



**Economic Impact
Statement
Fiscal Year 2002**



Fort Drum United States Army Garrison

***Commanding General
MG F. L. HAGENBECK***

***Garrison Commander
COL EMORY R. HELTON***

***Deputy Garrison Commander
MS. JUDITH L. GENTNER***

***Garrison Command Sergeant Major
CSM QUINTON V. WARD***

COMMUNITY IMPACT

Fort Drum is a dominant force in the economy of Northern New York. The installation provides employment for more than 2,000 area residents and millions of dollars in trade for local businesses. Fort Drum soldiers and family members receive various types of medical care from community institutions. Fort Drum soldiers' children are enrolled in local school districts located off-post. The result is an economic and social impact that benefits not only Northern New York, but New York State as well.

EMPLOYMENT AND PAYROLL: \$394,280,642

Point of Contact providing personnel data is the Resource Management Office (Tammie Robinson)
Point of Contact providing military pay data is Detachment E, 10th SSB (SSG Morisset)

Fort Drum is the largest employer in Northern New York. In FY02 11,816 soldiers and 2,494 civilians were employed at Fort Drum. Civilian and military payrolls totaled \$81,156,219 (*does not include National Guard Maneuver Area Training Equipment Sites MATES) and \$313,124,423, respectively.

Personnel Category	Number Employees
Military:	
Garrison	188
Division	8,956
Non-Division	1,363
Tenants	1,309
Military Total:	11,816
Civilian:	
Garrison	1,093
Tenants	1,094
Nonappropriated Fund	307
Civilian Total:	2,494
Grand Total:	14,310

* National Guard MATES payroll not available at printing.

ARMY COMMUNITY HOUSING: \$21,173,841

Point of Contact providing this data is Public Works (Margaret Hedden)

Fort Drum uses two distinct methods for housing Army families -- Army Community Housing (Section 801 leased units) and on-post Army owned housing.

The Army Community Housing Program, completed in 1990, provides housing for 2,000 Army families in 10 communities in the Tri-County area. These units are contractor built and, for the most part, contractor operated and maintained.

Fort Drum controls a total of 4,272 family housing units, both on and off-post.



Location	Annual Expenditure
Watertown	\$5,969,018
LeRay	\$3,351,506
Calcium	\$3,542,529
Gouverneur	\$1,759,223
Philadelphia	\$1,494,641
Carthage	\$1,351,298
West Carthage	\$1,323,890
Clayton	\$ 998,686
Copenhagen	\$ 761,325
Lowville	\$ 621,725
Grand Total	\$ 21,173,841

CONTRACTING IMPACT IN TRI-COUNTY AREA: \$38,225,389*

Point of Contact for Fort Drum Awarded Contract data is the Directorate of Contracting (Annie Semo)
 Point of Contact for Corps of Engineer Awarded Contract data is the Corps of Engineers (Michael D. Williams)
 * See Chart Below

Fort Drum is a major customer for construction companies and suppliers of goods and services in Northern New York State.

In FY02, Fort Drum awarded a total of 262 construction contracts worth \$23,603,162. Companies located in the Tri-County area (Jefferson, Lewis and St. Lawrence) received 85 contracts of the total 262 contracts awarded worth *\$8,181,350. Fort Drum also awarded 2,111 supplies and service contracts worth \$35,401,717. Of those, 635 contracts worth *\$11,887,481 were awarded to businesses in the Tri-County area.



The U.S. Army Corps of Engineers also awarded construction contracts for work at Fort Drum. Major construction placement work totaled approximately \$27,000,000 for FY 02. The Corps of Engineers has many guidelines when awarding construction contracts. One of the guidelines is to use HUBZONE Program. The Tri-County area is zoned as a HUBZONE. The HUBZONE Empowerment Contracting program provides federal contracting opportunities for qualified small businesses located in distressed areas. Fostering the growth of these federal contractors as viable businesses, for the long term, helps to empower communities, create jobs, and attract private investment.



Contractor wages related to those contracts are estimated at \$13,500,000. The Corps of Engineers estimates that the majority of the wages stay within the Tri-County area; for contractors use local unions to hire the labor.

The International Merchant Purchase Authorization Card (IMPAC) Program was used to purchase \$24,138,646 total worth of supplies and services this fiscal year. Accommodation Checks were used to purchase \$70,099 worth of supplies and services this fiscal year. Purchases on the Government VISA card/checks are limited to transactions under \$2,500 each. The economic impact of these purchases directly affected Tri-County businesses; however, an exact measure of dollars cannot be calculated. IMPAC program and Accommodation checks estimated 75% purchases or *\$18,156,558 was kept in the local area.

Contracts	Total	*TriCounty	%
Construction	\$23,603,162.00	\$8,181,350.00	34.66%
Service	\$35,401,717.00	\$11,887,481.00	33.58%
Impact Card & Accommodation	\$24,208,745.00	\$18,156,558.00	75.00%
Total	\$83,213,614.00	\$38,225,389.00	45.94%

Top Ten Contractors	
Contractor	\$ Amount of Contract
*Beneco	\$11,670,997
Niagara Mohawk Power Corporation	\$ 5,488,246
*Jefferson Rehabilitation Center (Watertown, NY)	\$ 4,188,015
Omega QSE, Inc	\$ 3,144,612
Purcell Construction Corporation (Watertown, NY)	\$ 3,026,441
Development Authority of the North Country (Watertown, NY)	\$ 2,760,551
Trade Products Corporation	\$ 2,713,123
Dell Computer Corporation	\$ 2,382,119
Contech Building Systems, Inc (Gouverneur, NY)	\$ 1,811,934
Branon Construction (Plattsburgh, NY)	\$ 1,029,933

**Blue Ribbon Contractor Award Recipient*

INDOOR RANGE

- Two lanes with seven firing points each
- Weapons: pistol, shotgun, M-16, M-4, M-60 MG
- Electronic Target Retrieval System
- Two classrooms
- Ammunitions/weapons vault
- Weapons cleaning area
- Male/Female latrines
- Breakroom
- Opened January 2002



**Remington Pond Renovations
Open house**



MEDICAL & DENTAL SERVICES: \$35,889,000

Point of Contact providing this data is the U.S. Army Medical Activity (Frank Gorri)

The United States Medical Department Activity (USA MEDDAC) and Dental Activity (DENTAC) provide a comprehensive managed care program to soldiers and their families. In FY02, USA MEDDAC and USA DENTAC spent \$35,889,000 in the North Country for medical and dental services.

On-post care is provided for our Prime Enrollment beneficiaries at the Guthrie Ambulatory Health Care, Connor Troop Medical Clinics, Riva Ridge and Wilcox Dental Clinics. The Managed Care Support Contractor is responsible to provide health care services off-post through the TRICARE regional contract. The TRICARE Management Activity (TMA) and DOD and above are continually making policy changes to that program. The changes dictate the way we will or will not render care in our Medical Treatment Facility (MTF). Sometimes that could help us financially or it could hurt us. Either way it impacts the way we are able to deliver care to our beneficiaries.

The above impacts account for the increase in dollars expended. The DENTAL Activity has increased as well. The total dollar amounts expended to include payroll, supplies, equipment, and contracts are \$33,555,700 (MEDDAC) and \$2,333,300 (DENTAC), respectively.

VETERINARY SERVICE: \$269,600

Point of Contact providing this data is the U.S. Army Medical Activity (Frank Gorri)

In FY02, USA MEDDAC veterinary services at Fort Drum spent \$48,000 for normal operating expenditures in the North Country. Expenditures included veterinary claims, payroll, supplies and contracts. Outfitting expenditures for the opening of the new Veterinarian Clinic on post amounted to \$221,600 including the cost of medical and computer equipment, furniture and supplies needs.



TUITION ASSISTANCE & CONTRACTED EDUCATION: \$760,200

Point of Contact providing this data is the Resource Management Office (Rosalie Austin)

Fort Drum spent \$604,500 for tuition assistance for active soldiers. This program assists the soldiers in paying college expenses. A total of 1278 soldiers were enrolled in the tuition assistance program with over 75% enrolled in local colleges. A total of \$155,700 was contracted for adult education programs during FY02 for the Education Center, to pay for multipurpose learning facility support, advertising for programs, test examiners, instructors, counselors, and counselor support.

IMPACT AID: \$13,354,754

State Aid extracted from 2001-2002 School Year Aid Payment Summary Report (<http://stateaid.nysed.gov/>)
Federal Aid data provided by Gail McSpadden, Communications Director, Nat'l Assn of Federally Impacted Schools
(<http://www.sso.org/nafis>)

School aid is provided to local school districts from both the State and Federal Departments of Education. One of the determining factors for aid received is the student population. Students enrolled because of their parent's federal employment (military & civilian) affect aid levels.

Federal Impact Aid was signed into law by President Harry S. Truman in 1950, to directly reimburse public school districts for the loss of traditional revenue sources due to a federal presence or federal activity. Since its inception, the program has been amended many times. Today its legal reference is P.L. 103-382, Title VIII.

Traditionally, property sales and personal income taxes account for a large portion of the average school district's annual budget. However, federally connected students can adversely affect a school district's financial base because their parents or guardians do one or more of the following in the school districts that the students attend:

1. Often pay no income taxes or vehicle license fees in their state of residence.
2. Live on non-taxable federal property.
3. Shop at stores that do not generate taxes.
4. Work on non-taxable federal land.

Federal Impact Aid provides a payment to school districts in lieu of lost taxes to assist with the basic educational needs of its students. Federal Impact Aid to the schools in the Tri-County area totaled \$10,758,575 for the 2001-2002 school year.

State aid is more complicated. Typically, the school districts affected by Fort Drum's school age population receive aid in several categories. Using Indian River School District (this district is representative of others in the area) as a sample, the following types of aid were received for the past school year:

A. Basic Operating Aid.

Assists districts in meeting expenditures for general operation and maintenance (salaries, fringe benefits, and utilities).

B. Limited English Proficiency Aid.

Designed to assist paying for a program for pupils with limited English proficiency.

C. Gifted and Talented Program Aid.

Assists districts in paying for gifted student programs.

D. Computer Hardware / Technical Equipment Aid.

Aid designed to keep a district equipped with technologically current computer hardware and other educational/learning equipment.

E. Extraordinary Needs Aid.

Targets additional funds for school districts to meet needs related to educating concentrations of extraordinary needs pupils (e.g. English proficiency, free/reduced prices school lunches, etc).

F. Educationally Related Support Services Aid.

Aid for related educational services such as psychological services, social work services, speech and language improvement services, curriculum and instructional modification, direct student support team services and non career counseling services provided by professional personnel. Services to qualified students under the American with Disabilities Act and any students with disabilities whose attendance does not generate any other aid.

G. Building Transportation Aid.

Helps pay for expenses incurred in construction of new building additions, alternations or modernization of district-owned buildings, purchase of existing buildings for school purposes, and for lease and installment purchase payments.

H. Transportation Aid.

Based on approved transportation expenses which include transporting students to and from school once daily, to and from BOCES, approved shared programs at other schools, and to occupational education programs within a district.

State impact aid to schools for the 2001-2002 school years in the Tri-County area totaled \$2,596,179.



PARTNERING WITH THE COMMUNITY:

Point of Contact providing this data is the Public Affairs Office (Lori Haney) & Directorate of Community Activities (Barbara Allington)

Each year the local community has many opportunities to visit Fort Drum.

Annually, the public joins us for Mountainfest, a Fourth of July celebration showcasing the 10th Mountain Division (Light Infantry). Mountainfest activities include equipment displays and demonstrations, car and boat show, craft fair and flea market, petting zoo and midway activities, a 56 gun salute to the states and territories, culminating with a 10th Mountain Division Band concert and fireworks display.

The community is also invited to join us for the U.S. Army Soldier Show, an entertainment showcase touring the world under the direction of the United States Army Community and Family Support Center.



The 10th Mountain Division Band performs concerts and participates in many parades and events in the local area.

Tours of the installation are provided for civic, youth, school, and Army recruiting groups. Guest speakers and military equipment displays are important aspects of school, community, and recruiting events. Fort Drum hosts students from several school districts for job-shadowing experiences and career explorations throughout the year.

Partnering relationships with local schools, through the Fort Drum Education Liaison Committee, provides a foundation for communication and resolution of the unique situations facing military students and families.



Fort Drum soldiers and their family members belong to local civic, professional, volunteer, and religious organizations; and are active community members working and volunteering in activities throughout the North Country.

The interaction of the military and civilian communities benefits both the installation and our North Country neighbors.

Piece of the Rock (POR) program is for units to develop and maintain healthy community relations between military housing, local schools and local community government. Primary focus is for the units to foster a healthy, family environment in their assigned housing area.

Project Strong Communities is a unique and innovative program to help military families living in Army Community Housing feel less a sense of isolation and more a part of the community. The program was created through the efforts of Fort Drum Community Life Program, the Armed Services YMCA of the USA and the Watertown Family YMCA. This partnership program has resulted in benefits for both Fort Drum families and the local communities. Some excellent examples are the community garden in Clayton with the assistance of Cornell Cooperative Extension giving advice, plants and classes; WPBS reading programs, VFW dinner and dances, Uncle Sam Boat tours, craft classes and Military Appreciation Day in Watertown.



CONCLUSION: \$ 519,853,426 IN FY02 \$ 5,863,063,595 TO DATE

The total economic impact of a military installation on a geographic area is difficult to calculate. For the purpose of this report, leakage of military expenditures from the region and state have not been estimated, nor have expenditures by more than 40,000 soldiers who visit annually. Analysis of the direct expenditures from Fort Drum highlights the post's importance to Northern New York and New York State's economic well being. The continuing annual impact of Fort Drum's spending on the community is substantial and totaled over \$519,853,426 in FY02. Total spending from FY88 to date exceeds \$5,863,063,595.

FY02 Spending By Category	
Payroll (Drum) National Guard Mates not included.	\$394,280,642
Payroll (Corps of Engrs)	\$750,000
Payroll (MCA Contractors)	\$13,500,000
Medical/Dental	\$35,889,000
Veterinary	\$269,600
Army Community Housing	\$21,173,841
Contracts (Tri-County)	\$38,225,389
Federal Aid	\$10,758,575
State Aid	\$2,596,179
Education (Tuition Assistance/Contracts)	\$760,200
PX/Comsy Equip Service & Maintenance	\$1,650,000
TOTAL	\$519,853,426

Cumulative Investment FY88 to Date	
Fiscal Year	Amount
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
TOTAL	\$5,863,063,595

FORT DRUM AT A GLANCE - Capital Assets

Point of Contact providing this data is Public Works (Karen Taylor)

Surfaced Roads (MI)	169.0
Unsurfaced Roads (MI)	241.0
Runways/Taxiways/Parking Aprons (Sq. Yd.)	1,434,730.0
Parking (Sq. Yd.)	2,537,266.7
Sidewalks (Sq. Yd.)	382,128.9
Electric Lines (LF)	2,721,715.0
Water Lines (LF)	769,859.0
Gas Lines (LF)	250,179.0
Sanitary Sewer Lines (LF)	469,321.0
High Temp Hot Water Lines (LF)	225,991.0
Storm Sewer Lines (LF)	263,279.0
Fence (LF)	467,698.0
Railroad Trackage (MI)	10.8
Communication Lines (MI)	266.5
Airfield Lighting (LF)	162,926.0
Fuel Lines (MI)	4.7

FORT DRUM AT A GLANCE - Building Utilization

Point of Contact providing this data is Public Works (Karen Taylor)

Type	Square Feet
Training/Operations	362,176.0
Headquarters and Unit Supply	1,096,321.0
Maintenance	1,251,802.0
Warehouse	1,131,796.0
Administration	331,819.0
Chapels/Religious Education	45,762.0
Troop Billets	1,815,569.0
BOQ/BEQ	245,278.0
Dining Facilities	149,930.0
On-Post Family Housing	3,980,974.0
Morale, Welfare & Recreation	445,167.0
PX/Clothing Sales	194,064.0
Commissary	82,800.0
Medical Facilities	174,413.0
Miscellaneous	342,960.7
TOTAL	11,650,831.7

***This booklet was prepared by the
Resource Management Office, Fort Drum, NY 13602-5102***