



# FISCAL YEAR 2011



# ECONOMIC IMPACT ANALYSIS

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



<b>Preface</b>	
Commander’s Foreword	2
The Nellis Legacy	3
The Creech Legacy	4
<b>Economic Impact Tables</b>	
Table 1	5
Table 2-3	6
Table 4-5	7
Table 6	8
Table 7-9	9
Table 10	10
<b>Economic Impact Charts</b>	
Annual Economic Impact Estimate	10
Appropriated Funds Military Payroll/Assignments	11
Appropriated Funds Civilian Payroll	12
Military Retiree Payments	12
Annual Job Creation Data	13
<b>Economic Impact Appendices</b>	
Appendix 1: Installation Map	14
Appendix 2: Las Vegas Area Growth	14



## PREFACE

### Commander's Foreword

Nellis Air Force Base (AFB), Creech AFB, and the Nevada Test & Training Range (NTTR) have played an important role in southern Nevada since the early 1940s, and 2011 marked the 70th 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. While Nellis has long been the United States Air Force's leader in combat aircrew training, Creech AFB has become pivotal to our nation's global operations. Operating Predator and Reaper Remotely Piloted Aircraft (RPA), Creech AFB has become an essential resource continuously tasked by the 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 in Air Combat Command, as well as the only Security Forces Group in the command. The 2011 Economic Impact Analysis provides information about Nellis, Creech, and the NTTR's impact on the local economy by providing the reader with a better understanding of AF missions and their importance to southern Nevada and neighboring communities.

In Fiscal Year 2011, we had combined operations and maintenance outlays of more than \$513 million. There were approximately 10,809 military and 4,279 civilians employed between the two bases and the NTTR with a combined payroll of more than \$1,158.3 million. On any given day, about 967 temporary-duty personnel conducted business at Nellis, Creech, or the NTTR. There were an estimated 6,521 indirect jobs created with an estimated annual dollar value of \$265.7 million.

At the same time, the Las Vegas metropolitan area counted a total of 27,845 military retirees among its residents. The combined retirement payroll of 13,972 Air Force; 5,368 Army; 6,538 Navy; 1,584 Marines; and 383 Coast Guard retirees amounted to a yearly salary of \$646.9 million.

Using the prescribed parameters provided in this report, the total economic impact of Nellis, Creech, & NTTR operations in Fiscal Year 2011 amounted to more than \$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) 652-7828.



STEVEN D. GARLAND  
Colonel, USAF  
Installation Commander



## The Nellis Legacy

Nellis Air Force Base started as a private airstrip for Nevada Airlines in 1929. 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 WW II, 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 20 May 1950 after local WW II hero Lt William H. Nellis, the mission changed to advanced combat-crew training with the start of the Korean War on 25 June 1950. In addition, a gunnery school was reestablished to perform research, testing, and advanced tactics instruction. The advanced training missions still continue today under the United States 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 1960's, 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 most recently, the F-22 (2004). Nellis also hosted initial operations for the RQ-1 Predator.

Since WW II, Nellis AFB has used much of Southern & 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 AF created RED FLAG in 1975 to increase the combat skills and readiness of our fighter crews. Today's RED FLAG exercises include not only fighter aircraft but bombers, tankers, airlift, rotary wing, and 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, CA to Nellis AFB. The exercise was redesignated GREEN FLAG in 2006 and the training prepares Army and Air Force units for combat/contingency operations prior to deployment.

Needing training both in the air and on the ground, a Ground Combat Training School was created in the early 1980s called SILVER FLAG ALPHA to train Security Forces on all aspects of airbase defense.

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 & Control Wing, as well as over 52 tenant units and agencies. Leading the way with F-22 tactics development and preparing for the F-35, Nellis AFB is a linchpin of mission readiness for today's U.S. 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 being closed. Indian Springs AAF was reopened in 1948 and has supported a variety of units and missions over the years to include atomic bomb testing throughout the 1950's and 60's.

While the base's primary mission over time has been support of the Nevada Test & Training Range, their 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 Auxiliary Air Field 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. Today, Creech AFB is home to the Air Force's premier RPA Wing operating Predator and Reaper aircraft. 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.



## ECONOMIC IMPACT TABLES

### Table 1

#### Executive Summary

Expense Category	Line Amount
<u>Base Employment</u>	
- Active-Duty Military	9,748
- Dependents	26,005
- Reserve / ANG	1,061
- Total Civilian Force	4,279
<b><u>Nellis, Creech, &amp; NTTR:</u></b>	<b>41,093</b>
<u>Base Payroll</u>	
- Active-Duty Military	\$825.9M
- Reserve / ANG	\$30.3M
- Appropriated Funds Civilians	\$76.7M
- Other Civilians	\$225.4M
<b><u>Nellis, Creech, &amp; NTTR:</u></b>	<b>\$1158.3M</b>
<u>Expenditures</u>	
- Annual Retiree Payroll	\$646.9M
- Annual Base Expenditures	\$3,000.2M
- Estimated Dollar Value of Jobs Created	\$265.7M
- Aviation Nation 2010	\$18.4M
<b>Total Impact:</b>	<b>\$5,089.5M</b>

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

Appropriated Fund Military	Living On-Base	Living Off-Base	Total
Active Duty	2,035	7,713	9,748
Reserve / ANG	-	1,061	1,061
Dependents	4,070	21,935	26,005
Total	6,105	30,709	36,814

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

Appropriated Fund Military	Living On-Base	Living Off-Base	Total
Active Duty	\$118.3M	\$707.6M	\$825.9M
Reserve / ANG	-	\$30.3M	\$30.3M
Total	\$118.3M	\$737.9M	\$856.2M



**Table 4**  
**Total Civilian Personnel by Appropriated and Non-Appropriated Funds**

<b>Appropriated Fund Civilians</b>	<b>Payroll</b>
General Schedule	817
Federal Wage Board	144
Other APF Civilians	6
<b>Sub-Total</b>	<b>967</b>
<b>Non-Appropriated Fund AF Civilians</b>	
Civilian NAF	544
Civilian Base Exchange	381
Contract Civilians	2055
Private Businesses	332
<b>Sub-Total</b>	<b>3312</b>

**Table 5**  
**Annual Payroll by Appropriated and Non-Appropriated Funds**

<b>Appropriated Fund Civilians</b>	<b>Payroll</b>
General Schedule	\$64.6M
Federal Wage Board	\$11.3M
Other APF Civilians	\$0.8M
<b>Sub-Total</b>	<b>\$76.7M</b>
<b>Non-Appropriated Fund Civilians</b>	
Civilian NAF	\$13.4M
Civilian BX	\$6.0M
Contract Civilians	\$200.2M
Private Businesses	\$5.8M
<b>Sub-Total</b>	<b>\$225.4M</b>



## Table 6

### Expense Report

Expense Category	Amount
Commissary (Inventory)	\$1.9M
Army Air Force Exchange Service (Inventory)	\$12.9M
Health (Tri-Care)	\$34.0M
Education (Tuition Assistance)	\$4.5M
Temporary Duty	\$161.8M
Other (Materials, Equipment, Supplies)	\$680.7M
Government Purchase Card Expenses	\$31.9M
Utilities	\$16.9M
Service Contracts	\$98.1M
Construction (Includes Military Construction, Non-Appropriated Funds and Operation & Maintenance)	\$94.1M
Sub-Total	\$1,136.8M
Multi-Year Capital Assets	Amount
Existing Equipment (Inventory)	\$678.8M
Multi-Year Contracts	\$681.8M
Miscellaneous Contracts	\$502.8M
Sub-Total	\$1,863.4M
<b>Total Annual Expenditures</b>	<b>\$3,000,160,250.50</b>

**Table 7**  
Indirect Jobs Created

Personnel Type	# of Base Jobs	Jobs Created	New Job Salaries
Active Duty	9,748	3,997	\$162.8M
Reserve / ANG	1,061	170	\$7.0M
APF Civilians	967	532	\$21.7M
Other Civilians	3,312	1,822	\$74.2M
<b>Total</b>	<b>15,088</b>	<b>6,521</b>	<b>\$265.7M</b>

**Table 8**  
Las Vegas Retiree Data

Branch	# of Retirees	Payroll
Air Force	13,972	\$338.9M
Army	5,368	\$117.6M
Navy	6,538	\$147.7M
Marines	1,584	\$38.4M
Coast Guard	383	\$4.3M
<b>Total</b>	<b>27,845</b>	<b>\$646.9M</b>

**Table 9**  
Aviation Nation Economic Benefit

Category	Added Economic Benefit
Visitors	140,000
Economic Benefit	\$18.4M

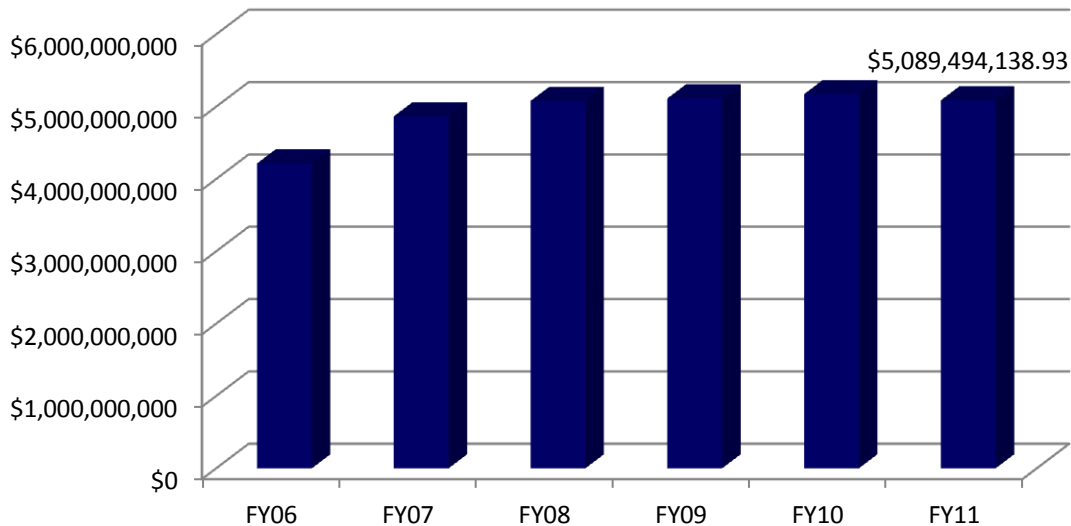
**Table 10**  
Economic Impact Estimate

Expense Category	Amount
Annual Payroll	\$1,158,335,948.43
Retiree Payroll	\$646,932,000.00
Annual Expenditures	\$3,000,160,250.50
Annual \$ Value of Jobs Created	\$265,665,540.00
Airshow 2010	\$18,400,400.00
<b>TOTAL</b>	<b>\$5,089,494,138.93</b>

**ECONOMIC IMPACT CHARTS**

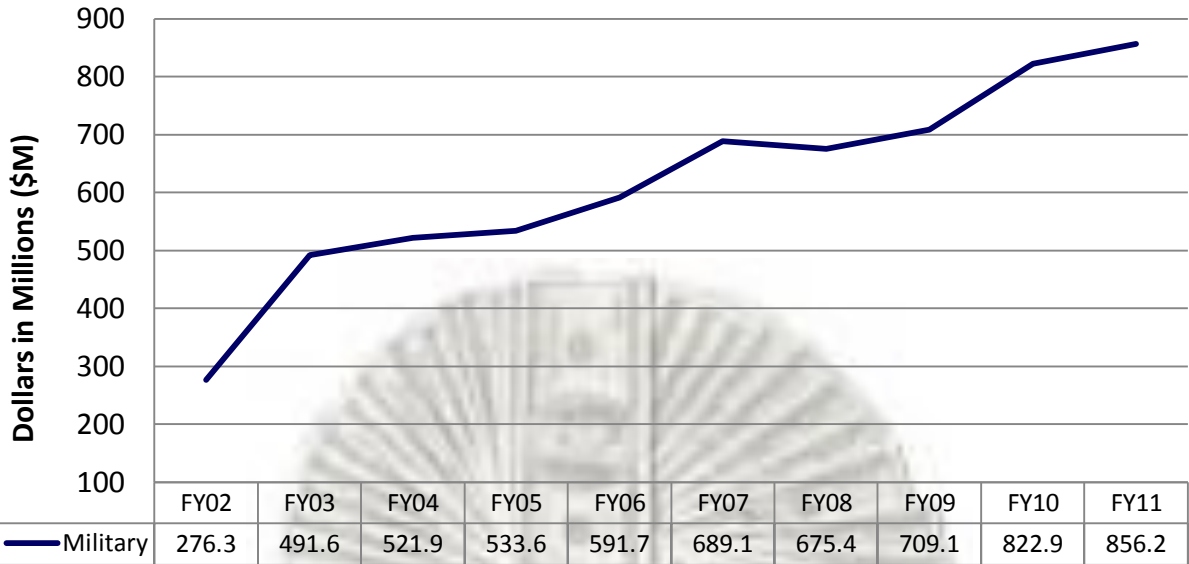
**Chart 1**

Annual Economic Impact Estimates (FY05-FY10)



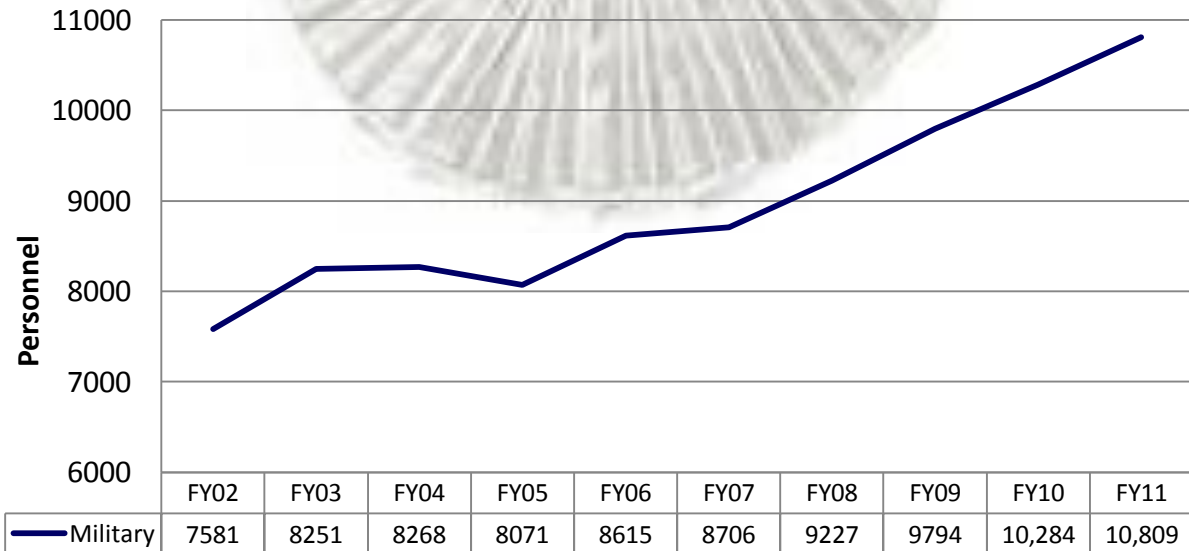
### Chart 1

#### Appropriated Fund Military Payroll Chart



### Chart 2

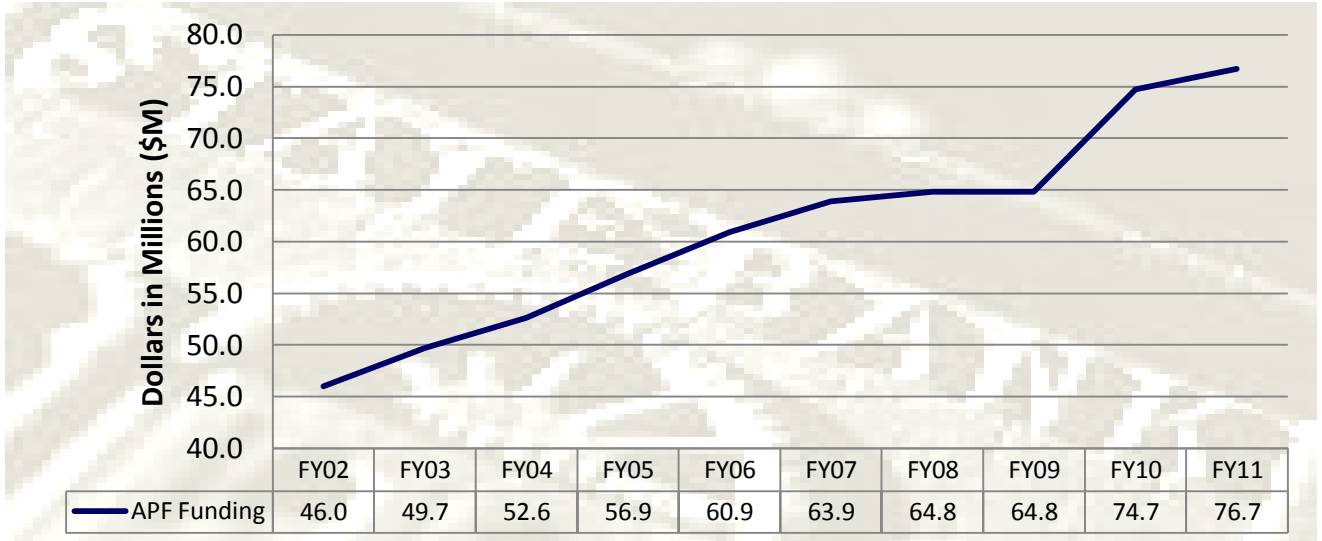
#### Appropriated Fund Military Assignment Chart





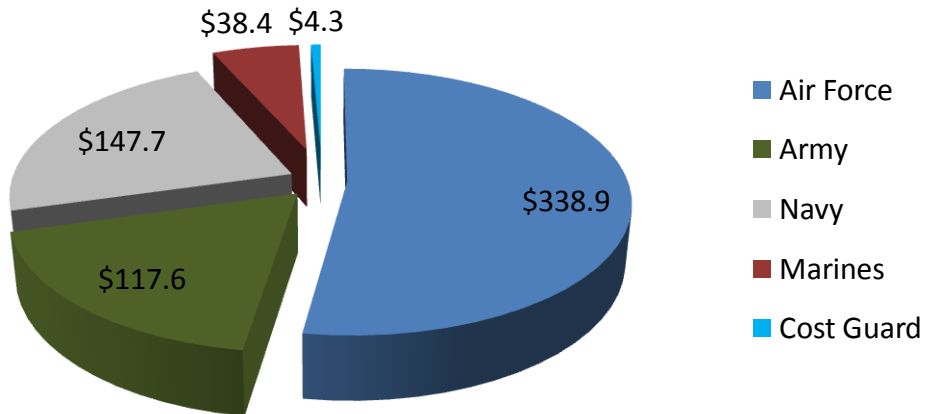
### Chart 3

#### Appropriated Fund Civilian Payroll Chart



### Chart 4

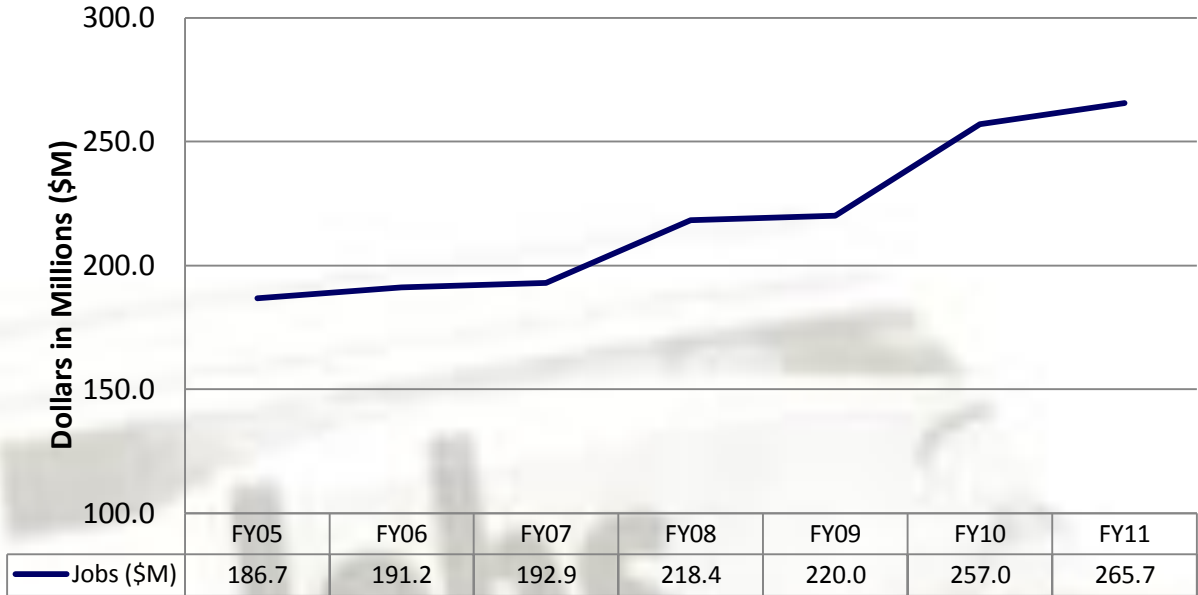
#### Military Retiree Payments



Service	Air Force	Army	Navy	Marines	Coast Guard
Recipients	13,972	5,368	6,538	1,584	383
Disbursement	\$338.9M	\$117.6M	\$147.7M	\$38.4M	\$4.3M

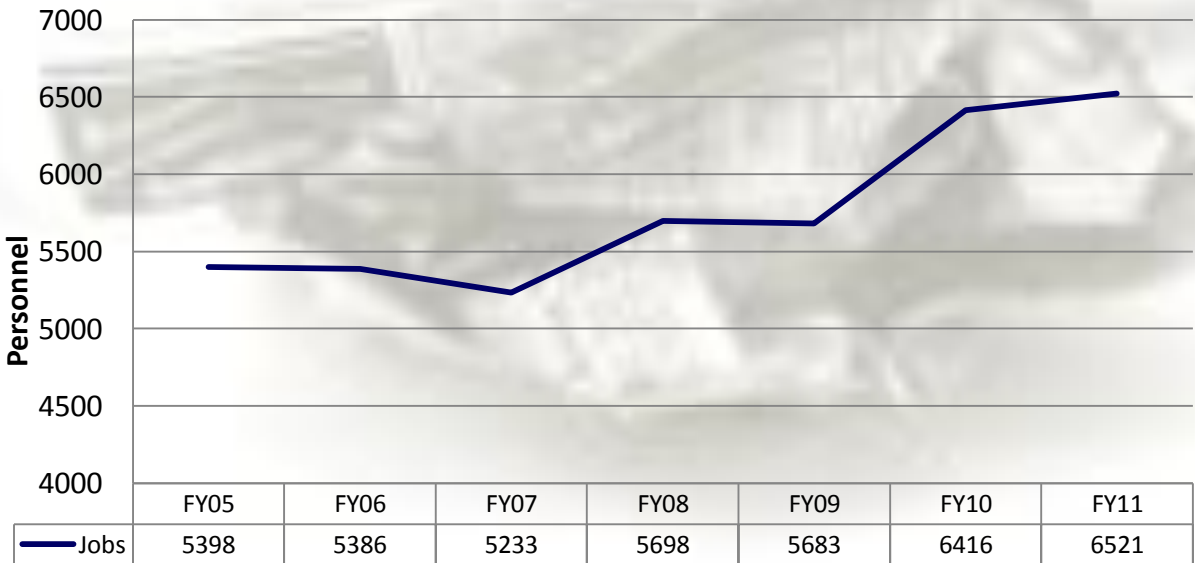
### Chart 5

Annual Estimated Jobs Created (\$M)



### Chart 6

Annual Estimated Jobs Created (Jobs)









# **ECONOMIC IMPACT ANALYSIS**

# **2011**

**NELLIS AIR FORCE BASE  
CREECH AIR FORCE BASE  
NEVADA TEST AND TRAINING RANGE**