

# Briefing and Community Impact Report:

Defense Finance and Accounting Service (DFAS)  
Buckley Air Force Base Annex,  
Denver, CO

---

Presented to the Base Closure and Realignment Commission  
Regional Hearing - Monterey, California  
Monday, August 8, 2005

Joseph B. Blake  
Denver Metro Chamber of Commerce presenting on behalf of  
Colorado's Business Leadership including the communities of  
Denver and Aurora

## Briefing and Community Impact

### Report:

Defense Finance and Accounting Service (DFAS)  
Buckley Air Force Base Annex,  
Denver, CO

---

Presented to the Base Closure and Realignment Commission  
Regional Hearing - Monterey, California  
Monday, August 8, 2005

Joseph B. Blake  
Denver Metro Chamber of Commerce presenting on behalf of  
Colorado's Business Leadership including the communities of  
Denver and Aurora

## DFAS Denver Background Information:

- ❑ Activated in 1991
- ❑ 1,746 total authorized personnel (including Air Force Reserve Personnel Center (ARPC) and contractors)
- ❑ Economic impact of the site is ~ \$150 million/year in wages and purchasing
- ❑ Maintains largest pay system in the world serving 2.2 million military personnel, 295,000 DoD civilian personnel and oversees five field sites (Dayton, OH; Limestone, ME; Omaha, NE; San Antonio, TX and San Bernardino, CA)
- ❑ Manages accounting and reporting for collection of individual and contractor debt
- ❑ Provides financial services for DoD's Security Assistance Program

## DFAS Denver Physical Site Facts:

---

- ❑ Located on the Buckley Air Force Base Annex (on the former Lowry Air Force Base site)
- ❑ 600,000 square foot site owned by DoD
- ❑ 73 acre site
- ❑ ~30,000-40,000 square feet of vacant space available
- ❑ Potential additional space – Air Force Reserve Personnel Center (ARPC), also located on Buckley AFB Annex, may move to Randolph Air Force Base in Texas per DoD's 2005 BRAC Recommendations

## Economic Impact of DFAS Denver:

---

- ❑ Annual impact to Front Range communities: \$1.2 billion
- ❑ Annual payroll: \$293.7 million – military  
\$254 million – civilian
- ❑ Non-appropriated payroll: \$189.4 million
- ❑ Economic impact of the site is ~ \$150 million/year in wages and purchasing
- ❑ Jobs: 1,746 total authorized personnel (including ARPC and contractors)
- ❑ Indirect jobs created value: \$336.6 million
- ❑ Service contracts: \$30.6 million
- ❑ Buildings and Infrastructure Value: \$400 million

## Department of Defense Site Analysis Selection Criteria

---

- Military value: mission capabilities and operational readiness; availability and condition of land, facilities and associated airspace at both existing and potential receiving locations; ability to support operations and training; ability to accommodate contingency, mobilization, surge and future total force requirements; and cost and manpower implications.
  
- Other considerations: extent and timing of potential costs and savings; economic impact on adjacent communities; adequacy of community infrastructure; and environmental impact.

## Key DFAS Denver Site Advantages:

---

1. DoD Recommended Site: DFAS Denver ranks #1 in scenario results for military value. DoD owns this site. There is room for expansion at this site. The Buckley AFB Annex currently houses 1,746 employees, but can accommodate up to 2,800 personnel.

*The average military value prior to optimization was .625 for the 26 locations analyzed. DFAS Denver's ranking is .856. As a result of optimization, three DFAS sites – Denver, Columbus, OH and Indianapolis, IN – are recommended to host the realigned/collocated business, corporate and administrative functions. The average for these three sites is .756.*

## Key DFAS Denver Site Advantages (con't):

---

2. Unified Community Support: There is universal public and private sector community support in Denver, Aurora and the surrounding metropolitan area. The region has housing, educational, and transportation infrastructure to support the Denver DFAS facility.

## Key DFAS Denver Site Advantages (con't):

---

3. Highly skilled workforce: Colorado ranks third in the nation for percentage of residents with a bachelor's degree or higher. Colorado has a highly skilled and available workforce in both private sector industry and military/government sectors of the economy. Colorado has the fourth largest space economy in the nation with ~142,000 total jobs in this industry cluster, as well as a strong financial services industry with ~106,000 total jobs.

Additionally, the Denver metro area is a regional hub for federal employment with ~33,000 federal jobs.

# Denver Metropolitan Area Profile & Industry Information

---

## Denver Metro Area Profile

---

Square Miles.....	4,531
Population 2004.....	2,581,214
Population 2005.....	2,612,109
Colorado Population.....	4,642,589
Labor Force.....	1,407,648
Employment.....	1,285,268
Median Household Income...	\$44,352
Median Age.....	34.1
Households.....	1,037,842

SOURCE: U.S. Department of Commerce, Bureau of the Census: Colorado  
Division of Local Affairs,2004.

## Denver Metro Major Industries and Direct Employment

---

Aerospace.....	13,200
Air Transportation.....	15,000
Beverage Production.....	7,000
Broadcast & Telecom.....	56,300
Computer Storage.....	16,100
Energy.....	34,000
Financial Services .....	16,800
Life Sciences.....	93,300
Software.....	34,700

## Denver Metro Financial Services Industry

---

The Denver metropolitan area ranks 7th out of the 50 largest metro areas for the financial services industry cluster, with an approximate overall employment of 106,100 jobs.

*The finance industry cluster includes companies that manage money, credit, banking, investments, and the provision of funds and capital. Financial companies include securities brokers, financial advisors, mutual fund management companies, commodity brokers, venture capital firms, and Real Estate Investment Trusts. Commercial banks are not included in this industry cluster.*

## Denver Metro Area – A Major Financial Center for the Rocky Mountain Region

---

<b>Finance Snapshot</b>	<b>Metro Denver</b>	<b>U.S.</b>
<b>Direct Employment</b>	<b>16,800</b>	<b>820,900</b>
Total Direct Employment Growth 1998-2003	28%	43%
<b>Avg. Annual Direct Employment Growth 1998-2003</b>	<b>5%</b>	<b>8%</b>
Number of Direct Industry Cluster Companies 2003	1,800	108,200
<b>Direct Employment Concentration</b>	<b>1.3%</b>	<b>0.7%</b>

## Denver Metro Aerospace Industry

---

Colorado has the fourth largest aerospace economy in the nation with approximately 142,000 jobs related to this industry cluster.

*This industry cluster includes companies that manufacture guided missiles and space vehicles, satellite telecommunications, and search/detection instruments. The aerospace industry cluster also produces planetary spacecraft, space launch systems, ground systems, antennas, satellites and electro-optic instruments.*

## Denver Metro Aerospace Industry

---

<b>Aerospace Snapshot</b>	<b>Metro Denver</b>	<b>U.S.</b>
<b>Direct Employment</b>	<b>13,200</b>	<b>255,300</b>
Total Direct Employment Growth 1998-2003	14%	-7%
<b>Avg. Annual Direct Employment Growth 1998-2003</b>	<b>3%</b>	<b>-1%</b>
Number of Direct Industry Cluster Companies 2003	60	3,300
<b>Direct Employment Concentration</b>	<b>1.0%</b>	<b>0.2%</b>

## Request

---

Colorado's Business Leadership respectfully requests that the BRAC Commission consider the Denver DFAS facility as a site suited to expand to accommodate consolidation and realignment of other DFAS centers.



# Thank you

---

Thank you for your time and thoughtful consideration.

Joseph B. Blake  
President & CEO  
Denver Metro Chamber of Commerce  
1445 Market Street  
Denver, CO 80202  
303-620-8022