



Naval Support Activity South Potomac

NEWS RELEASE

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FY19 Economic Impact Survey of NSF Dahlgren, NSF Indian Head Released

Dahlgren, Va. – Naval Support Activity South Potomac (NSASP) released its Fiscal Year 2019 (FY19) economic and demographic report July 8 that measures the economic impact of Naval Support Facility (NSF) Dahlgren and NSF Indian Head, Md. on the local communities and counties surrounding the installations .

The annual report uses results from a survey completed by the commands and activities at both bases; information collected includes the number of federal employees and service members assigned to each command on base, as well as contractor employees who support base missions (both on- and off-base). These personnel numbers represent a snapshot of employment, though it is important to note that this number fluctuates constantly with attrition and hiring. The survey also collects locality information about where NSF Dahlgren and NSF Indian Head employees reside, as well as total salary for service members and federal employees, incoming funds and budget authorizations, and total and local contract spending of commands at each base.

This year's survey showed an increase in federal employees at NSF Dahlgren, from a corrected total of 5,589 in FY18 to 5,795 in FY19. The number of contractor employees also showed strong growth, from 4,739 in FY18 to 5,047 in FY19. Nearly 400 active duty military members called NSF Dahlgren home in FY19. While the survey does not calculate the salaries of temporary training assignments on the base or include those personnel in the total employment count, the AEGIS Training and Readiness Center trained more than 1,800 active duty Sailors and allies in FY19. NSF Dahlgren's total employment in FY19 was 11,084.

NSF Indian Head showed moderate growth in its total employment, from 3,485 in FY18 to 3,691 in FY19; this growth was driven by the Naval Surface Warfare Center Indian Head Explosive Ordnance Disposal Technology Division (NSWC IHEODTD), which increased both its number of contractors and federal employees. Other major commands at NSF Indian Head held steady or reported slight increases in numbers of personnel.

The survey's locality category showed personnel at NSF Dahlgren residing closer to the base; after a few years of reported declines, King George County's percentage of the workforce total rebounded, from 30 percent in FY18 to 32.5 percent in FY19. Colonial Beach, Stafford County, Fredericksburg, Westmoreland County and Charles County, Md. also showed increases. A decline in the "Others" locality category – generally locations at least two counties away from the base – suggests personnel at NSF Dahlgren are moving closer and commuting less.

Locality at NSF Indian Head showed a similar, but weaker pattern with Charles County increasing its share of personnel from 34 percent in FY18 to more than 38 percent in FY19.

However, the Town of Indian Head, St. Mary's County and Prince Georges County shared a slightly smaller percentage of the workforce; King George County, Va., Stafford County, Va. and Fredericksburg showed slight increases. The "Others" locality category also declined, but not as sharply as it did at NSF Dahlgren.

The financial categories of the NSF Dahlgren survey showed an increase in federal civilian salary, from a corrected total of \$551 million in FY18, to \$602 million in FY19. Military salary increased from \$65 million to more than \$70 million. Budget authorizations and incoming funds at NSF Dahlgren declined from \$4.1 billion to \$3.5 billion between FY18 and FY19. FY18 saw a large jump in this category; the decline in FY19 is still higher than the \$3.1 billion in authorizations at NSF Dahlgren in FY17. Total contracts showed a similar decline relative to the large increase in FY18. Budget authorization and total contract numbers do not necessarily imply local economic impact; depending on a given command's structure, these figures often represent total incoming funds and contracts across parent and/or subordinate commands located around the globe.

The Local Contracts category measures contract spending in the local area and, along with Salary category, better captures the bases' local economic impact. Local contracts at NSF Dahlgren increased sharply, from \$472 million in FY18 to more than \$775 million in FY19.

At NSF Indian Head every financial category showed growth, with the exception of Local Contracts, which decreased from \$55 million in FY18 to nearly \$48 million in FY19. Civilian salaries increased from \$278 million in FY18 to more than \$300 million in FY19. Military salary increased slightly, from \$18 million in FY18 to nearly \$20 million in FY19. Budget authorizations at NSF Indian Head increased sharply, from \$909 million in FY18 to more than \$1 billion in FY19. Total contract spending also increased, from \$548 million in FY18 to more than \$591 million in FY19.