

**ECONOMIC IMPACT:  
PROPOSED FACILITY ADDITION,  
EFFINGHAM HOSPITAL**

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## INTRODUCTION

American Health Facilities Development (AHFD) has completed a Facilities Master Plan for the Effingham Hospital. While the document prepared presents an assessment of space needs and alternatives for meeting those needs, this report will focus on the economic impact of the proposed improvements. The economic impact assessment will consider two separate economic phases of the expansion: 1) the impact of the construction phase; and 2) the impact of the operations of the expanded facility.

The primary focus of this report is on the quantifiable economy impacts, those related to direct expenditures which pass through the marketplace. That should not be taken to suggest that these are the only important economic impacts or benefits of the proposed expansion of facilities and services at Effingham Hospital. Some of the less quantifiable benefits of the proposed expansion of the facilities at Effingham Hospital include:

1. the strengthening of the presence of a hospital located in Effingham County.  
Numerous studies have shown that the presence of a hospital in the county is a critical economic development recruiting factor. Counties without a hospital are typically not considered a suitable re-location site for a major industrial employer.<sup>1</sup>
2. increases in locally offered medical services reduce the cost of travel and the cost of lost time from work for local residents. These benefits accrue directly to the households. The estimated opportunity cost of travel time for an intercity trip is \$15.74 per hour.<sup>2</sup> The cost of a one-half day trip to Savannah based only on the time cost is \$62.96. From a medical perspective an increase in the cost of time has been shown to delay seeking diagnosis and treatment and therefore increase the cost of treatment and raises mortality. While difficult to quantify these are real costs which have been well documented.

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<sup>1</sup> In fact, it should be noted that the hospital has an excellent location, less than ten miles from the new industrial park. Proximity to a hospital in the event of an accident has been shown to reduce the cost of injuries and thus immediate access to a hospital is a prime consideration in new industrial plant location decisions.

<sup>2</sup> See "Economic Impact of the Proposed Effingham Parkway," by Mr. Jeremy Hill and Dr. Phyllis Isley, published by the Bureau of Business Research and Economic Development, May 4, 2009. See Table 2.

3. growth in the demand for medical services was an estimated benefit of the proposed Effingham Parkway project. The reduction in travel costs anticipated by the new road resulted in growth in high-earning households. High-earning households are very sensitive to the opportunity cost of travel time and will seek out local services for those activities that require a significant expenditure of time.<sup>3</sup> Growing the strength of locally produced medical services can best be facilitated by increasing the hospital's presence in the marketplace.

While the value of proximity is not easily quantified, proximity of medical care does have significant economic value. However, the balance of this report will focus on the directly quantifiable economic impacts of the proposed expansion of facilities at Effingham Hospital. This report will be divided into three sections. Section One contains a brief discussion of the methodology behind the economic impact analysis. IMPLAN a regional input-output model is employed to estimate the total economic impact of both the construction phase and the expanded operations phase of the proposed project. Section One also contains a discussion of the data employed in the study and assumptions. Section Two contains the findings of the impact analyses. Section Three contains a summary of the findings and conclusions.

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<sup>3</sup> After completion of the proposed parkway, the initial growth in the output in health care services in Effingham County was estimated to be about \$800,000 per year. The growth in demand was estimated to reach \$2.2 million by 2020. See above cited report "Economic Impact of the Proposed Effingham Parkway," Table 6.

## METHODOLOGY, DATA AND ASSUMPTIONS

For the purposes of the analysis the regional input-output model IMPLAN is used to demonstrate the total economic impact of both the construction phase and the expanded operations phase of the proposed project. IMPLAN, a product of the Minnesota IMPLAN Group, is one of the original input-output modeling systems developed. In fact it dates to the 1960s and has become recognized as the premier input-output model available for commercial use.<sup>4</sup>

Input-output models are a system for counting the number of times a new dollar turns over in a region's economy. To count the number of times a new dollar turns over in an economy involves empirical estimates of the spending habits of the different institutions in the region's economic system, households, businesses and government entities. For the purpose of this study a model in Effingham County was constructed using the latest IMPLAN database, 2007.<sup>5</sup>

To illustrate how a new dollar spent circulates through an economy, consider the following case. The proposed expanded operations at the Effingham Hospital will involve expanded diagnostics and outpatient surgery services. As will be shown below, Effingham County households import from other counties about \$125.0 million in medical service per year. If the expanded operations at the hospital pull any of these dollars home a chain reaction of spending will occur. The recaptured household spending at home is referred to as the *direct effect*. This is round one in the spending calculation.

The spending by one sector, the households, becomes the income of another sector, health services. To provide the new services the hospital will have to spend money on inputs such as other professional services, finance services, purchases of lab supplies, etc. These expenditures by the hospital are referred to as *indirect effect*. These are the backward linkages, spending by one business to purchase the inputs it needs from other businesses. The spending on the goods and services provided by the backward linked businesses amounts to a series of spending rounds by each business on the services of other businesses.

As the spending by the hospital expands the incomes of other businesses, all businesses, the hospital and those selling to the hospital increase the amount of money spent on labor. The spending set off by the households comes back to increase household incomes. As households have more money to spend, they purchase banking services and more retail trade goods. This is called the forward linkage or *the induced effect* of increased incomes. The spending by

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<sup>4</sup> Minnesota IMPLAN Group, Inc. Stillwater, Minnesota, [www.implan.com](http://www.implan.com).

<sup>5</sup> The 2007 data set is the most recent data set available.

everyone who enjoys additional income as a result of the new demand for goods and services also sets of a series of spending rounds.

Using estimates of local purchasing habits, IMPLAN calculates the *total impact* of new direct spending as the *direct effect plus* the *indirect effect plus* the *induced effect*. The direct, indirect, induced and total economic impacts of the construction and expansion of operations phases are estimated for different dimensions of the Effingham economy to include: changes in output; changes in employment; and changes in labor income. Changes in labor income are further reported for two major divisions, the changes in employee compensation and the changes in proprietor income. The changes in all economic measures are calculated for all twenty-five aggregated sectors to show the broad distribution of the impacts on all sectors of the economy.

### **Aggregation and Benchmarking**

The IMPLAN model contains 509 processing sectors with data on employment, output and production requirements developed to reflect the NAICS or North American Industrial Classification System of industrial codes. For the purposes of this study the sectors were aggregated into major categories. For example the eighteen sectors in agriculture were aggregated into one category, Agriculture. The aggregated model used for this study has twenty-five sectors. See Table 1, Total Output, Value Added and Total Employment: Benchmark Plus Base for a listing of the twenty-five aggregated sectors.

While IMPLAN is recognized as a highly accurate model, in the case of small economies some components of the local economy are often subsumed in miscellaneous sectors due to problems related to non-disclosure rules imposed by the Bureau of Economic Analysis. For example in Effingham County, since there is only one hospital, the output, value added and employment of the hospital were subsumed under miscellaneous non-education government sector. In order to more easily show the economic impact of expansion of the hospital services, data provided by the hospital was used to adjust the aggregated sector, Hospitals and Health Services to reflect the hospital in this sector rather than as hidden in the miscellaneous government sector. This process added about 325 jobs and about \$27.0 million dollars to the base Hospital and Health Services sector.

Table 1, Total Output, Value Added and Total Employment: Benchmark Plus Base, shows the relative sizes of the different sectors of the Effingham County economy. Hospitals and Health Services, while accounting for \$39.3 million in total output, makes up only about 2.2% of the local economy. However, in terms of employment Hospitals and Health Services account for 4.5% of total employment. This is typical of a labor intensive service sector.

Gross County Output of \$39.3 million for a population base of nearly 50,000 results in an estimated expenditure of \$780 in Hospitals and Health Services per person. This is substantially

below all estimates of average annual expenditures per capita for health services. Local production of Health and Hospital services under serves local demand for health services. To estimate how much local production under serves local demand the IMPLAN Commodity Trade matrix was examined. The data from the Commodity Trade matrix indicates that Effingham County institutions; households, businesses, government, import \$125.0 million in Hospitals and Health Services per year, or about \$2,500 per person. To estimate the impact of expansion of the operations of the hospital, it is assumed that the increase in local production capacity will recapture dollars that are currently spent elsewhere.

<b>TABLE 1</b>						
<b>Total Output, Value Added and Total Employment: Benchmark Plus Base</b>						
	<b>Industry</b>		<b>Employee</b>	<b>Proprietor</b>	<b>Other Property</b>	<b>Total</b>
<b>Industry</b>	<b>Output</b>	<b>Employment</b>	<b>Compensation</b>	<b>Income</b>	<b>Income</b>	<b>Value Added</b>
Agriculture	\$ 40,377,835	355	\$ 4,422,158	\$ 4,515,225	\$ 11,864,472	\$ 21,563,399
Mining	\$ 613,279	1	\$ 47,021	\$ 251,114	\$ 106,048	\$ 418,191
Utilities	\$ 46,424,734	107	\$ 8,699,103	\$ 781,400	\$ 18,342,724	\$ 33,384,645
Non-Residential Construction	\$ 73,792,128	737	\$ 19,853,527	\$ 6,014,189	\$ 2,552,353	\$ 28,885,316
Residential Construction	\$ 54,527,833	328	\$ 9,047,120	\$ 2,842,295	\$ 4,378,995	\$ 16,543,534
Non-Durable Mfg	\$ 722,474,945	1,250	\$ 99,043,516	\$ 1,131,246	\$ 49,108,668	\$ 156,595,018
Durable Mfg	\$ 135,898,280	477	\$ 31,803,666	\$ 997,040	\$ 22,560,675	\$ 56,611,961
Trade	\$ 85,752,441	1,374	\$ 34,271,963	\$ 2,165,041	\$ 8,780,058	\$ 58,165,011
Transportation and Warehouse	\$ 52,896,356	610	\$ 18,542,028	\$ 3,725,098	\$ 5,602,223	\$ 29,330,229
Communications	\$ 9,113,380	45	\$ 1,351,176	\$ 100,831	\$ 2,047,938	\$ 4,020,250
Finance Banking and Real Estate	\$ 196,153,477	432	\$ 13,893,322	\$ 5,207,087	\$ 86,762,141	\$ 123,316,071
Legal Accounting and Architectural	\$ 24,791,669	399	\$ 8,998,194	\$ 3,194,989	\$ 1,473,987	\$ 13,866,805
Computer and Design Services	\$ 12,284,240	40	\$ 4,559,921	\$ 1,276,453	\$ 1,247,191	\$ 7,266,210
Mgt Science Environment	\$ 3,381,515	25	\$ 819,789	\$ 429,654	\$ 284,744	\$ 1,602,086
Other Professional Services	\$ 47,267,886	682	\$ 19,135,765	\$ 778,941	\$ 4,901,845	\$ 25,441,325
Education	\$ 216,567	4	\$ 108,789	\$ 1,009	\$ 15,106	\$ 125,916
Hospitals and Health Services	\$ 39,322,436	536	\$ 18,846,695	\$ 3,375,462	\$ 3,206,970	\$ 25,713,767
Family and Child Services	\$ 9,783,612	213	\$ 5,091,433	\$ 10,081	\$ 929,565	\$ 6,086,525
Arts and Entertainment	\$ 2,330,340	46	\$ 541,496	\$ 590,903	\$ 131,089	\$ 1,393,570
Travel and Tourism	\$ 26,380,394	557	\$ 7,619,163	\$ 194,824	\$ 2,193,491	\$ 11,248,058
Household Services	\$ 31,020,006	410	\$ 7,448,720	\$ 1,882,107	\$ 3,449,359	\$ 14,497,805
Non-Profit and Civic	\$ 10,818,276	342	\$ 3,462,417	\$ 48,457	\$ (81,761)	\$ 3,461,403
Fed Gov	\$ 15,518,473	238	\$ 10,191,464	\$ -	\$ 3,860,723	\$ 14,052,187
State and Local Gov	\$ 133,235,305	2,598	\$ 109,020,078	\$ -	\$ 13,249,444	\$ 122,269,522
Misc	\$ -	-	\$ -	\$ -	\$ -	\$ -
<b>Totals</b>	<b>\$ 1,774,374,405</b>	<b>11,809</b>	<b>\$ 436,819,523</b>	<b>\$ 39,513,444</b>	<b>\$ 246,967,051</b>	<b>\$ 775,861,804</b>

## **Assumptions in the Analysis of the Construction Impacts**

The linkages for residential and non-residential construction are substantially different. To estimate the economic impact of the new construction of hospital facilities the non-residential construction sector is used.

Using the estimates for the proposed “Phased Hospital Replacement on the Existing Site” from the Facilities Master Plan, certain assumption were made in order to estimate the direct spending value to be used in the impact analysis. For example, it is assumed that the approximately \$7.0 million in estimated spending on medical equipment will not be money spent locally. From the “Hospital Budget Items” table in the Facilities Master Plan, the following items were assumed to be those that would be purchased locally: \$19.5 million for site work and construction; the nearly \$1.0 million for Furniture & Furnishings; and, \$1.1 million for telecommunication systems. The total local spending or direct impact of the construction phase of the project is estimated at \$21.6 million, in 2009 dollars.



## **FINDINGS:**

### **THE ECONOMIC IMPACT OF THE PROPOSED CONSTRUCTION AND THE EXPANSION OF EFFINGHAM HOSPITAL OPERATIONS**

#### **Construction**

Tables 2 through 7 show the direct, indirect and induced effect of the expected \$21.6 million in local construction spending the Facilities Master Plan estimates will be spent. Referring to Table 2, Output: Construction Impact, it should be noted that the \$21.6 million in direct spending is deflated by the model to based year 2007 dollars, or \$20.5 million in direct impact. The total impact of the \$20.5 million in direct spending is estimated as \$28.7 million, or there is an output multiplier of 1.4. For every \$1,000 dollars in direct spending the local economy grows by \$1,400. In the case of non-residential construction the largest effect is the indirect effect or the business-to-business spending. The most highly impacted sectors are: Durable Manufacturing; Legal and Accounting Services; Finance, Banking and Real Estate; Trade; Other Professional Services; Transportation and Warehousing.

Table 3 shows the employment impacts of the increased output of goods and services resulting from new non-residential construction. The majority of the impacts are in the construction sector with 204 direct jobs created. The total impact of the additional \$28.7 million in output is a total of 276 jobs or a jobs multiplier of 1.35.

Table 4 shows the direct impact on labor income of the new construction of \$20.5 million is \$7.0 million in additional labor income. The total impact of the additional \$28.7 million in output is \$9.6 million in additional labor income. The labor income multiplier is also 1.35. The distribution of the labor income increases follow the distribution of increases in total output with the most highly impacted sectors being: Durable Manufacturing; Legal and Accounting Services; Finance, Banking and Real Estate; Trade; Other Professional Services; Transportation and Warehousing. Comparing Tables 5 and 6, the majority of the labor income goes to employees of those businesses impacted by the increase in construction activity. Employees gain about \$5.5 million in new income and proprietors gain about \$1.2 million in income. Proprietors, however, also gain other property income of about \$708,000 in direct impact with a total impact of \$2.3 million in gains in other property income.

	<b>TABLE 2</b>			
	<b>Output: Construction Impact</b>			
<b>Industry</b>	<b>Direct</b>	<b>Indirect</b>	<b>Induced</b>	<b>Total</b>
<b>Agriculture</b>	\$ -	\$ 20,009	\$ 17,450	\$ 37,459
<b>Mining</b>	\$ -	\$ 588	\$ 97	\$ 685
<b>Utilities</b>	\$ -	\$ 141,933	\$ 145,152	\$ 287,085
<b>Non-Residential Construction</b>	\$ 20,461,828	\$ 28,344	\$ 7,584	\$ 20,497,756
<b>Residential Construction</b>	\$ -	\$ 7,109	\$ 10,260	\$ 17,369
<b>Non-Durable Mfg</b>	\$ -	\$ 186,789	\$ 43,803	\$ 230,592
<b>Durable Mfg</b>	\$ -	\$ 1,732,595	\$ 286,291	\$ 2,018,887
<b>Trade</b>	\$ -	\$ 362,226	\$ 401,218	\$ 763,444
<b>Transportation and Warehouse</b>	\$ -	\$ 278,684	\$ 138,346	\$ 417,029
<b>Communications</b>	\$ -	\$ 39,627	\$ 33,641	\$ 73,267
<b>Finance Banking and Real Estate</b>	\$ -	\$ 710,053	\$ 1,026,567	\$ 1,736,619
<b>Legal Accounting and Architectual</b>	\$ -	\$ 979,308	\$ 59,525	\$ 1,038,832
<b>Computer and Design Services</b>	\$ -	\$ 82,647	\$ 21,848	\$ 104,495
<b>Mgt Science Environment</b>	\$ -	\$ 16,159	\$ 6,607	\$ 22,767
<b>Other Professional Services</b>	\$ -	\$ 288,552	\$ 72,333	\$ 360,885
<b>Education</b>	\$ -	\$ 17	\$ 1,163	\$ 1,179
<b>Hospitals and Health Services</b>	\$ -	\$ 19	\$ 121,763	\$ 121,782
<b>Family and Child Services</b>	\$ -	\$ -	\$ 59,631	\$ 59,631
<b>Arts and Entertainment</b>	\$ -	\$ 2,090	\$ 13,266	\$ 15,356
<b>Travel and Tourism</b>	\$ -	\$ 48,420	\$ 141,767	\$ 190,188
<b>Household Services</b>	\$ -	\$ 268,222	\$ 131,509	\$ 399,731
<b>Non-Profit and Civic</b>	\$ -	\$ 31,816	\$ 63,532	\$ 95,348
<b>Fed Gov</b>	\$ -	\$ 22,297	\$ 22,333	\$ 44,629
<b>State and Local Gov</b>	\$ -	\$ 59,710	\$ 75,738	\$ 135,448
<b>Misc</b>	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	\$ 20,461,828	\$ 5,307,213	\$ 2,901,422	\$ 28,670,464
<b>Base Year 2007</b>				

<b>TABLE 3</b>				
<b>Employment: Construction Impact</b>				
<b>Industry</b>	<b>Direct</b>	<b>Indirect</b>	<b>Induced</b>	<b>Total</b>
Agriculture	0	0	0	0
Mining	0	0	0	0
Utilities	0	0	0	1
Non-Residential Construction	204	0	0	205
Residential Construction	0	0	0	0
Non-Durable Mfg	0	0	0	0
Durable Mfg	0	6	1	7
Trade	0	6	6	12
Transportation and Warehouse	0	3	2	5
Communications	0	0	0	0
Finance Banking and Real Estate	0	2	2	4
Legal Accounting and Architectual	0	16	1	17
Computer and Design Services	0	0	0	0
Mgt Science Environment	0	0	0	0
Other Professional Services	0	4	1	5
Education	0	0	0	0
Hospitals and Health Services	0	0	2	2
Family and Child Services	0	0	1	1
Arts and Entertainment	0	0	0	0
Travel and Tourism	0	1	3	4
Household Services	0	4	2	5
Non-Profit and Civic	0	1	2	3
Fed Gov	0	0	0	1
State and Local Gov	0	1	2	3
Misc	0	0	0	0
<b>Total</b>	<b>204</b>	<b>46</b>	<b>26</b>	<b>276</b>

<b>TABLE 4</b>				
<b>Labor Income: Construction Impact</b>				
<b>Industry</b>	<b>Direct</b>	<b>Indirect</b>	<b>Induced</b>	<b>Total</b>
<b>Agriculture</b>	\$ -	\$ 4,429	\$ 3,863	\$ 8,292
<b>Mining</b>	\$ -	\$ 285	\$ 47	\$ 332
<b>Utilities</b>	\$ -	\$ 28,987	\$ 29,644	\$ 58,631
<b>Non-Residential Construction</b>	\$ 7,172,791	\$ 9,936	\$ 2,658	\$ 7,185,385
<b>Residential Construction</b>	\$ -	\$ 1,550	\$ 2,237	\$ 3,787
<b>Non-Durable Mfg</b>	\$ -	\$ 25,899	\$ 6,073	\$ 31,973
<b>Durable Mfg</b>	\$ -	\$ 418,177	\$ 69,099	\$ 487,276
<b>Trade</b>	\$ -	\$ 153,913	\$ 170,481	\$ 324,394
<b>Transportation and Warehouse</b>	\$ -	\$ 117,317	\$ 58,239	\$ 175,557
<b>Communications</b>	\$ -	\$ 6,312	\$ 5,359	\$ 11,671
<b>Finance Banking and Real Estate</b>	\$ -	\$ 69,140	\$ 99,961	\$ 169,101
<b>Legal Accounting and Architectual</b>	\$ -	\$ 481,635	\$ 29,275	\$ 510,910
<b>Computer and Design Services</b>	\$ -	\$ 39,265	\$ 10,380	\$ 49,644
<b>Mgt Science Environment</b>	\$ -	\$ 5,969	\$ 2,441	\$ 8,410
<b>Other Professional Services</b>	\$ -	\$ 121,571	\$ 30,475	\$ 152,046
<b>Education</b>	\$ -	\$ 9	\$ 592	\$ 601
<b>Hospitals and Health Services</b>	\$ -	\$ 11	\$ 68,812	\$ 68,823
<b>Family and Child Services</b>	\$ -	\$ -	\$ 31,095	\$ 31,095
<b>Arts and Entertainment</b>	\$ -	\$ 1,016	\$ 6,448	\$ 7,463
<b>Travel and Tourism</b>	\$ -	\$ 14,343	\$ 41,994	\$ 56,337
<b>Household Services</b>	\$ -	\$ 80,680	\$ 39,557	\$ 120,237
<b>Non-Profit and Civic</b>	\$ -	\$ 10,327	\$ 20,622	\$ 30,950
<b>Fed Gov</b>	\$ -	\$ 14,643	\$ 14,667	\$ 29,310
<b>State and Local Gov</b>	\$ -	\$ 48,858	\$ 61,972	\$ 110,830
<b>Misc</b>	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 7,172,791</b>	<b>\$ 1,654,273</b>	<b>\$ 805,991</b>	<b>\$ 9,633,055</b>

<b>TABLE 5</b>				
<b>Employee Compensation: Construction Impact</b>				
<b>Industry</b>	<b>Direct</b>	<b>Indirect</b>	<b>Induced</b>	<b>Total</b>
Agriculture	\$ -	\$ 2,191	\$ 1,911	\$ 4,103
Mining	\$ -	\$ 45	\$ 7	\$ 52
Utilities	\$ -	\$ 26,597	\$ 27,200	\$ 53,797
<b>Non-Residential Construction</b>	<b>\$ 5,505,056</b>	<b>\$ 7,626</b>	<b>\$ 2,040</b>	<b>\$ 5,514,722</b>
<b>Residential Construction</b>	<b>\$ -</b>	<b>\$ 1,180</b>	<b>\$ 1,702</b>	<b>\$ 2,882</b>
<b>Non-Durable Mfg</b>	<b>\$ -</b>	<b>\$ 25,607</b>	<b>\$ 6,005</b>	<b>\$ 31,612</b>
<b>Durable Mfg</b>	<b>\$ -</b>	<b>\$ 405,465</b>	<b>\$ 66,999</b>	<b>\$ 472,464</b>
<b>Trade</b>	<b>\$ -</b>	<b>\$ 144,769</b>	<b>\$ 160,353</b>	<b>\$ 305,122</b>
<b>Transportation and Warehouse</b>	<b>\$ -</b>	<b>\$ 97,689</b>	<b>\$ 48,496</b>	<b>\$ 146,185</b>
<b>Communications</b>	<b>\$ -</b>	<b>\$ 5,875</b>	<b>\$ 4,988</b>	<b>\$ 10,863</b>
<b>Finance Banking and Real Estate</b>	<b>\$ -</b>	<b>\$ 50,291</b>	<b>\$ 72,709</b>	<b>\$ 123,000</b>
<b>Legal Accounting and Architectual</b>	<b>\$ -</b>	<b>\$ 355,430</b>	<b>\$ 21,604</b>	<b>\$ 377,033</b>
<b>Computer and Design Services</b>	<b>\$ -</b>	<b>\$ 30,679</b>	<b>\$ 8,110</b>	<b>\$ 38,789</b>
<b>Mgt Science Environment</b>	<b>\$ -</b>	<b>\$ 3,917</b>	<b>\$ 1,601</b>	<b>\$ 5,518</b>
<b>Other Professional Services</b>	<b>\$ -</b>	<b>\$ 116,816</b>	<b>\$ 29,283</b>	<b>\$ 146,099</b>
<b>Education</b>	<b>\$ -</b>	<b>\$ 8</b>	<b>\$ 585</b>	<b>\$ 594</b>
<b>Hospitals and Health Services</b>	<b>\$ -</b>	<b>\$ 9</b>	<b>\$ 58,359</b>	<b>\$ 58,368</b>
<b>Family and Child Services</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 31,034</b>	<b>\$ 31,034</b>
<b>Arts and Entertainment</b>	<b>\$ -</b>	<b>\$ 486</b>	<b>\$ 3,084</b>	<b>\$ 3,570</b>
<b>Travel and Tourism</b>	<b>\$ -</b>	<b>\$ 13,985</b>	<b>\$ 40,945</b>	<b>\$ 54,930</b>
<b>Household Services</b>	<b>\$ -</b>	<b>\$ 64,410</b>	<b>\$ 31,580</b>	<b>\$ 95,989</b>
<b>Non-Profit and Civic</b>	<b>\$ -</b>	<b>\$ 10,184</b>	<b>\$ 20,336</b>	<b>\$ 30,520</b>
<b>Fed Gov</b>	<b>\$ -</b>	<b>\$ 14,643</b>	<b>\$ 14,667</b>	<b>\$ 29,310</b>
<b>State and Local Gov</b>	<b>\$ -</b>	<b>\$ 48,858</b>	<b>\$ 61,972</b>	<b>\$ 110,830</b>
<b>Misc</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total</b>	<b>\$ 5,505,056</b>	<b>\$ 1,426,759</b>	<b>\$ 715,571</b>	<b>\$ 7,647,386</b>

<b>TABLE 6</b>				
<b>Proprietors Income: Construction Impact</b>				
<b>Industry</b>	<b>Direct</b>	<b>Indirect</b>	<b>Induced</b>	<b>Total</b>
Agriculture	\$ -	\$ 2,238	\$ 1,951	\$ 4,189
Mining	\$ -	\$ 240	\$ 40	\$ 280
Utilities	\$ -	\$ 2,390	\$ 2,444	\$ 4,834
<b>Non-Residential Construction</b>	<b>\$ 1,667,735</b>	<b>\$ 2,310</b>	<b>\$ 618</b>	<b>\$ 1,670,663</b>
<b>Residential Construction</b>	<b>\$ -</b>	<b>\$ 371</b>	<b>\$ 535</b>	<b>\$ 905</b>
<b>Non-Durable Mfg</b>	<b>\$ -</b>	<b>\$ 292</b>	<b>\$ 69</b>	<b>\$ 361</b>
<b>Durable Mfg</b>	<b>\$ -</b>	<b>\$ 12,712</b>	<b>\$ 2,100</b>	<b>\$ 14,812</b>
<b>Trade</b>	<b>\$ -</b>	<b>\$ 9,144</b>	<b>\$ 10,128</b>	<b>\$ 19,272</b>
<b>Transportation and Warehouse</b>	<b>\$ -</b>	<b>\$ 19,628</b>	<b>\$ 9,744</b>	<b>\$ 29,372</b>
<b>Communications</b>	<b>\$ -</b>	<b>\$ 437</b>	<b>\$ 371</b>	<b>\$ 808</b>
<b>Finance Banking and Real Estate</b>	<b>\$ -</b>	<b>\$ 18,849</b>	<b>\$ 27,252</b>	<b>\$ 46,101</b>
<b>Legal Accounting and Architectual</b>	<b>\$ -</b>	<b>\$ 126,205</b>	<b>\$ 7,671</b>	<b>\$ 133,876</b>
<b>Computer and Design Services</b>	<b>\$ -</b>	<b>\$ 8,586</b>	<b>\$ 2,270</b>	<b>\$ 10,856</b>
<b>Mgt Science Environment</b>	<b>\$ -</b>	<b>\$ 2,052</b>	<b>\$ 839</b>	<b>\$ 2,892</b>
<b>Other Professional Services</b>	<b>\$ -</b>	<b>\$ 4,755</b>	<b>\$ 1,192</b>	<b>\$ 5,947</b>
<b>Education</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6</b>	<b>\$ 7</b>
<b>Hospitals and Health Services</b>	<b>\$ -</b>	<b>\$ 2</b>	<b>\$ 10,453</b>	<b>\$ 10,454</b>
<b>Family and Child Services</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 61</b>	<b>\$ 61</b>
<b>Arts and Entertainment</b>	<b>\$ -</b>	<b>\$ 530</b>	<b>\$ 3,363</b>	<b>\$ 3,893</b>
<b>Travel and Tourism</b>	<b>\$ -</b>	<b>\$ 358</b>	<b>\$ 1,049</b>	<b>\$ 1,408</b>
<b>Household Services</b>	<b>\$ -</b>	<b>\$ 16,270</b>	<b>\$ 7,977</b>	<b>\$ 24,248</b>
<b>Non-Profit and Civic</b>	<b>\$ -</b>	<b>\$ 143</b>	<b>\$ 287</b>	<b>\$ 430</b>
<b>Fed Gov</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>State and Local Gov</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Misc</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total</b>	<b>\$ 1,667,735</b>	<b>\$ 227,514</b>	<b>\$ 90,421</b>	<b>\$ 1,985,669</b>

<b>TABLE 7</b>				
<b>Other Property Income: Construction Impact</b>				
<b>Industry</b>	<b>Direct</b>	<b>Indirect</b>	<b>Induced</b>	<b>Total</b>
Agriculture	\$ -	\$ 5,879	\$ 5,127	\$ 11,007
Mining	\$ -	\$ 102	\$ 17	\$ 119
Utilities	\$ -	\$ 56,079	\$ 57,350	\$ 113,429
Non-Residential Construction	\$ 707,600	\$ 980	\$ 262	\$ 708,842
Residential Construction	\$ -	\$ 571	\$ 824	\$ 1,395
Non-Durable Mfg	\$ -	\$ 12,697	\$ 2,977	\$ 15,674
Durable Mfg	\$ -	\$ 287,634	\$ 47,528	\$ 335,162
Trade	\$ -	\$ 37,086	\$ 41,078	\$ 78,164
Transportation and Warehouse	\$ -	\$ 29,516	\$ 14,653	\$ 44,169
Communications	\$ -	\$ 8,904	\$ 7,559	\$ 16,463
Finance Banking and Real Estate	\$ -	\$ 314,070	\$ 454,069	\$ 768,139
Legal Accounting and Architectual	\$ -	\$ 58,207	\$ 3,538	\$ 61,745
Computer and Design Services	\$ -	\$ 8,390	\$ 2,218	\$ 10,608
Mgt Science Environment	\$ -	\$ 1,359	\$ 556	\$ 1,915
Other Professional Services	\$ -	\$ 29,923	\$ 7,501	\$ 37,424
Education	\$ -	\$ 1	\$ 79	\$ 80
Hospitals and Health Services	\$ -	\$ 2	\$ 9,932	\$ 9,933
Family and Child Services	\$ -	\$ -	\$ 5,667	\$ 5,667
Arts and Entertainment	\$ -	\$ 118	\$ 747	\$ 865
Travel and Tourism	\$ -	\$ 4,027	\$ 11,790	\$ 15,817
Household Services	\$ -	\$ 29,827	\$ 14,624	\$ 44,451
Non-Profit and Civic	\$ -	\$ (239)	\$ (478)	\$ (717)
Fed Gov	\$ -	\$ 5,547	\$ 5,556	\$ 11,103
State and Local Gov	\$ -	\$ 5,938	\$ 7,532	\$ 13,469
Misc	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 707,600</b>	<b>\$ 896,616</b>	<b>\$ 700,706</b>	<b>\$ 2,304,922</b>

## **Summary of Construction Impacts**

The estimated \$21.6 million local spending on construction will generate \$20.5 million in direct impact in 2007 dollars. The total impact on the local economy measured by Gross County Output will be an estimated \$28.7 million in 2007 dollars. The sectors which will see the largest impacts are: Durable Manufacturing; Legal and Accounting Services; Finance, Banking and Real Estate; Trade; Other Professional Services; Transportation and Warehousing.

The increase in Gross County Output by \$28.7 million will result in a total increase in employment of approximately 276 jobs and an increase in total labor income of nearly \$9.6 million in 2007 dollars. Average labor income is an estimated \$34,782 per job.

## **Facilities Operations**

The construction impacts are of course transitory impacts on the local economy. The more significant and lasting impacts will come from the expanded operations of the hospital. As noted in section one Effingham County significantly under serves the local demand for Hospital and Health Services. In short, production capacity locally does not meet local demand for Hospitals and Health Services. The result is that Effingham County imported \$125.0 million in Hospitals and Health Services in 2007. Based on an estimated population of 50,000, that amounts to \$2,500 per person in imported healthcare services.

The expansion of services provided by the Effingham Hospital will likely recapture a portion of those services currently being imported. Additionally, Effingham County is a fast growing county and a significant portion of the growth is in new households. The expansion of services provided by the Effingham Hospital will likely capture a portion of the growing demand due to population growth.

Two expansion-of-services scenarios were developed. The first of these assumes that by 2010, Effingham Hospital will recapture 5% of the money currently spent on importing services plus 5% of the growth in demand due to expected population increases. Recapturing 5% of the currently imported services will have a direct impact of \$6.3 million. Capturing 5% of the growth in demand will add another \$562,500 in local services consumed. The 5% Recapture Plus 5% of 2010 Growth Scenario will result in a direct impact in 2010 of \$6.9 million. Note, all dollars are already in base year 2007 dollars, so no deflation is required.<sup>6</sup>

The second expansion-of-services scenario assumes that by 2015 the Effingham Hospital will recapture 10% of the money currently spent on importing services plus 10% of the growth due to expected population increases. A 10% recapture will result in a \$12.5 million direct

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<sup>6</sup> The forecasts of population for Effingham County were taken from the report, "Georgia Coast 2030," prepared by The Georgia Institute of Technology, September 2006. The forecasts of population from that report are 54,478 in 2010 and 66,469 in 2015.



impact. The growth in demand due to population, based on capturing 10% of the demand of new residents will generate an additional direct demand of \$4.25 million. The 10% Recapture Plus 10% of 2015 Growth will result in a direct impact in 2015 of approximately \$16.9 million. As note previously all dollars are already in base year 2007, so no deflation is required.

Tables 8 through 13 show the direct, indirect and induced effects respectively for the Recapture 5% Plus 5% 2010 Growth Scenario: Output; Employment; Labor Income; Employee Compensation; Proprietors Income; and, Other Property Income. Tables 14 through 19 show the direct, indirect and induced effects respectively for the Recapture 10% Plus 10% 2015 Growth Scenario: Output; Employment; Labor Income; Employee Compensation; Proprietors Income; and, Other Property Income. Figure 1 below shows a comparison of the impacts for the two scenarios.

**Figure 1**

**Summary of Findings**

	<b>Recapture 5% Plus 5% 2010 Growth</b>		<b>Recapture 10% Plus 10% 2015 Growth</b>	
	<b>Direct</b>	<b>Total</b>	<b>Direct</b>	<b>Total</b>
<b>Output</b>	<b>\$6.9</b>	<b>\$9.5</b>	<b>\$16.9</b>	<b>\$23.1</b>
<b>Employment</b>	<b>95</b>	<b>117</b>	<b>230</b>	<b>282</b>
<b>Labor Income</b>	<b>\$3.9</b>	<b>\$4.7</b>	<b>\$9.5</b>	<b>\$11.3</b>

**Note, Output and Labor Income are in millions of dollars, base year 2007.**

As shown in Figure 1, and referring to Tables 8 and 14, the expansion of hospital services will result in direct and total impacts of \$6.9 million and \$9.5 million and \$16.9 and \$23.1 million for the 5% and 10% scenarios respectively. This means a 1.36 output multiplier, or for every \$1,000 recaptured from what is currently spent for healthcare services elsewhere the Effingham economy will growth by \$1,360. It should be noted that about 65% of all healthcare services is value added services. In other words, only about 35% of the production cost is from imported inputs needed to produce healthcare services. Healthcare services are a very locally produced and are very labor intensive.

The distribution of the impacts by sector varies. The sector impacts include significant increases in output for: Finance, Banking and Real Estate; Other Professional Services; and Durable Goods Manufacturing, shown in green. Additionally, impacted sectors include Legal and Accounting, Transportation and Warehousing, Non-Durable Manufacturing and Utilities, shown in red. Trade is

marginally as significant as manufacturing in terms of the impact on output and more significant in terms of number of jobs. However, while Trade adds a lot of jobs, the average labor income per job is only \$24,389. Hence Trade is treated as red, lesser impacted sector.

Total employment increases by 117 jobs for the 5% Recapture plus 5% of 2010 Growth expansion-in-services scenario. Labor Income accounts for approximately 56% of the value of total output. The Labor Income multiplier is 1.21 or for every \$1,000 in new labor income, labor income expands by \$1,210. Average labor income is an estimated \$39,760 per job. The jobs created by the expansion of Hospital and Health Services create \$4,978 more in labor income per job than the jobs created by the construction phase.

### **Summary of Ongoing Operation Impacts**

It is estimated that by 2010 the expansion of hospital services will have created a total of 117 new jobs and increases in Gross County Output of approximately \$9.5 million in 2007 dollars. The expansion in jobs will represent an 18% increase in the total number of Hospitals and Health Services jobs compared to 2007. The recapture of 5% of the currently imported expenditures on Hospitals and Health Services plus 5% of the demand based on population growth represents a 19.5% increase in total Hospitals and Health Services produced locally.

It is estimated that by 2015 the expansion of hospital services will have created a total of 282 new jobs and an increase in Gross County Output of approximately \$23.1 million in 2007 dollars. The expansion in jobs will represent a 34% increase in the total number of Hospitals and Health Services jobs compared to 2007. The recapture of 10% of the currently import expenditures on Hospitals and Health Services plus 10% of the demand based on population growth represents a 37% increase in total Hospitals and Health Services produced locally.

The highest sector impacts resulting from expansion of the production of Hospitals and Health Services is in Finance, Banking, and Real Estate, Other Professional Services, and Durable Manufacturing. Strong impacts also occur in Legal and Accounting, Transportation and Warehousing, Trade, Non-Durable Manufacturing and Utilities. Average labor income is an estimated \$39,760 per job. The jobs created by the expansion of Hospital and Health Services create \$4,978 more in labor income per job than the jobs created by the construction phase.

There is one rather strong caveat that should be noted. While the recapture process was assigned to a specific year in order to include the population growth as a factor in the expected impact, it is highly likely that recapture will occur much more quickly. The reason for the potential for more rapid recapture in terms of the timing of recapture is a region-wide shortage in access due to lack of capacity. ***It is reasonable to expect that the expansion in the Effingham hospital's facilities may open to near capacity utilization.***

<b>TABLE 8</b>				
<b>Output Impact: Recapture 5% Plus 5% 2010 Growth</b>				
<b>Industry</b>	<b>Direct</b>	<b>Indirect</b>	<b>Induced</b>	<b>Total</b>
Agriculture	\$ -	\$ 1,984	\$ 8,434	\$ 10,418
Mining	\$ -	\$ 54	\$ 47	\$ 101
<b>Utilities</b>	<b>\$ -</b>	<b>\$ 45,509</b>	<b>\$ 70,375</b>	<b>\$ 115,885</b>
Non-Residential Construction	\$ -	\$ 10,479	\$ 3,658	\$ 14,137
Residential Construction	\$ -	\$ 4,027	\$ 4,945	\$ 8,972
<b>Non-Durable Mfg</b>	<b>\$ -</b>	<b>\$ 35,556</b>	<b>\$ 21,150</b>	<b>\$ 56,706</b>
<b>Durable Mfg</b>	<b>\$ -</b>	<b>\$ 159,196</b>	<b>\$ 138,264</b>	<b>\$ 297,460</b>
<b>Trade</b>	<b>\$ -</b>	<b>\$ 36,285</b>	<b>\$ 193,306</b>	<b>\$ 229,592</b>
<b>Transportation and Warehouse</b>	<b>\$ -</b>	<b>\$ 36,492</b>	<b>\$ 66,610</b>	<b>\$ 103,102</b>
Communications	\$ -	\$ 10,976	\$ 16,259	\$ 27,236
<b>Finance Banking and Real Estate</b>	<b>\$ -</b>	<b>\$ 404,672</b>	<b>\$ 494,802</b>	<b>\$ 899,475</b>
<b>Legal Accounting and Architectural</b>	<b>\$ -</b>	<b>\$ 44,089</b>	<b>\$ 28,777</b>	<b>\$ 72,865</b>
Computer and Design Services	\$ -	\$ 29,299	\$ 10,532	\$ 39,831
Mgt Science Environment	\$ -	\$ 12,892	\$ 3,191	\$ 16,084
<b>Other Professional Services</b>	<b>\$ -</b>	<b>\$ 204,990</b>	<b>\$ 34,880</b>	<b>\$ 239,869</b>
Education	\$ -	\$ 9	\$ 558	\$ 566
Hospitals and Health Services	\$ 6,974,608	\$ 14,020	\$ 58,897	\$ 7,047,525
Family and Child Services	\$ -	\$ 63	\$ 28,702	\$ 28,765
Arts and Entertainment	\$ -	\$ 602	\$ 6,385	\$ 6,988
Travel and Tourism	\$ -	\$ 20,693	\$ 68,332	\$ 89,025
Household Services	\$ -	\$ 38,514	\$ 63,378	\$ 101,892
Non-Profit and Civic	\$ -	\$ 6,013	\$ 30,579	\$ 36,592
Fed Gov	\$ -	\$ 32,409	\$ 10,758	\$ 43,167
State and Local Gov	\$ -	\$ 19,522	\$ 36,591	\$ 56,113
Misc	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 6,974,608</b>	<b>\$ 1,168,345</b>	<b>\$ 1,399,411</b>	<b>\$ 9,542,364</b>

**TABLE 9****Employment Impact: 5% Recapture Plus 5% 2010 Growth**

Industry	Direct	Indirect	Induced	Total
Agriculture	0	0	0	0
Mining	0	0	0	0
Utilities	0	0	0	0
Non-Residential Construction	0	0	0	0
Residential Construction	0	0	0	0
Non-Durable Mfg	0	0	0	0
Durable Mfg	0	1	1	1
Trade	0	1	3	4
Transportation and Warehouse	0	0	1	1
Communications	0	0	0	0
Finance Banking and Real Estate	0	1	1	2
Legal Accounting and Architectural	0	1	1	1
Computer and Design Services	0	0	0	0
Mgt Science Environment	0	0	0	0
Other Professional Services	0	3	1	4
Education	0	0	0	0
Hospitals and Health Services	95	0	1	96
Family and Child Services	0	0	1	1
Arts and Entertainment	0	0	0	0
Travel and Tourism	0	0	1	2
Household Services	0	1	1	1
Non-Profit and Civic	0	0	1	1
Fed Gov	0	1	0	1
State and Local Gov	0	0	1	1
Misc	0	0	0	0
<b>Total</b>	<b>95</b>	<b>9</b>	<b>13</b>	<b>117</b>

**TABEL 10****Labor Income Impact: 5% Recapture Plus 5% 2010 Growth**

Industry	Direct	Indirect	Induced	Total
Agriculture	\$ -	\$ 439	\$ 1,867	\$ 2,306
Mining	\$ -	\$ 26	\$ 23	\$ 49
<b>Utilities</b>	<b>\$ -</b>	<b>\$ 9,294</b>	<b>\$ 14,373</b>	<b>\$ 23,667</b>
Non-Residential Construction	\$ -	\$ 3,673	\$ 1,282	\$ 4,956
Residential Construction	\$ -	\$ 878	\$ 1,078	\$ 1,956
<b>Non-Durable Mfg</b>	<b>\$ -</b>	<b>\$ 4,930</b>	<b>\$ 2,933</b>	<b>\$ 7,863</b>
<b>Durable Mfg</b>	<b>\$ -</b>	<b>\$ 38,423</b>	<b>\$ 33,371</b>	<b>\$ 71,795</b>
<b>Trade</b>	<b>\$ -</b>	<b>\$ 15,418</b>	<b>\$ 82,138</b>	<b>\$ 97,556</b>
<b>Transportation and Warehouse</b>	<b>\$ -</b>	<b>\$ 15,362</b>	<b>\$ 28,041</b>	<b>\$ 43,403</b>
Communications	\$ -	\$ 1,748	\$ 2,590	\$ 4,338
<b>Finance Banking and Real Estate</b>	<b>\$ -</b>	<b>\$ 39,404</b>	<b>\$ 48,181</b>	<b>\$ 87,585</b>
<b>Legal Accounting and Architectural</b>	<b>\$ -</b>	<b>\$ 21,683</b>	<b>\$ 14,153</b>	<b>\$ 35,836</b>
Computer and Design Services	\$ -	\$ 13,919	\$ 5,004	\$ 18,923
Mgt Science Environment	\$ -	\$ 4,762	\$ 1,179	\$ 5,941
<b>Other Professional Services</b>	<b>\$ -</b>	<b>\$ 86,365</b>	<b>\$ 14,695</b>	<b>\$ 101,060</b>
Education	\$ -	\$ 4	\$ 284	\$ 288
<b>Hospitals and Health Services</b>	<b>\$ 3,941,578</b>	<b>\$ 7,923</b>	<b>\$ 33,285</b>	<b>\$ 3,982,786</b>
Family and Child Services	\$ -	\$ 33	\$ 14,966	\$ 14,999
Arts and Entertainment	\$ -	\$ 293	\$ 3,103	\$ 3,396
Travel and Tourism	\$ -	\$ 6,130	\$ 20,241	\$ 26,371
Household Services	\$ -	\$ 11,585	\$ 19,064	\$ 30,649
Non-Profit and Civic	\$ -	\$ 1,952	\$ 9,926	\$ 11,878
Fed Gov	\$ -	\$ 21,285	\$ 7,065	\$ 28,350
State and Local Gov	\$ -	\$ 15,974	\$ 29,940	\$ 45,915
Misc	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 3,941,578</b>	<b>\$ 321,505</b>	<b>\$ 388,782</b>	<b>\$ 4,651,865</b>

<b>TABLE 11</b>				
<b>Employee Compensation Impact: 5% Recapture Plus 5% 2010 Growth</b>				
<b>Industry</b>	<b>Direct</b>	<b>Indirect</b>	<b>Induced</b>	<b>Total</b>
Agriculture	\$ -	\$ 217	\$ 924	\$ 1,141
Mining	\$ -	\$ 4	\$ 4	\$ 8
<b>Utilities</b>	<b>\$ -</b>	<b>\$ 8,528</b>	<b>\$ 13,188</b>	<b>\$ 21,716</b>
Non-Residential Construction	\$ -	\$ 2,819	\$ 984	\$ 3,804
Residential Construction	\$ -	\$ 668	\$ 821	\$ 1,489
<b>Non-Durable Mfg</b>	<b>\$ -</b>	<b>\$ 4,874</b>	<b>\$ 2,899</b>	<b>\$ 7,774</b>
<b>Durable Mfg</b>	<b>\$ -</b>	<b>\$ 37,255</b>	<b>\$ 32,357</b>	<b>\$ 69,612</b>
<b>Trade</b>	<b>\$ -</b>	<b>\$ 14,502</b>	<b>\$ 77,258</b>	<b>\$ 91,760</b>
<b>Transportation and Warehouse</b>	<b>\$ -</b>	<b>\$ 12,792</b>	<b>\$ 23,349</b>	<b>\$ 36,141</b>
Communications	\$ -	\$ 1,627	\$ 2,411	\$ 4,038
<b>Finance Banking and Real Estate</b>	<b>\$ -</b>	<b>\$ 28,662</b>	<b>\$ 35,045</b>	<b>\$ 63,707</b>
<b>Legal Accounting and Architectual</b>	<b>\$ -</b>	<b>\$ 16,001</b>	<b>\$ 10,444</b>	<b>\$ 26,446</b>
Computer and Design Services	\$ -	\$ 10,876	\$ 3,910	\$ 14,785
Mgt Science Environment	\$ -	\$ 3,125	\$ 773	\$ 3,898
<b>Other Professional Services</b>	<b>\$ -</b>	<b>\$ 82,987</b>	<b>\$ 14,121</b>	<b>\$ 97,108</b>
Education	\$ -	\$ 4	\$ 281	\$ 285
<b>Hospitals and Health Services</b>	<b>\$ 3,342,836</b>	<b>\$ 6,719</b>	<b>\$ 28,229</b>	<b>\$ 3,377,784</b>
Family and Child Services	\$ -	\$ 33	\$ 14,937	\$ 14,970
Arts and Entertainment	\$ -	\$ 140	\$ 1,485	\$ 1,625
Travel and Tourism	\$ -	\$ 5,976	\$ 19,735	\$ 25,712
Household Services	\$ -	\$ 9,249	\$ 15,219	\$ 24,468
Non-Profit and Civic	\$ -	\$ 1,925	\$ 9,788	\$ 11,713
Fed Gov	\$ -	\$ 21,285	\$ 7,065	\$ 28,350
State and Local Gov	\$ -	\$ 15,974	\$ 29,940	\$ 45,915
Misc	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 3,342,836</b>	<b>\$ 286,244</b>	<b>\$ 345,167</b>	<b>\$ 3,974,246</b>

**TABEL 12****Proprietors Income Impact: 5% Recapture Plus 5% 2010 Growth**

Industry	Direct	Indirect	Induced	Total
Agriculture	\$ -	\$ 222	\$ 943	\$ 1,165
Mining	\$ -	\$ 22	\$ 19	\$ 41
<b>Utilities</b>	<b>\$ -</b>	<b>\$ 766</b>	<b>\$ 1,185</b>	<b>\$ 1,951</b>
Non-Residential Construction	\$ -	\$ 854	\$ 298	\$ 1,152
Residential Construction	\$ -	\$ 210	\$ 258	\$ 468
<b>Non-Durable Mfg</b>	<b>\$ -</b>	<b>\$ 56</b>	<b>\$ 33</b>	<b>\$ 89</b>
<b>Durable Mfg</b>	<b>\$ -</b>	<b>\$ 1,168</b>	<b>\$ 1,014</b>	<b>\$ 2,182</b>
<b>Trade</b>	<b>\$ -</b>	<b>\$ 916</b>	<b>\$ 4,880</b>	<b>\$ 5,796</b>
<b>Transportation and Warehouse</b>	<b>\$ -</b>	<b>\$ 2,570</b>	<b>\$ 4,691</b>	<b>\$ 7,262</b>
Communications	\$ -	\$ 121	\$ 179	\$ 300
<b>Finance Banking and Real Estate</b>	<b>\$ -</b>	<b>\$ 10,743</b>	<b>\$ 13,135</b>	<b>\$ 23,878</b>
<b>Legal Accounting and Architectual</b>	<b>\$ -</b>	<b>\$ 5,682</b>	<b>\$ 3,708</b>	<b>\$ 9,390</b>
Computer and Design Services	\$ -	\$ 3,044	\$ 1,094	\$ 4,138
Mgt Science Environment	\$ -	\$ 1,637	\$ 405	\$ 2,043
<b>Other Professional Services</b>	<b>\$ -</b>	<b>\$ 3,378</b>	<b>\$ 575</b>	<b>\$ 3,953</b>
Education	\$ -	\$ -	\$ 3	\$ 3
<b>Hospitals and Health Services</b>	<b>\$ 598,742</b>	<b>\$ 1,204</b>	<b>\$ 5,056</b>	<b>\$ 605,001</b>
Family and Child Services	\$ -	\$ -	\$ 29	\$ 29
Arts and Entertainment	\$ -	\$ 153	\$ 1,619	\$ 1,772
Travel and Tourism	\$ -	\$ 153	\$ 506	\$ 659
Household Services	\$ -	\$ 2,336	\$ 3,845	\$ 6,181
Non-Profit and Civic	\$ -	\$ 27	\$ 138	\$ 165
Fed Gov	\$ -	\$ -	\$ -	\$ -
State and Local Gov	\$ -	\$ -	\$ -	\$ -
Misc	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 598,742</b>	<b>\$ 35,262</b>	<b>\$ 43,615</b>	<b>\$ 677,618</b>

**TABLE 13****Other Property Type Income Impact: 5% Recapture Plus 5% 2010 Growth**

Industry	Direct	Indirect	Induced	Total
Agriculture	\$ -	\$ 583	\$ 2,478	\$ 3,061
Mining	\$ -	\$ 9	\$ 8	\$ 17
<b>Utilities</b>	<b>\$ -</b>	<b>\$ 17,981</b>	<b>\$ 27,806</b>	<b>\$ 45,787</b>
Non-Residential Construction	\$ -	\$ 362	\$ 127	\$ 489
Residential Construction	\$ -	\$ 323	\$ 397	\$ 721
<b>Non-Durable Mfg</b>	<b>\$ -</b>	<b>\$ 2,417</b>	<b>\$ 1,438</b>	<b>\$ 3,854</b>
<b>Durable Mfg</b>	<b>\$ -</b>	<b>\$ 26,429</b>	<b>\$ 22,954</b>	<b>\$ 49,382</b>
<b>Trade</b>	<b>\$ -</b>	<b>\$ 3,715</b>	<b>\$ 19,791</b>	<b>\$ 23,506</b>
<b>Transportation and Warehouse</b>	<b>\$ -</b>	<b>\$ 3,865</b>	<b>\$ 7,055</b>	<b>\$ 10,920</b>
Communications	\$ -	\$ 2,466	\$ 3,653	\$ 6,120
<b>Finance Banking and Real Estate</b>	<b>\$ -</b>	<b>\$ 178,994</b>	<b>\$ 218,860</b>	<b>\$ 397,854</b>
<b>Legal Accounting and Architectural</b>	<b>\$ -</b>	<b>\$ 2,620</b>	<b>\$ 1,710</b>	<b>\$ 4,331</b>
Computer and Design Services	\$ -	\$ 2,974	\$ 1,069	\$ 4,044
Mgt Science Environment	\$ -	\$ 1,084	\$ 268	\$ 1,353
<b>Other Professional Services</b>	<b>\$ -</b>	<b>\$ 21,257</b>	<b>\$ 3,617</b>	<b>\$ 24,874</b>
Education	\$ -	\$ 1	\$ 38	\$ 38
<b>Hospitals and Health Services</b>	<b>\$ 568,887</b>	<b>\$ 1,144</b>	<b>\$ 4,804</b>	<b>\$ 574,835</b>
Family and Child Services	\$ -	\$ 6	\$ 2,727	\$ 2,733
Arts and Entertainment	\$ -	\$ 34	\$ 360	\$ 394
Travel and Tourism	\$ -	\$ 1,721	\$ 5,683	\$ 7,404
Household Services	\$ -	\$ 4,283	\$ 7,048	\$ 11,331
Non-Profit and Civic	\$ -	\$ (45)	\$ (230)	\$ (275)
Fed Gov	\$ -	\$ 8,063	\$ 2,676	\$ 10,739
State and Local Gov	\$ -	\$ 1,941	\$ 3,639	\$ 5,580
Misc	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 568,887</b>	<b>\$ 282,229</b>	<b>\$ 337,976</b>	<b>\$ 1,189,092</b>



**TABLE 14****Output Impact: 10% Recapture Plus 10% 2015 Growth**

Industry	Direct	Indirect	Induced	Total
Agriculture	\$ -	\$ 4,804	\$ 20,419	\$ 25,223
Mining	\$ -	\$ 131	\$ 114	\$ 244
<b>Utilities</b>	<b>\$ -</b>	<b>\$ 110,181</b>	<b>\$ 170,382</b>	<b>\$ 280,563</b>
Non-Residential Construction	\$ -	\$ 25,371	\$ 8,857	\$ 34,227
Residential Construction	\$ -	\$ 9,750	\$ 11,973	\$ 21,723
<b>Non-Durable Mfg</b>	<b>\$ -</b>	<b>\$ 86,082</b>	<b>\$ 51,206</b>	<b>\$ 137,288</b>
<b>Durable Mfg</b>	<b>\$ -</b>	<b>\$ 385,422</b>	<b>\$ 334,745</b>	<b>\$ 720,166</b>
<b>Trade</b>	<b>\$ -</b>	<b>\$ 87,849</b>	<b>\$ 468,005</b>	<b>\$ 555,853</b>
<b>Transportation and Warehouse</b>	<b>\$ -</b>	<b>\$ 88,349</b>	<b>\$ 161,267</b>	<b>\$ 249,616</b>
Communications	\$ -	\$ 26,574	\$ 39,365	\$ 65,939
<b>Finance Banking and Real Estate</b>	<b>\$ -</b>	<b>\$ 979,733</b>	<b>\$ 1,197,943</b>	<b>\$ 2,177,676</b>
<b>Legal Accounting and Architectual</b>	<b>\$ -</b>	<b>\$ 106,741</b>	<b>\$ 69,669</b>	<b>\$ 176,410</b>
Computer and Design Services	\$ -	\$ 70,933	\$ 25,499	\$ 96,433
Mgt Science Environment	\$ -	\$ 31,213	\$ 7,726	\$ 38,939
<b>Other Professional Services</b>	<b>\$ -</b>	<b>\$ 496,291</b>	<b>\$ 84,446</b>	<b>\$ 580,736</b>
Education	\$ -	\$ 21	\$ 1,350	\$ 1,371
<b>Hospitals and Health Services</b>	<b>\$ 16,885,892</b>	<b>\$ 33,942</b>	<b>\$ 142,594</b>	<b>\$ 17,062,428</b>
Family and Child Services	\$ -	\$ 152	\$ 69,488	\$ 69,641
Arts and Entertainment	\$ -	\$ 1,459	\$ 15,459	\$ 16,917
Travel and Tourism	\$ -	\$ 50,098	\$ 165,435	\$ 215,533
Household Services	\$ -	\$ 93,245	\$ 153,441	\$ 246,686
Non-Profit and Civic	\$ -	\$ 14,559	\$ 74,032	\$ 88,591
Fed Gov	\$ -	\$ 78,464	\$ 26,045	\$ 104,509
State and Local Gov	\$ -	\$ 47,265	\$ 88,589	\$ 135,853
Misc	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 16,885,892</b>	<b>\$ 2,828,626</b>	<b>\$ 3,388,049</b>	<b>\$ 23,102,567</b>

**TABLE 15****Employment Impact: 10% Recapture Plus 10% 2015 Growth**

Industry	Direct	Indirect	Induced	Total
Agriculture	0	0	0	0
Mining	0	0	0	0
Utilities	0	0	0	1
Non-Residential Construction	0	0	0	0
Residential Construction	0	0	0	0
Non-Durable Mfg	0	0	0	0
Durable Mfg	0	1	1	3
Trade	0	1	8	9
Transportation and Warehouse	0	1	2	3
Communications	0	0	0	0
Finance Banking and Real Estate	0	2	3	5
Legal Accounting and Architectural	0	2	1	3
Computer and Design Services	0	0	0	0
Mgt Science Environment	0	0	0	0
Other Professional Services	0	7	1	8
Education	0	0	0	0
Hospitals and Health Services	230	1	2	232
Family and Child Services	0	0	2	2
Arts and Entertainment	0	0	0	0
Travel and Tourism	0	1	4	5
Household Services	0	1	2	3
Non-Profit and Civic	0	1	2	3
Fed Gov	0	1	0	2
State and Local Gov	0	1	2	3
Misc	0	0	0	0
<b>Total</b>	<b>230</b>	<b>22</b>	<b>30</b>	<b>282</b>

<b>TABLE 16</b>				
<b>Labor Income Impact: 10% Recapture Plus 10% 2015 Growth</b>				
<b>Industry</b>	<b>Direct</b>	<b>Indirect</b>	<b>Induced</b>	<b>Total</b>
Agriculture	\$ -	\$ 1,063	\$ 4,520	\$ 5,583
Mining	\$ -	\$ 63	\$ 55	\$ 118
<b>Utilities</b>	<b>\$ -</b>	<b>\$ 22,502</b>	<b>\$ 34,797</b>	<b>\$ 57,299</b>
Non-Residential Construction	\$ -	\$ 8,894	\$ 3,105	\$ 11,998
Residential Construction	\$ -	\$ 2,126	\$ 2,611	\$ 4,737
<b>Non-Durable Mfg</b>	<b>\$ -</b>	<b>\$ 11,936</b>	<b>\$ 7,100</b>	<b>\$ 19,036</b>
<b>Durable Mfg</b>	<b>\$ -</b>	<b>\$ 93,025</b>	<b>\$ 80,794</b>	<b>\$ 173,818</b>
<b>Trade</b>	<b>\$ -</b>	<b>\$ 37,328</b>	<b>\$ 198,859</b>	<b>\$ 236,187</b>
<b>Transportation and Warehouse</b>	<b>\$ -</b>	<b>\$ 37,192</b>	<b>\$ 67,889</b>	<b>\$ 105,081</b>
Communications	\$ -	\$ 4,233	\$ 6,270	\$ 10,503
<b>Finance Banking and Real Estate</b>	<b>\$ -</b>	<b>\$ 95,400</b>	<b>\$ 116,648</b>	<b>\$ 212,048</b>
<b>Legal Accounting and Architectual</b>	<b>\$ -</b>	<b>\$ 52,496</b>	<b>\$ 34,264</b>	<b>\$ 86,761</b>
Computer and Design Services	\$ -	\$ 33,700	\$ 12,115	\$ 45,814
Mgt Science Environment	\$ -	\$ 11,529	\$ 2,854	\$ 14,383
<b>Other Professional Services</b>	<b>\$ -</b>	<b>\$ 209,095</b>	<b>\$ 35,578</b>	<b>\$ 244,673</b>
Education	\$ -	\$ 11	\$ 687	\$ 698
<b>Hospitals and Health Services</b>	<b>\$ 9,542,767</b>	<b>\$ 19,182</b>	<b>\$ 80,584</b>	<b>\$ 9,642,533</b>
Family and Child Services	\$ -	\$ 79	\$ 36,235	\$ 36,314
Arts and Entertainment	\$ -	\$ 709	\$ 7,513	\$ 8,222
Travel and Tourism	\$ -	\$ 14,840	\$ 49,005	\$ 63,845
Household Services	\$ -	\$ 28,048	\$ 46,154	\$ 74,202
Non-Profit and Civic	\$ -	\$ 4,726	\$ 24,031	\$ 28,757
Fed Gov	\$ -	\$ 51,531	\$ 17,105	\$ 68,637
State and Local Gov	\$ -	\$ 38,674	\$ 72,487	\$ 111,161
Misc	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 9,542,767</b>	<b>\$ 778,382</b>	<b>\$ 941,261</b>	<b>\$ 11,262,409</b>

**TABLE 17****Employee Compensation Impact: 10% Recapture Plus 10% 2015 Growth**

Industry	Direct	Indirect	Induced	Total
Agriculture	\$ -	\$ 526	\$ 2,236	\$ 2,763
Mining	\$ -	\$ 10	\$ 9	\$ 19
<b>Utilities</b>	<b>\$ -</b>	<b>\$ 20,647</b>	<b>\$ 31,928</b>	<b>\$ 52,575</b>
Non-Residential Construction	\$ -	\$ 6,826	\$ 2,383	\$ 9,209
Residential Construction	\$ -	\$ 1,618	\$ 1,987	\$ 3,604
<b>Non-Durable Mfg</b>	<b>\$ -</b>	<b>\$ 11,801</b>	<b>\$ 7,020</b>	<b>\$ 18,821</b>
<b>Durable Mfg</b>	<b>\$ -</b>	<b>\$ 90,197</b>	<b>\$ 78,338</b>	<b>\$ 168,535</b>
<b>Trade</b>	<b>\$ -</b>	<b>\$ 35,110</b>	<b>\$ 187,045</b>	<b>\$ 222,155</b>
<b>Transportation and Warehouse</b>	<b>\$ -</b>	<b>\$ 30,970</b>	<b>\$ 56,530</b>	<b>\$ 87,500</b>
Communications	\$ -	\$ 3,940	\$ 5,836	\$ 9,776
<b>Finance Banking and Real Estate</b>	<b>\$ -</b>	<b>\$ 69,392</b>	<b>\$ 84,847</b>	<b>\$ 154,238</b>
<b>Legal Accounting and Architectural</b>	<b>\$ -</b>	<b>\$ 38,740</b>	<b>\$ 25,286</b>	<b>\$ 64,026</b>
Computer and Design Services	\$ -	\$ 26,331	\$ 9,465	\$ 35,796
Mgt Science Environment	\$ -	\$ 7,565	\$ 1,873	\$ 9,438
<b>Other Professional Services</b>	<b>\$ -</b>	<b>\$ 200,916</b>	<b>\$ 34,187</b>	<b>\$ 235,103</b>
Education	\$ -	\$ 11	\$ 680	\$ 690
<b>Hospitals and Health Services</b>	<b>\$ 8,093,183</b>	<b>\$ 16,268</b>	<b>\$ 68,343</b>	<b>\$ 8,177,794</b>
Family and Child Services	\$ -	\$ 79	\$ 36,164	\$ 36,243
Arts and Entertainment	\$ -	\$ 339	\$ 3,594	\$ 3,933
Travel and Tourism	\$ -	\$ 14,469	\$ 47,781	\$ 62,250
Household Services	\$ -	\$ 22,391	\$ 36,847	\$ 59,238
Non-Profit and Civic	\$ -	\$ 4,660	\$ 23,697	\$ 28,357
Fed Gov	\$ -	\$ 51,531	\$ 17,105	\$ 68,637
State and Local Gov	\$ -	\$ 38,674	\$ 72,487	\$ 111,161
Misc	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 8,093,183</b>	<b>\$ 693,011</b>	<b>\$ 835,667</b>	<b>\$ 9,621,860</b>

<b>TABLE 18</b>				
<b>Proprietors Income Impact: 10% Recapture Plus 10% 2015 Growth</b>				
<b>Industry</b>	<b>Direct</b>	<b>Indirect</b>	<b>Induced</b>	<b>Total</b>
Agriculture	\$ -	\$ 537	\$ 2,283	\$ 2,821
Mining	\$ -	\$ 53	\$ 46	\$ 100
<b>Utilities</b>	<b>\$ -</b>	<b>\$ 1,855</b>	<b>\$ 2,869</b>	<b>\$ 4,724</b>
Non-Residential Construction	\$ -	\$ 2,068	\$ 722	\$ 2,790
Residential Construction	\$ -	\$ 508	\$ 624	\$ 1,132
<b>Non-Durable Mfg</b>	<b>\$ -</b>	<b>\$ 135</b>	<b>\$ 80</b>	<b>\$ 215</b>
<b>Durable Mfg</b>	<b>\$ -</b>	<b>\$ 2,828</b>	<b>\$ 2,456</b>	<b>\$ 5,284</b>
<b>Trade</b>	<b>\$ -</b>	<b>\$ 2,218</b>	<b>\$ 11,814</b>	<b>\$ 14,032</b>
<b>Transportation and Warehouse</b>	<b>\$ -</b>	<b>\$ 6,222</b>	<b>\$ 11,358</b>	<b>\$ 17,581</b>
Communications	\$ -	\$ 293	\$ 434	\$ 727
<b>Finance Banking and Real Estate</b>	<b>\$ -</b>	<b>\$ 26,009</b>	<b>\$ 31,801</b>	<b>\$ 57,810</b>
<b>Legal Accounting and Architectual</b>	<b>\$ -</b>	<b>\$ 13,756</b>	<b>\$ 8,978</b>	<b>\$ 22,734</b>
Computer and Design Services	\$ -	\$ 7,369	\$ 2,649	\$ 10,018
Mgt Science Environment	\$ -	\$ 3,964	\$ 981	\$ 4,946
<b>Other Professional Services</b>	<b>\$ -</b>	<b>\$ 8,179</b>	<b>\$ 1,392</b>	<b>\$ 9,570</b>
Education	\$ -	\$ -	\$ 7	\$ 8
<b>Hospitals and Health Services</b>	<b>\$ 1,449,585</b>	<b>\$ 2,914</b>	<b>\$ 12,241</b>	<b>\$ 1,464,740</b>
Family and Child Services	\$ -	\$ -	\$ 71	\$ 71
Arts and Entertainment	\$ -	\$ 370	\$ 3,919	\$ 4,289
Travel and Tourism	\$ -	\$ 371	\$ 1,225	\$ 1,595
Household Services	\$ -	\$ 5,656	\$ 9,308	\$ 14,964
Non-Profit and Civic	\$ -	\$ 66	\$ 334	\$ 400
Fed Gov	\$ -	\$ -	\$ -	\$ -
State and Local Gov	\$ -	\$ -	\$ -	\$ -
Misc	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 1,449,585</b>	<b>\$ 85,371</b>	<b>\$ 105,594</b>	<b>\$ 1,640,550</b>

<b>TABLE 19</b>					
<b>Other Property Type Income Impact: 10% Recapture Plus 10% 2015 Growth</b>					
<b>Industry</b>	<b>Direct</b>	<b>Indirect</b>	<b>Induced</b>	<b>Total</b>	
Agriculture	\$ -	\$ 1,412	\$ 6,000	\$ 7,411	
Mining	\$ -	\$ 23	\$ 20	\$ 42	
<b>Utilities</b>	<b>\$ -</b>	<b>\$ 43,533</b>	<b>\$ 67,319</b>	<b>\$ 110,852</b>	
Non-Residential Construction	\$ -	\$ 877	\$ 306	\$ 1,184	
Residential Construction	\$ -	\$ 783	\$ 962	\$ 1,745	
<b>Non-Durable Mfg</b>	<b>\$ -</b>	<b>\$ 5,851</b>	<b>\$ 3,481</b>	<b>\$ 9,332</b>	
<b>Durable Mfg</b>	<b>\$ -</b>	<b>\$ 63,985</b>	<b>\$ 55,572</b>	<b>\$ 119,557</b>	
<b>Trade</b>	<b>\$ -</b>	<b>\$ 8,994</b>	<b>\$ 47,916</b>	<b>\$ 56,910</b>	
<b>Transportation and Warehouse</b>	<b>\$ -</b>	<b>\$ 9,357</b>	<b>\$ 17,080</b>	<b>\$ 26,438</b>	
Communications	\$ -	\$ 5,971	\$ 8,845	\$ 14,816	
<b>Finance Banking and Real Estate</b>	<b>\$ -</b>	<b>\$ 433,354</b>	<b>\$ 529,872</b>	<b>\$ 963,226</b>	
<b>Legal Accounting and Architectural</b>	<b>\$ -</b>	<b>\$ 6,344</b>	<b>\$ 4,141</b>	<b>\$ 10,485</b>	
Computer and Design Services	\$ -	\$ 7,201	\$ 2,589	\$ 9,790	
Mgt Science Environment	\$ -	\$ 2,625	\$ 650	\$ 3,275	
<b>Other Professional Services</b>	<b>\$ -</b>	<b>\$ 51,465</b>	<b>\$ 8,757</b>	<b>\$ 60,222</b>	
Education	\$ -	\$ 1	\$ 91	\$ 93	
<b>Hospitals and Health Services</b>	<b>\$ 1,377,306</b>	<b>\$ 2,768</b>	<b>\$ 11,631</b>	<b>\$ 1,391,705</b>	
Family and Child Services	\$ -	\$ 14	\$ 6,603	\$ 6,618	
Arts and Entertainment	\$ -	\$ 82	\$ 871	\$ 953	
Travel and Tourism	\$ -	\$ 4,166	\$ 13,758	\$ 17,925	
Household Services	\$ -	\$ 10,369	\$ 17,063	\$ 27,432	
Non-Profit and Civic	\$ -	\$ (109)	\$ (557)	\$ (666)	
Fed Gov	\$ -	\$ 19,521	\$ 6,480	\$ 26,001	
State and Local Gov	\$ -	\$ 4,700	\$ 8,809	\$ 13,510	
Misc	\$ -	\$ -	\$ -	\$ -	
<b>Total</b>	<b>\$ 1,377,306</b>	<b>\$ 683,290</b>	<b>\$ 818,259</b>	<b>\$ 2,878,855</b>	

## SUMMARY AND CONCLUSIONS

The short-run of transitory impacts arising from the construction of the proposed additional hospital facilities are approximately equal to the long-run ongoing impact for the expansion of locally produced hospital and health services those facilities will make possible. In other words, the temporary expansion in the economy resulting from the construction phase is replaced by sustained growth of approximately the same magnitude. The construction phase will generate an expected total impact of \$28.7 million in added output and 276 new jobs. The operation of the additional facilities will generate an expected annual impact of \$23.1 million dollars beginning in 2015 resulting in 282 sustained jobs.

While the overall economic impact of both phases of the expansion, construction and operations, are approximately the same in magnitude, the impact of the operations phase is significantly different in that it creates permanent high value jobs. The average labor income from a construction phase job is an estimated \$34,782 per job. The average labor income from an operations phase job is an estimated \$39,760 per job. The jobs created by the expansion of Hospital and Health Services create \$4,978 more in labor income per job than the jobs created by the construction phase.

There are three caveats to this analysis. First, it should be noted that the estimates of economic impact based on the measure, Gross Regional Product, is not immediately comparable to estimates that may be prepared in a financial analysis. Gross Regional Output is the sum of total value added. In other words it 'nets out' the cost of intermediary inputs purchased in the process.

The second caveat is that this analysis has focused only on the direct quantifiable economic impacts. While less quantifiable, the significant benefits noted in the Introduction are important benefits.

Third, while the recapture process in this analysis was assigned to a specific year in order to include the population growth as a factor in the expected impact, it is highly likely that recapture may occur much more quickly. The reason for the potential for more rapid recapture in terms of the timing of recapture is a region-wide shortage in access due to lack of capacity. It is reasonable to expect that the expansion in the Effingham Hospital's facilities may open to near the 2015 estimated impact of \$28.1 million in output.