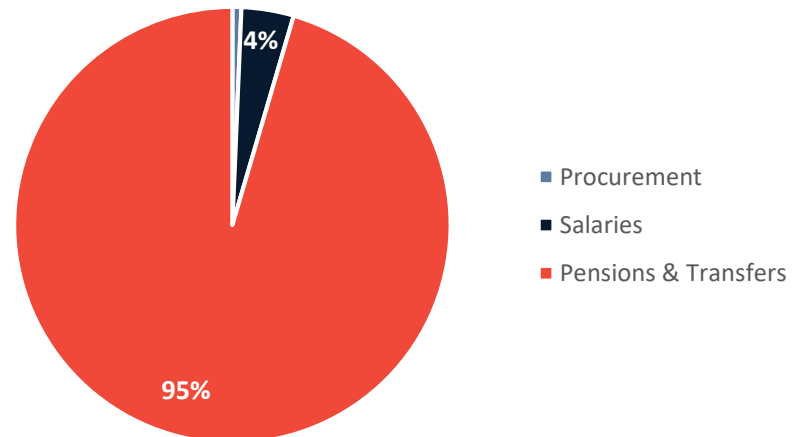


Table 51. Bradford County: Economic Impact Forecast, 2018 – 2022
Current Millions USD

Impact Type	2018	2019	2020	2021	2022
Total Employment	451	453	491	496	490
Gross Regional Product	\$34	\$37	\$40	\$41	\$41
<i>Total Consumption</i>	\$65	\$66	\$69	\$71	\$73
<i>Investment Residential</i>	\$15	\$20	\$21	\$20	\$17
<i>Investment Non-residential</i>	\$3	\$3	\$3	\$3	\$3
<i>Producer's Durable Equipment</i>	\$2	\$3	\$4	\$5	\$5
<i>Business Inventories</i>	\$0	\$0	\$0	\$0	\$0
<i>Government</i>	\$13	\$20	\$25	\$28	\$30
<i>Exports</i>	\$18	\$18	\$19	\$19	\$18
<i>Imports (subtract)</i>	\$82	\$93	\$101	\$104	\$105

Source: Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

Totals may not sum due to rounding.

The table above represents the defense activities total economic impact in Bradford County. Defense activities in 2018 accounted for about 450 jobs, which was about 73% less than the 2016 projection for 2018. The number of employed in the county in 2018 decreased by about 19% from the 2016 number of employed. Employment impacts in the county are projected to increase slightly through 2021 and then decrease in 2022. Gross regional product (GRP) impacts in the county in 2018 accounted for roughly \$34 million in impacts, which is about 5% greater than the 2016 projection for 2018. The GRP impacts in the county in 2018 increased by about 19% from the 2016 GRP impacts. Gross regional product impacts are projected to increase through 2022.

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

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



Table 52. Bradford County: Total Economic Impacts by Component, Millions USD (2018)					
Spending Flow	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Gross Regional Product	\$5	\$0	\$0	\$5
	Total Jobs	40	1	0	41
Employment	Gross Regional Product	\$9	\$2	\$0	\$10
	Total Jobs	104	16	3	123
Transfers	Gross Regional Product	\$18	\$0	\$0	\$18
	Total Jobs	285	0	2	287
Totals	Gross Regional Product	\$32	\$2	\$0	\$34
	Total Jobs	429	17	5	451

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

Military Impacts by Type

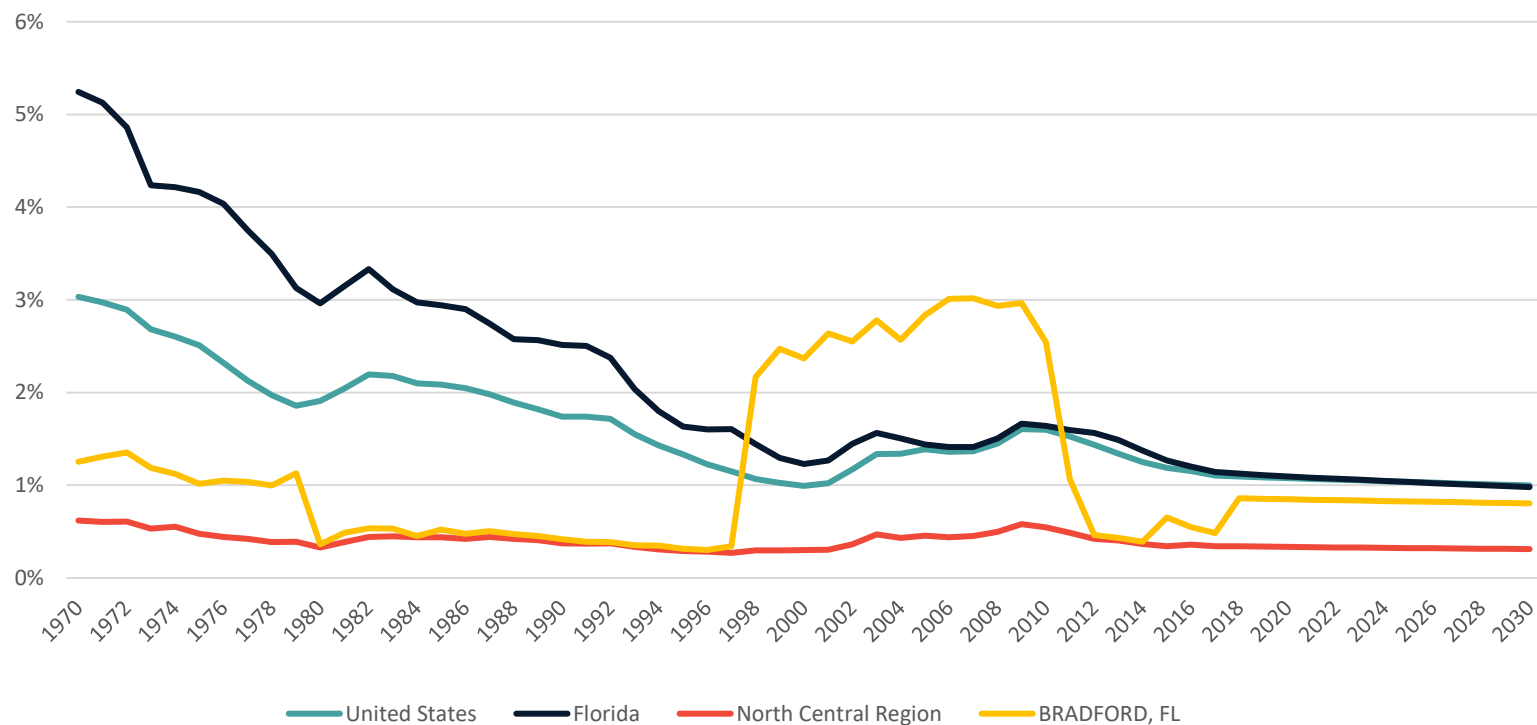
The above table displays the military impacts by type across the various categories. This includes impacts generated by procurement, federal military (salaries and wages), and transfers and impacts generated by the military, the Coast Guard, and the National Guard. As the data in the table show, federal military, Coast Guard and National Guard employees have the highest impact. The GRP impacts (in 2018 U.S. Dollars) are displayed next to the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner.

- The three impacts combined for **\$34 million dollars** in GRP impacts and **nearly 451 jobs** as of 2018 for **Bradford County**.
- Military generated **429 jobs** in the county in 2018, a decrease of **17%** from 2016.
 - o Procurement for the military generated **40 jobs** in 2018, a decrease from **129 jobs** in 2016.
 - o Employment for the military generated **104 jobs** in 2018, near equal to **101 jobs** in 2016.
 - o Transfers for the military generated **285 jobs** in 2018, near equal to **284 jobs** in 2016.
- The military accounted for **95%** of all job impacts and **94%** of GRP economic impacts as of 2018.
- Total, economic GRP impacts in 2018 were up **27%** from **\$26.8 million** in 2016.

Military Share of Total Earnings

This figure benchmarks the total share of state income that can be attributed to the military over time in North Central's Bradford County. This is graphed alongside the regional, state, and national spending. Earnings include more than wage and salary disbursements. They also include proprietors' income and other supplements to wages and salaries. In 2018, the Bradford County military personnel received a 0.9% share of total personal income in the county. As the U.S. and Florida continue to diversify their economies, military share of the total earnings has converged over time to approximately 1.0% of all state and national earnings.

Figure 67. Military Share of the Total Earnings, 1970 – 2030: Nation, Florida, North Central Region, Bradford County

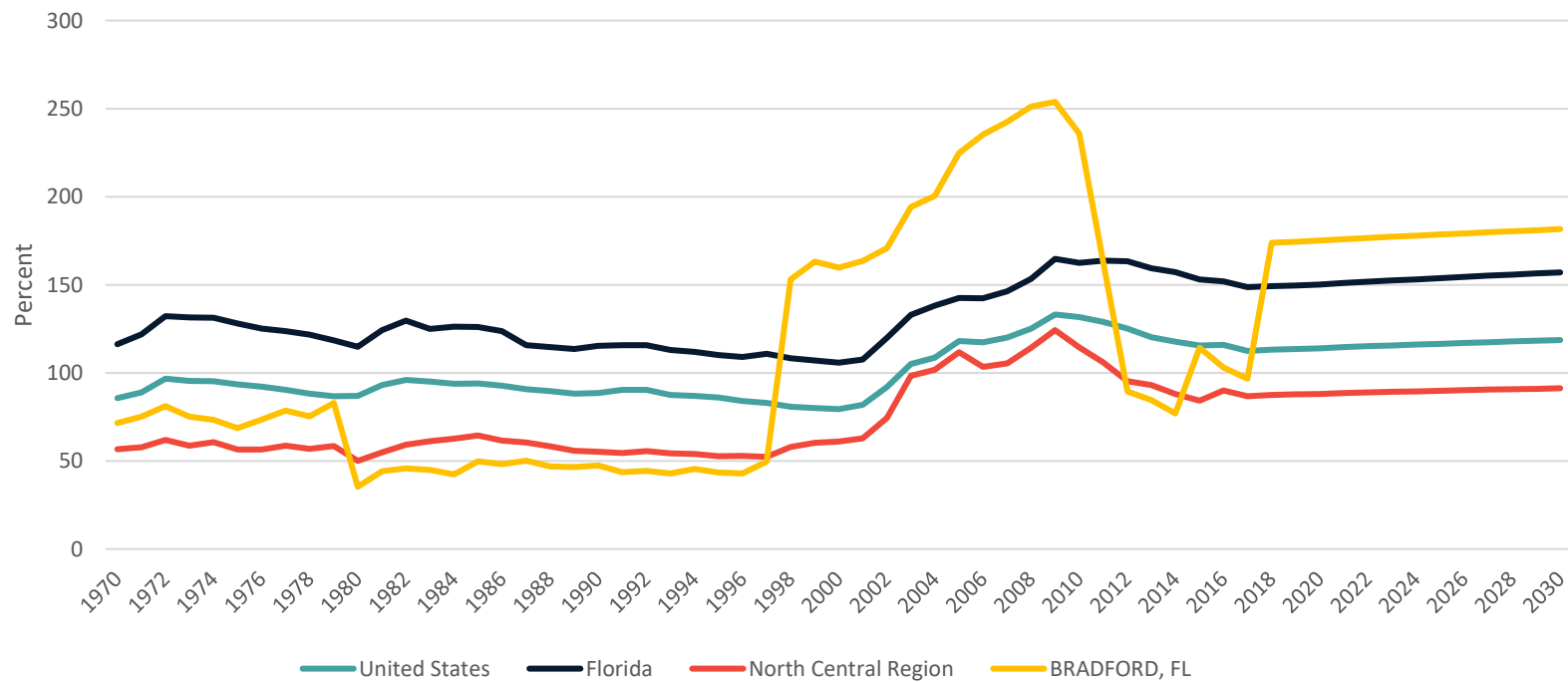


Source: Woods & Poole Economics, Inc. 2019

Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It shows a benchmark of the earnings of military employees against the earnings patterns of all workers. For Bradford County, military employees in 1980 had earnings which totaled 141% of the whole Bradford County's workforce's average earnings level. As of 2018, the average military earnings for Bradford County were 175% of the average workforce wages for the county. Bradford County's military average earnings are projected to stay steady and significantly above the county average wage level in the next decade. The North Central region's earnings ratio stands low at 87%. The state of Florida's relative earnings ratio is steady at 150%. For the U.S., the relative earnings ratio is also steady, at 113%.

Figure 68. Average Military Earnings vs Average Total Earnings, 1970 – 2030: Nation, Florida, North Central Region, Bradford County

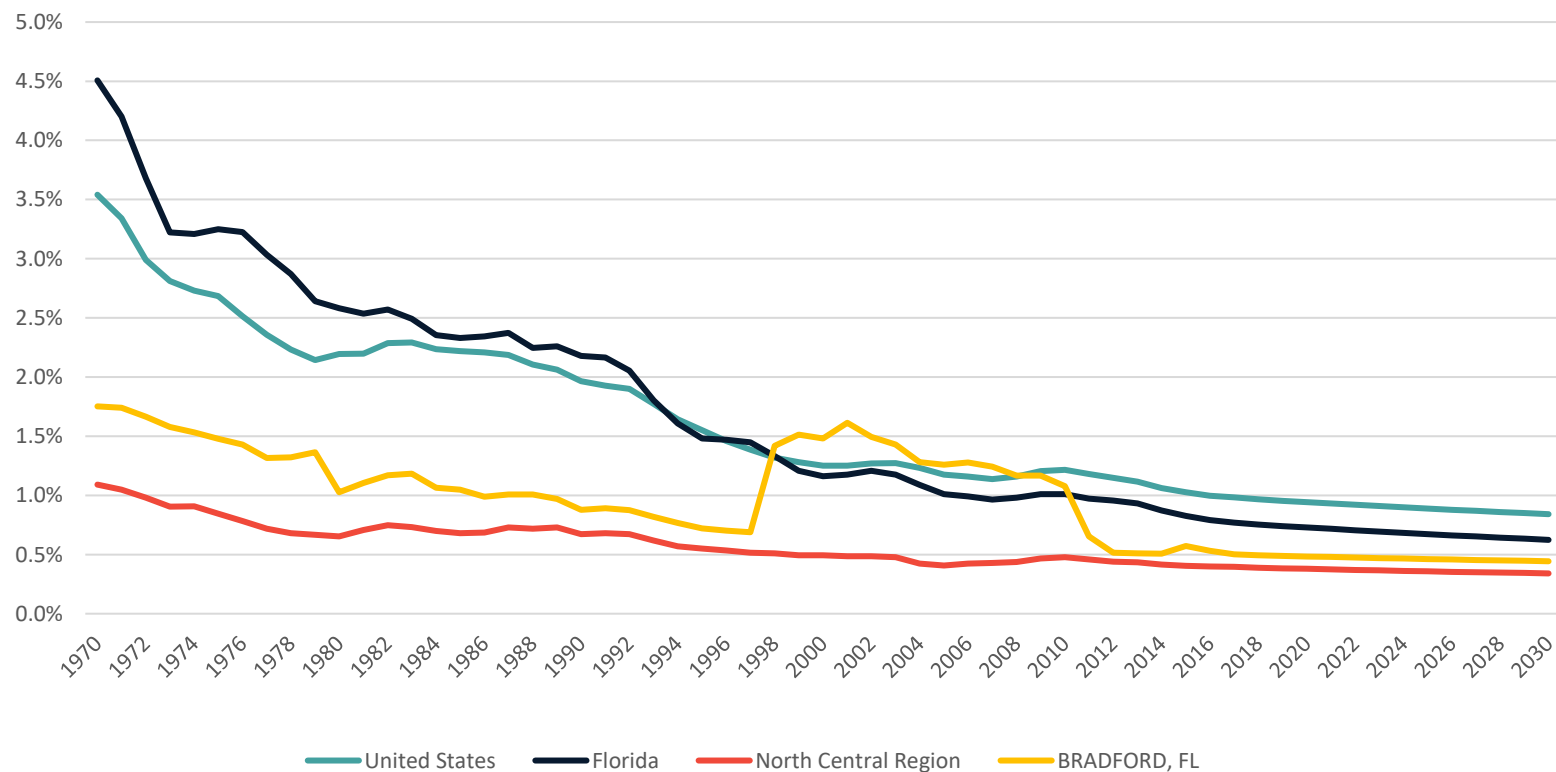


Source: Woods & Poole Economics, Inc. 2019

Military Employment as a Share of Total Employment

The figure below shows military employment as a share of total employment for Bradford County. This is shown alongside the military employment shares for the surrounding region, the state, and the U.S. In 1980 the military accounted for 1.0% of Bradford County employment, 0.7% of regional employment, 2.6% of state employment, and 2.2% of U.S. employment. In 2018, military employment had a 0.5% share of the Bradford County workforce. By 2018, the region, Florida state, and the U.S. had employment shares of 0.4%, 0.75% and 1%, respectively.

Figure 69. Military Employment as a Share of Total Employment, 1970 – 2030: Nation, Florida, North Central Region, Bradford County

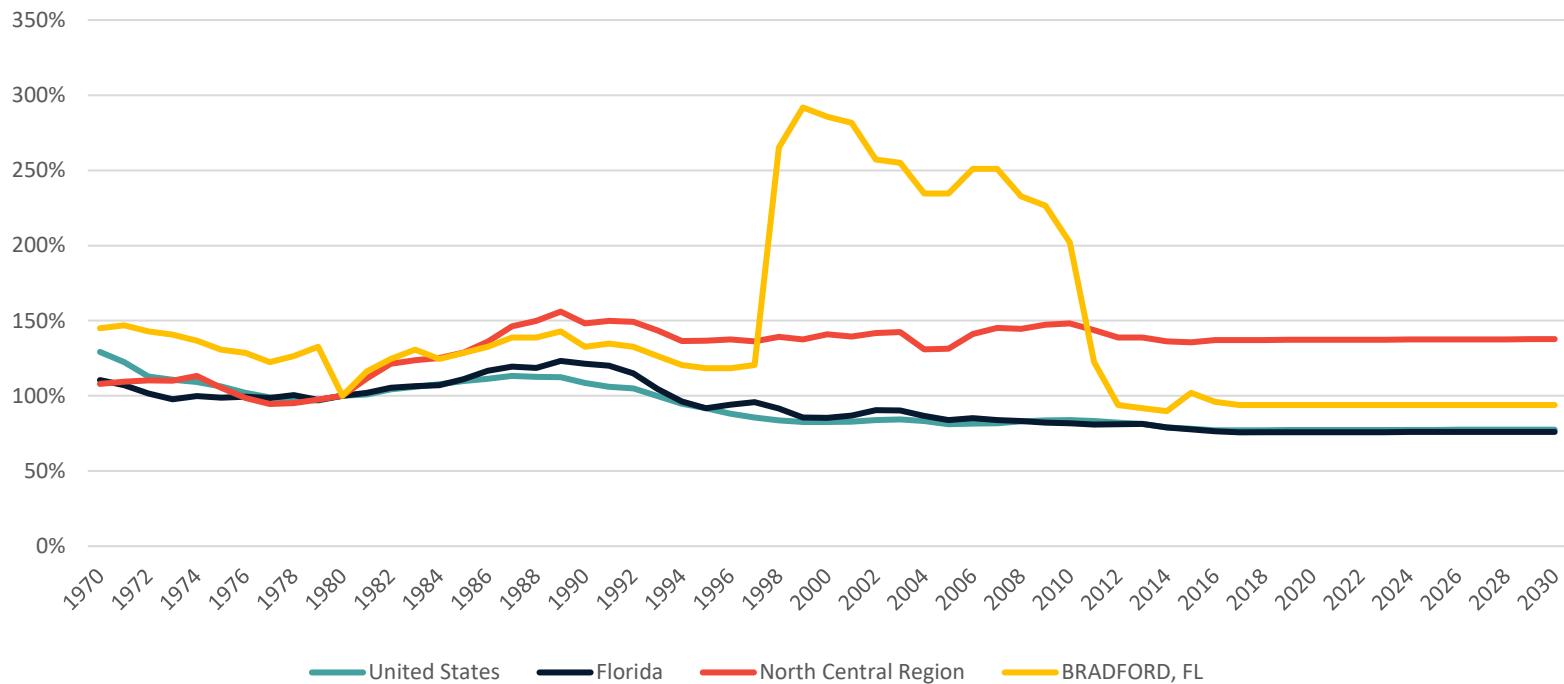


Source: Woods & Poole Economics, Inc. 2019

Change in Military Employment

The figure below benchmarks the size of military employment in Bradford County against the 1980 county total. For example, Bradford County's military employment in 1985 was 129% of the 1980 total. In 2018, the military share of employment in Bradford County was 94% and the North Central region's military share of employment was 137% of the 1980 relative size. Increases in share of military employment can result from an increase in military workforce size, a decrease in civilian workforce size, or a faster growth of military workforce versus the growth of civilian workforce. Concurring increases can also result from economic diversification towards defense. Military employment at the national level is currently at 77% of its 1980 size, and at the state level, it is at 76%.

Figure 70. Total Military Employment Indexed to 1980, 1970 – 2030: Nation, Florida, North Central Region, Bradford County



Source: Woods & Poole Economics, Inc. 2019

Demographics and the Regional Economy

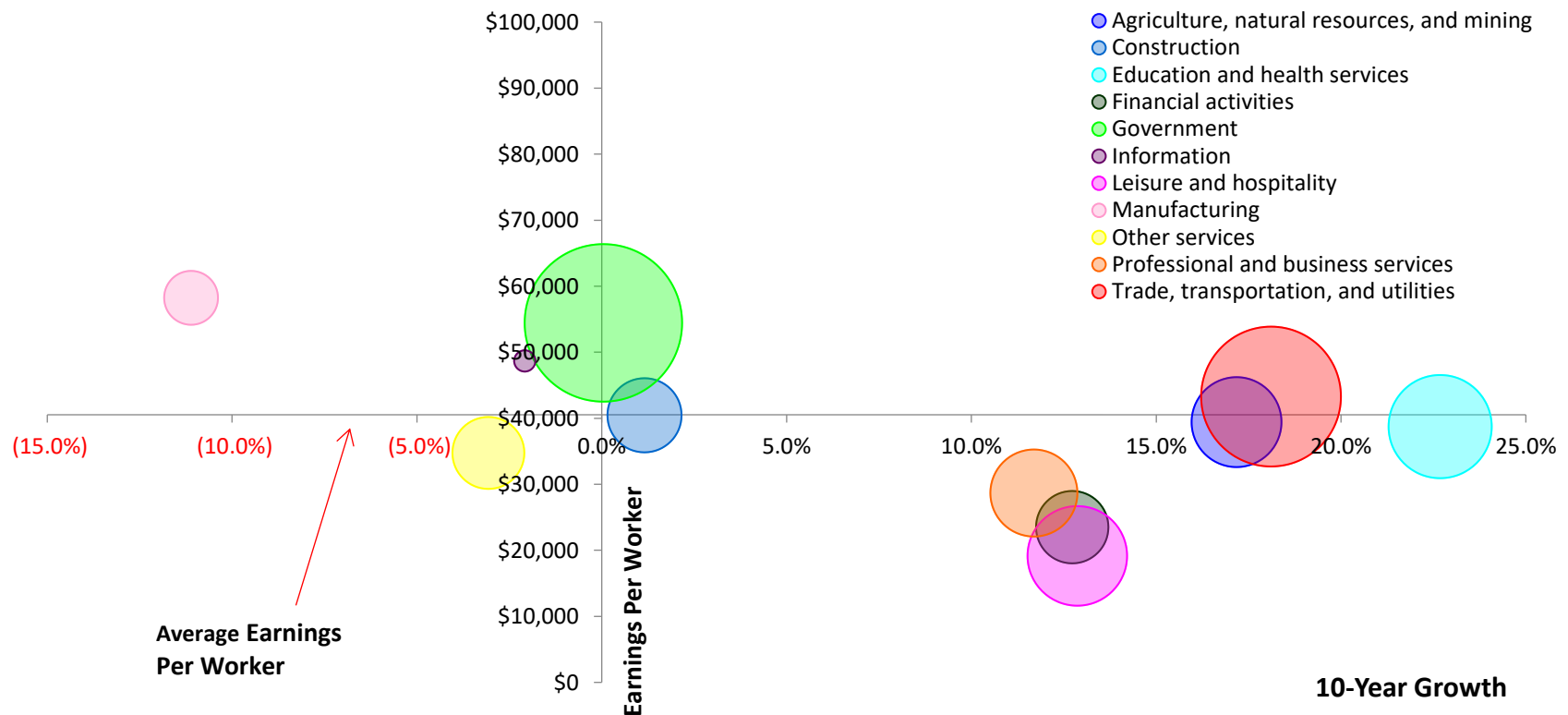
The table below contains information on Bradford County's population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Between 2007 and 2017, the county's population shrank -6.4%. Between 2009 and 2019, the county's population shrank -6.2%. The county's growth rate is expected to slow to 2.5% in the next decade. Two years ago, the predicted the growth rate was projected to be -3.3% in the next decade. The county's average household income in 2018 was 68% of the average statewide wage.

Table 53. Demographic Estimates, Bradford County	
Total Population	Estimate
Population in 2009	28,979
Population in 2019	27,172
Population in 2029	27,853
Growth from 2009 to 2019	-6.2%
Growth from 2019 to 2029	2.5%
Personal Income (Inclusive of all income sources)	
Average Regional Household Income (2019)	\$80,684
Average Florida Household Income (2019)	\$118,835
Number of Households (2019)	10,582

Source: Woods & Poole Economics, Inc. 2019

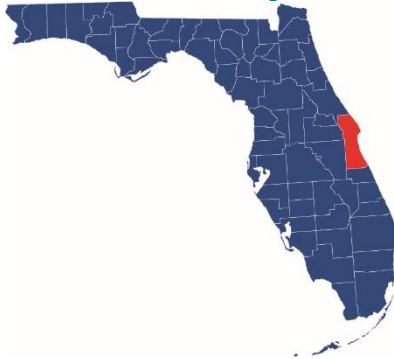
The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while the horizontal axis shows the ten-year growth and the vertical axis shows the average earnings per worker. The **largest employment sector** in Bradford County is the government, with nearly 2,284 employed. This is followed by trade, with over 1,806 employed. The **greatest average earning sector** is the manufacturing sector, with average earnings of over \$54,000. The government average earnings follow this with earnings of over \$58,000. Four sectors (manufacturing, other, information, and government) are expected to experience negative 10-year growth rates. The **sector projected to experience the most growth** over the next 10 years is education/health with 10-year growth at 23%. This is followed by trade and agriculture sectors with 18% and 17%, respectively.

Figure 71. Industry Concentration and Earnings Growth 2018-2028 – Bradford County



Source: Woods & Poole Economics, Inc. 2019

Brevard County



Brevard County Summary

Location:

East Central Florida Region

Home to:

Patrick Air Force Base

Cape Canaveral Air Force

Naval Ordnance Test Unit

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

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

Economic Impact Estimates

Defense activities play a significant role in the Brevard County economy. Military spending, summed with the National Guard and the Coast Guard, totals to the Combined Direct Expenditure estimates produced in Table 54. Procurement accounted for the largest share at 73% or roughly \$3.5 billion of the \$4.7 billion total. Salaries accounted for 6%, and transfers accounted for 21%.

Table 54. Brevard County: Combined Direct Defense Expenditures

Spending Flow	Millions (Current USD)
Procurement	\$3,467
Salaries	\$258
Pensions & Transfers	\$1,010
Total Combined Direct Expenditure	\$4,735

Source: Department of Defense; Department of Veterans Affairs; Bureau of Economic Analysis; Department of Treasury

Figure 72. Bradford County: Distribution of Direct Defense Spending

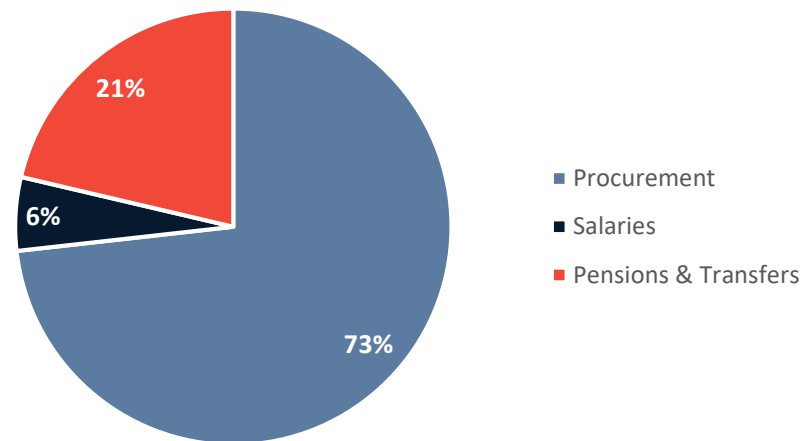


Table 55. Brevard County: Economic Impact Forecast, 2018 – 2022
Current Millions USD

Impact Type	2018	2019	2020	2021	2022
Total Employment	61,089	61,403	66,609	67,192	66,361
Gross Regional Product	\$6,181	\$5,887	\$6,699	\$6,886	\$6,957
<i>Total Consumption</i>	<i>\$3,657</i>	<i>\$3,256</i>	<i>\$3,743</i>	<i>\$3,883</i>	<i>\$4,020</i>
<i>Investment Residential</i>	<i>\$834</i>	<i>\$1,051</i>	<i>\$1,148</i>	<i>\$1,103</i>	<i>\$987</i>
<i>Investment Non-residential</i>	<i>\$251</i>	<i>\$254</i>	<i>\$284</i>	<i>\$286</i>	<i>\$277</i>
<i>Producer's Durable Equipment</i>	<i>\$132</i>	<i>\$210</i>	<i>\$279</i>	<i>\$329</i>	<i>\$365</i>
<i>Business Inventories</i>	<i>\$22</i>	<i>\$28</i>	<i>\$25</i>	<i>\$20</i>	<i>\$19</i>
<i>Government</i>	<i>\$321</i>	<i>\$460</i>	<i>\$578</i>	<i>\$652</i>	<i>\$697</i>
<i>Exports</i>	<i>\$5,636</i>	<i>\$5,062</i>	<i>\$5,835</i>	<i>\$6,048</i>	<i>\$6,190</i>
<i>Imports (subtract)</i>	<i>\$4,673</i>	<i>\$4,433</i>	<i>\$5,194</i>	<i>\$5,435</i>	<i>\$5,598</i>

Source: Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

Totals may not sum due to rounding

The table above represents the defense activities total economic impact in Brevard County. Defense activities in 2018 accounted for about 61,000 jobs, which was about 20% greater than the 2016 projection for 2018. The number of employed in the county in 2018 increased by about 23% from the 2016 number of employed. Employment impacts in the county are projected to increase slightly through 2022. Gross regional product impacts in the county in 2018 accounted for about \$6.2 billion in impacts, which is about 16% greater than the 2016 projection for 2018. The GRP impacts in the county in 2018 increased by about 17% from the 2016 GRP impacts. Gross regional product impacts are projected to increase through 2022.

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

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



Table 56. Brevard County: Total Economic Impacts by Component, Millions USD (2018)					
Spending Flow	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Gross Regional Product	\$3,376	\$0	\$3	\$3,380
	Total Jobs	34,689	0	31	34,720
Employment	Gross Regional Product	\$1,620	\$161	\$81	\$1,862
	Total Jobs	12,380	1,201	848	14,429
Transfers	Gross Regional Product	\$930	\$0	\$9	\$939
	Total Jobs	11,822	0	118	11,940
Totals	Gross Regional Product	\$5,926	\$161	\$94	\$6,181
	Total Jobs	58,891	1,201	997	61,089

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

Military Impacts by Type

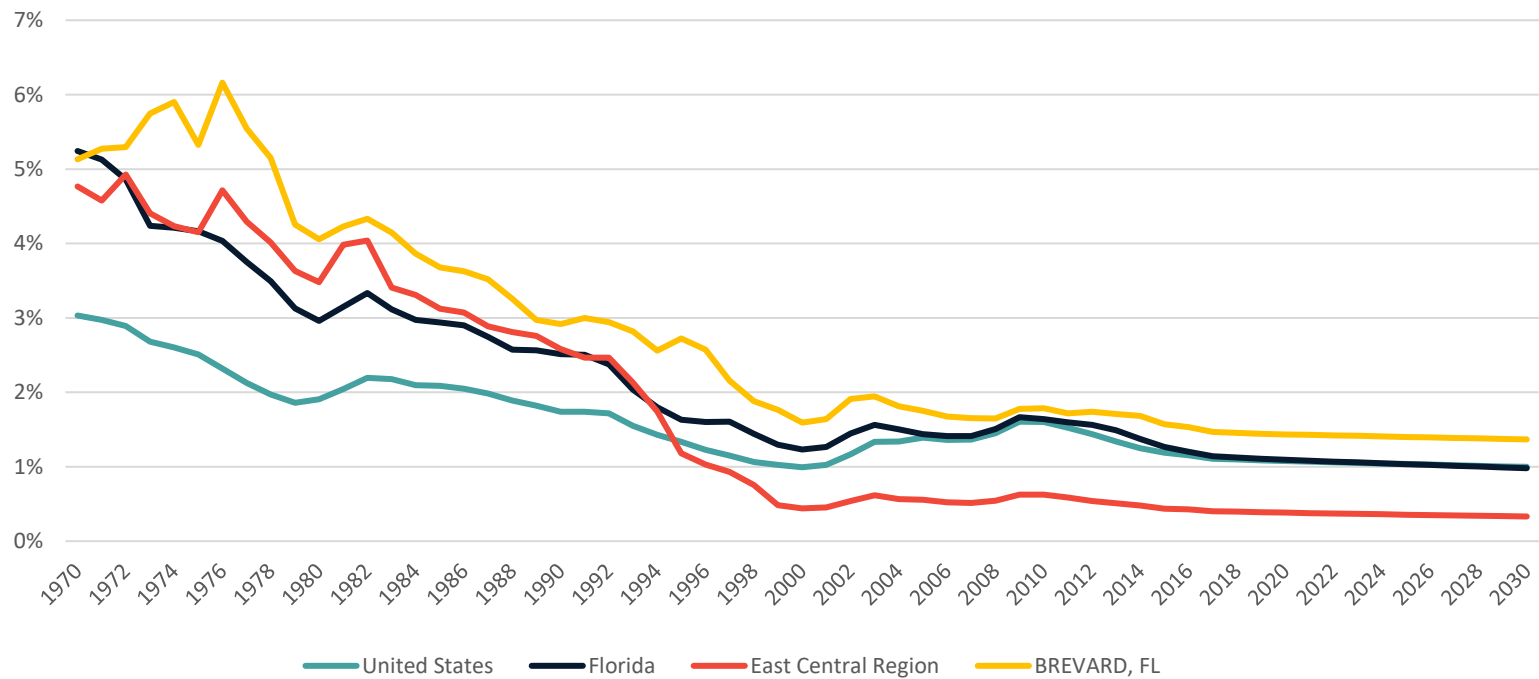
The data in the table above display a matrix of the impacts by type for 2018. This includes procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2018 U.S. Dollars) are displayed next to the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner.

- The three impacts combined for **\$6.18 billion dollars** in GRP impacts and **over 61,000 jobs** as of 2018 for **Brevard County**.
- Military generated the most jobs in the county (**58,891**) in 2018, an increase of **24%** from 2016.
 - o Procurement for the military generated **34,689** jobs in 2018, an increase of **34%** from 2016.
 - o Employment for the military generated **12,380** jobs in 2018, an increase of **14%** from 2016.
 - o Transfers for the military generated **11,822** jobs in 2018, an increase of **11%** from 2016.
- The military accounted for **96%** of all job impacts and **95%** of GRP economic impacts as of 2018.
- Total, economic GRP impacts in 2018 were up **17%** from **\$5.27 billion** in 2016.

Military Share of Total Earnings

This figure benchmarks the total share of state income that can be attributed to the military over time in East Central's Brevard County. This is graphed alongside the regional, state, and national spending. Earnings include more than wage and salary disbursements. They also include proprietors' income and other supplements to wages and salaries. In 2018, the Brevard County military personnel received a 0.9% share of total personal income in the county. As the U.S. and Florida continue to diversify their economies, military share of the total earnings has converged over time to approximately 1.0% of all state and national earnings.

Figure 73. Military Share of Total Earnings, 1970 – 2030: Nation, Florida, East Central Region, Brevard County

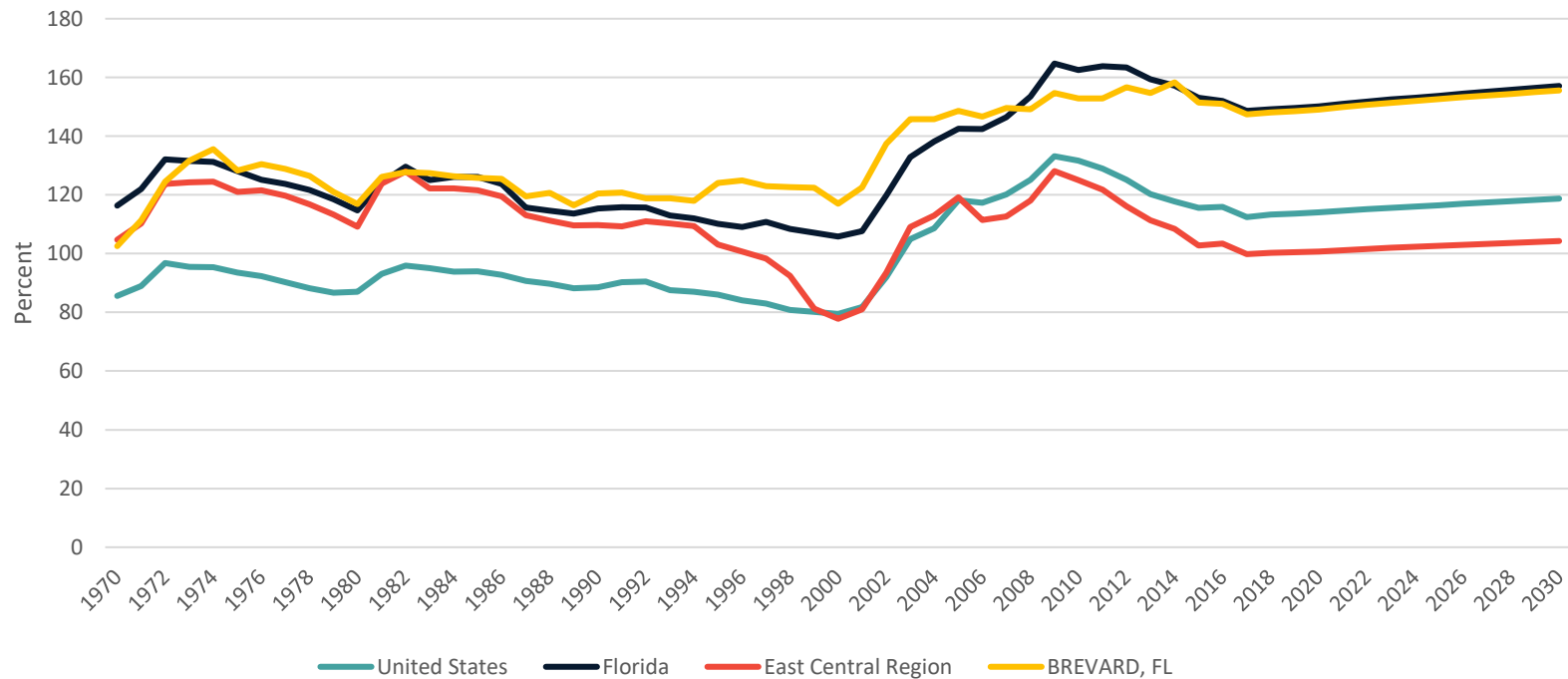


Source: Woods & Poole Economics, Inc. 2019

Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It shows a benchmark of the earnings of military employees against the earnings patterns of all workers. For Brevard County, military employees in 1980 had earnings which totaled 117% of the whole Brevard County's workforce's average earnings level. As of 2018, the average military earnings for Brevard County were 148% of the average workforce wages for the county. Brevard County's military average earnings are projected to stay steady and above the county average wage level in the next decade. The East Central region's earnings ratio stands steady at 100%. The state of Florida's relative earnings ratio is steady at 150%. For the U.S., the relative earnings ratio is also steady, at 113%.

Figure 74. Average Military Earnings vs Average Total Earnings, 1970-2030: Nation, Florida, East Central Region, Brevard County

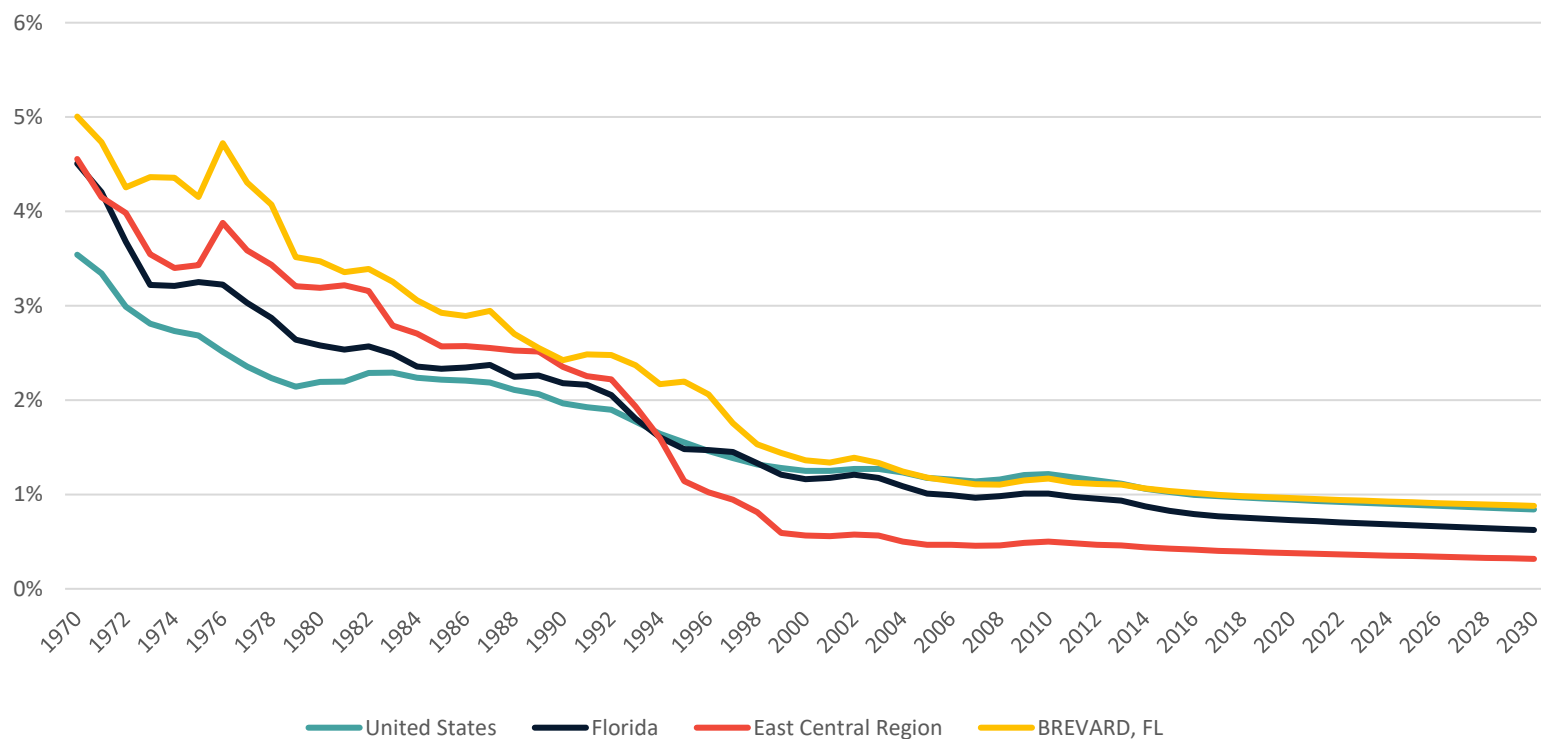


Source: Woods & Poole Economics, Inc. 2019

Military Employment as a Share of Total Employment

The figure below shows military employment as a share of total employment for Brevard County. This is shown alongside the military employment shares for the surrounding region, the state, and the U.S. In 1980 the military accounted for 3.5% of Brevard County employment, 3.2% of regional employment, 2.6% of state employment, and 2.2% of U.S. employment. In 2018, military employment had a 1.0% share of the Brevard County workforce. By 2018, the region, Florida state, and the U.S. had employment shares of 0.4%, 0.75% and 1%, respectively.

Figure 75. Military Employment as a Share of Total Employment, 1970 – 2030: Nation, Florida, East Central Region, Brevard County

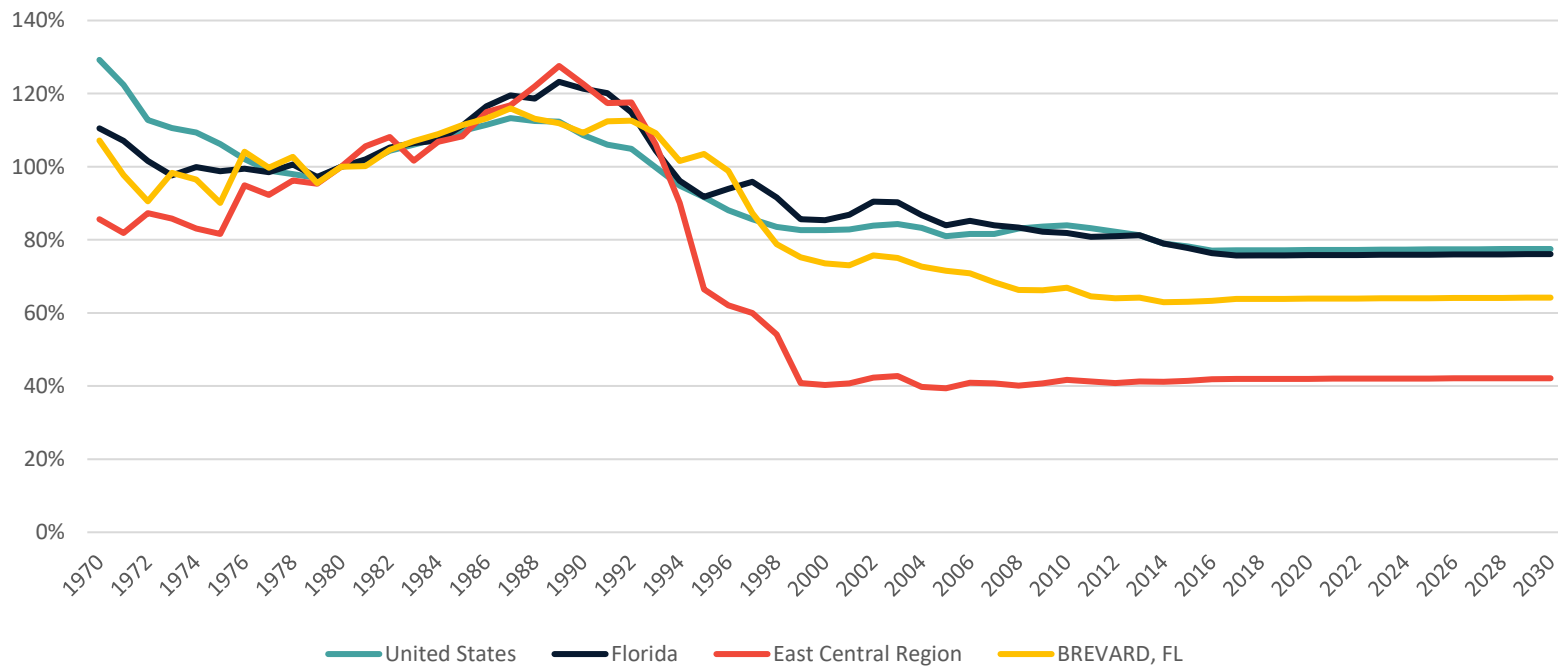


Source: Woods & Poole Economics, Inc. 2019

Change in Military Employment

The figure below benchmarks the size of military employment in Brevard County against the 1980 county total. For example, Brevard County's military employment in 1985 was 111% of the 1980 total. In 2018, the military share of employment in Brevard County was 64% and the East Central region's military share of employment was 42% of the 1980 relative size. Decreases in share of military employment can result from an increase in military workforce size, an increase in civilian workforce size, or a slower growth of military workforce versus the growth of civilian workforce. Concurring decreases can also result from economic diversification away from defense. Military employment at the national level is currently at 77% of its 1980 size, and at the state level, it is at 76%.

Figure 76. Total Military Employment Indexed to 1980, 1970 – 2030: Nation, Florida, East Central Region, Brevard County



Source: Woods & Poole Economics, Inc. 2019

Demographics and the Regional Economy

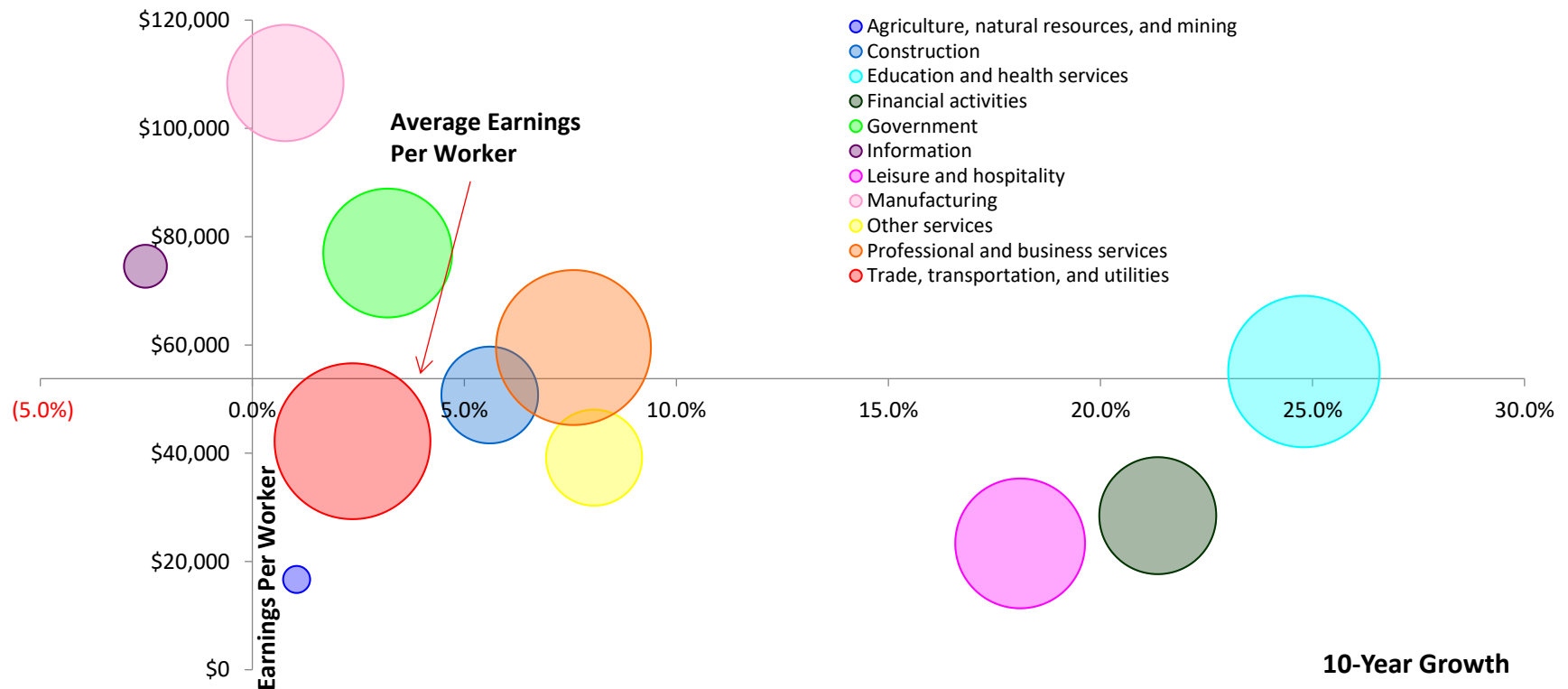
The table below contains information on Brevard County's population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Between 2007 and 2017, the county's population grew 9.1%. Between 2009 and 2019, the county's population grew 10.5%. The county's growth rate is expected to slow to 7.8% in the next decade. Two years ago, the predicted the growth rate was projected to be 15.9% in the next decade. The county's average household income in 2018 was 92% of the average statewide wage.

Table 57. Demographic Estimates, Brevard County	
Total Population	Estimate
Population in 2009	542,109
Population in 2019	599,006
Population in 2029	645,565
Growth from 2009 to 2019	10.5%
Growth from 2019 to 2029	7.8%
Personal Income (Inclusive of all income sources)	
Average Regional Household Income (2019)	\$109,548
Average Florida Household Income (2019)	\$118,835
Number of Households (2019)	254,799
Population in 2009	542,109

Source: Woods & Poole Economics, Inc. 2019

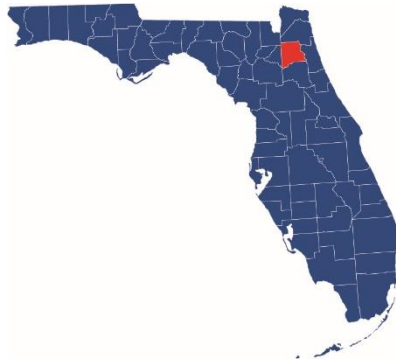
The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while the horizontal axis shows the ten-year growth and the vertical axis shows the average earnings per worker. The **largest employment sector** in Brevard County is trade with over 46,000 employed. This is followed by professional/business services and education with over 45,000 and 43,000 employed, respectively. The **greatest average earning sector** is the manufacturing sector, with average earnings of nearly \$26,000. The information sector is expected to experience negative 10-year growth rates of -2.5%. The **sector projected to experience the most growth** over the next 10 years is education/health with 10-year growth at 25%. This is followed by financial and leisure/hospitality sectors with 21% and 18%, respectively.

Figure 77. Industry Concentration and Earnings Growth 2018-2028 – Brevard County



Source: Woods & Poole Economics, Inc. 2019

Clay County



Clay County Summary

Location:

North East Florida Region

Home to:

Camp Blanding Joint Training Center

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

Economic Impact Estimates

Military spending, summed with the National Guard and the Coast Guard, totals to the Combined Direct Expenditure estimates as indicated in Table 58. Transfers accounted for the largest direct share at 66% or roughly \$490 million of the \$750 million total. Salaries accounted for 30%, and procurement accounted for 4%.

Table 58. Clay County: Combined Direct Defense Expenditures	
Spending Flow	Millions (Current USD)
Procurement	\$33
Salaries	\$227
Pensions & Transfers	\$490
Total Combined Direct Expenditure	\$750

Source: Department of Defense; Department of Veterans Affairs; Bureau of Economic Analysis; Department of Treasury

Figure 78. Bradford County: Distribution of Direct Defense Spending

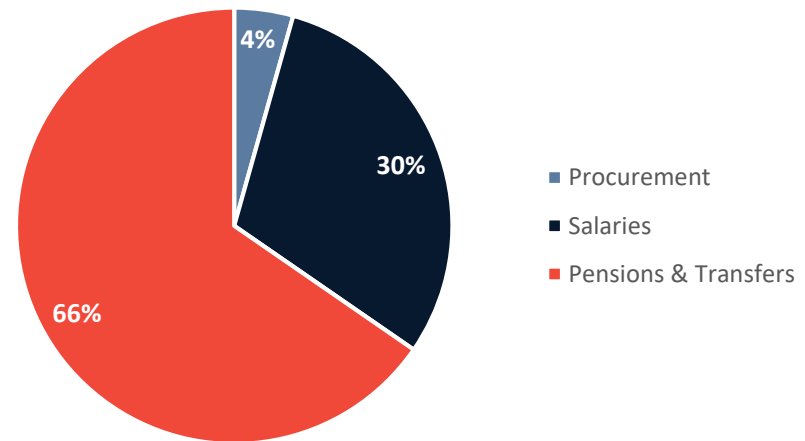


Table 59. Clay County: Economic Impact Forecast, 2018 – 2022
Current Millions USD

Impact Type	2018	2019	2020	2021	2022
Total Employment	10,382	10,435	11,320	11,419	11,278
Gross Regional Product	\$781	\$862	\$935	\$960	\$959
<i>Total Consumption</i>	<i>\$1,143</i>	<i>\$1,131</i>	<i>\$1,228</i>	<i>\$1,283</i>	<i>\$1,327</i>
<i>Investment Residential</i>	<i>\$258</i>	<i>\$351</i>	<i>\$378</i>	<i>\$363</i>	<i>\$325</i>
<i>Investment Non-residential</i>	<i>\$38</i>	<i>\$44</i>	<i>\$49</i>	<i>\$50</i>	<i>\$49</i>
<i>Producer's Durable Equipment</i>	<i>\$19</i>	<i>\$34</i>	<i>\$45</i>	<i>\$54</i>	<i>\$60</i>
<i>Business Inventories</i>	<i>\$0</i>	<i>\$1</i>	<i>\$1</i>	<i>\$0</i>	<i>\$0</i>
<i>Government</i>	<i>\$102</i>	<i>\$162</i>	<i>\$203</i>	<i>\$229</i>	<i>\$244</i>
<i>Exports</i>	<i>\$368</i>	<i>\$378</i>	<i>\$397</i>	<i>\$405</i>	<i>\$409</i>
<i>Imports (subtract)</i>	<i>\$1,148</i>	<i>\$1,239</i>	<i>\$1,365</i>	<i>\$1,426</i>	<i>\$1,457</i>

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

Totals may not sum due to rounding.

The table above represents the defense activities total economic impact in Clay County. Defense activities in 2018 accounted for about 10,000 jobs, which was about 11% less than the 2016 projection for 2018. The number of employed in the county in 2018 increased by about 8% from the 2016 number of employed. Employment impacts in the county are projected to increase through 2021 and decrease in 2022. Gross regional product (GRP) impacts in the county in 2018 accounted for about \$781 million in impacts, which is about equal to the 2016 projection for 2018. The GRP impacts in the county in 2018 increased by about 23% from the 2016 GRP impacts. Gross regional product impacts are projected to increase through 2022.

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

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



Table 60. Clay County: Total Economic Impacts by Component, Millions USD (2018)					
Spending Flow	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Gross Regional Product	\$72	\$0	\$0	\$72
	Total Jobs	981	0	4	985
Employment	Gross Regional Product	\$334	\$48	\$7	\$389
	Total Jobs	4,220	594	93	4,907
Transfers	Gross Regional Product	\$317	\$0	\$2	\$319
	Total Jobs	4,461	0	29	4,490
Totals	Gross Regional Product	\$723	\$48	\$9	\$781
	Total Jobs	9,662	594	126	10,382

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

Military Impacts by Type

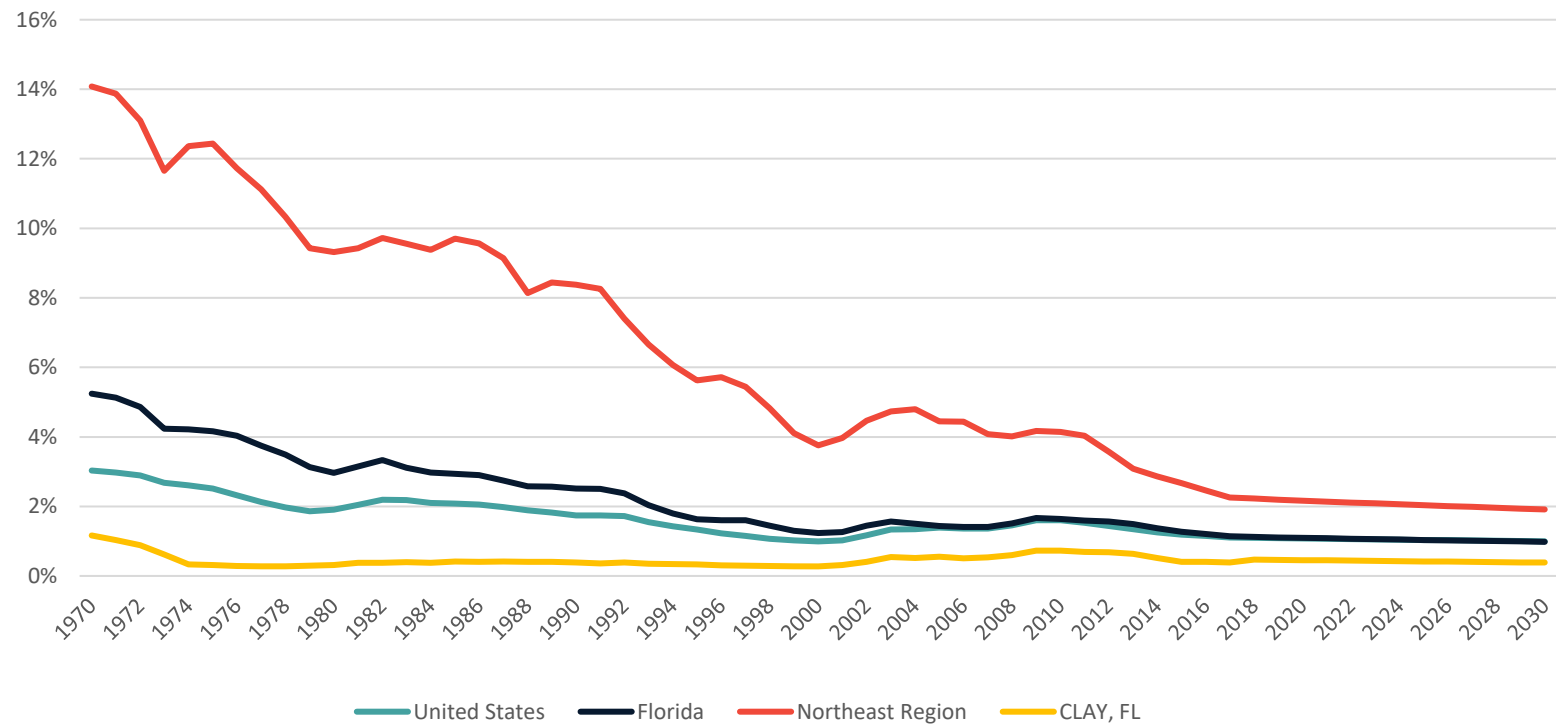
The data in the table above display a matrix of the impacts by type for 2018. This includes procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2018 U.S. Dollars) are displayed next to the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner.

- The three impacts combined for **\$781 million** in GRP impacts and **10,382 jobs** as of 2018 for **Clay County**.
- Military generated the most jobs in the county (**9,662**) in 2018, an increase of **13%** from 2016.
 - o Procurement for the military generated **981** jobs in 2018, near equal to **980** jobs from 2016.
 - o Employment for the military generated **4,220** jobs in 2018, an increase of **17%** from 2016.
 - o Transfers for the military generated **4,461** jobs in 2018, an increase of **13%** from 2016.
- The military accounted for **93%** of all job impacts and **93%** of GRP economic impacts as of 2018.
- Total, economic GRP impacts in 2018 were up **23%** from **\$634 million** in 2016.

Military Share of Total Earnings

This figure benchmarks the total share of state income that can be attributed to the military over time in Northeast Region's Clay County. This is graphed alongside the regional, state, and national spending. Earnings include more than wage and salary disbursements. They also include proprietors' income and other supplements to wages and salaries. In 2018, the Clay County military personnel received a 0.5% share of total personal income in the county. As the U.S. and Florida continue to diversify their economies, military share of the total earnings has converged over time to approximately 1.0% of all state and national earnings.

Figure 79. Military Share of Total Earnings, 1970 – 2030: Nation, Florida, Northeast Region, Clay County

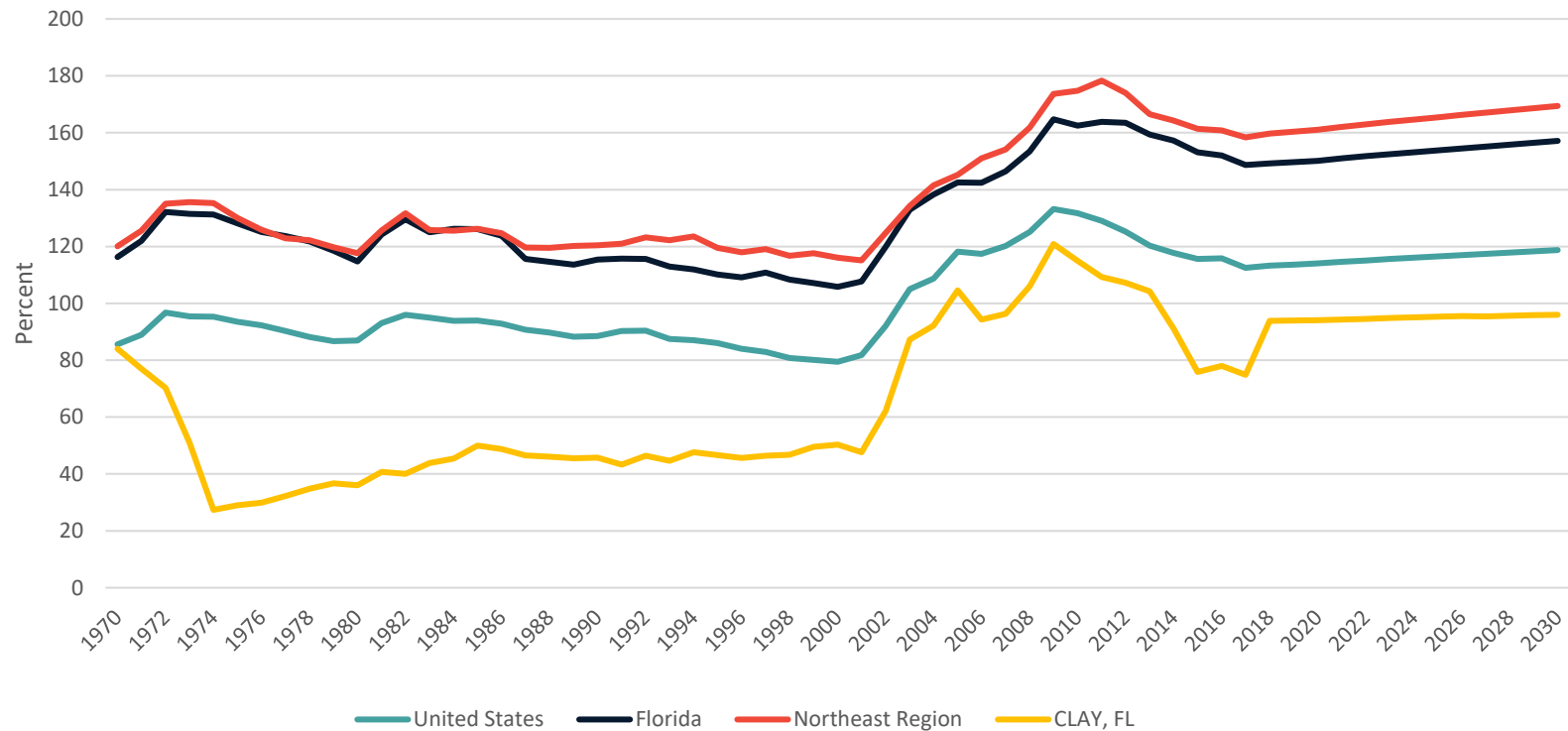


Source: Woods & Poole Economics, Inc. 2019

Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It shows a benchmark of the earnings of military employees against the earnings patterns of all workers. For Clay County, military employees in 1980 had earnings which totaled 36% of the whole Clay County workforce's average earnings level. As of 2018, the average military earnings for Clay County were 94% of the average workforce wages for the county. Clay County's military average earnings are projected to stay at or just below the county average wage level in the next decade. The Northeast region's earnings ratio stands at 161%. The state of Florida's relative earnings ratio is at 150%. For the U.S., the relative earnings ratio is at 113%.

Figure 80. Average Military Earnings vs Average Total Earnings, 1970 – 2030: Nation, Florida, Northeast Region, Clay County

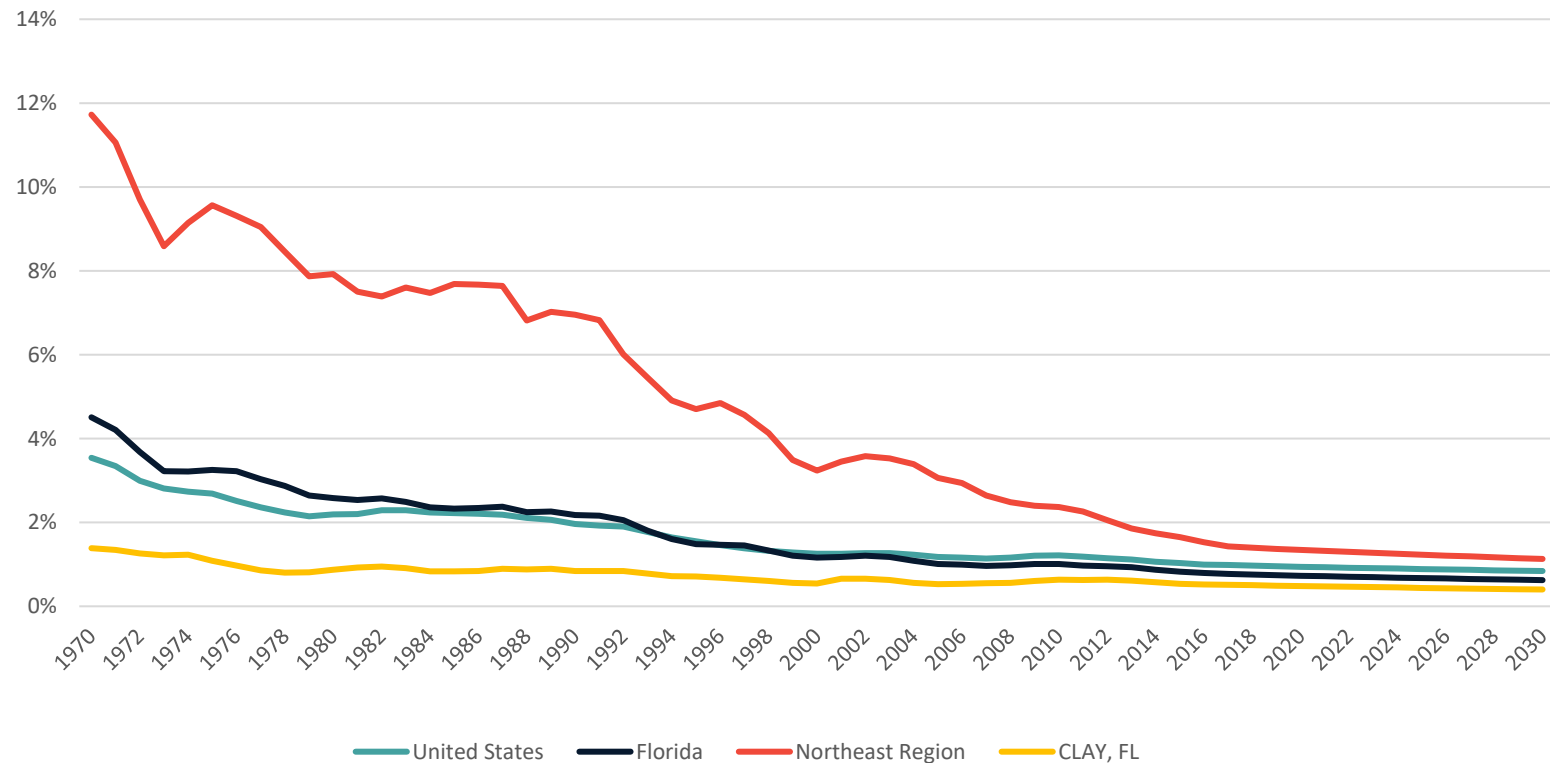


Source: Woods & Poole Economics, Inc. 2019

Military Employment as a Share of Total Employment

The figure below benchmarks military employment as a share of total employment for Clay County against the Northeast Florida Region, the state, and the nation. The figure below shows military employment as a share of total employment for Clay County. This is shown alongside the military employment shares for the surrounding region, the state, and the U.S. In 1980 the military accounted for 0.9% of Clay County employment, 7.9% of regional employment, 2.6% of state employment, and 2.2% of U.S. employment. In 2018, military employment had a 0.5% share of the Clay County workforce. By 2018, the region, Florida state, and the U.S. had employment shares of 1.4%, 0.75% and 1%, respectively.

Figure 81. Military Employment as a Share of Total Employment, 1970 – 2030: Nation, Florida, Northeast Region, Clay County

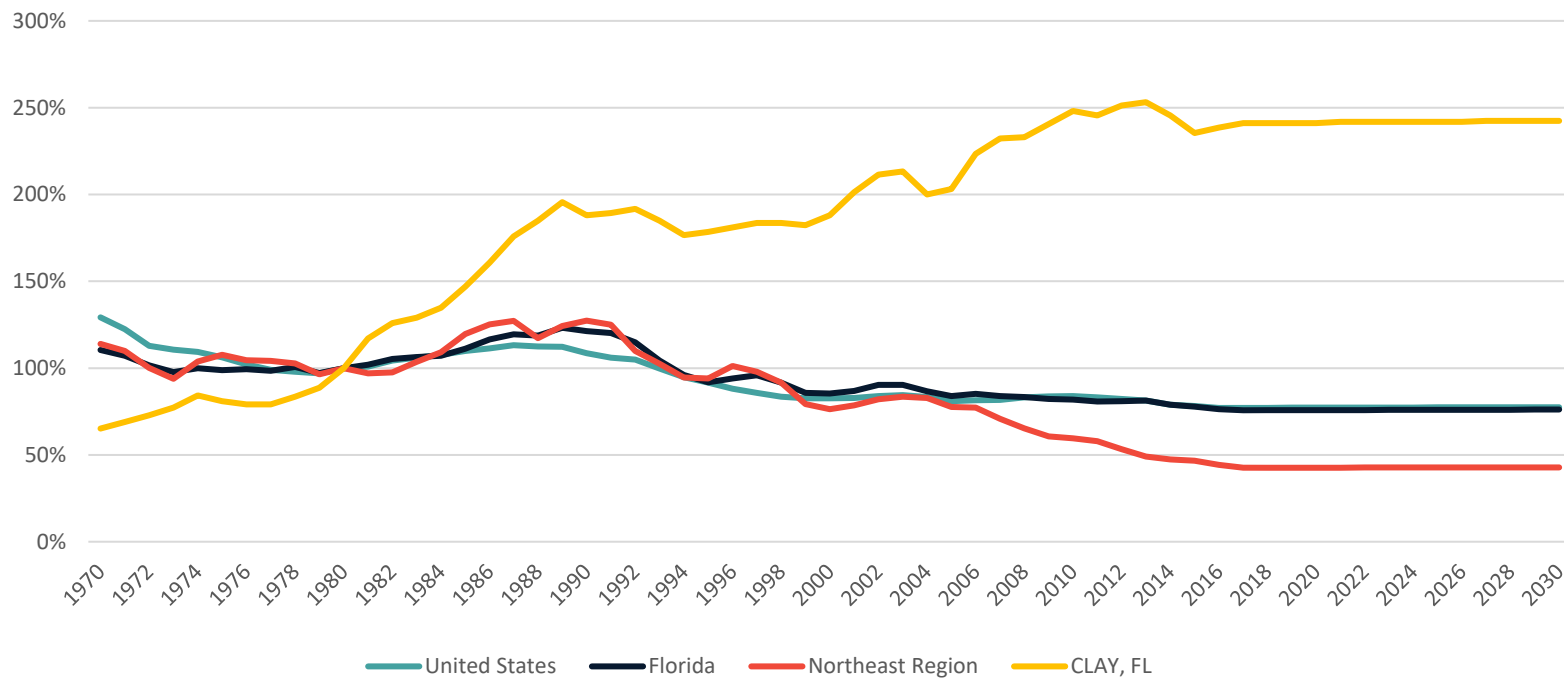


Source: Woods & Poole Economics, Inc. 2019

Change in Military Employment

The figure below benchmarks the size of military employment in Clay County against the 1980 county total. For example, Clay County's military employment in 1985 was 147% of the 1980 total. In 2018, the military share of employment in Clay County was 241% and the East Central region's military share of employment was 57% of the 1980 relative size. Increases in share of military employment can result from an increase in military workforce size, a decrease in civilian workforce size, or a faster growth of military workforce versus the growth of civilian workforce. Military employment at the national level is currently at 77% of its 1980 size, and at the state level, it is at 76%.

Figure 82. Total Military Employment Indexed to 1980, 1970 – 2030: Nation, Florida, Northeast Region, Clay County



Source: Woods & Poole Economics, Inc. 2019

Demographics and the Regional Economy

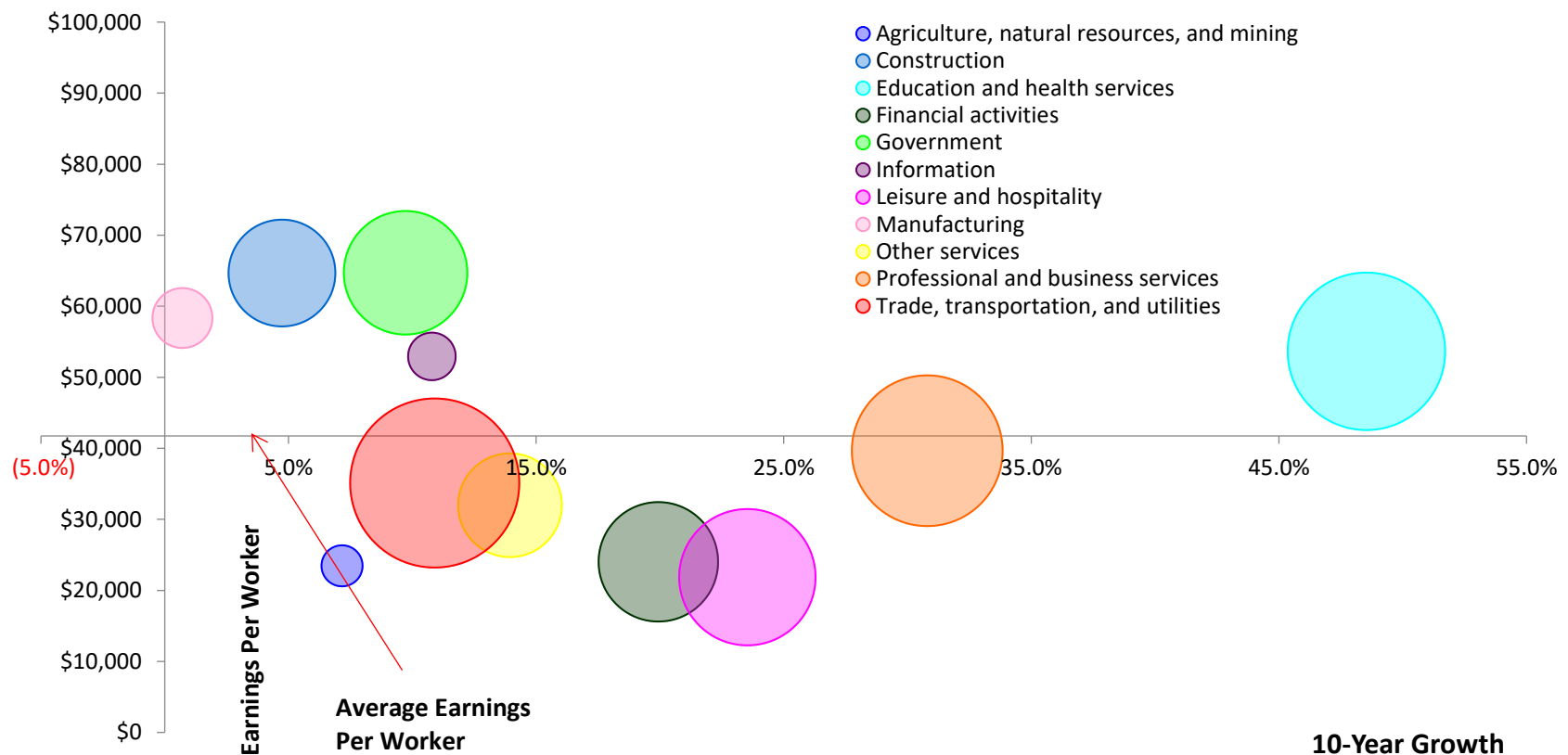
The table below contains information on Clay County's population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Between 2007 and 2017, the county's population grew 15.1%. Between 2009 and 2019, the county's population grew 16.3%. The county's growth rate is expected to remain at to 18.2% in the next decade. Two years ago, the predicted the growth rate was projected to be 18.2% in the next decade. The county's average household income in 2018 was 100% of the average statewide wage.

Table 61. Demographic Estimates, Clay County	
Total Population	Estimate
Population in 2009	189,101
Population in 2019	219,851
Population in 2029	259,890
Growth from 2009 to 2019	16.3%
Growth from 2019 to 2029	18.2%
Personal Income (Inclusive of all income sources)	
Average Regional Household Income (2019)	\$118,045
Average Florida Household Income (2019)	\$118,835
Number of Households (2019)	83,877
Population in 2009	189,101

Source: Woods & Poole Economics, Inc. 2019

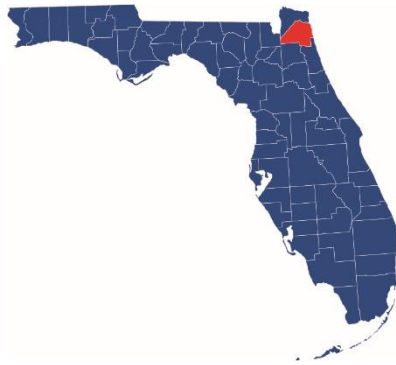
The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while the horizontal axis shows the ten-year growth and the vertical axis shows the average earnings per worker. The **largest employment sector** in Clay County is trade with nearly 14,000 employed. This is followed by the education sector with over 12,000 employed, and the professional/business services with over 11,000 employed. The **greatest average earning sectors** are the government and construction sectors, with average earnings of nearly \$65,000. All sectors are expected to have a positive 10-year growth rate. The **sector projected to experience the most growth** over the next 10 years is education/health with 10-year growth at 49%. This is followed by the professional/business sector with 31% growth.

Figure 83. Industry Concentration and Earnings Growth 2018-2028 – Clay County



Source: Woods & Poole Economics, Inc. 2019

Duval County



Duval County Summary

Location:

North East Florida Region

Home to:

Naval Air Station Jacksonville

Naval Station Mayport

Marine Corps Blount Island

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

Naval Station Mayport is host to 84 tenant commands including 22 ships, four helicopter squadrons and the Navy's Fourth Fleet.

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

Economic Impact Estimates

As Table 62 shows, the county's economy is a significant beneficiary of funds flowing through as a result of defense activities – approximately \$4.4 billion in direct impacts in 2018 alone (National Guard + Coast Guard). Procurement accounted for the largest share at 39% or roughly \$1.7 billion of the \$4.5 billion total. Transfers accounted for 27%, and procurement was 34%.

Table 62. Duval County: Combined Direct Defense Expenditures	
Spending Flow	Millions (Current USD)
Procurement	\$1,719
Salaries	\$1,492
Pensions & Transfers	\$1,164
Total Combined Direct Expenditure	\$4,375

Source: Department of Defense; Department of Veterans Affairs; Bureau of Economic Analysis; Department of Treasury

Figure 84. Duval County: Distribution of Direct Defense Spending

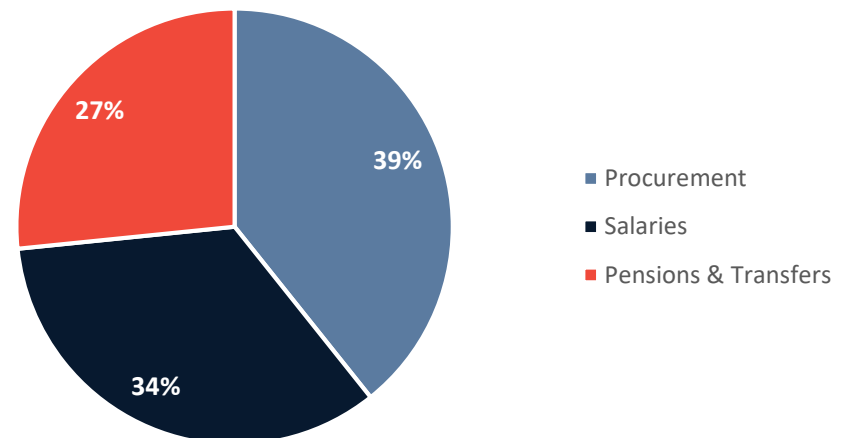


Table 63. Duval County: Economic Impact Forecast, 2018 – 2022
Current Millions USD

Impact Type	2018	2019	2020	2021	2022
Total Employment	97,280	97,780	106,070	106,999	105,676
Gross Regional Product	\$12,017	\$12,386	\$13,159	\$13,421	\$13,452
<i>Total Consumption</i>	<i>\$4,915</i>	<i>\$4,780</i>	<i>\$5,159</i>	<i>\$5,289</i>	<i>\$5,355</i>
<i>Investment Residential</i>	<i>\$1,125</i>	<i>\$1,507</i>	<i>\$1,608</i>	<i>\$1,512</i>	<i>\$1,308</i>
<i>Investment Non-residential</i>	<i>\$316</i>	<i>\$344</i>	<i>\$369</i>	<i>\$368</i>	<i>\$351</i>
<i>Producer's Durable Equipment</i>	<i>\$156</i>	<i>\$266</i>	<i>\$352</i>	<i>\$412</i>	<i>\$455</i>
<i>Business Inventories</i>	<i>\$12</i>	<i>\$17</i>	<i>\$14</i>	<i>\$12</i>	<i>\$11</i>
<i>Government</i>	<i>\$168</i>	<i>\$257</i>	<i>\$316</i>	<i>\$351</i>	<i>\$368</i>
<i>Exports</i>	<i>\$9,241</i>	<i>\$9,248</i>	<i>\$9,752</i>	<i>\$10,042</i>	<i>\$10,242</i>
<i>Imports (subtract)</i>	<i>\$3,916</i>	<i>\$4,032</i>	<i>\$4,411</i>	<i>\$4,566</i>	<i>\$4,638</i>

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

The table above represents the defense activities total economic impact in Duval County. Defense activities in 2018 accounted for about 97,000 jobs, which was about equal to the 2016 projection for 2018. The number of employed in the county in 2018 increased by about 3% from the 2016 number of employed. Employment impacts in the county are projected to increase through 2021 and decrease in 2022. Gross regional product (GRP) impacts in the county in 2018 accounted for about \$12.0 billion in impacts, which is about 3% greater than the 2016 projection for 2018. The GRP impacts in the county in 2018 increased by about 10% from the 2016 GRP impacts. Gross regional product impacts are projected to increase through 2022.

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

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



Table 64. Duval County: Total Economic Impacts by Component, Millions USD (2018)					
Spending Flow	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Gross Regional Product	\$1,669	\$31	\$7	\$1,707
	Total Jobs	16,669	297	82	17,048
Employment	Gross Regional Product	\$7,349	\$842	\$176	\$8,366
	Total Jobs	53,117	5,997	1,859	60,973
Transfers	Gross Regional Product	\$1,925	\$4	\$15	\$1,944
	Total Jobs	19,065	49	144	19,258
Totals	Gross Regional Product	\$10,943	\$877	\$197	\$12,017
	Total Jobs	88,851	6,343	2,085	97,279

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

Military Impacts by Type

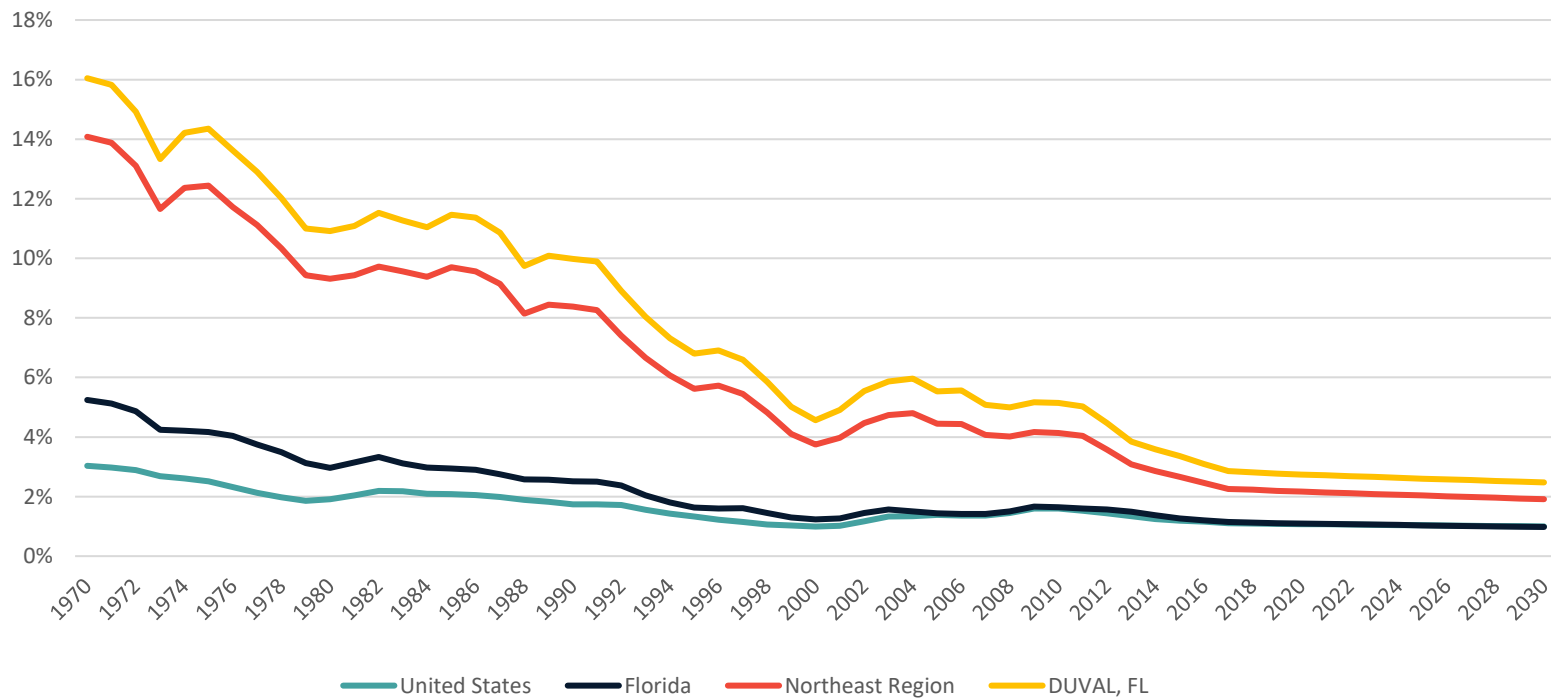
The data in the table above display a matrix of the impacts by type for 2018. This includes procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2018 U.S. Dollars) are displayed next to the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner.

- The three impacts combined for **\$12.0 billion** in GRP impacts and **97,279 jobs** as of 2018 for **Duval County**.
- Military generated the most jobs in the county (**88,851**) in 2018, an increase of **3%** from 2016.
 - o Procurement for the military generated **16,669** jobs in 2018, an increase of **18%** from 2016.
 - o Employment for the military generated **53,117** jobs in 2018, a decrease of **4%** from 2016.
 - o Transfers for the military generated **19,065** jobs in 2018, an increase of **13%** from 2016.
- The military accounted for **91%** of all job impacts and **90%** of GRP economic impacts as of 2018.
- Total, economic GRP impacts in 2018 were up **10%** from **\$10.9 billion** in 2016.

Military Share of Total Earnings

This figure benchmarks the total share of state income that can be attributed to the military over time in Northeast region's Duval County. This is graphed alongside the regional, state, and national spending. Earnings include more than wage and salary disbursements. They also include proprietors' income and other supplements to wages and salaries. In 2018, the Duval County military personnel received a 2.8% share of total personal income in the county. As the U.S. and Florida continue to diversify their economies, military share of the total earnings has converged over time to approximately 1.0% of all state and national earnings.

Figure 85. Military Share of Total Earnings, 1970 – 2030: Nation, Florida, Northeast Region, Duval County

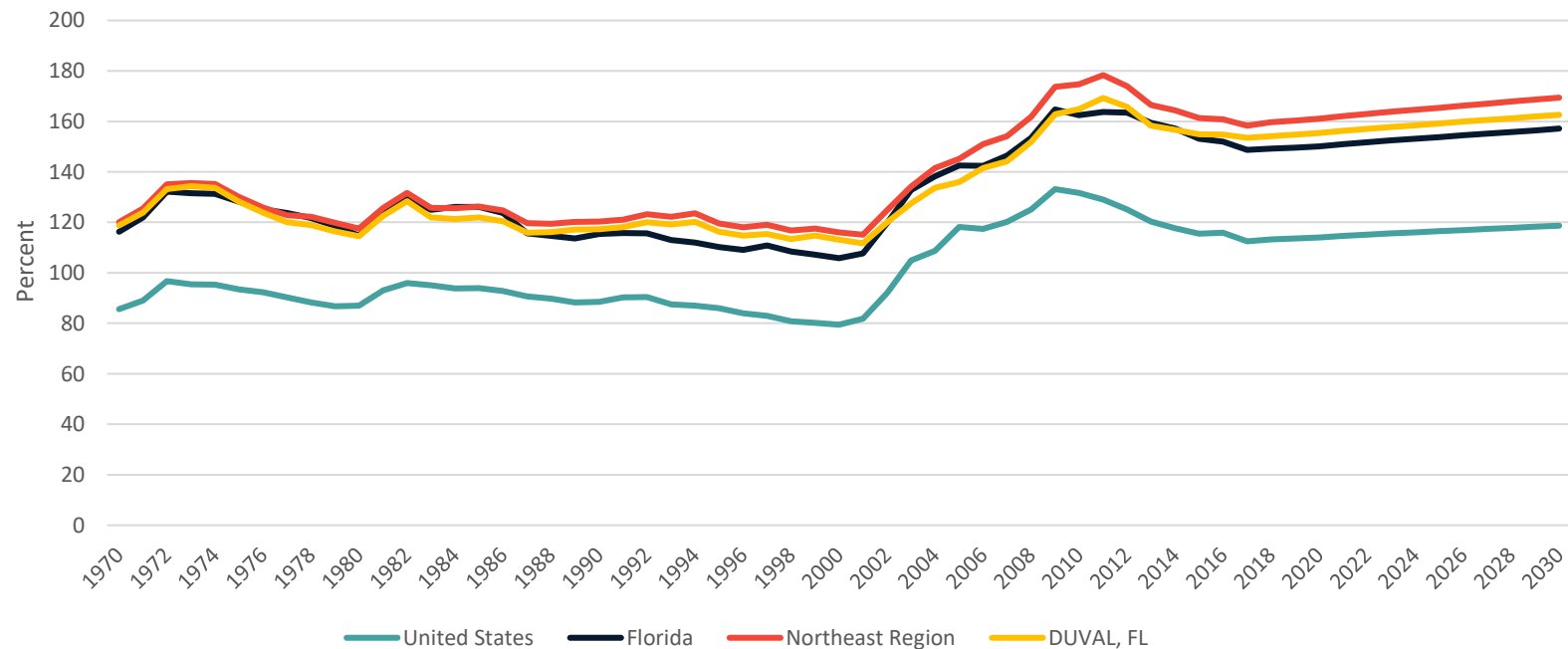


Source: Woods & Poole Economics, Inc. 2019

Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It shows a benchmark of the earnings of military employees against the earnings patterns of all workers. For Duval County, military employees in 1980 had earnings which totaled 114% of the whole Duval County workforce's average earnings level. As of 2018, the average military earnings for Duval County were 154% of the average workforce wages for the county. Duval County's military average earnings are projected to stay at or above the county average wage level in the next decade. The Northeast region's earnings ratio stands at 161%. The state of Florida's relative earnings ratio is at 150%. For the U.S., the relative earnings ratio is at 113%.

Figure 86. Average Military Earnings vs Average Total Earnings, 1970 – 2030: Nation, Florida, Northeast Region, Duval County

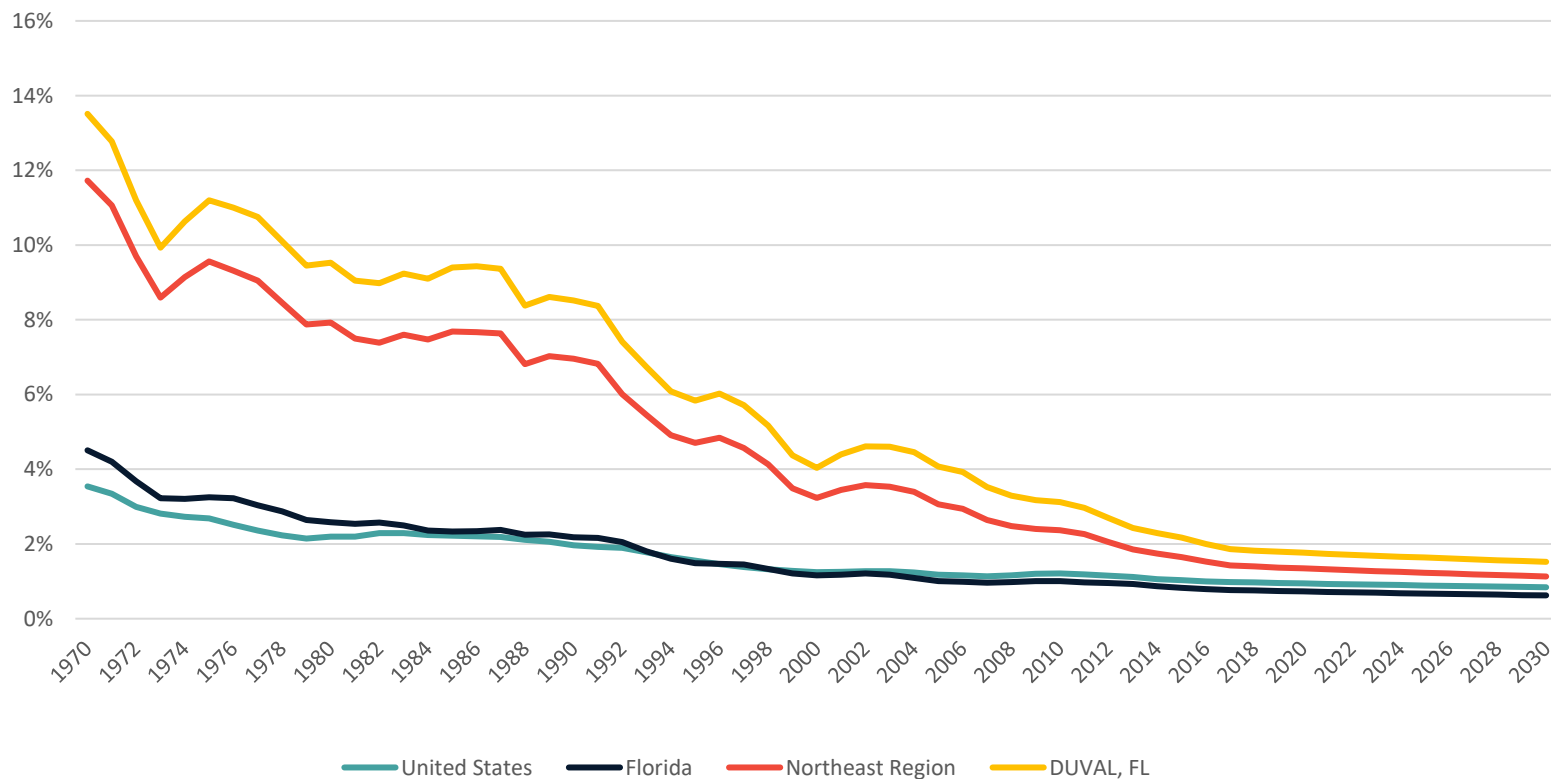


Source: Woods & Poole Economics, Inc. 2019

Military Employment as a Share of Total Employment

The figure below shows military employment as a share of total employment for Duval County. This is shown alongside the military employment shares for the surrounding region, the state, and the U.S. In 1980 the military accounted for 9.5% of Duval County employment, 7.9% of regional employment, 2.6% of state employment, and 2.2% of U.S. employment. In 2018, military employment had a 1.8% share of the Duval County workforce. By 2018, the region, Florida state, and the U.S. had employment shares of 1.4%, 0.75% and 1%, respectively.

Figure 87. Military Employment as a Share of Total Employment, 1970 – 2030: Nation, Florida, Northeast Region, Duval County

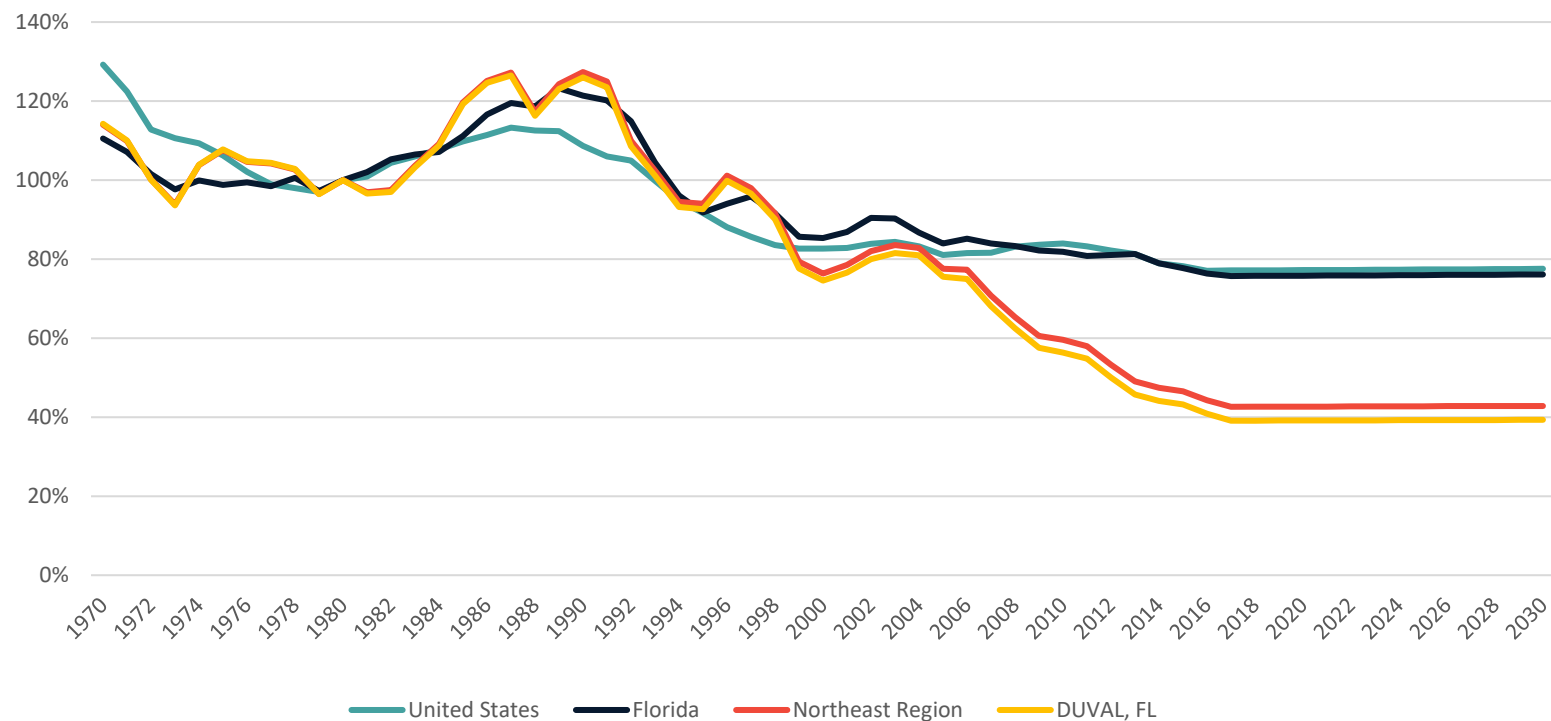


Source: Woods & Poole Economics, Inc. 2019

Total Military Employment Indexed to 1980

The figure below benchmarks the size of military employment in Duval County against the 1980 county total. For example, Duval County's military employment in 1985 was 119% of the 1980 total. In 2018, the military share of employment in Duval County was 39% and the Northeast region's military share of employment was 43% of the 1980 relative size. Decreases in share of military employment can result from an increase in military workforce size, an increase in civilian workforce size, or a slower growth of military workforce versus the growth of civilian workforce. Concurring decreases can also result from economic diversification towards defense. Military employment at the national level is currently at 77% of its 1980 size, and at the state level, it is at 76%.

Figure 88. Total Military Employment Indexed to 1980, 1970 – 2030: Nation, Florida, Northeast Region, and Duval County



Source: Woods & Poole Economics, Inc. 2019

Demographics and the Regional Economy

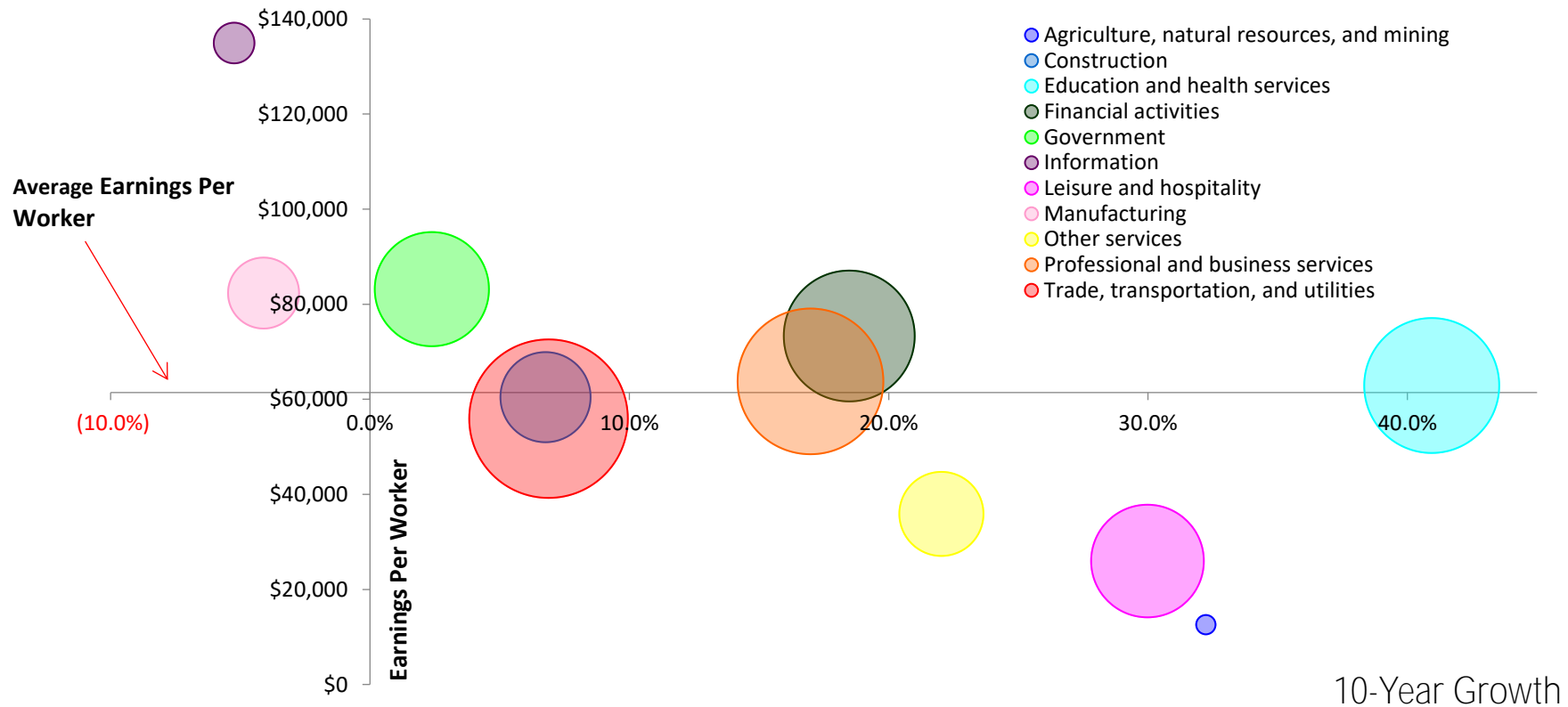
The table below contains information on Duval County's population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Between 2007 and 2017, the county's population grew 10.5%. Between 2009 and 2019, the county's population grew 11.1%. The county's growth rate is expected to slow to 8.4% in the next decade. Two years ago, the predicted the growth rate was projected to be 14.4% in the next decade. The county's average household income in 2018 was 97% of the average statewide wage.

Table 65. Demographic Estimates, Duval County	
Total Population	Estimate
Population in 2009	859,795
Population in 2019	954,861
Population in 2029	1,034,744
Growth from 2009 to 2019	11.1%
Growth from 2019 to 2029	8.4%
Personal Income (Inclusive of all income sources)	
Average Regional Household Income (2019)	\$115,488
Average Florida Household Income (2019)	\$118,835
Number of Households (2019)	389,609

Source: Woods & Poole Economics, Inc. 2019

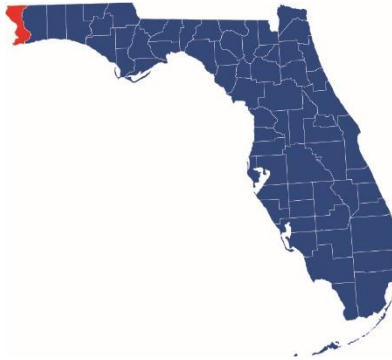
The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while the horizontal axis shows the ten-year growth and the vertical axis shows the average earnings per worker. The **largest employment sector** in Duval County is trade with nearly 129,000 employed. This is followed by the professional/business and education sectors with over 110,000 and 94,000 employed, respectively. The **greatest average earning sector** is the information sector, with average earnings of nearly \$135,000. The information and manufacturing sectors are expected to have a negative 10-year growth rate. The **sector projected to experience the most growth** over the next 10 years is education/health with 10-year growth at 41%.

Figure 89. Industry Concentration and Earnings Growth 2018-2028 – Duval County



Source: Woods & Poole Economics, Inc. 2019

Escambia County



Escambia County Summary

Location:

Northwest Florida Region

Home to:

Naval Air Station Pensacola
Corry Station
Saufley Field

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

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

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

Economic Impact Estimates

As Table 66 shows, the county's economy is a significant beneficiary of funds flowing through as a result of defense activities — roughly \$2.2 billion in 2018. Transfers accounted for 29% or roughly \$644 million of the \$2.2 billion total. Salaries accounted for 53%, and procurement accounted for 18%.

Table 66. Escambia County: Combined Direct Defense Expenditures	
Spending Flow	Millions (Current USD)
Procurement	\$408
Salaries	\$1,195
Pensions & Transfers	\$644
Total Combined Direct Expenditure	\$2,247

Source: Department of Defense; Department of Veterans Affairs; Bureau of Economic Analysis; Department of Treasury

Figure 90. Escambia County: Distribution of Direct Defense Spending

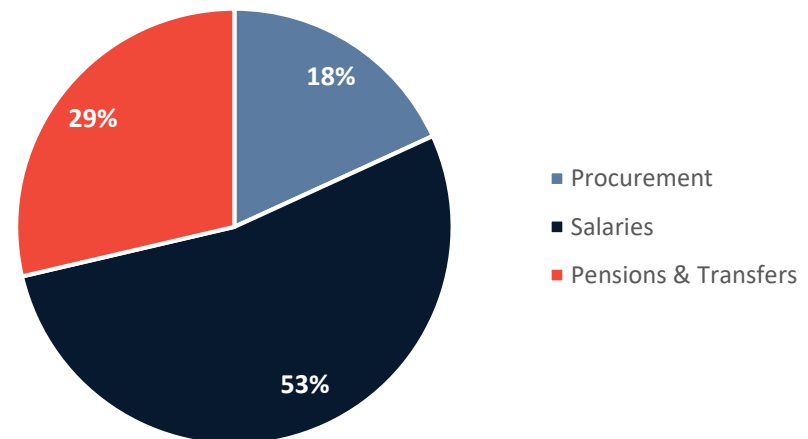


Table 67. Escambia County: Economic Impact Forecast, 2018 – 2022
Current Millions USD

Impact Type	2018	2019	2020	2021	2022
Total Employment	63,391	63,717	69,119	69,724	68,862
Gross Regional Product	\$6,786	\$7,136	\$7,521	\$7,773	\$7,904
<i>Total Consumption</i>	<i>\$3,049</i>	<i>\$3,049</i>	<i>\$3,307</i>	<i>\$3,469</i>	<i>\$3,583</i>
<i>Investment Residential</i>	<i>\$700</i>	<i>\$952</i>	<i>\$1,023</i>	<i>\$982</i>	<i>\$875</i>
<i>Investment Non-residential</i>	<i>\$174</i>	<i>\$176</i>	<i>\$182</i>	<i>\$183</i>	<i>\$176</i>
<i>Producer's Durable Equipment</i>	<i>\$88</i>	<i>\$151</i>	<i>\$198</i>	<i>\$232</i>	<i>\$256</i>
<i>Business Inventories</i>	<i>\$4</i>	<i>\$6</i>	<i>\$5</i>	<i>\$4</i>	<i>\$4</i>
<i>Government</i>	<i>\$224</i>	<i>\$346</i>	<i>\$429</i>	<i>\$482</i>	<i>\$513</i>
<i>Exports</i>	<i>\$6,256</i>	<i>\$6,478</i>	<i>\$6,742</i>	<i>\$7,011</i>	<i>\$7,223</i>
<i>Imports (subtract)</i>	<i>\$3,709</i>	<i>\$4,022</i>	<i>\$4,365</i>	<i>\$4,589</i>	<i>\$4,725</i>

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

The table above represents the defense activities total economic impact in Escambia County. Defense activities in 2018 accounted for about 63,000 jobs, which was about equal to the 2016 projection for 2018. The number of employed in the county in 2018 increased by about 4% from the 2016 number of employed. Employment impacts in the county are projected to increase through 2021 and decrease in 2022. Gross regional product (GRP) impacts in the county in 2018 accounted for about \$6.8 billion in impacts, which is about 19% less than the 2016 projection for 2018. The GRP impacts in the county in 2018 decreased by about 12% from the 2016 GRP impacts. Gross regional product impacts are projected to increase through 2022.

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

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



Table 68. Escambia County: Total Economic Impacts by Component, Millions USD (2018)					
Spending Flow	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Gross Regional Product	\$376	\$0	\$3	\$379
	Total Jobs	5,625	0	30	5,655
Employment	Gross Regional Product	\$5,357	\$432	\$50	\$5,839
	Total Jobs	45,874	3,215	743	49,832
Transfers	Gross Regional Product	\$563	\$0	\$4	\$568
	Total Jobs	7,846	1	57	7,904
Totals	Gross Regional Product	\$6,296	\$432	\$57	\$6,786
	Total Jobs	59,345	3,216	830	63,391

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

Military Impacts by Type

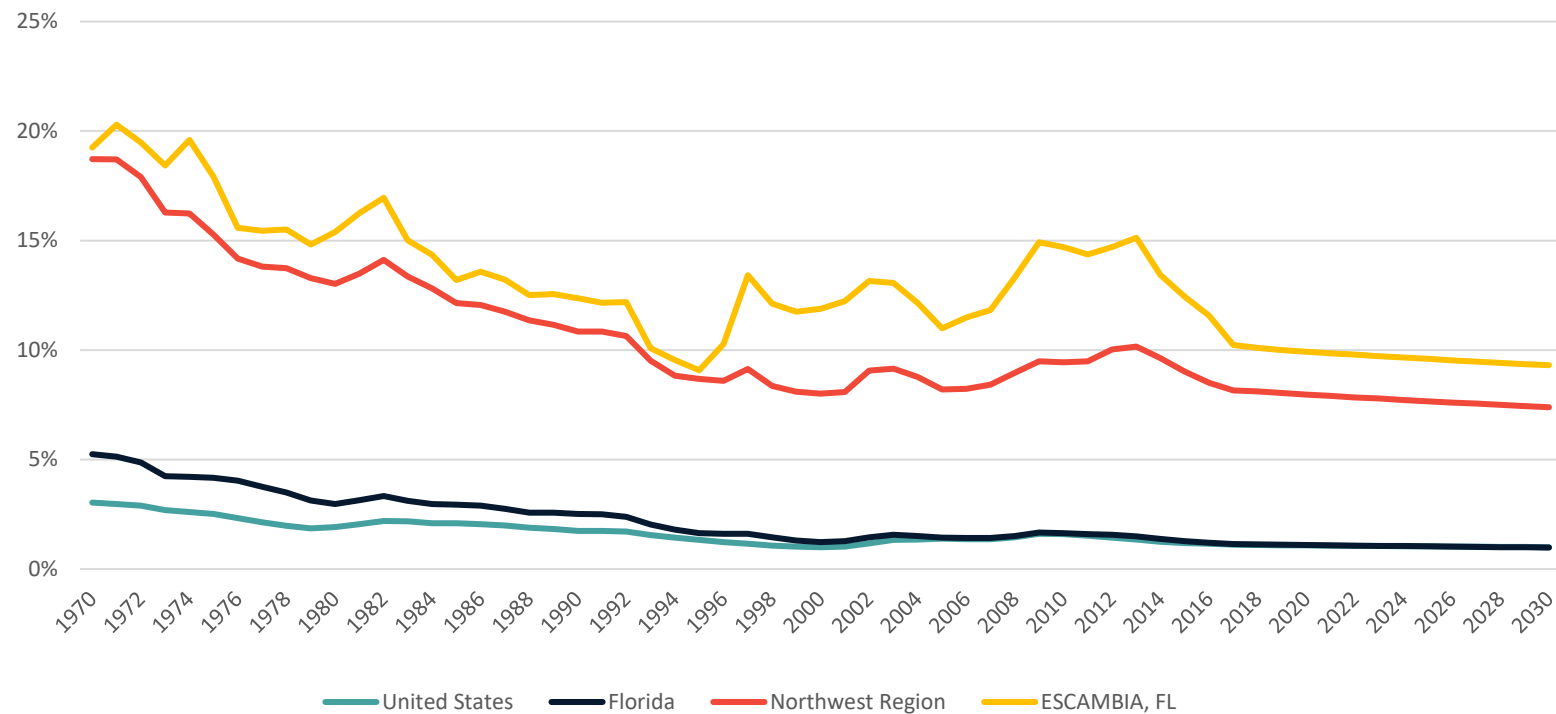
The data in the table above display a matrix of the impacts by type for 2018. This includes procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2018 U.S. Dollars) are displayed next to the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner.

- The three impacts combined for **\$6.8 billion** in GRP impacts and **63,391 jobs** as of 2018 for **Escambia County**.
- Military generated the most jobs in the county (**59,345**) in 2018, an increase of **4%** from 2016.
 - o Procurement for the military generated **5,625** jobs in 2018, an increase of **31%** from 2016.
 - o Employment for the military generated **45,874** jobs in 2018, near equal to **45,970** jobs from 2016.
 - o Transfers for the military generated **7,846** jobs in 2018, an increase of **23%** from 2016.
- The military accounted for **94%** of all job impacts and **93%** of GRP economic impacts as of 2018.
- Total, economic GRP impacts in 2018 were **down 12%** from **\$7.6 billion** in 2016.

Military Share of Total Earnings

This figure benchmarks the total share of state income that can be attributed to the military over time in Northwest region's Escambia County. This is graphed alongside the regional, state, and national spending. Earnings include more than wage and salary disbursements. They also include proprietors' income and other supplements to wages and salaries. In 2018, the Escambia County military personnel received a 10.0% share of total personal income in the county. As the U.S. and Florida continue to diversify their economies, military share of the total earnings has converged over time to approximately 1.0% of all state and national earnings.

Figure 91. Military Share of Total Earnings, 1970 – 2030: Nation, Florida, Northwest Region, Escambia County

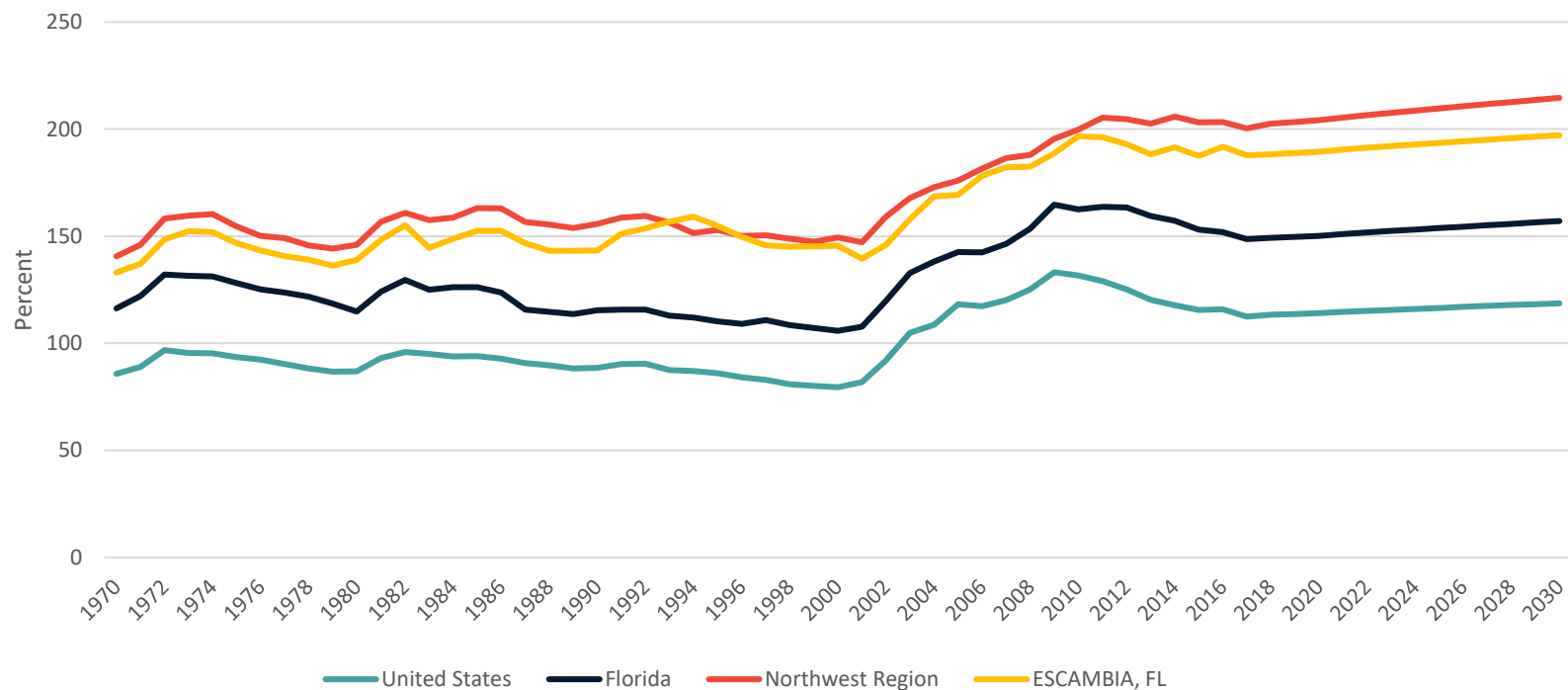


Source: Woods & Poole Economics, Inc. 2019

Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It shows a benchmark of the earnings of military employees against the earnings patterns of all workers. For Escambia County, military employees in 1980 had earnings which totaled 139% of the whole Escambia County workforce's average earnings level. As of 2018, the average military earnings for Escambia County were 188% of the average workforce wages for the county. Escambia County's military average earnings are projected to stay well above the county average wage level in the next decade. The Northwest region's earnings ratio stands at 200%. The state of Florida's relative earnings ratio is at 150%. For the U.S., the relative earnings ratio is at 113%.

Figure 92. Average Military Earnings vs Average Total Earnings, 1970 – 2030: Nation, Florida, Northwest Region, Escambia County

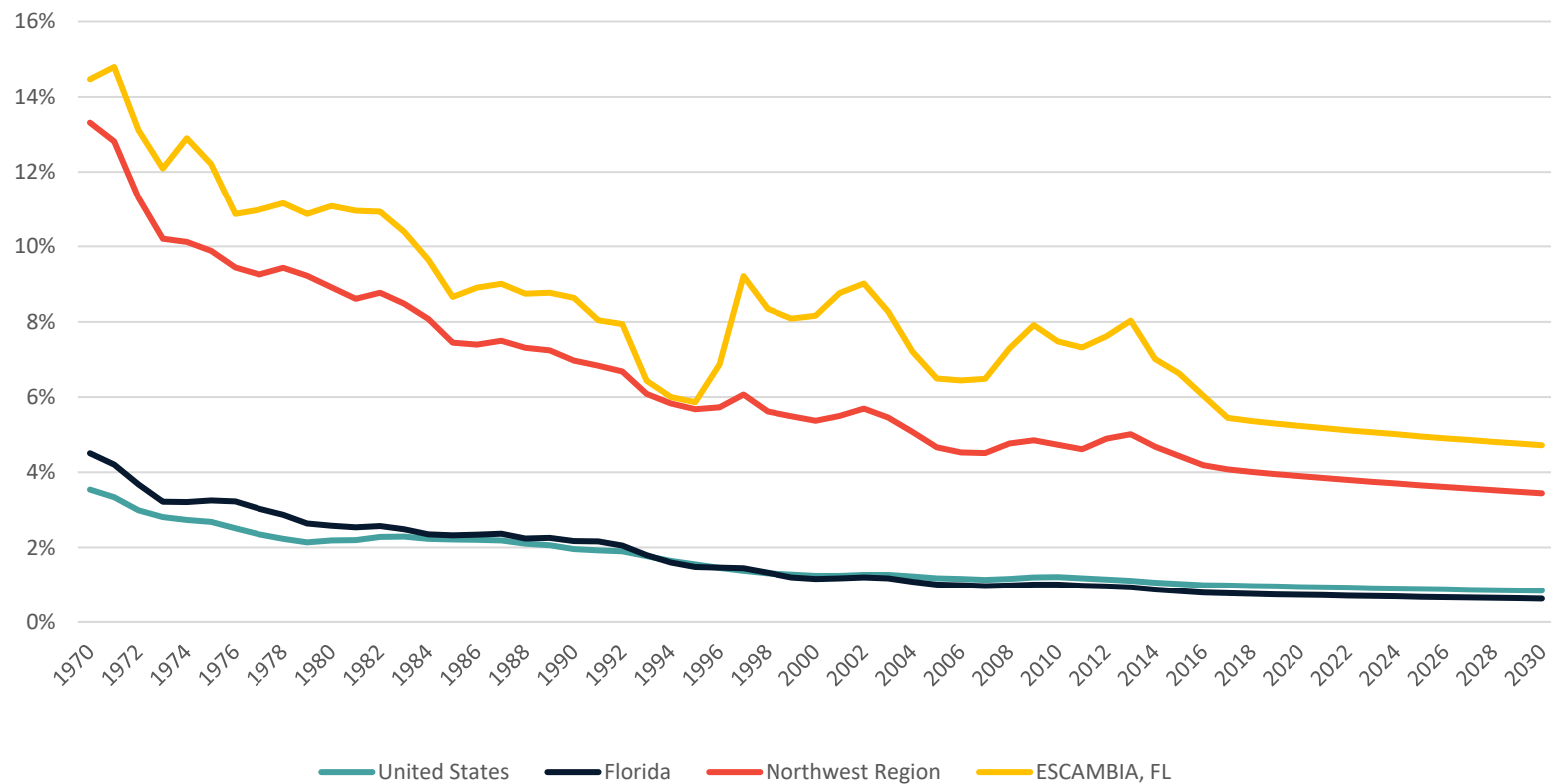


Source: Woods & Poole Economics, Inc. 2019

Military Employment as a Share of Total Employment

The figure below shows military employment as a share of total employment for Escambia County. This is shown alongside the military employment shares for the surrounding region, the state, and the U.S. In 1980 the military accounted for 11.0% of Escambia County employment, 8.9% of regional employment, 2.6% of state employment, and 2.2% of U.S. employment. In 2018, military employment had a 5.4% share of the Escambia County workforce. By 2018, the region, Florida state, and the U.S. had employment shares of 4.0%, 0.75% and 1%, respectively.

Figure 93. Military Employment as a Share of Total Employment, 1970 – 2030: Nation, Florida, Northwest Region, Escambia County

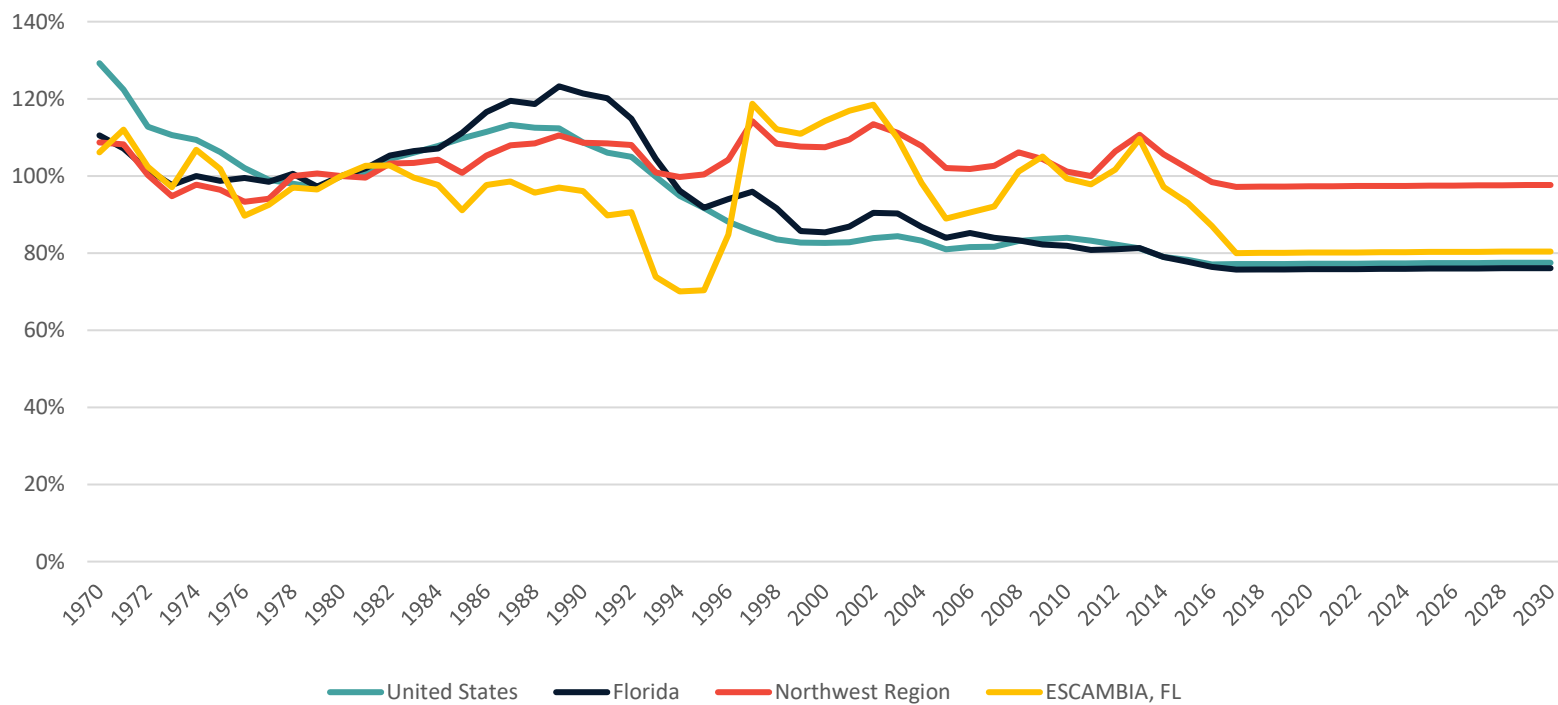


Source: Woods & Poole Economics, Inc. 2019

Change in Military Employment

The figure below benchmarks the size of military employment in Escambia County against the 1980 county total. For example, Escambia County 's military employment in 1985 was 91% of the 1980 total. In 2018, the military share of employment in Escambia County was 80% and the Northwest region's military share of employment was 97% of the 1980 relative size. Increases in share of military employment can result from an increase in military workforce size, a decrease in civilian workforce size, or a faster growth of military workforce versus the growth of civilian workforce. Concurring increases can also result from economic diversification towards defense. Military employment at the national level is currently at 77% of its 1980 size, and at the state level, it is at 76%.

Figure 94. Total Military Employment Indexed to 1980, 1970 – 2030: Nation, Florida, Northwest Region, Escambia County



Source: Woods & Poole Economics, Inc. 2019

Demographics and the Regional Economy

The table below contains information on Escambia County's population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Between 2007 and 2017, the county's population grew 17.1%. Between 2009 and 2019, the county's population grew 6.6%. The county's growth rate is expected to slow to 4.1% in the next decade. Two years ago, the predicted the growth rate was projected to be 10.6% in the next decade. The county's average household income in 2018 was 89% of the average statewide wage.

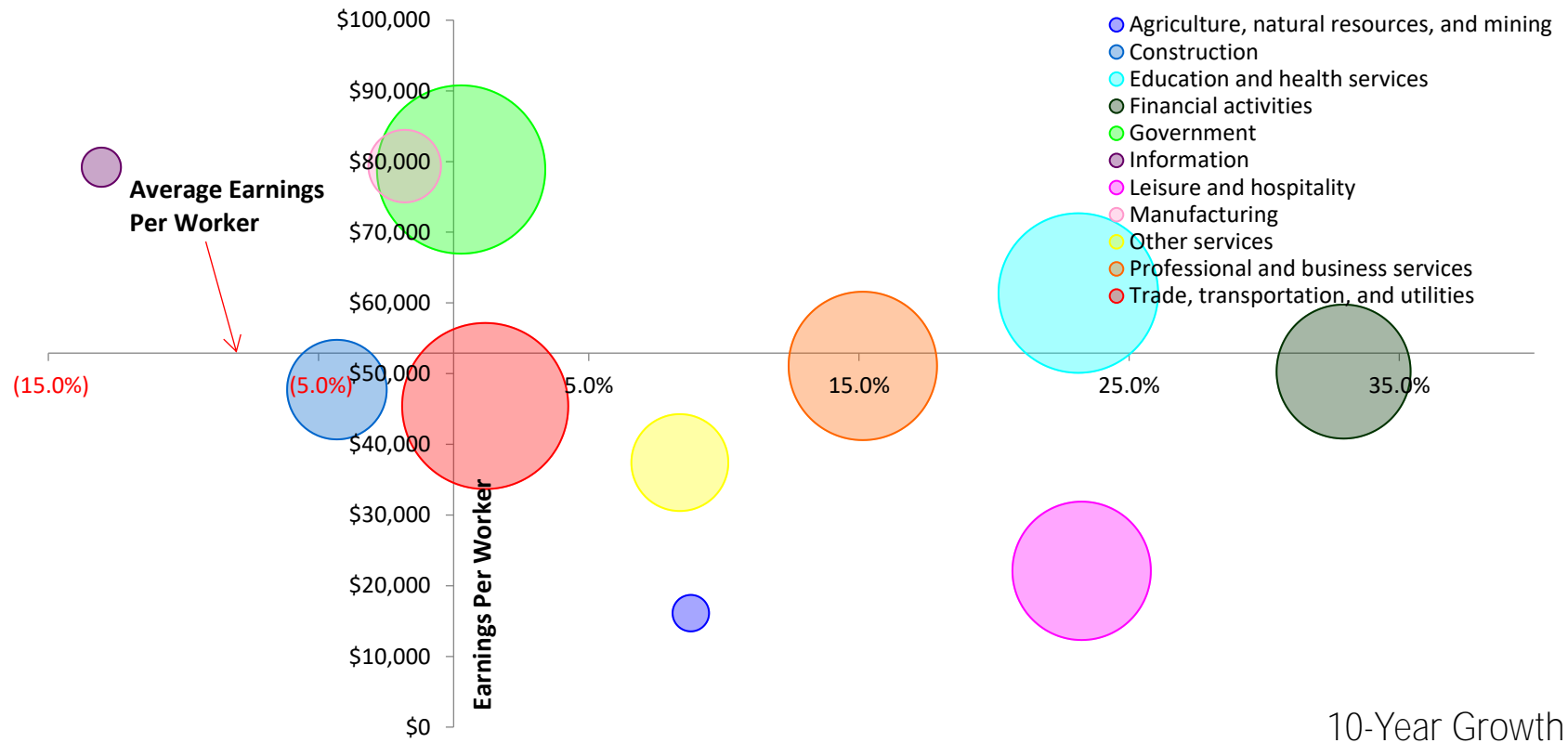
Table 69. Demographic Estimates, Escambia County

Total Population	Estimate
Population in 2009	297,015
Population in 2019	316,499
Population in 2029	329,353
Growth from 2009 to 2019	6.6%
Growth from 2019 to 2029	4.1%
Personal Income (Inclusive of all income sources)	
Average Regional Household Income (2019)	\$106,355
Average Florida Household Income (2019)	\$118,835
Number of Households (2019)	125,525

Source: Woods & Poole Economics, Inc. 2019

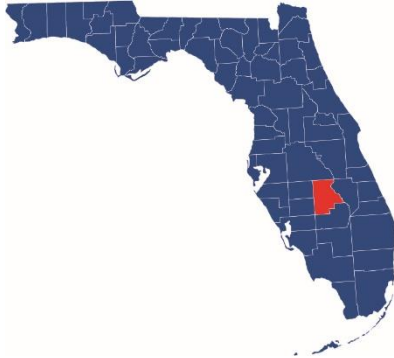
The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while the horizontal axis shows the ten-year growth and the vertical axis shows the average earnings per worker. The **largest employment sector** in Escambia County is trade with nearly 129,000 employed. This is followed by the professional/business and education sectors with over 110,000 and 94,000 employed, respectively. The **greatest average earning sectors** are information and government, with average earnings of \$79,000. The information, agriculture, and manufacturing sectors are expected to have a negative 10-year growth rate. The **sector projected to experience the most growth** over the next 10 years is the financial sector with 10-year growth at 33%.

Figure 95. Industry Concentration and Earnings Growth 2018-2028 – Escambia County



Source: Woods & Poole Economics, Inc. 2019

Highlands County



Highlands County Summary

Location:

South Central Florida Region

Home to:

Avon Park Air Force Range

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

Economic Impact Estimates

As Table 70 shows, the defense activities injected approximately \$106 million into the Highlands County economy in 2018. Transfer payments totaled roughly \$98 million, which is 92% of the total direct dollar flow to the county. Salaries accounted for 6%, and procurement accounted for 2%.

Table 70. Highlands County: Combined Direct Defense Expenditures	
Spending Flow	Millions (Current USD)
Procurement	\$2
Salaries	\$6
Pensions & Transfers	\$98
Total Combined Direct Expenditure	\$106

Source: Department of Defense; Department of Veterans Affairs; Bureau of Economic Analysis; Department of Treasury

Figure 96. Highland County: Distribution of Direct Defense Spending

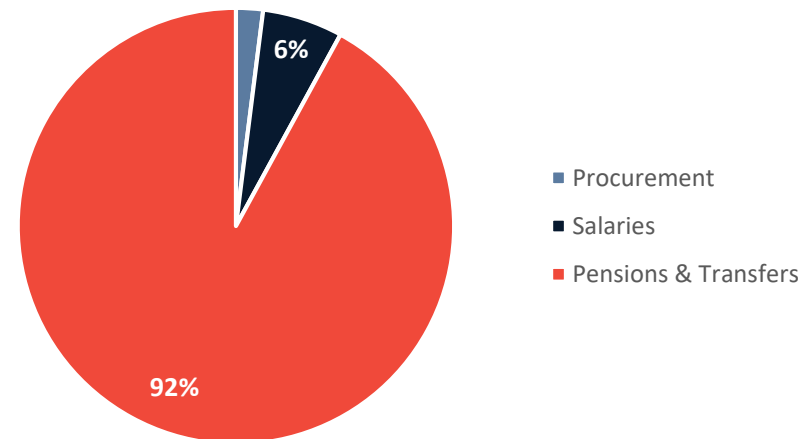


Table 71. Highlands County: Economic Impact Forecast, 2018 – 2022
Current Millions USD

Impact Type	2018	2019	2020	2021	2022
Total Employment	1,588	1,596	1,732	1,747	1,725
Gross Regional Product	\$119	\$124	\$132	\$135	\$136
<i>Total Consumption</i>	<i>\$134</i>	<i>\$126</i>	<i>\$131</i>	<i>\$133</i>	<i>\$136</i>
<i>Investment Residential</i>	<i>\$31</i>	<i>\$40</i>	<i>\$42</i>	<i>\$38</i>	<i>\$33</i>
<i>Investment Non-residential</i>	<i>\$6</i>	<i>\$7</i>	<i>\$7</i>	<i>\$7</i>	<i>\$7</i>
<i>Producer's Durable Equipment</i>	<i>\$3</i>	<i>\$5</i>	<i>\$7</i>	<i>\$8</i>	<i>\$9</i>
<i>Business Inventories</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>
<i>Government</i>	<i>\$14</i>	<i>\$22</i>	<i>\$26</i>	<i>\$29</i>	<i>\$31</i>
<i>Exports</i>	<i>\$58</i>	<i>\$58</i>	<i>\$63</i>	<i>\$67</i>	<i>\$69</i>
<i>Imports (subtract)</i>	<i>\$127</i>	<i>\$134</i>	<i>\$144</i>	<i>\$148</i>	<i>\$148</i>

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

The table above represents the defense activities total economic impact in Highlands County. Defense activities in 2018 accounted for about 1,600 jobs, which was about 4% less than the 2016 projection for 2018. The number of employed in the county in 2018 increased by about 6% from the 2016 number of employed. Employment impacts in the county are projected to increase through 2021 and decrease in 2022. Gross regional product (GRP) impacts in the county in 2018 accounted for about \$119 million in impacts, which is about 10% greater than the 2016 projection for 2018. The GRP impacts in the county in 2018 increased by about 26% from the 2016 GRP impacts. Gross regional product impacts are projected to increase through 2022.

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

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



Table 72. Highlands County: Total Economic Impacts by Component, Millions USD (2018)					
Spending Flow	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Gross Regional Product	\$9	\$0	\$0	\$9
	Total Jobs	134	1	1	136
Employment	Gross Regional Product	\$47	\$3	\$1	\$51
	Total Jobs	517	37	10	564
Transfers	Gross Regional Product	\$58	\$0	\$0	\$59
	Total Jobs	881	0	7	888
Totals	Gross Regional Product	\$114	\$3	\$1	\$119
	Total Jobs	1,532	38	18	1,588

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

Military Impacts by Type

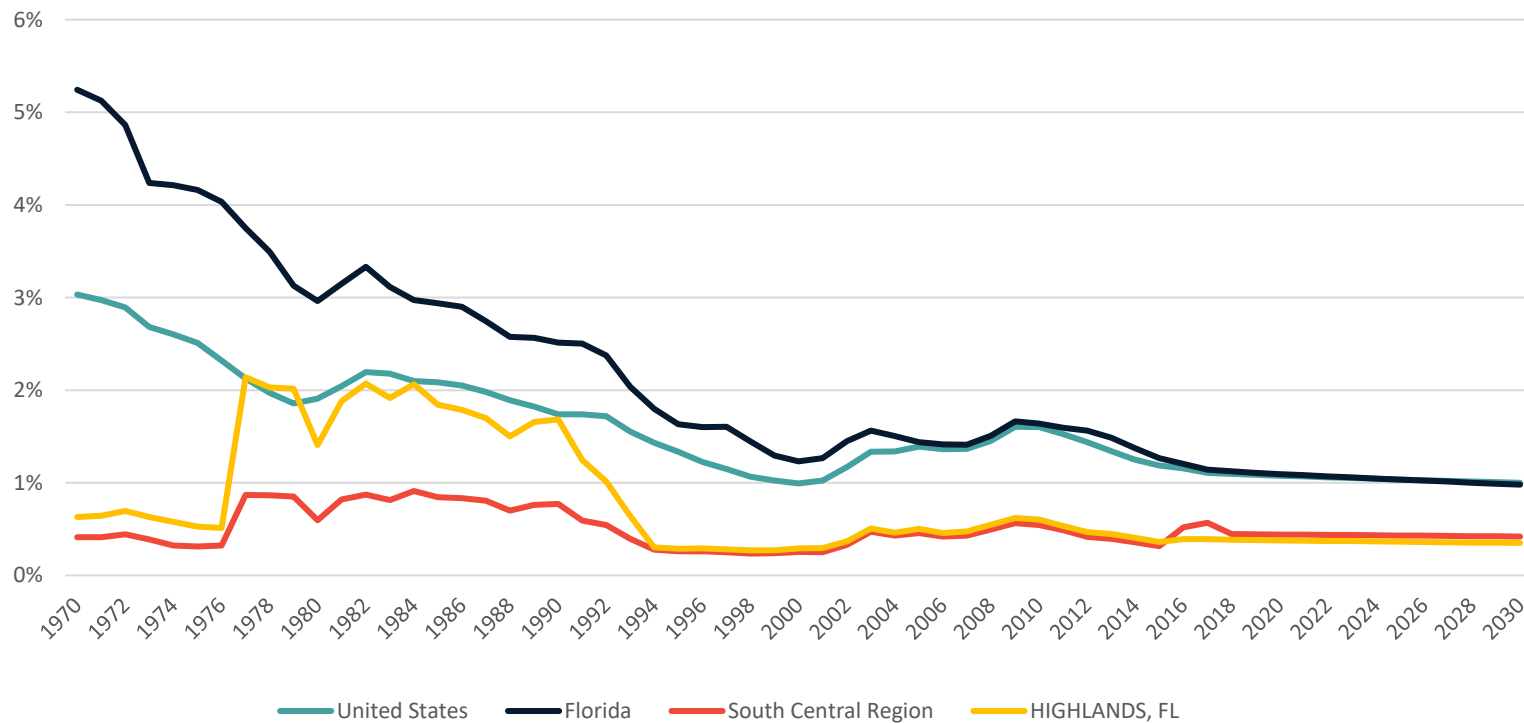
The data in the table above display a matrix of the impacts by type for 2018. This includes procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2018 U.S. Dollars) are displayed next to the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner.

- The three impacts combined for **\$119 million** in GRP impacts and **1,588 jobs** as of 2018 for **Highlands County**.
- Military generated the most jobs in the county (**1,532**) in 2018, an increase of **6%** from 2016.
 - o Procurement for the military generated **134** jobs in 2018, a decrease of **72%** from 2016.
 - o Employment for the military generated **517** jobs in 2018, an increase of **8%** from 2016.
 - o Transfers for the military generated **881** jobs in 2018, an increase of **11%** from 2016.
- The military accounted for **96%** of all job impacts and **95%** of GRP economic impacts as of 2018.
- Total, economic GRP impacts in 2018 were **up 26%** from **\$94.6 million** in 2016.

Military Share of Total Earnings

This figure benchmarks the total share of state income that can be attributed to the military over time in South Central region's Highlands County. This is graphed alongside the regional, state, and national spending. Earnings include more than wage and salary disbursements. They also include proprietors' income and other supplements to wages and salaries. In 2018, the Highlands County military personnel received a 0.4% share of total personal income in the county. As the U.S. and Florida continue to diversify their economies, military share of the total earnings has converged over time to approximately 1.0% of all state and national earnings.

Figure 97. Military Share of Total Earnings, 1970 – 2030: Nation, Florida, South Central Region, Highlands County

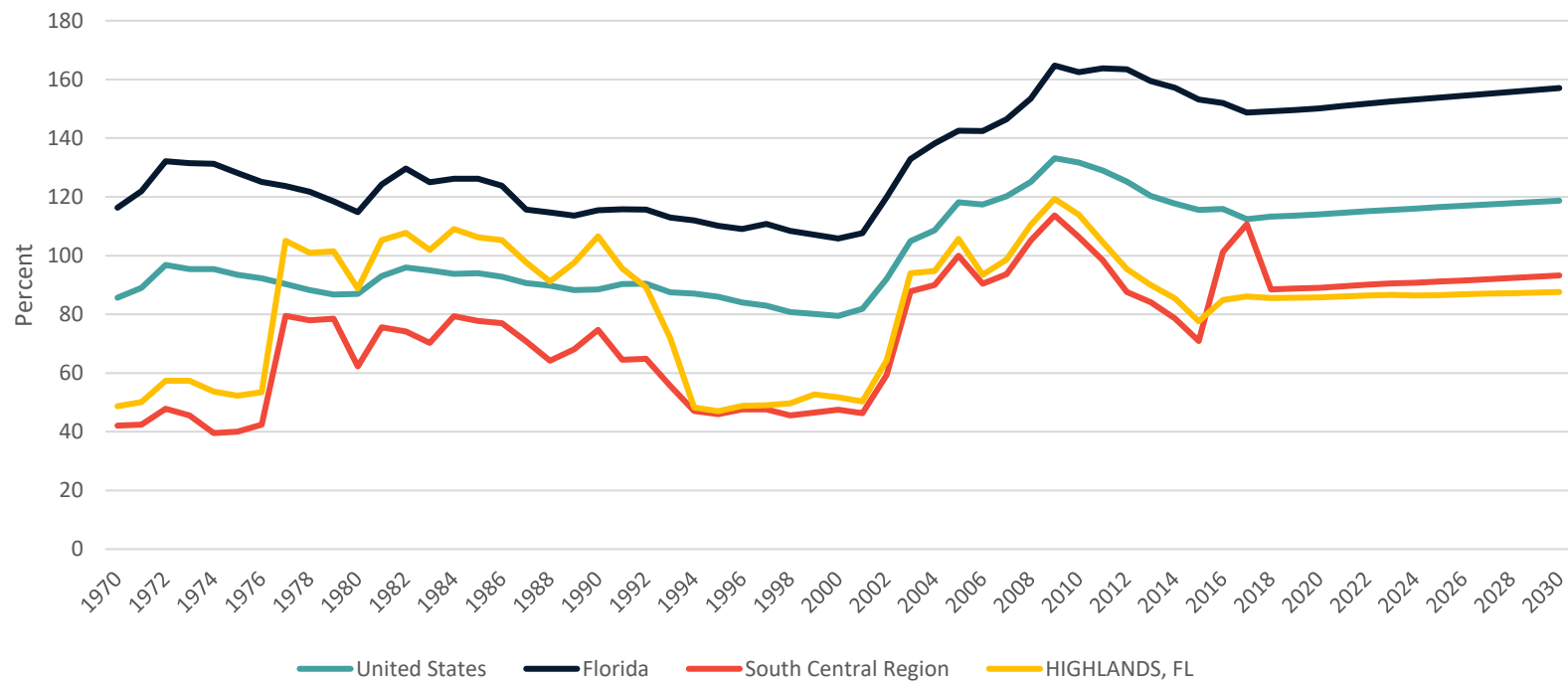


Source: Woods & Poole Economics, Inc. 2019

Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It shows a benchmark of the earnings of military employees against the earnings patterns of all workers. For Highlands County, military employees in 1980 had earnings which totaled 89% of the whole Highlands County workforce's average earnings level. As of 2018, the average military earnings for Highlands County were 86% of the average workforce wages for the county. Highlands County's military average earnings are projected to stay below the county average wage level in the next decade. The South Central region's earnings ratio stands at 89%. The state of Florida's relative earnings ratio is at 150%. For the U.S., the relative earnings ratio is at 113%.

Figure 98. Average Military Earnings vs Average Total Earnings, 1970 – 2030: Nation, Florida, South Central Region, Highlands County

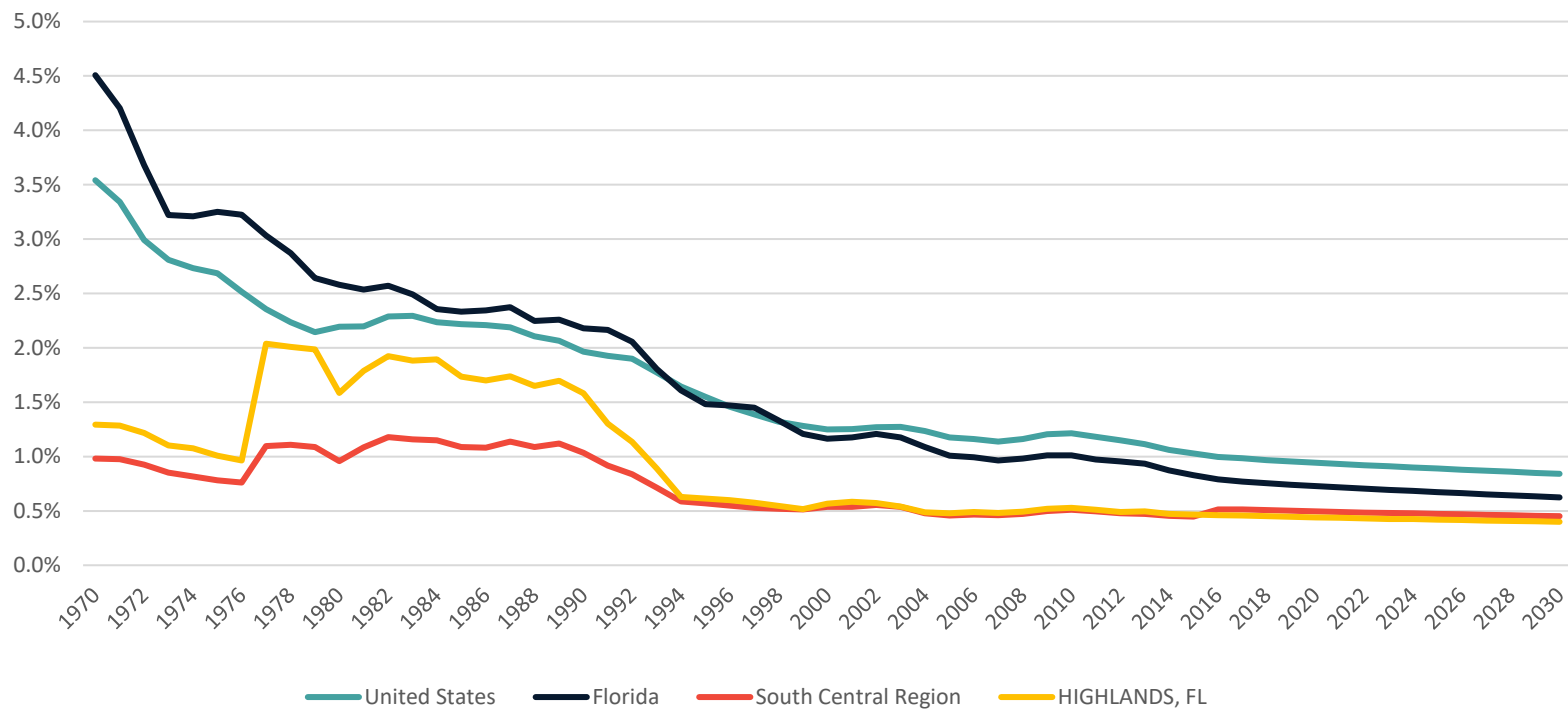


Source: Woods & Poole Economics, Inc. 2019

Military Employment as a Share of Total Employment

The figure below shows military employment as a share of total employment for Highlands County. This is shown alongside the military employment shares for the surrounding region, the state, and the U.S. In 1980 the military accounted for 1.6% of Highlands County employment, 1.0% of regional employment, 2.6% of state employment, and 2.2% of U.S. employment. In 2018, military employment had a 0.5% share of the Highlands County workforce. By 2018, the region, Florida state, and the U.S. had employment shares of 0.5%, 0.75% and 1%, respectively.

Figure 99. Military Employment as a Share of Total Employment, 1970 – 2030: Nation, Florida, South Central Region, Highlands County

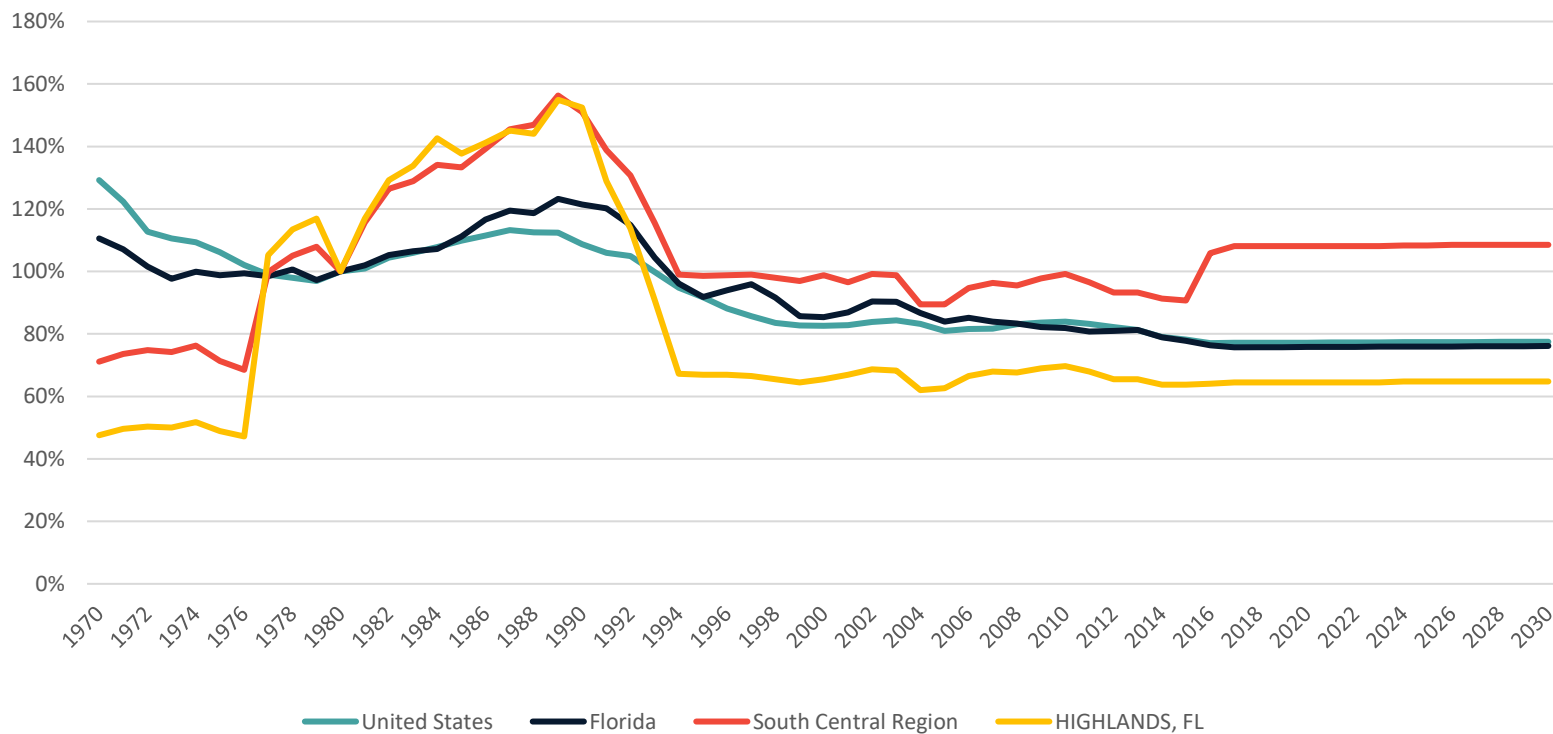


Source: Woods & Poole Economics, Inc. 2019

Change in Military Employment

The figure below benchmarks the size of military employment in Highlands County against the 1980 county total. For example, Highlands County's military employment in 1985 was 138% of the 1980 total. In 2018, the military share of employment in Highlands County was 64% and the South Central region's military share of employment was 108% of the 1980 relative size. Decreases in share of military employment can result from an increase in military workforce size, an increase in civilian workforce size, or a slower growth of military workforce versus the growth of civilian workforce. Military employment at the national level is currently at 77% of its 1980 size, and at the state level, it is at 76%.

Figure 100. Total Military Employment Indexed to 1980, 1970 – 2030: Nation, Florida, South Central Region, Highlands County



Source: Woods & Poole Economics, Inc. 2019

Demographics and the Regional Economy

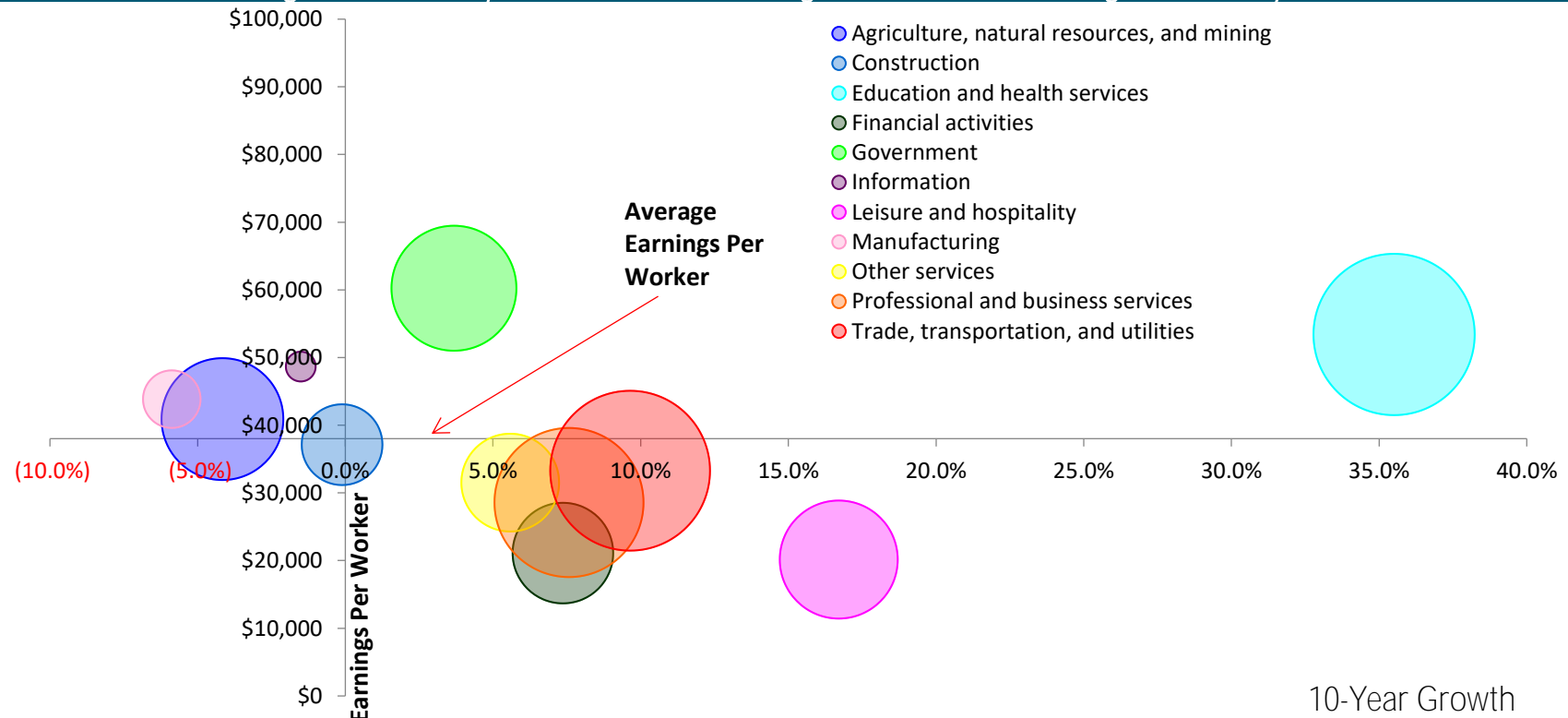
The table below contains information on Highlands County's population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Between 2007 and 2017, the county's population grew 4.0%. Between 2009 and 2019, the county's population grew 5.3%. The county's growth rate is expected to grow to 6.7% in the next decade. Two years ago, the predicted the growth rate was projected to be 18.4% in the next decade. The county's average household income in 2018 was 64% of the average statewide wage.

Table 73. Demographic Estimates, Highlands County	
Total Population	Estimate
Population in 2009	98,956
Population in 2019	104,224
Population in 2029	111,194
Growth from 2009 to 2019	5.3%
Growth from 2019 to 2029	6.7%
Personal Income (Inclusive of income sources)	
Average Regional Household Income (2019)	\$75,571
Average Florida Household Income (2019)	\$118,835
Number of Households (2019)	49,637
Population in 2009	98,956

Source: Woods & Poole Economics, Inc. 2019

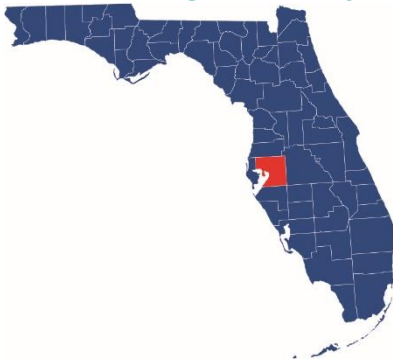
The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while the horizontal axis shows the ten-year growth and the vertical axis shows the average earnings per worker. The **largest employment sectors** in Highlands County are education/health and trade with over 7,000 employed each. The **greatest average earning sector** is the government, with average earnings of over \$60,000. The education/health sector closely follows with average earnings of over \$53,000. The manufacturing, agriculture, information, and construction sectors are expected to have a negative 10-year growth rate. The **sector projected to experience the most growth** over the next 10 years is the education/health sector with 10-year growth at 36%.

Figure 101. Industry Concentration and Earnings Growth 2018-2028 – Highlands County



Source: Woods & Poole Economics, Inc. 2019

Hillsborough County



Hillsborough County Summary

Location:

Tampa Bay Region

Home to:

MacDill Air Force Base

U.S. Central Command

U.S. Special Operations Command

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

U.S. Central Command is one of six geographically defined commands within the DoD and is responsible for US Security interests in 20 nations in Northeast Africa, and Southwest and Central Asia.

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

Economic Impacts Estimates

As Table 74 indicates, Hillsborough County is a prominent beneficiary of defense activities receiving nearly \$3.8 billion direct dollars in 2018. Transfers accounted for the largest share at 47% or roughly \$1.8 billion of the \$3.8 billion total. Salaries accounted for 17%, and procurement accounted for 36%.

Table 74. Hillsborough County: Combined Direct Defense Expenditures

Spending Flow	Millions (Current USD)
Procurement	\$1,357
Salaries	\$667
Pensions & Transfers	\$1,775
Total Combined Direct Expenditure	\$3,799

Source: Department of Defense; Department of Veterans Affairs; Bureau of Economic Analysis; Department of Treasury

Figure 102. Hillsborough County: Distribution of Direct Defense Spending

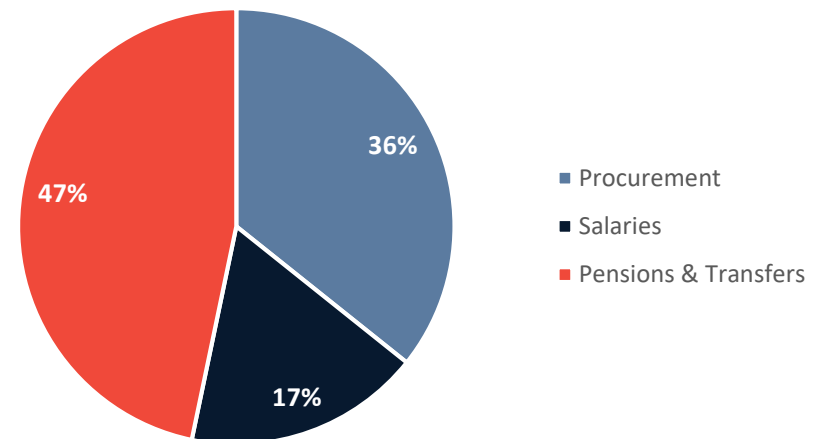


Table 75. Hillsborough County: Economic Impact Forecast, 2018 – 2022 Current Millions USD					
Impact Type	2018	2019	2020	2021	2022
Total Employment	90,148	90,612	98,295	99,155	97,929
Gross Regional Product	\$11,009	\$11,105	\$11,977	\$12,199	\$12,224
<i>Total Consumption</i>	<i>\$5,323</i>	<i>\$4,929</i>	<i>\$5,385</i>	<i>\$5,516</i>	<i>\$5,625</i>
<i>Investment Residential</i>	<i>\$1,218</i>	<i>\$1,575</i>	<i>\$1,674</i>	<i>\$1,571</i>	<i>\$1,368</i>
<i>Investment Non-residential</i>	<i>\$361</i>	<i>\$377</i>	<i>\$405</i>	<i>\$403</i>	<i>\$386</i>
<i>Producer's Durable Equipment</i>	<i>\$174</i>	<i>\$290</i>	<i>\$382</i>	<i>\$448</i>	<i>\$496</i>
<i>Business Inventories</i>	<i>\$9</i>	<i>\$14</i>	<i>\$11</i>	<i>\$9</i>	<i>\$8</i>
<i>Government</i>	<i>\$246</i>	<i>\$365</i>	<i>\$449</i>	<i>\$497</i>	<i>\$522</i>
<i>Exports</i>	<i>\$8,095</i>	<i>\$8,011</i>	<i>\$8,540</i>	<i>\$8,773</i>	<i>\$8,916</i>
<i>Imports (subtract)</i>	<i>\$4,417</i>	<i>\$4,454</i>	<i>\$4,870</i>	<i>\$5,018</i>	<i>\$5,097</i>

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

The table above represents the defense activities total economic impact in Hillsborough County. Defense activities in 2018 accounted for about 90,000 jobs, which was about 8% greater than the 2016 projection for 2018. The number of employed in the county in 2018 increased by about 15% from the 2016 number of employed. Employment impacts in the county are projected to increase through 2021 and decrease in 2022. Gross regional product (GRP) impacts in the county in 2018 accounted for about \$11 billion in impacts, which is about 4% greater than the 2016 projection for 2018. The GRP impacts in the county in 2018 increased by about 11% from the 2016 GRP impacts. Gross regional product impacts are projected to increase through 2022.

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

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



Table 76. Hillsborough County: Total Economic Impacts by Component, Millions USD (2018)					
Spending Flow	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Gross Regional Product	\$2,226	\$0	\$24	\$2,250
	Total Jobs	21,274	0	215	21,489
Employment	Gross Regional Product	\$5,136	\$520	\$90	\$5,746
	Total Jobs	33,317	3,410	886	37,613
Transfers	Gross Regional Product	\$2,992	\$0	\$20	\$3,013
	Total Jobs	30,841	0	206	31,047
Totals	Gross Regional Product	\$10,354	\$520	\$135	\$11,009
	Total Jobs	85,432	3,410	1,307	90,149

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

Military Impacts by Type

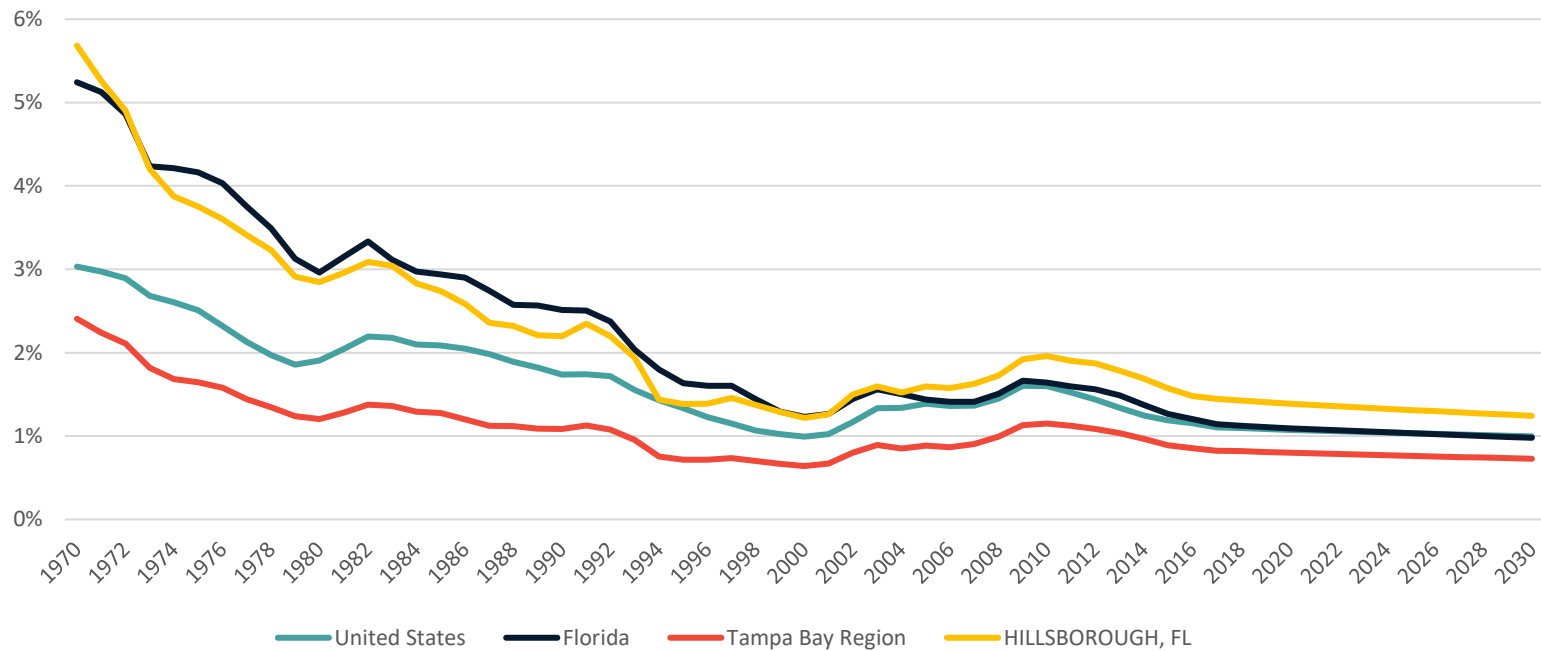
The data in the table above display a matrix of the impacts by type for 2018. This includes procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2018 U.S. Dollars) are displayed next to the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner.

- The three impacts combined for **\$11.0 billion** in GRP impacts and **90,149 jobs** as of 2018 for **Hillsborough County**.
- Military generated the most jobs in the county (**85,432**) in 2018, an increase of **16%** from 2016.
 - o Procurement for the military generated **21,274** jobs in 2018, a decrease of **30%** from 2016.
 - o Employment for the military generated **33,317** jobs in 2018, an increase of **74%** from 2016.
 - o Transfers for the military generated **30,841** jobs in 2018, an increase of **25%** from 2016.
- The military accounted for **95%** of all job impacts and **95%** of GRP economic impacts as of 2018.
- Total, economic GRP impacts in 2018 were **up 13%** from **\$9.7 billion** in 2016.

Military Share of Total Earnings

This figure benchmarks the total share of state income that can be attributed to the military over time in Tampa Bay region's Hillsborough County. This is graphed alongside the regional, state, and national spending. Earnings include more than wage and salary disbursements. They also include proprietors' income and other supplements to wages and salaries. In 2018, the Hillsborough County military personnel received a 1.4% share of total personal income in the county. As the U.S. and Florida continue to diversify their economies, military share of the total earnings has converged over time to approximately 1.0% of all state and national earnings.

Figure 103. Military Share of Total Earnings, 1970 – 2030: Nation, Florida, Tampa Bay Region, Hillsborough County

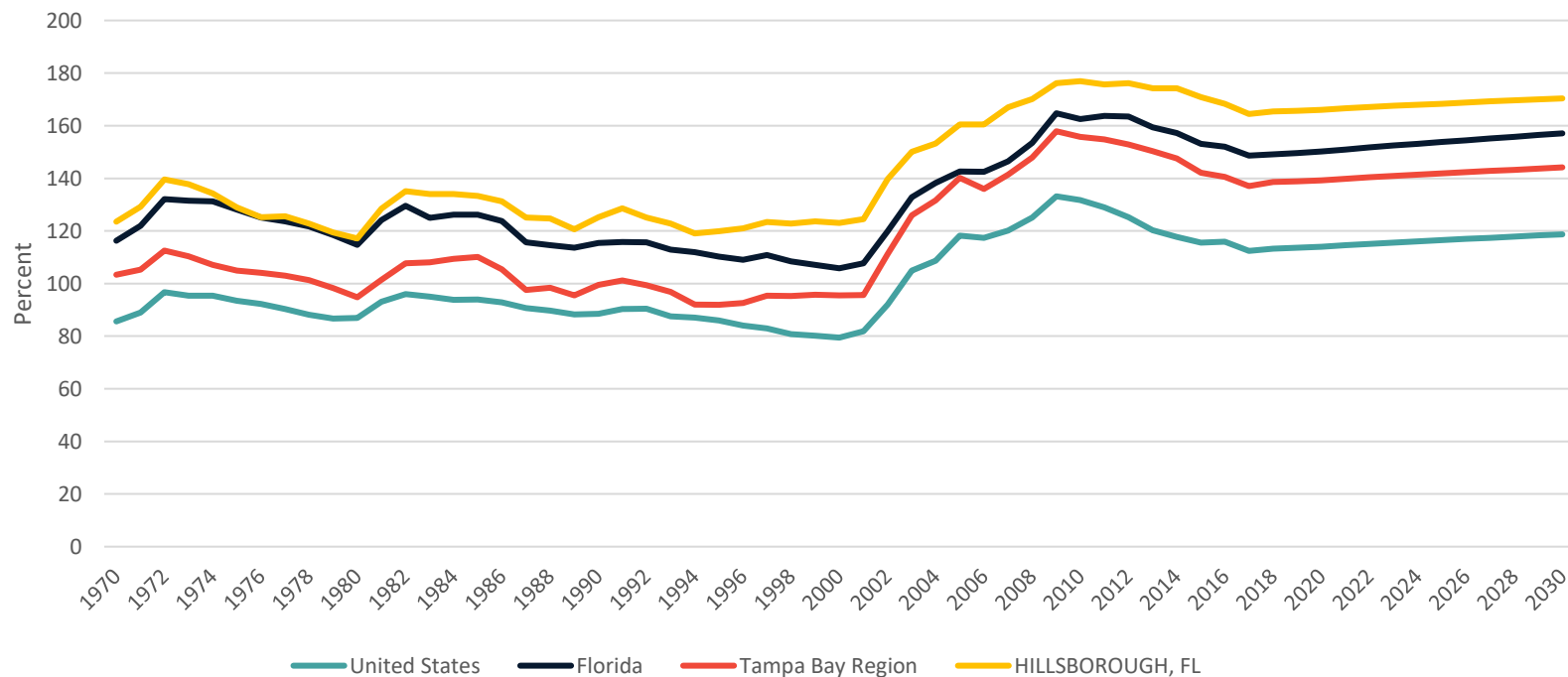


Source: Woods & Poole Economics, Inc. 2019

Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It shows a benchmark of the earnings of military employees against the earnings patterns of all workers. For Hillsborough County, military employees in 1980 had earnings which totaled 117% of the whole Highlands County workforce's average earnings level. As of 2018, the average military earnings for Hillsborough County were 165% of the average workforce wages for the county. Hillsborough County's military average earnings are projected to stay well above the county average wage level in the next decade. The Tampa Bay region's earnings ratio stands at 139%. The state of Florida's relative earnings ratio is at 150%. For the U.S., the relative earnings ratio is at 113%.

Figure 104. Average Military Earnings vs Average Total Earnings, 1970 – 2030: Nation, Florida, Tampa Bay Region, Hillsborough County

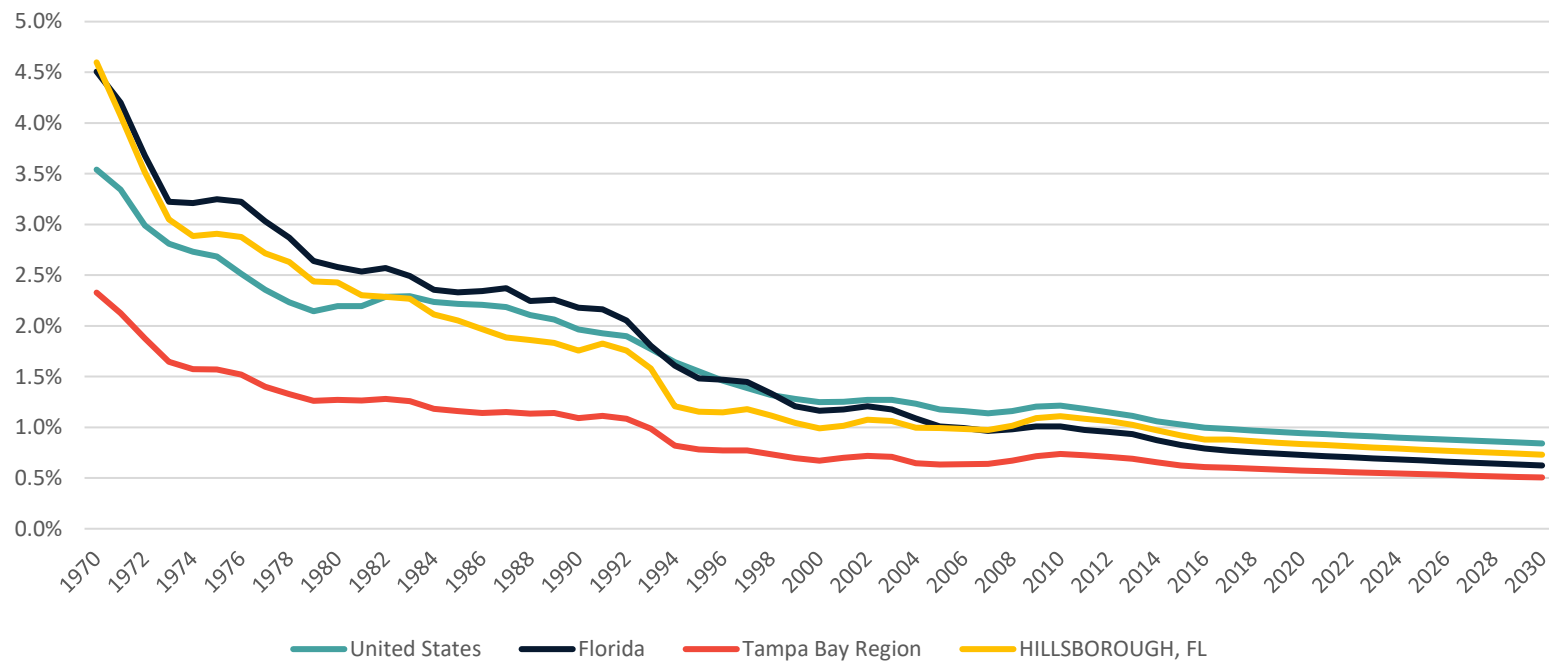


Source: Woods & Poole Economics, Inc. 2019

Military Employment as a Share of Total Employment

The figure below shows military employment as a share of total employment for Hillsborough County. This is shown alongside the military employment shares for the surrounding region, the state, and the U.S. In 1980 the military accounted for 2.4% of Hillsborough County employment, 1.3% of regional employment, 2.6% of state employment, and 2.2% of U.S. employment. In 2018, military employment had a 0.9% share of the Hillsborough County workforce. By 2018, the region, Florida state, and the U.S. had employment shares of 0.6%, 0.75% and 1%, respectively.

Figure 105. Military Employment as a Share of Total Employment, 1970 – 2030: Nation, Florida, Tampa Bay Region, Hillsborough County

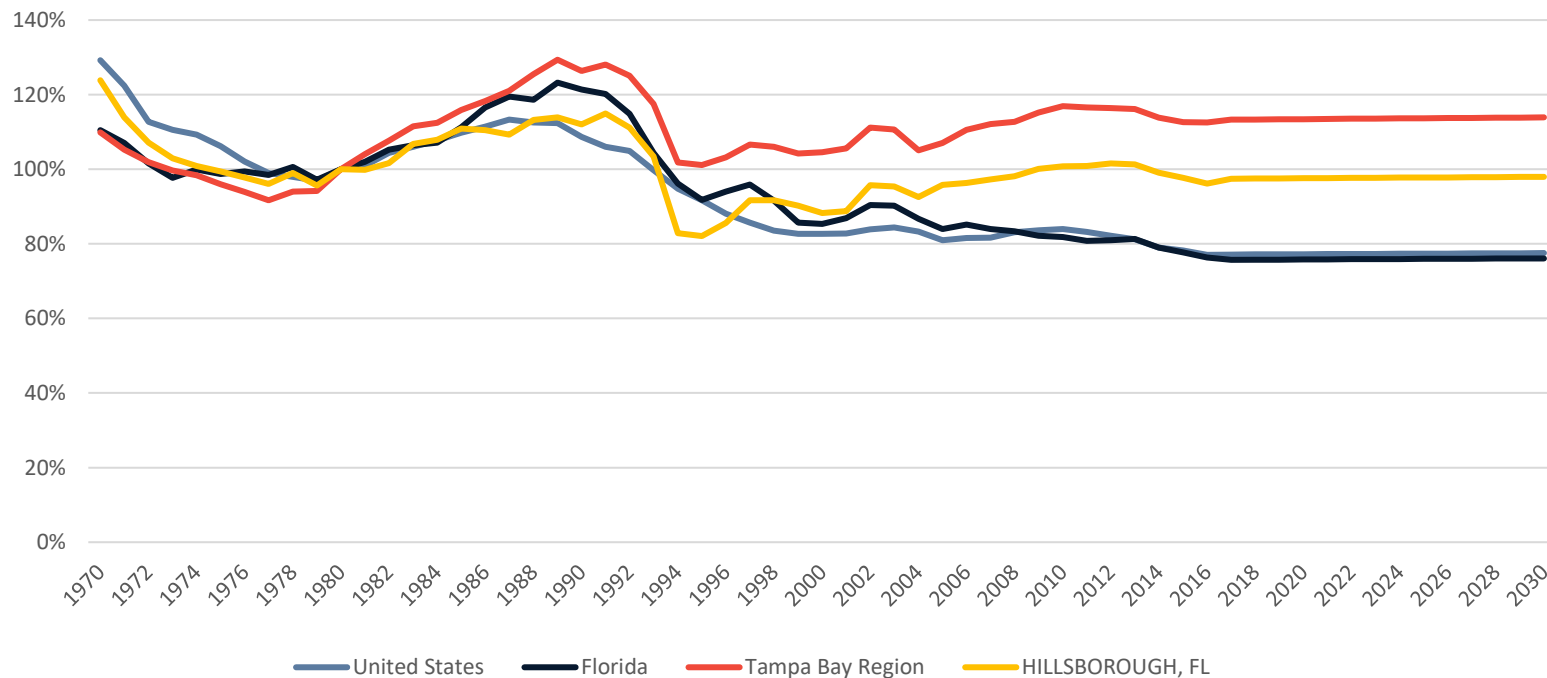


Source: Woods & Poole Economics, Inc. 2019

Change in Military Employment

The figure below benchmarks the size of military employment in Hillsborough County against the 1980 county total. For example, Hillsborough County's military employment in 1985 was 111% of the 1980 total. In 2018, the military share of employment in Hillsborough County was 98% and the Tampa Bay region's military share of employment was 113% of the 1980 relative size. Increases in share of military employment can result from an increase in military workforce size, a decrease in civilian workforce size, or a faster growth of military workforce versus the growth of civilian workforce. Military employment at the national level is currently at 77% of its 1980 size, and at the state level, it is at 76%. Concurring increases can also result from economic diversification towards defense. Military employment at the national level is currently at 77% of its 1980 size, and at the state level, it is at 76%.

Figure 106. Total Military Employment Indexed to 1980, 1970 – 2030: Nation, Florida, Tampa Bay Region, Hillsborough County



Source: Woods & Poole Economics, Inc. 2019

Demographics and the Regional Economy

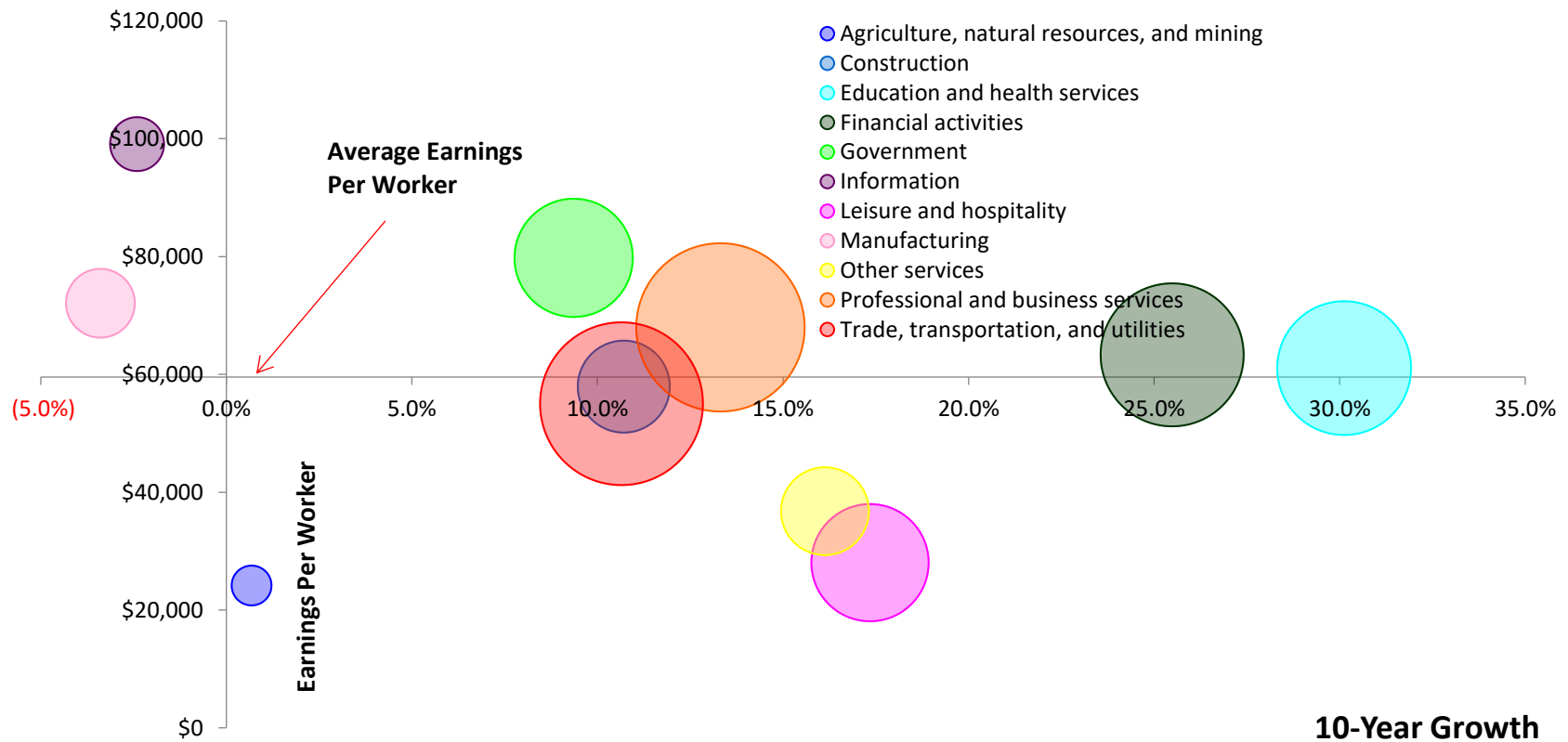
The table below contains information on Hillsborough County's population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Between 2007 and 2017, the county's population grew 18.7%. Between 2009 and 2019, the county's population grew 19.0%. The county's growth rate is expected to slow to 13.0% in the next decade. Two years ago, the predicted the growth rate was projected to be 20.1% in the next decade. The county's average household income in 2018 was 102% of the average statewide wage.

Table 77. Demographic Estimates, Hillsborough County	
Total Population	Estimate
Population in 2009	1,214,050
Population in 2019	1,445,275
Population in 2029	1,632,485
Growth from 2009 to 2019	19.0%
Growth from 2019 to 2029	13.0%
Personal Income (Inclusive of income sources)	
Average Regional Household Income (2019)	\$121,584
Average Florida Household Income (2019)	\$118,835
Number of Households (2019)	567,231

Source: Woods & Poole Economics, Inc. 2019

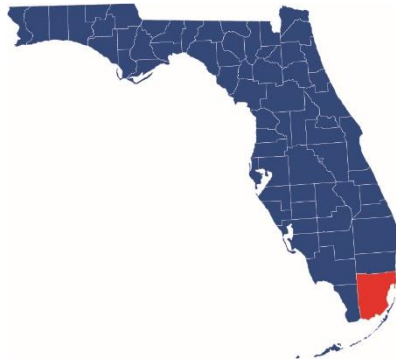
The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while the horizontal axis shows the ten-year growth and the vertical axis shows the average earnings per worker. The **largest employment sectors** in Hillsborough County are professional/business services and trade with nearly 180,000 and 168,000 employed, respectively. The **greatest average earning sector** is the information sector, with average earnings of over \$99,000. The information and manufacturing sectors are expected to have a negative 10-year growth rate. The **sector projected to experience the most growth** over the next 10 years is the education/health sector with 10-year growth at 30%, followed by the financial sector with 26%.

Figure 107. Industry Concentration and Earnings Growth 2018-2028 – Hillsborough County



Source: Woods & Poole Economics, Inc. 2019

Miami-Dade County



Miami-Dade County Summary

Location:

Southeast Florida Region

Home to:

United States Southern Command
Homestead Air Reserve Base

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

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

Economic Impact Estimates

As Table 78 shows, the county's economy is a significant beneficiary of funds flowing through as a result of defense activities – over \$1.6 billion in 2018. Transfers accounted for roughly \$745 million or 46% of the \$1.6 billion total. Salaries accounted for 22%, and procurement accounted for 32%

Table 78. Miami-Dade County: Combined Direct Defense Expenditures

Spending Flow	Millions (Current USD)
Procurement	\$518
Salaries	\$358
Pensions & Transfers	\$745
Total Combined Direct Expenditure	\$1,621

Source: Department of Defense; Department of Veterans Affairs; Bureau of Economic Analysis; Department of Treasury

Figure 108. Miami-Dade County: Distribution of Direct Defense Spending

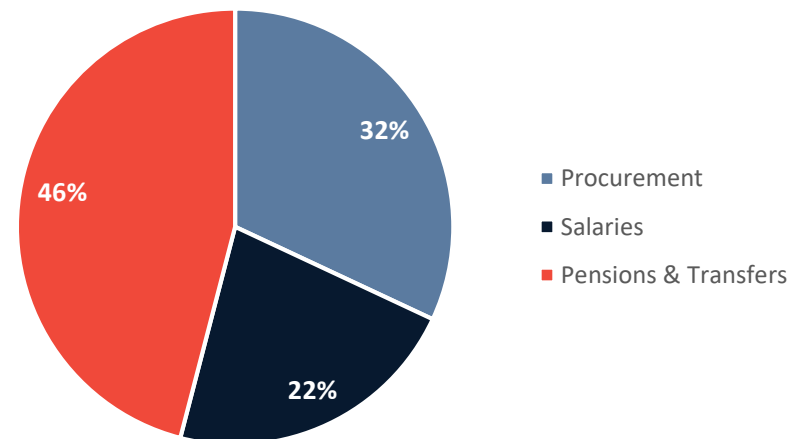


Table 79. Miami-Dade County: Economic Impact Forecast, 2018 – 2022
Current Millions USD

Impact Type	2018	2019	2020	2021	2022
Total Employment	66,315	66,656	72,307	72,941	72,039
Gross Regional Product	\$7,436	\$7,404	\$7,969	\$8,173	\$8,248
<i>Total Consumption</i>	<i>\$3,393</i>	<i>\$3,009</i>	<i>\$3,373</i>	<i>\$3,514</i>	<i>\$3,622</i>
<i>Investment Residential</i>	<i>\$775</i>	<i>\$967</i>	<i>\$1,032</i>	<i>\$984</i>	<i>\$872</i>
<i>Investment Non-residential</i>	<i>\$274</i>	<i>\$250</i>	<i>\$261</i>	<i>\$258</i>	<i>\$249</i>
<i>Producer's Durable Equipment</i>	<i>\$148</i>	<i>\$238</i>	<i>\$310</i>	<i>\$360</i>	<i>\$395</i>
<i>Business Inventories</i>	<i>\$8</i>	<i>\$11</i>	<i>\$9</i>	<i>\$8</i>	<i>\$7</i>
<i>Government</i>	<i>\$169</i>	<i>\$244</i>	<i>\$298</i>	<i>\$331</i>	<i>\$351</i>
<i>Exports</i>	<i>\$5,147</i>	<i>\$5,164</i>	<i>\$5,472</i>	<i>\$5,646</i>	<i>\$5,767</i>
<i>Imports (subtract)</i>	<i>\$2,477</i>	<i>\$2,478</i>	<i>\$2,786</i>	<i>\$2,928</i>	<i>\$3,015</i>

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

The table above represents the defense activities total economic impact in Miami-Dade County. Defense activities in 2018 accounted for about 66,000 jobs, which was about 17% greater than the 2016 projection for 2018. The number of employed in the county in 2018 increased by about 25% from the 2016 number of employed. Employment impacts in the county are projected to increase through 2021 and decrease in 2022. Gross regional product (GRP) impacts in the county in 2018 accounted for about \$7.4 billion in impacts, which is about 23% greater than the 2016 projection for 2018. The GRP impacts in the county in 2018 increased by about 36% from the 2016 GRP impacts. Gross regional product impacts are projected to increase through 2022.

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

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



Table 80. Miami-Dade County: Total Economic Impacts by Component, Millions USD (2018)					
Spending Flow	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Gross Regional Product	\$997	\$0	\$31	\$1,028
	Total Jobs	10,625	0	348	10,973
Employment	Gross Regional Product	\$3,694	\$401	\$750	\$4,845
	Total Jobs	28,030	3,117	7,253	38,400
Transfers	Gross Regional Product	\$1,550	\$0	\$14	\$1,564
	Total Jobs	16,795	0	148	16,943
Totals	Gross Regional Product	\$6,241	\$401	\$794	\$7,436
	Total Jobs	55,450	3,117	7,749	66,316

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

Military Impacts by Type

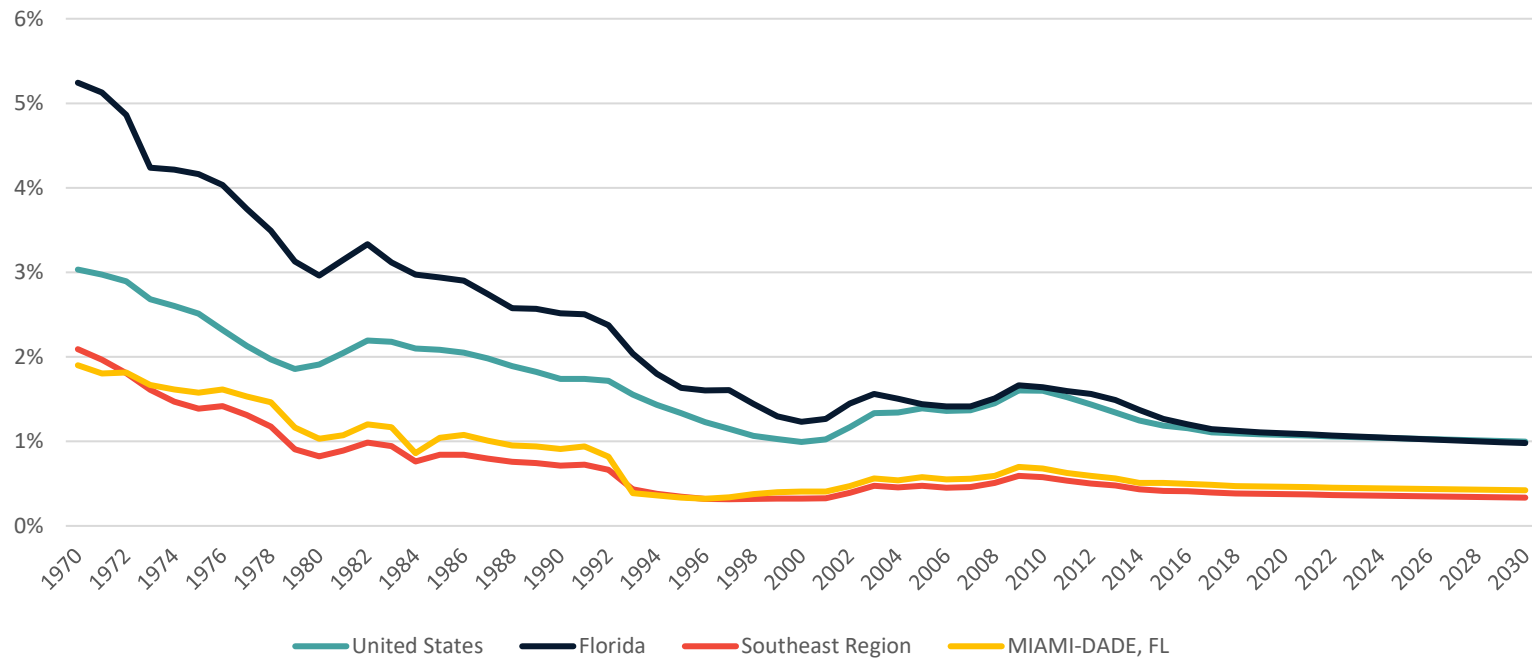
The data in the table above display a matrix of the impacts by type for 2018. This includes procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2018 U.S. Dollars) are displayed next to the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner.

- The three impacts combined for **\$7.5 billion** in GRP impacts and **66,315 jobs** as of 2018 for **Miami-Dade County**.
- Military generated the most jobs in the county (**55,450**) in 2018, an increase of **26%** from 2016.
 - o Procurement for the military generated **10,625** jobs in 2018, an increase of **83%** from 2016.
 - o Employment for the military generated **28,030** jobs in 2018, an increase of **19%** from 2016.
 - o Transfers for the military generated **16,795** jobs in 2018, an increase of **13%** from 2016.
- The military accounted for **84%** of all job impacts and **83%** of GRP economic impacts as of 2018.
- Total, economic GRP impacts in 2018 were **up 36%** from **\$5.5 million** in 2016.

Military Share of Total Earnings

This figure benchmarks the total share of state income that can be attributed to the military over time in Southeast region's Miami-Dade County. This is graphed alongside the regional, state, and national spending. Earnings include more than wage and salary disbursements. They also include proprietors' income and other supplements to wages and salaries. In 2018, the Miami-Dade County military personnel received a 0.5% share of total personal income in the county. As the U.S. and Florida continue to diversify their economies, military share of the total earnings has converged over time to approximately 1.0% of all state and national earnings.

Figure 109. Military Share of Total Earnings, 1970 – 2030: Nation, Florida, Southeast Region, Miami-Dade County

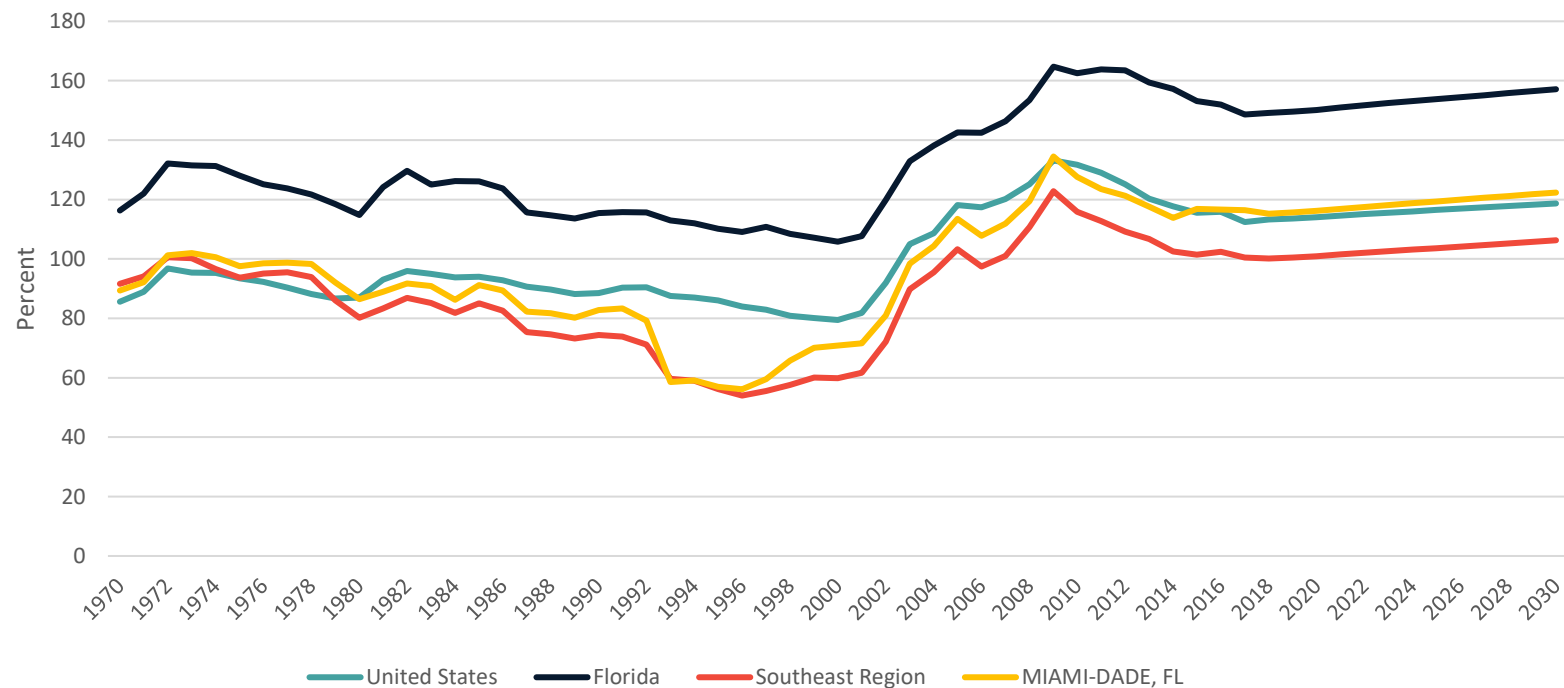


Source: Woods & Poole Economics, Inc. 2019

Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It shows a benchmark of the earnings of military employees against the earnings patterns of all workers. For Miami-Dade County, military employees in 1980 had earnings which totaled 117% of the whole Miami-Dade County workforce's average earnings level. As of 2018, the average military earnings for Miami-Dade County were 86% of the average workforce wages for the county. Miami-Dade County's military average earnings are projected to stay above the county average wage level in the next decade. The Southeast region's earnings ratio stands at 100%. The state of Florida's relative earnings ratio is at 150%. For the U.S., the relative earnings ratio is at 113%.

Figure 110. Average Military Earnings vs Average Total Earnings, 1970 – 2030: Nation, Florida, Southeast Region, Miami-Dade County

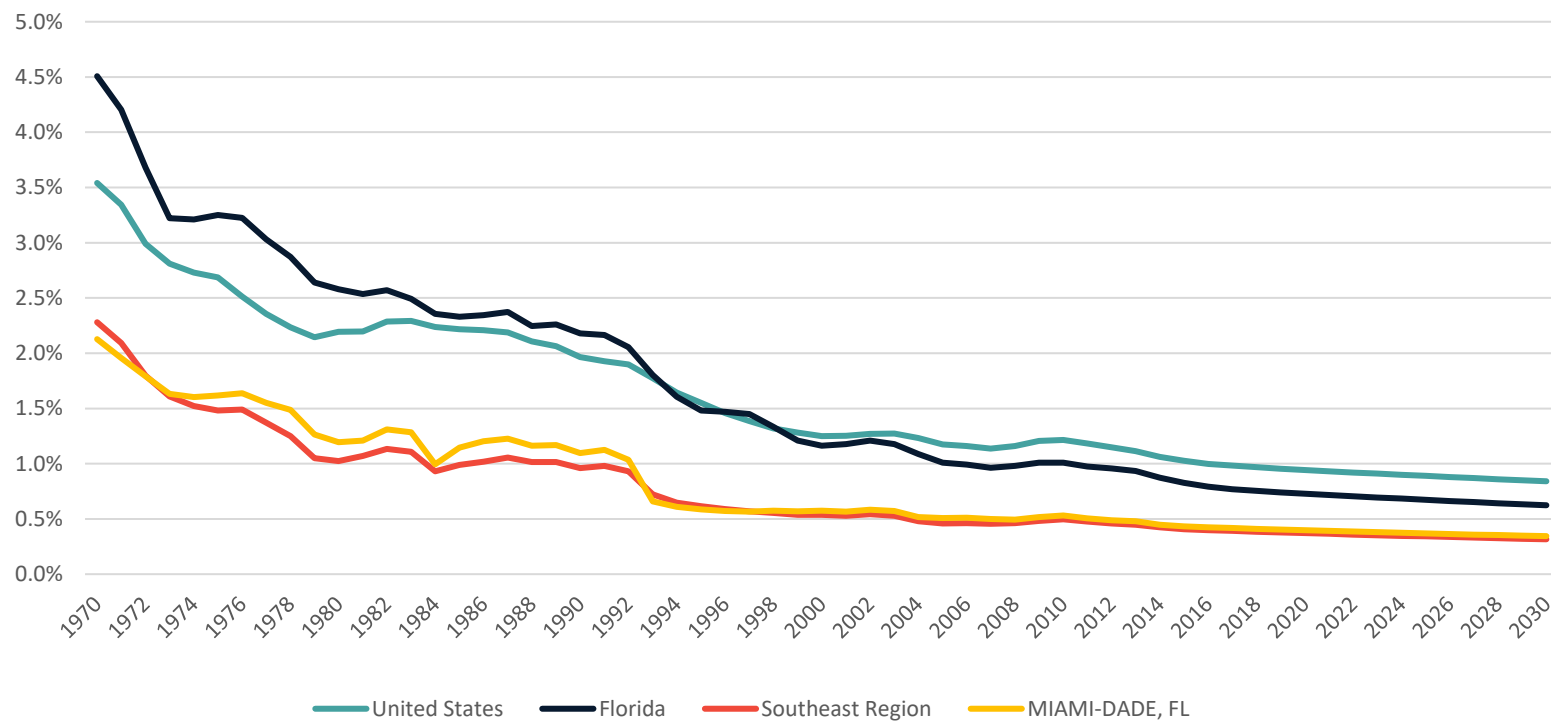


Source: Woods & Poole Economics, Inc. 2019

Military Employment as a Share of Total Employment

The figure below shows military employment as a share of total employment for Miami-Dade County. This is shown alongside the military employment shares for the surrounding region, the state, and the U.S. In 1980 the military accounted for 1.2% of Miami-Dade County employment, 1.0% of regional employment, 2.6% of state employment, and 2.2% of U.S. employment. In 2018, military employment had a 0.4% share of the Miami-Dade County workforce. By 2018, the region, Florida state, and the U.S. had employment shares of 0.4%, 0.75% and 1%, respectively.

Figure 111. Military Employment as a Share of Total Employment, 1970 – 2030: Nation, Florida, Southeast Region, Miami-Dade County

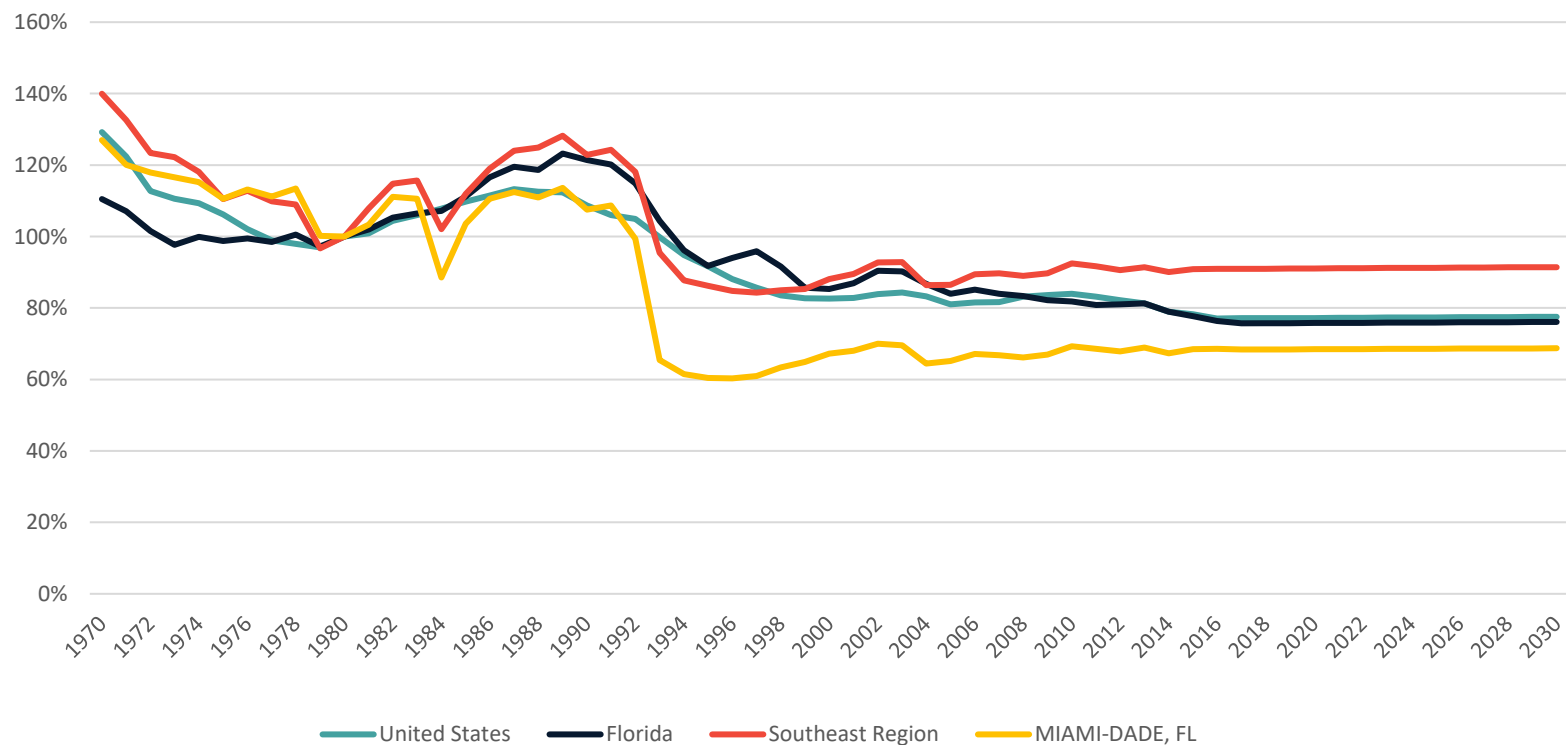


Source: Woods & Poole Economics, Inc. 2019

Change in Military Employment

The figure below benchmarks the size of military employment in Miami-Dade County against the 1980 county total. For example, Miami-Dade County's military employment in 1985 was 104% of the 1980 total. In 2018, the military share of employment in Miami-Dade County was 68% and the Southeast region's military share of employment was 91% of the 1980 relative size. Decreases in share of military employment can result from an increase in military workforce size, an increase in civilian workforce size, or a slower growth of military workforce versus the growth of civilian workforce. Military employment at the national level is currently at 77% of its 1980 size, and at the state level, it is at 76%.

Figure 112. Total Military Employment Indexed to 1980, 1970 – 2030: Nation, Florida, Southeast Region, Miami-Dade County



Source: Woods & Poole Economics, Inc. 2019

Demographics and the Regional Economy

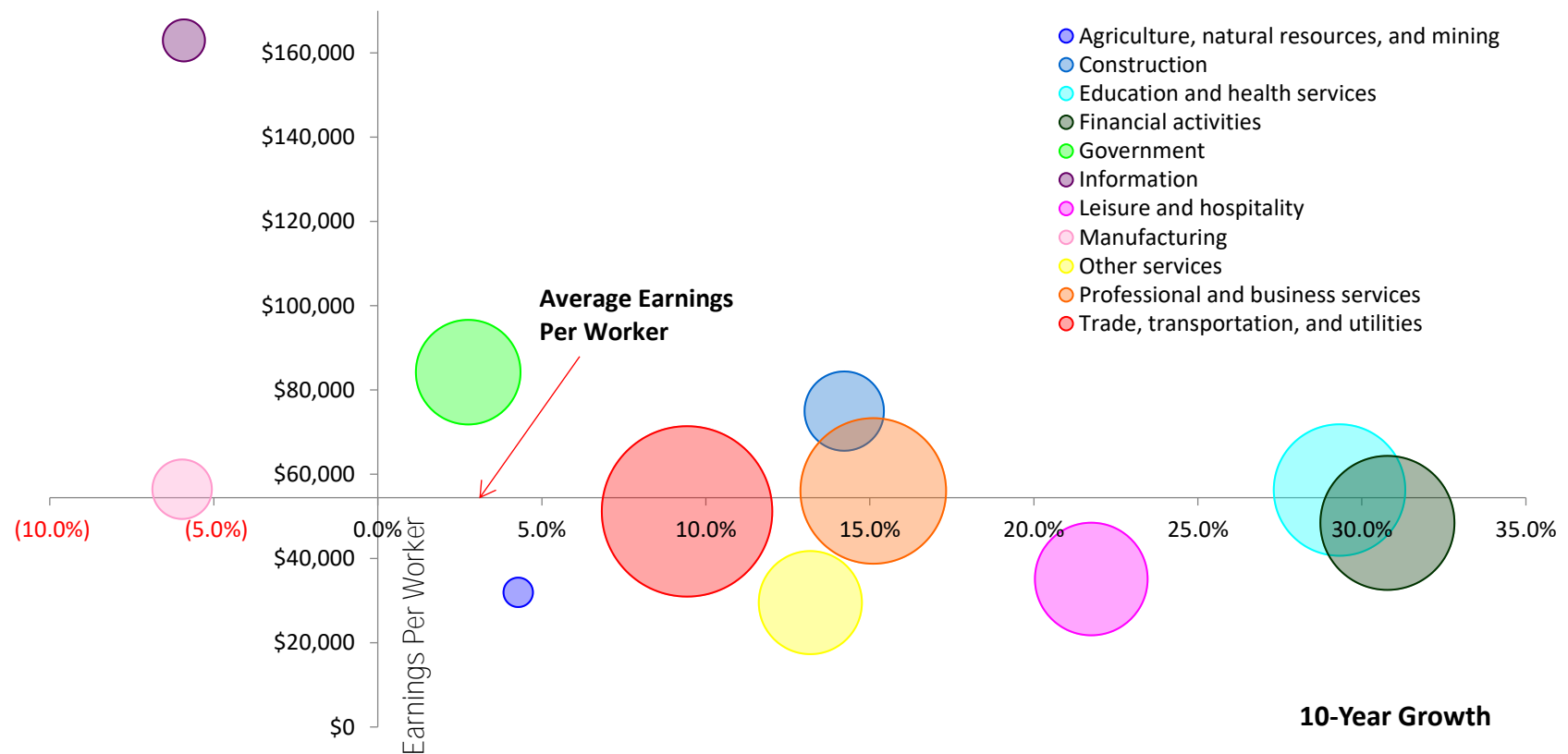
The table below contains information on Miami-Dade County's population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Between 2007 and 2017, the county's population grew 13.9%. Between 2009 and 2019, the county's population grew 13.9%. The county's growth rate is expected to slow to 9.5% in the next decade. Two years ago, the predicted the growth rate was projected to be 13.5% in the next decade. The county's average household income in 2018 was 119% of the average statewide wage.

Table 81. Demographic Estimates, Miami-Dade County	
Total Population	Estimate
Population in 2009	2,463,943
Population in 2019	2,805,386
Population in 2029	3,071,328
Growth from 2009 to 2019	13.9%
Growth from 2019 to 2029	9.5%
Personal Income (Inclusive of all income sources)	
Average Regional Household Income (2019)	\$141,857
Average Florida Household Income (2019)	\$118,835
Number of Households (2019)	986,229

Source: Woods & Poole Economics, Inc. 2019

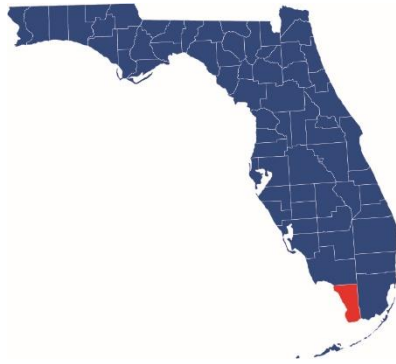
The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while the horizontal axis shows the ten-year growth and the vertical axis shows the average earnings per worker. The **largest employment sector** in Miami-Dade is trade with nearly 396,000 employed. The **greatest average earning sector** is the information sector, with average earnings of nearly \$163,000. The information and manufacturing sectors are expected to have a negative 10-year growth rate. The **sector projected to experience the most growth** over the next 10 years are the finance and education/health sector with 10-year growth at 31% and 29%, respectively.

Figure 113. Industry Concentration and Earnings Growth 2018-2028 – Miami-Dade County



Source: Woods & Poole Economics, Inc. 2019

Monroe County



Monroe County Summary

Location:

Southeast Florida Region

Home to:

Naval Air Station Key West

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

Economic Impact Estimates

As Table 82 shows, in 2018, defense activities injected over \$320 million directly into the Monroe County economy. Of this, 34% was in the form of salaries and wages paid to military, National Guard, and Coast Guard personnel. Procurement flows accounted for 41%, and transfers accounted for 25%.

Table 82. Monroe County: Combined Direct Defense Expenditures

Spending Flow	Millions (Current USD)
Procurement	\$133
Salaries	\$108
Pensions & Transfers	\$82
Total Combined Direct Expenditure	\$322

Source: Department of Defense; Department of Veterans Affairs; Bureau of Economic Analysis; Department of Treasury

Figure 114. Monroe County: Distribution of Direct Defense Spending

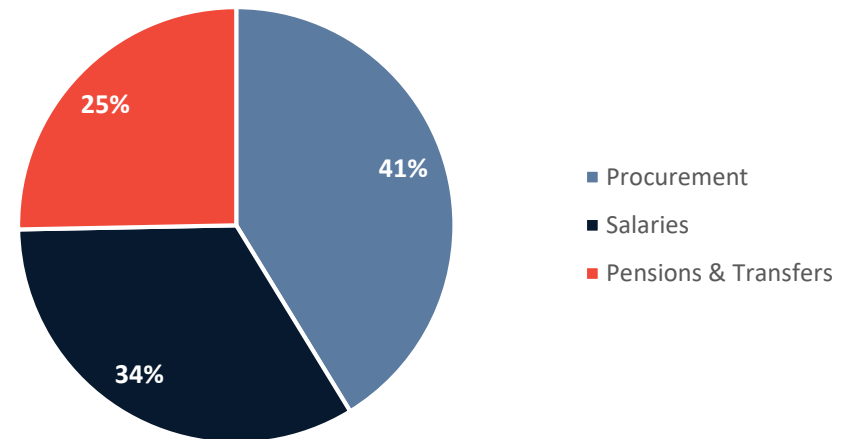


Table 83. Monroe County: Economic Impact Forecast, 2018 – 2022
Current Millions USD

Impact Type	2018	2019	2020	2021	2022
Total Employment	9,220	9,267	10,053	10,141	10,015
Gross Regional Product	\$1,026	\$1,079	\$1,148	\$1,191	\$1,214
<i>Total Consumption</i>	<i>\$543</i>	<i>\$562</i>	<i>\$631</i>	<i>\$675</i>	<i>\$708</i>
<i>Investment Residential</i>	<i>\$124</i>	<i>\$173</i>	<i>\$194</i>	<i>\$193</i>	<i>\$178</i>
<i>Investment Non-residential</i>	<i>\$28</i>	<i>\$27</i>	<i>\$29</i>	<i>\$30</i>	<i>\$29</i>
<i>Producer's Durable Equipment</i>	<i>\$16</i>	<i>\$26</i>	<i>\$35</i>	<i>\$41</i>	<i>\$46</i>
<i>Business Inventories</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>
<i>Government</i>	<i>\$27</i>	<i>\$42</i>	<i>\$52</i>	<i>\$59</i>	<i>\$62</i>
<i>Exports</i>	<i>\$1,027</i>	<i>\$1,049</i>	<i>\$1,089</i>	<i>\$1,126</i>	<i>\$1,157</i>
<i>Imports (subtract)</i>	<i>\$740</i>	<i>\$800</i>	<i>\$882</i>	<i>\$933</i>	<i>\$967</i>

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

The table above represents the defense activities total economic impact in Monroe County. Defense activities in 2018 accounted for about 9,200 jobs, which was about 6% greater than the 2016 projection for 2018. The number of employed in the county in 2018 increased by about 11% from the 2016 number of employed. Employment impacts in the county are projected to increase through 2021 and decrease in 2022. Gross regional product (GRP) impacts in the county in 2018 accounted for about \$1.0 billion in impacts, which is about 5% greater than the 2016 projection for 2018. The GRP impacts in the county in 2018 increased by about 11% from the 2016 GRP impacts. Gross regional product impacts are projected to increase through 2022.

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

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



Table 84. Monroe County: Total Economic Impacts by Component, Millions USD (2018)					
Spending Flow	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Gross Regional Product	\$84	\$0	\$10	\$94
	Total Jobs	1,197	0	181	1,378
Employment	Gross Regional Product	\$630	\$54	\$188	\$872
	Total Jobs	4,278	339	2,358	6,975
Transfers	Gross Regional Product	\$58	\$0	\$1	\$59
	Total Jobs	845	0	21	866
Totals	Gross Regional Product	\$772	\$54	\$199	\$1,026
	Total Jobs	6,320	339	2,560	9,219

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

Military Impacts by Type

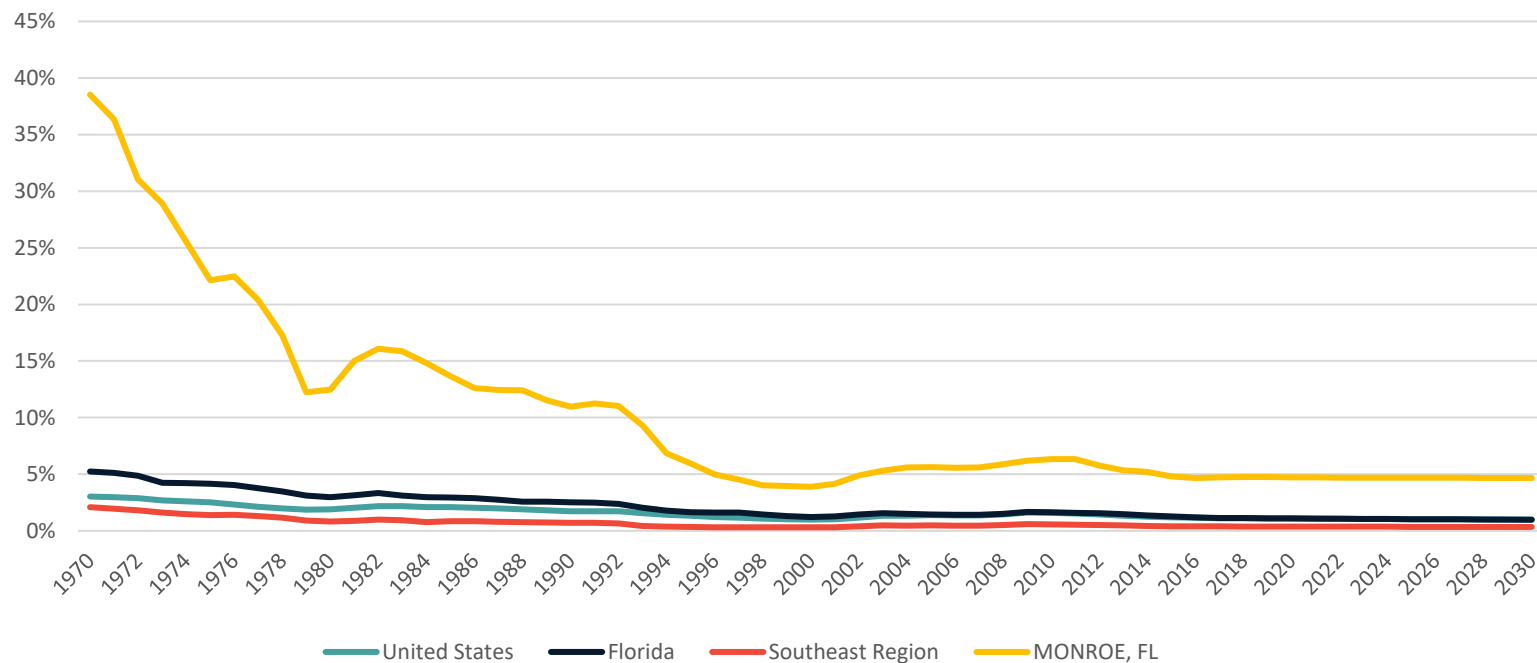
The data in the table above display a matrix of the impacts by type for 2018. This includes procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2018 U.S. Dollars) are displayed next to the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner.

- The three impacts combined for **\$1.0 billion** in GRP impacts and **9,219 jobs** as of 2018 for **Monroe County**.
- Military generated the most jobs in the county (**6,320**) in 2018, an increase of **7%** from 2016.
 - o Procurement for the military generated **1,197** jobs in 2018, an increase of **107%** from 2016.
 - o Employment for the military generated **4,278** jobs in 2018, a decrease of **7%** from 2016.
 - o Transfers for the military generated **845** jobs in 2018, an increase of **15%** from 2016.
- The military accounted for **69%** of all job impacts and **75%** of GRP economic impacts as of 2018.
- Total, economic GRP impacts in 2018 were **up 10%** from **\$929 million** in 2016.

Military Share of Total Earnings

This figure benchmarks the total share of state income that can be attributed to the military over time in Southeast region's Monroe County. This is graphed alongside the regional, state, and national spending. Earnings include more than wage and salary disbursements. They also include proprietors' income and other supplements to wages and salaries. In 2018, the Monroe County military personnel received a 4.7% share of total personal income in the county. As the U.S. and Florida continue to diversify their economies, military share of the total earnings has converged over time to approximately 1.0% of all state and national earnings.

Figure 115. Military Share of Total Earnings, 1970 – 2030: Nation, Florida, Southeast Region, Monroe County

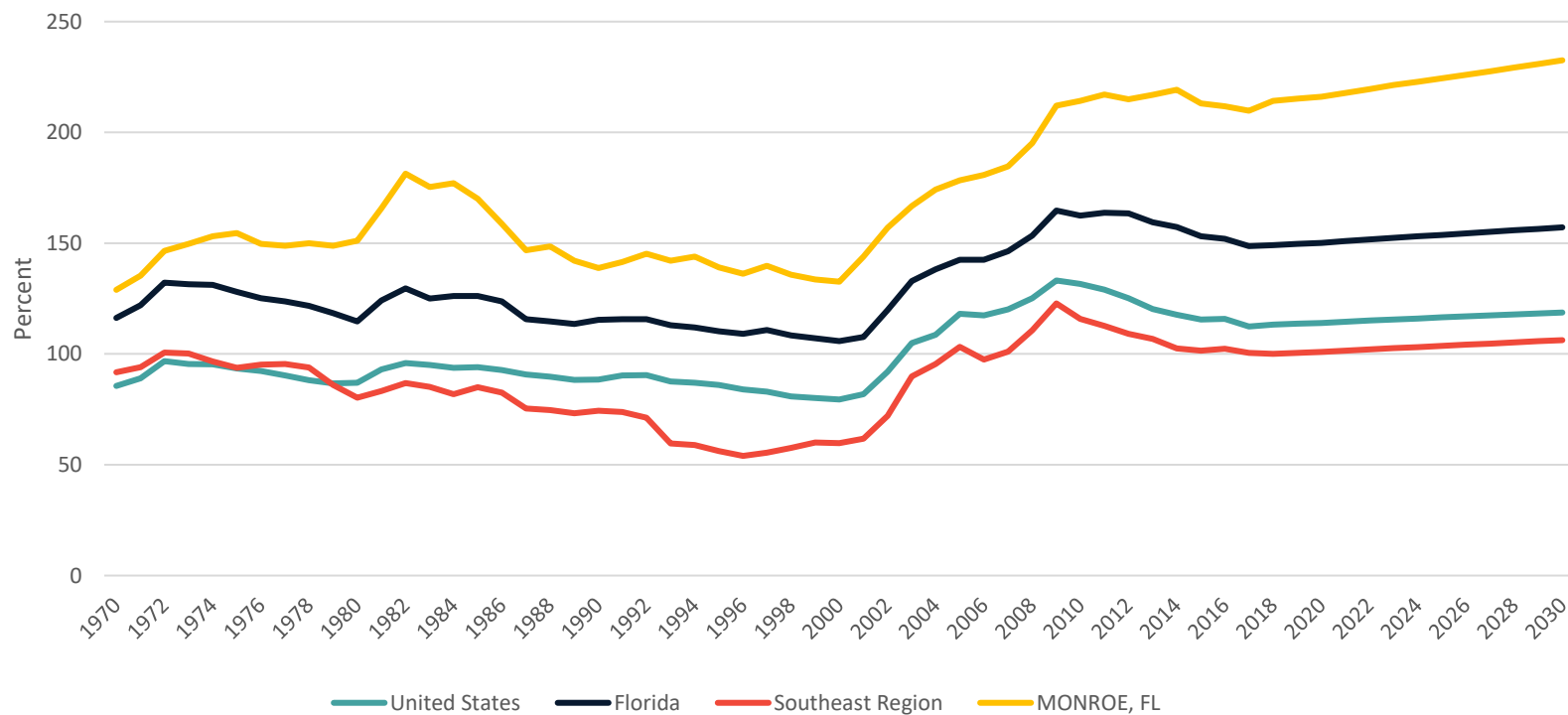


Source: Woods & Poole Economics, Inc. 2019

Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It shows a benchmark of the earnings of military employees against the earnings patterns of all workers. For Monroe County, military employees in 1980 had earnings which totaled 151% of the whole Monroe County workforce's average earnings level. As of 2018, the average military earnings for Monroe County were 214% of the average workforce wages for the county. Monroe County's military average earnings are projected to stay significantly above the county average wage level in the next decade. The Southeast region's earnings ratio stands at 100%. The state of Florida's relative earnings ratio is at 150%. For the U.S., the relative earnings ratio is at 113%.

Figure 116. Average Military Earnings vs Average Total Earnings, 1970 – 2030: Nation, Florida, Southeast Region, Monroe County

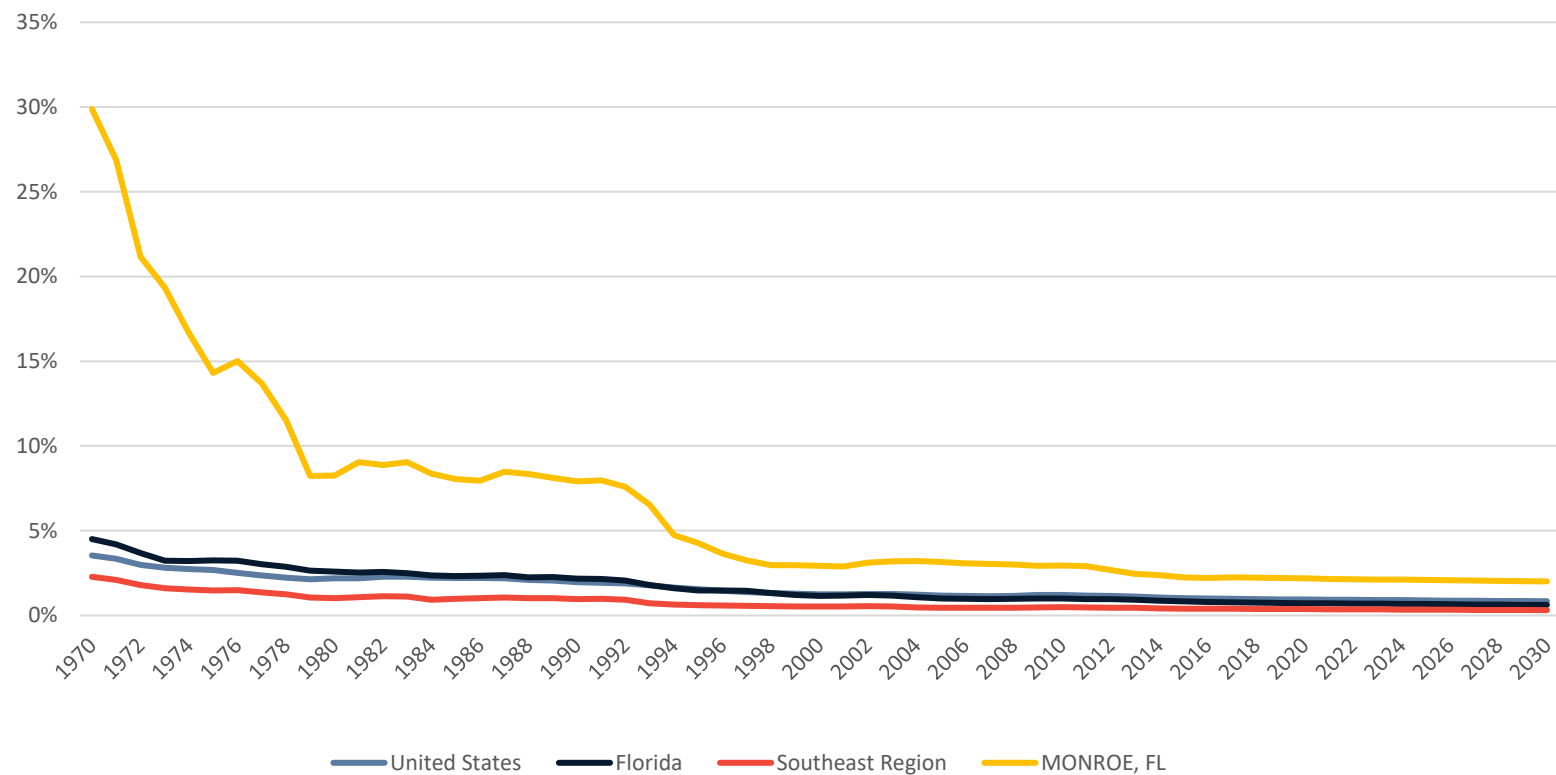


Source: Woods & Poole Economics, Inc. 2019

Military Employment as a Share of Total Employment

The figure below shows military employment as a share of total employment for Monroe County. This is shown alongside the military employment shares for the surrounding region, the state, and the U.S. In 1980 the military accounted for 8.2% of Monroe County employment, 1.0% of regional employment, 2.6% of state employment, and 2.2% of U.S. employment. In 2018, military employment had a 2.2% share of the Monroe County workforce. By 2018, the region, Florida state, and the U.S. had employment shares of 0.4%, 0.75% and 1%, respectively.

Figure 117. Military Employment as a Share of Total Employment, 1970 – 2030: Nation, Florida, Southeast Region, Monroe County

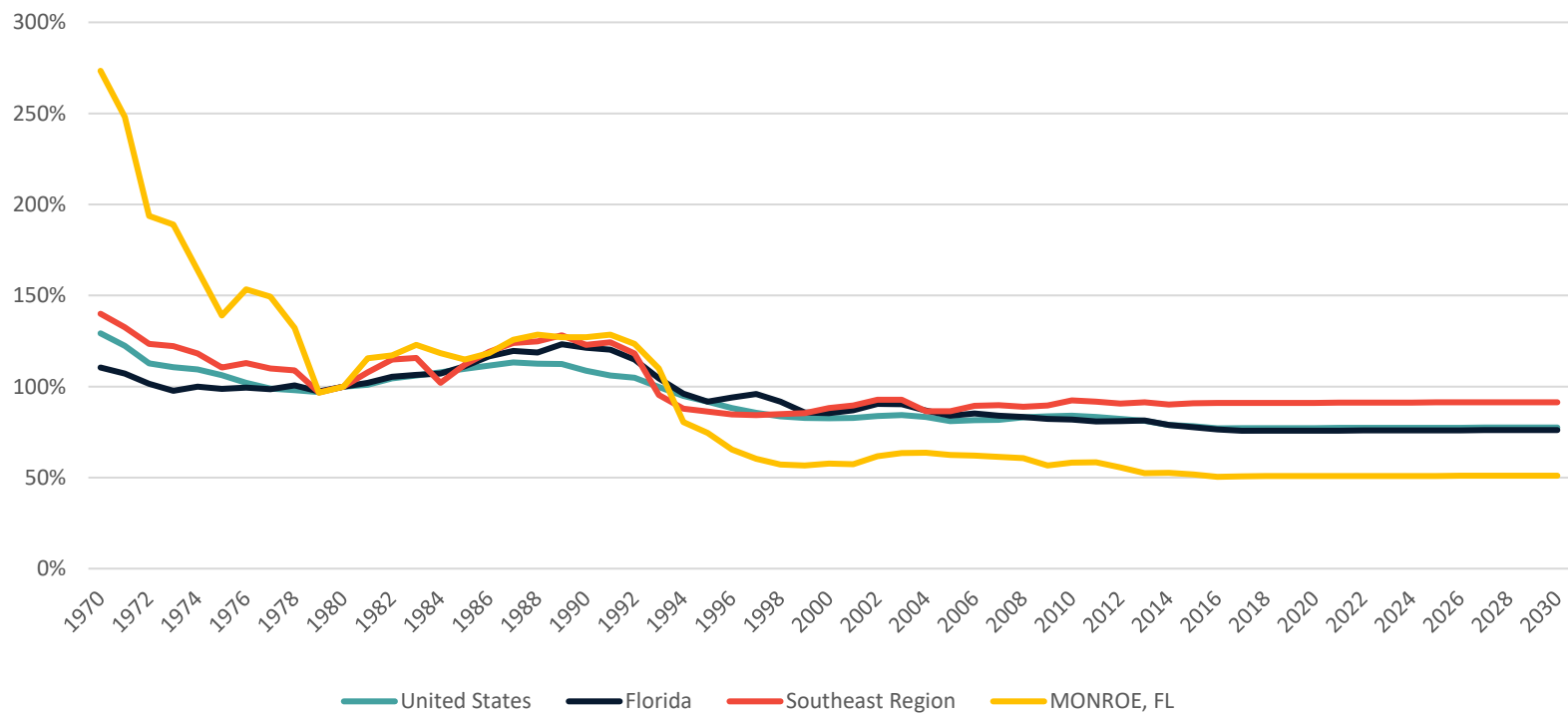


Source: Woods & Poole Economics, Inc. 2019

Change in Military Employment

The figure below benchmarks the size of military employment in Monroe County against the 1980 county total. For example, Monroe County's military employment in 1985 was 115% of the 1980 total. In 2018, the military share of employment in Monroe County was 51% and the Southeast region's military share of employment was 91% of the 1980 relative size. Decreases in share of military employment can result from an increase in military workforce size, an increase in civilian workforce size, or a slower growth of military workforce versus the growth of civilian workforce. Concurring decreases can also result from economic diversification away from defense. Military employment at the national level is currently at 77% of its 1980 size, and at the state level, it is at 76%.

Figure 118. Total Military Employment Indexed to 1980, 1970 – 2030: Nation, Florida, Southeast Region, Monroe County



Source: Woods & Poole Economics, Inc. 2019

Demographics and the Regional Economy

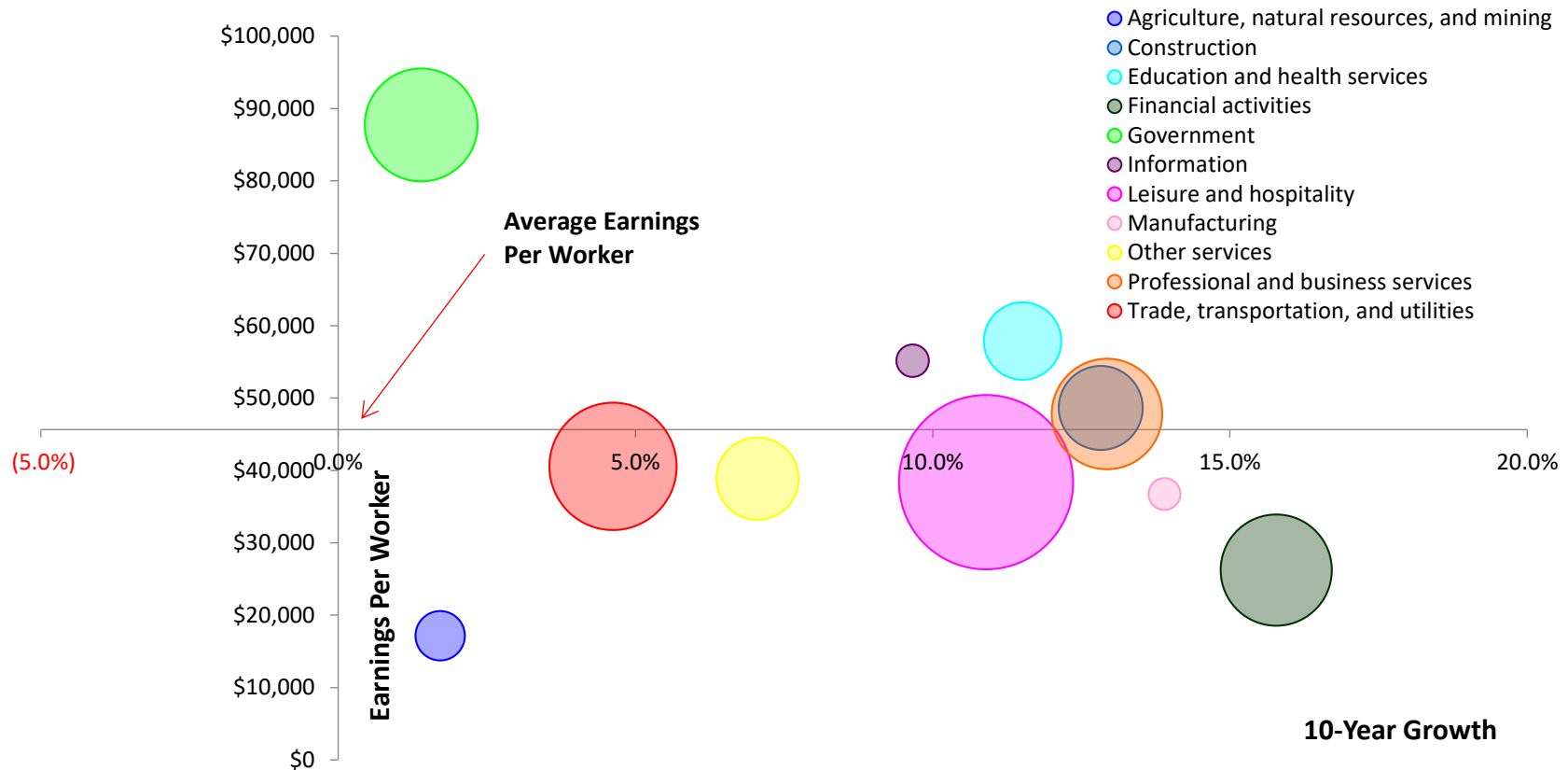
The table below contains information on Monroe County's population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Between 2007 and 2017, the county's population grew 8.5%. Between 2009 and 2019, the county's population grew 6.1%. The county's growth rate is expected to slow to 0.2% in the next decade. Two years ago, the predicted the growth rate was projected to be 4.2% in the next decade. The county's average household income in 2018 was 161% of the average statewide wage.

Table 85. Demographic Estimates, Monroe County	
Total Population	Estimate
Population in 2009	72,627
Population in 2019	77,039
Population in 2029	77,167
Growth from 2009 to 2019	6.1%
Growth from 2019 to 2029	0.2%
Personal Income (Inclusive of all income sources)	
Average Regional Household Income (2019)	\$191,137
Average Florida Household Income (2019)	\$118,835
Number of Households (2019)	35,495

Source: Woods & Poole Economics, Inc. 2019

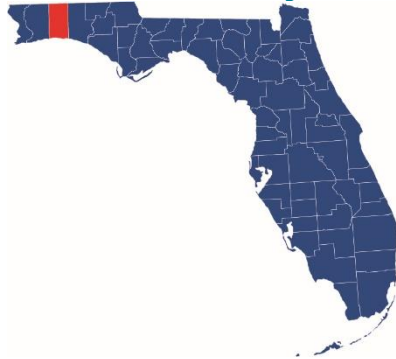
The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while the horizontal axis shows the ten-year growth and the vertical axis shows the average earnings per worker. The **largest employment sector** in Monroe County is the leisure/hospitality sector with 17,000 employed. The **greatest average earning sectors** is the government, with average earnings of nearly \$88,000. All sectors are expected to have positive growth rates in the next 10 years. The **sector projected to experience the most growth** over the next 10 years is the finance with 10-year growth at 16%.

Figure 119. Regional Industry Concentration and Earnings Growth 2018-2028 – Monroe County



Source: Woods & Poole Economics, Inc. 2019

Okaloosa County



Okaloosa County Summary

Location:

Northwest Florida Region

Home to:

Eglin Air Force Base
Hurlburt Field

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

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

Economic Impact Estimates

Defense activities play a significant role in the Okaloosa County economy. Indeed, defense activities account for a higher share of economic output in Okaloosa County than any other county in the State of Florida. As Table 86 shows, salaries accounted for the largest share of defense spending at 48% or nearly \$1.8 billion of the \$3.7 billion total. Procurement accounted for 32% and transfers accounted for 20%.

Spending Flow	Millions (Current USD)
Procurement	\$1,190
Salaries	\$1,788
Pensions & Transfers	\$753
Total Combined Direct Expenditure	\$3,731

Source: Department of Defense; Department of Veterans Affairs; Bureau of Economic Analysis; Department of Treasury

Figure 120. Okaloosa County: Distribution of Direct Defense Spending

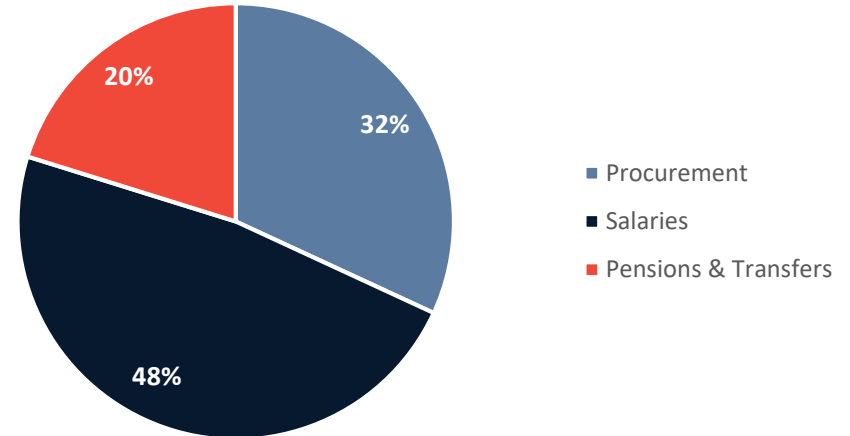


Table 87. Okaloosa County: Economic Impact Forecast, 2018 – 2022
Current Millions USD

Impact Type	2018	2019	2020	2021	2022
Total Employment	78,757	79,163	85,874	86,626	85,555
Gross Regional Product	\$9,389	\$9,798	\$10,457	\$10,856	\$11,084
<i>Total Consumption</i>	<i>\$4,077</i>	<i>\$4,112</i>	<i>\$4,525</i>	<i>\$4,782</i>	<i>\$4,978</i>
<i>Investment Residential</i>	<i>\$924</i>	<i>\$1,264</i>	<i>\$1,381</i>	<i>\$1,346</i>	<i>\$1,221</i>
<i>Investment Non-residential</i>	<i>\$243</i>	<i>\$265</i>	<i>\$292</i>	<i>\$302</i>	<i>\$298</i>
<i>Producer's Durable Equipment</i>	<i>\$128</i>	<i>\$218</i>	<i>\$292</i>	<i>\$347</i>	<i>\$388</i>
<i>Business Inventories</i>	<i>\$4</i>	<i>\$6</i>	<i>\$5</i>	<i>\$4</i>	<i>\$4</i>
<i>Government</i>	<i>\$232</i>	<i>\$360</i>	<i>\$454</i>	<i>\$517</i>	<i>\$555</i>
<i>Exports</i>	<i>\$9,173</i>	<i>\$9,366</i>	<i>\$9,852</i>	<i>\$10,252</i>	<i>\$10,566</i>
<i>Imports (subtract)</i>	<i>\$5,394</i>	<i>\$5,793</i>	<i>\$6,343</i>	<i>\$6,695</i>	<i>\$6,927</i>

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

The table above represents the defense activities total economic impact in Okaloosa County. Defense activities in 2018 accounted for about 79,000 jobs, which was about 4% greater than the 2016 projection for 2018. The number of employed in the county in 2018 increased by about 9% from the 2016 number of employed. Employment impacts in the county are projected to increase through 2021 and decrease in 2022. Gross regional product (GRP) impacts in the county in 2018 accounted for about \$9.4 billion in impacts, which is about 8% less than the 2016 projection for 2018. The GRP impacts in the county in 2018 decreased by about 4% from the 2016 GRP impacts. Gross regional product impacts are projected to increase through 2022.

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

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



Table 88. Okaloosa County: Total Economic Impacts by Component, Millions USD (2018)					
Spending Flow	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Gross Regional Product	\$1,125	\$0	\$2	\$1,126
	Total Jobs	11,969	0	21	11,990
Employment	Gross Regional Product	\$7,182	\$537	\$7	\$7,725
	Total Jobs	56,333	3,589	87	60,009
Transfers	Gross Regional Product	\$535	\$0	\$2	\$537
	Total Jobs	6,738	0	20	6,758
Totals	Gross Regional Product	\$8,842	\$537	\$10	\$9,389
	Total Jobs	75,040	3,589	128	78,757

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

Military Impacts by Type

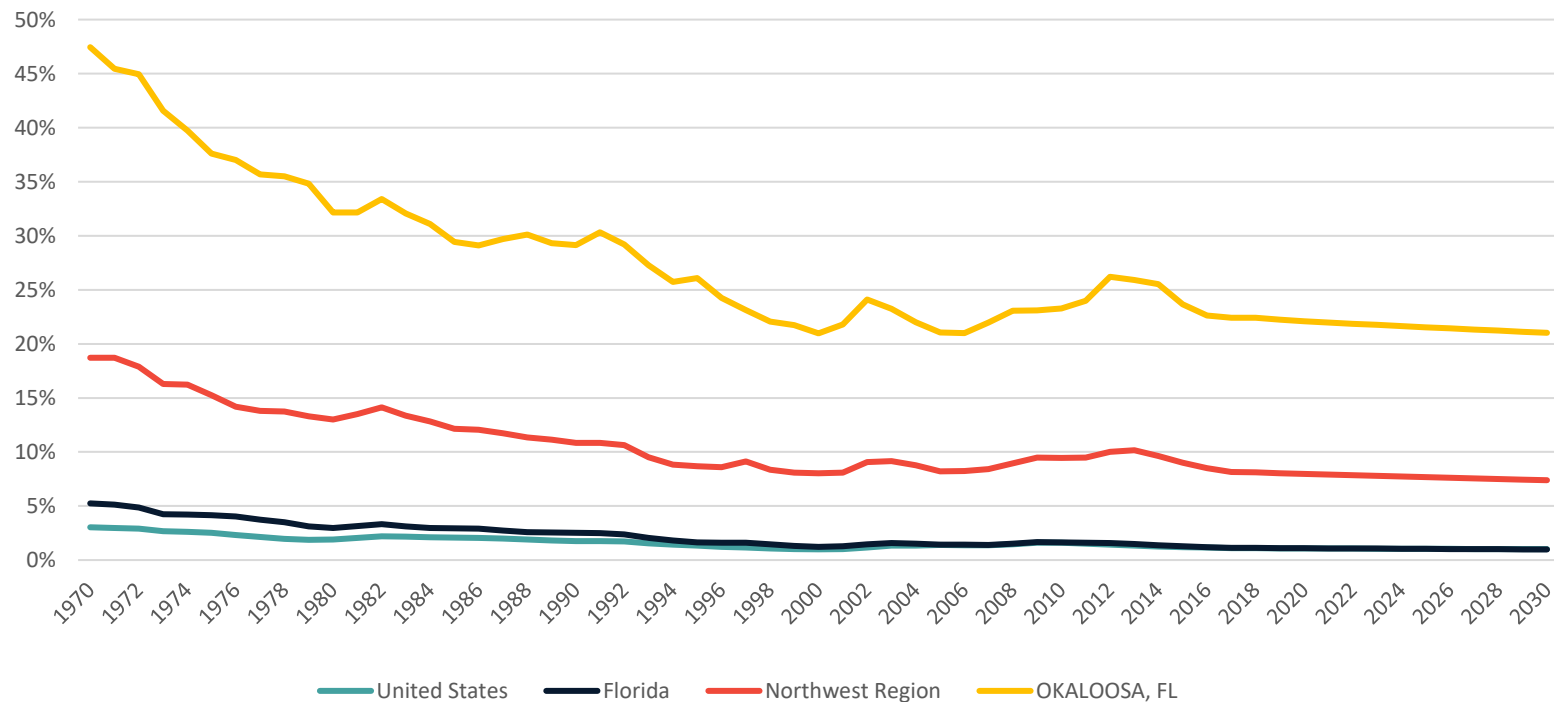
The data in the table above display a matrix of the impacts by type for 2018. This includes procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2018 U.S. Dollars) are displayed next to the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner.

- The three impacts combined for **\$9.4 billion** in GRP impacts and **78,757** jobs as of 2018 for Okaloosa County.
- Military generated the most jobs in the county (**75,040**) in 2018, an increase of **10% from 2016**.
 - o Procurement for the military generated **11,969** jobs in 2018, an increase of **5% from 2016**.
 - o Employment for the military generated **56,333** jobs in 2018, an increase of **10% from 2016**.
 - o Transfers for the military generated **6,738** jobs in 2018, an increase of **22% from 2016**.
- The military accounted for **95%** of all job impacts and **94%** of GRP economic impacts as of 2018.
- Total, economic GRP impacts in 2018 were down **4%** from **\$9.7 billion** in 2016.

Military Share of Total Earnings

This figure benchmarks the total share of state income that can be attributed to the military over time in Northwest region's Okaloosa County. This is graphed alongside the regional, state, and national spending. Earnings include more than wage and salary disbursements. They also include proprietors' income and other supplements to wages and salaries. In 2018, the Okaloosa County military personnel received a 22.1% share of total personal income in the county. As the U.S. and Florida continue to diversify their economies, military share of the total earnings has converged over time to approximately 1.0% of all state and national earnings.

Figure 121. Military Share of total Earnings, 1970 – 2030: Nation, Florida, Northwest Region, Okaloosa County

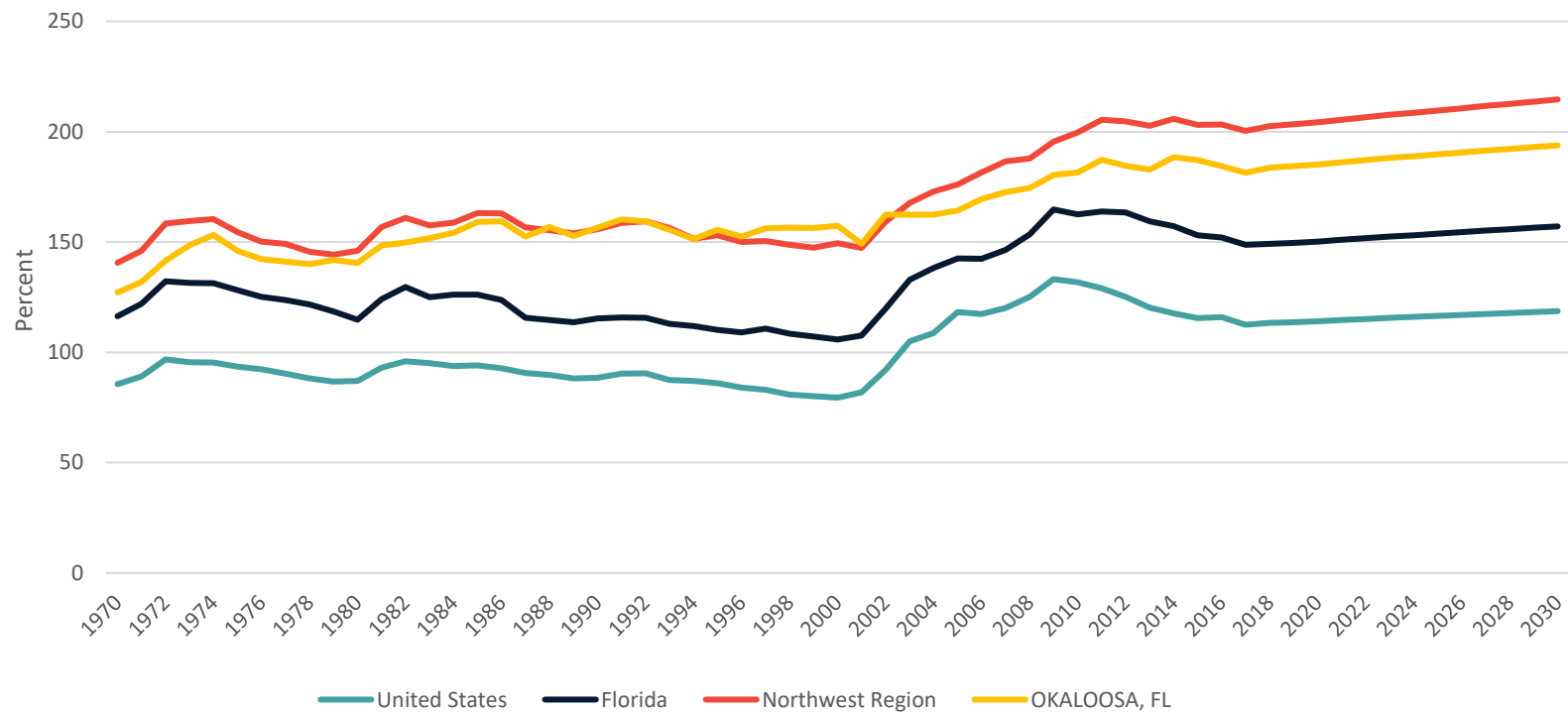


Source: Woods & Poole Economics, Inc. 2019

Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It shows a benchmark of the earnings of military employees against the earnings patterns of all workers. For Okaloosa County, military employees in 1980 had earnings which totaled 140% of the whole Okaloosa County workforce's average earnings level. As of 2018, the average military earnings for Okaloosa County were 184% of the average workforce wages for the county. Okaloosa County's military average earnings are projected to stay above the county average wage level in the next decade. The Northwest region's earnings ratio stands at 200%. The state of Florida's relative earnings ratio is at 150%. For the U.S., the relative earnings ratio is at 113%.

Figure 122. Average Military Earnings vs Average Total Earnings, 1970 – 2030: Nation, Florida, Northwest Region, Okaloosa County

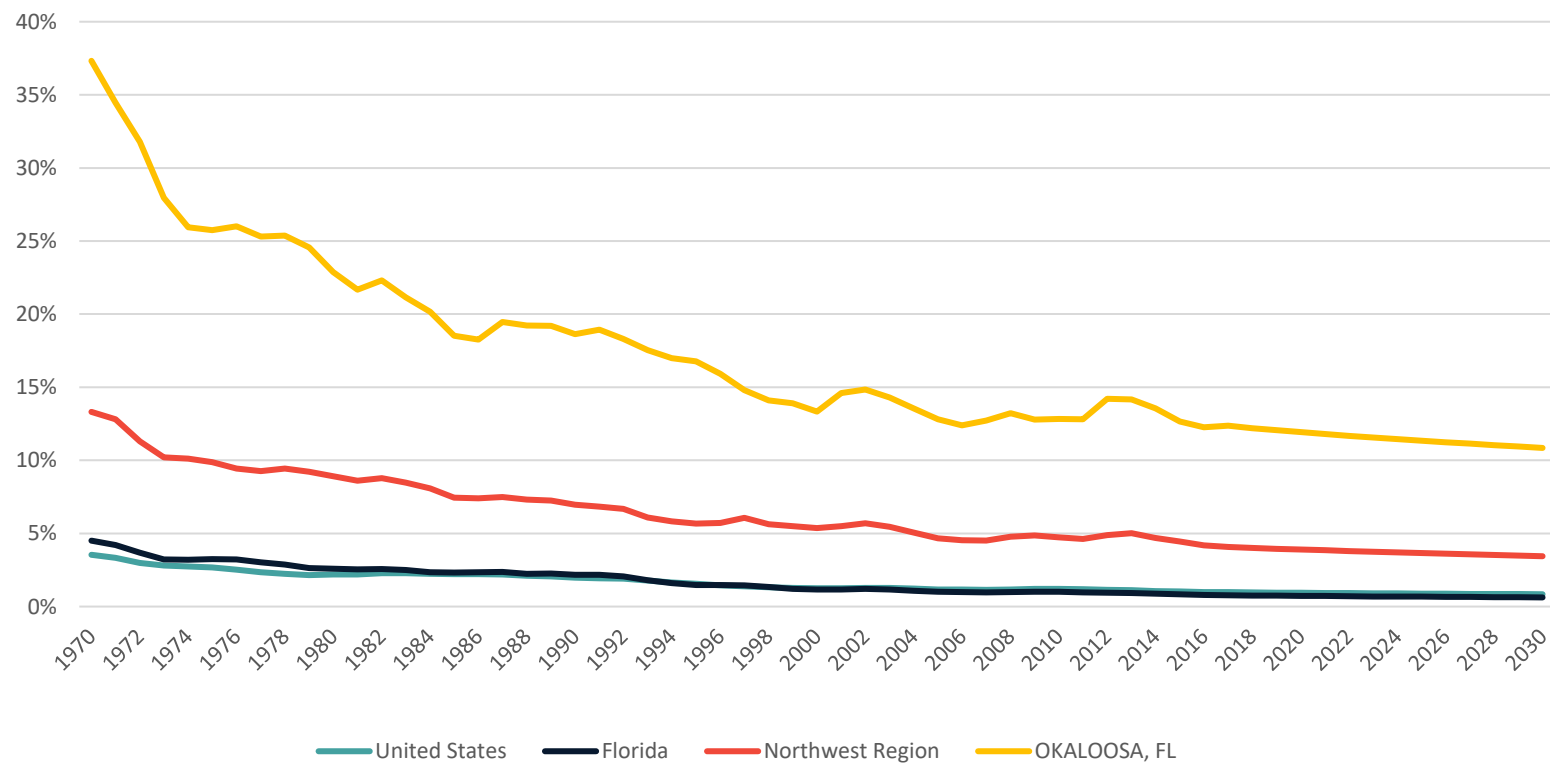


Source: Woods & Poole Economics, Inc. 2019

Military Employment as a Share of Total Employment

The figure below shows military employment as a share of total employment for Okaloosa County. This is shown alongside the military employment shares for the surrounding region, the state, and the U.S. In 1980 the military accounted for 22.9% of Okaloosa County employment, 8.9% of regional employment, 2.6% of state employment, and 2.2% of U.S. employment. In 2018, military employment had a 12.2% share of the Okaloosa County workforce. By 2018, the region, Florida state, and the U.S. had employment shares of 4.0%, 0.75% and 1%, respectively.

Figure 123. Military Employment as a Share of Total Employment, 1970 – 2030: Nation, Florida, Northwest Region, Okaloosa County

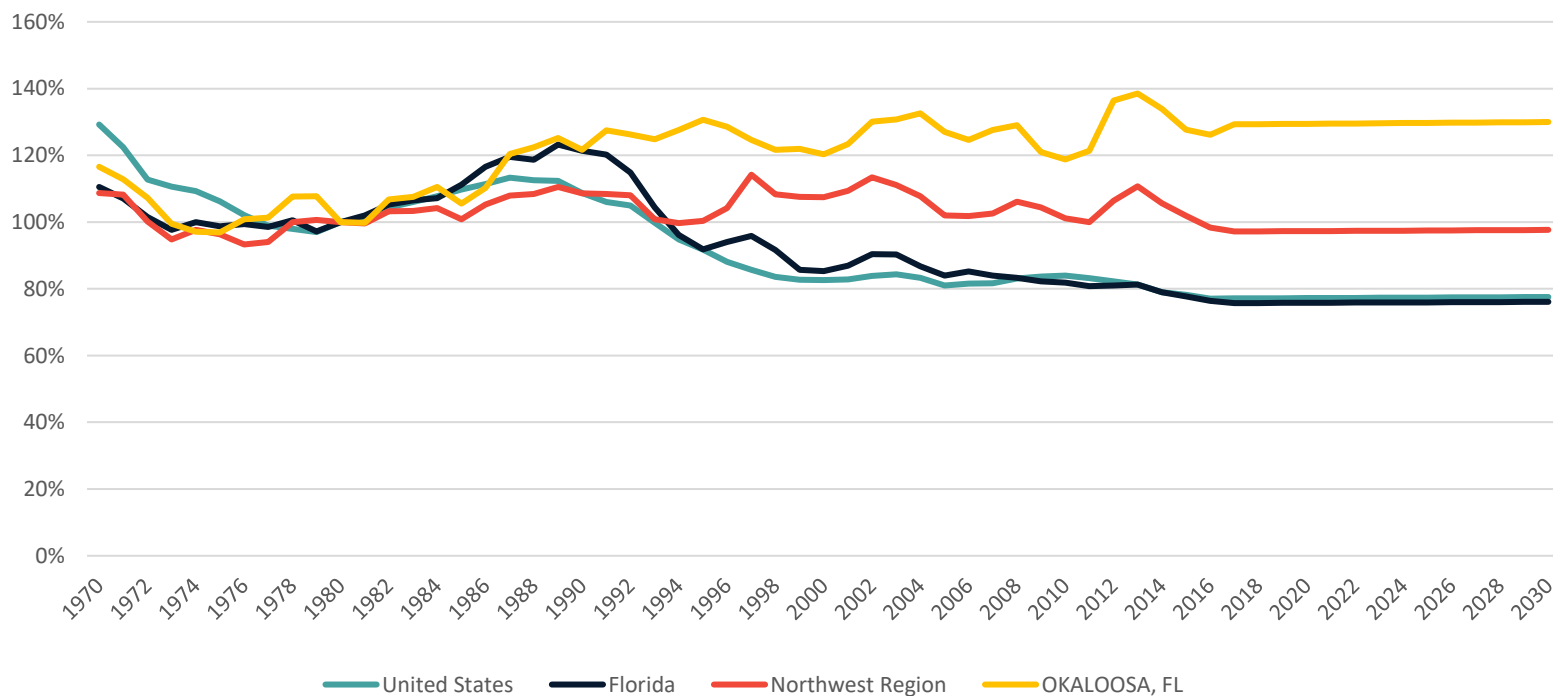


Source: Woods & Poole Economics, Inc. 2019

Change in Military Employment

The figure below benchmarks the size of military employment in Okaloosa County against the 1980 county total. For example, Okaloosa County's military employment in 1985 was 106% of the 1980 total. In 2018, the military share of employment in Okaloosa County was 129% and the Northwest region's military share of employment was 57% of the 1980 relative size. Increases in share of military employment can result from an increase in military workforce size, a decrease in civilian workforce size, or a faster growth of military workforce versus the growth of civilian workforce. Concurring increases can also result from economic diversification towards defense. Military employment at the national level is currently at 77% of its 1980 size, and at the state level, it is at 76%.

Figure 124. Total Military Employment Indexed to 1980, 1970 – 2030: Nation, Florida, Northwest Region, Okaloosa County



Source: Woods & Poole Economics, Inc. 2019

Demographics and the Regional Economy

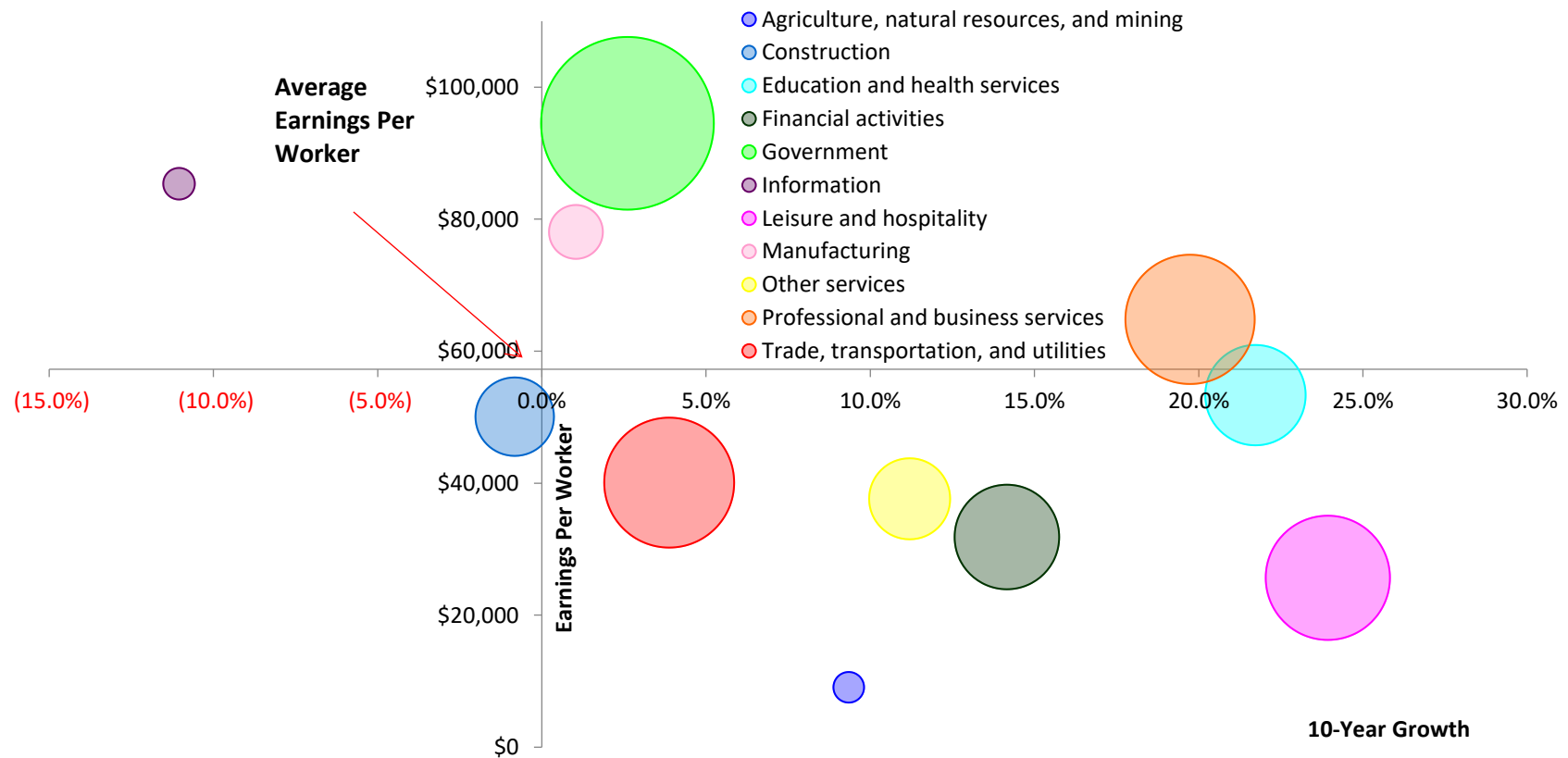
The table below contains information on Okaloosa County's population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Between 2009 and 2019, the county's population grew 14%. The county's growth rate is expected to slow to 8.0% in the next decade. Two years ago, the predicted the growth rate was projected to be 13.2% in the next decade. The county's average household income in 2019 was 106% of the average statewide wage.

Table 89. Demographic Estimates, Okaloosa County	
Total Population	Estimate
Population in 2009	181,153
Population in 2019	206,444
Population in 2029	223,024
Growth from 2009 to 2019	14.0%
Growth from 2019 to 2029	8.0%
Personal Income (Inclusive of all income sources)	
Average Regional Household Income (2019)	\$126,516
Average Florida Household Income (2019)	\$118,835
Number of Households (2019)	80,992

Source: Woods & Poole Economics, Inc. 2019

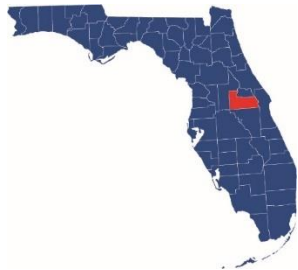
The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while the horizontal axis shows the ten-year growth and the vertical axis shows the average earnings per worker. The largest employment sector in Okaloosa is government with over 33,000 employed. The greatest average earning sector is the government, with average earnings of over \$94,000. The information and construction sectors are expected to have a negative 10-year growth rate. The sector projected to experience the most growth over the next 10 years are the leisure/hospitality and education/health sectors with 10-year growth at 24% and 22%, respectively.

Figure 125. Industry Concentration and Earnings Growth 2018-2028 – Okaloosa County



Source: Woods & Poole Economics, Inc. 2019

Orange County



Orange County Summary

Location:

East Central Region

Home to

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

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

Economic Impact Estimates

As Table 90 shows, the Orange County economy is a significant beneficiary of funds flowing through as a result of defense activities. Of the \$5.5 billion flow in 2018, procurement accounted for the largest share at 80% or roughly \$4.5 billion. Salaries accounted for 2% and transfers accounted for 18%.

Table 90. Orange County: Combined Direct Defense Expenditures

Spending Flow	Millions (Current USD)
Procurement	\$4,450
Salaries	\$112
Pensions & Transfers	\$974
Total Combined Direct Expenditure	\$5,535

Source: Department of Defense; Department of Veterans Affairs; Bureau of Economic Analysis; Department of Treasury

Figure 126. Orange County: Distribution of Direct Defense Spending

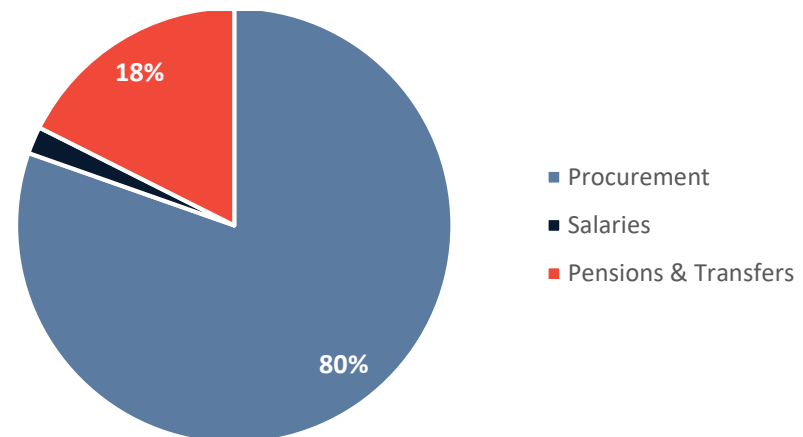


Table 91. Orange County: Economic Impact Forecast, 2018 – 2022
Current Millions USD

Impact Type	2018	2019	2020	2021	2022
Total Employment	80,460	80,874	87,730	88,499	87,404
Gross Regional Product	\$8,258	\$7,961	\$9,130	\$9,324	\$9,327
<i>Total Consumption</i>	<i>\$3,635</i>	<i>\$3,343</i>	<i>\$3,843</i>	<i>\$3,928</i>	<i>\$3,992</i>
<i>Investment Residential</i>	<i>\$838</i>	<i>\$1,078</i>	<i>\$1,184</i>	<i>\$1,125</i>	<i>\$981</i>
<i>Investment Non-residential</i>	<i>\$367</i>	<i>\$402</i>	<i>\$460</i>	<i>\$469</i>	<i>\$455</i>
<i>Producer's Durable Equipment</i>	<i>\$194</i>	<i>\$313</i>	<i>\$421</i>	<i>\$498</i>	<i>\$554</i>
<i>Business Inventories</i>	<i>\$25</i>	<i>\$32</i>	<i>\$29</i>	<i>\$24</i>	<i>\$23</i>
<i>Government</i>	<i>\$175</i>	<i>\$254</i>	<i>\$319</i>	<i>\$357</i>	<i>\$377</i>
<i>Exports</i>	<i>\$6,724</i>	<i>\$6,022</i>	<i>\$7,065</i>	<i>\$7,292</i>	<i>\$7,404</i>
<i>Imports (subtract)</i>	<i>\$3,698</i>	<i>\$3,483</i>	<i>\$4,191</i>	<i>\$4,369</i>	<i>\$4,460</i>

Source: Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

The table above represents the defense activities total economic impact in Orange County. Defense activities in 2018 accounted for about 80,000 jobs, which was about 7% greater than the 2016 projection for 2018. The number of employed in the county in 2018 increased by about 8% from the 2016 number of employed. Employment impacts in the county are projected to increase through 2021 and decrease in 2022. Gross regional product (GRP) impacts in the county in 2018 accounted for about \$8.3 billion in impacts, which is about 9% less than the 2016 projection for 2018. The GRP impacts in the county in 2018 decreased by about 6% from the 2016 GRP impacts. Gross regional product impacts are projected to increase through 2022.

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

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



Table 92. Orange County: Total Economic Impacts by Component, Millions USD (2018)					
Spending Flow	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Gross Regional Product	\$4,380	\$0	\$5	\$4,385
	Total Jobs	41,811	0	58	41,869
Employment	Gross Regional Product	\$1,317	\$185	\$31	\$1,532
	Total Jobs	11,992	1,684	308	13,984
Transfers	Gross Regional Product	\$2,327	\$0	\$13	\$2,340
	Total Jobs	24,473	0	134	24,607
Totals	Gross Regional Product	\$8,025	\$185	\$49	\$8,258
	Total Jobs	78,276	1,684	500	80,460

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

Military Impacts by Type

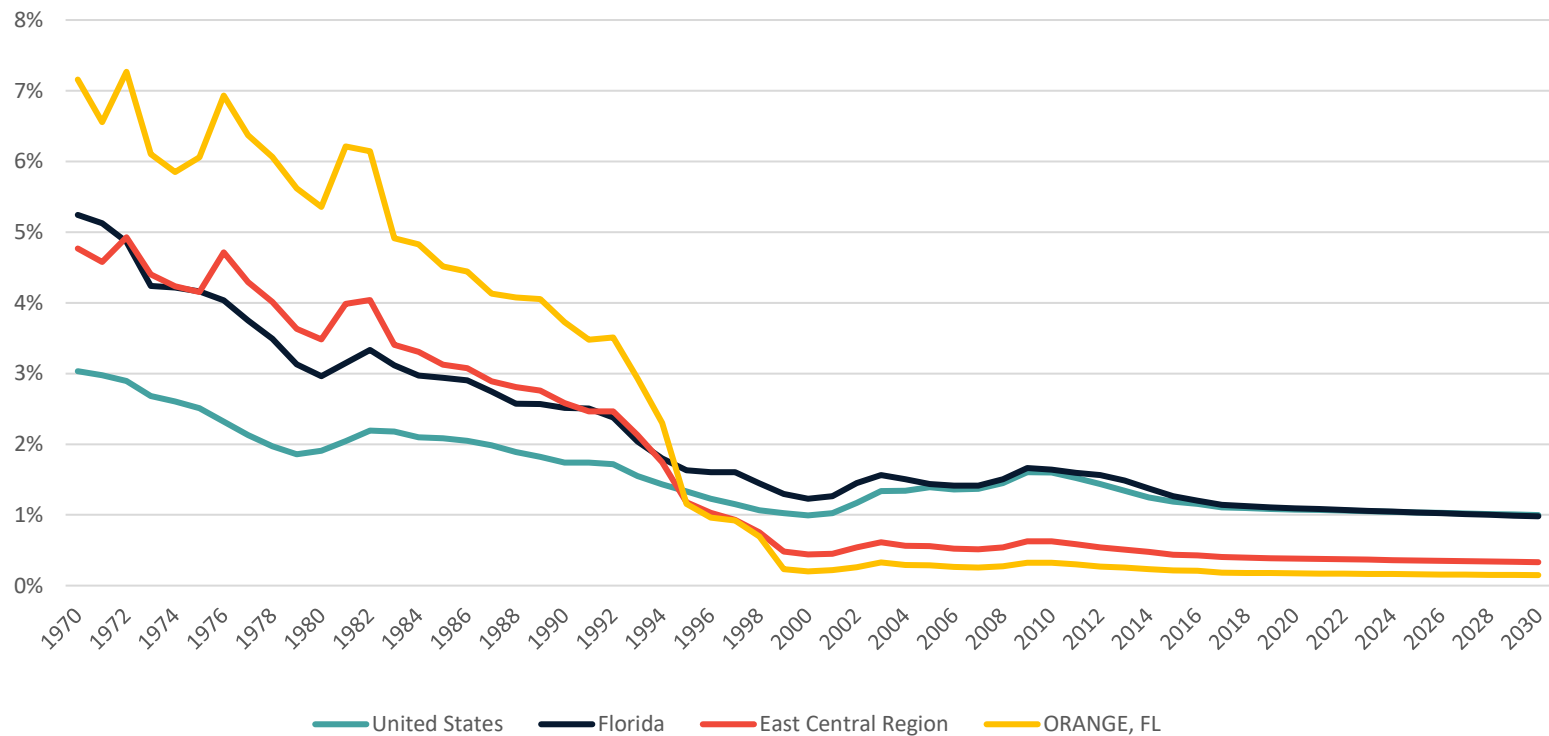
The data in the table above display a matrix of the impacts by type for 2018. This includes procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2018 U.S. Dollars) are displayed next to the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner.

- The three impacts combined for **\$8.3 billion** in GRP impacts and **80,460 jobs** as of 2018 for Orange County.
- Military generated the most jobs in the county (**78,276**) in 2018, an **increase of 8% from 2016**.
 - o Procurement for the military generated **41,811** jobs in 2018, a **decrease of 2% from 2016**.
 - o Employment for the military generated **11,992** jobs in 2018, an **increase of 8% from 2016**.
 - o Transfers for the military generated **24,473** jobs in 2018, an **increase of 31% from 2016**.
- The military accounted for **97%** of all job impacts and **97%** of GRP economic impacts as of 2018.
- Total, economic GRP impacts in 2018 were **down 6%** from **\$8.8 billion in 2016**.

Military Share of Total Earnings

This figure benchmarks the total share of state income that can be attributed to the military over time in East Central region's Orange County. This is graphed alongside the regional, state, and national spending. Earnings include more than wage and salary disbursements. They also include proprietors' income and other supplements to wages and salaries. In 2018, the Orange County military personnel received a 0.2% share of total personal income in the county. As the U.S. and Florida continue to diversify their economies, military share of the total earnings has converged over time to approximately 1.0% of all state and national earnings.

Figure 127. Military Share of total Earnings, 1970 – 2030: Nation, Florida, East Central Region, Orange County

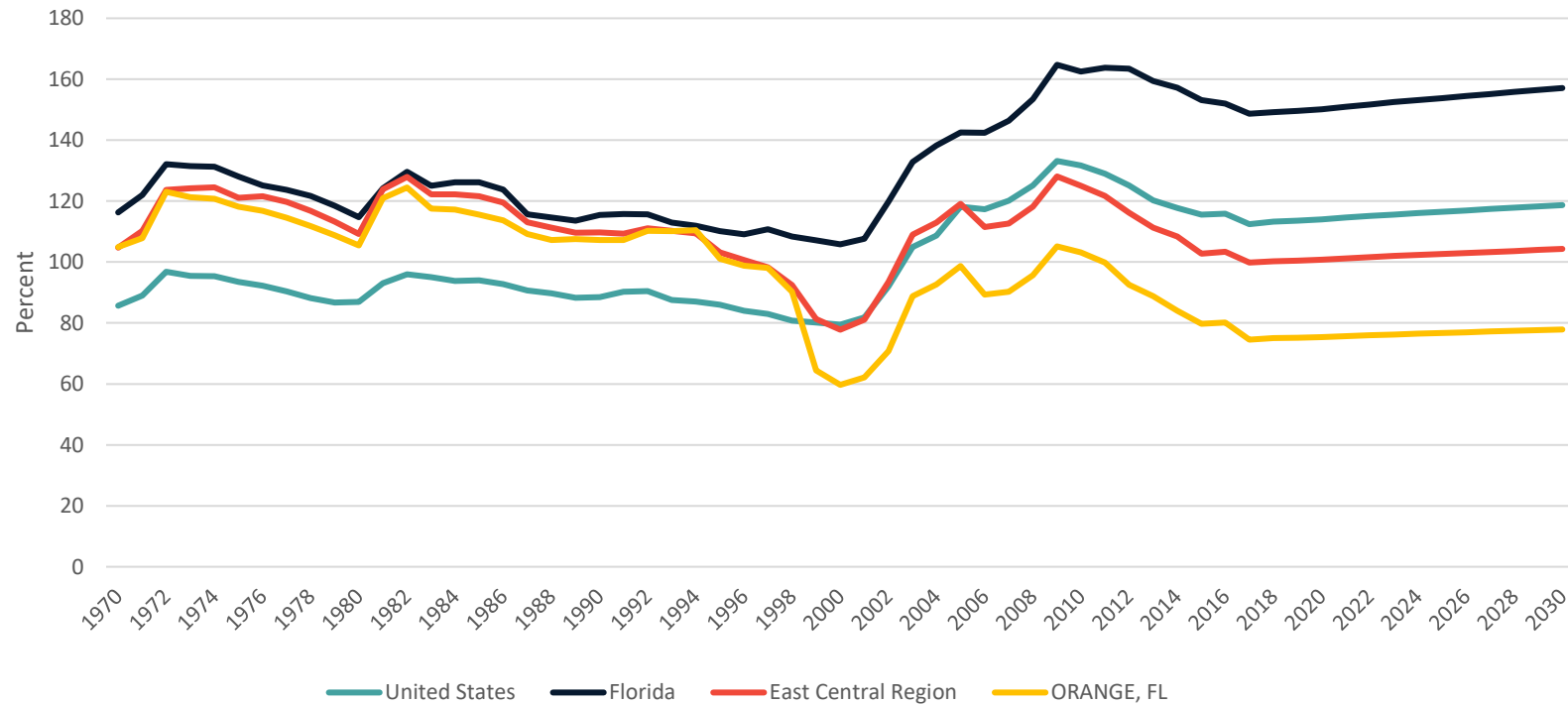


Source: Woods & Poole Economics, Inc. 2019

Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It shows a benchmark of the earnings of military employees against the earnings patterns of all workers. For Orange County, military employees in 1980 had earnings which totaled 105% of the whole Orange County workforce's average earnings level. As of 2018, the average military earnings for Orange County were 75% of the average workforce wages for the county. Orange County's military average earnings are projected to stay below the county average wage level in the next decade. The East Central region's earnings ratio stands at 100%. The state of Florida's relative earnings ratio is at 150%. For the U.S., the relative earnings ratio is at 113%.

Figure 128. Average Military Earnings vs Average Total Earnings, 1970 – 2030: Nation, Florida, East Central Region, Orange County

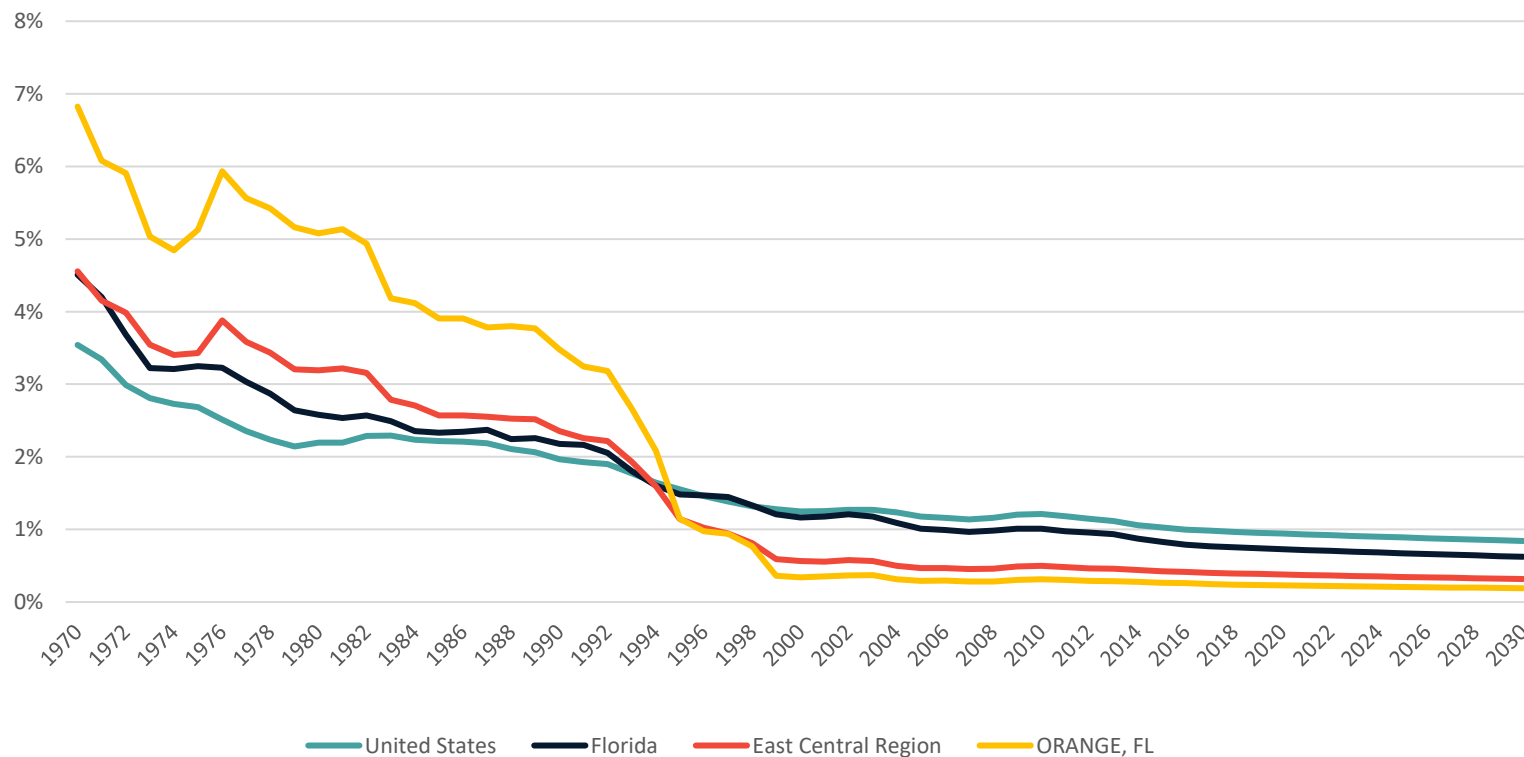


Source: Woods & Poole Economics, Inc. 2019

Military Employment as a Share of Total Employment

The figure below shows military employment as a share of total employment for Orange County. This is shown alongside the military employment shares for the surrounding region, the state, and the U.S. In 1980 the military accounted for 5.0% of Orange County employment, 3.2% of regional employment, 2.6% of state employment, and 2.2% of U.S. employment. In 2018, military employment had a 0.2% share of the Orange County workforce. By 2018, the region, Florida state, and the U.S. had employment shares of 0.4%, 0.75% and 1%, respectively.

Figure 129. Military Employment as a Share of Total Employment, 1970 – 2030: Nation, Florida, East Central Region, Orange County

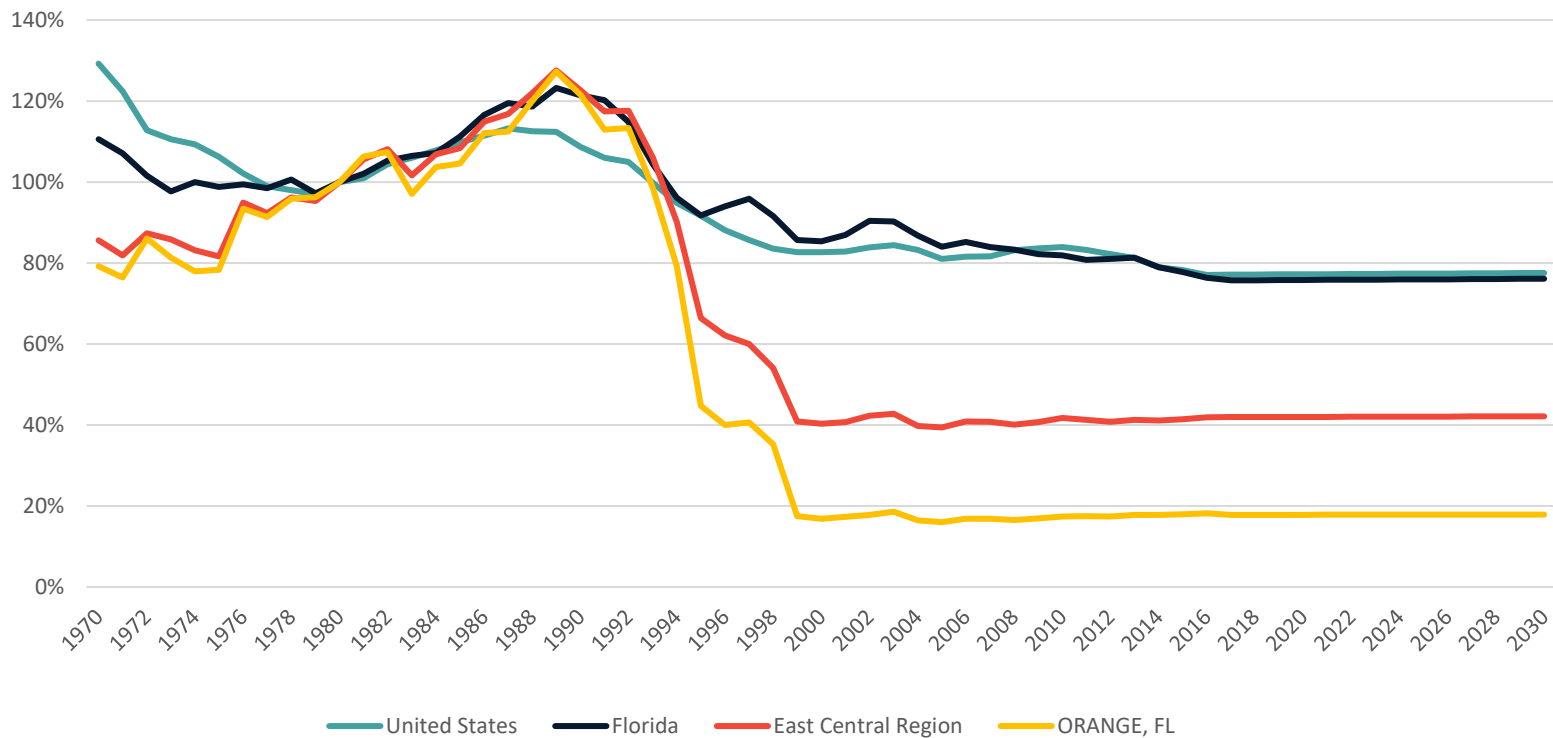


Source: Woods & Poole Economics, Inc. 2019

Change in Military Employment

The figure below benchmarks the size of military employment in Orange County against the 1980 county total. For example, Orange County's military employment in 1985 was 105% of the 1980 total. In 2018, the military share of employment in Orange County was 18% and the East Central region's military share of employment was 42% of the 1980 relative size. Decreases in share of military employment can result from an increase in military workforce size, an increase in civilian workforce size, or a slower growth of military workforce versus the growth of civilian workforce. Concurring decreases can also result from economic diversification away from defense. Military employment at the national level is currently at 77% of its 1980 size, and at the state level, it is at 76%.

Figure 130. Total Military Employment Indexed to 1980, 1970 – 2030: Nation, Florida, East Central Region, Orange County



Source: Woods & Poole Economics, Inc. 2019

Demographics and the Regional Economy

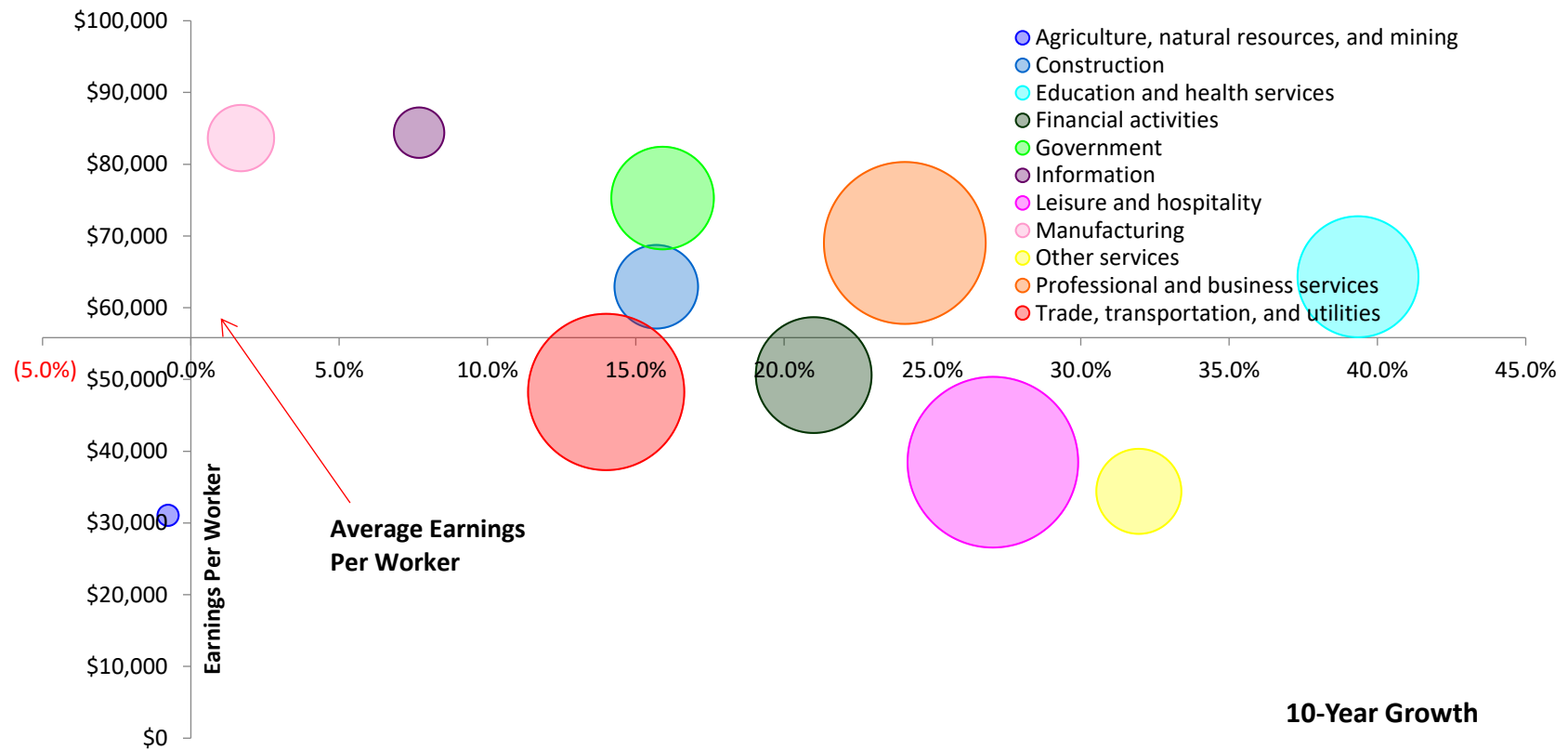
The table below contains information on Orange County's population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Between 2007 and 2017, the county's population grew 23.2%. Between 2009 and 2019, the county's population grew 22.9%. The county's growth rate is expected to slow to 15.4% in the next decade. The county's average household income in 2018 was 106% of the average statewide wage.

Table 93. Demographic Estimates, Orange County	
Total Population	Estimate
Population in 2009	1,131,351
Population in 2019	1,390,411
Population in 2029	1,604,596
Growth from 2009 to 2019	22.9%
Growth from 2019 to 2029	15.4%
Personal Income (Inclusive of all income sources)	
Average Regional Household Income (2019)	\$125,376
Average Florida Household Income (2019)	\$118,835
Number of Households (2019)	495,324

Source: Woods & Poole Economics, Inc. 2019

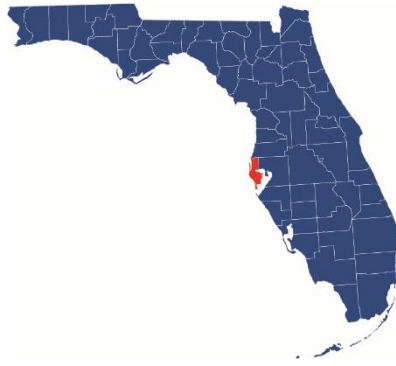
The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while the horizontal axis shows the ten-year growth and the vertical axis shows the average earnings per worker. The **largest employment sectors** in Orange county are leisure/hospitality, professional/business services, and trade sectors with over 226,000 employed, 203,000 employed and 190,000 employed, respectively. The **greatest average earning sectors** is the manufacturing and information, with average earnings of \$84,000. All sectors are expected to have positive 10-year growth rate. The **sector projected to experience the most growth** over the next 10 years is the education/health sectors with 10-year growth at 39%.

Figure 131. Industry Concentration and Earnings Growth 2018-2028 – Orange County



Source: Woods & Poole Economics, Inc. 2019

Pinellas County



Pinellas County Summary

Location:

Tampa Bay Florida Region

Home to:

United States Coast Guard Air Station Clearwater

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

Economic Impact Estimates

As Table 94 shows, the Pinellas County economy is a significant beneficiary of dollars associated with defense activities—over \$2.2 billion direct dollars in 2018. Transfers accounted for the largest share at 54% or roughly \$1.2 billion of the \$2.2 billion total. Salaries accounted for 5%, and procurement accounted for 41%.

Table 94. Pinellas County: Combined Direct Defense Expenditures	
Spending Flow	Millions (Current USD)
Procurement	\$929
Salaries	\$119
Pensions & Transfers	\$1,200
Total Combined Direct Expenditure	\$2,248

Source: Department of Defense; Department of Veterans Affairs; Bureau of Economic Analysis; Department of Treasury

Figure 132. Pinellas County: Distribution of Direct Defense Spending

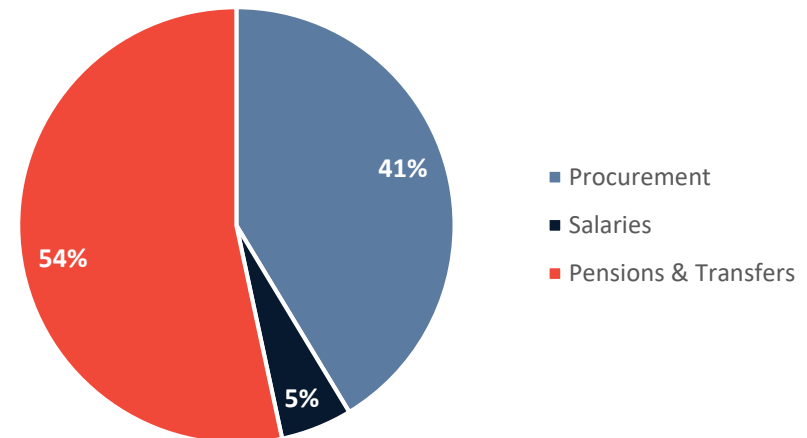


Table 95. Pinellas County: Economic Impact Forecast, 2018 – 2022 Current Millions USD					
Impact Type	2018	2019	2020	2021	2022
Total Employment	46,559	46,799	50,766	51,211	50,578
Gross Regional Product	\$4,445	\$4,454	\$4,854	\$4,938	\$4,929
<i>Total Consumption</i>	<i>\$3,034</i>	<i>\$2,796</i>	<i>\$3,055</i>	<i>\$3,138</i>	<i>\$3,199</i>
<i>Investment Residential</i>	<i>\$692</i>	<i>\$891</i>	<i>\$947</i>	<i>\$891</i>	<i>\$778</i>
<i>Investment Non-residential</i>	<i>\$197</i>	<i>\$210</i>	<i>\$229</i>	<i>\$231</i>	<i>\$223</i>
<i>Producer's Durable Equipment</i>	<i>\$102</i>	<i>\$168</i>	<i>\$221</i>	<i>\$259</i>	<i>\$287</i>
<i>Business Inventories</i>	<i>\$10</i>	<i>\$13</i>	<i>\$11</i>	<i>\$9</i>	<i>\$9</i>
<i>Government</i>	<i>\$133</i>	<i>\$196</i>	<i>\$243</i>	<i>\$272</i>	<i>\$288</i>
<i>Exports</i>	<i>\$2,482</i>	<i>\$2,348</i>	<i>\$2,580</i>	<i>\$2,662</i>	<i>\$2,721</i>
<i>Imports (subtract)</i>	<i>\$2,205</i>	<i>\$2,169</i>	<i>\$2,434</i>	<i>\$2,525</i>	<i>\$2,575</i>

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

The table above represents the defense activities total economic impact in Pinellas County. Defense activities in 2018 accounted for about 47,000 jobs, which was about 3% greater than the 2016 projection for 2018. The number of employed in the county in 2018 increased by about 14% from the 2016 number of employed. Employment impacts in the county are projected to increase through 2021 and decrease in 2022. Gross regional product (GRP) impacts in the county in 2018 accounted for about \$4.4 billion in impacts, which is about 2% less than the 2016 projection for 2018. The GRP impacts in the county in 2018 increased by about 9% from the 2016 GRP impacts. Gross regional product impacts are projected to increase through 2022.

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

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



Table 96. Pinellas County: Total Economic Impacts by Component, Millions USD (2018)					
Spending Flow	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Gross Regional Product	\$1,026	\$0	\$16	\$1,042
	Total Jobs	10,866	0	200	11,066
Employment	Gross Regional Product	\$1,060	\$235	\$462	\$1,757
	Total Jobs	9,033	2,186	4,772	15,991
Transfers	Gross Regional Product	\$1,626	\$0	\$20	\$1,646
	Total Jobs	19,259	0	242	19,501
Totals	Gross Regional Product	\$3,712	\$235	\$498	\$4,445
	Total Jobs	39,158	2,186	5,214	46,558

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

Military Impacts by Type

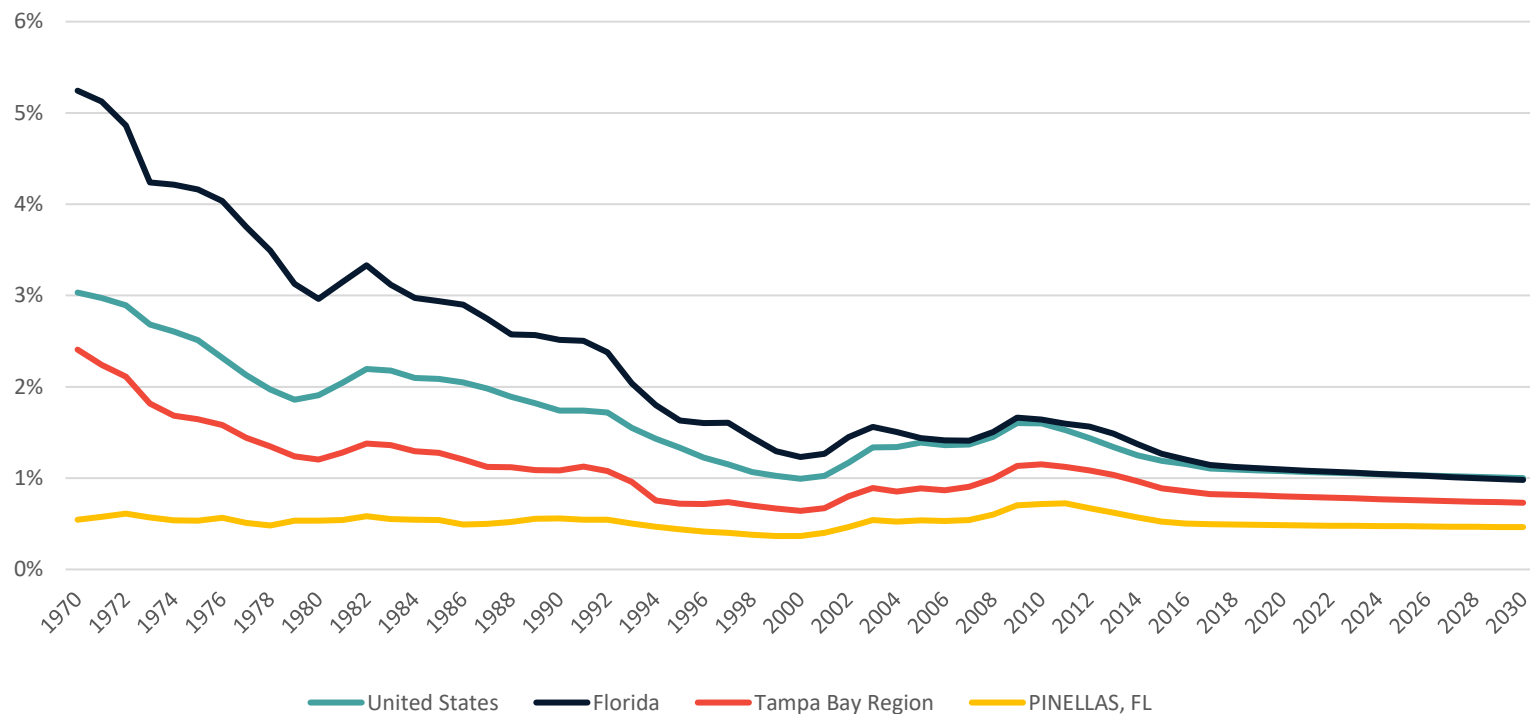
The data in the table above display a matrix of the impacts by type for 2018. This includes procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2018 U.S. Dollars) are displayed next to the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner.

- The three impacts combined for **\$4.4 billion** in GRP impacts and **46,558 jobs** as of 2018 for **Pinellas County**.
- Military generated the most jobs in the county (**39,158**) in 2018, an increase of 13% from 2016.
 - o Procurement for the military generated **10,866 jobs in 2018, an increase of 33% from 2016**.
 - o Employment for the military generated **9,033 jobs in 2018, a decrease of 7% from 2016**.
 - o Transfers for the military generated **19,259 jobs in 2018, an increase of 8% from 2016**.
- The military accounted for **84% of all job impacts and 84% of GRP economic impacts as of 2018**.
- Total, economic GRP impacts in 2018 were up **9% from \$4.0 billion in 2016**.

Military Share of Total Earnings

This figure benchmarks the total share of state income that can be attributed to the military over time in Tampa Bay region's Pinellas County. This is graphed alongside the regional, state, and national spending. Earnings include more than wage and salary disbursements. They also include proprietors' income and other supplements to wages and salaries. In 2018, the Pinellas County military personnel received a 0.5% share of total personal income in the county. As the U.S. and Florida continue to diversify their economies, military share of the total earnings has converged over time to approximately 1.0% of all state and national earnings.

Figure 133. Military Share of total Earnings, 1970 – 2030: Nation, Florida, Tampa Bay Region, Pinellas County

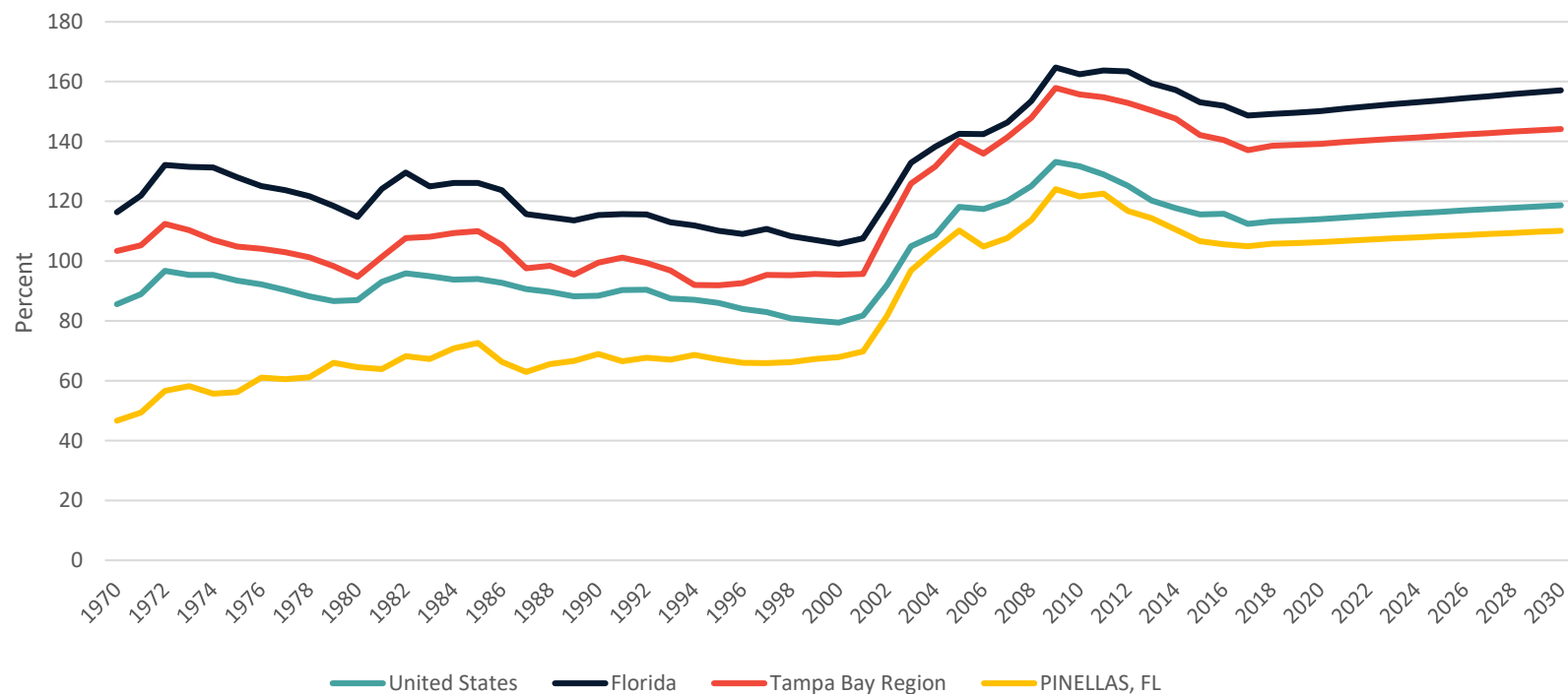


Source: Woods & Poole Economics, Inc. 2019

Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It shows a benchmark of the earnings of military employees against the earnings patterns of all workers. For Pinellas County, military employees in 1980 had earnings which totaled 64% of the whole Pinellas County workforce's average earnings level. As of 2018, the average military earnings for Pinellas County were 106% of the average workforce wages for the county. Pinellas County's military average earnings are projected to stay above the county average wage level in the next decade. The Tampa Bay region's earnings ratio stands at 139%. The state of Florida's relative earnings ratio is at 150%. For the U.S., the relative earnings ratio is at 113%.

Figure 134. Average Military Earnings vs Average Total Earnings, 1970 – 2030: Nation, Florida, Tampa Bay Region, Pinellas County

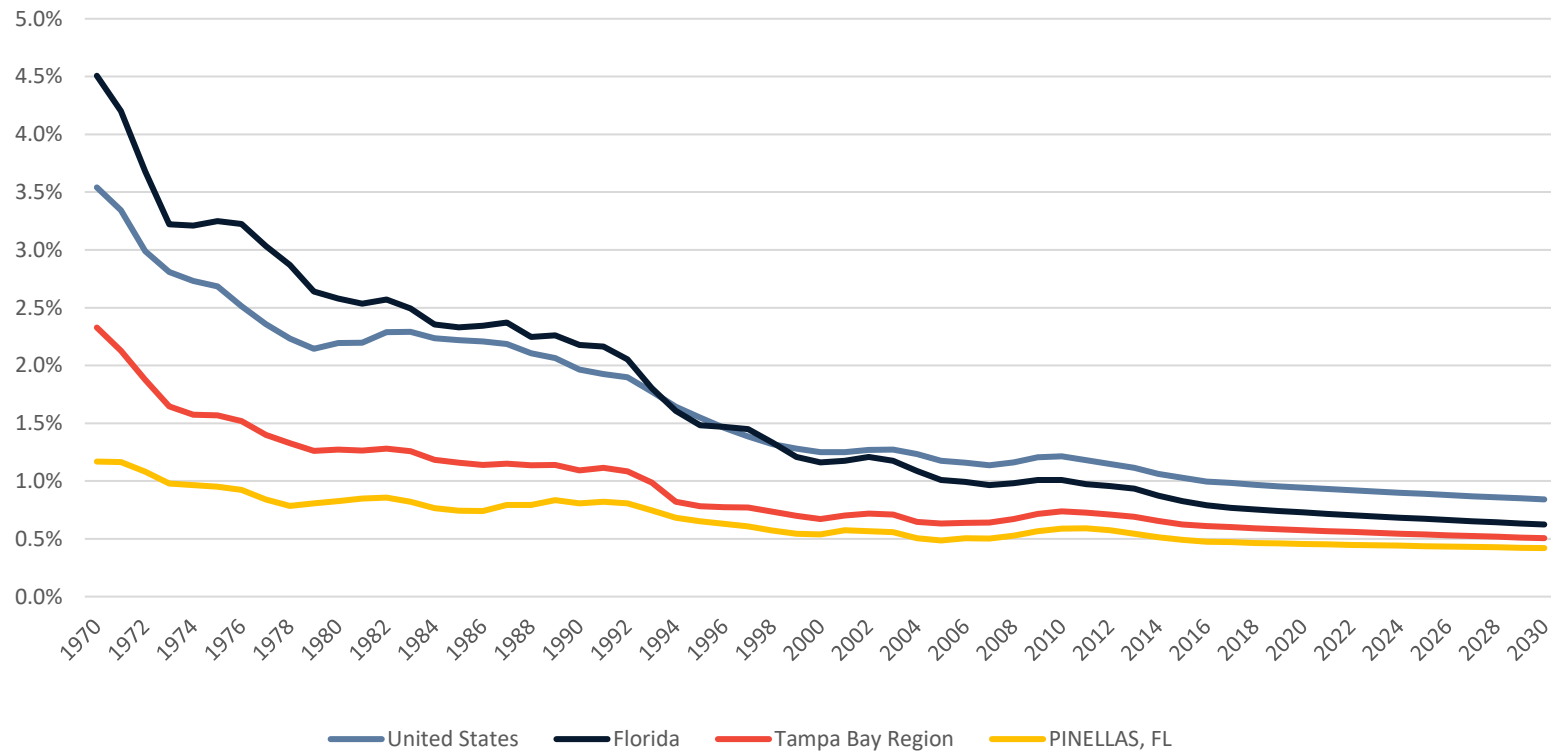


Source: Woods & Poole Economics, Inc. 2019

Military Employment as a Share of Total Employment

The figure below shows military employment as a share of total employment for Pinellas County. This is shown alongside the military employment shares for the surrounding region, the state, and the U.S. In 1980 the military accounted for 0.8% of Pinellas County employment, 1.3% of regional employment, 2.6% of state employment, and 2.2% of U.S. employment. In 2018, military employment had a 0.5% share of the Pinellas County workforce. By 2018, the region, Florida state, and the U.S. had employment shares of 0.6%, 0.75% and 1%, respectively.

Figure 135. Military Employment as a Share of Total Employment, 1970 – 2030: Nation, Florida, Tampa Bay Region, Pinellas County

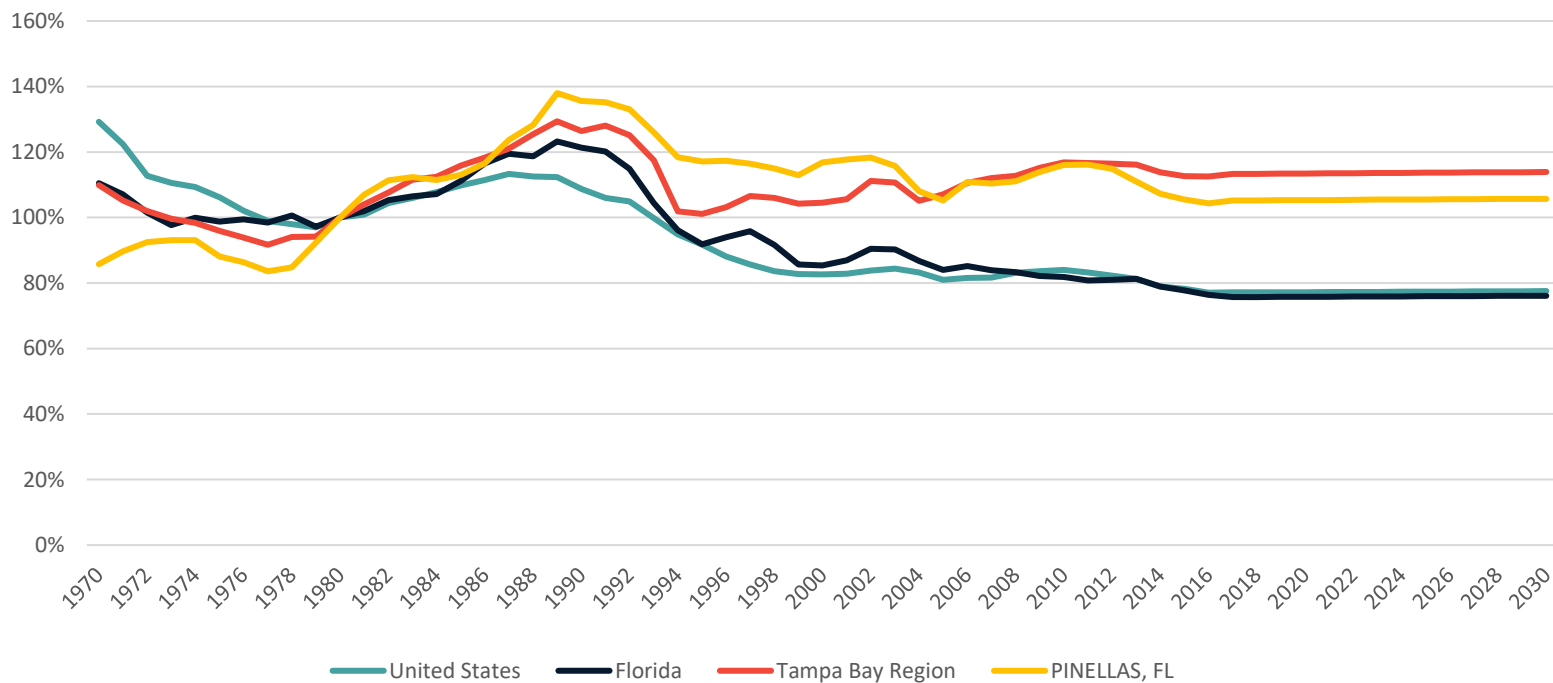


Source: Woods & Poole Economics, Inc. 2019

Change in Military Employment

The figure below benchmarks the size of military employment in Pinellas County against the 1980 county total. For example, Pinellas County's military employment in 1985 was 113% of the 1980 total. In 2018, the military share of employment in Pinellas County was 105% and the Tampa Bay region's military share of employment was 113% of the 1980 relative size. Increases in share of military employment can result from an increase in military workforce size, a decrease in civilian workforce size, or a faster growth of military workforce versus the growth of civilian workforce. Concurring increases can also result from economic diversification towards defense. Military employment at the national level is currently at 77% of its 1980 size, and at the state level, it is at 76%.

Figure 136. Total Military Employment Indexed to 1980, 1970 – 2030: Nation, Florida, Tampa Bay Region, Pinellas County



Source: Woods & Poole Economics, Inc. 2019

Demographics and the Regional Economy

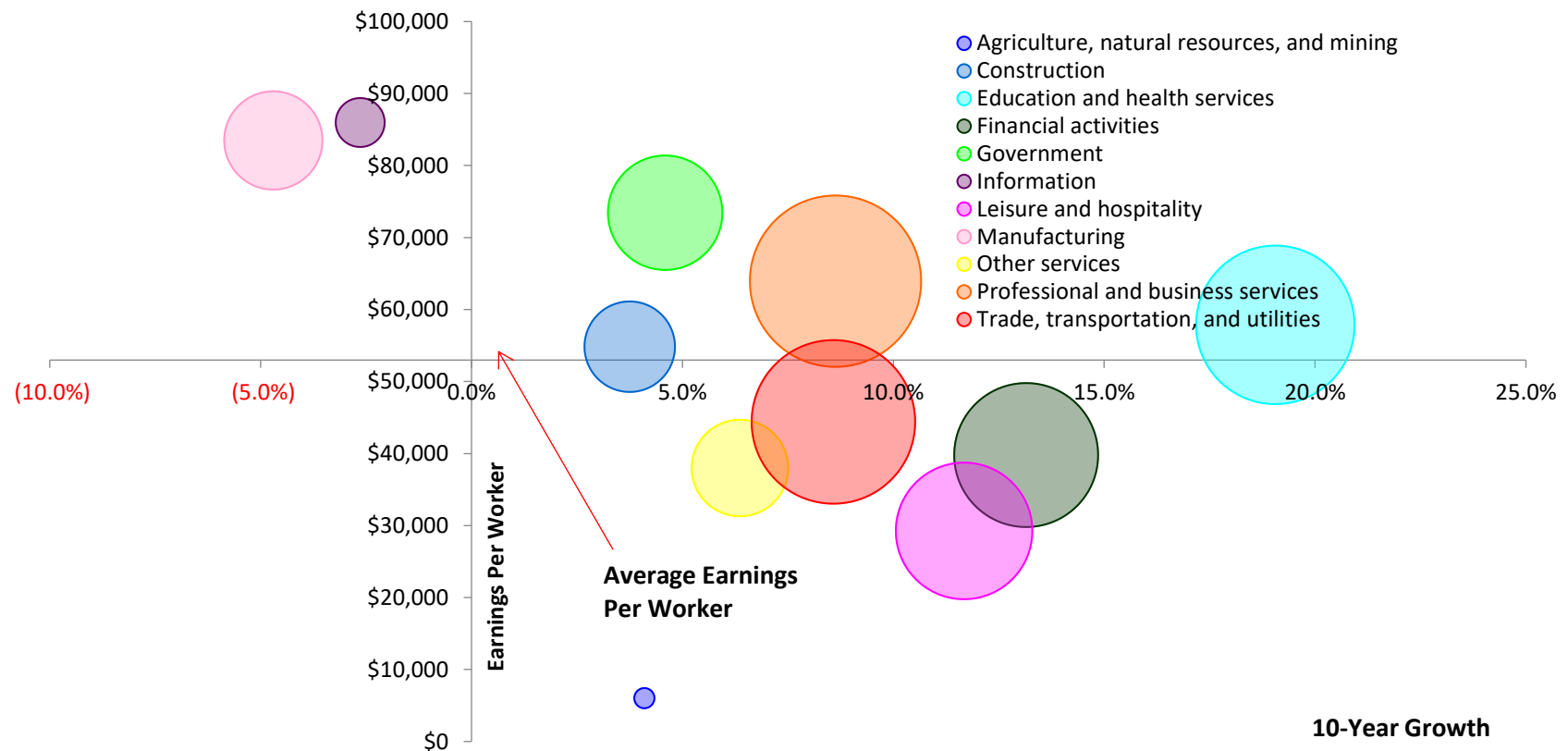
The table below contains information on Pinellas County's population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Between 2007 and 2017, the county's population grew 5.8%. Between 2009 and 2019, the county's population grew 7.0%. The county's growth rate is expected to slow to 3.7% in the next decade. Two years ago, the predicted the growth rate was projected to be 11.5% in the next decade. The county's average household income in 2018 was 100% of the average statewide wage.

Table 97. Demographic Estimates, Pinellas County	
Total Population	Estimate
Population in 2009	915,330
Population in 2019	979,103
Population in 2029	1,015,589
Growth from 2009 to 2019	7.0%
Growth from 2019 to 2029	3.7%
Personal Income (Inclusive of all income sources)	
Average Regional Household Income (2019)	\$118,107
Average Florida Household Income (2019)	\$118,835
Number of Households (2019)	447,738

Source: Woods & Poole Economics, Inc. 2019

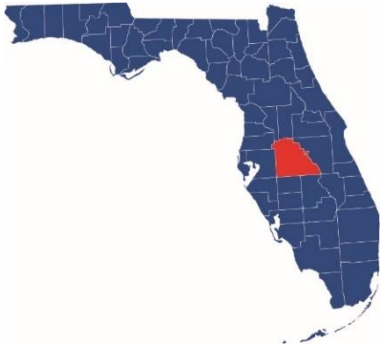
The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while the horizontal axis shows the ten-year growth and the vertical axis shows the average earnings per worker. The **largest employment sectors** in Pinellas county are professional/business services and trade sectors with 106,000 employed and 95,000 employed, respectively. The **greatest average earning sectors** is the manufacturing and information, with average earnings of \$84,000. All sectors are expected to have positive 10-year growth rate. The sector projected to experience the most growth over the next 10 years is the education/health sectors with 10-year growth at 19%.

Figure 137. Industry Concentration and Earnings Growth 2018-2028, Pinellas County



Source: Woods & Poole Economics, Inc. 2019

Polk County



Polk County Summary

Location:

Tampa Bay Florida Region

Home to:

Avon Park Air Force Range

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

Economic Impact Estimates

Polk County benefits substantially from defense activities. As indicated in Table 98, in 2018, an estimated \$563 million flowed through to Polk County. Transfer payments accounted for the largest share at 91% or roughly \$513 million of the total. Salaries accounted for 6%, and procurement accounted for 3%.

Table 98. Polk County: Combined Direct Defense Expenditures

Spending Flow	Millions (Current USD)
Procurement	\$19
Salaries	\$31
Pensions & Transfers	\$513
Total Combined Direct Expenditure	\$563

Source: Department of Defense; Department of Veterans Affairs; Bureau of Economic Analysis; Department of Treasury

Figure 138. Polk County: Distribution of Direct Defense Spending

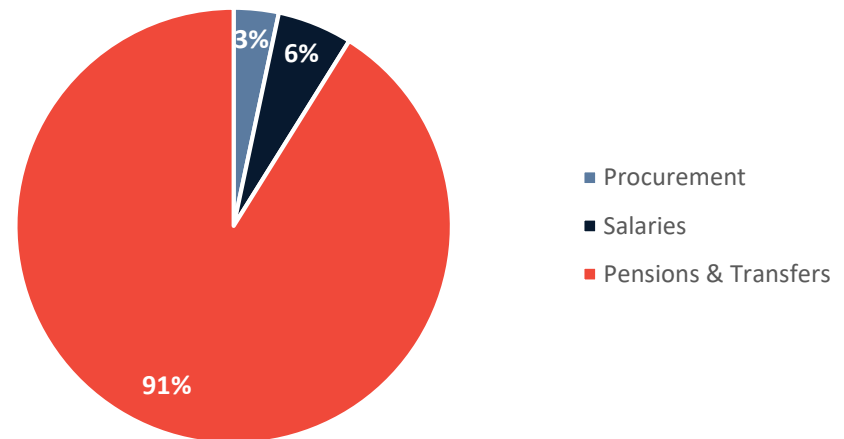


Table 99. Polk County: Economic Impact Forecast, 2018 – 2022
Current Millions USD

Impact Type	2018	2019	2020	2021	2022
Total Employment	12,859	12,925	14,021	14,144	13,969
Gross Regional Product	\$1,160	\$1,218	\$1,323	\$1,348	\$1,347
<i>Total Consumption</i>	<i>\$998</i>	<i>\$969</i>	<i>\$1,043</i>	<i>\$1,070</i>	<i>\$1,089</i>
<i>Investment Residential</i>	<i>\$229</i>	<i>\$306</i>	<i>\$325</i>	<i>\$305</i>	<i>\$265</i>
<i>Investment Non-residential</i>	<i>\$64</i>	<i>\$74</i>	<i>\$82</i>	<i>\$83</i>	<i>\$81</i>
<i>Producer's Durable Equipment</i>	<i>\$32</i>	<i>\$55</i>	<i>\$73</i>	<i>\$86</i>	<i>\$96</i>
<i>Business Inventories</i>	<i>\$2</i>	<i>\$3</i>	<i>\$3</i>	<i>\$2</i>	<i>\$2</i>
<i>Government</i>	<i>\$81</i>	<i>\$127</i>	<i>\$159</i>	<i>\$179</i>	<i>\$190</i>
<i>Exports</i>	<i>\$577</i>	<i>\$559</i>	<i>\$606</i>	<i>\$609</i>	<i>\$605</i>
<i>Imports (subtract)</i>	<i>\$824</i>	<i>\$876</i>	<i>\$968</i>	<i>\$986</i>	<i>\$980</i>

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

The table above represents the defense activities total economic impact in Polk County. Defense activities in 2018 accounted for about 13,000 jobs, which was about 6% less than the 2016 projection for 2018. The number of employed in the county in 2018 increased by about 7% from the 2016 number of employed. Employment impacts in the county are projected to increase through 2021 and decrease in 2022. Gross regional product (GRP) impacts in the county in 2018 accounted for about \$1.2 billion in impacts, which is about 10% less than the 2016 projections for 2018. The GRP impacts in the county in 2018 increased by about 24% from the 2016 GRP impacts. Gross regional product impacts are projected to slightly increase through 2022.

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

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



Table 100. Polk County: Total Economic Impacts by Component, Millions USD (2018)					
Spending Flow	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Gross Regional Product	\$198	\$0	\$2	\$200
	Total Jobs	2,120	0	19	2,139
Employment	Gross Regional Product	\$303	\$41	\$9	\$353
	Total Jobs	2,981	393	101	3,475
Transfers	Gross Regional Product	\$604	\$0	\$4	\$608
	Total Jobs	7,205	0	41	7,246
Totals	Gross Regional Product	\$1,105	\$41	\$14	\$1,160
	Total Jobs	12,306	393	161	12,860

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

Military Impacts by Type

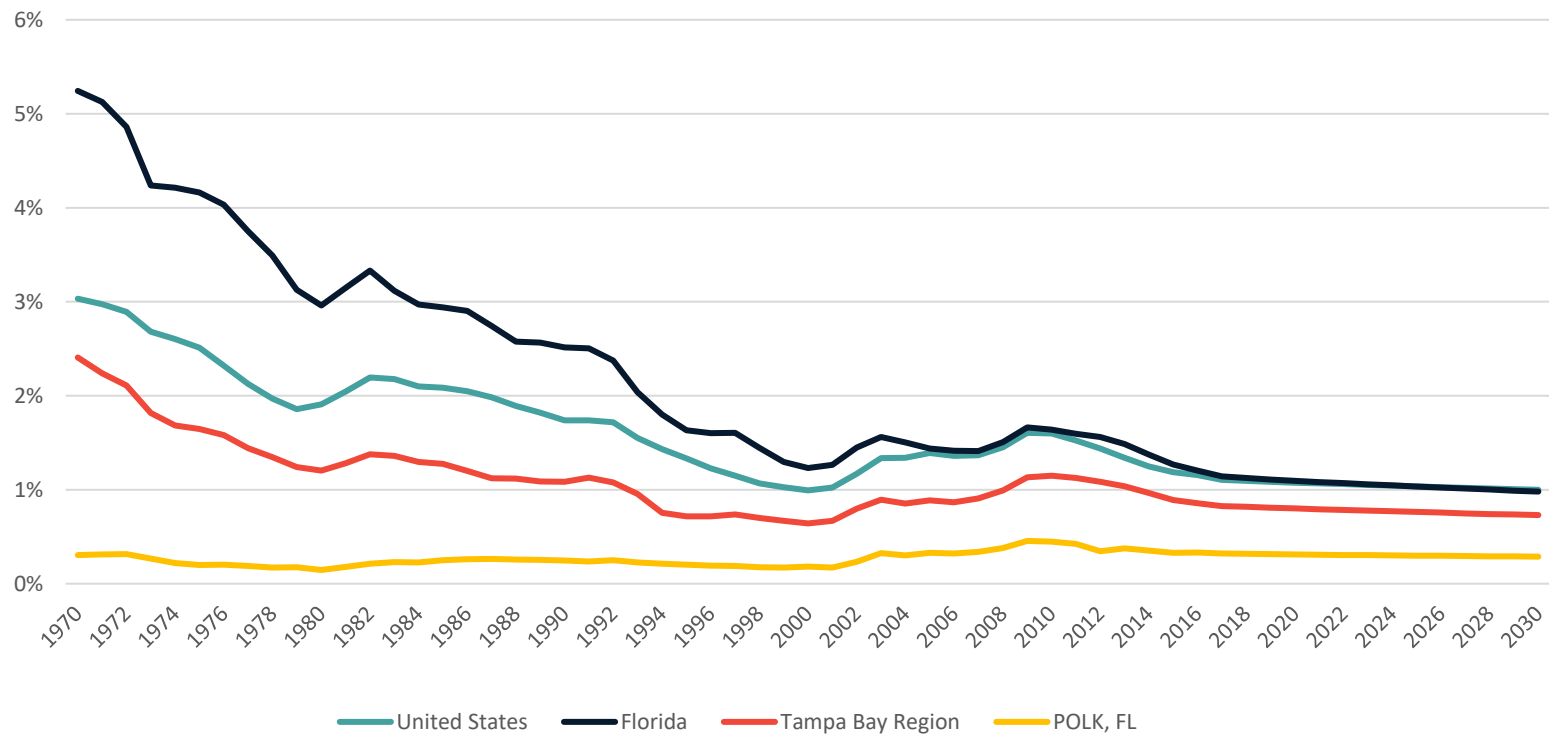
The data in the table above display a matrix of the impacts by type for 2018. This includes procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2018 U.S. Dollars) are displayed next to the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner.

- The three impacts combined for **\$1.2 billion** in GRP impacts and **12,860 jobs** as of **2018** for **Polk County**.
- Military generated the most jobs in the county (**12,306**) in 2018, an increase of **10%** from 2016.
 - o Procurement for the military generated **2,120** jobs in 2018, near equal from **2,173** in 2016.
 - o Employment for the military generated **2,981** jobs in 2018, a decrease of **12%** from 2016.
 - o Transfers for the military generated **7,205** jobs in 2018, an increase of **14%** from 2016.
- The military accounted for **96%** of all job impacts and **95%** of GRP economic impacts as of 2018.
- Total, economic GRP impacts in 2018 were **up 24%** from **\$935 million** in 2016.

Military Share of Total Earnings

This figure benchmarks the total share of state income that can be attributed to the military over time in Tampa Bay region's Polk County. This is graphed alongside the regional, state, and national spending. Earnings include more than wage and salary disbursements. They also include proprietors' income and other supplements to wages and salaries. In 2018, the Polk County military personnel received a 0.3% share of total personal income in the county. As the U.S. and Florida continue to diversify their economies, military share of the total earnings has converged over time to approximately 1.0% of all state and national earnings.

Figure 139. Military Share of total Earnings, 1970 – 2030: Nation, Florida, Tampa Bay Region, Polk County

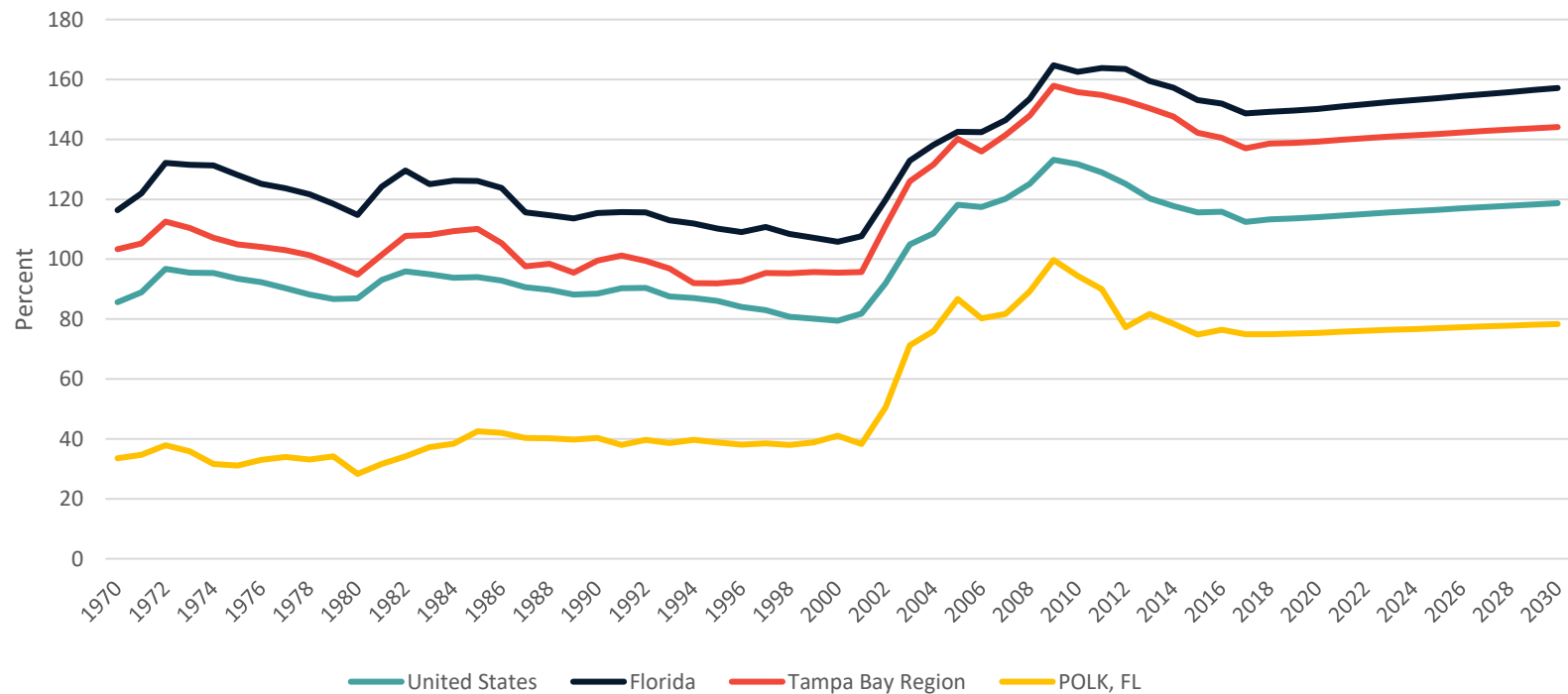


Source: Woods & Poole Economics, Inc. 2019

Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It shows a benchmark of the earnings of military employees against the earnings patterns of all workers. For Polk County, military employees in 1980 had earnings which totaled only 28% of the whole Polk County workforce's average earnings level. As of 2018, the average military earnings for Polk County were 75% of the average workforce wages for the county. Polk County's military average earnings are projected to stay above the county average wage level in the next decade. The Tampa Bay region's earnings ratio stands at 139%. The state of Florida's relative earnings ratio is at 150%. For the U.S., the relative earnings ratio is at 113%.

Figure 140. Average Military Earnings vs Average Total Earnings, 1970 – 2030: Nation, Florida, Tampa Bay Region, Polk County

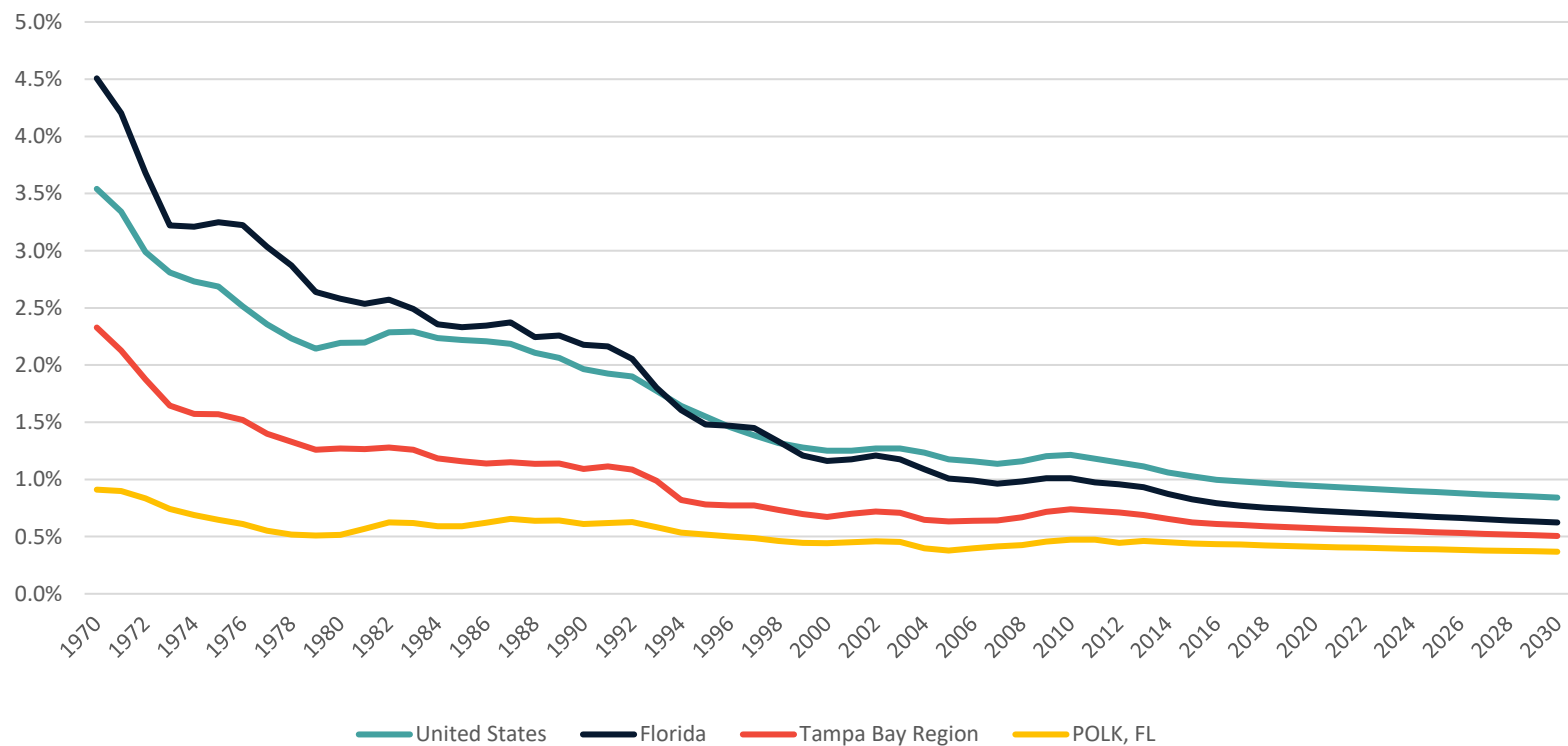


Source: Woods & Poole Economics, Inc. 2019

Military Employment as a Share of Total Employment

The figure below shows military employment as a share of total employment for Polk County. This is shown alongside the military employment shares for the surrounding region, the state, and the U.S. In 1980 the military accounted for 0.5% of Polk County employment, 1.3% of regional employment, 2.6% of state employment, and 2.2% of U.S. employment. In 2018, military employment had a 0.4% share of the Polk County workforce. By 2018, the region, Florida state, and the U.S. had employment shares of 0.6%, 0.75% and 1%, respectively.

Figure 141. Military Employment as a Share of Total Employment, 1970 – 2030: Nation, Florida, Tampa Bay Region, Polk County

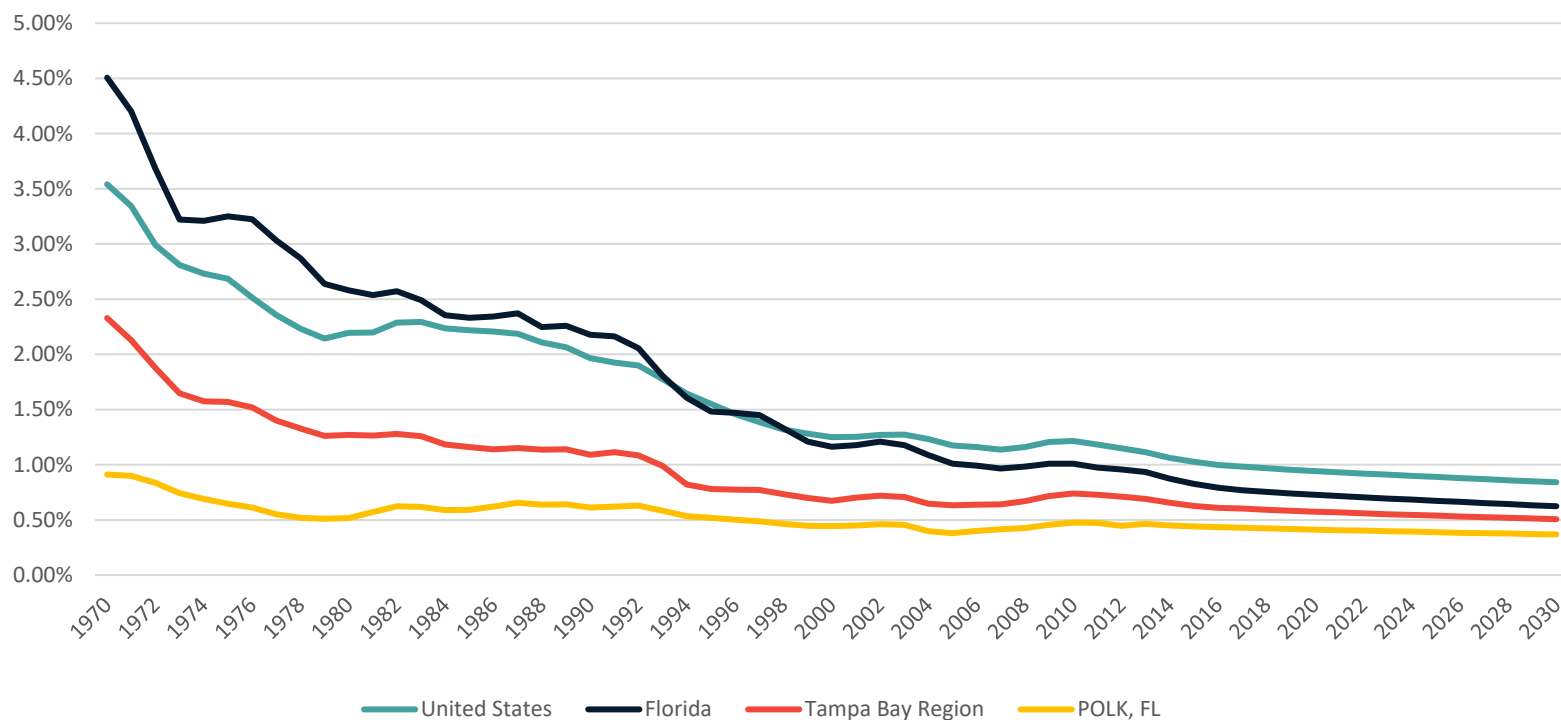


Source: Woods & Poole Economics, Inc. 2019

Change in Military Employment

The figure below benchmarks the size of military employment in Polk County against the 1980 county total. For example, Polk County's military employment in 1985 was 127% of the 1980 total. In 2018, the military share of employment in Polk County was 42% and the Tampa Bay region's military share of employment was 113% of the 1980 relative size. Decreases in share of military employment can result from an increase in military workforce size, an increase in civilian workforce size, or a slower growth of military workforce versus the growth of civilian workforce. Concurring decreases can also result from economic diversification towards defense. Military employment at the national level is currently at 77% of its 1980 size, and at the state level, it is at 76%.

Figure 142. Total Military Employment Indexed to 1980, 1970 – 2030: Nation, Florida, Tampa Bay Region, Polk County



Source: Woods & Poole Economics, Inc. 2019

Demographics and the Regional Economy

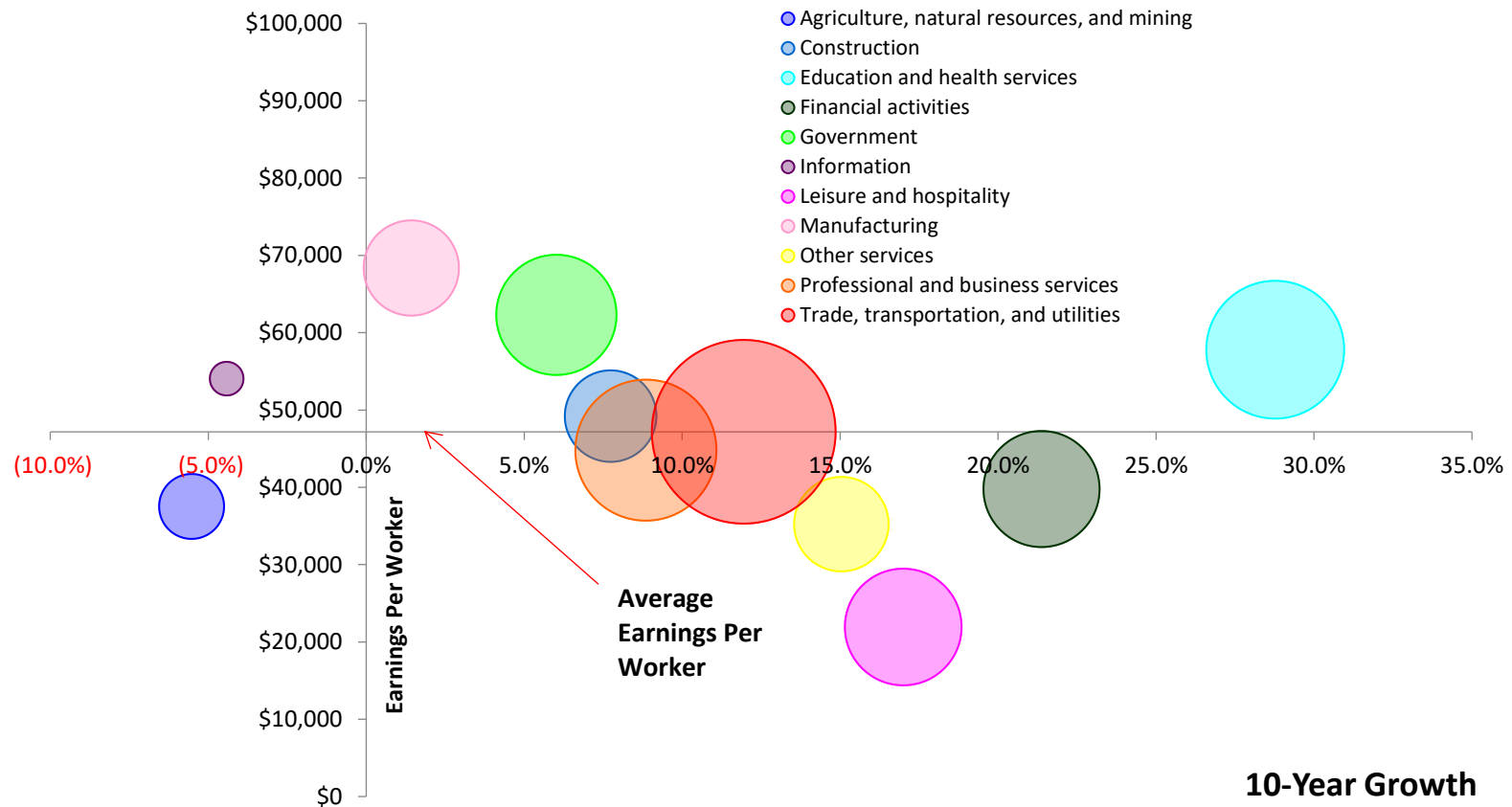
The table below contains information on Polk County's population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Between 2007 and 2017, the county's population grew 15.9%. Between 2009 and 2019, the county's population grew 17.2%. The county's growth rate is expected to slow to 10.8% in the next decade. Two years ago, the predicted the growth rate was projected to be 19.1% in the next decade. The county's average household income in 2018 was 84% of the average statewide wage.

Table 101. Demographic Estimates, Polk County	
Total Population	Estimate
Population in 2009	598,683
Population in 2019	701,858
Population in 2029	777,808
Growth from 2009 to 2019	17.2%
Growth from 2019 to 2029	10.8%
Personal Income (Inclusive of all income sources)	
Average Regional Household Income (2019)	\$99,997
Average Florida Household Income (2019)	\$118,835
Number of Households (2019)	255,726

Source: Woods & Poole Economics, Inc. 2019

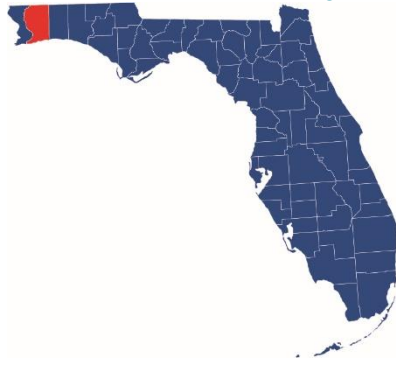
The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while the horizontal axis shows the ten-year growth and the vertical axis shows the average earnings per worker. The **largest employment sector** in Polk county is the trade sector with 69,000 employed. The **greatest average earning sector** is the manufacturing sector, with average earnings of \$68,000. The information and agriculture sectors are expected to have negative 10-year growth rates of -5.5% and -4.4%. The sector projected to experience the most growth over the next 10 years is the education/health sectors with 10-year growth at 29%.

Figure 143. Industry Concentrations and Earnings Growth 2018-2028, Polk County



Source: Woods & Poole Economics, Inc. 2019

Santa Rosa County



Santa Rosa County Summary

Location:
Northwest Florida Region

Home to:
Naval Air Station Whiting Field

Naval Air Station Whiting Field's mission is to produce the military's best trained "Aviation Warfighter." Naval Air Station Whiting Field is where the future of Naval Aviation begins. With 12 outlying fields, Naval Air Station Whiting hosts 21 tenant activities, including Training Air Wing 5, which trains over 1,200 pilots a year. Naval Air Station Whiting Field owns 52% of Navy outlying landing fields, and 11% of all DoD flight hours are flown out of NAS Whiting annually. Additionally, NAS Whiting Field provides 60% of all USN primary pilot training, 14% of all USN flight hours worldwide, and produces 100% of all USN, USMC and USCG helicopter pilots.

Economic Impact Estimates

As the data in Table 102 indicate, Santa Rosa County is a significant beneficiary of funding associated with defense activities—just over a half million dollars in 2018. Transfer payments accounted for the largest share at 85% or roughly \$466 million of the total. Salaries accounted for 10%, and procurement accounted for 5%.

Table 102. Santa Rosa County: Combined Direct Defense Expenditures

Spending Flow	Millions (Current USD)
Procurement	\$27
Salaries	\$54
Pensions & Transfers	\$466
Total Combined Direct Expenditure	\$546

Source: Department of Defense; Department of Veterans Affairs; Bureau of Economic Analysis; Department of Treasury

Figure 144. Santa Rosa County: Distribution of Direct Defense Spending

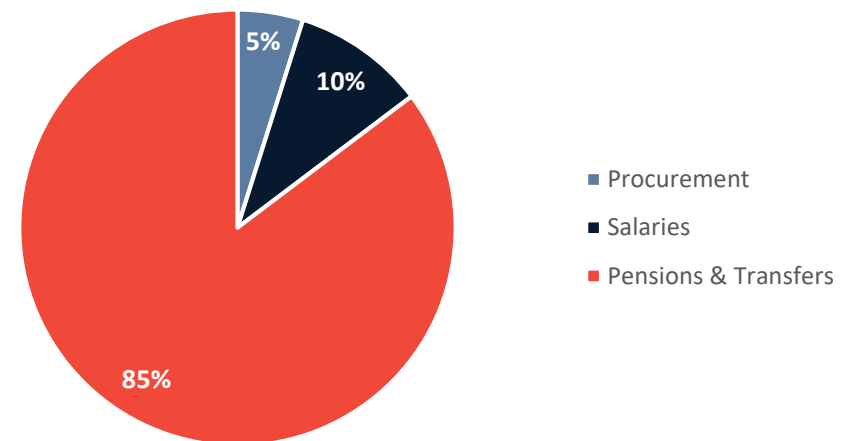


Table 103. Santa Rosa County: Economic Impact Forecast, 2018 – 2022
Current Millions USD

Impact Type	2018	2019	2020	2021	2022
Total Employment	14,505	14,579	15,815	15,954	15,757
Gross Regional Product	\$1,405	\$1,549	\$1,689	\$1,774	\$1,817
<i>Total Consumption</i>	<i>\$1,565</i>	<i>\$1,626</i>	<i>\$1,837</i>	<i>\$1,980</i>	<i>\$2,090</i>
<i>Investment Residential</i>	<i>\$354</i>	<i>\$497</i>	<i>\$558</i>	<i>\$560</i>	<i>\$522</i>
<i>Investment Non-residential</i>	<i>\$60</i>	<i>\$63</i>	<i>\$68</i>	<i>\$71</i>	<i>\$71</i>
<i>Producer's Durable Equipment</i>	<i>\$31</i>	<i>\$55</i>	<i>\$74</i>	<i>\$89</i>	<i>\$101</i>
<i>Business Inventories</i>	<i>\$1</i>	<i>\$1</i>	<i>\$1</i>	<i>\$1</i>	<i>\$1</i>
<i>Government</i>	<i>\$145</i>	<i>\$237</i>	<i>\$306</i>	<i>\$356</i>	<i>\$391</i>
<i>Exports</i>	<i>\$1,099</i>	<i>\$1,152</i>	<i>\$1,199</i>	<i>\$1,249</i>	<i>\$1,287</i>
<i>Imports (subtract)</i>	<i>\$1,849</i>	<i>\$2,082</i>	<i>\$2,355</i>	<i>\$2,532</i>	<i>\$2,645</i>

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

The table above represents the defense activities total economic impact in Santa Rosa County. Defense activities in 2018 accounted for about 14,500 jobs, which was about 37% less than the 2016 projection for 2018. The number of employed in the county in 2018 decreased by about 9% from the 2016 number of employed. Employment impacts in the county are projected to increase through 2021 and decrease in 2022. Gross regional product (GRP) impacts in the county in 2018 accounted for about \$1.4 billion in impacts, which is about 24% less than the 2016 projection for 2018. The GRP impacts in the county in 2018 decreased by about 2% from the 2016 GRP impacts. Gross regional product impacts are projected to increase through 2022.

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

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



Table 104. Santa Rosa County: Total Economic Impacts by Component, Millions USD (2018)					
Spending Flow	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Gross Regional Product	\$96	\$0	\$1	\$97
	Total Jobs	1,443	0	10	1,453
Employment	Gross Regional Product	\$1,059	\$82	\$6	\$1,147
	Total Jobs	9,963	605	93	10,661
Transfers	Gross Regional Product	\$159	\$0	\$2	\$161
	Total Jobs	2,364	0	26	2,390
Totals	Gross Regional Product	\$1,315	\$82	\$9	\$1,405
	Total Jobs	13,770	605	129	14,504

Source: REMI PI+ Florida Counties (Build 5294) V.2.2.2

Military Impacts by Type

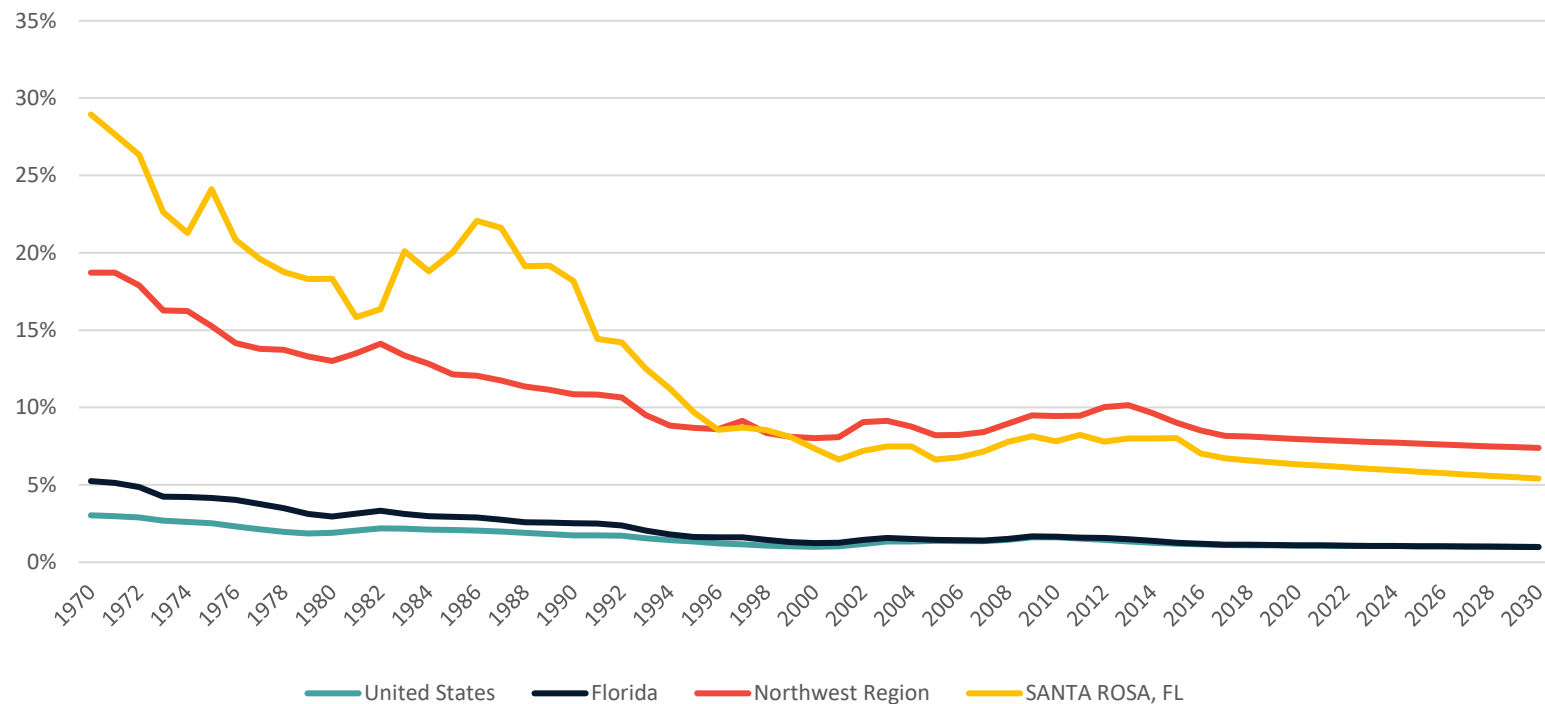
The data in the table above display a matrix of the impacts by type for 2018. This includes procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2018 U.S. Dollars) are displayed next to the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner.

- The three impacts combined for **\$1.4 billion** in GRP impacts and **14,504 jobs** as of 2018 for **Santa Rosa County**.
- Military generated the most jobs in the county (**13,770**) in 2018, a decrease of **8%** from 2016.
 - o Procurement for the military generated **1,443** jobs in 2018, a decrease of **6%** from 2016.
 - o Employment for the military generated **9,963** jobs in 2018, a decrease of **3%** from 2016.
 - o Transfers for the military generated **2,364** jobs in 2018, a decrease of **28%** from 2016.
- The military accounted for **95%** of all job impacts and **94%** of GRP economic impacts as of 2018.
- Total, economic GRP impacts in 2018 were **down 2%** from **\$1.44 billion** in 2016.

Military Share of Total Earnings

This figure benchmarks the total share of state income that can be attributed to the military over time in Northwest region's Santa Rosa County. This is graphed alongside the regional, state, and national spending. Earnings include more than wage and salary disbursements. They also include proprietors' income and other supplements to wages and salaries. In 2018, the Santa Rosa County military personnel received a 6.4% share of total personal income in the county. As the U.S. and Florida continue to diversify their economies, military share of the total earnings has converged over time to approximately 1.0% of all state and national earnings.

Figure 145. Military Share of Total Earnings, 1970 – 2030: Nation, Florida, Northwest Florida Region, Santa Rosa County

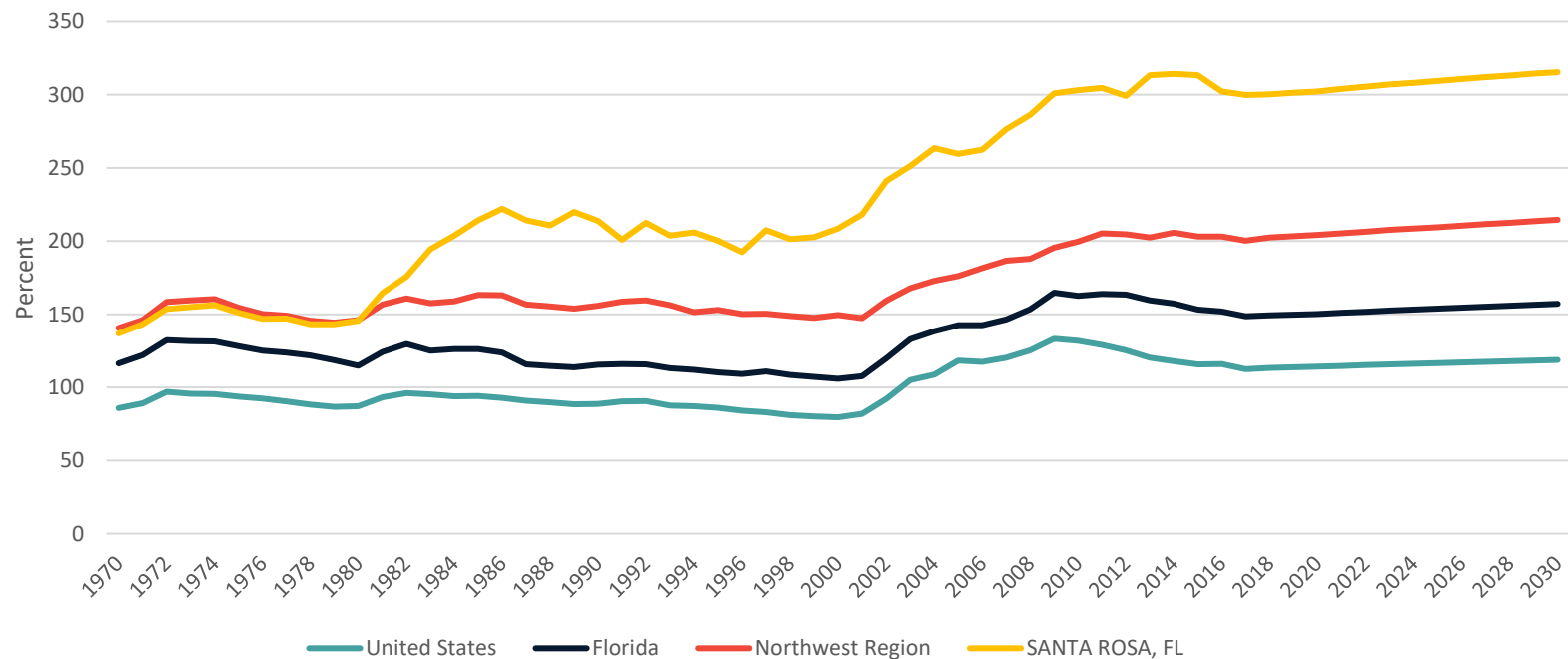


Source: Woods & Poole Economics, Inc. 201

Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It shows a benchmark of the earnings of military employees against the earnings patterns of all workers. For Santa Rosa County, military employees in 1980 had earnings which totaled 145% of the whole Santa Rosa County workforce's average earnings level. As of 2018, the average military earnings for Santa Rosa County were 300% of the average workforce wages for the county. Santa Rosa County's military average earnings are projected to stay above the county average wage level in the next decade. The Northwest region's earnings ratio stands at 200%. The state of Florida's relative earnings ratio is at 150%. For the U.S., the relative earnings ratio is at 113%.

Figure 146. Average Military Earnings vs Average Total Earnings, 1970 -2030: Nation, Florida, Northwest Florida Region, Santa Rosa County

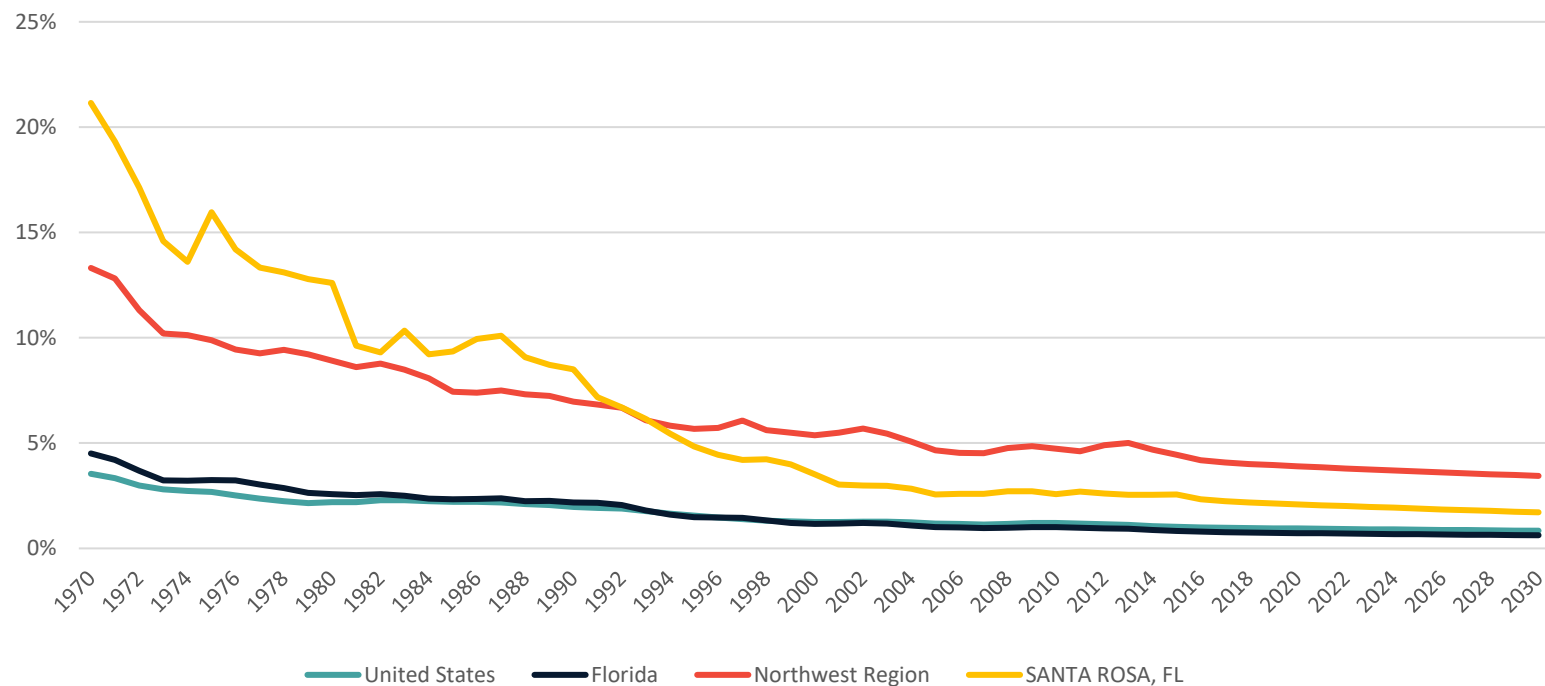


Source: Woods & Poole Economics, Inc. 2019

Military Employment as a Share of Total Employment

The figure below shows military employment as a share of total employment for Santa Rosa County. This is shown alongside the military employment shares for the surrounding region, the state, and the U.S. In 1980 the military accounted for 12.6% of Santa Rosa County employment, 8.9% of regional employment, 2.6% of state employment, and 2.2% of U.S. employment. In 2018, military employment had a 2.2% share of the Santa Rosa County workforce. By 2018, the region, Florida state, and the U.S. had employment shares of 4.0%, 0.75% and 1%, respectively.

Figure 147. Military Employment as a share of Total Employment, 1970 -2030: Nation, Florida, Northwest Florida, Santa Rosa County

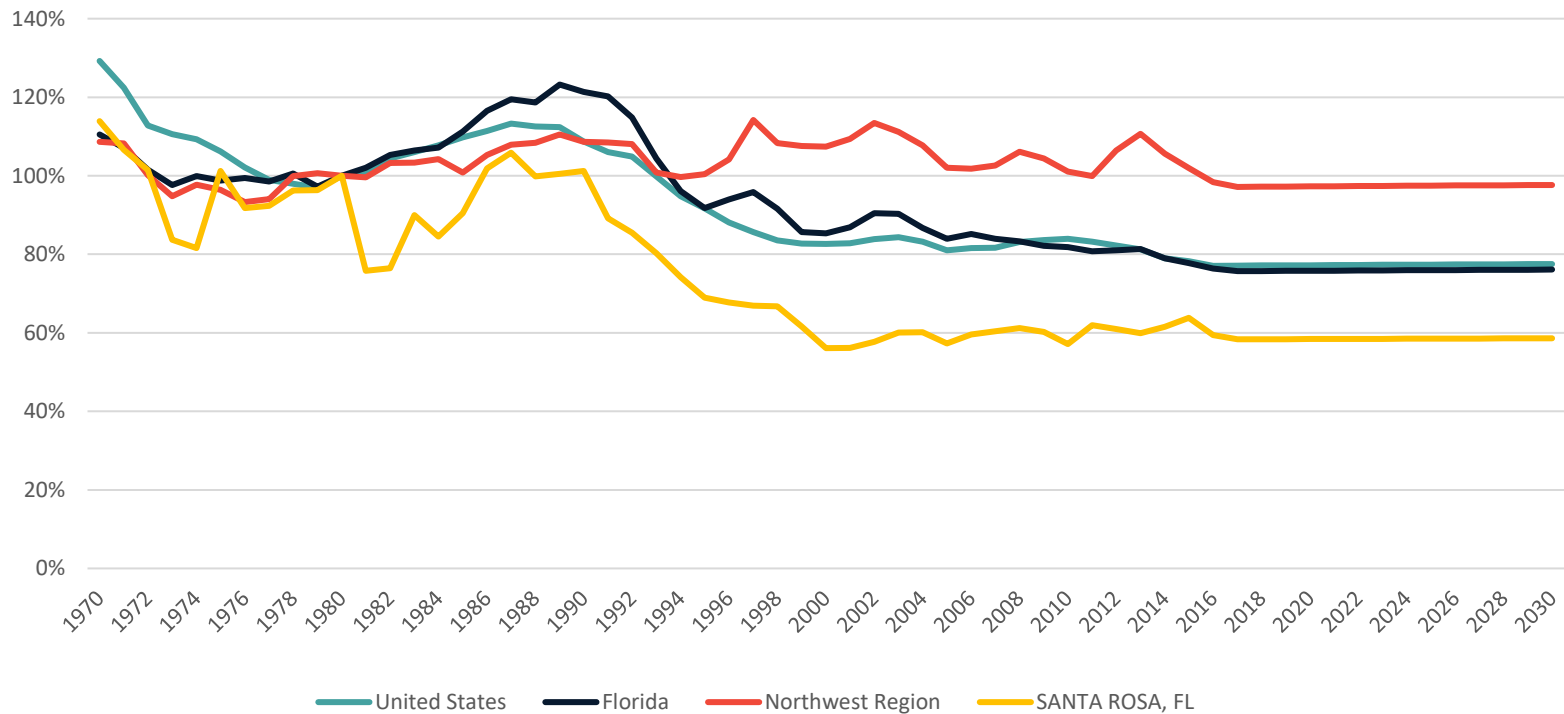


Source: Woods & Poole Economics, Inc. 2019

Change in Military Employment

The figure below benchmarks the size of military employment in Santa Rosa County against the 1980 county total. For example, Santa Rosa County's military employment in 1985 was 90% of the 1980 total. In 2018, the military share of employment in Santa Rosa County was 58% and the Northwest region's military share of employment was 57% of the 1980 relative size. Decreases in share of military employment can result from an increase in military workforce size, an increase in civilian workforce size, or a slower growth of military workforce versus the growth of civilian workforce. Concurring decreases can also result from economic diversification towards defense. Military employment at the national level is currently at 77% of its 1980 size, and at the state level, it is at 76%.

Figure 148. Total employment Indexed to 1980, 1970 – 2030: Nation, Florida, Northwest Florida Region, Santa Rosa County



Demographics and the Regional Economy

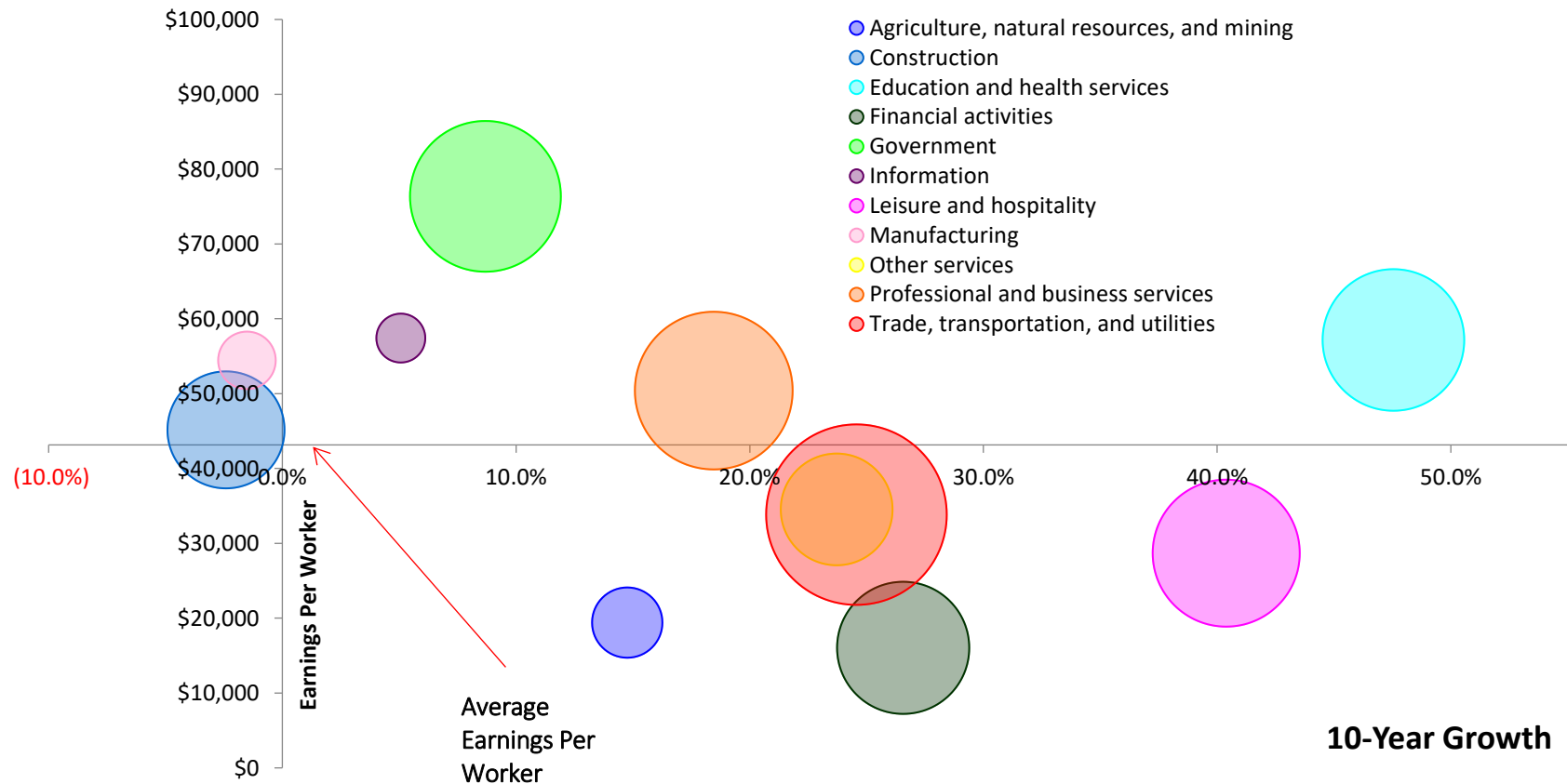
The table below contains information on Santa Rosa County's population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Between 2007 and 2017, the county's population grew 19.0%. Between 2009 and 2019, the county's population grew 20.6%. The county's growth rate is expected to slow to 17.6% in the next decade. Two years ago, the predicted the growth rate was projected to be 19.5% in the next decade. The county's average household income in 2018 was 98% of the average statewide wage.

Table 105. Demographic Estimates, Santa Rosa County	
Total Population	Estimate
Population in 2009	149,544
Population in 2019	180,286
Population in 2029	211,999
Growth from 2009 to 2019	20.6%
Growth from 2019 to 2029	17.6%
Personal Income (Inclusive of all income sources)	
Average Regional Household Income (2019)	\$115,915
Average Florida Household Income (2019)	\$118,835
Number of Households (2019)	70,276

Source: Woods & Poole Economics, Inc. 2019

The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while the horizontal axis shows the ten-year growth and the vertical axis shows the average earnings per worker. The **largest employment sector** in Santa Rosa county is the trade sector with 11,000 employed. The **greatest average earning sectors** is the government, with average earnings of over \$76,000. The information and agriculture sectors are expected to have negative 10-year growth rates of -1.5% and -2.4%. The **sector projected to experience the most growth** over the next 10 years is the education/health sectors with 10-year growth at 48%.

Figure 149. Industry Concentration and Earnings Growth 2018-2028, Santa Rosa County



Source: Woods & Poole Economics, Inc. 2019

Page intentionally left blank.





*This study was commissioned and sponsored by
Enterprise Florida the Florida Defense Support Task Force.
For information, please visit
www.enterpriseflorida.com/fdstf.*



 **Matrix**
in association with

