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## Section 3

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# Economic Factors

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### 3.1 Taxable Sales

The overall level of taxable sales was down 1.4% in the Tallahassee MSA in 2007, the first annual decrease in taxable sales in more than 25 years. In comparison, taxable sales for the State of Florida were down 4.1% in 2007 compared with 2006 sales. By category, the overall decrease in taxable sales in the Tallahassee MSA can be attributed to an annual decrease of 11.4% in Business Investment and a 5.0% drop in Autos & Accessories (decreasing for the second straight year). Building Investment was up 6.4% while Tourism & Recreation was up 5.2% in the Tallahassee MSA in 2007 compared with 2006. It is estimated that taxable sales comprise 40-45% of all retail sales.

**Figure 3-1**  
**Annual Taxable Sales, Tallahassee MSA and Florida (1996-2007)**

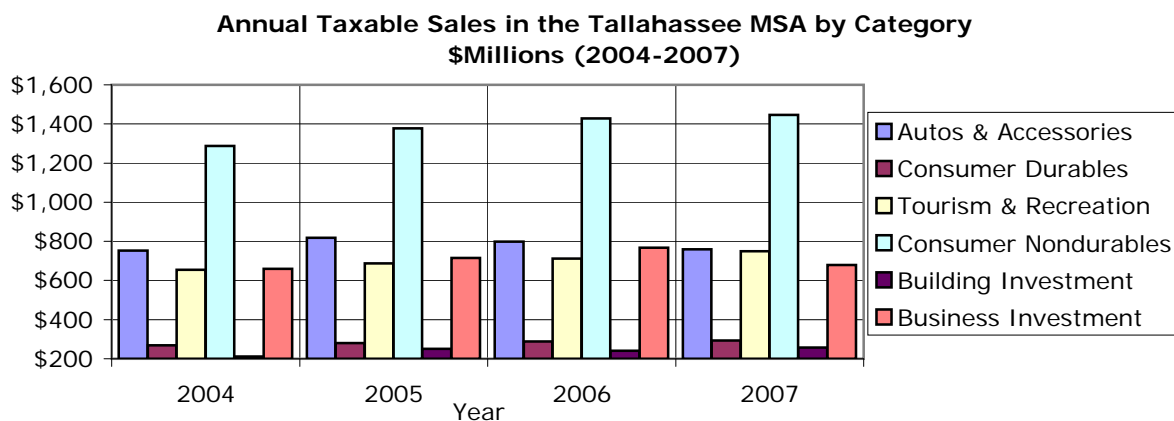
Year	Tallahassee MSA	Change from Previous Year	State of Florida	Change from Previous Year
1996	\$2,797.5	6.1%	\$191,026.0	7.7%
1997	\$2,865.5	2.4%	\$203,026.7	6.3%
1998	\$2,981.8	4.1%	\$217,206.9	7.0%
1999	\$3,217.3	7.9%	\$236,422.9	8.8%
2000	\$3,335.4	3.7%	\$252,179.8	6.7%
2001	\$3,362.3	0.8%	\$255,204.7	1.2%
2002	\$3,419.2	1.7%	\$252,910.9	-0.9%
2003	\$3,623.8	6.0%	\$266,335.7	5.3%
2004	\$3,834.4	5.8%	\$294,110.3	10.4%
2005	\$4,130.8	7.7%	\$327,787.6	11.5%
2006	\$4,236.9	2.6%	\$343,300.1	4.7%
2007	\$4,178.9	-1.4%	\$329,168.7	-4.1%

Note: Taxable sales in \$Millions of dollars.

Note: Tallahassee MSA includes Leon and Gadsden Counties (previous definition)

Source: Florida Department of Revenue

**Figure 3-2**  
**Annual Taxable Sales, Tallahassee MSA by Category (2004-2007)**



Note: Tallahassee MSA includes Leon and Gadsden Counties (previous definition)

Source: Florida Department of Revenue

## 3.2 County to County Worker Flows

According to the 2000 Census, Leon County continues to be the employment center for the region. Ninety-five percent of employed Leon County residents work in Leon County. A different situation is evident in the neighboring counties of Gadsden, Wakulla and Jefferson (which along with Leon County comprise the Tallahassee MSA) wherein almost fifty percent of employed residents travel to Leon County for work. In both Wakulla and Jefferson counties, more residents commute to Leon County for work than work in their county of residence. This contrasts to the statewide average of 82.7% of residents who work in their county of residence.

**Figure 3-3**  
**Residence County by Workplace County (2000)**

<b>Residence County</b>	<b>Workplace County</b>	<b>2000 Count</b>	<b>2000 Percent</b>
Leon County	Leon County	114,007	95.0%
Leon County	Gadsden County	1,937	1.6%
Leon County	Wakulla County	782	0.7%
Leon County	Other	3,284	2.7%
Gadsden County	Gadsden County	8,686	49.0%
Gadsden County	Leon County	8,232	46.4%
Gadsden County	Jackson County	165	0.9%
Gadsden County	Other	660	3.7%
Wakulla County	Leon County	5,764	55.0%
Wakulla County	Wakulla County	4,043	38.6%
Wakulla County	Franklin County	153	1.5%
Wakulla County	Other	515	4.9%
Jefferson County	Leon County	2,552	46.9%
Jefferson County	Jefferson County	2,351	43.2%
Jefferson County	Madison County	163	3.0%
Jefferson County	Other	379	6.9%

Source: U.S. Department of Commerce, Bureau of the Census 2000

### 3.3 Annual Visitor Trends

More than 2.4 million people (i.e. person visits) visited Leon County in 2007, down 5.6% from 2006. Total visitor spending in Leon County declined 14.4% in 2007 (compared with 2006 levels).

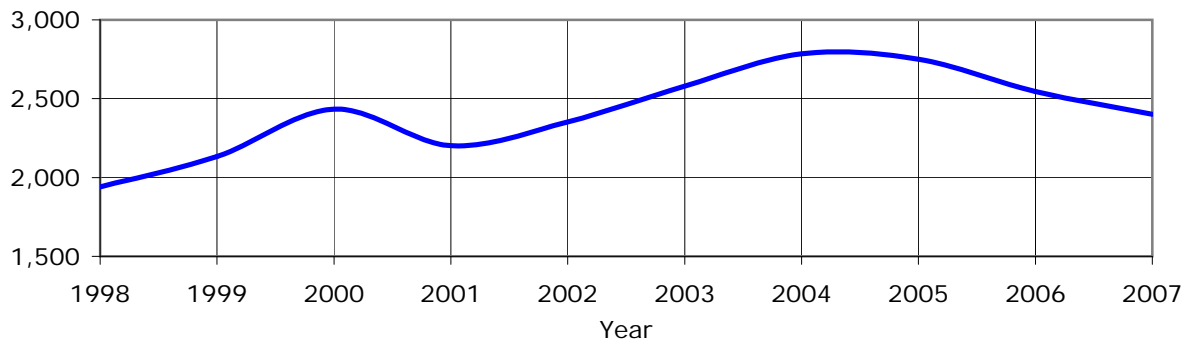
**Figure 3-4**  
**Annual Visitor Trends-Person Visits (1998-2007)**

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Person Visits	1,940	2,133	2,433	2,203	2,352	2,579	2,784	2,751	2,545	2,402

Note: Data in Thousands

Sources: Dr. Mark A. Bonn, College of Business, Florida State University  
Leon County Tourist Development Council

**Annual Visitor Trends (Person Visits in Thousands)**  
**1998-2007**



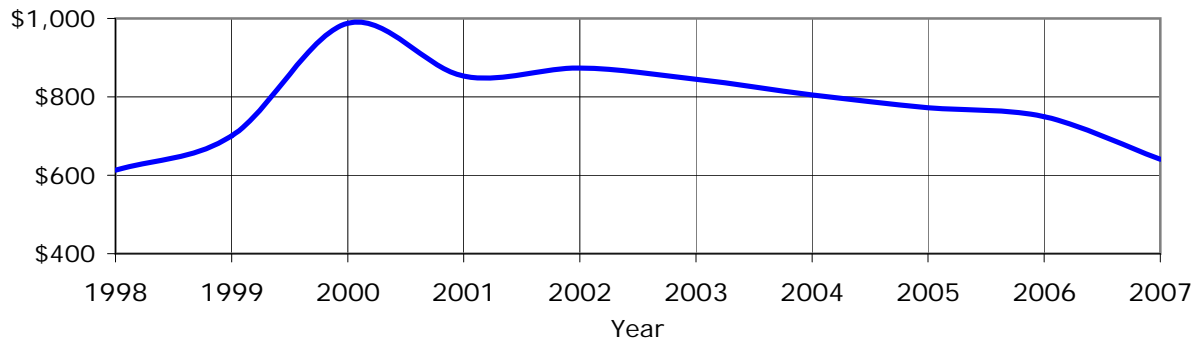
**Figure 3-5**  
**Annual Visitor Trends-Annual Visitor Spending (1998-2007)**

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Visitor Spending	\$613	\$701	\$988	\$853	\$874	\$845	\$805	\$772	\$749	\$641

Note: Data in Millions

Sources: Dr. Mark A. Bonn, College of Business, Florida State University  
Leon County Tourist Development Council

**Annual Visitor Trends (Visitor Spending in Millions)**  
**1998-2007**



## 3.4 Florida Price Level Index

The Florida Price Level Index is a cross-sectional measure that compares the cost of living or relative wage levels among Florida's 67 counties and is not designed to measure inflation from one year to the next. The FPLI is used as a cost of living index to measure the relative costs of maintaining a given standard of living across Florida's counties. Thus, the relative costs of goods and services in the Tallahassee area have been below the State of Florida average in each of the past four years and have decreased in terms of relative costs in comparison with other Florida counties since 2004.

**Figure 3-6**  
**Florida Price Level Index (2004-2007)**

<b>County</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
Leon	99.46	97.58	94.40	94.33
Gadsden	96.84	95.01	91.91	91.84
Jefferson	96.57	94.75	91.66	91.59
Wakulla	96.90	95.07	91.97	91.90

*Note: The Florida Price Level Index (FPLI) was established by the Florida Legislature as the basis for the District Cost Differential (DCD) in the Florida Education Finance Program. In this role, the FPLI is used to represent the costs of hiring equally qualified personnel across school districts. Referred to as the FPLI\_SP, this index is more appropriate for comparing the costs of hiring equally qualified personnel to do identical jobs across locations at a given point in time. The FPLI\_SP is constructed so that the population-weighted average is 100. In 2007, counties with index values above 100 contain 61.2% of the state's population.*

*Source: University of Florida, Bureau of Economic and Business Research*

## 3.5 Gross Domestic Product by Metro. Area

In 2005, the Tallahassee Metropolitan Area's (MSA) gross domestic product was \$11.5 billion, up \$0.6 billion from 2004. The 363 US Metropolitan areas cover only 26% of the U.S. land area, yet account for nearly 90% of the nation's gross domestic product.

**Figure 3-7**  
**Gross Domestic Product by Metro. Area, US\$, Billions (2001-2005)**

<b>City</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2005 Share of Gross State Product</b>	<b>Avg. Annual Growth Rate, 2001-2005</b>
Tampa	77.3	81.8	86.6	93.1	101.0	14.2%	4.3%
Orlando	63.9	68.2	73.8	80.4	89.4	12.5%	6.1%
Jacksonville	39.2	41.5	45.5	49.1	52.6	7.4%	4.4%
Pensacola	9.4	9.6	10.3	11.1	12.0	1.7%	2.7%
<b>Tallahassee</b>	<b>9.2</b>	<b>9.6</b>	<b>10.1</b>	<b>10.9</b>	<b>11.5</b>	<b>1.6%</b>	<b>2.6%</b>
Fort Walton Beach	5.5	6.6	7.4	8.3	9.0	1.3%	9.1%
Gainesville	6.3	6.5	6.8	7.5	8.2	1.2%	3.6%
Panama City	3.8	4.2	4.6	5.1	5.6	0.8%	6.8%

Source: U.S. Department of Commerce, Bureau of Economic Analysis

### 3.6 Consumer Price Index (CPI-U)

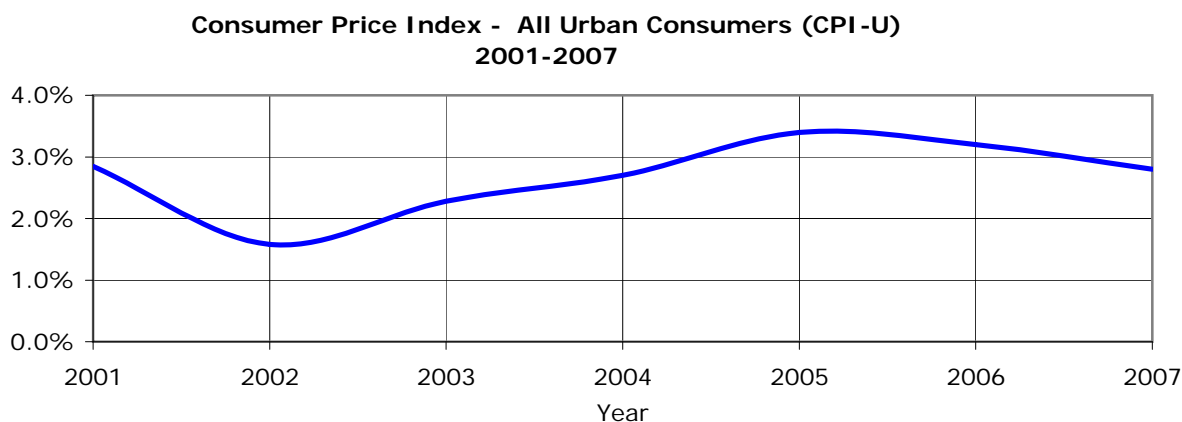
The Consumer Price Index for all Urban Consumers (Cost of Living Index) increased 2.8% in 2007, down from 3.2% in 2006.

**Figure 3-8**  
**Consumer Price Index for all Urban Consumers (CPI-U, 2001-2007)**

	2001	2002	2003	2004	2005	2006	2007
U.S. City Average	177.1	179.9	184.0	188.9	195.3	201.6	207.342
% Change from Previous	2.8%	1.6%	2.3%	2.7%	3.4%	3.2%	2.8%

Source: U.S. Bureau of Labor Statistics

**Figure 3-9**  
**Annual Change in the Consumer Price Index (CPI-U, 2001-2007)**



Source: U.S. Bureau of Labor Statistics

### 3.7 Airport Traffic Statistics

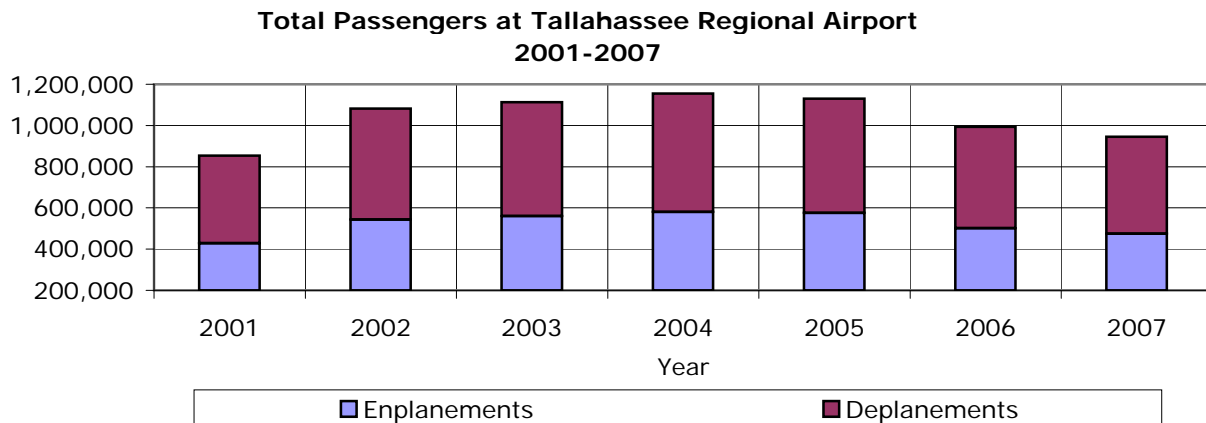
Passenger traffic at Tallahassee Regional Airport fell 4.9% in 2007 compared with 2006 levels marking a third straight annual decline in the number of total passengers

**Figure 3-10**  
**Tallahassee Regional Airport Traffic Statistics (2001-2007)**

	2001	2002	2003	2004	2005	2006	2007
Enplanements	427,892	543,674	560,885	580,510	576,104	501,158	475,612
Deplanements	425,734	538,911	552,358	574,562	553,843	492,702	469,519
Total Passengers	853,626	1,082,585	1,113,243	1,155,072	1,129,947	993,860	945,131

Source: City of Tallahassee, Aviation Department

**Figure 3-11**  
**Total Passengers at Tallahassee Regional Airport (2001-2007)**



Source: City of Tallahassee, Aviation Department