



Fiscal Year 2020 Fort Drum Economic Impact Statement



October 1, 2019—September 30, 2020



Fort Drum Fiscal Year 2020 Economic Impact Statement



**Plans, Analysis, and Integration Office
10016 S. Riva Ridge Loop
Fort Drum, N.Y. 13602**

Executive Summary.....	3-4
Economic Impact Statement Welcome.....	5
Economic Impact Summary.....	6
Payroll.....	7
Mission and Installation Contracting Command (MICC).....	7
Medical Services and TRICARE.....	8-9
Dental Services.....	9
DoD Impact Aid.....	10
U.S. Army Corps of Engineers (USACE).....	10
Utilities.....	10
Fort Drum Mountain Community Homes (FDMCH).....	11
Army Continuing Education System (ACES).....	12
On-post Retail.....	12
Army Compatible Use Buffer (ACUB) Program.....	12
Recycling and Resource Stewardship Strategies.....	13
Cumulative Financial Impact.....	14
Fort Drum Population.....	15
Fort Drum Capital Assets.....	16
Fort Drum Real Property.....	17
Leadership.....	18
Fort Drum Tenant Organizations.....	19
Economic Forecast.....	20

Fort Drum ~ Home of America's Light Infantry Division

Fort Drum's direct economic impact exceeded \$1.4 billion for Fiscal Year 20 (FY20), a 8.1% **increase** from FY19. Payroll comprised 84% of FY20 Fort Drum economic impact. A Cost of Living Allowance (COLA) increase for Soldiers and government employees and higher AAFES revenue were drivers of the increase. Most of this period was impacted by the COVID-19 pandemic. Telework, virtual schooling, mask wearing, social distancing and quarantine became the new normal. As we all adjusted to these changes, the mission to support 10th Mountain Division (LI) Soldiers and families remained the same. More than 6,000 Soldiers deployed around the world, redeployed, quarantined, and were reunited with their Families.

Fort Drum is home to more than 30,000 Soldiers and family members, and it employs 3,912 civilians.

This report provides brief explanations of each category and the total economic impact amount to Fort Drum's surrounding community. Fort Drum has collected and reported economic impact data since FY88. The total cumulative investment to date is more than \$28 billion.

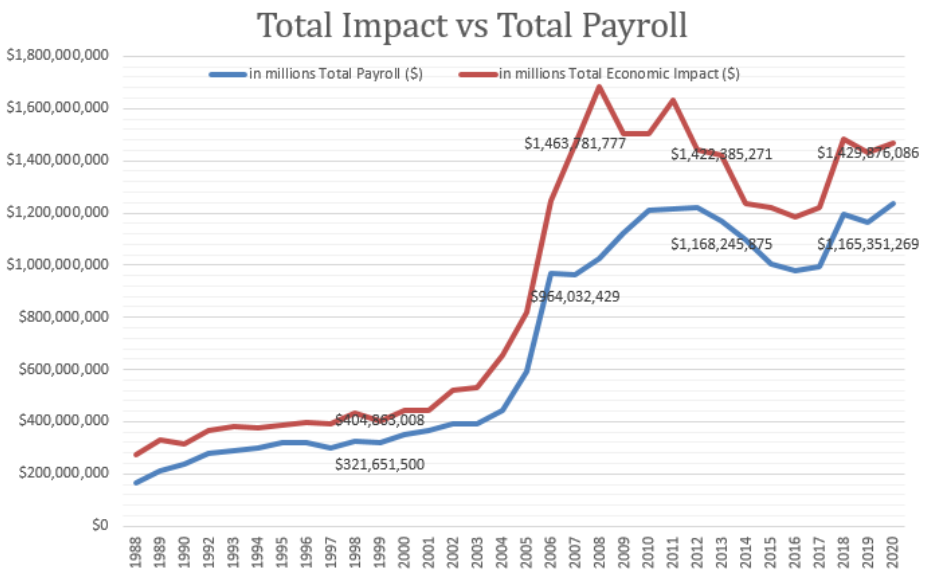


Table 1.0 Total Economic Impact and Payroll

Fort Drum ~ Home of America's Light Infantry Division

Fort Drum's total military and civilian workforce population has increased 42% since 1988; the economic impact on the surrounding community has increased by more than 440% during the same time frame, going from \$271 million to over \$1.4 billion based on data collected. Fort Drum's growth has positively contributed to the development of new businesses, industries and markets. Indirect or induced impacts are not calculated in this model. Additionally, this growth has stimulated the local economy and enriched the lives of many in the local area.

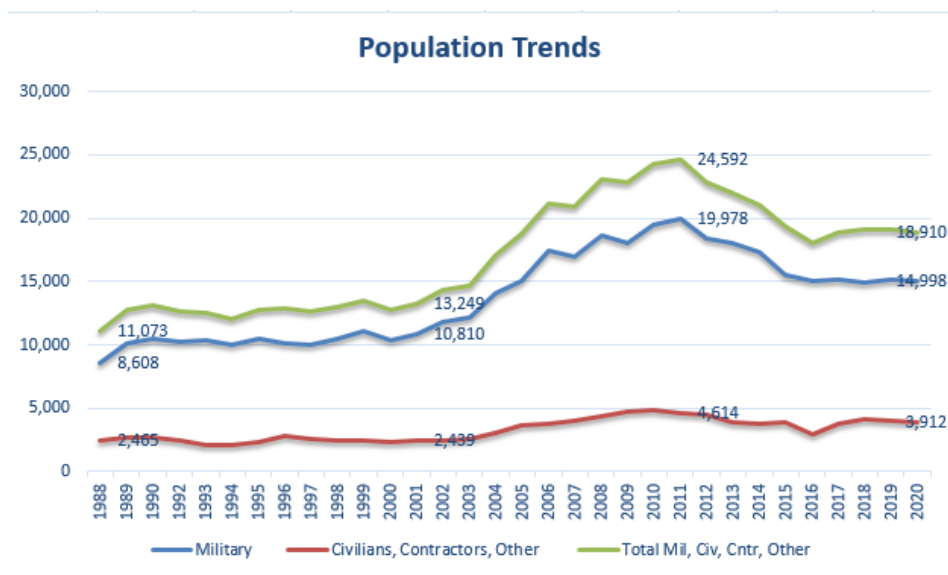


Figure 1.2 Fort Drum Population Growth

Fort Drum's

Economic Impact Statement

Welcome to the FY20 Fort Drum Economic Impact Statement. The Fort Drum garrison continued to excel at providing installation management performance excellence, building a quality environment with outstanding facilities and superior services. The installation workforce is proud to serve the most deployed division in the United States Army — the 10th Mountain Division (LI) — and it shows through our history of excellence in individual innovation, dedication to efficiency, effectiveness, and customer service.

Fort Drum is proud to be a part of what makes the North Country a great place to live and work and is fortunate to receive phenomenal support from its North Country neighbors. Fort Drum is the 2020 winner of The Commander in Chief's Annual Award for Installation Excellence. This great honor was achieved by excelling at mission support, energy conservation, quality of life, unit morale, environmental stewardship, real property management, safety, health and security, communications, and public relations.

We hope you find this year's Economic Impact Statement interesting and informative.



FY20 Total Economic Impact \$1,468,853,225.

Total economic impact of a military installation on a geographic area is difficult to calculate. This Economic Impact Statement only reports direct funding that flows into the local economy. Revenues generated by secondary or outflow of military expenditures from the tri-county area have not been estimated, nor have expenditures by the National Guard and Reserve Soldiers who train at Fort Drum. Analysis of the direct expenditures from Fort Drum emphasizes the installation's importance to northern New York's economic well-being. Fort Drum's positive financial impact on the community is substantial, totaling \$1,468,853,225 for FY20.

Financial Category	FY2020
Payrolls (military, civilian, contractor, and retiree)	\$1,235,197,212
Contract Construction, Supplies, and Service (not including MEDDAC, DENTAC, TRICARE)	\$20,849,224
Medical, Dental, and TRICARE (Supplies, Services, not including payroll)	\$65,676,982
DoD Impact Aid (Federal funding for Military connected	\$41,411,597
U.S. Army Corps of Engineers (USACE) Contracts	\$69,000,000
Utilities (payable in NYS)	\$17,425,021
Fort Drum Mountain Community Homes (FDMCH)	\$8,602,421
Other Education (Tuition Assistance)	\$4,400,000
Other On-Post Retail (Off the Beatin' Path, Thrift Store, AAFES, etc.)	\$6,201,623
Army Compatible Use Buffer Program (ACUB)	\$89,145
Total	\$1,468,853,225

**Payrolls
(Military, Civilian, and
Retiree)
\$1.23 Billion**

Fort Drum is the largest employer in northern New York with 14,998 Soldiers and 3,912 civilians (including contractors) working on or near the installation. Military and civilian payrolls (including tenants and contractors) totaled \$1,082,173,212.

Military pay includes basic pay and allowances, special pay, incentive pay, and bonus pay for all Soldiers assigned to the Fort Drum area. Basic pay and allowances may include items such as Basic Allowance for Housing (BAH), Basic Allowance for Subsistence (BAS), Cost of Living Allowance (COLA), Clothing Monetary Allowances, Family Separation Allowance (FSA), Temporary Lodging Allowance (TLA) and Temporary Lodging Expense (TLE). Special pay may include items such as Medical, Dental, or Veterinary Pay, Special Duty Assignment Pay, Hardship Duty Pay, Hostile Fire and Imminent Danger Pay. Incentive pay may include items such as Aviation Career Incentive Pay, Flight Crew Pay and Non-Crew member pay, Parachute Pay and Demolition Duty. Bonus pay may include items such as enlistment and reenlistment bonuses.

According to the DoD Office of the Actuary, DEC 2019 Statistical Report on the Military Retirement System, there are 6,748 retirees from all branches of service living within the 21st Congressional District, who receive a total of \$12,191,000 a month, or \$146,292,000 per year, that flows directly into our local economy.

In addition to military retirees, there are 702 retiree survivors in the 21st Congressional District who receive a total of \$561,000 per month or \$6,732,000 per year.

Total military, civilian, contractor, and retiree payroll for FY20 was \$1,235,197,212.

**Contract Construction,
Supplies and Services (Tri-
County) \$17.7 Million,
Total \$20.8 Million**

Fort Drum is a major customer for construction companies and suppliers of goods and services in New York. Mission and Installation Contracting Command (MICC) Fort Drum awarded construction contracts worth \$1,016,871 and supply and service

contracts worth \$11,515,384 to companies located in the tri-county area. Purchases of supplies using government credit cards are limited to transactions under \$3,000 each. Government purchase card holders made purchases totaling \$5,209,493. Contracts not processed through MICC are centrally funded by other organizations and totaled \$3,107,476 during FY20.

**Fort Drum Medical
Services, Dental Services
and TRICARE \$65.6
Million**

The United States
Army Medical
Department
Activity
(MEDDAC)
exercises a



blended military/civilian health care system that focuses on building, maintaining, improving and restoring the health care needs for 26,011 beneficiaries. This unique health care system, known as the Fort Drum Health Care Model, incorporates capabilities of both military treatment facilities and surrounding local community hospitals/clinics to produce a holistic medical care service capability that results in providing access at the time of need while simultaneously delivering the highest level of quality medical care at a low cost.

The Fort Drum Health Care Model meets the Department of Defense and national readiness objectives, serves as the basis for health care and overall quality of life for many residing within Fort Drum's immediate region, and has contributed more than \$120 million to the economic stability of the Fort Drum region. Through collaboration, effective communication in partnership efforts, the model ensures each teammate and patient feels like part of our family. This unique ecosystem is recognized as the first choice for one's health readiness. Fort Drum MEDDAC provided a comprehensive managed care program to a population of approximately 37,747 Soldiers, families, and retirees within a geographical area equal to the size of Rhode Island. In FY20, MEDDAC served as the primary care manager to 75% of the eligible population, which included 14,306 service members, 8,382 active-duty family members, and 3,323 retirees and their family members. In order to meet the demand, MEDDAC maintained 32 facilities and a workforce of 830 personnel. MEDDAC's economic contribution included \$19.7 million in supplies, equipment, contracts, \$42.1 million in TRICARE, and \$49.7 million in payroll, included in the civilian payroll total for Fort Drum.

Four on-post clinics provided access to care for patient-centered, specialty, or ancillary needs: Guthrie Ambulatory Health Care Clinic (GAHC), Warrior Transition Battalion (WTB) and the Troop Medical Campus; Conner Troop Medical Clinic (CTMC), and Bowe Troop Medical Clinic (BTMC). In 2020, the Falcon Troop Medical Clinic \$4 million construction project, located on the Wheeler-Sack Army Airfield, was completed, enabling sustained readiness for the Combat Aviation Brigade (CAB) Soldiers located on the airfield. For our Families' and retirees' health readiness needs, Guthrie Clinic houses our patient-centered medical home along with the WTB Clinic that provides Combat Casualty Care to our enrolled Wounded Warriors. Several in-house specialties reside within Guthrie, including Family Medicine, Pediatrics, Dermatology,

Podiatry, Orthopedics, Physical Therapy, Chiropractic Care, Pain Management, Immunizations, Radiology and the Soldier Specialty Care Clinic (SSCC), which houses the Traumatic Brain Injury (TBI) clinic and Occupational Therapy (OT) department.

In FY20, GAHC provided service for 334,867 patient visits, 129,764 appointment calls, and 101,816 telephone consultations. Daily averages equal 1,329 visits, 514 appointment calls, 404 telephone consultations, 111 Radiology visits (X-rays, MRI and Ultra Sound), 531 lab specimens and 731 prescriptions. Throughout FY20, the Managed Care Support Contractor in concert with Military Treatment Facilities (MTFs) External Resource Sharing Agreements, enabled local hospitals (Carthage, Samaritan, Lewis, and River) to contract with DoD and provide necessary inpatient care needs for MTFs as well as strengthen the North Country health care system.

The United States Army Dental Activity (DENTAC) is composed of two dental clinics and an in- and out-processing center. The DENTAC is staffed by 97 dedicated officers, Soldiers, Department of the Army civilians, contract personnel, and American Red Cross volunteers who provide comprehensive dental care to authorized beneficiaries.



Marshall Dental Clinic, a 32-chair specialty clinic, provides General Dentistry, Comprehensive Dentistry, Endodontics, Prosthodontics, Periodontics, Oral Surgery, and Dental Laboratory. Stone Dental Clinic, a 36-chair facility, provides General Dentistry and Comprehensive Dentistry. Clark Hall in- and out-processing center services provide in-processing administration and dental education for all incoming Soldiers. In FY20, the DENTAC seated more than 25,742 patients and performed over 67,341 dental procedures, which equates to more than \$4 million.

In FY20, 860 active-duty Soldiers were outsourced to the local civilian provider network for a total of 6,803 procedures and totaling more than \$812,000 in dental care. Outsourcing uses the Active Duty Dental Program (ADDP).

Family members use MetLife Dental Insurance, the TRICARE dental insurance contractor. MetLife has an extensive provider network in the North Country. Retired military beneficiaries can enroll in the Delta Dental Plan for Retirees. These plans paid \$3.1 million to network providers in the surrounding communities.

In FY20, the DENTAC spent \$830,327 million for dental supplies, equipment, contracts and contractors' salaries. The DENTAC civilian payroll for FY20 was \$3.3 million and is included in the civilian payroll total for Fort Drum.

**DoD Impact Aid
\$41.4 Million**

Many local school districts across the U.S. include within their boundaries parcels of land that the federal government owns or removed from the tax rolls. These school districts face special challenges. They must provide a quality education to children living on federal

lands and meet the requirements of the Every Student Succeeds Act. Federal property is exempt from local property taxes, resulting in schools operating with less local revenue than is available to other school districts.

In 1950, Congress approved Impact Aid to assist local school districts that lost property tax revenue due to the presence of tax-exempt federal property, or have experienced increased expenditures due to the enrollment of federally connected

children. The Impact Aid law provides assistance to local school districts with concentrations of children residing on military bases or other federal properties. Impact Aid also assists school districts that service dependent children of uniformed and federal workers residing off the installation.

County	Percent of Impact Aid	Amount of Impact Aid
Jefferson	99.88%	\$41,404,989
Lewis	0.10%	\$6,608

The local school districts received more than \$41 million in DoD Impact Aid as a direct result of Fort Drum military-connected students.

**U.S. Army Corps of Engineers (USACE)
\$69 Million**

The U.S. Army Corps of Engineers (USACE) awarded construction contracts totaling \$69,000,000 for work at Fort Drum. The USACE mission is to provide vital public engineering services in peace and war to strengthen our nation's security,

energize the economy, and reduce risks from disasters. The Corps has many guidelines when awarding construction contracts, including maximizing small business participation. All projects this year were awarded to local certified small businesses via the New York District Small Business Multiple Award Task Order Contract or through the federal acquisition process. The program helps foster the long-term growth of small businesses, helping to empower communities, create jobs, and attract private investment.

Utilities \$17.4 Million

Utility costs are paid by Fort Drum to local utility companies within New York state. These companies include the Development Authority of the North Country (DANC) (water and sewer), National Grid (electric and natural gas), Direct Energy (natural gas) and Re Energy (electric).

**Fort Drum Mountain
Community Homes
(FDMCH) \$8.6 Million**

Established in 2005, **Fort Drum Mountain Community Homes (FDMCH)** is proud to support the families of the 10th Mountain Division as Fort Drum's premier housing community, composed of nearly 3,800 two-, three-, four-, and five-bedroom homes; four

state-of-the-art community centers, and a variety of amenities including playgrounds, walking trails, pet splash and bark parks. The FDMCH vision is to provide outstanding communities where military families live, work, and thrive.

In addition to its family housing, FDMCH is home to Fort Drum's first single and unaccompanied soldiers (staff sergeant and above) apartment complex (The Timbers), one of five communities of its type Army-wide. The Timbers is a 192-unit, Energy Star® certified complex made up of one- and two-bedroom suites. The Timbers has a modern community center (The Lodge) that boasts a variety of unique features, including billiards, a theater room, basketball court, pavilion with an outdoor wood-burning fireplace, grilling area, and more.

With residents at the heart of everything we do, FDMCH's award-winning property has been recognized on both national and local levels for efforts in supporting sustainability, safety, and providing the utmost in customer service to Soldiers and families.

Fort Drum Mountain Community Homes is a privatized military housing community formed through a partnership between Lendlease and the U.S. Army. To learn more about FDMCH, visit www.fortdrumch.com.



**Army Continuing
Education System (ACES)
\$4.4 Million**

In FY20, Fort Drum ACES assisted more than 4,500 Soldiers in enrolling in a wide range of services including post-secondary education, basic skills education, and Army Personnel Testing. Approximately 2,800 of those Soldiers used \$4.4 million of Army

Tuition Assistance (TA) to enroll in more than 6,200 college courses; of those, 6,000 were online course enrollments.

Of the total monies spent in Army TA, Soldiers invested \$1.0 million with our on-post college partners. There is an additional economic payroll impact as a result of college memoranda of agreement partnerships.

Fort Drum accounted for \$485,000 in payroll for contracts that supported both the Education Center and portions of the Soldier for Life-Transition Assistance Program.

**On Post Retail
\$6.2 Million**

In FY20, there were three retail sales areas that operated on Fort Drum: the Army & Air Force Exchange Service (AAFES), \$6,079,895; the Fort Drum Thrift Shop, \$52,435, and the Off the Beatin' Path Gift Shop, \$69,293.

**Army Compatible Use
Buffer (ACUB) Program
\$89,145**

The Army Compatible Use Buffer (ACUB) program is an integral component of the Army's sustainability triple bottom line: mission, environment, and community. The program is an innovative tool used to proactively address encroachment issues

and/or support conservation objectives; the program helps to avoid costly workarounds and prevent negative impacts to training. Title 10, Section 2684a of the United States Code authorizes the DoD to partner with non-federal governments or private organizations to establish buffers around installations. The Army implements this authority through the ACUB program, which is managed jointly at Army Headquarters level by the offices of the Assistant Chief of Staff for Installation Management and the Director of Training.

Fort Drum and its local partners secured one parcel under conservation easement during FY20. This buffer helps sustain natural habitats and protects the installation's accessibility, training, and testing capabilities while also supporting the Army's triple bottom line of mission, community, and environment. The total FY20 ACUB economic impact for the community is \$89,145.

Recycling and Resource Stewardship Strategies

Fort Drum is a conscientious steward of the environment. In FY20, Fort Drum recycled more than 4,992.12 tons of municipal solid waste, and 22,667.52 tons of construction and demolition debris. The

installation maintains a robust composting operation, resulting in 1,071 tons of wood waste and 291 tons of food scraps that were processed and diverted away from the landfill. These steward strategies continually save the installation costs associated with tipping/hauling fees, conserves vital landfill space, and provides the installation with a valuable product that is used by Public Works for soil amendment, site stabilization and energy production.



Cumulative Financial Impact \$29,013,302,846

Cumulative Financial Impact	
1988	\$271,715,512
1989	\$332,094,861
1990	\$317,301,075
1991	\$371,844,455
1992	\$365,671,927
1993	\$383,470,275
1994	\$377,435,633
1995	\$389,289,789
1996	\$397,281,856
1997	\$392,901,745
1998	\$432,415,785
1999	\$404,863,008
2000	\$441,510,994
2001	\$465,413,254
2002	\$519,853,426
2003	\$529,736,252
2004	\$652,902,907
2005	\$821,377,368
2006	\$1,247,658,930
2007	\$1,463,781,777
2008	\$1,682,987,413
2009	\$1,502,834,542
2010	\$1,505,857,420
2011	\$1,633,341,987
2012	\$1,441,992,825
2013	\$1,416,969,521
2014	\$1,298,737,921
2015	\$1,220,582,138
2016	\$1,185,191,930
2017	\$1,222,191,919
2018	\$1,483,210,851
2019	\$1,358,268,758
2020	\$1,468,853,225
Total	\$28,999,541,279

Fort Drum Population

Type of Personnel	Amount
Active Duty (AD) Military (4Q20 post population report)	14,998
Dependents of AD Military within 40 miles (FY2019 DEERS data from DMIS)	15,609
Transient and Rotational Military (4Q20 post population report)	9,899
Government Civilians (4Q20 post population report)	2,849
Contractor Personnel (4Q20 post population report)	816
Other Civilian Organization Personnel (4Q20 post population report)	247
Retirees in 21st Congressional District (Office of the Actuary, FY20 Statistical Report, DEC 19)	6,748
Dependents of Retirees within 40 miles (FY2020 DEERS data from DMIS)	12,434
Other Military, Civilian Dependents within 40 miles (FY19 DEERS)	604
Survivors in 21st Congressional District (Office of the Actuary, FY20 Statistical Report, DEC 19)	702
Total	64,906

Fort Drum Capital Assets

Road (Miles)	188.46
TA Roads (Miles)	250.45
Airfield Runways, Taxiways, Aprons (Sq. Yds.)	1,915,797.82
Parking (Sq. Yds.)	4,317,776.63
Sidewalks (Sq. Yds.)	639,180.85
Electric Lines (Linear Feet)	2,536,975.10
Water Lines (Linear Feet)	1,236,861.50
Gas Lines (Linear Feet)	481,311.50
Sanitary Sewer Lines (Linear Feet)	657,678.84
Storm Sewer (Linear Feet)	471,872.20
Fencing (Linear Feet)	774,536.48
Railroad Track (Miles)	10.93
Communication Lines (Miles)	535.31
Airfield Lighting (Linear Feet)	196,835.20
POL Pipelines (Linear Feet)	18,294.00

Fort Drum Real Property

Real property consists of lands and improvements to land, buildings, and structures, including improvements and additions, and utilities. Real property includes equipment affixed and built into the facility as an integral part of the facility (such as heating systems), but not movable equipment (such as plant equipment).

BUILDING TYPE	SQUARE FEET
Training Buildings	1,062,218.500
HQ & Unit Supply	2,621,596.610
Maintenance	2,299,893.500
Warehouse	1,375,134.600
Administration	499,183.000
Chapels/Religious Education	59,561.000
Transient Quarters	286,575.000
Troop Bilets	3,508,025.000
Dining Facilities	115,035.000
On-Post Family Housing	7,840,055.000
MWR	582,437.775
AAFES	263,747.000
Commissary	88,336.000
Medical Facilities	390,334.000
Miscellaneous	550,303.500
TOTAL	21,542,435.485

10th Mountain Division and Fort Drum Leadership



MG Brian J. Mennes
Commanding General
10th MTN DIV (LI)



CSM Mario O. Terenas
Command Sergeant Major
10th MTN DIV (LI)



COL Jeffery P. Lucas
Fort Drum Garrison
Commander



Mr. Eric Wagenaar
Deputy Garrison
Commander



CSM Roberto Munoz
Fort Drum Garrison
Command Sergeant Major

Fort Drum Tenant Organizations

Tactical	Support	Civilian
10 th Mountain Division	Army & Air Force Exchange Service (AAFES)	American Red Cross
18 th Weather Squadron	Army Field Support Battalion-Drum (AFSBN-Drum)	AmeriCU Credit Union
20 th Air Support Operations Squadron	Civilian Personnel Advisory Center (CPAC)	Fort Drum Thrift Shop
62 nd Military Police Detachment (CID)	Defense Commissary Agency (DeCA)	New York State Department of Labor (NYS DOL)
91 st Military Police Battalion	United States Army Financial Management Command (USAFMCOM)	NYS Division of Veterans' Services
174 th Attack Wing	United States Army Dental Activity (DENTAC)	United States Postal Service (USPS)
308th Military Intelligence Battalion	Defense Logistics Agency (DLA)	United Service Organizations (USO)
754th and 760th Ordnance Companies	United States Army Medical Department Activity (MEDDAC)	Fort Drum Mountain Community Homes (FDMCH)
925th Contracting Battalion	Missile Defense Agency (MDA)	Armed Forces Bank
	NCO Academy	



Economic Forecast

Fort Drum continues to be the **largest single site employer** in the North Country. It is imperative that Fort Drum remain nested with local communities for common understanding, efficiencies, and shared services when possible. Fort Drum will continue to grow partnerships that increase training capacity, enhance readiness, modernize support services, create efficiencies, and significantly enrich community relations. We anticipate continued sharing, communication and partnering as evidenced during the pandemic. New processes have been implemented to ensure the safety of our customers and community. Reinforcement of safety measures and increased vaccination rates should drive lower infection rates.

Fort Drum's current force structure levels are anticipated to remain stable for the foreseeable future. We continue to strive to increase our contemporary military value within the community, while focusing on ensuring future installation relevancy to our national defense needs.

