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Assessment and agreement regarding the scope, methodology, and general construct of this study, pertaining to the EDC's activities during the fiscal years 2010 to 2015 and their impact on Brevard County, has been conducted by Florida Institute of Technology Professor of Economics, Dr. Michael H. Slotkin, PhD and Florida Institute of Technology Associate Professor of Economics, Dr. Alexander R. Vamosi, PhD.

For transparency purposes neither Dr. Slotkin nor Dr. Vamosi were paid for said assessment, nor do they have any individual association (i.e., membership, advisory panels, etc.) with the Economic Development Commission of Florida's Space Coast.

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TABLE OF CONTENTS

EXECUTIVE SUMMARY	1
METHODOLOGY	2
INTRODUCTION	3
PART ONE.....	5
Job Analysis: What is the impact of job creation and retention?	5
I. EDC Attraction and Expansion Projects – FY10/15	5
II. EDC Attraction and Expansion Projects – Employment Impact.....	6
III. EDC Retention Projects – FY10/15	7
IV. EDC Retention Projects – Employment Impact.....	8
PART TWO.....	9
Economic Snapshot: What is the impact of all projects at full operation over a one-year period?	9
I. Annual Labor Income Impact of Attractions and Expansions	10
II. Annual Labor Income Impact of Retentions	10
III. EDC Labor Income Creation and Retention	11
IV. Attractions and Expansions Annual Contribution to GDP at Full Operations	12
V. Retentions Annual Contribution to GDP	12
VI. EDC Contribution to GDP Creation and Retention – Return on Investment.....	14
PART THREE.....	15
Ripple Effect: How is new and retained labor income affecting other industries?	15
I. Ripple of New Labor Income on Consumer Expenditures	15
II. Ripple of Retained Labor Income on Consumer Expenditures	16
III. Ripple of Total New and Retained Labor Income on Consumer Expenditures	17
IV. EDC Consumer Expenditures Creation and Retention – Return on Investment.....	18
PART FOUR.....	19
Fiscal Impact: How is tax base diversification affecting tax revenue?	19
I. New and Retained Business taxes:.....	19
II. New and Retained Personal Taxes:.....	20
III. Total New and Retained, Direct Tax Revenue.....	20
PART FIVE.....	21
Capital Investment: What is the impact from construction and equipment purchases?	21
I. Capital Investment Impact and Leakage.....	21
II. Capital Investment – Return on Investment	21
APPENDICES	22
Appendix 1: Industry Sectors of FY10/15 Attraction, Expansion and Retention Projects by NAICS Code and IMPLAN Sector Equivalent.....	22
Appendix 2: Aggregated Consumer Spending Distribution from New Job Creation	23
Appendix 3: Aggregated Consumer Spending Distribution from Job Retention.....	24
Appendix 4: Aggregated Total Consumer Spending Distribution	25

EXECUTIVE SUMMARY

The Economic Development Commission of Florida's Space Coast (EDC) increases the economic growth of Brevard County, Florida through a strategic program of work focused on business development within targeted industries (Aerospace and Aviation; Advanced Communications; Electronics; High-Tech Manufacturing; and Emerging Technologies). The result of the EDC's work is realized through capital investment and new job creation or job retention.

This report provides a conservative analysis of the resulting impact from EDC's FY10-15 project announcements and reveals that the EDC provides a positive return for all of its Investors. During FY10/15 (October 2010 to September 2015) the EDC announced **36 business development projects** generating a direct impact of **6,707 new jobs, 7,297 retained jobs** and **\$1.28B in capital investment**.

The direct economic impact of these 36 projects is dispersed among **26 distinct industry sectors**. The **average wage of the total direct jobs is \$75,509**. This high-wage employment contributes to spin-off jobs, which together results in **annual direct consumer spending of \$873M**.

Direct new and retained wages will contribute **\$417M and \$455M** respectively in **direct consumer expenditures annually**, with the average annual direct spending **per worker at \$62,331**. **The top 5 consumer sectors impacted are:**

Housing	27%
Transportation	15%
Food	11%
Insurance & Pensions	9%
Healthcare	7%

While each project timeline varies, the industry average for full impact is 3 – 5 years. The FY10-15 projects at full impact result in **27,933 total jobs, \$1.65B in annual labor income** and **\$2.27B in annual contribution to GDP**.

Through a collaborative partnership with Brevard County, the local business community and the State of Florida, the EDC is able to implement an aggressive and focused program of work. A strong public and private partnership is a critical component for positive economic development programs.

The investment by Brevard County enables this community to remain competitive in national and international business investment projects supporting quality jobs.

KEY METRICS

1 new job has a multiplier of **2.005**

\$1 Invested represents **\$235** of labor income

\$1 Invested represents **\$323** of contribution to GDP

\$1 Invested represents **\$194** of consumer expenditure

METHODOLOGY

The purpose of this study is to measure the value of the impacts resulting in Brevard County, Florida's economy from the work of the Economic Development Commission of Florida's Space Coast (EDC). To measure the Return on Investment (ROI), this study utilizes two separate IMPLAN I/O models; one focused on EDC client attraction and expansion projects and the second focused on EDC client retention projects.

IMPLAN is an industry recognized modelling program, which affords the ability to project the impact of recruitment and retention job announcements. By applying company-supplied criteria, including average wage, job numbers at full operation, and affected industry, the model reports on the impact of each project on the local economic structure and industry linkages. This report utilized the most recent Brevard County dataset (2014).

In this analysis the following terms are used consistently: attraction, expansion, retention, new, created, retained, preserved, initial event, direct, indirect, induced, labor income, contribution to GDP, consumer expenditures, and capital investment. These terms are defined as follows:

- **Attraction** - a project resulting in the recruitment of a new business operation; which includes new companies or new operations of existing companies.
- **Expansion** - a project resulting in the addition of jobs to an existing Brevard County business.
- **Retention** - a project involving the preservation of existing jobs in Brevard County.
- **New or Created** - any activity, job, or labor income created from an attraction or expansion project.
- **Retained or Preserved** - any activity, job, or labor income created from a retention project.
- **Initial event** - the new job or retention of an existing job.
- **Direct impact** - the effect of the initial event applied to a specific industry; in this instance, the new and retained jobs, and associated average wage.
- **Indirect impact** - the effect upon the local supply chain resulting from the initial event.
- **Induced impact** - the effect of the labor income resulting from new, retained, and indirect jobs.
- **Labor income/earnings** - the wages associated with new, retained, and indirect jobs.
- **Contribution to gross domestic product (GDP)** - the value of goods and services produced by a business, an industry or a sector.
- **Consumer expenditures** - a set of goods and services on which an individual spends labor income/earnings.
- **Capital investment** - the amount of money a company allocates to the purchase of equipment or the finance of construction.

In this report, the term Return-on-Investment (ROI) is synonymous with economic benefit. For comparative purposes, the evaluation is presented in three categories of business investment types: recruitment, expansion and retention.

The inputs used in the calculation are measured from the County's perspective as the investor, in the form of grant funds awarded to the EDC during the reporting timeframe (FY2010/2015).

INTRODUCTION

The *Impact and Return On Investment Analysis* presents the analysis of the economic impact of the Economic Development Commission of Florida's Space Coast (EDC) over the course of FY10/15 (October 2010 to September 2015). During this 5-year period, the EDC announced 36 business development projects.

For purposes of reporting impact, these projects were measured in three categories:

- Attractions
- Expansions
- Retentions

Of the 11 retentions, 10 have both an attraction and expansion component; as such, some companies appear in different project types within this report.

This analysis estimates the cumulative impact of project-related job growth, labor income growth, contribution to local GDP, distribution of consumer expenditures, state and local tax revenue, and capital investment. To obtain a concrete estimate of the economic impact of the business development efforts of the EDC during FY10/15, project details were input into IMPLAN, a commonly used and industry recognized input/output (I/O) modelling program, applying the most recent dataset available (2014). The IMPLAN dataset calculates impacts based on the structure of the County and industry relationships during the data year. Over time, as the economic structure changes, this impact will change accordingly.

Attractions and expansions create new jobs, whereas retentions involve the preservation of existing jobs and maintaining their existing impact within the local economy. Due to the differences in project impact methodology, attractions and expansions are reviewed separately from retentions throughout this report.

This analysis, resting upon reasonable assumptions mentioned throughout, estimates the impact on the community of each company assisted by the EDC, by tracing an **initial event** (job creation or retention) and its related impact as direct, indirect and induced; their summation resulting in the **total impact**.

"I am so impressed with the business-friendly approach and problem-solving skills we experienced. [...] When business and community work together in this way, everyone benefits."

- Rick Evans, President
Intellifuel Systems Inc

"Breaking ground on the newest facility at our growing aeronautical cluster in Melbourne is an important milestone for Embraer on its path to becoming a truly global company. This latest achievement is a testament to the close partnership we have with the State of Florida and economic development authorities on the Space Coast and Melbourne, without which this aviation campus would not have been possible."

- Gary Spulak, President
Embraer Aircraft Holding Inc.

The **direct impact** is the initial event applied to a specific industry; in this instance, the new and retained jobs, and associated average wage.

The **indirect impact** is the effect upon the local supply chain. It is the cycle of spending, originating from the supply needs of the new or retained activity; which is expressed through buying goods and services from other local industries.

The **induced impact** is the effect of the spending of income received by a component of employment (new, retained, and indirect). Money is recirculated through the household spending patterns generating further local economic activity.

This analysis aims to provide objective and conservative information on the EDC's performance and return to the community relative to public grant funding by addressing the five questions below, and utilizing multiple measurements:

- I. Job Analysis: What is the effect of job creation and retention?
- II. Economic Snapshot: What is the impact of all projects at full operations over a one-year period?
- III. Ripple Effect: How is new and retained labor income affecting other industries?
- IV. Fiscal Impact: How is tax base diversification affecting tax revenue?
- V. Capital Investment: What is the impact from construction and equipment purchases?

"This vision to expand would not have been possible without the hard work and dedication of the EDC staff. They advised us every step of the way and we are very grateful for their support."

- Bryan Scott, Co-founder
Playalinda Brewing Company

PART ONE

Job Analysis: What is the impact of job creation and retention?

This section addresses the total impact of **36 client projects** announced by the EDC during FY10/15. These projects have directly affected **26 distinct industry sectors** (see Appendix 1 for full list of affected industry sectors).

At full operation of the 36 client project announcements, the efforts of the EDC result in a total of **6,707 new jobs** and retention of **7,297 existing jobs** in Brevard County.

In this analysis, attraction and expansion projects are analyzed separately from retention projects due to a difference in the impact considerations. Attractions and expansions create jobs and have an overall impact that is new to the local economy, whereas retentions preserve existing jobs and stop the impact of the job loss on the local economy.

The industry **initial event** (job creation or retention) and its effects are said to have direct, indirect and induced job impacts; their summation resulting in the **total impact**.

"The development of the Embraer Engineering and Technology Center USA, Inc. has been a team effort and would not have happened without the dedicated help of Enterprise Florida, Space Florida and the Economic Development Commission of Florida's Space Coast. Embraer's partnership with these organizations has made a great deal of difference for the Space Coast, its workforce and Embraer."

- Gary Spulak, President
Embraer North America

I. EDC Attraction and Expansion Projects – FY10/15

Over FY10/15, the efforts of the EDC led to **36 successful attraction and expansion** projects, generating **6,707 announced new jobs** in Brevard County at **full operation of projects**. The companies, the type of project and the fiscal year are listed below in Tables 1 and 2.

Table 1: FY10/15 Attraction Projects:

No.	Company	Fiscal Year	Project Type
1	AAR Airlift Group	FY 10/11	Attraction
2	The Boeing Company	FY 11/12	Attraction
3	Embraer Aircraft Holdings, Inc	FY 11/12	Attraction
4	Strategic Weapons System Ashore (SWS Ashore)	FY 11/12	Attraction
5	I.O. Inc	FY 12/13	Attraction
6	Vision Systems North America	FY 12/13	Attraction
7	L-3 Communications*	FY 12/13	Attraction
8	Northrop Grumman Corporation	FY 12/13	Attraction
9	North American Surveillance Systems (NASS)	FY13/14	Attraction
10	International Municipal Sign Association (IMSA)	FY13/14	Attraction
11	Northrop Grumman Corporation	FY13/14	Attraction
12	Embraer Executive Aircrafts, Inc	FY13/14	Attraction
13	Merritt Island Boat Works	FY 14/15	Attraction
14	The Brix Project Brewery	FY 14/15	Attraction
15	Erchonia	FY 14/15	Attraction
16	Embraer Aero Seating Technologies, LLC	FY 14/15	Attraction
17	Blue Origin	FY 14/15	Attraction

**Denotes projects with another type of project component (expansion or retention)*

Project List Updated as of September 2016

"This is the best environment for us to grow our business, manufacture our products and become a bigger part of the business community. The EDC was there to manage the entire process and helped make the connections that resulted in our selection of Brevard."

- Jay Hood, President
Merritt Island Boat Works

Table 2: FY10/15 Expansion Projects:

No.	Company	Fiscal Year	Project Type
1	Professional Aircraft Accessories (PAA)*	FY 10/11	Expansion
2	Barn Light Electric Company	FY 10/11	Expansion
3	Harris Corporation*	FY 11/12	Expansion
4	Intellifuel Systems, Inc*	FY 11/12	Expansion
5	Paragon Plastics, Inc	FY 11/12	Expansion
6	V&N Advanced Automation Systems	FY 11/12	Expansion
7	Vectorworks Marine, LLC	FY 11/12	Expansion
8	United Service Source, Inc. (USSI)	FY 11/12	Expansion
9	Nuance Communications, Inc	FY 12/13	Expansion
10	Ecklers Automotive*	FY 12/13	Expansion
11	Barn Light Electric Company	FY13/14	Expansion
12	Sun Nuclear Corporation	FY13/14	Expansion
13	Anuva Manufacturing Services	FY13/14	Expansion
14	TeleTech	FY 14/15	Expansion
15	Lockheed Martin	FY 14/15	Expansion
16	Paragon Plastics, Inc*	FY 14/15	Expansion
17	Harris Corporation*	FY 14/15	Expansion
18	Project Taylor*	FY 14/15	Expansion

**Denotes projects with another type of project component (attraction or retention)*

Project List Updated as of September 2016

"We are very excited about this opportunity to grow in Brevard County. I would like to thank the EDC, North Brevard Economic Development Zone (NBEDZ), City of Titusville and Brevard County all of whom helped to make this expansion possible for us. "

- David Trout,
President and CEO
Paragon Plastics

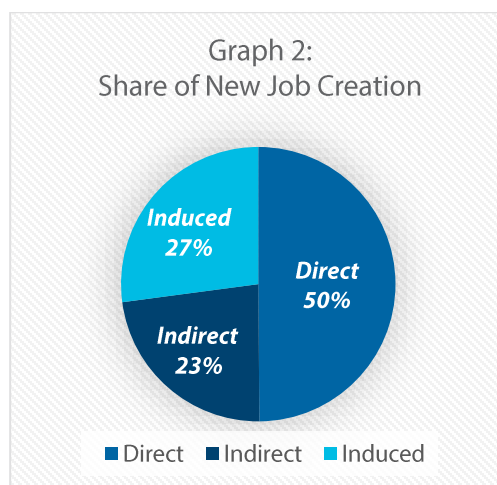
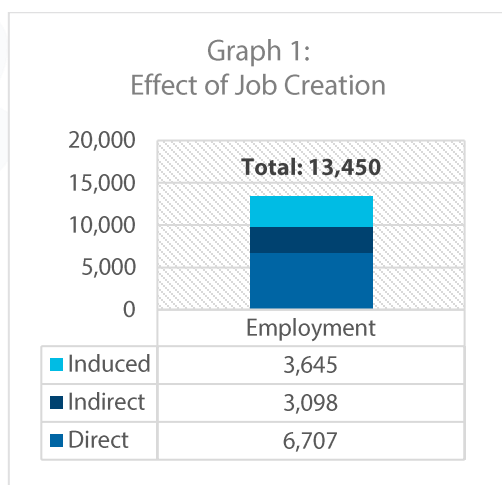
II. EDC Attraction and Expansion Projects – Employment Impact

This section addresses the employment impact (ripple) resulting from the **6,707 new jobs** in Brevard County. At full operation, the ripple includes the additional jobs created to support the initial industry investment; such as the new growth in supply chain businesses and the additional income within the community.

To produce an estimate of the employment ripple, the announced number of jobs, average wage, and specific industry (see Appendix 1 for full list of affected industry sectors) associated with each project were computed by the IMPLAN I/O model. More particularly, the employment computation is based on industry multipliers specific to Brevard County and its industry structure.

Graph 1 reveals that the **6,707 new direct jobs** have an **indirect effect of 3,098 jobs**, and an **induced effect of 3,645 jobs**, totaling **13,450 jobs** (direct, indirect, and induced).

Direct jobs represent 50% of total jobs, indirect jobs represent 23% and induced represent 27%, see graph 2.



Source: IMPLAN, MIG, Inc., Data 2014 model for Brevard County

The overall **average multiplier** of the FY10/15 attraction and expansion projects is **2.005**, for every new direct job, an additional 1.005 jobs are created (indirect and induced). This average multiplier is a product of the projects industry mix and parameters.

III. EDC Retention Projects – FY10/15

Over FY10/15, the EDC's efforts led to **11 retention** projects resulting in **7,297 retained jobs** in Brevard County.

The companies, the type of project and the fiscal year are listed in Table 3.

Table 3: FY10/15 Retention Projects:

No.	Company	Fiscal Year	Project Type
1	Professional Aircraft Accessories (PAA)*	FY 10/11	Retention
2	Harris Corporation*	FY 11/12	Retention
3	Intellifuel Systems, Inc*	FY 11/12	Retention
4	L-3 Communications*	FY 12/13	Retention
5	Ecklers Automotive*	FY 12/13	Retention
6	Barn Light Electric Company*	FY13/14	Retention
7	Sun Nuclear Corporation*	FY13/14	Retention
8	MC Assembly	FY 13/14	Retention
9	Paragon Plastics, Inc*	FY 14/15	Retention
10	Harris Corporation*	FY 14/15	Retention
11	Project Taylor*	FY 14/15	Retention

*Denotes projects with another type of project component (attraction or expansion)

Project List Updated as of September 2016

"The EDC worked with our company and our outside consultants to craft a comprehensive solution that allowed us to make the decision to move forward in Melbourne."

- George Moore,
President and CEO
MC Assembly

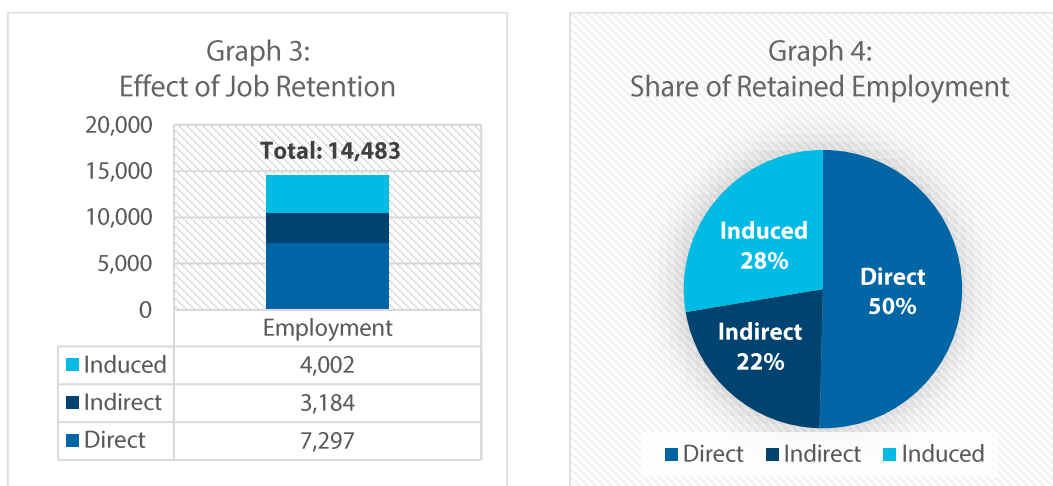
IV. EDC Retention Projects – Employment Impact

This section addresses the employment impact (ripple) resulting from the 7,297 retained jobs.

To produce an estimate of the employment ripple, the announced number of retained jobs, average wage and specific industry (see Appendix 1 for full list of affected industry sectors) associated with each retention project were computed by the IMPLAN I/O model. More particularly, the employment computation is based on industry multipliers specific to Brevard County and its industry structure.

Graph 3 reveals that the 7,297 retained jobs have an existing **indirect effect of 3,184 jobs** and an existing **induced effect of 4,002 jobs**, totaling **14,483 jobs** (direct, indirect, and induced), see Graph 3.

Direct jobs represent 50% of total jobs, indirect jobs represent 22% and induced represent 28%, see Graph 4.



Source: IMPLAN, MIG, Inc., Data 2014 model for Brevard County

The overall **average multiplier** of the FY10/15 retention projects is **1.985**, for every direct job retained, an existing **0.985** job is retained (indirect and induced). This average multiplier is a product of the projects industry mix and parameters.

PART TWO

Economic Snapshot: What is the impact of all projects at full operation over a one-year period?

All FY10/15 EDC projects have not yet reached their announced employment goal and find themselves at various stages of their ramp up process. To produce an estimate of the overall **annual labor income** and **contribution to gross domestic product (GDP) ripple** of all FY10/15 projects, a one-year snapshot has been computed using the IMPLAN I/O model. It captures the effect of attraction, expansion and retention projects based on announced jobs, average wage, and affected industry, posing the hypothesis that all projects have reached full operation today in 2016. The labor income and contribution to GDP computed in this analysis are recurring annual impacts and are a subset of job creation and retention.

Additionally, as a reasonable measure each project entered into the I/O model was set in the year of announcement, thus adjusting for inflation as the snapshot takes place in 2016. It is assumed that whether or not projects have reached full operation, wages would evolve with time due to inflation and market competitiveness, meaning that a company starting their hiring process today is likely to offer inflation adjusted wages.

Similarly to part one, this section analyzes attractions and expansions separately from retentions due to their difference in nature. It also differentiates between industry **initial event** (job creation or retention) and its **direct, indirect** and **induced** effects.

The **direct labor income impact** is the wages total associated with the initial job event (new or retained) applied to an industry.

"Governor Scott, the State of Florida and the Economic Development Commission of Florida's Space Coast have provided tremendous support for bringing these jobs to Brevard County."

- Mathew Joyce,
Vice President, Fleet
Ballistic Missile Programs,
Lockheed Martin
Space Systems

"With the specialized processes involved in our operations, we needed a site and a community that allowed us to achieve our growth goals. The EDC made clear that the Space Coast offered both of those attributes: an excellent and flexible industrial property base and a workforce and technological climate that fit our needs perfectly."

- Uli Wiegand,
President and CEO
I.O., Inc

The **indirect labor income impact** is the wages total associated with the indirect jobs resulting from the effect of an initial event on the local industries supply chain.

The **induced labor income impact** is the wages total associated with the jobs resulting from the effect of the spending of direct and indirect labor income.

The **direct contribution to GDP impact** is the value of goods and services produced by the initial job event (new or retained) applied to an industry.

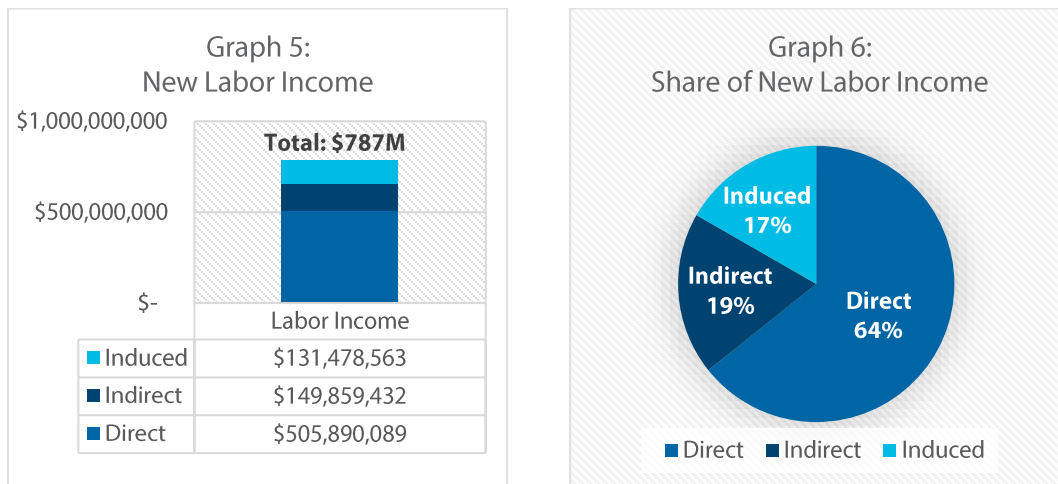
The **indirect contribution to GDP impact** is the value of goods and services produced by the local industries supply chain.

The **induced contribution to GDP impact** is the value of goods and services produced in response to the spending of direct and indirect labor income.

I. Annual Labor Income Impact of Attractions and Expansions

This section reports on the **labor income impact**, which is the total wages, associated with the previously analyzed employment ripple resulting from the creation of the **6,707 new jobs**.

Graph 5 reveals that the \$505,890,089 announced new **direct** labor income have an **indirect** effect creating \$149,859,432, and an **induced** effect creating \$131,478,563, for a **total of \$787M in labor income** (direct, indirect, and induced). Direct wages represent 64% of total labor income, Indirect wages represent 19% and induced wages 17%, see graph 6. Such disparity in wages can be attributed to the generally higher wage industry mix of the EDC projects, compared to indirect and induced jobs industries which tend to be more technical or lower wage industries.



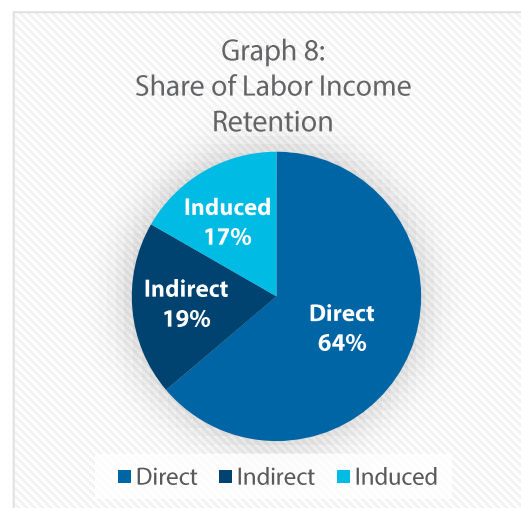
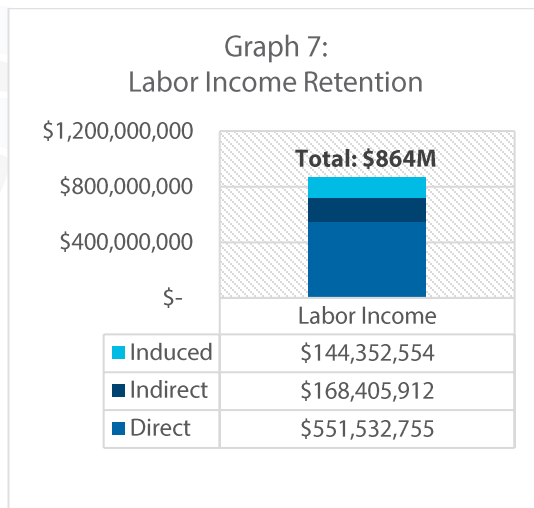
Source: IMPLAN, MIG, Inc., Data 2014 model for Brevard County

The overall **average multiplier** of the FY10/15 attraction and expansion projects is **1.56**, for every new direct labor income dollar, an additional **\$0.56** is created (indirect and induced). This average multiplier is a product of the projects industry mix and parameters.

II. Annual Labor Income Impact of Retentions

This section reports on the retained **labor income ripple** which is the existing wages total associated with the previously analyzed employment ripple caused by the retention of existing employment, in Brevard County.

Graph 7 reveals that the \$551,532,755 announced existing **direct** labor income have an **indirect** effect retaining \$168,405,912, and an **induced** effect retaining \$144,352,554, for a **total of \$864M retained in labor income** (direct, indirect, and induced). Direct wages represent 64% of total labor income, indirect wages represent 19% and induced wages 17%, see graph 8. Similarly to wages associated with attractions and expansions, the disparity in wages can be attributed to the generally higher wage industry mix of the EDC projects compared to indirect and induced jobs industries which tend to be more technical or lower wage industries.



Source: IMPLAN, MIG, Inc., Data 2014 model for Brevard County

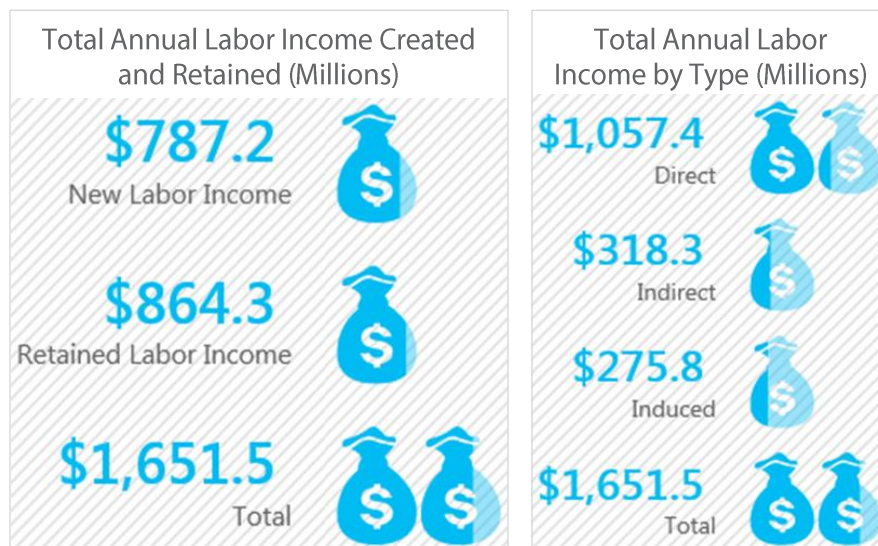
The overall **average annual multiplier** of the FY10/15 retention projects is **1.57**, for every retained direct labor income dollar, an additional **\$0.57** is preserved (indirect and induced). This average multiplier is a product of the projects industry mix and parameters.

III. EDC Labor Income Creation and Retention – Return on Investment

The return on investment section measures the EDC's success in terms of labor income creation and retention determined in the previous sections, in relation to the total amount of public grant funding it received **over FY10/15 period**.

$$ROI = \frac{(\text{Labor Income})}{(\text{Total FY 10/15 Funding})}$$

- **\$1** invested represents **\$71** of **direct new** labor income.
- **\$1** invested represents **\$111** of total **new** labor income.
- **\$1** invested represents **\$78** of **direct retained** labor income.
- **\$1** invested represents **\$122** of total **retained** labor income.
- **\$1** invested represents **\$150** of **direct labor income** whether new or retained.
- **\$1** invested represents **\$235** of total **labor income**.



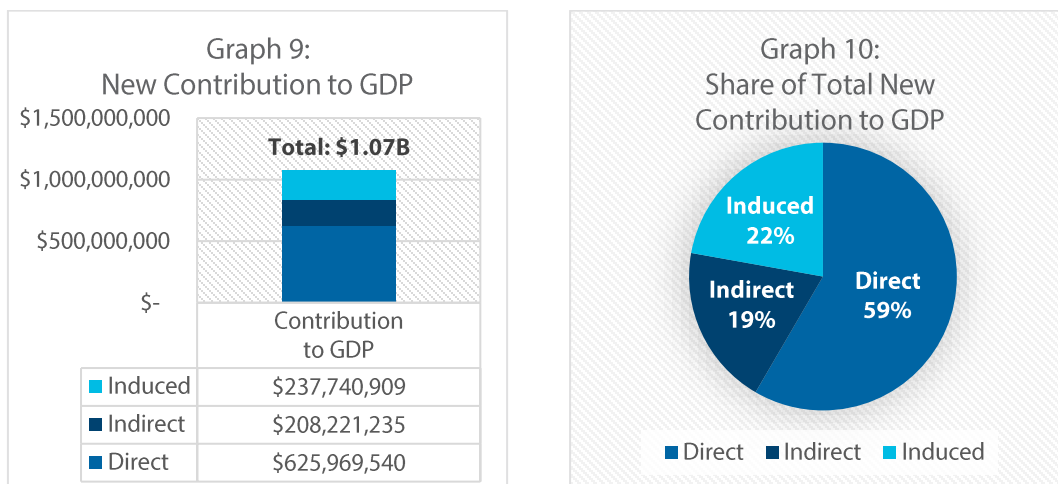
Source: EDC input/output model for Brevard County Data 2014, IMPLAN, MIG, Inc

IV. Attractions and Expansions Annual Contribution to GDP at Full Operations

This section reports to the **contribution to GDP ripple** which is the value of goods and services associated with the previously analyzed employment ripple caused by the creation of the **6,707 announced new jobs** to Brevard County.

Graph 9 reveals that all the attractions and expansions combined will produce goods and services for a **direct** contribution to GDP value of \$625,969,540, an **indirect** value of \$208,221,235, and an **induced** value of \$237,740,909, for a **total of \$1.07B in new contribution to GDP** (direct, indirect, and induced). Direct contribution to GDP represents 59% of total value, Indirect contribution represents 19% and induced contribution, 22%, see graph 10.

In addition, when comparing new contribution to GDP to **current GDP equaling \$18.58B** (2014, most recent available), direct contribution represents 3.4%, indirect contribution represents 1.1% and induced contribution, 1.3% for a **total of 5.8% of current GDP**.



Source: IMPLAN, MIG, Inc., Data 2014 model for Brevard County

The overall **average annual multiplier** of the FY10/15 attraction and expansion projects is **1.71**, for every new direct contribution to GDP dollar, an additional **\$0.71** is created (indirect and induced). This average multiplier is a product of the projects industry mix and parameters.

V. Retentions Annual Contribution to GDP

This section reports on the **contribution to GDP ripple** which is the value of goods and services associated with the previously analyzed employment ripple caused by the retention of the **7,297 existing jobs** in Brevard County.

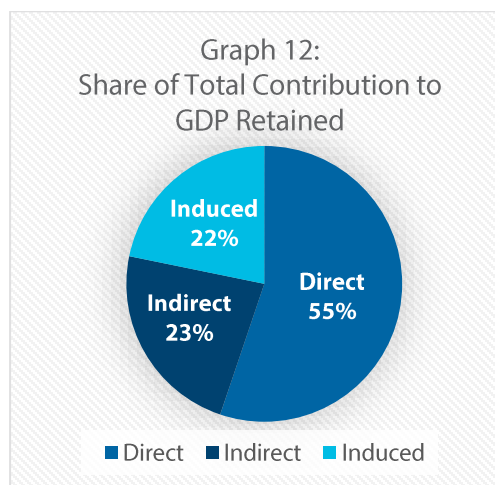
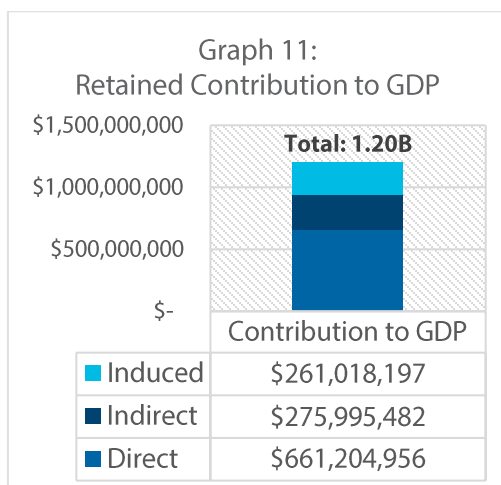
Graph 11 reveals that all the attractions and expansions combined maintain production of goods and services for a **direct** contribution to GDP value of \$661,204,956, an **indirect** value of \$275,995,482, and an **induced** value of \$261,018,197, for a **total of \$1.20M in new contribution to GDP** (direct, indirect, and induced). Direct contribution to GDP represent

"We like the business climate here, we're delighted that we were able to work with Brevard County, others in local government and key community economic development organizations to ensure we were able to find a good location and retain the staff we rely on so much."

- Matt Jordan, CEO
Eckler's

55% of total value, Indirect contribution represent 23% and induced contribution 22%, see graph 12. In addition, when comparing retained contribution to GDP to **current GDP equaling \$18.58B** (2014, most recent available), direct contribution represents 3.6% of current GDP, indirect contribution represents 1.5% and induced contribution, 1.4% for a **total of 6.4% of current GDP**.

The overall **average annual multiplier** of the FY10/15 retention projects is **1.81**, for every retained direct contribution to GDP dollar, an additional **\$0.81** is preserved (indirect and induced). This average multiplier is a product of the projects industry mix and parameters.



Source: IMPLAN, MIG, Inc., Data 2014 model for Brevard County

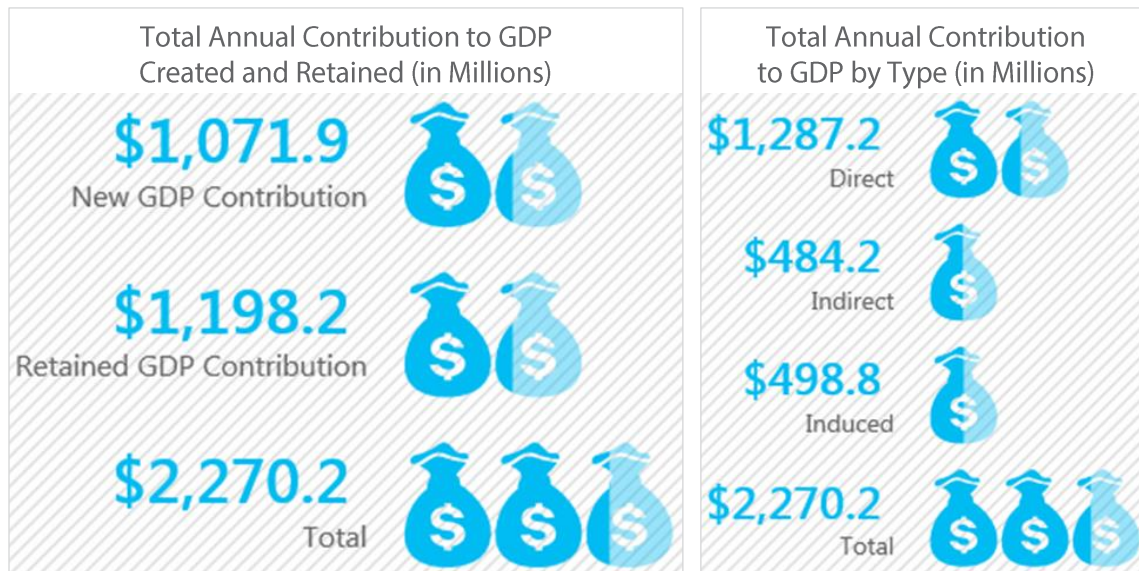
Overall, total new and retained contribution to GDP represents 12.2% of current GDP. Total new contribution represents 6.9% of current GDP, indirect contribution represents 2.6% and induced contribution, 2.7%.

VI. EDC Contribution to GDP Creation and Retention – Return on Investment

The return on investment section measures the EDC's success in terms of contribution to GDP creation and retention determined in the previous sections, in relation to the total amount of public grant funding it received **over FY10/15 period**.

$$ROI = \frac{(\text{Contribution to GDP})}{(\text{Total FY 10/15 Funding})}$$

- **\$1** invested represents **\$88** of **direct new** contribution to GDP.
- **\$1** invested represents **\$152** of total **new** contribution to GDP.
- **\$1** invested represents **\$93** of **direct retained** contribution to GDP.
- **\$1** invested represents **\$170** of total **retained** contribution to GDP.
- **\$1** invested represents **\$183** of **direct contribution to GDP** whether new or retained.
- **\$1** invested represents **\$323** of total **contribution to GDP**.



Source: IMPLAN, MIG, Inc., Data 2014 model for Brevard County

PART THREE

Ripple Effect: How is new and retained labor income affecting other industries?

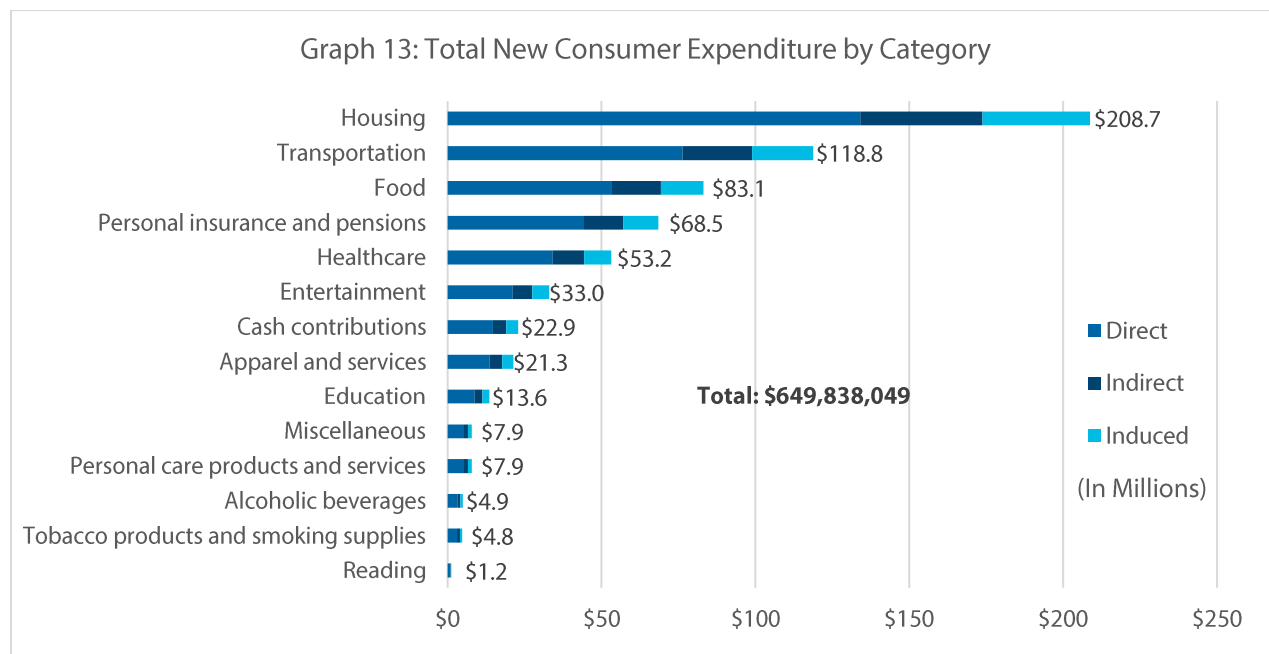
In the same fashion that job creation has a ripple effect, so does labor income on consumer expenditures. A **share of total labor income** (new and retained) is distributed in expenses over a variety of spending categories annually. The distribution of new and retained wages has been estimated using labor income at full operations computed in the previous sections, and the most recent available U.S. Bureau of Labor Statistics Consumer Expenditures Survey for the South region, which covers 3rd quarter 2014 through 2nd quarter 2015.

In the following sections, only the main categories of consumer expenditures are highlighted, for full list of categories and associated spending, see appendices 2, 3, and 4.

I. Ripple of New Labor Income on Consumer Expenditures

Graph 13 reveals that at full employment the share of total new labor income spent on consumer **expenditures equals \$649,838,049** (82.5% of total labor income) which is equivalent to \$417,600,230 in **direct** expenditures, \$123,705,395 in **indirect** expenditures and \$108,532,425 in **induced** expenditures.

The total new consumer expenditures - a subset of labor income - are added spending, flowing through Brevard County and benefiting the overall community (See appendix 2 for full consumer expenditures stemming from new labor income.) Furthermore, the increase in spending generates an increase in demand, which in turn leads to increased supply and prices. For example, a higher demand in housing will increase home and rent prices, whereas increased demand in goods and services will spark production increases and new business relocation or attractions, aiming at supporting the additional demand.

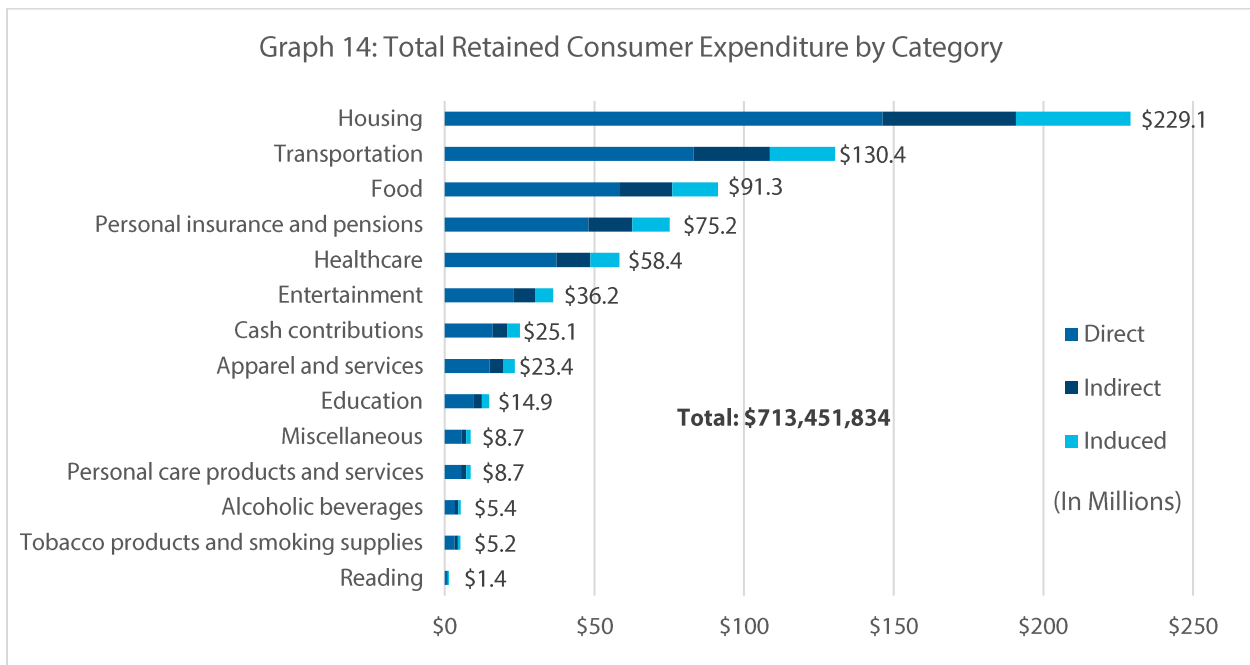


Source: US Bureau of Labor Statistics, Consumer Expenditure Survey, South Region, Q3 2014 through Q2 2015

II. Ripple of Retained Labor Income on Consumer Expenditures

Graph 14 reveals that the share of total retained labor income spent on consumer **expenditures equals \$713,451,834** which is equivalent to \$455,277,164 in **direct** expenditures, \$139,015,072 in **indirect** expenditures and \$119,159,598 in **induced** expenditures.

The **total retained consumer expenditures** - a subset of labor income - are preserved spending, flowing through Brevard County and benefiting the community as whole (See appendix 3 for full consumer expenditures stemming from retained labor income.) Furthermore, the retention of consumer expenditures supports a stable demand, which in turn supports a stable supply chain and prices. For example, an unchanged demand in housing will sustain consistent home and rent prices; and a consistent demand in goods and services will sustain the existing local industries linkages and prosperity.

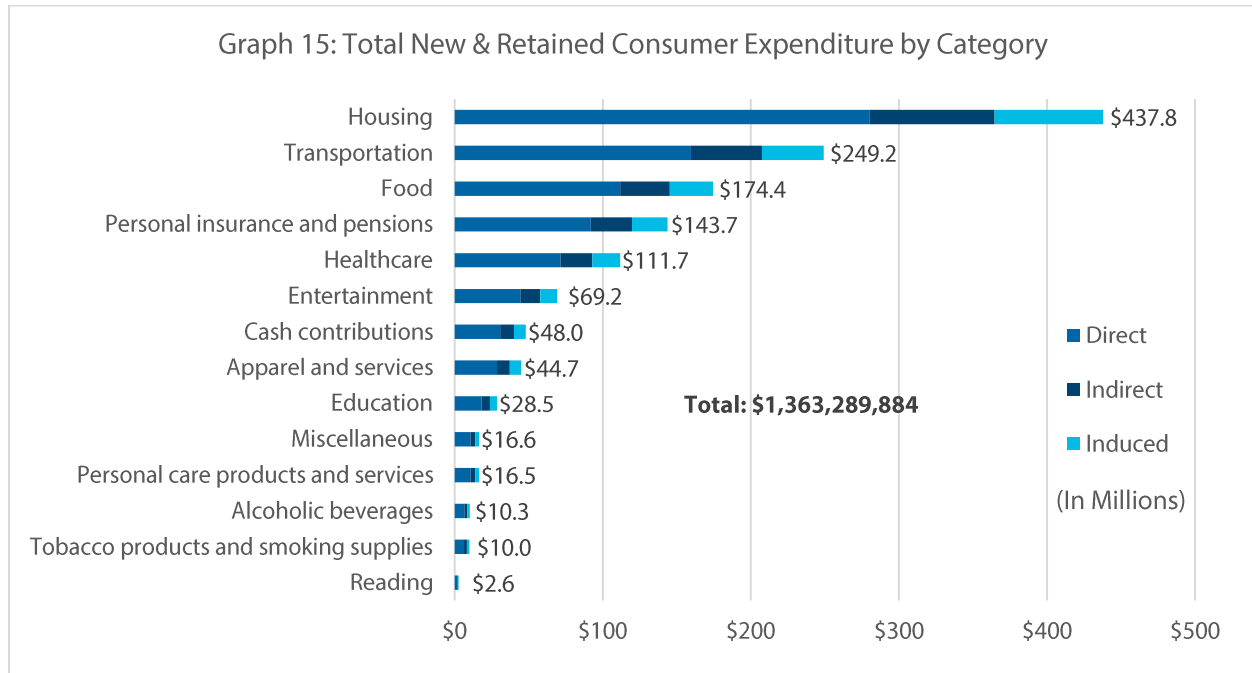


Source: US Bureau of Labor Statistics, Consumer Expenditure Survey, South Region, Q3 2014 through Q2 2015

III. Ripple of Total New and Retained Labor Income on Consumer Expenditures

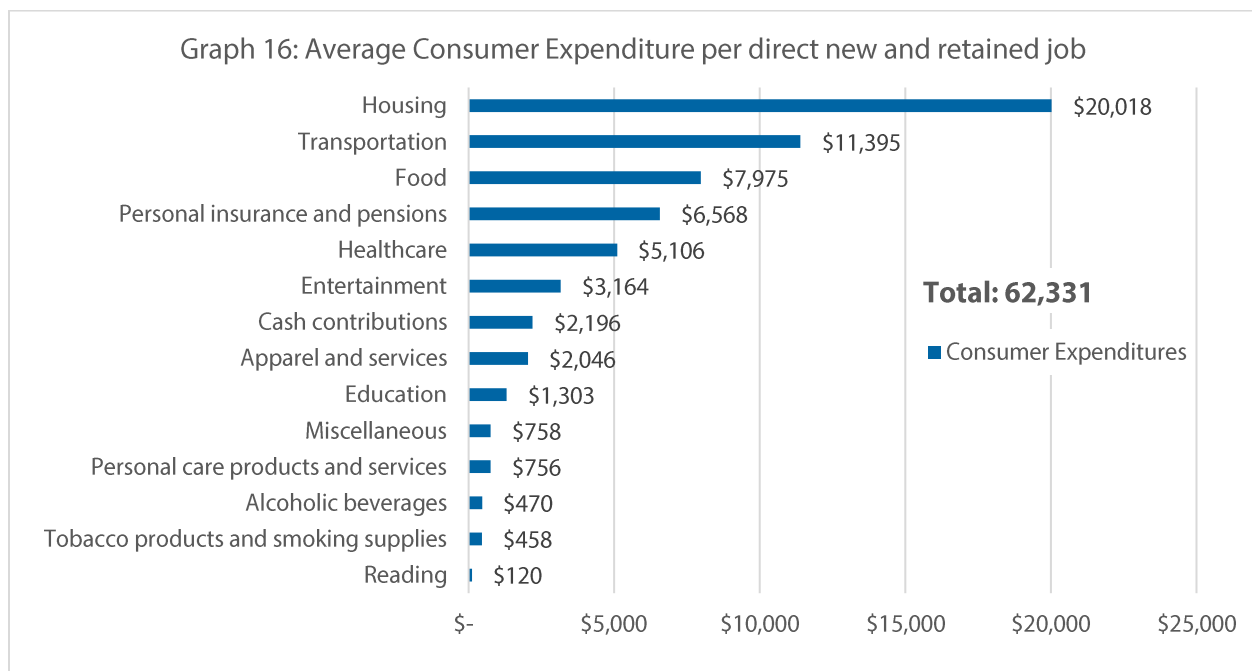
Graph 15 reveals that the share of total new and retained labor income spent on **consumer expenditures equals \$1,363,289,884** which is equivalent to \$872,877,394 in **direct** expenditures, \$262,720,467 in **indirect** expenditures and \$227,692,023 in **induced** expenditures.

The total new and retained consumer expenditures - a subset of labor income - are added and preserved spending, flowing through Brevard County and benefiting the community as a whole. (See appendix 4 for total consumer expenditures stemming from new and retained labor income.)



Source: US Bureau of Labor Statistics, Consumer Expenditure Survey, South Region, Q3 2014 through Q2 2015

Additionally, graph 16 reveals the total amount spent in consumer expenditures per direct job new or retained which reached \$62,331 annually.



Source: US Bureau of Labor Statistics, Consumer Expenditure Survey, South Region, Q3 2014 through Q2 2015

IV. EDC Consumer Expenditures Creation and Retention – Return on Investment

The return on investment section measures the EDC's success in terms of consumer expenditures creation and retention determined in the previous sections, in relation to the total amount of public grant funding it received **over FY10/15 period**.

$$ROI = \frac{(\text{Consumer Expenditures})}{(\text{Total FY 10/15 Funding})}$$

- **\$1** invested represents **\$59** of **direct new** consumer expenditure.
- **\$1** invested represents **\$92** of total **new** consumer expenditure.
- **\$1** invested represents **\$64** of **direct retained** consumer expenditure
- **\$1** invested represents **\$101** of total **retained** consumer expenditure
- **\$1** invested represents **\$124** of **direct consumer expenditure** whether new or retained.
- **\$1** invested represents **\$194** of total **consumer expenditure**.

PART FOUR

Fiscal Impact: How is tax base diversification affecting tax revenue?

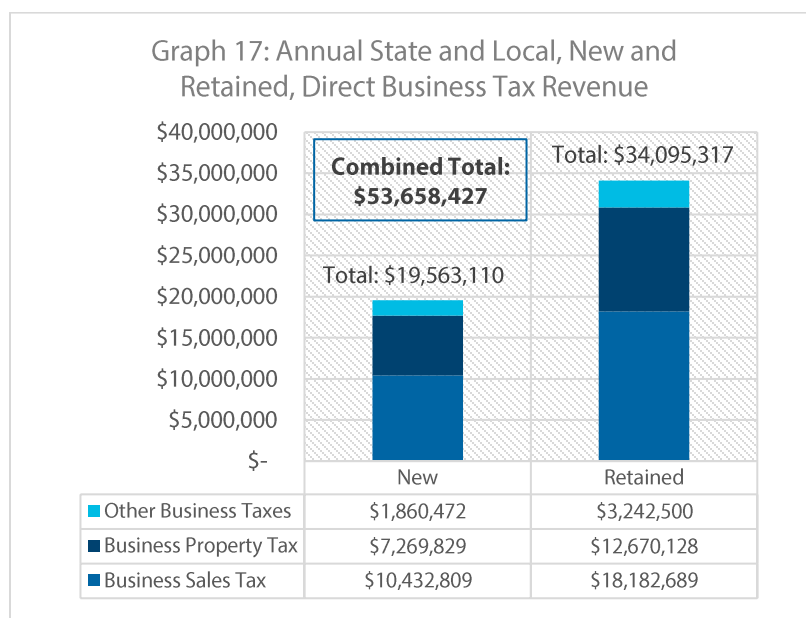
The fiscal impact is an estimate of new and retained **business and personal tax revenue generated at the state and local level** when projects have reached full operation. The I/O model does not differentiate applicable taxes by industry and rather, applies the same rates across, nor does it separate taxes going to the state or local level; the estimates thus covering revenue to Florida and Brevard County together.

The I/O model tax impact is based on taxes collected for the year and not specific tax rates. Thus the report provided by IMPLAN is an estimate of tax collections based on the tax dollars associated to Industry production in Brevard County taking using the collected data for the year of the dataset (2014, most recent available). To remain conservative and due the level of approximation of how the taxes are computed, only direct taxes, new and retained are addressed in this section and solely to be considered as a rough evaluation.

I. New and Retained Business taxes:

In the I/O model's **total business taxes** are included: sales tax, property tax, motor vehicle license, severance tax, other taxes, state and local non taxes equaling a **total of \$53,658,427** in annual new and retained state and local revenue.

Graph 17 reveals that retained taxes surpass new taxes reaching **\$34,095,317** and **\$19,563,110** respectively. In both new and retained taxes, **sales taxes are the main portion of total revenue**. And more precisely, at full operation, direct new business sales taxes are estimated at \$10,432,809 while direct new business property taxes are estimated at \$7,269,829; both are **new annual revenue estimates to the State and County**.

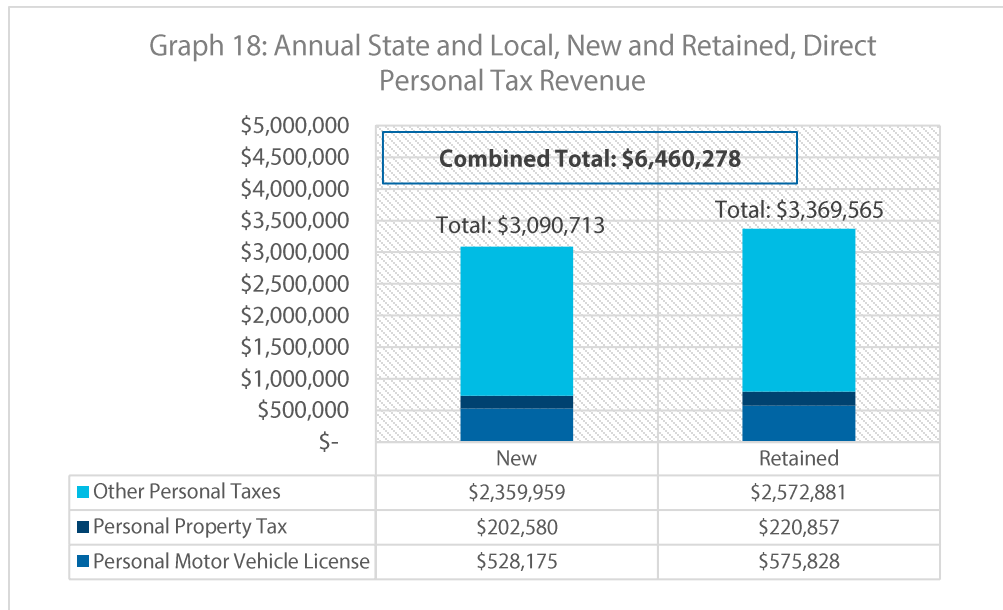


Source: IMPLAN, MIG, Inc., Data 2014 model for Brevard County

II. New and Retained Personal Taxes:

In the I/O model's **total personal taxes** are included: Non Taxes (Fines- Fees), Motor Vehicle License, Property Taxes, Other Tax (Fish/Hunt) equaling a **total of \$6,460,278** in annual new and retained state and local revenue.

Graph 18 reveals that retained taxes surpass new taxes reaching **\$3,369,565** and **\$3,090,713** respectively. Additionally, at full operation, direct new personal property taxes are estimated at \$202,580 while direct new motor vehicle license taxes are estimated at \$528,175; both are **new annual revenue estimates to the State and County**.



Source: IMPLAN, MIG, Inc., Data 2014 model for Brevard County

III. Total New and Retained, Direct Tax Revenue

At full employment, combined **direct new business and personal tax revenue** is estimated to be **\$22,653,823** while **direct retained revenue** is estimated to be **\$37,464,882** per year. Total direct, new and retained, business and personal tax revenue estimate equals **\$60,118,705 of direct new and retained revenue the State and County**.

PART FIVE

Capital Investment: What is the impact from construction and equipment purchases?

The majority of EDC projects have a capital investment tied to their activity. It is usually separated in two distinct categories of spending: construction which may be refurbishment or new construction; and equipment which can be machinery, tooling, furniture, etc. In an effort to maintain a conservative approach and because of the lack of detail pertaining to capital investment destination; construction and equipment purchases will be considered at face value with a one-time impact.

"This long-term investment also reaffirms Harris' commitment to maintaining our strong presence here in Central Florida. We thank all of the state, regional and local organizations that are helping to making this possible."

- Bill Brown,
President & CEO
Harris Corporation

I. Capital Investment Impact and Leakage

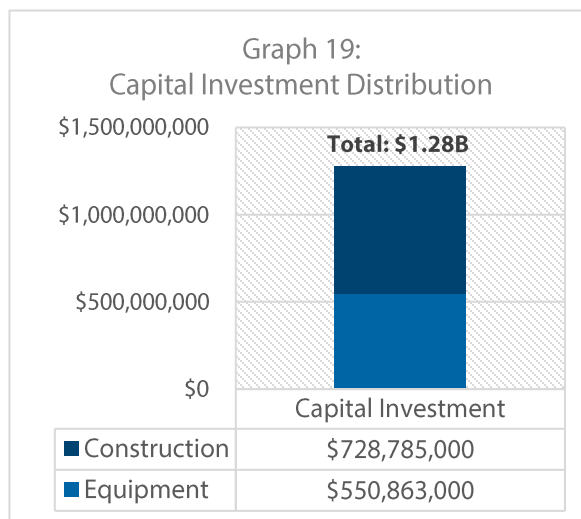
Equipment acquisition spending tends to leak outside of a studied area due to the specificity of required machinery and materials, relative to local availability of such equipment. Construction projects, similar to job creation projects have a very local impact as it utilizes local goods and services. That impact is a one-time non-recurring impact which lasts the duration of the construction work; the impact also greatly varies depending on the type of construction project.

Table 4: FY10/15 Capital Investment

Equipment	Construction	TOTAL
\$550,863,000	\$728,785,000	\$1,279,648,000
43%	57%	100%

Source: EDC project data provided by companies

Graph 19 reveals that over FY10/15 the 36 business development projects assisted by the EDC total a capital investment of \$1.28B, comprised of \$551M in equipment purchase and \$729M in construction.



II. Capital Investment – Return on Investment

The return on investment section measures the EDC's success in terms of capital investment associated with all the projects assisted, in relation to the total amount of public grant funding it received **over FY10/15 period**.

$$ROI = \frac{(\text{Capital Investment})}{(\text{Total FY 10/15 Funding})}$$

- ➔ **\$1** invested represents **\$78** of **equipment** purchase.
- ➔ **\$1** invested represents **\$103** of **construction** spending.
- ➔ **\$1** invested represents **\$182** of **total capital investment**.

APPENDICES

Appendix 1: Industry Sectors of FY10/15 Attraction, Expansion and Retention Projects by NAICS Code and IMPLAN Sector Equivalent

NAICS: North American Industry Classification System. It is a system of industry codes and is the standard for classifying business establishments, grouping them according to similarity in the processes used to produce goods or services.

NAICS	IMPLAN	Description
312120	108	Breweries
325412	174	Pharmaceutical Preparation Manufacturing
326199	195	All Other Plastics Product Manufacturing
332994	259	Small Arms, Ordnance, and Ordnance Accessories Manufacturing
334418	312	Printed Circuit Assembly (Electronic Assembly) Manufacturing
334419	313	Other Electronic Component Manufacturing
334510	314	Electromedical and Electrotherapeutic Apparatus Manufacturing
334511	315	Search, Detection, Navigation, Guidance, Aeronautical, and Nautical System and Instrument Manufacturing
334519	322	Other Measuring and Controlling Device Manufacturing
335121	326	Residential Electric Lighting Fixture Manufacturing
336411	357	Aircraft Manufacturing
336413	359	Other Aircraft Parts and Auxiliary Equipment Manufacturing
336414	360	Guided Missile and Space Vehicle Manufacturing
336415	361	Guided Missile and Space Vehicle Propulsion Unit and Propulsion Unit Parts Manufacturing
336612	364	Boat Building
481111	408	Scheduled Passenger Air Transportation
517410	429	Satellite Telecommunications
541330	449	Engineering Services
541511	451	Custom Computer Programming Services
541512	452	Computer Systems Design Services
541690	455	Other Scientific and Technical Consulting Services
541712	456	Research and Development in the Physical, Engineering, and Life Sciences (except Biotechnology)
561110	462	Office Administrative Services
561499	465	All Other Business Support Services
811111	504	General Automotive Repair
813319	514	Other Social Advocacy Organizations

Appendix 2: Aggregated Consumer Spending Distribution from New Job Creation

Categories	Share of Income Before Tax	New Direct Spending	New Indirect Spending	New Induced Spending	New Total Spending
Income before taxes	100.0%	\$505,890,089.31	\$149,859,431.91	\$131,478,563.33	\$787,228,084.55
Average annual expenditures	82.5%	\$417,600,229.57	\$123,705,394.69	\$108,532,425.11	\$649,838,049.37
Food	10.6%	\$53,429,119.50	\$15,827,266.96	\$13,885,988.32	\$83,142,374.78
Food at home	6.1%	\$31,037,357.04	\$9,194,172.39	\$8,066,469.77	\$48,297,999.20
Food away from home	4.4%	\$22,399,949.58	\$6,635,519.83	\$5,821,646.34	\$34,857,115.75
Alcoholic beverages	0.6%	\$3,152,039.69	\$933,726.29	\$819,200.97	\$4,904,966.95
Housing	26.5%	\$134,113,148.40	\$39,728,234.76	\$34,855,405.25	\$208,696,788.41
Shelter	14.3%	\$72,472,351.48	\$21,468,428.92	\$18,835,238.83	\$112,776,019.23
Owned dwellings	8.4%	\$42,417,448.38	\$12,565,288.10	\$11,024,104.43	\$66,006,840.90
Rented dwellings	4.9%	\$25,003,452.49	\$7,406,753.49	\$6,498,285.06	\$38,908,491.05
Other lodging	1.0%	\$5,059,637.73	\$1,498,812.59	\$1,314,977.13	\$7,873,427.46
Utilities, fuels, and public services	6.5%	\$32,830,335.46	\$9,725,305.01	\$8,532,456.81	\$51,088,097.28
Natural gas	0.4%	\$2,136,837.30	\$632,993.67	\$555,354.42	\$3,325,185.38
Electricity	2.9%	\$14,761,370.28	\$4,372,749.36	\$3,836,413.87	\$22,970,533.52
Fuel oil and other fuels	0.1%	\$597,659.47	\$177,044.21	\$155,329.01	\$930,032.69
Telephone services	2.2%	\$10,962,548.42	\$3,247,427.28	\$2,849,117.13	\$17,059,092.83
Water and other public services	0.9%	\$4,363,732.87	\$1,292,665.23	\$1,134,114.58	\$6,790,512.68
Household operations	1.9%	\$9,562,551.57	\$2,832,707.30	\$2,485,264.23	\$14,880,523.10
Housekeeping supplies	1.1%	\$5,337,999.68	\$1,581,271.54	\$1,387,322.16	\$8,306,593.37
Household furnishings and equipment	2.7%	\$13,901,723.09	\$4,118,096.74	\$3,612,995.43	\$21,632,815.26
Apparel and services	2.7%	\$13,705,232.31	\$4,059,890.42	\$3,561,928.36	\$21,327,051.08
Transportation	15.1%	\$76,344,857.39	\$22,615,578.36	\$19,841,685.73	\$118,802,121.48
Vehicle purchases (net outlay)	6.7%	\$33,902,847.66	\$10,043,014.48	\$8,811,197.92	\$52,757,060.06
Cars and trucks, new	3.4%	\$17,192,943.75	\$5,093,052.50	\$4,468,368.90	\$26,754,365.16
Cars and trucks, used	3.2%	\$16,390,606.38	\$4,855,376.72	\$4,259,845.02	\$25,505,828.12
Other vehicles	0.1%	\$319,297.53	\$94,585.26	\$82,983.99	\$496,866.78
Gasoline and motor oil	3.8%	\$19,133,290.26	\$5,667,839.85	\$4,972,656.25	\$29,773,786.37
Other vehicle expenses	3.9%	\$19,559,020.30	\$5,793,953.53	\$5,083,301.58	\$30,436,275.41
Vehicle finance charges	0.4%	\$1,981,282.09	\$586,913.67	\$514,926.32	\$3,083,122.08
Maintenance and repairs	1.2%	\$6,271,330.91	\$1,857,751.53	\$1,629,890.75	\$9,758,973.20
Vehicle insurance	1.5%	\$7,761,386.04	\$2,299,149.41	\$2,017,149.39	\$12,077,684.84
Vehicle rental, leases, licenses, and other charges	0.7%	\$3,545,021.26	\$1,050,138.92	\$921,335.11	\$5,516,495.29
Public and other transportation	0.7%	\$3,749,699.16	\$1,110,770.50	\$974,529.98	\$5,834,999.64
Healthcare	6.8%	\$34,205,770.96	\$10,132,749.21	\$8,889,926.33	\$53,228,446.49
Health insurance	4.6%	\$23,447,900.43	\$6,945,953.50	\$6,094,004.07	\$36,487,858.01
Medical services	1.1%	\$5,714,607.02	\$1,692,833.64	\$1,485,200.71	\$8,892,641.37
Drugs	0.8%	\$3,880,693.02	\$1,149,574.71	\$1,008,574.70	\$6,038,842.42
Medical supplies	0.2%	\$1,162,570.48	\$344,387.36	\$302,146.85	\$1,809,104.69
Entertainment	4.2%	\$21,196,443.51	\$6,279,006.15	\$5,508,860.52	\$32,984,310.19
Personal care products and services	1.0%	\$5,067,824.85	\$1,501,237.86	\$1,317,104.93	\$7,886,167.63
Reading	0.2%	\$802,337.38	\$237,675.78	\$208,523.88	\$1,248,537.04
Education	1.7%	\$8,727,465.73	\$2,585,330.46	\$2,268,229.17	\$13,581,025.36
Tobacco products and smoking supplies	0.6%	\$3,070,168.53	\$909,473.66	\$797,923.02	\$4,777,565.21
Miscellaneous	1.0%	\$5,076,011.97	\$1,503,663.12	\$1,319,232.72	\$7,898,907.81
Cash contributions	2.9%	\$14,712,247.58	\$4,358,197.78	\$3,823,647.11	\$22,894,092.47
Personal insurance and pensions	8.7%	\$44,005,748.90	\$13,035,789.14	\$11,436,896.60	\$68,478,434.63

Source: Bureau of Labor Statistics, Consumer Expenditure Survey, 3rd quarter 2014 through 2nd quarter 2015, Region of Residence, South – Released in April 2016

Appendix 3: Aggregated Consumer Spending Distribution from Job Retention

Categories	Share of Income Before Tax	Retained Direct Spending	Retained Indirect Spending	Retained Induced Spending	Retained Total Spending
Income before taxes	100.0%	\$ 551,532,755	\$ 168,405,912	\$ 144,352,554	\$ 864,291,221
Average annual expenditures	82.5%	\$ 455,277,164	\$ 139,015,072	\$ 119,159,598	\$ 713,451,834
Food	10.6%	\$ 58,249,628	\$ 17,786,036	\$ 15,245,663	\$ 91,281,327
Food at home	6.1%	\$ 33,837,625	\$ 10,332,036	\$ 8,856,315	\$ 53,025,975
Food away from home	4.4%	\$ 24,420,929	\$ 7,456,726	\$ 6,391,685	\$ 38,269,340
Alcoholic beverages	0.6%	\$ 3,436,425	\$ 1,049,283	\$ 899,415	\$ 5,385,123
Housing	26.5%	\$ 146,213,171	\$ 44,644,968	\$ 38,268,343	\$ 229,126,483
Shelter	14.3%	\$ 79,010,988	\$ 24,125,344	\$ 20,679,529	\$ 123,815,861
Owned dwellings	8.4%	\$ 46,244,456	\$ 14,120,358	\$ 12,103,552	\$ 72,468,366
Rented dwellings	4.9%	\$ 27,259,326	\$ 8,323,407	\$ 7,134,578	\$ 42,717,311
Other lodging	1.0%	\$ 5,516,131	\$ 1,684,304	\$ 1,443,736	\$ 8,644,171
Utilities, fuels, and public services	6.5%	\$ 35,792,370	\$ 10,928,901	\$ 9,367,930	\$ 56,089,201
Natural gas	0.4%	\$ 2,329,628	\$ 711,332	\$ 609,733	\$ 3,650,694
Electricity	2.9%	\$ 16,093,178	\$ 4,913,917	\$ 4,212,064	\$ 25,219,159
Fuel oil and other fuels	0.1%	\$ 651,582	\$ 198,955	\$ 170,538	\$ 1,021,075
Telephone services	2.2%	\$ 11,951,617	\$ 3,649,326	\$ 3,128,094	\$ 18,729,037
Water and other public services	0.9%	\$ 4,757,440	\$ 1,452,644	\$ 1,245,164	\$ 7,455,248
Household operations	1.9%	\$ 10,425,309	\$ 3,183,281	\$ 2,728,614	\$ 16,337,204
Housekeeping supplies	1.1%	\$ 5,819,607	\$ 1,776,968	\$ 1,523,165	\$ 9,119,740
Household furnishings and equipment	2.7%	\$ 15,155,971	\$ 4,627,749	\$ 3,966,769	\$ 23,750,489
Apparel and services	2.7%	\$ 14,941,753	\$ 4,562,339	\$ 3,910,702	\$ 23,414,793
Transportation	15.1%	\$ 83,232,881	\$ 25,414,464	\$ 21,784,525	\$ 130,431,869
Vehicle purchases (net outlay)	6.7%	\$ 36,961,647	\$ 11,285,930	\$ 9,673,964	\$ 57,921,541
Cars and trucks, new	3.4%	\$ 18,744,134	\$ 5,723,364	\$ 4,905,898	\$ 29,373,397
Cars and trucks, used	3.2%	\$ 17,869,408	\$ 5,456,274	\$ 4,676,956	\$ 28,002,638
Other vehicles	0.1%	\$ 348,105	\$ 106,291	\$ 91,110	\$ 545,506
Gasoline and motor oil	3.8%	\$ 20,859,543	\$ 6,369,287	\$ 5,459,564	\$ 32,688,394
Other vehicle expenses	3.9%	\$ 21,323,684	\$ 6,511,008	\$ 5,581,043	\$ 33,415,736
Vehicle finance charges	0.4%	\$ 2,160,038	\$ 659,550	\$ 565,346	\$ 3,384,934
Maintenance and repairs	1.2%	\$ 6,837,146	\$ 2,087,665	\$ 1,789,485	\$ 10,714,296
Vehicle insurance	1.5%	\$ 8,461,638	\$ 2,583,690	\$ 2,214,663	\$ 13,259,991
Vehicle rental, leases, licenses, and other charges	0.7%	\$ 3,864,862	\$ 1,180,103	\$ 1,011,550	\$ 6,056,515
Public and other transportation	0.7%	\$ 4,088,006	\$ 1,248,239	\$ 1,069,953	\$ 6,406,198
Healthcare	6.8%	\$ 37,291,901	\$ 11,386,770	\$ 9,760,401	\$ 58,439,072
Health insurance	4.6%	\$ 25,563,429	\$ 7,805,579	\$ 6,690,711	\$ 40,059,718
Medical services	1.1%	\$ 6,230,193	\$ 1,902,337	\$ 1,630,627	\$ 9,763,158
Drugs	0.8%	\$ 4,230,819	\$ 1,291,845	\$ 1,107,331	\$ 6,629,995
Medical supplies	0.2%	\$ 1,267,460	\$ 387,008	\$ 331,732	\$ 1,986,201
Entertainment	4.2%	\$ 23,108,840	\$ 7,056,091	\$ 6,048,272	\$ 36,213,202
Personal care products and services	1.0%	\$ 5,525,057	\$ 1,687,030	\$ 1,446,072	\$ 8,658,158
Reading	0.2%	\$ 874,726	\$ 267,090	\$ 228,942	\$ 1,370,759
Education	1.7%	\$ 9,514,879	\$ 2,905,289	\$ 2,490,327	\$ 14,910,496
Tobacco products and smoking supplies	0.6%	\$ 3,347,167	\$ 1,022,029	\$ 876,053	\$ 5,245,249
Miscellaneous	1.0%	\$ 5,533,982	\$ 1,689,755	\$ 1,448,408	\$ 8,672,146
Cash contributions	2.9%	\$ 16,039,623	\$ 4,897,565	\$ 4,198,047	\$ 25,135,235
Personal insurance and pensions	8.7%	\$ 47,976,057	\$ 14,649,088	\$ 12,556,764	\$ 75,181,909

Source: Bureau of Labor Statistics, Consumer Expenditure Survey, 3rd quarter 2014 through 2nd quarter 2015, Region of Residence, South – Released in April 2016

Appendix 4: Aggregated Total Consumer Spending Distribution

Categories	Share of Income Before Tax	Total Direct Spending	Total Indirect Spending	Total Induced Spending	Total Spending
Income before taxes	100.0%	\$1,057,422,844.66	\$318,265,343.69	\$275,831,116.94	\$1,651,519,305.29
Average annual expenditures	82.5%	\$872,877,393.76	\$262,720,467.15	\$227,692,022.82	\$1,363,289,883.72
Food	10.6%	\$111,678,747.46	\$33,613,303.44	\$29,131,651.36	\$174,423,702.26
Food at home	6.1%	\$64,874,981.86	\$19,526,207.99	\$16,922,784.29	\$101,323,974.14
Food away from home	4.4%	\$46,820,878.49	\$14,092,246.13	\$12,213,331.00	\$73,126,455.62
Alcoholic beverages	0.6%	\$6,588,464.26	\$1,983,009.78	\$1,718,615.66	\$10,290,089.70
Housing	26.5%	\$280,326,319.66	\$84,373,203.14	\$73,123,748.23	\$437,823,271.03
Shelter	14.3%	\$151,483,339.34	\$45,593,772.92	\$39,514,768.29	\$236,591,880.54
Owned dwellings	8.4%	\$88,661,904.78	\$26,685,645.90	\$23,127,656.40	\$138,475,207.08
Rented dwellings	4.9%	\$52,262,778.84	\$15,730,160.70	\$13,632,862.89	\$81,625,802.44
Other lodging	1.0%	\$10,575,768.61	\$3,183,117.00	\$2,758,712.92	\$16,517,598.53
Utilities, fuels, and public services	6.5%	\$68,622,705.69	\$20,654,205.76	\$17,900,386.45	\$107,177,297.89
Natural gas	0.4%	\$4,466,465.38	\$1,344,326.11	\$1,165,087.50	\$6,975,878.99
Electricity	2.9%	\$30,854,548.22	\$9,286,666.58	\$8,048,478.00	\$48,189,692.79
Fuel oil and other fuels	0.1%	\$1,249,241.28	\$375,999.26	\$325,867.38	\$1,951,107.92
Telephone services	2.2%	\$22,914,165.32	\$6,896,753.49	\$5,977,211.33	\$35,788,130.14
Water and other public services	0.9%	\$9,121,172.60	\$2,745,309.64	\$2,379,278.30	\$14,245,760.54
Household operations	1.9%	\$19,987,860.41	\$6,015,988.11	\$5,213,878.15	\$31,217,726.67
Housekeeping supplies	1.1%	\$11,157,607.01	\$3,358,239.94	\$2,910,486.77	\$17,426,333.72
Household furnishings and equipment	2.7%	\$29,057,694.33	\$8,745,845.73	\$7,579,764.64	\$45,383,304.69
Apparel and services	2.7%	\$28,646,984.87	\$8,622,229.54	\$7,472,630.15	\$44,741,844.56
Transportation	15.1%	\$159,577,738.29	\$48,030,042.08	\$41,626,210.38	\$249,233,990.74
Vehicle purchases (net outlay)	6.7%	\$70,864,494.83	\$21,328,944.15	\$18,485,162.16	\$110,678,601.14
Cars and trucks, new	3.4%	\$35,937,077.79	\$10,816,416.98	\$9,374,267.22	\$56,127,761.99
Cars and trucks, used	3.2%	\$34,260,014.16	\$10,311,650.86	\$8,936,801.41	\$53,508,466.43
Other vehicles	0.1%	\$667,402.87	\$200,876.32	\$174,093.53	\$1,042,372.72
Gasoline and motor oil	3.8%	\$39,992,833.71	\$12,037,126.90	\$10,432,220.23	\$62,462,180.84
Other vehicle expenses	3.9%	\$40,882,704.21	\$12,304,961.99	\$10,664,344.94	\$63,852,011.14
Vehicle finance charges	0.4%	\$4,141,320.39	\$1,246,463.29	\$1,080,272.70	\$6,468,056.38
Maintenance and repairs	1.2%	\$13,108,476.95	\$3,945,416.86	\$3,419,375.57	\$20,473,269.37
Vehicle insurance	1.5%	\$16,223,023.69	\$4,882,839.67	\$4,231,812.06	\$25,337,675.41
Vehicle rental, leases, licenses, and other charges	0.7%	\$7,409,883.18	\$2,230,242.17	\$1,932,884.62	\$11,573,009.97
Public and other transportation	0.7%	\$7,837,705.54	\$2,359,009.04	\$2,044,483.04	\$12,241,197.61
Healthcare	6.8%	\$71,497,671.91	\$21,519,519.12	\$18,650,327.82	\$111,667,518.85
Health insurance	4.6%	\$49,011,328.95	\$14,751,532.49	\$12,784,714.91	\$76,547,576.35
Medical services	1.1%	\$11,944,800.14	\$3,595,170.98	\$3,115,827.87	\$18,655,798.99
Drugs	0.8%	\$8,111,511.84	\$2,441,419.83	\$2,115,906.03	\$12,668,837.71
Medical supplies	0.2%	\$2,430,030.97	\$731,395.81	\$633,879.02	\$3,795,305.81
Entertainment	4.2%	\$44,305,283.05	\$13,335,096.94	\$11,557,132.30	\$69,197,512.28
Personal care products and services	1.0%	\$10,592,881.50	\$3,188,267.67	\$2,763,176.86	\$16,544,326.03
Reading	0.2%	\$1,677,063.63	\$504,766.13	\$437,465.80	\$2,619,295.56
Education	1.7%	\$18,242,345.20	\$5,490,619.29	\$4,758,556.60	\$28,491,521.09
Tobacco products and smoking supplies	0.6%	\$6,417,335.32	\$1,931,503.03	\$1,673,976.29	\$10,022,814.64
Miscellaneous	1.0%	\$10,609,994.40	\$3,193,418.35	\$2,767,640.80	\$16,571,053.54
Cash contributions	2.9%	\$30,751,870.85	\$9,255,762.53	\$8,021,694.38	\$48,029,327.76
Personal insurance and pensions	8.7%	\$91,981,806.25	\$27,684,876.80	\$23,993,660.14	\$143,660,343.19

Source: Bureau of Labor Statistics, Consumer Expenditure Survey, 3rd quarter 2014 through 2nd quarter 2015, Region of Residence, South – Released in April 2016



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