
Bureau of Economic and Business Research Annual Report 1999-2000

July 2000

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**UNIVERSITY OF
FLORIDA**

Staff members, Bureau of Economic and Business Research July 2000

Director: Stanley K. Smith, Ph.D., Professor and Program Director

Forecasting Program:

Carol T. West, Ph.D., Professor and Program Director

David G. Lenze, Ph.D., Associate Program Director

Janet Galvez, M.S.

Policy Studies Program:

David A. Denslow, Ph.D., Professor and Program Director

James (Jim) F. Dewey, Ph.D.

Population Program:

Stanley K. Smith, Ph.D., Professor and Program Director

Scott Cody, M.B.A.

June Nogle, Ph.D.

Survey Program:

Chris McCarty, Ph.D., Program Director

Scott Richards, M.A.

Alicia Turner

Information/Publication Services:

Janet Galvez, M.S., Program Director

Carol Griffen, B.S.

Susan Floyd, M.A.

Eve Irwin, B.A.

Dorothy Evans

Administrative Services:

Clinton B. Collins, B.S., Program Director

Janet Fletcher

Pamela Middleton

Janet Rose, A.A.

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About the BEBR

Founded in 1929, the Bureau of Economic and Business Research (BEBR) is an applied research center in the Warrington College of Business Administration at the University of Florida. Its primary missions are to: 1) Collect, analyze, and generate economic and demographic data on Florida and its local areas; 2) Conduct economic, demographic, and public policy research on topics of particular importance to the state of Florida; and 3) Distribute data and research findings throughout the state and the nation. The BEBR seeks to conduct research that is both academically sound and directly relevant to public and private decision makers in Florida.

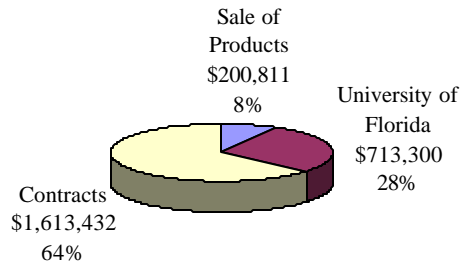
The BEBR plays a number of roles within the College and the University. Its research contributes to a deeper understanding of Florida's rapidly changing economic and demographic climate. It provides employment and training for several graduate students and more than 150 undergraduate students each year. It generates revenues by selling data and publications and by obtaining research contracts and grants. It creates favorable publicity for the College and University through its publications, presentations, and reference services. Its staff members teach several courses each year in the Economics Department, and occasionally in other departments as well. BEBR activities fall within the University's traditional functions of teaching, research, and service, but the impact of those activities carries far beyond campus boundaries.

The Year in Review

The BEBR continued to thrive in 1999-2000. Staff members produced their usual broad array of academic and technical publications; presented papers at academic and professional conferences; served on committees for professional associations; served on advisory committees for federal and state government agencies; answered a wide variety of information requests from businesses, government agencies, the media, and members of the general public; and made presentations to civic, government, and business groups throughout Florida. These research and service activities have a significant impact on the availability of information and the status of applied economic and demographic research in Florida.

In terms of generating revenue, the BEBR had its most successful year ever. Total revenues topped \$2.5 million in 1999-2000, 36% more than in 1998-1999. Virtually all this increase came from research contracts, which were up more than \$600,000 from the previous year. Research contracts generated 64% of the BEBR's total revenues in 1999-2000, while 8% came from the sale of data and publications and 28% came from the University as part of the regular annual budget (Figure 1). The large increase in outside research funding reflects both the entrepreneurial spirit of BEBR staff members and their ever-growing reputation for doing outstanding applied research.

**Figure 1. Estimated Revenues 1999-2000
(preliminary): \$2,527,543**



Expenditures were also up substantially in 1999-2000, reflecting the costs associated with the increased research responsibilities. The increase in revenues more than offset the increase in expenditures, however, allowing the BEBR to transfer \$100,000 to the College. About 80% of the BEBR's expenditures were for wages and salaries, with the remainder going toward capital outlays, telephone, travel, postage, office supplies, and other expenses.

The biggest changes in the BEBR during the past year occurred in the **Survey Program**. Faculty members are increasingly using survey methods in their research and more government agencies are using survey data to evaluate their programs and services. This has led to an increased demand for survey services. The Survey Program responded to this demand by expanding its facilities and adding support staff. A new survey lab was set up at an off-campus location, adding an extra 30-40 survey stations. This makes the program one of the largest university-based survey units in the country. With its recent change to a Windows CATI system using a centralized database, the program is now positioned to handle large surveys such as a recently-completed survey of more than 25,000 customers of Florida's managed healthcare companies. The Survey Program currently employs nearly 150 interviewers and supervisors, two graduate students, a full-time data analyst and a full-time field director, in addition to the program director.

The Survey Program generated more than \$1 million in gross revenue during the past year, nearly ten times the amount generated only four years ago. This increased revenue not only helps support other BEBR research and service activities, but also produces jobs and training for undergraduate and graduate students and overhead money for the College and the University. The data generated through these surveys play an important role in supporting academic research and improving the ability of business leaders and government policy makers to make informed decisions. Members of the Survey Program also made two presentations at professional conferences and authored three academic publications during the past year. Current research focuses on egocentric network analysis and methods for estimating hard-to-count populations.

The **Forecasting Program** completed the second year of a cooperative forecasting arrangement with the Bureau of Labor Market and Performance Information in the Florida Department of Labor and Employment Security. This cooperative arrangement eliminates overlap in economic forecasts and

provides increased breadth and depth for long-term forecasts of Florida and its 20 metropolitan areas and 67 counties. The forecasts cover population, employment, labor force, unemployment, income growth by component, major construction sectors, and taxable sales. For the first time since 1991, BEBR forecasts are now being made available for all years in the forecast horizon, not just years ending in 0 or 5. The short-term forecasts for 2000 and 2001 are of special interest and fill a previous void in published substate market indicators. Starting next year, forecasts will extend to 2015 rather than 2010, the end date used in previous forecasts.

The Forecasting Program presented its research results in a variety of forums—academic journals, scholarly meetings, BEBR reports, the web, and live presentations to business groups and planning agencies. Future research will incorporate data from the 2000 Census into the forecasting database, requiring the revision of historical data series and an updating of forecasting models. This process will span several years. In addition, a new scholarly study on merging economic and demographic forecasts is expected to be completed and two analyses of forecast accuracy are expected to be published. Carol Taylor West, Forecasting Program Director, was recently appointed to the Governor’s Council of Economic Advisors and in the upcoming year will be sharing the policy implications of BEBR forecasts with that group and the Governor.

The **Policy Studies Program** continued its research for the Florida Department of Education on the Florida Price Level Index, which affects the allocation of nearly \$10 billion of K-12 funding each year. It recently completed a report recommending major changes in constructing this index, aimed at improving its accuracy and reducing its cost. Many of those changes are now being implemented, and next year the BEBR will be responsible for gathering all the data and calculating the index. Among other tasks, this will involve analyses of land prices and apartment rents and a telephone survey of each of Florida’s counties.

Staff members in the Policy Studies Program have also begun a multi-year study of transportation trends and conditions in Florida. This study is funded by the Florida Department of Transportation and will be conducted in collaboration with the Center for Urban Transportation Research at USF and the FAU/FIU Joint Center for Urban Research. Immediate responsibilities include projecting the economic conditions that will affect the demand for transportation infrastructure and services over the next 25 years and developing a model of transportation demand. Since transportation policy is fundamentally spatial, a crucial aspect of this research will be relating regional population and income growth to the underlying physical characteristics of a region, including its transportation infrastructure. The overall goal of this research is to illuminate the role of transportation policy in Florida’s regional economic development.

During the past year, members of the Policy Studies Program authored a journal article and a technical report and made eight presentations on Florida’s economic outlook to business, government, and professional groups throughout the state. Current research projects include the examination of spatial variations in wages, living costs, and amenities; the construction of regional price indexes; and the role of transportation policy in regional economic development. Dave Denslow, director of the Policy Studies Program, was recently appointed to a research committee intended to provide advice regarding a Statewide Strategic Plan for Economic Development.

The **Population Program** continued to produce the official population estimates for all cities and counties in Florida; estimates of households and average household size for the state and each county; and population projections by age, sex, and race for the state and each county. Staff members presented three papers at professional meetings, served on three committees for professional associations, and made four

presentations on various aspects of Florida's population growth to government and business groups throughout the state. Stan Smith, Director of the Population Program, completed the first year of a three-year term as a member of the U.S. Census Bureau Advisory Committee. June Nogle completed the first year of a three-year term as Secretary-Treasurer of the Southern Demographic Association.

Population Program staff members are actively involved in 2000 Census activities, participating in state and local census review committees and maintaining close contacts with the U.S. Census Bureau. June Nogle will participate in the Census Bureau's Full Count Review Program, making several trips to Census Bureau headquarters during the next six months to review preliminary population and housing counts for cities and counties in Florida. Program staff are currently doing research on seasonal and other temporary migration patterns in Florida, the determinants of average household size, and the methodology and analysis of state and local population projections. Future projects will include the evaluation of population estimates and projections using 2000 Census results.

The **Information and Publication Services Program** published eight serial volumes during the past year, including: *Florida County Rankings 1999*, *Florida County Perspectives 1999*, *Florida and the Nation 1999*, *Florida Personal Income Handbook 1999*, *1999 Housing Starts and Permits*, *1999 Building Permit Activity Reports*, *1999 Gross and Taxable Sales*, and *The Florida Statistical Abstract 1999*. The latter volume was awarded the Golden Gator 2000 "Award of Distinction" by the University's Office of Public Relations. Several of these publications have become fully or almost fully automated, reducing production time and eliminating a major source of errors. Staff members continue to answer more than 500 information calls each month and to maintain and redesign the BEBR's web site.

Staff members of the Information and Publication Services Program have been active participants in the Association for University Business and Economic Research (AUBER). Eve Irwin began serving a five-year term on AUBER's board of directors and several staff members organized and made presentations in three sessions of AUBER's fall conference. All members of the program have been actively involved in the functions, conferences, and competitions sponsored by the University of Florida Communications Network (UFCN).

The **Administrative Services Program** provided the background support that held the BEBR together, making it possible for staff members in the other programs to do their work. Administrative staff members managed the BEBR budget, tracked all revenues and expenditures, maintained and upgraded office facilities and equipment, provided technical support for all computer and network programs, maintained personnel files and appointments, handled orders and shipments of BEBR publications, provided oversight for compliance with University rules and regulations, and performed many other essential office tasks. The addition of a second survey lab created a great deal of additional work for the administrative staff, both in terms of outfitting the lab and processing a large number of new employee appointments. Staff members did an excellent job responding to these demands and finding new ways to make the BEBR operate more smoothly and efficiently.

The BEBR currently employs nineteen full-time staff members in its four research programs and two operations programs (Figure 2). This report provides a quick overview and summary of the BEBR's activities and output during the past year. For additional information on our products, services, and research activities, check out our website at www.bebr.ufl.edu or give us a call at (352) 392-0171.

**Figure 2. Organizational Chart, BEBR
July 2000**

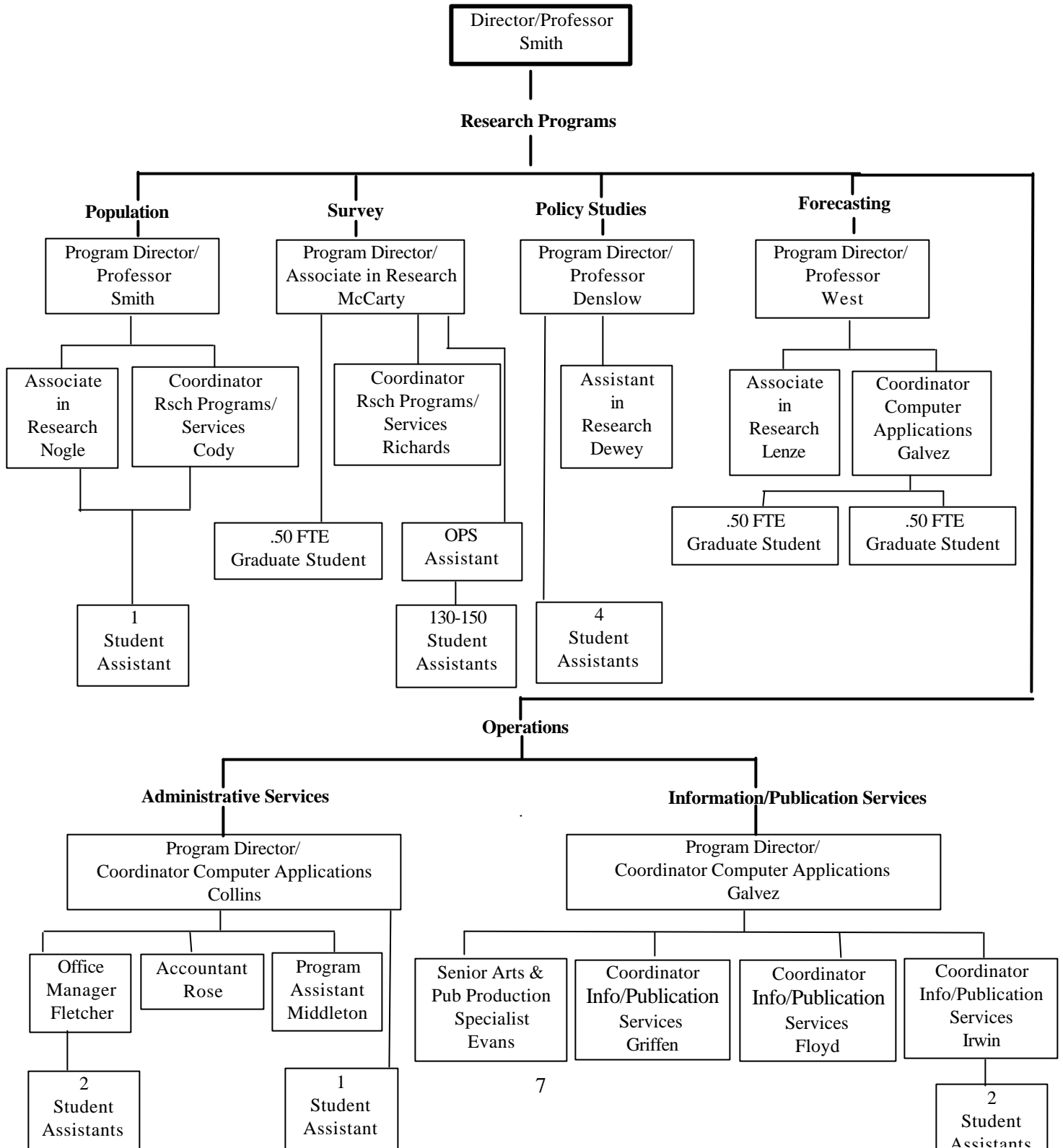


Table 1. Academic/Professional Publications, 1999-2000

Dewey, Jim

“More is Less? Regulation in a Rent Seeking World,” *Journal of Regulatory Economics*, (forthcoming).

McCarty, Chris

“Comparing Two Methods for Estimating Network Size,” *Human Organization*, (forthcoming) co-author.

“Measuring Structure in Egocentric Networks,” *Journal of Social Structure*, (forthcoming).

“A Power Law in Reports of Knowledge of Subpopulation Size,” *Journal of Mathematical Psychology*, (forthcoming) co-author.

West, Carol

“Regional Single-Family Housing Start Forecast Performance,” *Journal of Housing Research*, (forthcoming), co-author.

Table 2. Technical/Analytical/Data Publications, 1999-2000

Cody, Scott

“Number of Households and Average Household Size in Florida and Its Counties: April 1, 1999”,
Florida Population Studies, No. 125 (January 2000) co-author.

Florida Estimates of Population: April 1, 1999, (February 2000) co-author.

Denslow, David

“The Florida Price Level Index: Final Report,” report prepared for the Florida Department of
Education (January 2000), co-author.

Dewey, Jim

“The Florida Price Level Index: Final Report,” report prepared for the Florida Department of
Education (January 2000), co-author.

Floyd, Susan

The Florida Personal Income Handbook, 1999, (June 1999) senior editor.

Florida Statistical Abstract, 1999, (November 1999) senior editor.

Florida County Rankings, 1999, (January 2000) senior editor.

Florida and the Nation, 2000, (April 2000) senior editor.

Galvez, Janet

Florida Statistical Abstract, 1999, (November 1999) editor-in-chief.

Florida County Perspectives, 1999, (February 2000) senior editor.

Building Permit Activity in Florida, (May 1999 – April 2000) editor-in-chief.

Gross and Taxable Sales, (May 1999 – April 2000) editor-in-chief.

**Table 2. Technical/Analytical/Data Publications, 1999-2000
(continued)**

Griffen, Carol

Building Permit Activity in Florida, (May 1999 – April 2000) senior editor.

Gross and Taxable Sales, (May 1999 – April 2000) senior editor.

Irwin, Eve

1999 Florida Statistical Abstract, (November 1999) associate editor.

Florida County Rankings, 1999, (January 2000) associate editor.

Florida County Perspective, 1999, (February 2000) editor-in-chief.

Florida and the Nation, 2000, (April 2000) associate editor.

Lenze, David

The Florida Long-Term Economic Forecast, Vol. 1, State and MSAs, (September 1999) co-author.

The Florida Long-Term Economic Forecast, Vol. 2, State and Counties, (September 1999) co-author.

Nogle, June

“Population Projections by Age, Sex and Race for Florida and its Counties, 1998-2010,” *Florida Population Studies*, No. 124 (July 1999) co-author.

“Projections of Florida Population by County, 1999-2030,” *Florida Population Studies*, No. 126 (February 2000) co-author.

Smith, Stanley K.

“Population Projections by Age, Sex and Race for Florida and its Counties, 1998-2010,” *Florida Population Studies*, No. 124 (July 1999), co-author.

“Number of Households and Average Household Size in Florida and Its Counties: April 1, 1999,” *Florida Population Studies*, No. 125 (January 2000), co-author.

“Projections of Florida Population by County, 1999-2030,” *Florida Population Studies*, No. 126 (February 2000), co-author.

**Table 2. Technical/Analytical/Data Publications, 1999-2000
(continued)**

Florida Estimates of Population: April 1, 1999 (February 2000), co-author.

West, Carol

The Florida Long-Term Economic Forecast, Vol. 1, State and MSAs, (September 1999) co-author.

The Florida Long-Term Economic Forecast, Vol. 2, State and Counties, (September 1999) co-author.

Table 3. Papers Presented at Academic/Professional Meetings, 1999-2000

Floyd, Susan

“Economic Issues in Producing Statistical Abstracts” and “Easy Ways to Turn Your Abstract into Other Income-Producing Publications,” Association for University Business and Economic Research (AUBER) Fall Conference, Little Rock, AK, October 1999.

Lenze, David

“Merging Demographic and Economic Population Projections in the Context of Regional Forecasting Models,” Southern Regional Science Association Meeting, Miami, FL, April 2000, co-author.

McCarty, Chris

“Two Methods for Estimating Network Size,” Second International Network Sampling Workshop, Maastricht, Holland, March 2000

“Reliability of Proxy Reports in Egocentric Networks,” Sunbelt Social Network Conference, Vancouver, BC, Canada, April 2000

Nogle, June

“Taxes Paid by Immigrants Living in Florida and Metropolitan Miami,” Association of American Geographers, Pittsburgh, April, 2000.

Smith, Stanley K.

“Evaluating the HU Method: A Case Study,” Census Bureau Conference, Washington, DC, June 1999.

“Florida Demographic Trends,” Milken Institute, Santa Monica, CA, November 1999.

West, Carol

“Policy Sensitivity in Regional Dynamic Optimization Models,” North American Regional Science Association, Montreal, November, 1999.

“Merging Economic and Demographic Population Projections in the Context of Regional Forecasting Models,” Western Regional Science Association, Kauai, Hawaii, February 2000.

Table 4. Presentations to Civic/Government/Business Groups, 1999-2000

Denslow, David

- “Florida Economic Outlook,” Mortgage Bankers’ Association, Jacksonville, August 1999.
- “Florida Economic Outlook,” Mortgage Bankers’ Association, Gainesville, September 1999.
- “The Alachua County Economy,” Alachua County Economic Development Council, Gainesville, September 1999.
- “The Economic Outlook,” Florida Press Association, Orlando, September 1999.
- “The New Economy: Fact or Fiction?,” UF Undergrad Economics Club, Gainesville, October 1999.
- “The Economic Outlook,” UF Accounting Conference, Gainesville, November 1999.
- “The Economic Outlook,” CPAs in Industry, Tampa, March 2000.
- “Florida Economic Outlook,” DIS Advisory Council, Gainesville, April 2000.

Lenze, David

- “The Economic Outlook for Broward County, 1995-2010,” Broward Workshop, Naples, FL, May 1999.
- “The Economic Outlook for Hamilton County, 1995-2010,” Planning Working Group, White Springs, FL, May 1999.
- “What’s down the road? An economic forecast for Citrus County 1995-2010,” Economic Overview Session of the 1999 Leadership Citrus Program, Crystal River, FL, June 1999.
- “The Economic Outlook for Melbourne MSA, 1995-2010,” Captain's Table of the Eau Gallie Yacht Club, Indian Harbour Beach, FL, October 1999.

McCarty, Chris

- “Florida Health Insurance Survey,” Florida Health Insurance Survey Advisory Board Meeting, Orlando, FL, July 1999

Nogle, June

- “Fiscal Impacts of Immigration to Florida and Miami-Dade County.” Greater Miami Chamber of Commerce Executive Committee, Miami, May 1999.

**Table 4. Presentations to Civic/Government/Business Groups, 1999-2000
(continued)**

“Trends and Prospects for Florida’s Population.” Florida Press Association Annual Meeting, St. Augustine, June 1999.

“Trends and Prospects for Florida’s Population.” Florida Department of Transportation Land Use Modeling Workshop, Orlando, October 1999.

Smith, Stanley K.

“Florida’s Population in the 21st Century,” 21st Century Housing Emporium, Orlando, FL, July 1999.

Table 5. Contracts and Grants Awarded, 1999-2000*

Denslow, David

“Florida Price Level Index” Florida Department of Education, \$37,000.

“The Economy of Florida,” Florida Department of Transportation, \$49,756.

McCarty, Chris

Surveys conducted for:

Agency for Health Care Administration	\$424,000
Agency for Health Care Administration	\$275,000
Child Health Policy	\$83,244
Smith Richardson Foundation	\$69,800
Institute for Child Health Policy	\$44,130
Dept of Elder Affairs	\$42,000
Institute for Child Health Policy	\$40,200
Dept of Elder Affairs	\$33,000
Agency Health Care Policy & Research	\$29,700
National Science Foundation	\$15,888
Info Tech	\$10,500
Food & Resource Economics	\$8,800
IASCP	\$8,000
Game & Freshwater Fish Commission	\$7,000
University of South Florida	\$7,000
Gainesville Regional Utilities	\$6,500
Gainesville Regional Utilities	\$6,500
Department of Corrections	\$6,000
Florida Gulf Coast University	\$6,000
Public Service Commission	\$3,750
Alachua County Environmental Protection Department	\$3,500
Pinellas County Dental Association	\$3,500
Vanderbilt University	\$3,250
SRL Inc.	\$3,080
Florida Tourism Industry	\$2,562
Florida Tourism Industry	\$2,562
Florida Tourism Industry	\$2,562
Florida Tourism Industry	\$2,562
Indian River County	\$2,500
Health Services Administration	\$1,155
Northwestern University	\$650
Russ Bernard / IASCP	\$650

Table 5. Contracts and Grants, 1999-2000*
(continued)

Nogle, June

“2000 Census Full Count Review,” U.S. Census Bureau, \$25,190.

“Construction of Data Warehouse,” University of Florida Shimberg Center for Affordable Housing, \$8,100.

Smith, Stanley K.

“Florida Population Research,” Florida Legislature, \$253,659.

“Hispanic Population Estimates,” University of Miami, \$15,750.

West, Carol T.

“Florida Long-Run Econometric Forecasting Models,” Florida Department of Labor and Employment Security, \$180,000.

*Note: These were contracts and grants awarded for the 1999-2000 fiscal year. Not all payments were received during that 12-month period.

Table 6. Courses Taught, 1999-2000

Denslow, David A.

Sum	99	ECO 2013	Intro Macroeconomics	3 credits	250 students
Fall	99	ECO 2013	Intro Macroeconomics	3 credits	1900 students
Spr	00	ECO 2013	Intro Macroeconomics	3 credits	900 students

McCarty, Chris

Fall	99	ANT 6136	Social Network Analysis	3 credits	10 students
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Nogle, June

Spr	00	ECP 3113	Population Economics	4 credits	38 students
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