
Section 3

Economic Factors

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3.1 Taxable Sales

The overall level of taxable sales was down 6.9% in the Tallahassee MSA in 2008, declining for a second straight year. In comparison, taxable sales for the State of Florida were down 7.7% in 2008 compared with 2007 sales. By category, the overall decrease in taxable sales in 2008 in the Tallahassee MSA can be attributed to a decrease of 16.7% in Autos and Accessories, a 15.4% decline in Autos & Accessories (decreasing for the third straight year) and a 12.4% decline in consumer durables when comparing 2008 and 2007 taxable sales. Building Investment was up 7.8% while Tourism & Recreation (-2.7%) and Consumer Nondurables (-1.8%) were down slightly in 2008. It is estimated that taxable sales comprise 40-45% of all retail sales.

Figure 3-1
Annual Taxable Sales, Tallahassee MSA and Florida (1999-2008)

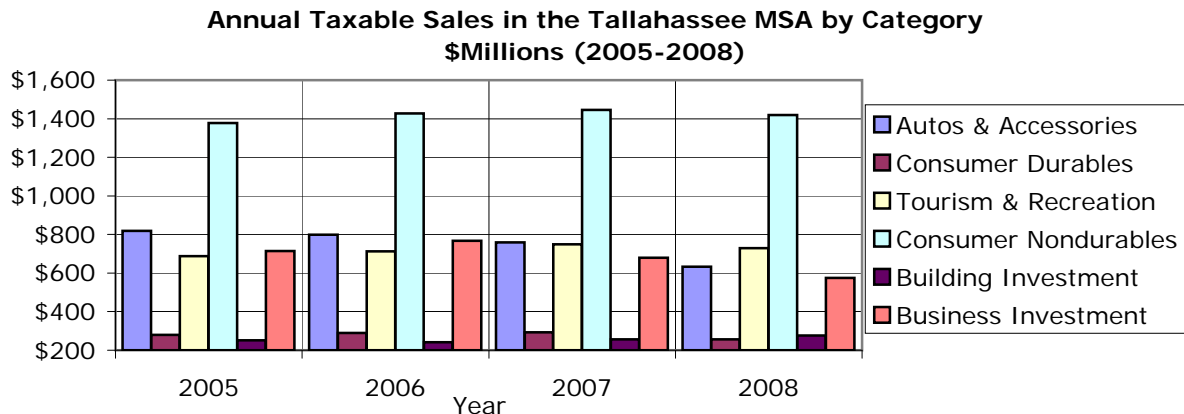
Year	Tallahassee MSA	Change from Previous Year	State of Florida	Change from Previous Year
1999	\$3,217.3	7.9%	\$236,422.9	8.8%
2000	\$3,335.4	3.7%	\$252,179.8	6.7%
2001	\$3,362.3	0.8%	\$255,204.7	1.2%
2002	\$3,419.2	1.7%	\$252,910.9	-0.9%
2003	\$3,623.8	6.0%	\$266,335.7	5.3%
2004	\$3,834.4	5.8%	\$294,110.3	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%
2008	\$3,890.5	-6.9%	\$303,900.9	-7.7%

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 (2005-2008)



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)

Residence County	Workplace County	2000 Count	2000 Percent
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

Nearly 2.3 million people (i.e. person visits) visited Leon County in 2008, down 5.5% from 2007. Total visitor spending in Leon County declined 8.4% in 2008 (compared with 2007 levels).

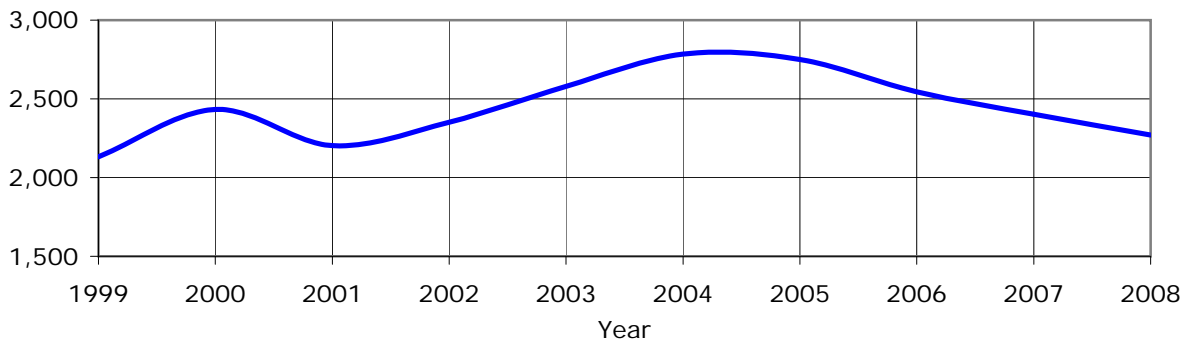
**Figure 3-4
Annual Visitor Trends-Person Visits (1999-2008)**

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Person Visits	2,133	2,433	2,203	2,352	2,579	2,784	2,751	2,545	2,402	2,270

Note: Data in Thousands

Source: Dr. Mark A. Bonn, Ph.D., The Bonn Marketing Research Group, Inc.

**Annual Visitor Trends (Person Visits in Thousands)
1999-2008**



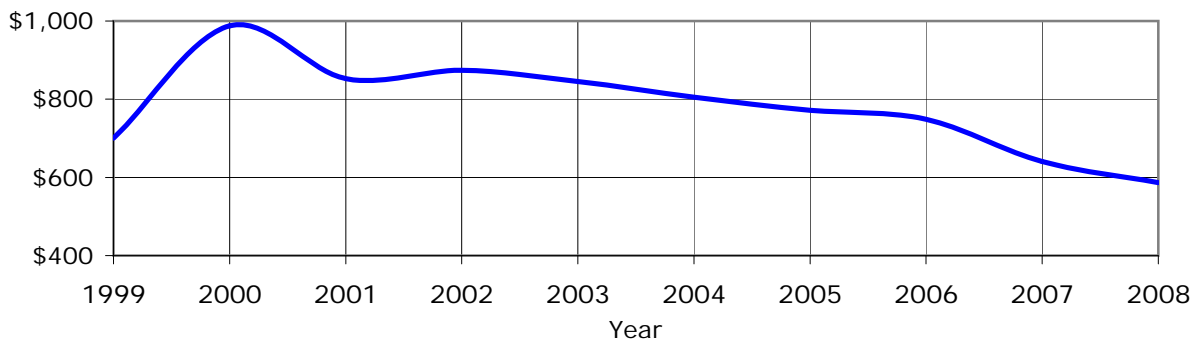
**Figure 3-5
Annual Visitor Trends-Annual Visitor Spending (1999-2008)**

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Visitor Spending	\$701	\$988	\$853	\$874	\$845	\$805	\$772	\$749	\$641	\$587

Note: Data in Millions

Source: Dr. Mark A. Bonn, Ph.D., The Bonn Marketing Research Group, Inc.

**Annual Visitor Trends (Visitor Spending in Millions)
1999-2008**



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 five years and have decreased in terms of relative costs in comparison with other Florida counties since 2004.

Figure 3-6
Florida Price Level Index (2004-2008)

County	2004	2005	2006	2007	2008
Leon	99.46	97.58	94.40	94.33	94.07
Gadsden	96.84	95.01	91.91	91.84	91.59
Jefferson	96.57	94.75	91.66	91.59	91.34
Wakulla	96.90	95.07	91.97	91.90	91.64

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 2008, counties with index values above 100 contain 63.5% of the state's population.

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

3.5 Gross Domestic Product by Metro. Area

In 2006, the Tallahassee Metropolitan Area's (MSA) gross domestic product was \$12.2 billion, up \$0.7 billion from 2005. 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 (2002-2006)

City	2002	2003	2004	2005	2006	2006 MSA Ranking (out of 363 MSAs)	2006 Per Capita Real GDP
Tampa	81.8	86.6	93.2	101.2	108.5	23	\$35,402
Orlando	68.2	73.8	80.7	90.3	97.4	27	\$42,735
Jacksonville	41.5	45.5	49.1	53.2	58.2	44	\$39,075
Pensacola	9.6	10.3	11.4	12.1	13.0	136	\$24,255
Tallahassee	9.6	10.1	10.7	11.5	12.2	145	\$30,075
Fort Walton Beach	6.6	7.4	8.2	9.0	9.4	168	\$42,805
Gainesville	6.5	6.8	7.7	8.3	8.9	172	\$29,882
Panama City	4.2	4.6	5.1	5.7	6.1	219	\$31,056

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

3.6 Consumer Price Index (CPI-U)

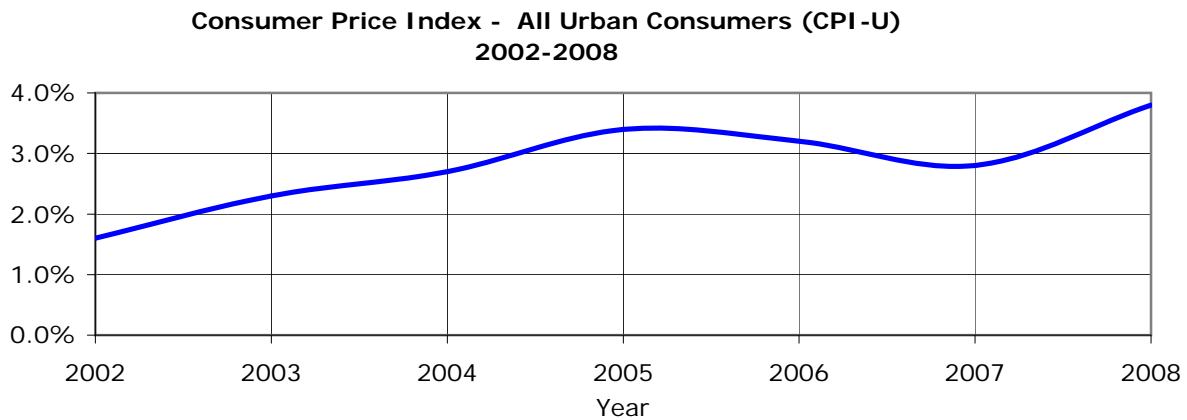
The Consumer Price Index for all Urban Consumers (Cost of Living Index) increased 3.8% in 2008, up from 2.8% in 2007.

Figure 3-8
Consumer Price Index for all Urban Consumers (CPI-U, 2002-2008)

	2002	2003	2004	2005	2006	2007	2008
U.S. City Average	179.9	184.0	188.9	195.3	201.6	207.342	215.303
% Change from Previous	1.6%	2.3%	2.7%	3.4%	3.2%	2.8%	3.8%

Source: U.S. Bureau of Labor Statistics

Figure 3-9
Annual Change in the Consumer Price Index (CPI-U, 2002-2008)



Source: U.S. Bureau of Labor Statistics

3.7 Airport Traffic Statistics

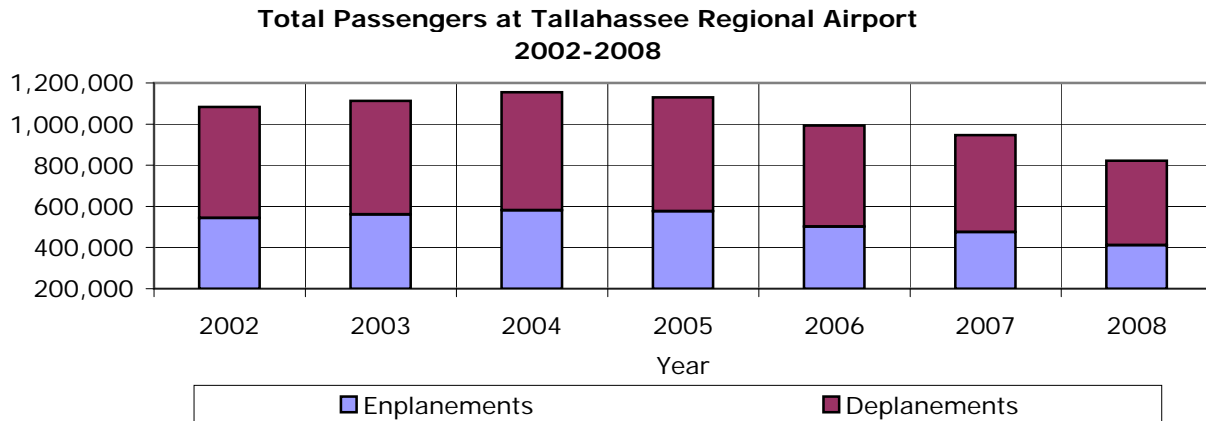
Passenger traffic at Tallahassee Regional Airport was off 13% in 2008 compared with 2007 levels marking a fourth straight annual decline in the number of total passengers.

**Figure 3-10
Tallahassee Regional Airport Traffic Statistics (2002-2008)**

	2002	2003	2004	2005	2006	2007	2008
Enplanements	543,674	560,885	580,510	576,104	501,158	475,612	411,870
Deplanements	538,911	552,358	574,562	553,843	492,702	471,553	409,846
Total Passengers	1,082,585	1,113,243	1,155,072	1,129,947	993,860	947,165	821,716

Source: City of Tallahassee, Aviation Department

**Figure 3-11
Total Passengers at Tallahassee Regional Airport (2002-2008)**



Source: City of Tallahassee, Aviation Department