



The Economic Impact of Tobyhanna Army Depot based on Operation and Construction in FY 2019

Submitted to:

Tobyhanna Army Depot
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The Northeastern Pennsylvania Alliance and the Blue Ribbon Task Force are grateful for the support from the Pennsylvania Military Community Enhancement Commission for providing the resources to complete this study.

Executive Summary

Tobyhanna Army Depot is the largest full-service electronics materials facility in the U.S. Department of Defense (DoD). Tobyhanna Army Depot, which is based in Monroe County, is the largest industrial employer in Northeastern Pennsylvania, with a workforce that has averaged over 3,580 people during the past five years. Tobyhanna Army Depot has had a tremendous impact in terms of direct and indirect benefits on the regional and state economies and serves an engine for economic sustainability and growth.

Tobyhanna Army Depot has electronics designations as an Army Center of Industrial and Technical Excellence for Command, Control, Communications, Computers, Cyber, Intelligence, Surveillance and Reconnaissance (C5ISR) and Electronics, Avionics and Missile Guidance and Control; and as an Air Force Technology Repair Center for Command, Control, Communications, Computers and Intelligence and Tactical Missiles (Tobyhanna Army Depot website).

The Northeastern Pennsylvania Alliance (NEPA Alliance), a regional economic and community development organization and the managing entity for the Blue Ribbon Task Force (BRTF), performs the Economic Impact Analysis on behalf of Tobyhanna Army Depot.

Operation

The first section of this report contains estimates of the Fiscal Year 2019 economic activity from the operation of Tobyhanna Army Depot in an 11-county region of Pennsylvania. The 11 counties are Carbon, Lackawanna, Lehigh, Luzerne, Monroe, Northampton, Pike, Schuylkill, Susquehanna, Wayne, and Wyoming. The number of workers at Tobyhanna Army Depot for each of the counties is provided in Table 1.

Table 1. Residence of Workers at Tobyhanna Army Depot for Fiscal Year 2019

County	Number	County	Number
Lackawanna County	1,555	Northampton County	61
Luzerne County	832	Wyoming County	56
Monroe County	483	Lehigh County	54
Wayne County	300	Susquehanna County	29
Carbon County	139	Schuylkill County	20
Pike County	104	Outside of Region	85
		Total	3,718

Source: Tobyhanna Army Depot

Regarding the 85 employees who do not reside within the 11-county region, the economic impact analysis captures only their impact from spending at restaurants, at retail sales outlets and at gasoline stations while they are within the 11-county region.

A portion of this economic impact analysis is based on seven groups of workers at Tobyhanna Army Depot. These groups are Depot Civilians; Depot Military; Depot Contractors; Morale, Welfare and Recreation; Tenant Civilians, Tenant Military and Tenant Contractors. The

impact from these groups includes employee compensation, spending on supplies and equipment, and spending on contract services. The non-payroll spending amounts were based on the number of civilians, military, and contractors for each of the groups.

Another portion is based on the operation of the Defense Commissary Agency, U.S. Army Health Clinic, U.S. Army and U.S. Air Force Exchange Service, and Pentagon Federal (PenFed) Credit Union. This impact also includes employee compensation, spending on supplies and equipment, and spending on contract services.

Tobyhanna Army Depot also purchases goods and services within the region such as those related to construction, utilities, truck transportation, car rental, air fare and other travel expenses. These purchases impact the regional economy.

Spending on meals, gasoline, lodging and other items by people who visit Tobyhanna Army Depot impact the regional economy and are included.

The Northeastern Pennsylvania Alliance purchases IMPLAN[®] data every four years. The previous impact analysis from Fiscal Year 2010 used data from 2008 and the impact analyses from Fiscal Years 2013 to 2016 used data from 2012. The impact analysis for Fiscal Years 2017, 2018 and 2019 used data from 2016.

IMPLAN Group, LLC, assembles its data sets by using data from the U.S. Bureau of Economic Analysis (BEA), the U.S. Bureau of Labor Statistics and the U.S. Census Bureau. According to them, a new set of Benchmark Input-Output Tables from the U.S. Bureau of Economic Analysis was incorporated into the 2013 data set. This new data set caused changes across many sectors and regions. Among these changes was that the 2012 data are based on 440 industries and the 2016 data are based on 536 industries.

It was noticed that there was a significant decrease in the indirect, or supplier, impacts and the induced, or household spending, impacts between Fiscal Years 2016 and 2017. IMPLAN Group, LLC, was consulted and their response to the decrease in indirect impacts was that the Computer and Other Electronics industry is “earning more profits per dollar of output, which in manufacturing is sales plus or minus change in inventory but spending less on inputs, or supplies, per dollar of output.”

Regarding the decrease in induced impacts, “the decrease in input purchases will mean less Labor Income for those input suppliers, and thus reduced induced impacts stemming from those input purchases.” Labor Income is defined as “all forms of employment income, which includes Employee Compensation (wages and benefits) and Proprietor Income, which is payments received by self-employed individuals and unincorporated business owners.”

As a means of looking at this further, the Balance Sheets Table, which includes input data of what the Computer and Other Electronics industry spends locally on each commodity, was examined. A comparison between 2012 and 2016 data revealed that there were decreases in 38 of 60 industries. The following four industries had decreases over \$10 million in regional inputs:

- Professional, Scientific and Technical Services
- Management of Companies
- Computer and Other Electronics Manufacturing
- Chemical Manufacturing

There was also a decrease of 26.5% in Total Commodity Demand, which is the total demand by industries plus the total demand by institutions such as: Inventory, Government, Households and Capital.

Figure 1 provides a comparison of the number of jobs that were located at Tobyhanna Army Depot for Fiscal Years 2010, 2013, 2014, 2015, 2016, 2017, 2018 and 2019. Figures 2, 3, 4 and 5 provide a comparison of the estimated economic impact of Tobyhanna Army Depot for Fiscal Years 2010, 2013, 2014, 2015, 2016, 2017, 2018 and 2019. In Fiscal Year 2019, Tobyhanna Army Depot employed 217 people who were working at military installations in both the United States and abroad. These employees were not included in the economic impact analysis because they were not located within the 11-county region.

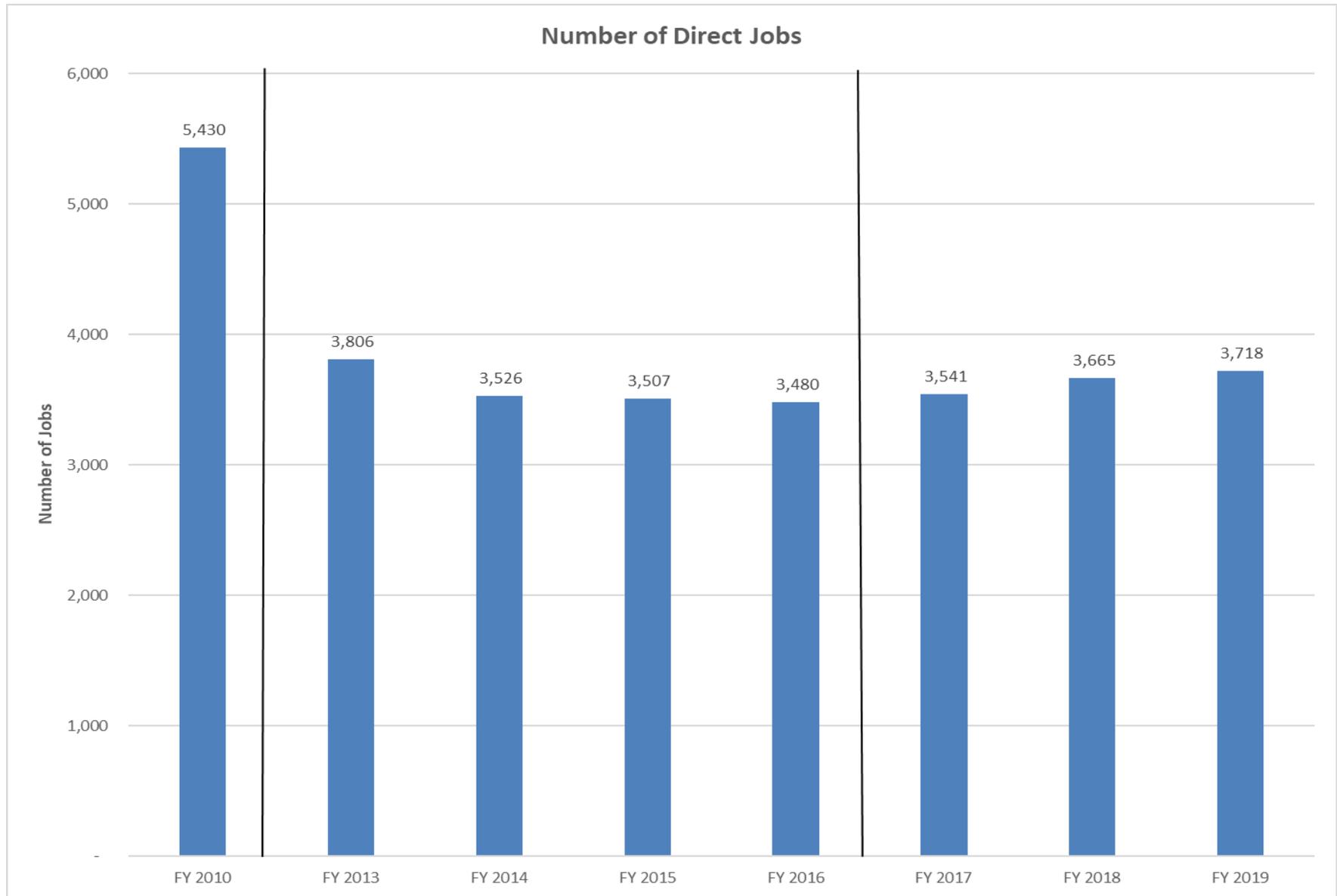


Figure 1. Number of Direct Jobs

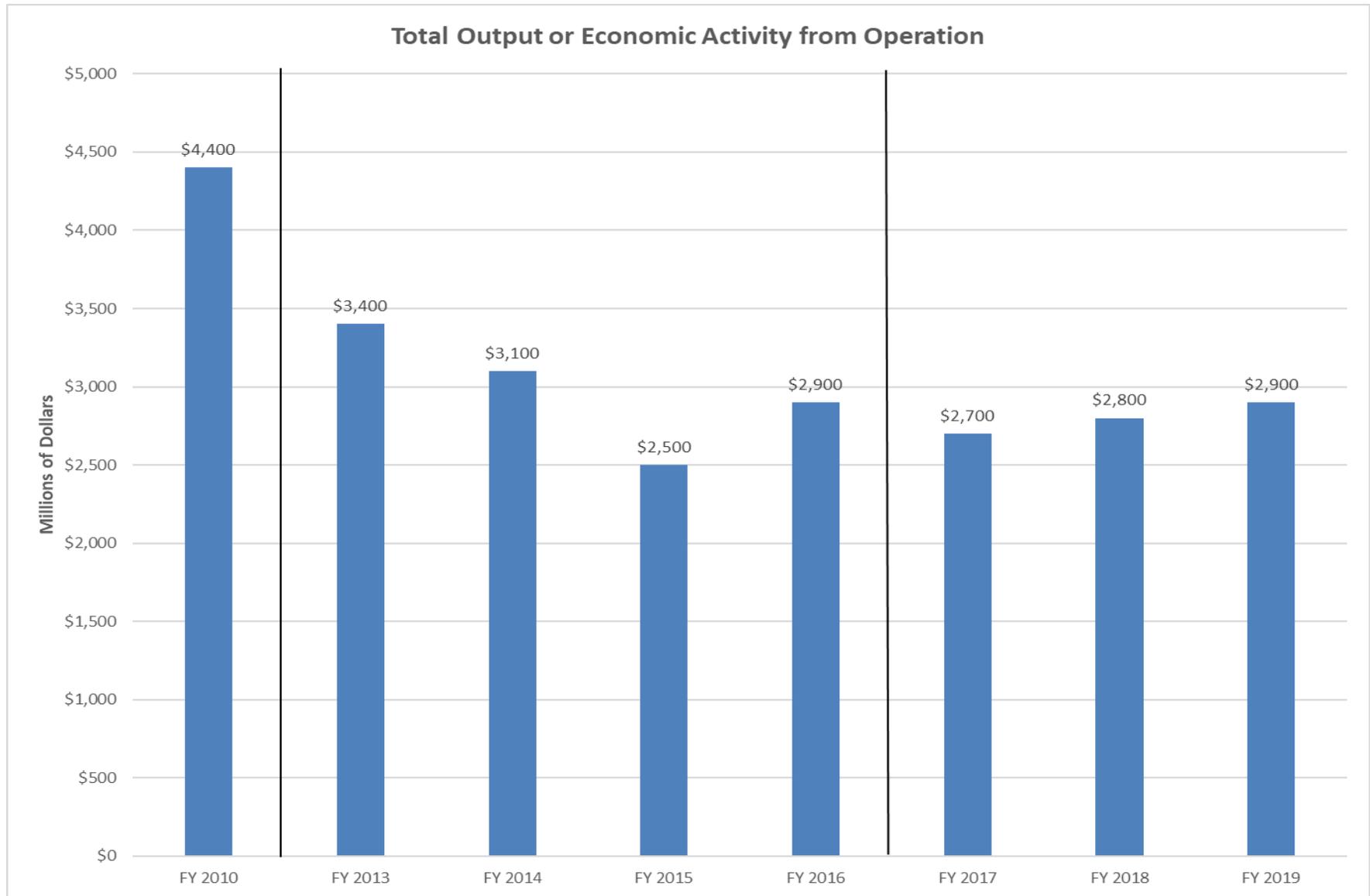


Figure 2. Total Output or Economic Activity from Operation

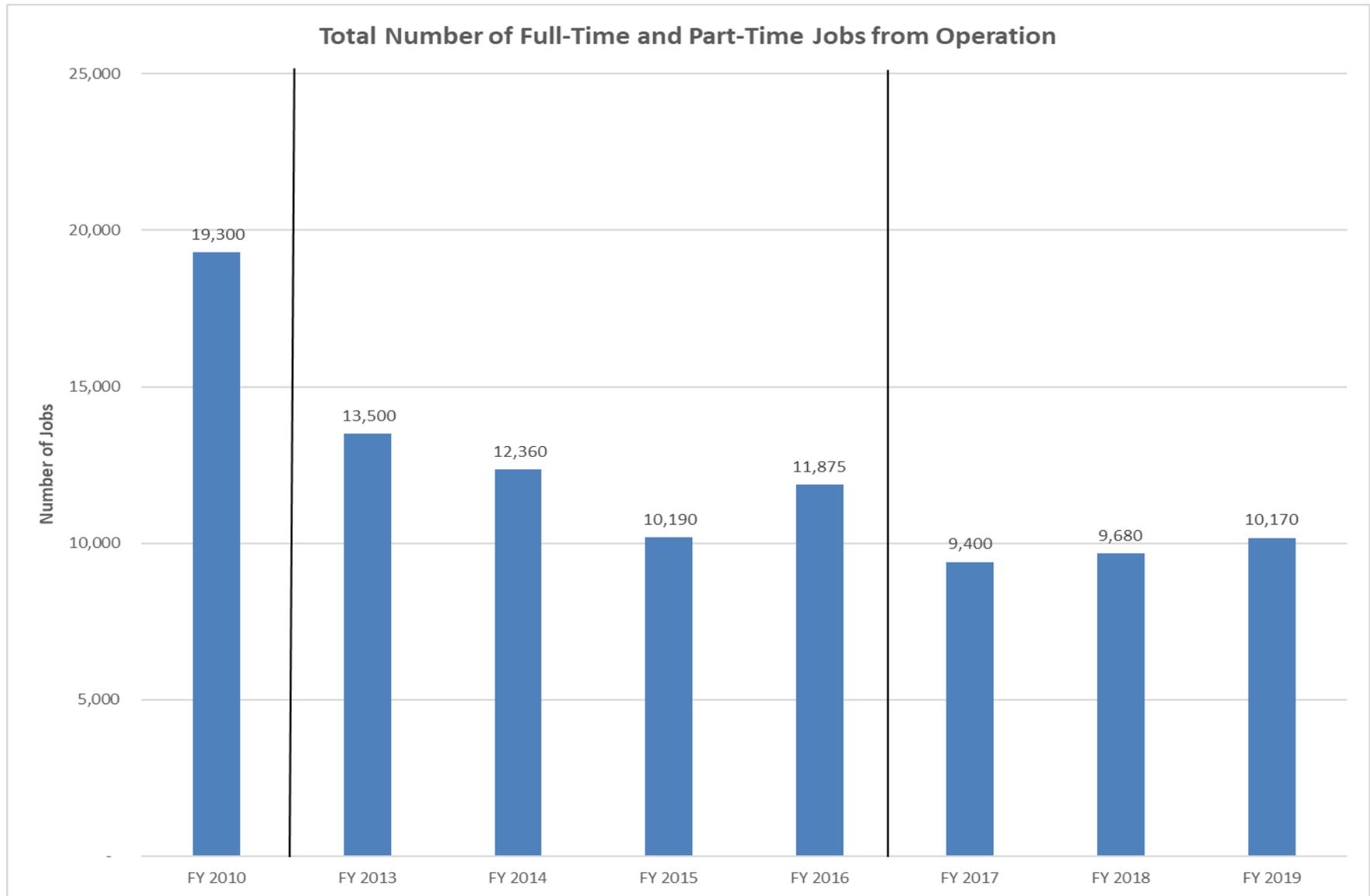


Figure 3. Total Number of Full-Time and Part-Time Jobs from Operation

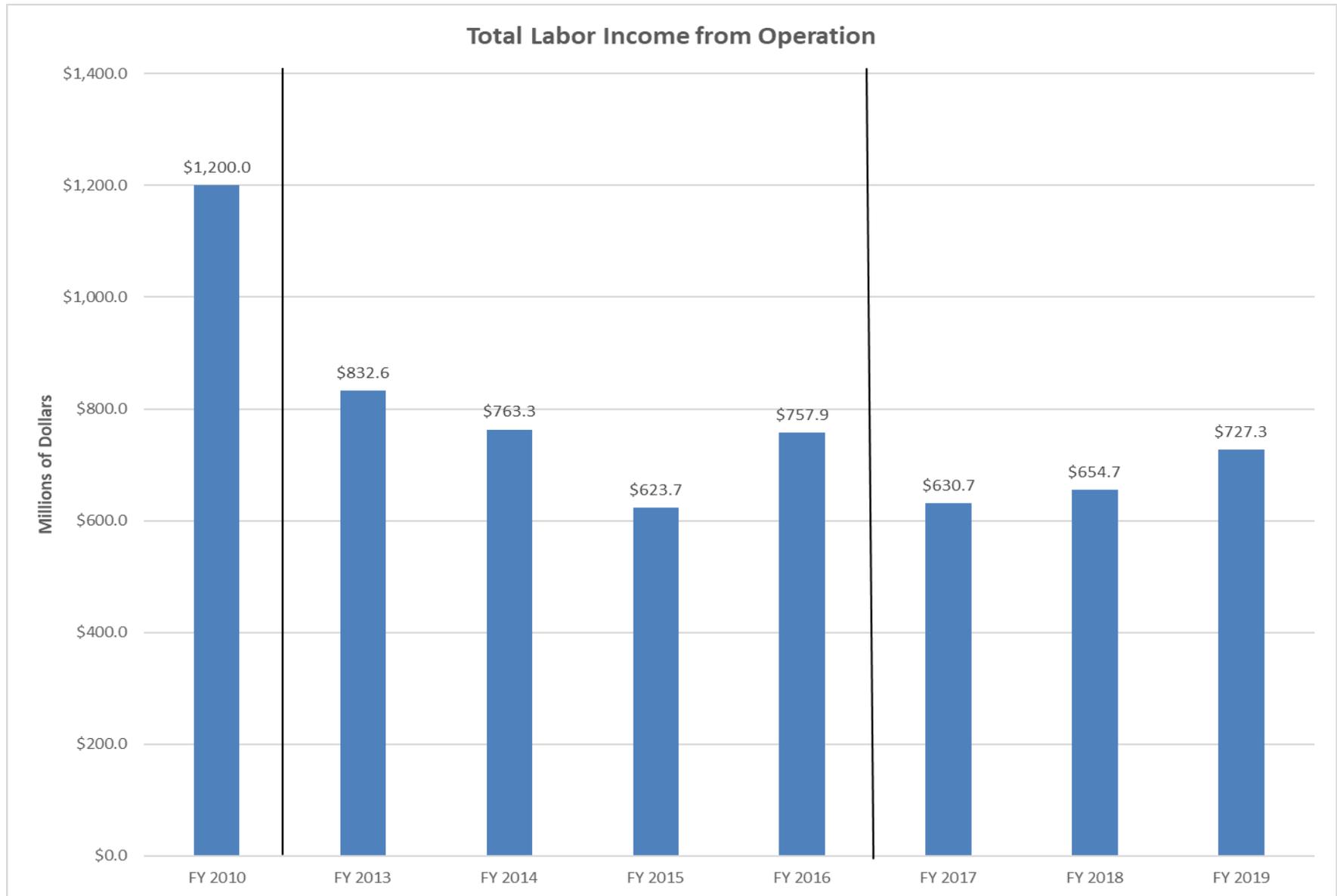


Figure 4. Total Labor Income from Operation

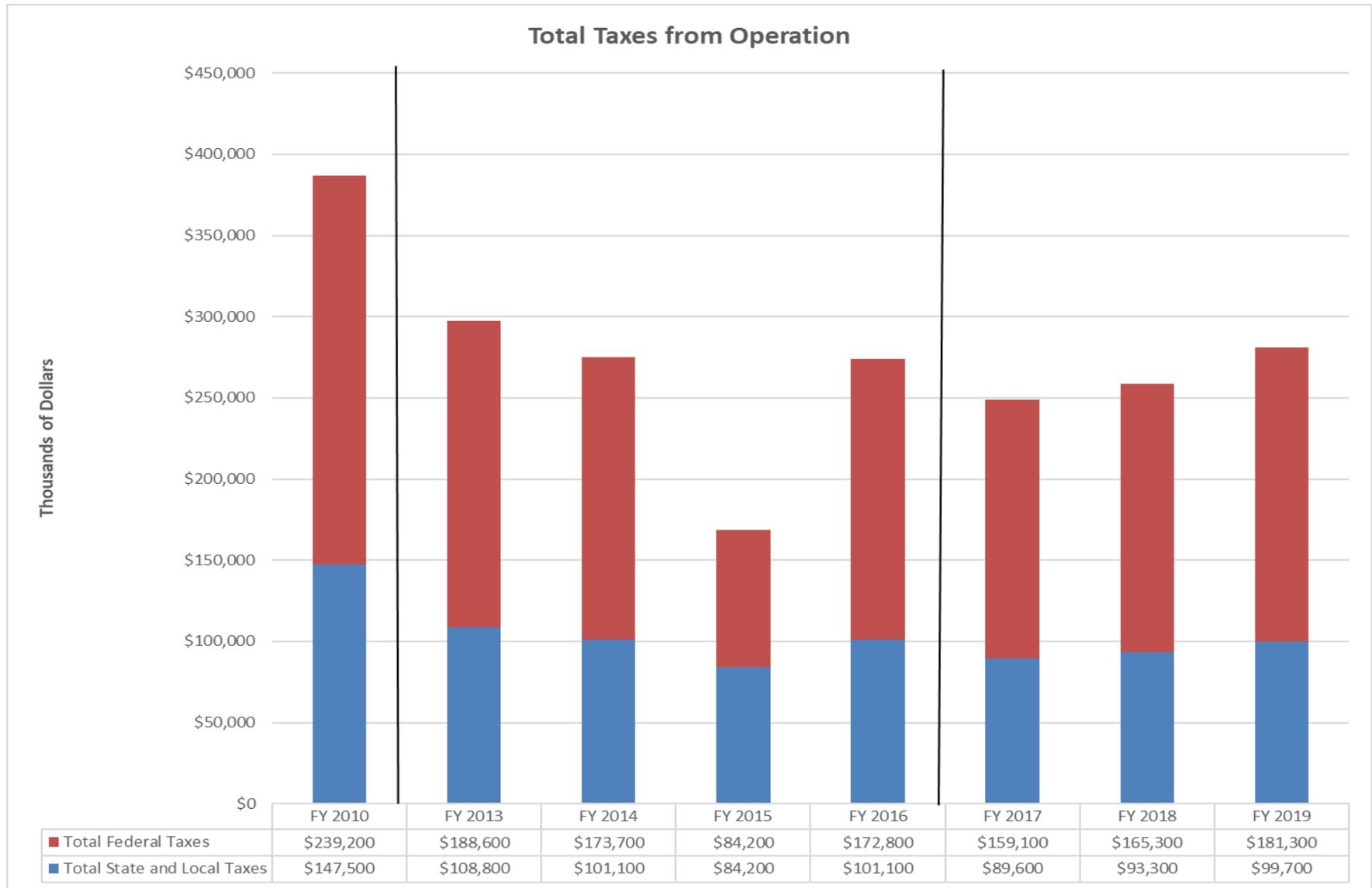


Figure 5. Total Taxes from Operation

Table 2 provides the total estimated impact from operation on the 11-county regional economy during Fiscal Year 2019.

Table 2. Estimated Impact on the Regional Economy from Total Operation in 2019 (2019 Dollars)

	Direct	+Indirect	+Induced	=Total
Employee Compensation	\$360,990,797	\$187,510,468	\$140,911,733	\$689,412,998
+Proprietor Income	\$1,265,000	\$17,802,838	\$18,813,374	\$37,881,212
=Labor Income	\$362,255,797	\$205,313,306	\$159,725,107	\$727,294,210
+Other Property Type Income	\$336,344,110	\$103,074,623	\$84,660,813	\$524,079,546
+Indirect Business Taxes	\$30,077,707	\$28,239,179	\$24,399,367	\$82,716,253
=Total Value Added	\$728,677,614	\$336,627,108	\$268,785,287	\$1,334,090,009
Output	\$1,793,498,512	\$650,528,912	\$478,824,981	\$2,922,852,406
Employment	3,749.7	2,781.0	3,641.0	10,171.7
Federal Taxes	\$95,469,328	\$48,183,799	\$37,659,862	\$181,312,989
+State and Local Taxes	\$40,507,283	\$32,032,848	\$27,182,026	\$99,722,157
=Total Taxes	\$135,976,611	\$80,216,647	\$64,841,888	\$281,035,146

Source: IMPLAN®

Therefore, with its estimated total output or economic activity of \$2.9 billion that is coupled with 10,172 jobs, which can be full-time or part-time, Tobyhanna Army Depot continues to be a significant contributor to the 11-county regional economy. The Depot generates an estimated \$727.3 million in labor income, an estimated \$181.3 million in federal taxes and an estimated \$99.7 million in state and local taxes. These results include the direct impact, which is from the Depot itself; the indirect impact, which is from the firms that provide supplies to the Depot; and the induced impact, which is from the spending on goods and services by households that include workers at the Depot and its suppliers.

Table 3 provides a summary of the estimated economic impacts in 2019. When the amounts in Table 3 are summed, the results are not identical to the totals in Table 2 due to rounding.

Table 3. Summary of Estimated Economic Impacts in 2019 (2019 Dollars)

Spending Source	Output or Economic Activity	Number of Jobs	Labor Income	Federal Taxes Generated	State and Local Taxes Generated	Result Table
Depot Civilian	\$2,215,724,389	7,614.1	\$564,700,627	\$139,921,082	\$74,782,656	4
Depot Military	\$1,212,321	9.7	\$1,497,728	\$307,264	\$84,995	5
Depot Contractor	\$288,574,718	947.9	\$60,265,467	\$15,637,191	\$9,182,945	6
Morale, Welfare and Recreation	\$11,883,698	113.3	\$4,820,850	\$1,145,122	\$939,816	7

Spending Source	Output or Economic Activity	Number of Jobs	Labor Income	Federal Taxes Generated	State and Local Taxes Generated	Result Table
Tenant Civilian	\$285,506,410	960.6	\$66,317,933	\$16,773,868	\$9,373,850	8
Tenant Military	\$3,370,702	28.6	\$2,747,396	\$575,158	\$153,889	9
Tenant Contractor	\$67,672,430	217.8	\$12,805,276	\$3,408,623	\$2,096,310	10
Defense Commissary Agency	\$2,616,248	28.8	\$1,556,713	\$335,388	\$179,873	11
U.S. Army Health Clinic	\$2,446,455	18.1	\$1,417,496	\$294,432	\$104,225	12
U.S. Army and U.S. Air Force Exchange Service	\$271,325	3.0	\$126,861	\$28,577	\$23,366	13
Pentagon Federal (PenFed) Credit Union	\$1,696,738	10.1	\$412,953	\$105,253	\$106,855	14
Nonresident Workers	\$657,233	12.9	\$387,618	\$87,501	\$80,991	15
Depot Routine Construction	\$6,820,273	44.9	\$2,219,305	\$463,721	\$222,790	16
Morale, Welfare and Recreation, and Tenant Construction	\$2,220,226	14.6	\$722,458	\$150,956	\$72,527	17
Utilities	\$11,277,067	26.8	\$2,176,297	\$648,826	\$859,586	18
Line Haul	\$5,981,567	38.3	\$2,198,933	\$463,549	\$200,125	19
Car Rental	\$450,366	2.5	\$158,732	\$36,678	\$27,952	20
Air Fare	\$1,428,151	6.1	\$358,180	\$91,590	\$145,231	21
Other Travel	\$350,009	4.1	\$150,695	\$32,048	\$20,967	22
Rent Paid to the Depot	\$10,109,035	38.0	\$1,233,313	\$568,016	\$846,166	23
Day Visitors	\$87,977	1.7	\$51,886	\$11,712	\$10,843	24
Overnight Visitors	\$1,542,687	18.5	\$599,379	\$140,220	\$127,575	25
Staying in a Tobyhanna Villas Business Suite						
Overnight Visitors Staying in a Tobyhanna Villas Vacation Home	\$428,973	5.0	\$164,752	\$38,637	\$35,343	26
Overnight Visitors Staying at a Hotel	\$523,412	6.3	\$203,361	\$47,574	\$43,288	27
Total	\$2,922,852,410	10,171.7	\$727,294,209	\$181,312,986	\$99,722,164	

Source: IMPLAN®

Construction

The second section of this report consists of the economic impact from major construction for Fiscal Year 2019 on the 11-county region and on a region that is the remaining 56 counties in Pennsylvania. The remainder of Pennsylvania is included because materials are transported from areas that are outside the 11-county region. The construction impact is also based on whether the funding for construction is from Tobyhanna Army Depot sources or from other federal sources.

Figures 6, 7, 8, 9 and 10 provide a comparison of the estimated economic impact on the region that consists of the 11 counties near Tobyhanna Army Depot and the region that is the remaining 56 Pennsylvania counties from construction projects for Fiscal Years 2014, 2015, 2016, 2017, 2018 and 2019.

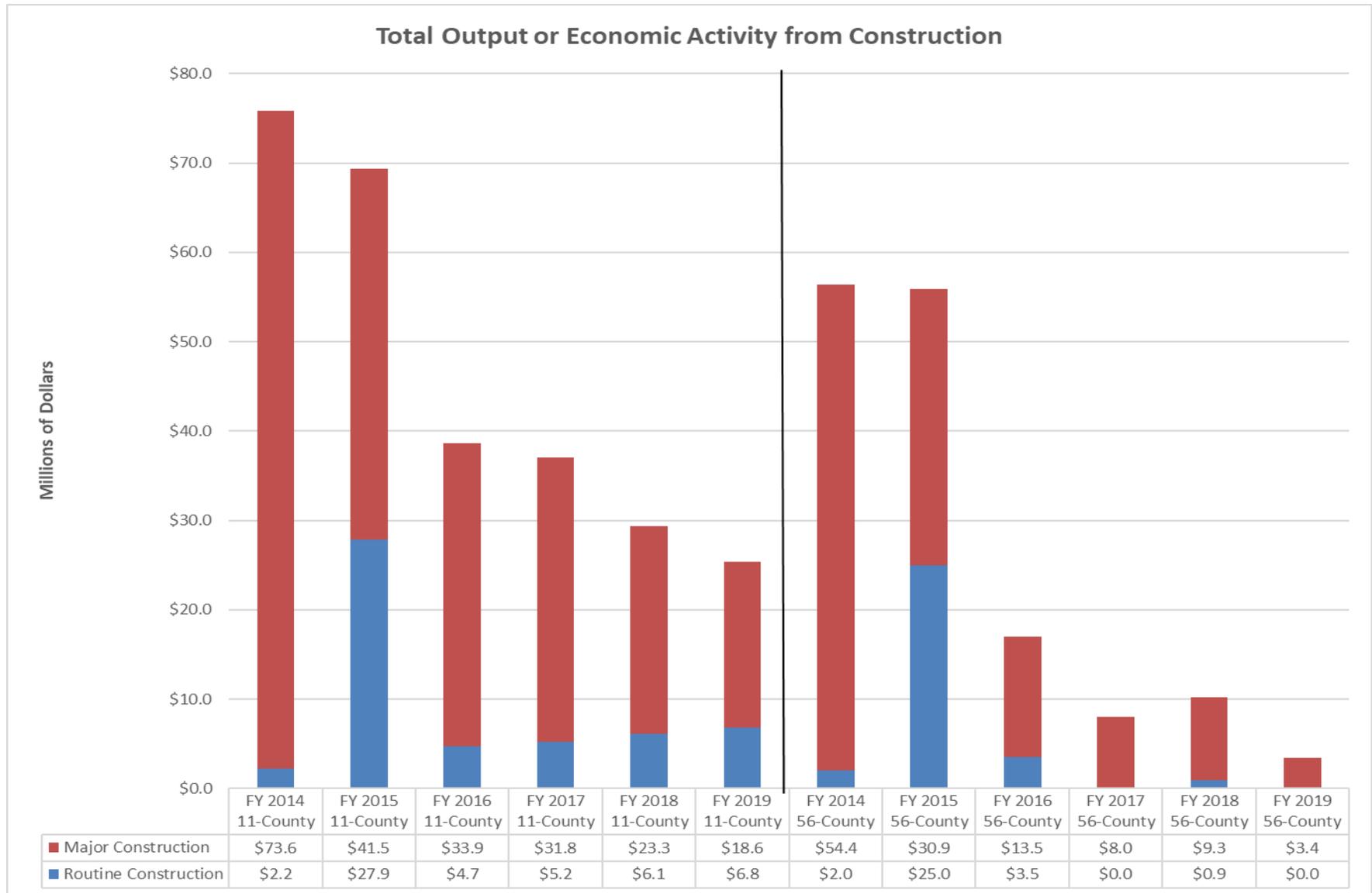


Figure 6. Total Output or Economic Activity from Construction

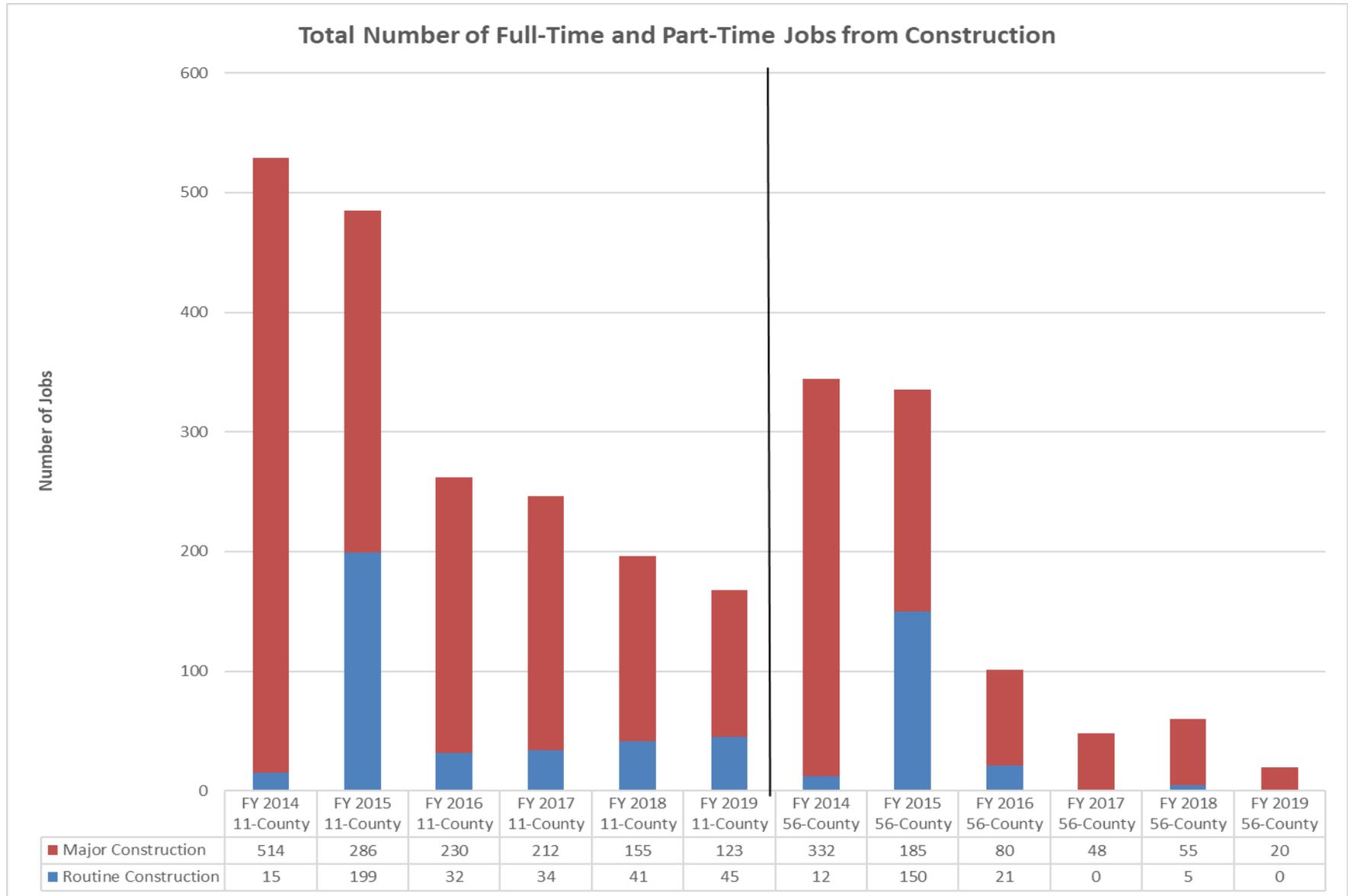


Figure 7. Total Number of Full-Time and Part-Time Jobs from Construction

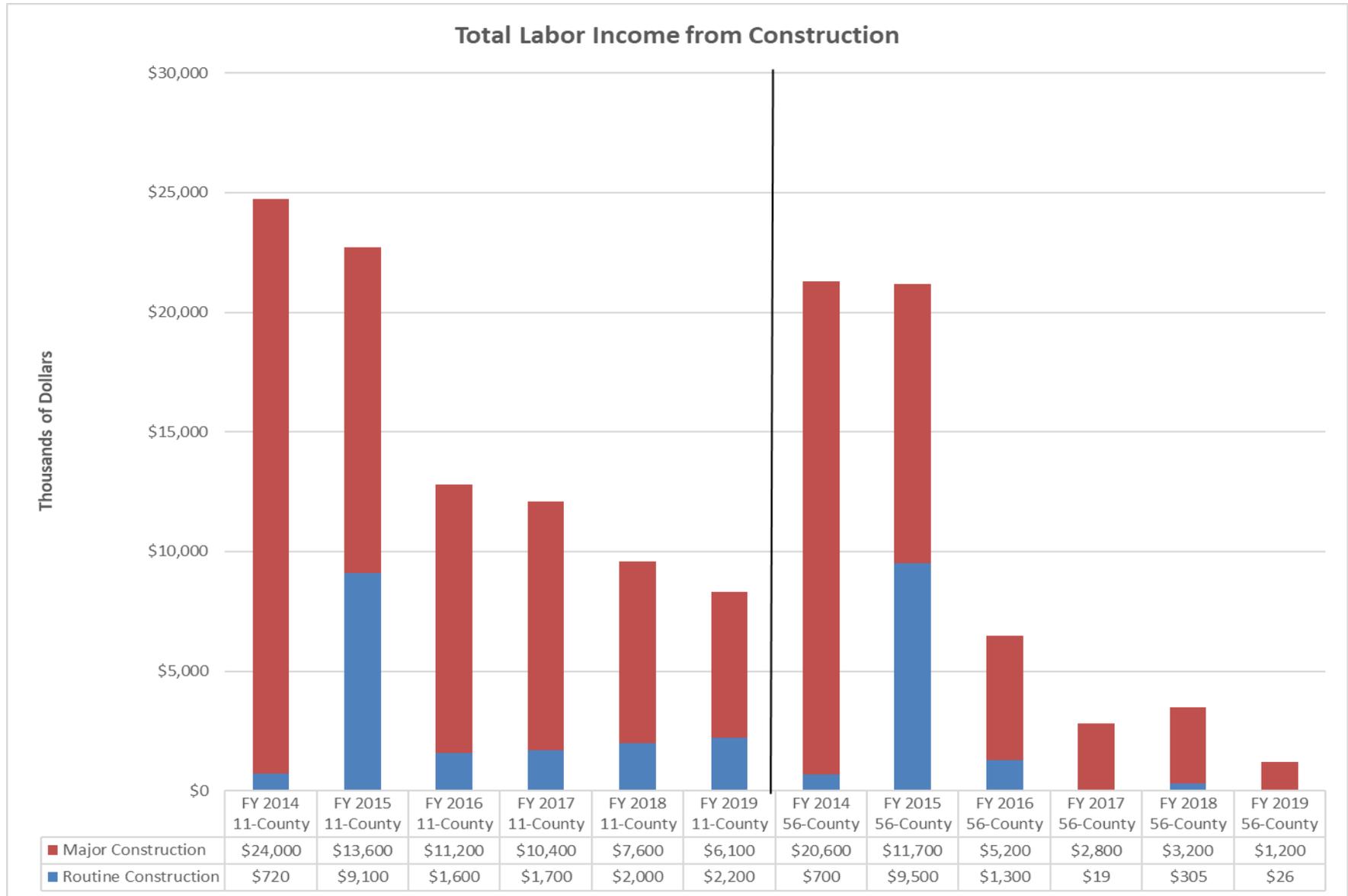


Figure 8. Total Labor Income from Construction

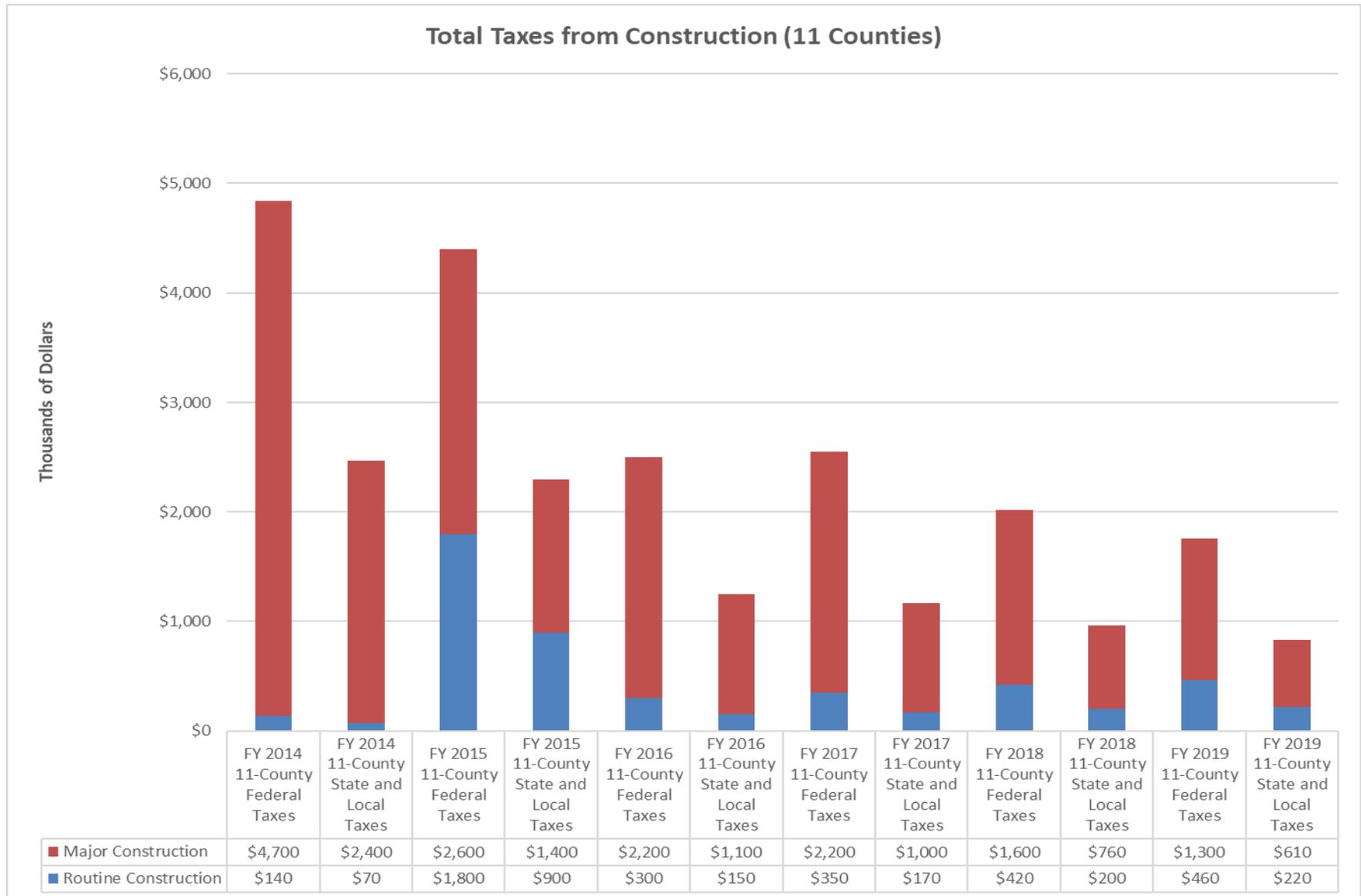


Figure 9. Total Taxes from Construction (11 Counties)

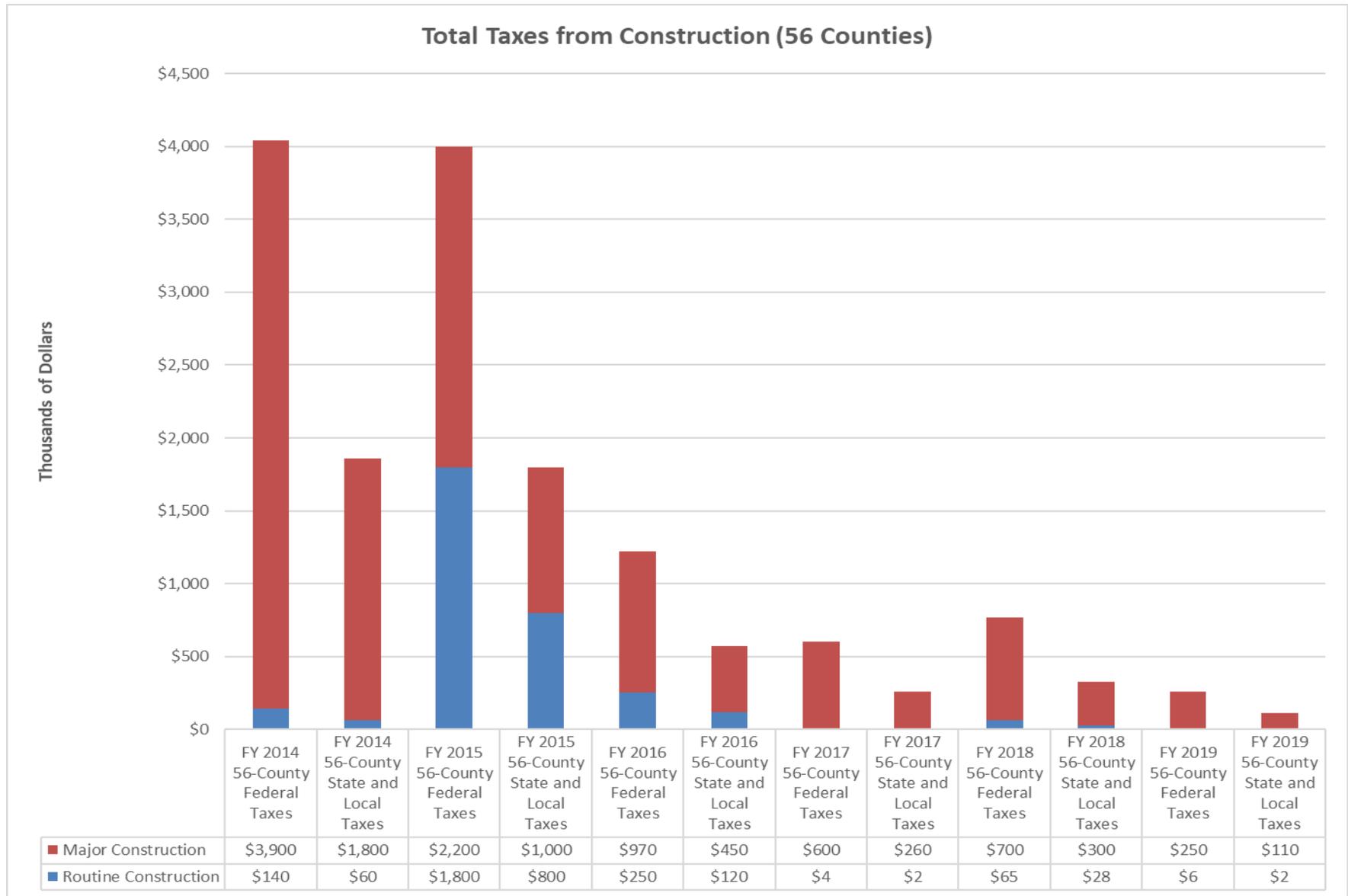


Figure 10. Total Taxes from Construction (56 Counties)

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About Tobyhanna Army Depot

The following information is from the Tobyhanna Army Depot website, the Tobyhanna Army Depot “The Critical Link” brochure, the Tobyhanna Army Depot Partnering Opportunities brochure and the *Tobyhanna Reporter* newsletter.

“After two years of construction, Tobyhanna Army (Signal) Depot officially opened on February 1, 1953 as the new home for the Army Signal Corps who had operated from a leased facility in Baltimore, Maryland.”

“Tobyhanna Army Depot provides professional mechanical, electrical, industrial and technical support services. Tobyhanna Army Depot engineers are responsible for supporting all maintenance operations in repairing and overhauling complex C5ISR systems. In addition, Tobyhanna Army Depot engineers design and integrate complex C5ISR equipment into tactical systems using state of the art Computer-Aided Engineering.”

“Tobyhanna Army Depot strives to be the Organic Industrial Base’s best value by using Lean Six Sigma principles to offer competitive prices to their customers and quality products in a timely manner, while being environmental stewards and maintaining a safety record that exceeds industry standards.” “Lean Six Sigma has benefits of improved profitability, higher customer satisfaction and higher quality. Its key objective is to eliminate waste and reduce work that does not add value. It often reduces the cycle time of an asset and aims to decrease the time between the order by and shipment to the customer.”

Tobyhanna Army Depot has received seven Shingo Awards, and multiple environmental and safety awards. “The Shingo Prize is awarded to organizations that demonstrate a culture where principles of operational excellence are deeply embedded into the thinking and behavior of all leaders, managers and associates.”

In addition to its mission of “Providing Superior Logistics Support including: Sustainment, Fabrication, Integration and Field Support to C5ISR Systems for the Joint Warfighter worldwide,” Tobyhanna Army Depot has announced that it is embarking on a cyber / software mission with the Communications-Electronics Command (CECOM) Software Engineering Center at Aberdeen Proving Ground, Maryland. With its emphasis having been on the hardware side for many years, the Depot, who is a subordinate organization of CECOM, decided to enter the realm of software programming / repair as a means of increasing workload. This mission will be carried by potentially hiring over 200 personnel, who possess degrees in Information Technology, Computer Engineering or Computer Science; thereby, providing opportunities for student interns and graduates from local colleges and universities to remain in the region after completing their formal education.

Regarding visitor spending, Tobyhanna Army Depot provides over 30 C5ISR Military Occupational Specialty training programs to the Joint Warfighter. This training, which is available to all branches and components of the Armed Forces of the United States, attracts members of the military to the Depot who can stay in the Summerall Barracks, dine on-post, use

the Mack Fitness and Recreation Center, purchase goods and services at the Post Exchange and the Commissary, and have their vehicle serviced at the Post Auto Service Shop.

“Tobyhanna Army Depot is a recognized leader in providing World-Class Logistics Support for Command, Control, Communications, Computers, Cyber, Intelligence, Surveillance and Reconnaissance (C5ISR) Systems across the Department of Defense. Tobyhanna’s Corporate Philosophy, dedicated workforce and electronics expertise ensure that the Depot is the Joint C5ISR provider of choice for all branches of the Armed Forces and our industry partners.” “The Army has designated Tobyhanna as its Center of Industrial and Technical Excellence for C5ISR and Electronics, Avionics and Missile Guidance and Control. The Air Force has designated Tobyhanna as its Technical Source of Repair for Command, Control, Communications, Computers and Intelligence and Tactical Missiles.” “Tobyhanna’s unparalleled capabilities include full-spectrum logistics support for sustainment, overhaul and repair, fabrication and manufacturing, engineering design and development, systems integration, Postproduction Software Support, technology insertion, modification, Foreign Military Sales and Global Field support to our Joint Warfighters.”

About the Northeastern Pennsylvania Alliance

The Northeastern Pennsylvania Alliance (NEPA Alliance) is a regional multi-county economic development agency providing leadership, planning, expertise and services to regional and local governments, businesses, institutions and individuals through innovative and beneficial collaborations and partnerships to enhance the economic development and quality of life of the area.

The NEPA Alliance was organized in 1964 by the private sector that saw the need for a regional approach to economic and community development issues. The NEPA Alliance is now a public / private sector partnership with representation from government and non-governmental private sector organizations. The goal of the NEPA Alliance is to provide a quality menu of programs and valuable services that best match the needs of our partners and add value to our region.

The NEPA Alliance carries out its mission within the counties of Carbon, Lackawanna, Luzerne, Monroe, Pike, Schuylkill and Wayne, which have a total population of 1,010,073 people (according to information provided by the U.S. Census Bureau, July 1, 2019) and covers 4,476 square miles.

The NEPA Alliance is one of seven regional agencies called Local Development Districts (LDDs). LDDs help coordinate community and economic development activities in the Commonwealth of Pennsylvania.

The NEPA Alliance serves as the coordinator for the Partnerships for Regional Economic Performance (PREP) initiative within the seven-county region. According to the Pennsylvania Department of Community & Economic Development, “PREP is a statewide network of partners designed to work in concert to deliver vital business assistance services across ten regions of the Commonwealth.” “PREP is designed to encourage regional coordination in economic

development efforts, yielding superior customer service to the business community and a comprehensive, efficient statewide economic delivery strategy.”

The NEPA Alliance is guided by a fifty (50) member Board of Directors, headed by Board Chairperson, Joseph J. Sebelin, of which forty-four (44) members have voting capabilities. Members of the Board of Directors represent industries, labor, governments, general businesses, professionals, and citizens in each of the seven counties that the NEPA Alliance serves.

Jeffrey K. Box, President & CEO of the NEPA Alliance, provides executive leadership working with state and federal legislators to expand and explore opportunities that will be beneficial for Northeastern Pennsylvania.

Economic Impact Analysis Team

The Community & Economic Development Services Division highlights the emphasis of the NEPA Alliance on community development, nonprofit assistance, research, telecommunications and energy conservation and efficiency initiatives. The division includes the operation of the Nonprofit & Community Assistance Center and the Research & Information Center, which both provide valuable services to nonprofits, local governments, and businesses.

The division is led by Kurt Bauman, Vice President of Community & Economic Development Services and Executive Director of the Nonprofit & Community Assistance Center. Steve Zaricki, Research & Information Manager, is the lead researcher and technical service provider for economic impact modeling services. Kurt and Steve work as a team to assist clients in the scoping of economic impact analysis projects; Kurt, drawing on his expertise in grant writing, program development and project evaluation; and Steve, utilizing his years of experience in using IMPLAN[®] and other models to help determine the impact of economic engines and proposed development initiatives in the region and throughout the Commonwealth. The result is an analysis that includes the overall impact of a current or proposed business / venue / project that could be used to tell the story and develop public support. The analysis can also be used to assist government agencies and elected officials to compare, evaluate and rank viable projects as consideration for relevant aid (grants, loans, rebates, technical services etc.).

Since August 2002, Steve Zaricki has been the Research & Information Manager at the NEPA Alliance. He has a bachelor's degree in agricultural and resource economics, with an emphasis in agribusiness management, from the University of Maryland, and a master's degree in agricultural economics, with a concentration in rural economic development, from West Virginia University. His master's thesis topic was the economic impact of the, proposed at the time, Canaan Valley National Wildlife Refuge. He has completed additional graduate study beyond the master's degree in agricultural economics at the University of Kentucky. He has worked at the University of Virginia in its library system and in its Weldon Cooper Center for Public Service, Center for Economic and Policy Studies. He has received training from Business Retention & Expansion International in its Certified Master Consultant Training Program and is a graduate of the South Carolina Economic Development Institute and the Economic Development Course in Pennsylvania.

About the Blue Ribbon Task Force

The Blue Ribbon Task Force is a partnership of business, community, and government leaders whose mission is to provide community-based support for Tobyhanna Army Depot, the largest industrial employer in the region. In response to the 1993 Base Realignment and Closure (BRAC) process, which evaluates every military facility in the country as a means of eliminating excess infrastructure, the Blue Ribbon Task Force was organized in 1992 by the NEPA Alliance in order to provide regional community support for the preservation and protection of Tobyhanna Army Depot. The Blue Ribbon Task Force, with the NEPA Alliance as its leadership coordinator and convener, works to tell the remarkable story of Tobyhanna Army Depot and its invaluable contribution to the nation’s defense and the Northeastern Pennsylvania region. It works closely with local, regional, state, and federal agencies; the regional business community; development authorities and other key stakeholders to ensure the long-term viability and sustainability of Tobyhanna Army Depot as a regional economic engine.

Blue Ribbon Task Force Management Group (* Indicates a Member of the NEPA Alliance Board of Directors):

- Carl R. Beardsley, Jr., Executive Director, Wilkes-Barre / Scranton International Airport*
- Carl Biscontini, President, American Federation of Government Employees Union Local 1647
- Jeffrey K. Box, President & CEO, Northeastern Pennsylvania Alliance, Co-Chair
- Jon Cadman, General Manager, Fox56 WOLF TV
- Dr. Matthew Connell, Dean, Northampton Community College Monroe Campus*
- Robert Durkin, President, The Greater Scranton Chamber of Commerce
- Anthony Ferreira, Sergeant at Arms, American Federation of Government Employees Union Local 1647
- Marlyn Kissner, Executive Vice President, Northern Tier, Greater Pocono Chamber of Commerce*
- Charles Leonard, Executive Director, Pocono Mountains Economic Development Corporation*
- Rear Admiral Nancy J. Lescavage, Executive Director, Pennsylvania Military Community Enhancement Commission
- John McNulty, Mediator, Pennsylvania Department of Labor & Industry*
- Robert Morgan, District Director, Office of Congressman Matthew Cartwright
- Dr. Jill Murray, President, Lackawanna College
- Joseph J. Sebelin, Retired Executive Director of the Pocono Counties Workforce Investment Area*
- Kevin Toolan, Commissioner, Pennsylvania Military Community Enhancement Commission and Retired, Tobyhanna Army Depot, Co-Chair
- Aimee Wechsler, Regional Manager for Northeastern Pennsylvania, Office of U.S. Senator Robert P. Casey, Jr.
- Peter Witmer, Deputy Director for Programs, Pennsylvania Military Community Enhancement Commission

- Mary Beth Wood, Executive Director, Wayne Economic Development Corporation*

Economic Impact Modeling

The NEPA Alliance uses IMPLAN[®] for economic impact modeling services. IMPLAN[®], or Impact Analysis for Planning, is a software and data package that is available from IMPLAN Group, LLC, of Huntersville, North Carolina, and was developed by the Department of Applied Economics at the University of Minnesota and the U.S. Forest Service Land Management Planning Unit in Fort Collins, Colorado. IMPLAN[®] is well-known in both the economic development and academic communities. Version 3.1 of the IMPLAN[®] software and 2016 data were used in this analysis.

Economic impact modeling analysis consists of three types of impacts, which are direct, indirect, and induced. **Direct impacts** are based on information about the company or organization itself. They can be based on sales, the number of jobs and employee compensation. The **indirect impacts** are those provided by firms that supply the company or organization. **Induced impacts** result from the spending by households that have members who are employed at either the company, organization, or the supplying firms. An example is when a household purchases items from the local grocery store. Those purchases provide earnings to the grocery store workers, who purchase items at a clothing store. The workers at the clothing store purchase items at the hardware store etc. These purchases continue until the spending leaks out of the local economy. The **total impact** is the sum of the direct, indirect, and induced impacts.

Impacts that were estimated include those related to operation, which is based on the number of workers and their compensation, along with, in some instances, the spending on supplies and equipment, and contract services. There are seven groups of workers at Tobyhanna Army Depot, which are Depot Civilians; Depot Military; Depot Contractors; Morale, Welfare and Recreation; Tenant Civilians; Tenant Military and Tenant Contractors. The amounts for the purchasing of supplies and equipment, and contract services are based on the number of civilian, military and contractor personnel. Impacts from on-site service-oriented facilities such as the Defense Commissary Agency, U.S. Army Health Clinic, U.S. Army and U.S. Air Force Exchange Service, and the Pentagon Federal (PenFed) Credit Union are included in this analysis.

Also included is the estimated economic impact from day visitation, overnight visitation when staying at Tobyhanna Villas and overnight visitation when staying at a hotel. Input data used in the analysis were provided by Tobyhanna Army Depot, with the exception of the amounts that visitors spend on lodging, gasoline, food and other items, which were from the General Services Administration Continental United States (CONUS) per diem rates and from a February 2013 report, “Missouri’s Military Infrastructure: A Base Realignment and Closure (BRAC) Preparatory Assessment,” by Kit Bond Strategies, LLP; Development Strategies; Cardinal Point Partners; Byron Cave, LLP; Flagship Government Relations; and Husch Blackwell. This spending information is identical to that for Fort Leonard Wood in Missouri. Information used from this report was adjusted to October 2018 dollars by using an U.S. Bureau of Labor Statistics Consumer Price Index (CPI) Inflation Factor.

Impacts were also estimated from the construction or renovation of facilities. The impact regions were the same 11-county region that was used for the operation that consists of Carbon, Lackawanna, Lehigh, Luzerne, Monroe, Northampton, Pike, Schuylkill, Susquehanna, Wayne and Wyoming counties and the region that is the remaining 56 counties in Pennsylvania.

The impacts indicated in this report are estimates and are based on the data received from the client (Tobyhanna Army Depot), various data extrapolated from other sources and several assumptions, which are indicated below.

- 1) IMPLAN[®] has 536 industries that are based on the six-digit North American Industrial Classification System (NAICS). To be consistent with previous studies, these industries were aggregated to 87 industries.
- 2) The operations portion of the analysis was based on an 11-county region to account for the residence counties of the workforce at Tobyhanna Army Depot.
- 3) In the past, the number of employees, along with their salaries and benefits, showed the total number of tenants and full salary / benefits, regardless of where the employees were located.

The following assumptions were used:

- (a) Tobyhanna Army Depot Civilian and Contractor employees are distributed by county in the same percentages
 - (b) Tenant and Non-Appropriated Funds Civilian and Contractor employees are distributed by county in the same percentages
 - (c) All military live in the local region because they either live on-post or get a housing allowance for the local area (Monroe County was assumed)
 - (d) Employees who live and work off-post were not included in the economic impact analysis
- 4) According to a report by the Jacob France Institute of the Merrick School of Business at the University of Baltimore, which was commissioned by the Maryland Department of Business and Economic Development and the Maryland Department of Labor, Licensing and Regulation, "Mission Maryland: Measuring Economic Impact of Maryland's Military Installations," only the payroll paid to personnel residing in Maryland were included in their analysis. The impact from spending on gasoline, restaurant meals and other items by the 85 workers who reside outside the 11-county region are included, since they work within the impact region and these costs are therefore considered to be incurred within the region.
 - 5) Since Tobyhanna Army Depot receives minimal direct, congressionally-mandated funding, it is assumed that most of its operation is in the Computer and Other Electronics industry and not in the Government industry.

- 6) The military personnel who are not employed at the Defense Commissary Agency are employed in the Government industry.
- 7) The military personnel at the Defense Commissary Agency are employed in the Food and Beverage Stores industry.
- 8) People who work at a day care center, gymnasium or other facility are assumed to be employed in the Amusement, Gambling and Recreation industry. They are paid through Non-Appropriated Funds.
- 9) An assumption was made that Tobyhanna Army Depot does not have any Proprietor Income in the portion of its operations pertaining to the Computer and Other Electronics industry. This assumption was made because according to the IMPLAN[®] data, proprietors in the Computer and Other Electronics industry experienced a loss.
- 10) The utilities cost information is based on expenses paid to providers that are located within the 11-county impact region.
- 11) It is known that there are many retirees who remain in the region after their career at Tobyhanna Army Depot. The impact from their spending is not included in this analysis.
- 12) This analysis was based on the 11-county regional economy and on the remaining 56-county Pennsylvania economy because not all the construction materials were purchased within the 11-county regional economy. It was assumed that all construction materials were purchased within Pennsylvania.
- 13) This impact analysis does not account for any effects on the environment such as changes in air quality, water quality and wildlife habitat.
- 14) Additional assumptions can be found within the various topics in the report.

The following inputs were used to perform the operations portion of the analysis:

- 3,145 Depot Jobs
- 488 Tenant Jobs
- \$316,039,456 in Depot Salaries and Benefits
- \$40,611,742 in Tenant Salaries and Benefits
- \$910,489 in Routine Construction Expenditures
- \$7,495,368 in Supplies & Equipment Purchases
- \$7,828,321 in Contract Services Purchases
- \$7,277,889 in Utilities Expenditures, including telecommunications
- Additional spending such as for truck transportation and travel expenses
- Spending by the 85 workers who reside outside the 11-county region

- Spending by visitors who come to Tobyhanna Army Depot for the day, stay overnight in either a Business Suite or a Vacation Home at Tobyhanna Villas, or stay overnight in a hotel

The following inputs were used to perform the additional construction portion of the analysis:

For the 11-county region in 2019:

- \$10,818,359 in major construction expenditures from externally-funded sources
- \$3,365,898 in major construction expenditures from Tobyhanna Army Depot sources

For the remaining 56 counties in Pennsylvania in 2019:

- \$0 in routine construction expenditures from Tobyhanna Army Depot sources
- \$187,275 in routine construction expenditures from externally-funded sources
- \$40,376 in major construction expenditures from Tobyhanna Army Depot sources
- \$1,657,595 in major construction expenditures from externally-funded sources

The result tables consist of the following:

- Employee Compensation, which is the salaries and fringe benefits of workers.
- Proprietor Income, or small business income, which is earnings by self-employed workers and the working owners of small businesses.
- Labor Income, which is the sum of Employee Compensation and Proprietor Income.
- Other Property Type Income includes all other sources of income such as rents, royalties, dividends, interest, and profits.
- Indirect Business Taxes are the excise and sales taxes paid by individuals to businesses. An example of an excise tax is the tax paid on gasoline.
- Total Value Added is the sum of Labor Income (Employee Compensation and Proprietor Income), Other Property Type Income and Indirect Business Taxes.
- Output, also referred to as sales or economic activity, relates to the gross receipts for goods and services generated by the company's or organization's operations.
- Employment is the number of jobs, which can be either full-time or part-time.

Regarding fiscal impact, taxes at the federal and state and local levels are estimated by IMPLAN[®]. Unfortunately, the state and local tax impacts are combined and cannot be dissected. Some of the federal taxes are employee and employer contribution to social security, excise taxes, corporate profits taxes and personal income taxes. Some of the state and local taxes are dividends, employee and employer contribution to social security, sales taxes, property taxes, motor vehicle license fees, personal income taxes and fishing and hunting license fees.

Operation

Depot Civilian Spending

To estimate the economic impact from Depot Civilian Spending, an employee compensation of \$285,773,864 with 2,704 on-site employees, who reside in the 11-county region, was used in the Computer and Other Electronics industry. Also used was \$3,842,131 from purchases of supplies and equipment, and \$6,347,144 from contract services purchases. All dollar amounts were provided by Tobyhanna Army Depot in 2019 dollars.

Table 4 provides the estimated impact from this spending on the 11-county regional economy.

Table 4. Estimated Impact on the Regional Economy from Depot Civilian Spending in 2019 (2019 Dollars)

	Direct	+Indirect	+Induced	=Total
Employee Compensation	\$285,773,840	\$141,758,056	\$109,417,680	\$536,949,576
+Proprietor Income	\$0	\$13,142,619	\$14,608,431	\$27,751,051
=Labor Income	\$285,773,840	\$154,900,675	\$124,026,112	\$564,700,627
+Other Property Type Income	\$252,843,010	\$77,566,900	\$65,739,039	\$396,148,949
+Indirect Business Taxes	\$21,294,289	\$21,209,121	\$18,945,704	\$61,449,114
=Total Value Added	\$559,911,139	\$253,676,695	\$208,710,855	\$1,022,298,689
Output	\$1,353,266,810	\$490,649,535	\$371,808,045	\$2,215,724,389
Employment	2,704.0	2,083.0	2,827.1	7,614.1
Federal Taxes	\$74,327,366	\$36,350,951	\$29,242,765	\$139,921,082
+State and Local Taxes	\$29,598,640	\$24,077,551	\$21,106,465	\$74,782,656
=Total Taxes	\$103,926,006	\$60,428,502	\$50,349,230	\$214,703,738

Source: IMPLAN[®]

Depot Military Spending

To estimate the economic impact from Depot Military Spending, an employee compensation of \$1,159,068 with two on-site employees was used in the Government industry. Also used was \$2,842 from purchases of supplies and equipment, and \$4,694 from contract services purchases. This amount was provided by Tobyhanna Army Depot in 2019 dollars.

The estimated economic impact on the 11-county region from this spending is indicated in Table 5.

Table 5. Estimated Impact on the Regional Economy from Depot Military Spending in 2019 (2019 Dollars)

	Direct	+Indirect	+Induced	=Total
Employee Compensation	\$1,163,062	\$4,197	\$290,367	\$1,457,626
+Proprietor Income	\$82	\$1,255	\$38,765	\$40,102
=Labor Income	\$1,163,144	\$5,452	\$329,131	\$1,497,728
+Other Property Type Income	\$35,567	\$2,010	\$174,456	\$212,033
+Indirect Business Taxes	(\$1,657)	\$537	\$50,270	\$49,150
=Total Value Added	\$1,197,055	\$7,999	\$553,858	\$1,758,912
Output	\$209,682	\$15,927	\$986,712	\$1,212,321
Employment	2.1	0.1	7.5	9.7
Federal Taxes	\$228,504	\$1,157	\$77,603	\$307,264
+State and Local Taxes	\$28,341	\$651	\$56,003	\$84,995
=Total Taxes	\$256,845	\$1,808	\$133,606	\$392,259

Source: IMPLAN®

Depot Contractor Spending

To estimate the economic impact from Depot Contractor Spending, an employee compensation of \$26,121,996 coupled with 365 on-site workers, who reside in the 11-county region, was used in the Computer and Other Electronics industry. Also used was \$518,631 from purchases of supplies and equipment, and \$856,770 from contract services purchases. This amount was provided by Tobyhanna Army Depot in 2019 dollars.

Table 6 provides the estimated economic impact from this spending on the 11-county region.

Table 6. Estimated Impact on the Regional Economy from Depot Contractor Spending in 2019 (2019 Dollars)

	Direct	+Indirect	+Induced	=Total
Employee Compensation	\$26,121,996	\$19,135,239	\$11,675,361	\$56,932,596
+Proprietor Income	\$0	\$1,774,059	\$1,558,812	\$3,332,871
=Labor Income	\$26,121,996	\$20,909,298	\$13,234,173	\$60,265,467
+Other Property Type Income	\$34,130,068	\$10,470,383	\$7,014,634	\$51,615,086
+Indirect Business Taxes	\$2,874,414	\$2,862,918	\$2,021,672	\$7,759,004
=Total Value Added	\$63,126,478	\$34,242,599	\$22,270,479	\$119,639,556
Output	\$182,671,005	\$66,230,423	\$39,673,289	\$288,574,718
Employment	365.0	281.2	301.7	947.9
Federal Taxes	\$7,610,006	\$4,906,840	\$3,120,345	\$15,637,191
+State and Local Taxes	\$3,680,605	\$3,250,113	\$2,252,227	\$9,182,945
=Total Taxes	\$11,290,611	\$8,156,953	\$5,372,572	\$24,820,136

Source: IMPLAN®

Morale, Welfare and Recreation Spending

This impact was estimated by using the Tobyhanna Army Depot-provided amount of 74 employees, who reside in the 11-county region, with an employee compensation of \$2,984,528 in 2019 dollars in the Amusement, Gambling and Recreation industry. Also used was \$488,235 in 2019 dollars in supplies and equipment purchases, and \$103,868 in 2019 dollars in purchases of contract services.

Table 7 provides the estimated impact from this spending on the 11-county regional economy.

Table 7. Estimated Impact on the Regional Economy from Morale, Welfare and Recreation Spending in 2019 (2019 Dollars)

	Direct	+Indirect	+Induced	=Total
Employee Compensation	\$2,984,528	\$597,903	\$933,768	\$4,516,199
+Proprietor Income	\$36,648	\$143,330	\$124,673	\$304,651
=Labor Income	\$3,021,176	\$741,233	\$1,058,441	\$4,820,850
+Other Property Type Income	\$1,030,780	\$610,403	\$561,012	\$2,202,194
+Indirect Business Taxes	\$558,027	\$153,980	\$161,697	\$873,704
=Total Value Added	\$4,609,983	\$1,505,616	\$1,781,149	\$7,896,748
Output	\$6,020,874	\$2,689,879	\$3,172,945	\$11,883,698
Employment	74.0	15.2	24.1	113.3
Federal Taxes	\$706,525	\$189,039	\$249,558	\$1,145,122
+State and Local Taxes	\$593,905	\$165,776	\$180,135	\$939,816
=Total Taxes	\$1,300,430	\$354,815	\$429,693	\$2,084,938

Source: IMPLAN®

Tenant Civilian Spending

To estimate the economic impact from Tenant Civilian Spending, an employee compensation of \$31,334,144 in 2019 dollars with 354 workers, who reside in the 11-county region, was used in the Computer and Other Electronics industry. Also used was \$2,385,019 from supplies and equipment purchases and \$206,745 from contract services purchases. All information was provided by Tobyhanna Army Depot.

This impact does not include information for the Defense Commissary Agency, the U.S. Army and U.S. Air Force Exchange Service, and the U.S. Army Health Clinic because they have different industry classifications. Therefore, the impact for these agencies is presented separately.

Table 8 provides the estimated impact from this spending on the 11-county regional economy.

Table 8. Estimated Impact on the Regional Economy from Tenant Civilian Spending in 2019 (2019 Dollars)

	Direct	+Indirect	+Induced	=Total
Employee Compensation	\$31,334,143	\$18,686,916	\$12,848,991	\$62,870,050
+Proprietor Income	\$0	\$1,732,392	\$1,715,491	\$3,447,883
=Labor Income	\$31,334,143	\$20,419,308	\$14,564,482	\$66,317,933
+Other Property Type Income	\$33,101,489	\$10,225,220	\$7,719,770	\$51,046,479
+Indirect Business Taxes	\$2,787,788	\$2,795,818	\$2,224,847	\$7,808,453
=Total Value Added	\$67,223,420	\$33,440,346	\$24,509,099	\$125,172,865
Output	\$177,165,852	\$64,679,049	\$43,661,509	\$285,506,410
Employment	354.0	274.6	332.0	960.6
Federal Taxes	\$8,547,992	\$4,791,873	\$3,434,003	\$16,773,868
+State and Local Taxes	\$3,721,326	\$3,173,942	\$2,478,582	\$9,373,850
=Total Taxes	\$12,269,318	\$7,965,815	\$5,912,585	\$26,147,718

Source: IMPLAN^{®7}

Tenant Military Spending

To estimate the economic impact from Tenant Military Spending, an employee compensation of \$2,021,346 in 2019 dollars with 13 employees, who reside in the 11-county region, was used in the Government industry. Also used was \$115,385 from supplies and equipment purchases and \$38,507 from contract services purchases. All information was provided by Tobyhanna Army Depot.

Note that this impact does not include information for the Defense Commissary Agency. The impact for this agency is presented separately.

The estimated economic impact on the 11-county region from this spending is indicated in Table 9.

Table 9. Estimated Impact on the Regional Economy from Tenant Military Spending in 2019 (2019 Dollars)

	Direct	+Indirect	+Induced	=Total
Employee Compensation	\$2,102,904	\$30,252	\$532,602	\$2,665,758
+Proprietor Income	\$1,672	\$8,862	\$71,104	\$81,638
=Labor Income	\$2,104,576	\$39,113	\$603,707	\$2,747,396
+Other Property Type Income	\$244,521	\$14,677	\$319,995	\$579,193
+Indirect Business Taxes	(\$10,816)	\$3,925	\$92,209	\$85,318
=Total Value Added	\$2,338,281	\$57,716	\$1,015,910	\$3,411,907
Output	\$1,446,384	\$114,457	\$1,809,861	\$3,370,702
Employment	14.1	0.7	13.8	28.6
Federal Taxes	\$424,491	\$8,325	\$142,342	\$575,158
+State and Local Taxes	\$46,425	\$4,735	\$102,729	\$153,889
=Total Taxes	\$470,916	\$13,060	\$245,071	\$729,047

Source: IMPLAN®

Tenant Contractor Spending

To estimate the economic impact from Tenant Contractor Spending, an employee compensation of \$5,036,067 in 2019 dollars and 87 contractors, who reside in the 11-county region, was used in the Computer and Other Electronics industry. Also used was \$56,886 from supplies and equipment purchases and \$33,799 from contract services purchases, both in 2019 dollars. All information was provided by Tobyhanna Army Depot.

Note that this impact does not include information for the Defense Commissary Agency and the Pentagon Federal (PenFed) Credit Union. The impact for these agencies is presented separately.

Table 10 provides the estimated economic impact from this spending on the 11-county region.

Table 10. Estimated Impact on the Regional Economy from Tenant Contractor Spending in 2019 (2019 Dollars)

	Direct	+Indirect	+Induced	=Total
Employee Compensation	\$5,036,066	\$4,536,803	\$2,480,581	\$12,053,450
+Proprietor Income	\$0	\$420,634	\$331,193	\$751,826
=Labor Income	\$5,036,066	\$4,957,436	\$2,811,773	\$12,805,276
+Other Property Type Income	\$8,135,112	\$2,482,411	\$1,490,347	\$12,107,869
+Indirect Business Taxes	\$685,134	\$678,778	\$429,540	\$1,793,452
=Total Value Added	\$13,856,312	\$8,118,625	\$4,731,660	\$26,706,597
Output	\$43,540,761	\$15,702,605	\$8,429,064	\$67,672,430
Employment	87.0	66.7	64.1	217.8
Federal Taxes	\$1,582,294	\$1,163,371	\$662,958	\$3,408,623
+State and Local Taxes	\$847,209	\$770,578	\$478,523	\$2,096,310
=Total Taxes	\$2,429,503	\$1,933,949	\$1,141,481	\$5,504,933

Source: IMPLAN®

Defense Commissary Agency Spending

To estimate the economic impact from Defense Commissary Agency Spending, 18 employees, along with \$1,017,044 in employee compensation, were used in the Food and Beverage Stores industry. Amounts of \$51,761 for the purchase of supplies and equipment, and \$236,794 for the purchase of contract services were also used. All information was provided by Tobyhanna Army Depot.

Table 11 provides the estimated economic impact from this spending on the 11-county region.

Table 11. Estimated Impact on the Regional Economy from Defense Commissary Agency Spending in 2019 (2019 Dollars)

	Direct	+Indirect	+Induced	=Total
Employee Compensation	\$1,017,044	\$132,612	\$301,490	\$1,451,146
+Proprietor Income	\$43,921	\$21,392	\$40,254	\$105,567
=Labor Income	\$1,060,964	\$154,004	\$341,744	\$1,556,713
+Other Property Type Income	\$104,089	\$103,902	\$181,136	\$389,127
+Indirect Business Taxes	\$73,028	\$24,619	\$52,209	\$149,857
=Total Value Added	\$1,238,081	\$282,526	\$575,090	\$2,095,697
Output	\$1,089,776	\$502,014	\$1,024,458	\$2,616,248
Employment	18.0	3.0	7.8	28.8
Federal Taxes	\$217,158	\$37,653	\$80,577	\$335,388
+State and Local Taxes	\$94,231	\$27,478	\$58,164	\$179,873
=Total Taxes	\$311,389	\$65,131	\$138,741	\$515,261

Source: IMPLAN[®]

U.S. Army Health Clinic Spending

To estimate the economic impact from U.S. Army Health Clinic Spending, nine employees with an employee compensation of \$932,110 in 2019 dollars was used in the Ambulatory Health Care industry. This information was provided by Tobyhanna Army Depot.

Table 12 provides the estimated economic impact from this spending on the 11-county region.

Table 12. Estimated Impact on the Regional Economy from U.S. Army Health Clinic Spending in 2019 (2019 Dollars)

	Direct	+Indirect	+Induced	=Total
Employee Compensation	\$932,110	\$91,512	\$274,414	\$1,298,037
+Proprietor Income	\$68,672	\$14,147	\$36,641	\$119,459
=Labor Income	\$1,000,782	\$105,659	\$311,055	\$1,417,496
+Other Property Type Income	\$70,634	\$72,173	\$164,868	\$307,675
+Indirect Business Taxes	\$6,579	\$17,101	\$47,526	\$71,205
=Total Value Added	\$1,077,995	\$194,933	\$523,448	\$1,796,377
Output	\$1,162,130	\$351,892	\$932,434	\$2,446,455
Employment	9.0	2.0	7.1	18.1
Federal Taxes	\$195,143	\$25,950	\$73,339	\$294,432
+State and Local Taxes	\$32,229	\$19,053	\$52,943	\$104,225
=Total Taxes	\$227,372	\$45,003	\$126,282	\$398,657

Source: IMPLAN®

U.S. Army and U.S. Air Force Exchange Service Spending

To estimate the economic impact from U.S. Army and U.S. Air Force Exchange Service Spending, two employees with an employee compensation of \$76,990 in 2019 dollars was used in the General Merchandise Stores industry. To estimate the economic impact from the purchasing of supplies and equipment, the amount of \$27,572 in 2019 dollars was used. All information was provided by Tobyhanna Army Depot.

Table 13 provides the estimated economic impact from this spending on the 11-county region.

Table 13. Estimated Impact on the Regional Economy from U.S. Army and U.S. Air Force Exchange Service Spending in 2019 (2019 Dollars)

	Direct	+Indirect	+Induced	=Total
Employee Compensation	\$76,990	\$19,674	\$24,584	\$121,248
+Proprietor Income	\$212	\$2,119	\$3,282	\$5,613
=Labor Income	\$77,202	\$21,793	\$27,866	\$126,861
+Other Property Type Income	\$6,956	\$11,738	\$14,770	\$33,465
+Indirect Business Taxes	\$15,027	\$2,535	\$4,257	\$21,819
=Total Value Added	\$99,185	\$36,067	\$46,893	\$182,145
Output	\$126,156	\$61,631	\$83,538	\$271,325
Employment	2.0	0.4	0.6	3.0
Federal Taxes	\$16,899	\$5,107	\$6,571	\$28,577
+State and Local Taxes	\$15,632	\$2,993	\$4,741	\$23,366
=Total Taxes	\$32,531	\$8,100	\$11,312	\$51,943

Source: IMPLAN®

Pentagon Federal (PenFed) Credit Union Spending

To estimate the economic impact from Pentagon Federal (PenFed) Credit Union Spending, five employees, along with \$194,041 in 2019 dollars in employee compensation, was used in the Monetary Authorities industry. A spending amount of \$6,906 in 2019 dollars for supplies and equipment was also used. This information was provided by Tobyhanna Army Depot.

Table 14 provides the estimated economic impact from this spending on the 11-county region.

Table 14. Estimated Impact on the Regional Economy from Pentagon Federal (PenFed) Credit Union Spending in 2019 (2019 Dollars)

	Direct	+Indirect	+Induced	=Total
Employee Compensation	\$194,041	\$113,834	\$79,991	\$387,866
+Proprietor Income	\$2,425	\$11,982	\$10,680	\$25,087
=Labor Income	\$196,466	\$125,816	\$90,671	\$412,953
+Other Property Type Income	\$163,515	\$43,673	\$48,059	\$255,247
+Indirect Business Taxes	\$73,980	\$15,236	\$13,852	\$103,067
=Total Value Added	\$433,961	\$184,724	\$152,582	\$771,267
Output	\$1,021,514	\$403,412	\$271,812	\$1,696,738
Employment	5.0	3.0	2.1	10.1
Federal Taxes	\$55,908	\$27,967	\$21,378	\$105,253
+State and Local Taxes	\$73,906	\$17,519	\$15,430	\$106,855
=Total Taxes	\$129,814	\$45,486	\$36,808	\$212,108

Source: IMPLAN®

Nonresident Worker Spending

This impact was estimated by using the Tobyhanna Army Depot-provided amount of 85 employees, who reside outside the 11-county region, along with 210 working days in a year to obtain 17,850 worker-days. The 210 working days assume that workers take 15 days off a year from the 225 days that the Depot is open. According to a June 17, 2015 article by Kathryn Vasel of CNN Money, “We Spend \$2,600 a Year Commuting to Work,” Citi’s ThankYou Premier Commuter Index indicated that “Workers spend 200 hours annually at a cost of nearly \$2,600 on their daily commute, which breaks down to about \$10 a day being spent on getting to and from work.”

According to a Workonomix survey by Accounting Principals, “American workers spend an average of \$3,000 a year on coffee and lunch at work.” “Two-thirds (66 percent) of working Americans buy their lunch instead of packing it, costing them an average of \$37 per week – nearly \$2,000 a year.” Therefore, the 17,850 worker-days were multiplied by 66 percent to obtain 11,781 worker-days.

To determine the daily expenses of the nonresident workers, data were used from the General Services Administration Continental United States (CONUS) per diem rates, which are available at <https://www.gsa.gov/travel/plan-book/per-diem-rates/per-diem-rates-lookup>, and from a February 2013 report, “Missouri’s Military Infrastructure: A Base Realignment and Closure (BRAC) Preparatory Assessment,” by Kit Bond Strategies, LLP; Development

Strategies; Cardinal Point Partners; Byron Cave, LLP; Flagship Government Relations; and Husch Blackwell, which was used in the economic impact analyses for Fiscal Years 2013, 2014, 2015, 2016 and 2017. Based on Visitor Spending Estimates for Fort Leonard Wood, which are presented in Table 35 at <https://www.yumpu.com/en/document/fullscreen/32009994/missouri-military-infrastructure-study-missouri-department-of->, \$25 was spent per person on miscellaneous items and \$10 was spent per person on gasoline per a night stay. Since this information was from February 2013, an inflation factor of 1.09 from the U.S. Bureau of Labor Statistics Consumer Price Index (CPI) Inflation Factor was used to bring the expenditure data to the October 2018 values of \$27.23 and \$10.89, respectively. For economic impact modeling purposes, the margins of the \$27.23 that was spent at General Merchandise Stores and the \$10.89 that was spent at Gasoline Stations were used.

According to the General Services Administration Continental United States (CONUS) per diem rates, the Meals & Incidental Expenses Rate for Pennsylvania is \$55 per day (Breakfast - \$13, Lunch - \$14, Dinner - \$23 and Incidentals - \$5). For the day visitors, \$15.75 for lunch was used.

Table 15 provides the estimated impact from this spending on the 11-county regional economy.

Table 15. Estimated Impact on the Regional Economy from Nonresident Worker Spending in 2019 (2019 Dollars)

	Direct	+Indirect	+Induced	=Total
Employee Compensation	\$252,711	\$29,637	\$75,051	\$357,399
+Proprietor Income	\$16,312	\$3,886	\$10,021	\$30,219
=Labor Income	\$269,023	\$33,523	\$85,072	\$387,618
+Other Property Type Income	\$37,903	\$20,906	\$45,091	\$103,900
+Indirect Business Taxes	\$59,238	\$5,000	\$12,998	\$77,235
=Total Value Added	\$366,164	\$59,428	\$143,160	\$568,752
Output	\$291,539	\$110,675	\$255,019	\$657,233
Employment	10.4	0.6	1.9	12.9
Federal Taxes	\$59,340	\$8,104	\$20,057	\$87,501
+State and Local Taxes	\$60,879	\$5,634	\$14,478	\$80,991
=Total Taxes	\$120,219	\$13,738	\$34,535	\$168,492

Source: IMPLAN®

Self-Funded Construction Spending

To estimate the economic impact from Self-Funded Construction Spending, an expense amount of \$3,963,151 from Tobyhanna Army Depot sources in 2019 dollars was used. An assumption was made that 45 percent of the dollars for construction contracts outside the region are subcontracted to local contractors; the remainder goes to out of state subcontractors or is retained by the prime contractor.

The estimated impact on the 11-county region from this expense is provided in Table 16.

Table 16. Estimated Impact on the Regional Economy from Using Tobyhanna Army Depot Funding Sources for the Routine Construction of Projects during 2019 (2019 Dollars)

	Direct	+Indirect	+Induced	=Total
Employee Compensation	\$790,450	\$396,623	\$427,597	\$1,614,671
+Proprietor Income	\$477,367	\$70,144	\$57,123	\$604,635
=Labor Income	\$1,267,817	\$466,767	\$484,721	\$2,219,305
+Other Property Type Income	\$432,771	\$196,284	\$256,878	\$885,933
+Indirect Business Taxes	\$23,479	\$73,502	\$74,145	\$171,125
=Total Value Added	\$1,724,067	\$736,552	\$815,744	\$3,276,363
Output	\$3,963,151	\$1,404,536	\$1,452,585	\$6,820,273
Employment	24.7	9.1	11.1	44.9
Federal Taxes	\$243,617	\$105,812	\$114,292	\$463,721
+State and Local Taxes	\$59,393	\$80,818	\$82,579	\$222,790
=Total Taxes	\$303,010	\$186,630	\$196,871	\$686,511

Source: IMPLAN®

Morale, Welfare and Recreation, and Tenant Construction Spending

To estimate the economic impact from using Morale, Welfare and Recreation, and Tenant Funding Sources for Routine Construction, an expense amount of \$1,290,138 from Tobyhanna Army Depot sources in 2019 dollars was used. An assumption was made that 45 percent of the dollars for construction contracts outside the region are subcontracted to local contractors; the remainder goes to out of state subcontractors or is retained by the prime contractor.

The estimated impact on the 11-county region from this expense is provided in Table 17.

Table 17. Estimated Impact on the Regional Economy from Using Morale, Welfare and Recreation, and Tenant Funding Sources for the Routine Construction of Projects during 2019 (2019 Dollars)

	Direct	+Indirect	+Induced	=Total
Employee Compensation	\$257,318	\$129,114	\$139,197	\$525,629
+Proprietor Income	\$155,399	\$22,834	\$18,596	\$196,829
=Labor Income	\$412,717	\$151,948	\$157,793	\$722,458
+Other Property Type Income	\$140,881	\$63,897	\$83,622	\$288,400
+Indirect Business Taxes	\$7,643	\$23,927	\$24,137	\$55,707
=Total Value Added	\$561,241	\$239,772	\$265,552	\$1,066,565
Output	\$1,290,138	\$457,223	\$472,865	\$2,220,226
Employment	8.0	3.0	3.6	14.6
Federal Taxes	\$79,305	\$34,445	\$37,206	\$150,956
+State and Local Taxes	\$19,335	\$26,310	\$26,882	\$72,527
=Total Taxes	\$98,640	\$60,755	\$64,088	\$223,483

Source: IMPLAN®

Utility Expenses

This impact was estimated by using the following information, which was provided in 2019 dollars by Tobyhanna Army Depot:

- Water and Wastewater, Electric Power Generation and Natural Gas Distribution Expenses of \$6,234,958
- Telecommunications Expense of \$1,042,931

The estimated impact on the 11-county regional economy from these expenses is provided in Table 18. An assumption was made that all utilities primarily benefit the local region because all utility companies have regional offices.

Line Haul Expenses

This impact was estimated by using an expense amount of \$3,205,757 in the Truck Transportation industry, which was provided in 2019 dollars by Tobyhanna Army Depot.

Table 19 provides the estimated impact from this expense on the 11-county regional economy.

Table 18. Estimated Impact on the Regional Economy from Utility Expenses in 2019 (2019 Dollars)

	Direct	+Indirect	+Induced	=Total
Employee Compensation	\$937,497	\$560,965	\$420,952	\$1,919,414
+Proprietor Income	\$8,520	\$192,151	\$56,212	\$256,884
=Labor Income	\$946,017	\$753,116	\$477,164	\$2,176,297
+Other Property Type Income	\$1,799,241	\$401,585	\$252,904	\$2,453,729
+Indirect Business Taxes	\$608,000	\$174,648	\$72,920	\$855,568
=Total Value Added	\$3,353,258	\$1,329,349	\$802,988	\$5,485,594
Output	\$7,277,889	\$2,568,883	\$1,430,295	\$11,277,067
Employment	6.6	9.3	10.9	26.8
Federal Taxes	\$360,246	\$176,072	\$112,508	\$648,826
+State and Local Taxes	\$596,073	\$182,281	\$81,232	\$859,586
=Total Taxes	\$956,319	\$358,353	\$193,740	\$1,508,412

Source: IMPLAN[®]

Table 19. Estimated Impact on the Regional Economy from Line Haul Expenses in 2019 (2019 Dollars)

	Direct	+Indirect	+Induced	=Total
Employee Compensation	\$1,008,567	\$437,133	\$424,995	\$1,870,695
+Proprietor Income	\$201,439	\$70,042	\$56,757	\$328,238
=Labor Income	\$1,210,005	\$507,176	\$481,752	\$2,198,933
+Other Property Type Income	\$223,745	\$197,703	\$255,329	\$676,778
+Indirect Business Taxes	\$26,569	\$49,779	\$73,635	\$149,982
=Total Value Added	\$1,460,319	\$754,658	\$810,716	\$3,025,693
Output	\$3,205,757	\$1,331,836	\$1,443,974	\$5,981,567
Employment	18.9	8.4	11.0	38.3
Federal Taxes	\$238,447	\$111,512	\$113,590	\$463,549
+State and Local Taxes	\$57,702	\$60,400	\$82,023	\$200,125
=Total Taxes	\$296,149	\$171,912	\$195,613	\$663,674

Source: IMPLAN[®]

Car Rental Expenses

This impact was estimated by using an expense amount of \$274,661 in the Rental & Leasing Services industry, which was provided in 2019 dollars by Tobyhanna Army Depot.

The estimated economic impact on the 11-county region from this expense is provided in Table 20.

Table 20. Estimated Impact on the Regional Economy from Car Rental Expenses in 2019 (2019 Dollars)

	Direct	+Indirect	+Induced	=Total
Employee Compensation	\$53,282	\$20,104	\$30,527	\$103,913
+Proprietor Income	\$47,173	\$3,567	\$4,079	\$54,819
=Labor Income	\$100,455	\$23,671	\$34,606	\$158,732
+Other Property Type Income	\$78,680	\$13,745	\$18,338	\$110,763
+Indirect Business Taxes	\$14,809	\$4,749	\$5,296	\$24,854
=Total Value Added	\$193,944	\$42,165	\$58,239	\$294,349
Output	\$274,661	\$72,012	\$103,692	\$450,366
Employment	1.3	0.4	0.8	2.5
Federal Taxes	\$22,805	\$5,713	\$8,160	\$36,678
+State and Local Taxes	\$16,983	\$5,071	\$5,898	\$27,952
=Total Taxes	\$39,788	\$10,784	\$14,058	\$64,630

Source: IMPLAN®

Air Fare Expenses

This impact was estimated by using an expense amount of \$898,897 in the Air Transportation industry, which was provided in 2019 dollars by Tobyhanna Army Depot.

Table 21 provides the estimated economic impact from this expense on the 11-county region.

Table 21. Estimated Impact on the Regional Economy from Air Fare Expenses in 2019 (2019 Dollars)

	Direct	+Indirect	+Induced	=Total
Employee Compensation	\$164,731	\$86,667	\$69,305	\$320,703
+Proprietor Income	\$2,382	\$25,840	\$9,254	\$37,477
=Labor Income	\$167,114	\$112,507	\$78,559	\$358,180
+Other Property Type Income	\$73,150	\$42,860	\$41,638	\$157,648
+Indirect Business Taxes	\$125,747	\$10,574	\$12,004	\$148,325
=Total Value Added	\$366,010	\$165,941	\$132,201	\$664,153
Output	\$898,897	\$293,769	\$235,484	\$1,428,151
Employment	2.5	1.8	1.8	6.1
Federal Taxes	\$49,172	\$23,895	\$18,523	\$91,590
+State and Local Taxes	\$118,879	\$12,979	\$13,373	\$145,231
=Total Taxes	\$168,051	\$26,874	\$31,896	\$236,821

Source: IMPLAN®

Other Travel Expenses

This impact was estimated by using the Tobyhanna Army Depot-provided amounts in 2019 dollars of \$14,999 for gasoline, \$75,257 for lodging, \$41,932 for parking, \$3,671 for restaurant meals, \$1,362 for purchases from food and beverage stores, \$3,117 for taxicab transportation and \$64,222 for travel agent expenses. The purchases from gasoline stations, and food and beverage stores were margined. Margins were used because they are the remaining amount that stays in the regional economy after the costs of the goods sold are paid.

Table 22 provides the estimated economic impact from these expenses on the 11-county region.

Table 22. Estimated Impact on the Regional Economy from Other Travel Expenses in 2019 (2019 Dollars)

	Direct	+Indirect	+Induced	=Total
Employee Compensation	\$77,990	\$16,931	\$29,105	\$124,025
+Proprietor Income	\$19,683	\$3,100	\$3,887	\$26,670
=Labor Income	\$97,673	\$20,030	\$32,992	\$150,695
+Other Property Type Income	\$15,481	\$10,521	\$17,486	\$43,487
+Indirect Business Taxes	\$10,485	\$2,802	\$5,044	\$18,331
=Total Value Added	\$123,639	\$33,353	\$55,521	\$212,513
Output	\$190,769	\$60,355	\$98,884	\$350,009
Employment	3.0	0.4	0.8	4.1
Federal Taxes	\$19,630	\$4,640	\$7,778	\$32,048
+State and Local Taxes	\$12,175	\$3,176	\$5,616	\$20,967
=Total Taxes	\$31,805	\$7,816	\$13,394	\$53,015

Source: IMPLAN®

Combined Federal Campaign Contributions

The Combined Federal Campaign (CFC) is an annual federal workplace campaign that serves as a fundraiser for charities. Contributions to the campaign can be made through either a donation or payroll deduction. Employees at Tobyhanna Army Depot have contributed to the CFC for many years. In Fiscal Year 2019, contributions were \$20,891.

Although it is realized that some of these contributions remain in the 11-county impact region, the economic impact from these contributions cannot be estimated because Depot employees contribute to a wide array of organizations, some of which are not local. Consequently, the percentage of these contributions that remains in the impact region is not known. According to the “2012 Federal Advisory Committee Report on the Combined Federal Campaign,” a July 2012 United States Office of Personnel Management CFC-50 Commission Report, the number of participating charities was estimated in 2012 at more than 20,000 nonprofit organizations worldwide. Also, with the exception of Schuylkill County, 10 of the 11 counties are in the Eastern Pennsylvania and South Jersey CFC, which consists of 25 Pennsylvania and 9 New Jersey counties. Schuylkill County is in the North Central Pennsylvania CFC, which consists of 7 Pennsylvania counties.

Tenant Reimbursements Paid to Tobyhanna Army Depot

Government entities located within Tobyhanna Army Depot provide reimbursement for base support services received from Tobyhanna Army Depot in a formal tenant-host relationship. Consequently, this impact was estimated by using the Tobyhanna Army Depot-provided amount of \$6,970,836 in 2019 dollars in the Real Estate industry.

Table 23 provides the estimated impact on the 11-county regional economy from tenant reimbursements paid to the Depot.

Table 23. Estimated Impact on the Regional Economy from Tenant Reimbursements Paid to Tobyhanna Army Depot in 2019 (2019 Dollars)

	Direct	+Indirect	+Induced	=Total
Employee Compensation	\$99,618	\$589,066	\$237,767	\$926,451
+Proprietor Income	\$158,453	\$116,648	\$31,762	\$306,862
=Labor Income	\$258,071	\$705,714	\$269,529	\$1,233,313
+Other Property Type Income	\$3,496,396	\$438,967	\$142,840	\$4,078,203
+Indirect Business Taxes	\$696,608	\$107,053	\$41,222	\$844,883
=Total Value Added	\$4,451,075	\$1,251,733	\$453,590	\$6,156,399
Output	\$6,970,836	\$2,330,459	\$807,739	\$10,109,035
Employment	16.6	15.3	6.2	38.0
Federal Taxes	\$336,238	\$168,227	\$63,551	\$568,016
+State and Local Taxes	\$679,978	\$120,275	\$45,913	\$846,166
=Total Taxes	\$1,016,216	\$288,502	\$109,464	\$1,414,182

Source: IMPLAN[®]

Visitor Spending

According to Tobyhanna Army Depot, during Fiscal Year 2019, there were 1,577 day visitors, 5,376 people who stayed overnight in a Business Suite at Tobyhanna Villas, 1,364 people who stayed overnight in a Vacation Home at Tobyhanna Villas and 1,824 people who stayed overnight at a hotel. Tobyhanna Villas had 963 reservations which equaled 6,740 nights with an average of one person per night.

To determine the daily expenses of these visitors, data were used from the General Services Administration Continental United States (CONUS) per diem rates, which are available at <https://www.gsa.gov/travel/plan-book/per-diem-rates/per-diem-rates-lookup>, and from a February 2013 report, “Missouri’s Military Infrastructure: A Base Realignment and Closure

(BRAC) Preparatory Assessment,” by Kit Bond Strategies, LLP; Development Strategies; Cardinal Point Partners; Byron Cave, LLP; Flagship Government Relations; and Husch Blackwell, which was used in the economic impact analyses for Fiscal Years 2013, 2014, 2015, 2016, 2017 and 2018. Based on Visitor Spending Estimates for Fort Leonard Wood, which are presented in Table 35 at <https://www.yumpu.com/en/document/fullscreen/32009994/missouris-military-infrastructure-study-missouri-department-of->, \$25 was spent per person on miscellaneous items and \$10 was spent per person on gasoline per a night stay. Since this information was from February 2013, an inflation factor of 1.09 from the U.S. Bureau of Labor Statistics Consumer Price Index (CPI) Inflation Factor was used to bring the expenditure data to the October 2018 values of \$27.23 and \$10.89, respectively. For economic impact modeling purposes, the margins of the \$27.23 that was spent at General Merchandise Stores and the \$10.89 that was spent at Gasoline Stations were used.

Lodging expenses for the overnight visitors at Tobyhanna Villas were \$94 per night for two people at a Business Suite, \$110 per night for four people at a Vacation Home and \$5 per night for an extra visitor, according to Tobyhanna Army Depot. Based on the CONUS rate for Pennsylvania, \$94 per night was used as spending for hotel expenses.

According to the General Services Administration Continental United States (CONUS) per diem rates, the Meals & Incidental Expenses Rate for Pennsylvania is \$55 per day (Breakfast - \$13, Lunch - \$14, Dinner - \$23 and Incidentals - \$5). For the day visitors, \$15.75 for lunch was used and for the overnight visitors, \$55 per day was used in the Food Services and Drinking Places industry.

The estimated impacts on the 11-county regional economy are presented in Table 24 for the day visitors; Table 25 for the overnight visitors who stay in a Tobyhanna Villas Business Suite; Table 26 for the overnight visitors who stay in a Tobyhanna Villas Vacation Home and Table 27 for the overnight visitors who stay at a hotel.

Table 24. Estimated Impact on the Regional Economy from Day Visitor Spending in 2019 (2019 Dollars)

	Direct	+Indirect	+Induced	=Total
Employee Compensation	\$33,828	\$3,967	\$10,046	\$47,841
+Proprietor Income	\$2,183	\$520	\$1,341	\$4,045
=Labor Income	\$36,011	\$4,487	\$11,388	\$51,886
+Other Property Type Income	\$5,074	\$2,798	\$6,036	\$13,908
+Indirect Business Taxes	\$7,930	\$669	\$1,740	\$10,339
=Total Value Added	\$49,015	\$7,955	\$19,163	\$76,133
Output	\$39,025	\$14,815	\$34,137	\$87,977
Employment	1.4	0.1	0.3	1.7
Federal Taxes	\$7,943	\$1,085	\$2,684	\$11,712
+State and Local Taxes	\$8,151	\$753	\$1,939	\$10,843
=Total Taxes	\$16,094	\$1,838	\$4,623	\$22,555

Source: IMPLAN®

Table 25. Estimated Impact on the Regional Economy from the Spending by Visitors Staying Overnight in a Tobyhanna Villas Business Suite in 2019 (2019 Dollars)

	Direct	+Indirect	+Induced	=Total
Employee Compensation	\$358,222	\$82,298	\$116,072	\$556,591
+Proprietor Income	\$14,146	\$13,144	\$15,498	\$42,788
=Labor Income	\$372,368	\$95,442	\$131,570	\$599,379
+Other Property Type Income	\$108,019	\$50,665	\$69,736	\$228,420
+Indirect Business Taxes	\$87,450	\$13,545	\$20,101	\$121,096
=Total Value Added	\$567,836	\$159,652	\$221,407	\$948,895
Output	\$849,389	\$298,889	\$394,409	\$1,542,687
Employment	13.7	1.8	3.0	18.5
Federal Taxes	\$86,923	\$22,274	\$31,023	\$140,220
+State and Local Taxes	\$89,871	\$15,310	\$22,394	\$127,575
=Total Taxes	\$176,794	\$37,584	\$53,417	\$267,795

Source: IMPLAN®

Table 26. Estimated Impact on the Regional Economy from the Spending by Visitors Staying Overnight in a Tobyhanna Villas Vacation Home in 2019 (2019 Dollars)

	Direct	+Indirect	+Induced	=Total
Employee Compensation	\$98,319	\$23,044	\$31,906	\$153,270
+Proprietor Income	\$3,512	\$3,711	\$4,260	\$11,482
=Labor Income	\$101,831	\$26,755	\$36,166	\$164,752
+Other Property Type Income	\$30,378	\$14,014	\$19,169	\$63,561
+Indirect Business Taxes	\$24,286	\$3,768	\$5,525	\$33,580
=Total Value Added	\$156,495	\$44,536	\$60,861	\$261,893
Output	\$237,331	\$83,225	\$108,416	\$428,973
Employment	3.7	0.5	0.8	5.0
Federal Taxes	\$23,884	\$6,226	\$8,527	\$38,637
+State and Local Taxes	\$24,924	\$4,264	\$6,155	\$35,343
=Total Taxes	\$48,808	\$10,490	\$14,682	\$73,980

Source: IMPLAN®

Table 27. Estimated Impact on the Regional Economy from the Spending by Visitors Staying Overnight at a Hotel in 2019 (2019 Dollars)

	Direct	+Indirect	+Induced	=Total
Employee Compensation	\$121,539	\$27,922	\$39,382	\$188,843
+Proprietor Income	\$4,800	\$4,460	\$5,258	\$14,517
=Labor Income	\$126,339	\$32,382	\$44,640	\$203,361
+Other Property Type Income	\$36,649	\$17,190	\$23,661	\$77,500
+Indirect Business Taxes	\$29,670	\$4,596	\$6,820	\$41,086
=Total Value Added	\$192,659	\$54,168	\$75,120	\$321,947
Output	\$288,186	\$101,409	\$133,817	\$523,412
Employment	4.6	0.6	1.0	6.3
Federal Taxes	\$29,490	\$7,558	\$10,526	\$47,574
+State and Local Taxes	\$30,494	\$5,197	\$7,597	\$43,288
=Total Taxes	\$59,984	\$12,755	\$18,123	\$90,862

Source: IMPLAN®

Construction

The impact from construction is based on projects that are funded by Tobyhanna Army Depot sources, which are routine, and projects that are funded by a considerable influx of external funding, which are major renovations. The impact regions are defined as an 11-county region that consists of Carbon, Lackawanna, Lehigh, Luzerne, Monroe, Northampton, Pike, Schuylkill, Susquehanna, Wayne and Wyoming counties in Pennsylvania and the region that includes the remaining 56 counties in Pennsylvania.

Impact on the Regional Economy from the Construction of Major Projects during 2019

To estimate the economic impact on the 11-county regional economy from the construction of major projects during 2019, an expenditure of \$10,818,359 from externally-funded sources was used for major construction projects. An assumption was made that 45 percent of the dollars for construction contracts outside the region are subcontracted to local contractors; the rest goes to out of state subcontractors or is retained by the prime contractor.

Table 28 provides the estimated impact from the spending of funds from externally-funded sources on the 11-county regional economy during 2019.

Table 28. Estimated Impact on the Regional Economy from Using Externally-Funded Sources for the Construction of Major Projects during 2019 (2019 Dollars)

	Direct	+Indirect	+Induced	=Total
Employee Compensation	\$2,157,722	\$1,082,676	\$1,167,229	\$4,407,626
+Proprietor Income	\$1,303,086	\$191,476	\$155,932	\$1,650,493
=Labor Income	\$3,460,807	\$1,274,151	\$1,323,161	\$6,058,120
+Other Property Type Income	\$1,181,350	\$535,802	\$701,210	\$2,418,363
+Indirect Business Taxes	\$64,090	\$200,640	\$202,396	\$467,126
=Total Value Added	\$4,706,248	\$2,010,594	\$2,226,766	\$8,943,609
Output	\$10,818,359	\$3,834,014	\$3,965,176	\$18,617,550
Employment	67.3	25.0	30.2	122.5
Federal Taxes	\$665,007	\$288,840	\$311,987	\$1,265,834
+State and Local Taxes	\$162,131	\$220,614	\$225,420	\$608,165
=Total Taxes	\$827,138	\$509,454	\$537,407	\$1,873,999

Source: IMPLAN®

Impact on the Remainder of Pennsylvania Economy from Construction during 2019

To estimate the economic impact on the remainder of Pennsylvania economy from construction during 2019, an expenditure of \$40,376 from Tobyhanna Army Depot sources for routine construction projects and an expenditure of \$1,844,870 from externally-funded sources for major construction projects were used. An assumption was made that 45 percent of the dollars for construction contracts outside the region are subcontracted to local contractors; the rest goes to out of state subcontractors or is retained by the prime contractor.

Table 29 provides the estimated impact from the spending of funds from Tobyhanna Army Depot sources on the remainder of Pennsylvania economy during 2019.

Table 29. Estimated Impact on the Remainder of Pennsylvania Economy from Using Tobyhanna Army Depot Funding Sources for the Construction of Routine Projects during 2019 (2019 Dollars)

	Direct	+Indirect	+Induced	=Total
Employee Compensation	\$9,769	\$4,530	\$5,226	\$19,525
+Proprietor Income	\$4,763	\$846	\$698	\$6,307
=Labor Income	\$14,532	\$5,376	\$5,924	\$25,832
+Other Property Type Income	\$5,362	\$2,778	\$3,441	\$11,581
+Indirect Business Taxes	\$221	\$690	\$773	\$1,684
=Total Value Added	\$20,115	\$8,844	\$10,138	\$39,097
Output	\$40,376	\$16,621	\$17,222	\$74,220
Employment	0.2	0.1	0.1	0.4
Federal Taxes	\$2,873	\$1,239	\$1,408	\$5,520
+State and Local Taxes	\$685	\$807	\$908	\$2,400
=Total Taxes	\$3,558	\$2,046	\$2,316	\$7,920

Source: IMPLAN®

Table 30 provides the estimated impact on the remainder of Pennsylvania economy during 2019 from the spending of funds from externally-funded sources on the construction of major projects.

Table 30. Estimated Impact on the Remainder of Pennsylvania Economy from Using Externally-Funded Sources for the Construction of Major Projects during 2019 (2019 Dollars)

	Direct	+Indirect	+Induced	=Total
Employee Compensation	\$446,380	\$206,964	\$238,792	\$892,136
+Proprietor Income	\$217,619	\$38,668	\$31,874	\$288,161
=Labor Income	\$664,000	\$245,632	\$270,666	\$1,180,297
+Other Property Type Income	\$244,995	\$126,915	\$157,238	\$529,148
+Indirect Business Taxes	\$10,086	\$31,521	\$35,307	\$76,914
=Total Value Added	\$919,080	\$404,068	\$463,211	\$1,786,359
Output	\$1,844,870	\$759,458	\$786,932	\$3,391,259
Employment	10.6	4.0	5.4	20.0
Federal Taxes	\$131,256	\$56,649	\$64,350	\$252,255
+State and Local Taxes	\$31,242	\$36,904	\$41,413	\$109,559
=Total Taxes	\$162,498	\$93,553	\$105,763	\$361,814

Source: IMPLAN®

