

Economic Impact Analysis 2015



**Nellis Air Force Base
Creech Air Force Base
Nevada Test and Training Range**

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PREFACE

Commander's Foreword

Nellis Air Force Base (AFB), Creech AFB, and the Nevada Test and Training Range (NTTR) have played an important role in southern Nevada since the early 1940s, with 2015 marking the 74th anniversary of Air Power in southern Nevada. Nellis' primary missions are operational testing of our most advanced aircraft and weapons systems; tactics development for warfighters around the globe; and advanced training to fly, fight, and win utilizing the 2.9-million-acre NTTR. Nellis AFB will further prove itself to be an indispensable leader in air tactics and combat aircrew training development. In January 2015, the U. S. Air Force Weapons School (USAFWS) welcomed its first F-35 Lightning II, the latest fifth-generation stealth multirole fighter.



Operating Predator and Reaper Remotely Piloted Aircraft (RPA), Creech AFB continues to be a critical resource continuously tasked by our nation's leadership. From extensive combat operations to quick-reaction humanitarian missions, the latest satellite technology allows Creech Airmen to fly RPAs around the globe, supporting America's objectives.

In support of these missions, Nellis is home to the largest civil engineer, communications, logistics readiness, and force support squadrons, as well as medical center, in Air Combat Command. The 2015 Economic Impact Analysis illustrates Nellis, Creech, and the NTTR's impact on the local economy by providing a better understanding of the Air Force missions and their importance to southern Nevada and neighboring communities.

In Fiscal Year 2015, our combined operations and maintenance outlays totaled more than \$550 million. There were approximately 9,723 military and 3,548 civilians employed between the two bases and the NTTR with a combined payroll of more than \$1.13 billion. On any given day, over one thousand temporary-duty personnel conducted business at Nellis, Creech, or the NTTR. There were an estimated 5,783 indirect jobs created with an approximate annual dollar value of \$242.6 million.

Simultaneously, the Las Vegas metropolitan area counted a total of 28,375 military retirees among its residents. The combined retirement payroll of 14,702 Air Force, 5,936 Army, 6,676 Navy, 1,664 Marines, and 397 Coast Guard retirees amounted to a yearly salary of \$735.4 million.

Using the prescribed parameters provided in this report, the total economic impact of Nellis, Creech, and NTTR operations in Fiscal Year 2015 amounted to more than \$5.5 billion. The Financial Analysis Office of the 99th Comptroller Squadron is responsible for collecting and validating information for this report and can be reached for questions concerning this product at (702) 652-9835 or (702) 652-7335.



A handwritten signature in black ink, reading "Richard H. Boutwell".

RICHARD H. BOUTWELL
Colonel, USAF
Installation Commander

The Nellis Legacy

Nellis Air Force Base began in 1929 as a private airstrip for Nevada Airlines. The Army surveyed the area in 1940 and the City of Las Vegas bought the field in January 1941. The Army leased the field from the city, designating it Las Vegas Army Airfield (LV AAF) in March 1941, and started construction to expand operations. During WWII, the base was primarily a training field for enlisted bomb gunners where they trained over 45,000 gunners in the B-17, B-24, and B-29 as well as providing limited advanced pilot training courses. At the end of WW II, the base became a separation center for returning veterans until being placed in standby status in early 1947.

Standby was short-lived and by late 1948, LV AAF became a pilot training base teaching advanced fighter gunnery courses. The first gunnery competition was held in 1949 and won by the Tuskegee Airmen of the 332d Fighter Group. Renamed Nellis AFB on May 20, 1950 after local WWII hero Lt William H. Nellis, the mission changed to advanced combat-crew training with the start of the Korean War on June 25, 1950. Additionally, a gunnery school was reestablished to perform research, testing, and advanced tactics instruction. The advanced training missions still continue today under the U. S. Air Force Weapons School. The Thunderbirds aerial demonstration team was also assigned to Nellis AFB in 1956.

As an Air Training Command base, Nellis AFB did not have the required priority for new combat aircraft so it was transferred to Tactical Air Command in 1958. By the 1960s, the command change resulted in Nellis receiving the F-105 Thunderchief, F-4 Phantom, and F-111 Aardvark, as well as the training mission to prepare these crews for combat in Southeast Asia. By 1975, the F-15 Eagle was assigned, and is still flying at Nellis today, along with the A-10 (1977), F-16 (1980), and the F-22 (2004). Nellis also hosted initial operations for the RQ-1 Predator.

Since WWII, Nellis AFB continued to use much of southern and central Nevada for combat training and the area is now designated as the Nevada Test and Training Range (NTTR). As aerial threats in combat became more technologically complex, the Air Force created RED FLAG in 1975 to increase the combat skills and readiness of our fighter aircrews. Today's RED FLAG exercises include not only fighter aircraft but bombers, tankers, airlift, rotary wing, as well as Intelligence, Surveillance, and Reconnaissance (ISR) platforms from all services across the Department of Defense along with a growing number of international partners. The late 1980s saw AIR WARRIOR training exercises between Army ground components and Air Force aircrews transfer from George AFB, California to Nellis AFB. The exercise was re-designated GREEN FLAG in 2006, preparing Army and Air Force units for combat and contingency operations prior to deployment.

Today, Nellis AFB is home to the USAF Warfare Center, 57th Wing, 99th Air Base Wing, Nevada Test & Training Range, elements of the 53d Wing and 505th Command and Control Wing, as well as more than 52 tenant units and agencies. Leading the way with F-22 tactics development and with this year's arrival of the F-35, Nellis AFB is a linchpin of mission readiness for today's US Air Force.

The Creech Legacy

Creech Air Force Base started as a gunnery range for Las Vegas Army Air Field (LV AAF) in January 1942. Originally Indian Springs Airport, about 50 miles northwest of LV AAF, it supported LV AAF's gunnery training and was also a divert base for pilot training during WW II before closing. Indian Springs AAF was reopened in 1948 and has supported a variety of units and missions over the years, including atomic bomb testing throughout the 1950s and 60s.

While the base's primary mission over time has been support of the Nevada Test and Training Range, its most famous regular visitors have been the USAF Thunderbirds aerial demonstration team who have practiced their crowd-thrilling routines there since the early 1950s.

With Remotely Piloted Aircraft (RPA) requirements growing and needing a new home, MQ-1 Predator operations moved to Indian Springs AAF in 2005. Indian Springs was then renamed in honor of General Wilbur L. Creech, a long-time Tactical Air Command commander and supporter of both RED FLAG and the Thunderbirds. On March 13, 2007, the arrival of the first MQ-9 Reaper at Creech marked another milestone in the base's growing fleet of remotely piloted aircraft. The U.S. Air Force provided for direct leadership of RPA missions on May 1, 2007, with the activation of the 432nd Wing at Creech. Activation of the 432nd Air Expeditionary Wing on May 15, 2008 formally recognized the full spectrum of these operations.

Creech AFB has become a pivotal resource in the fight continuously tasked by our nation's leadership. From extensive combat operations to quick reaction humanitarian missions, the latest satellite technology allows Creech Airmen to fly RPAs locally and around the globe, supporting America's objectives. In addition, Creech AFB continues to serve as the aerial demonstration training site of the Air Force's Thunderbirds.

Today, Creech AFB is home to the famed "Hunters" of the 432nd Wing and 432nd Air Expeditionary Wing operating MQ-1 Predator and MQ-9 Reaper RPAs. The base also houses the operations of the 556th Test and Evaluation Squadron, the Air Force Reserve's 78th and 91st Attack Squadrons and Nevada Air National Guard's 232nd Operations Squadron. The missions of the 432nd Wing and 432nd Air Expeditionary Wing, as well as other tenant units, are supported by the 799th Air Base Group, a geographically separated unit of the host 99th Air Base Wing at Nellis AFB.



ECONOMIC IMPACT TABLES

Table 1

Executive Summary

Expense Category	Line Amount
<u>Base Employment</u>	
- Active-Duty Military	9,103
- Dependents	23,398
- Reserve / Air National Guard	620
- Appropriated Funds Civilians	1,005
- Non Appropriated Funds Civilians	484
- On-Site Contract Civilians	1,533
- Other Civilians	526
<u>Nellis, Creech, & NTTR:</u>	36,669
<u>Base Payroll</u>	
- Active-Duty Military	\$807.4M
- Reserve / Air National Guard	\$12.9M
- Appropriated Funds Civilians	\$67.1M
- Non Appropriated Funds & On-Site Contract Civilians	\$247.2M
<u>Nellis, Creech, & NTTR:</u>	\$1,134.6M
<u>Expenditures</u>	
- Annual Retiree Payroll	\$735.4M
- Annual Base Expenditures	\$3,436.1M
- Estimated Dollar Value of Jobs Created	\$242.6M
- Nellis Open House Air Show 2014 (FY15)	\$0.3M
Total Impact:	\$5, 549.2M

Table 2**Total Personnel by Classification and Housing Location**

Appropriated Fund Military	Living On-Base	Living Off-Base	Total
Active Duty	1,819	7,284	9,103
Reserve / Air National Guard	-	620	620
Dependents	3,638	19,760	23,398
Total	5,458	27,664	33,121

**Table 3****Annual Payroll by Classification and Housing Location**

Appropriated Fund Military	Living On-Base	Living Off-Base	Total
Active Duty	\$113.9M	\$693.5M	\$807.4M
Reserve / ANG	-	\$12.9M	\$12.9M
Total	\$113.9M	\$706.4M	\$820.3M

**Table 4**

Total Civilian Personnel by Appropriated and Non-Appropriated Funds

Appropriated Fund Civilians	Total
General Schedule	882
Federal Wage Board	123
Other APF Civilians	0
Sub-Total	1,005
Non-Appropriated Fund AF Civilians	
Civilian NAF	484
Civilian Base Exchange	310
Contract Civilians	1,533
Private Businesses	216
Sub-Total	2,543

Table 5

Annual Payroll by Appropriated and Non-Appropriated Funds

Appropriated Fund Civilians	Payroll
General Schedule	\$59.4M
Federal Wage Board	\$7.7M
Other APF Civilians	\$0
Sub-Total	\$67.1M
Non-Appropriated Fund Civilians	
Civilian NAF	\$12.2M
Civilian Base Exchange	\$6.8M
Contract Civilians	\$221.3M
Private Businesses	\$6.9M
Sub-Total	\$247.2M

Table 6
Expense Report

Expense Category	Amount
Commissary (Inventory)	\$2.6M
Army Air Force Exchange Service (Inventory)	\$13.8M
Health (Tri-Care)	\$176.9M
Education (Tuition Assistance)	\$5.2M
Temporary Duty	\$332.0M
Other (Materials, Equipment, Supplies)	\$800.8M
Government Purchase Card Expenses	\$23.6M
Utilities	\$12.1M
Service Contracts	\$119.2M
Construction (Includes Military Construction, Non-Appropriated Funds and Operation & Maintenance)	\$86.3M
Sub-Total	\$1,572.5M
Multi-Year Capital Assets	Amount
Existing Equipment (Inventory)	\$678.8M
Multi-Year Contracts	\$681.8M
Miscellaneous Contracts	\$502.9M
Sub-Total	\$1,863.5M
Total Annual Expenditure	\$3,436.0M

Table 7
Indirect Jobs Created

Personnel Type	# of Base Jobs	Jobs Created	New Job Salaries
Active Duty	9,103	3,732	\$156.6M
Reserve / ANG	620	99	\$4.1M
APF Civilians	1,005	553	\$23.2M
Other Civilians	2,543	1,399	\$58.7M
Total	13,271	5,783	\$242.6M

Table 8
Las Vegas Retiree Data

Branch	# of Retirees	Payroll
Air Force	14,702	\$386.1M
Army	5,936	\$135.9M
Navy	6,676	\$165.0M
Marines	1,664	\$44.0M
Coast Guard	397	\$4.4M
Total	29,375	\$735.4M

Table 9**Economic Impact Estimate**

Expense Category	Amount
Annual Payroll	\$1,134.7M
Retiree Payroll	\$735.4M
Annual Expenditures	\$3,436.1M
Annual \$ Value of Jobs Created	\$242.7M
Nellis Open House Airshow 2014	\$0.3M
TOTAL	\$5,549.2M

ECONOMIC IMPACT CHARTS**Chart 1**

Annual Economic Impact Estimates (FY09-FY15)

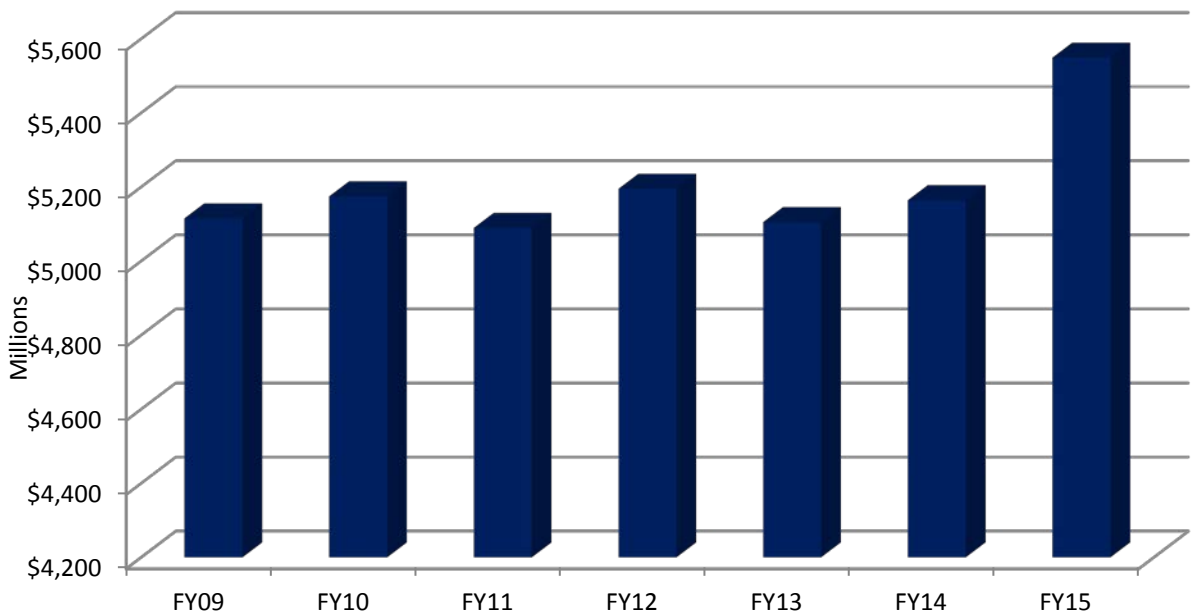


Chart 2

Appropriated Fund Military Payroll Chart FY05-FY15 (\$M)

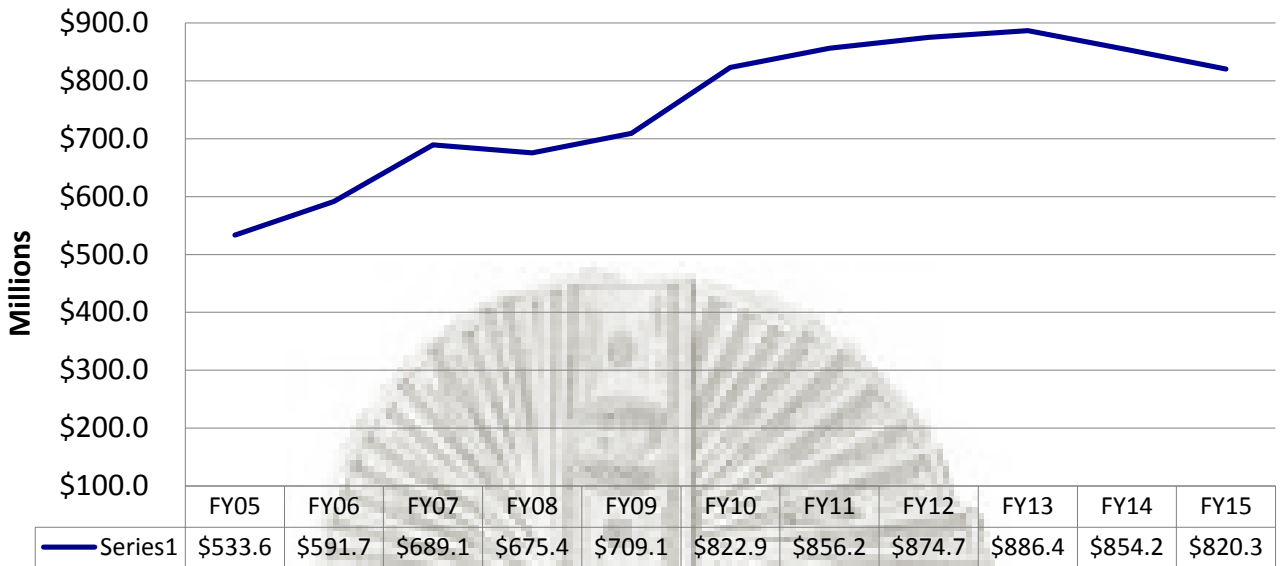


Chart 3

Appropriated Fund Military Assigned Chart FY05-FY15

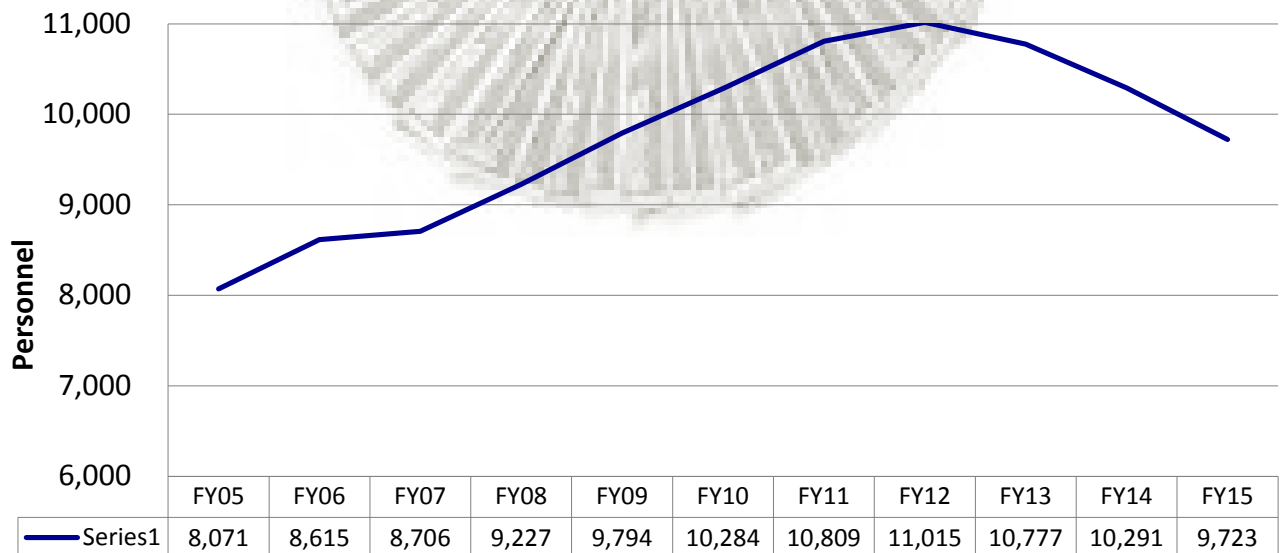


Chart 4

Appropriated Fund Civilian Payroll Chart

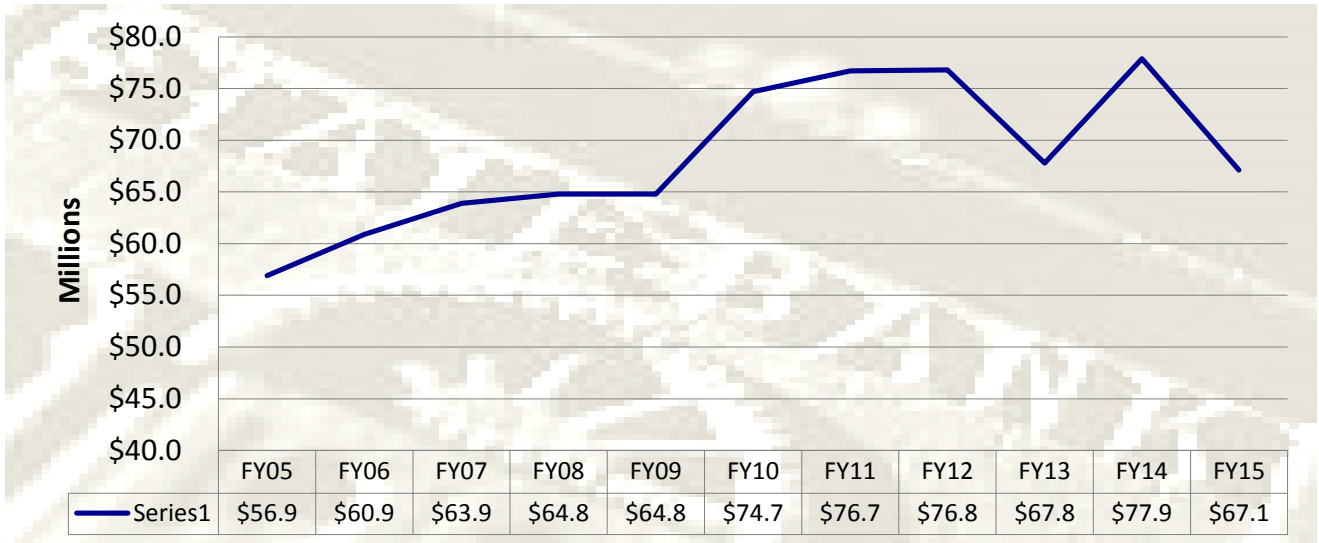
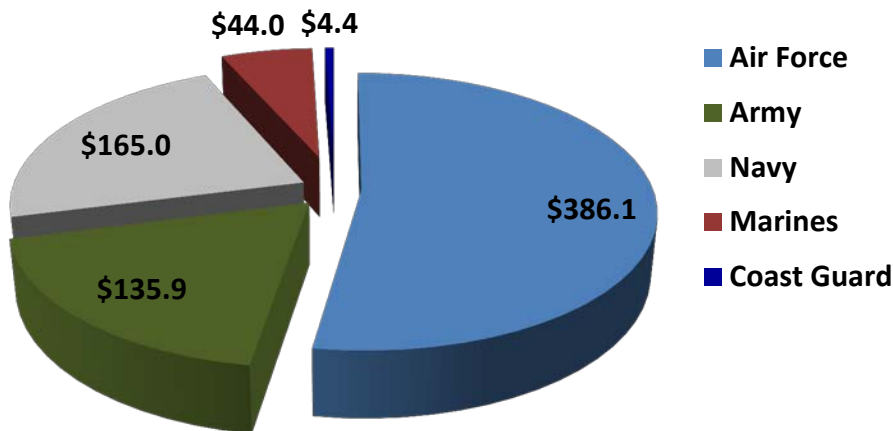


Chart 5

Military Retiree Payments



Service	Air Force	Army	Navy	Marines	Coast Guard
Recipients	14,702	5,936	6,676	1,664	397
Disbursement	\$386.1M	\$135.9M	\$165.0M	\$44.0M	\$4.4M

Chart 6

Annual Estimated Jobs Created (\$M)

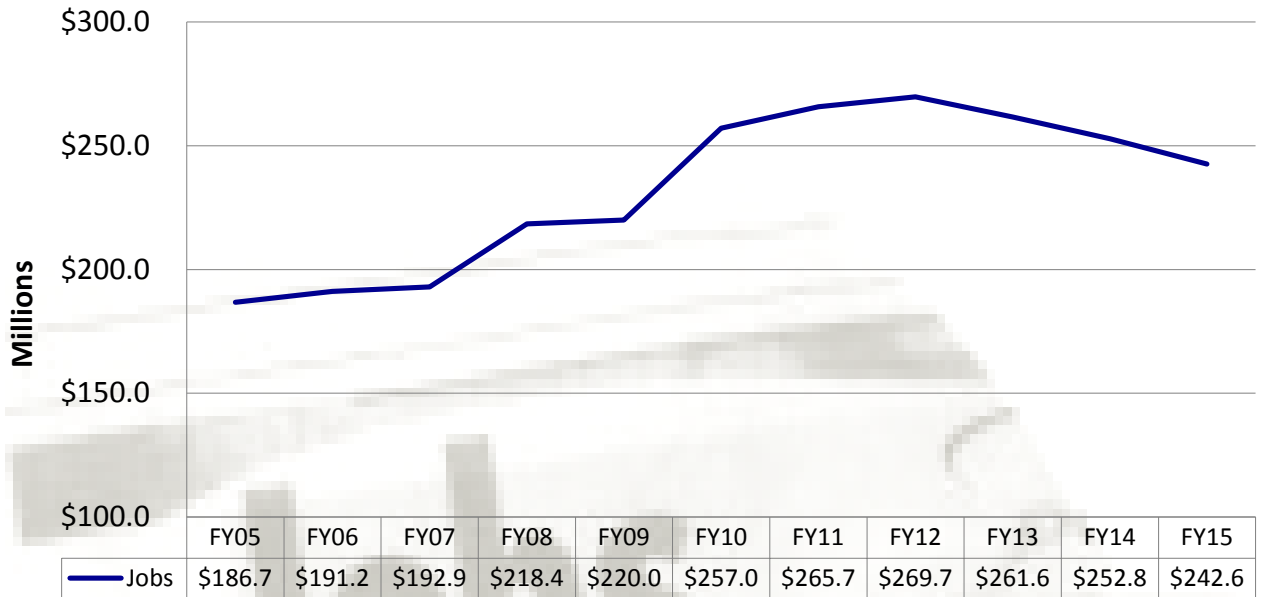
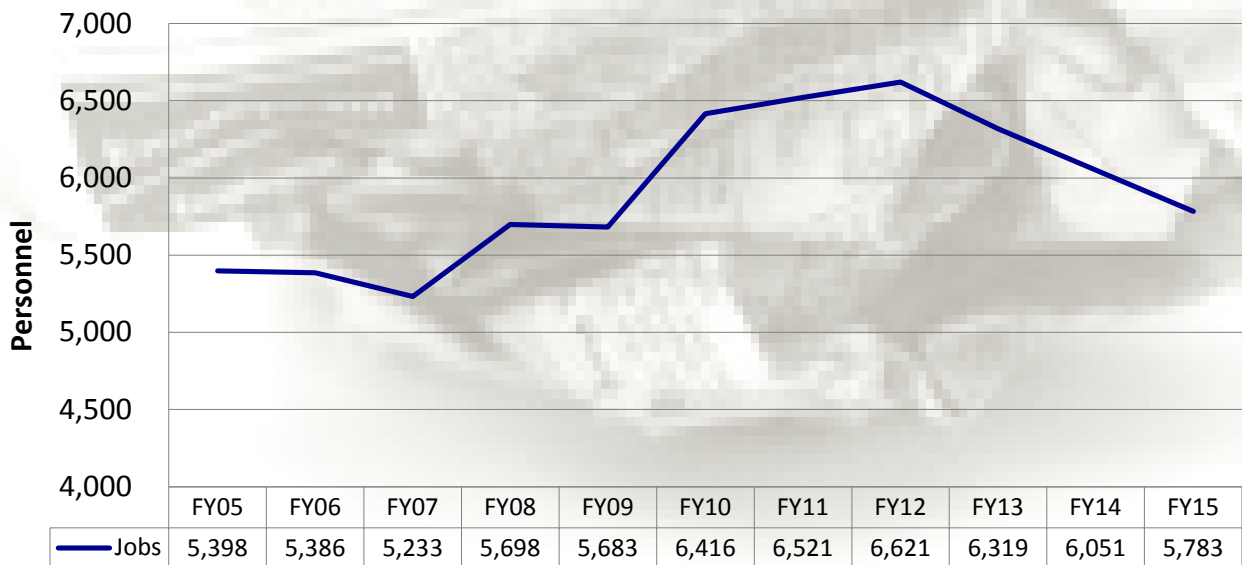


Chart 7

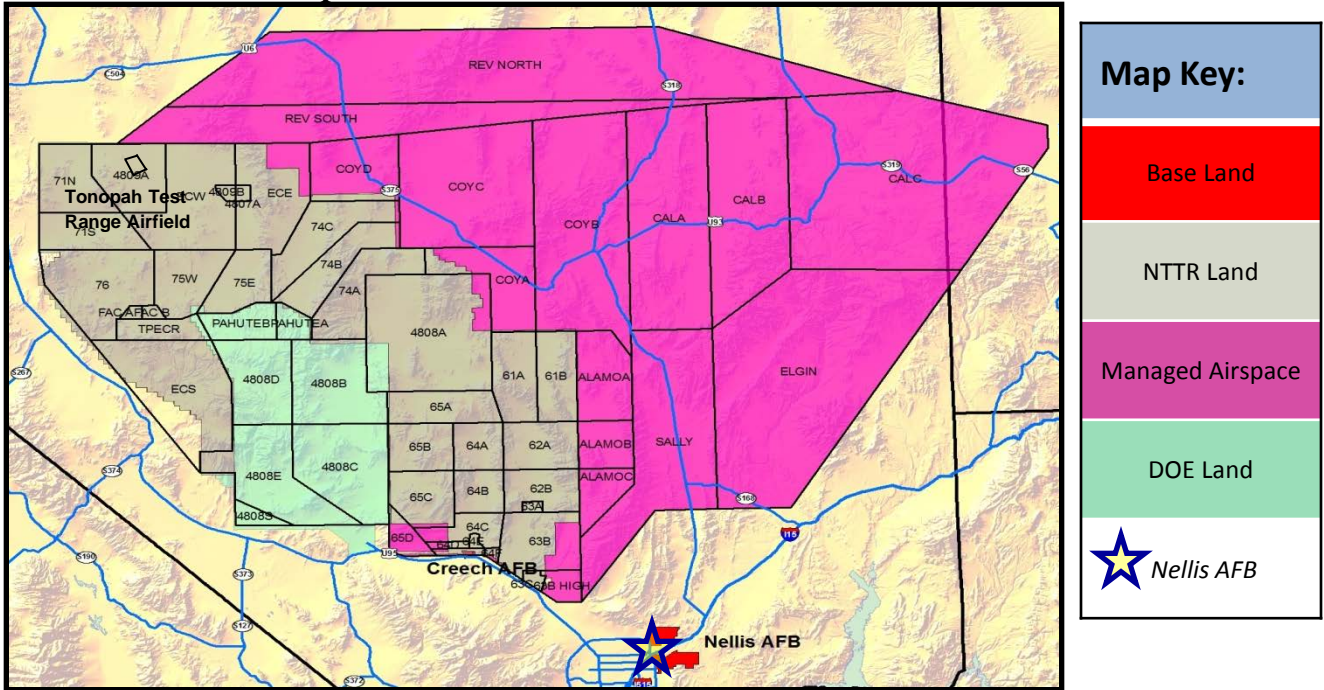
Annual Estimated Jobs Created (Jobs)



ECONOMIC IMPACT APPENDICES

Appendix 1

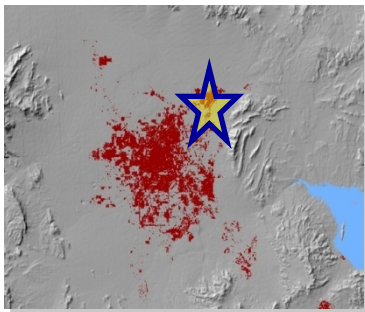
Installation Map



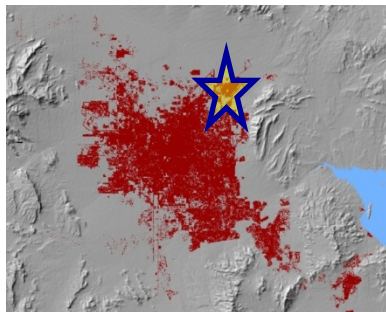
Appendix 2

Las Vegas Area Growth 1975-2008 (data only available thru 2008)

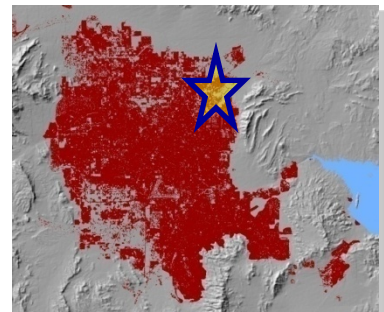
Source: United States Geological Survey



1975



1991



2008

FISCAL YEAR 2015



ECONOMIC IMPACT ANALYSIS

**Nellis Air Force Base
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