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The Manatee and Sarasota County Economies: An Overview¹

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Introduction

This factsheet provides an overview of a more detailed report that characterizes the economies of Manatee and Sarasota Counties. This effort is part of a larger project assessing the economic impacts of Red Tide events in the two-county region. (The complete report can be viewed online at <http://www.fred.ifas.ufl.edu/impact>.) Red Tide is a naturally occurring, harmful algal bloom that takes place in coastal waterways and contributes to human respiratory irritation; fish, bird, and animal mortality; and potential economic losses. This report emphasizes the economic attributes of Manatee and Sarasota Counties pertinent to an economic impact analysis of Red Tide events in the region. Special attention is given to information on population, income, employment, unemployment, retail sales, and tourism development tax proceeds. Information is also provided on commercial and recreational fisheries in Manatee and Sarasota Counties, sectors of the local economy that are particularly vulnerable to Red Tide events. This analysis is intended to evaluate the overall size and seasonal variations in the local economy to provide baseline information useful in gauging the impact of Red Tide events.

Population and Income

The populations of Manatee and Sarasota Counties have consistently increased between 1980 and 2000 (Figure 1). In 1995, population reached 301,258 for Sarasota County and 231,160 for Manatee County.

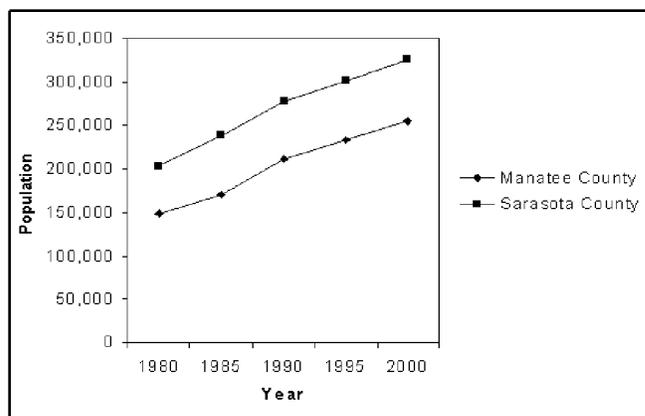


Figure 1. Population of Manatee and Sarasota Counties, 1980-2000. (*Florida Statistical Abstract*).

Population projections for the year 2000, estimated at 325,889 for Sarasota County and 233,160 for Manatee County, indicate continued growth. As a prominent demographic segment of Manatee and Sarasota Counties, the senior

1. This is EDIS document FE 178. A more detailed report was published as "The Economy of Manatee and Sarasota Counties." Staff Paper 00-1, University of Florida, Gainesville, FL, 2000. The complete report can be viewed online at www.fred.ifas.ufl.edu/impact. Please visit the EDIS web site at: <http://edis.ifas.ufl.edu>.
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population (over 65 years of age) increased between 1980 and 1995, and projections for the year 2000 indicate continued growth. During the year 2000, individuals aged 65 and over are expected to represent 29% of the Manatee County population and 32% of the Sarasota County population. The rate of growth in the senior populations of Manatee and Sarasota Counties surpassed growth rates for similar groups in both Florida and the United States between 1980 and 2000.

Per-capita personal income in Manatee and Sarasota Counties increased consistently between 1980 and 1997, averaging approximately \$36,000 in Sarasota County and \$27,000 in Manatee County in 1997 (Figure 2). Throughout the 1980-97 period, per-capita personal income levels in both counties exceeded levels evident in Florida and the United States between 1980 and 2000.

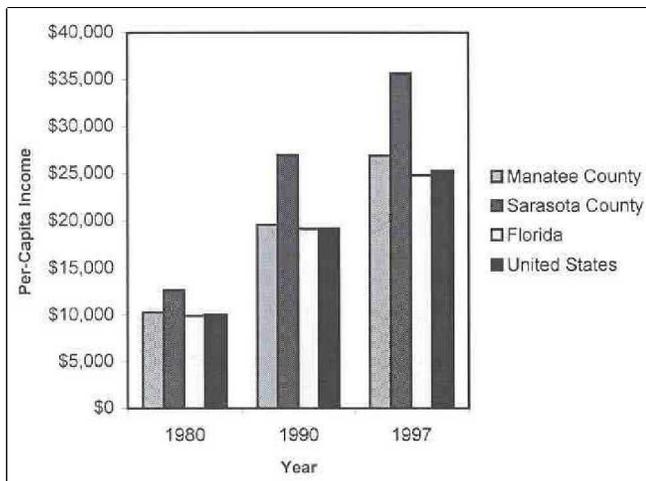


Figure 2. Per-Capita Personal Income in Manatee and Sarasota Counties, Florida, and the United States, 1980-1997. (*Regional Economic Information System, Bureau of Economic Analysis, U.S. Department of Commerce*).

In both counties, the income categories "dividends, interest, and rent" and "transfer payments" are dominant sources of income. This is consistent with the large group of individuals aged 65 and over, persons more likely to receive investment income and transfer payments. Regarding other sources of income, the services, retail trade, and manufacturing sectors are major contributors to earnings in both counties. In particular, the growth of services-related income sources between 1980-97 (913% in Manatee County

and 466% in Sarasota County) indicates that both counties are increasingly service-oriented economies.

Employment and Unemployment

Total employment in Manatee and Sarasota Counties increased between 1990 and 1998 by 23% in Manatee County and 19% in Sarasota County (Figure 3). Total employment in the two counties increased from 210,303 in 1990 to 253,713 in 1998. Although average monthly employment in both counties is not subject to wild fluctuations, mild seasonal variations are present. Rising employment trends are evident in the late autumn, winter, and early spring seasons, with lower employment levels during the rest of the year. Employment is concentrated in the services and retail trade sectors, which collectively account for 64% and 63% of total 1997 employment in Manatee and Sarasota counties, respectively. Unemployment rates in Manatee and Sarasota Counties have remained consistently lower than rates in other areas of Florida and the United States. In both Manatee and Sarasota Counties, the rate of unemployment in 1998 was at its lowest level since 1980.

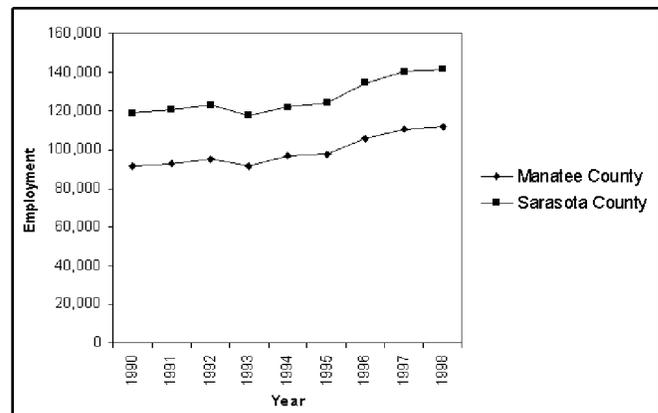


Figure 3. Employment in Manatee and Sarasota Counties, 1990-1998. (*Bureau of Labor Statistics, Florida Department of Employment and Labor Security*).

Retail Sales and Tourism Development Tax Proceeds

Gross retail sales grew by 65.5% in Manatee County and by 59.6% in Sarasota County between 1989 and 1998. Like employment, gross and taxable retail sales demonstrated general seasonality patterns of higher levels during the winter and spring months. The majority of 1998 gross retail sales were derived

from the general classification, automotive, commercial and industrial, food and beverage, and general merchandise retail sales groupings of Manatee and Sarasota Counties. Taxable retail sales grew by 68.3% in Manatee County and 60.7% in Sarasota County between 1989 and 1998. Monthly taxable retail sales in both counties exhibited consistent seasonal patterns of lows during the spring and summer seasons and highs during the winter months. As was the case for gross retail sales, the general classification, automotive, food and beverage, general merchandise, and commercial and industrial retail sales groupings represented prominent contributors of taxable retail sales in both counties during 1998.

Tourism development tax proceeds increased by 23% in Manatee County and 52% in Sarasota County between 1992 and 1997 (Figure 4). Total tourism development tax proceeds increased from \$4 million to \$5.6 million in the two counties.

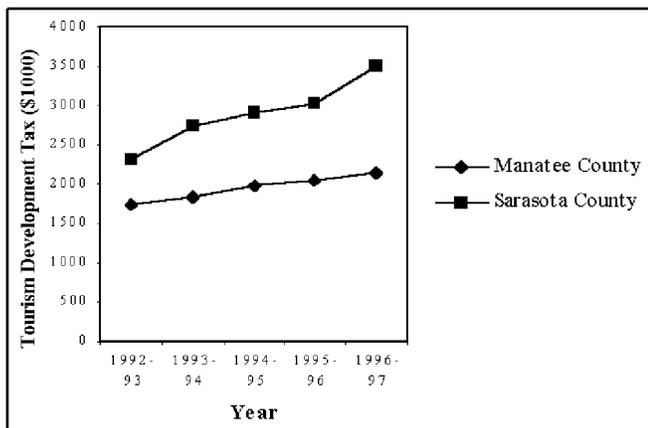


Figure 4. Tourism Development Tax Proceeds in Manatee and Sarasota Counties. (Florida Statistical Abstract).

Commercial and Recreational Fisheries

Of the two counties, Manatee County is the more fisheries-oriented economy, representing one of the leading seafood producing counties in Florida. The volume of commercial fisheries landings declined between 1985 and 1998 by 63% in Manatee County and 85% in Sarasota County. Overall, the value of commercial fisheries landings declined by 34.5% in Manatee County and by 32% in Sarasota County between 1985 and 1998 (Figure 5). These drops in volume and value are likely attributed to

statewide regulatory actions targeting overfishing activities.

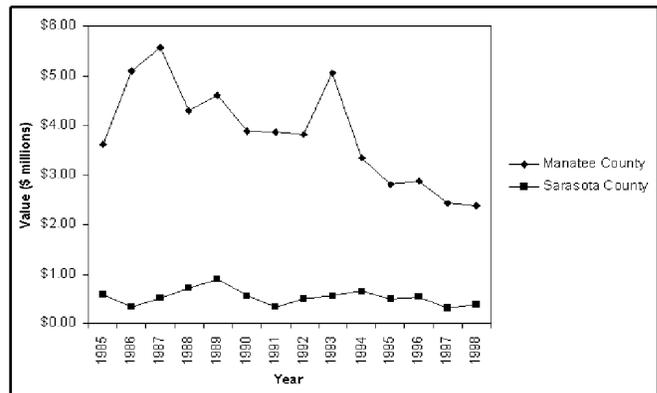


Figure 5. Value of Commercial Fisheries Landings in Manatee and Sarasota Counties, 1985-1998. (Florida Department of Environmental Protection, Marine Research Institute).

The number of commercial boat registrations increased slightly in Manatee and Sarasota Counties, 13% in Manatee County and 9.5% in Sarasota County, during the 1989-99 period. As a combined county total, commercial boat registrations grew from 1,084 in 1989-1990 to 1,211 in 1998-1999. Recreational vessel registrations in both counties grew from 29,607 to 35,320 between the years 1989 and 1999. Recreational vessel registrations grew by 28.9% in Manatee County and 11.9% in Sarasota County during the 1989-99 period.

Saltwater recreational fishing remains a more popular sport than freshwater recreational fishing in both counties. In 1998-99, approximately 25,000 saltwater recreational fishing licenses were distributed in Manatee County and 31,542 in Sarasota County, compared to the 11,065 total freshwater licenses distributed in both counties during the 1995-96 period. (The 1995-96 annual period contains the most recent data available on freshwater fishing permit distributions.) The number of freshwater recreational fishing licenses dropped by 13% in Manatee County and by 21% in Sarasota County between 1990 and 1996. The number of saltwater products licenses (distributed to commercial fishermen) also declined by 14% in Manatee County and 34% in Sarasota County between 1985 and 1998.

Conclusion

Information in this report indicates that Manatee and Sarasota Counties are both tourist-dependent economies with a relatively large retirement-age population. Tourism development tax proceeds have increased over time. Additionally, both gross and taxable retail sales have increased, as has employment in the retail trade and services sectors. Employment and retail sales in Manatee and Sarasota Counties exhibited seasonal patterns of highs during the winter and fall months and lows during the summer and spring months. Although employment in the retail trade and services sectors increased, increases in income accruing to these sectors were not as pronounced. The predominance of investment income and transfer payments in the region is consistent with the growing migration of seniors into the area.

Manatee and Sarasota Counties are characterized by high rates of growth in both population and per-capita personal income. This occurrence, coupled with a rise in the area's senior population, suggests that citizens of the region may have both the time and disposable financial resources to engage in recreational activities. Tourist visitors in Manatee and Sarasota Counties are also likely to seek recreational opportunities in the region. The fact that recreational boat registrations have risen in both counties supports this assertion. However, recreational activities associated with freshwater fishing have declined in the region as evidenced by reduced numbers of freshwater fishing permit sales. Although commercial boat registrations increased slightly in both Manatee and Sarasota Counties, commercial fishing in the region declined. Both the value and volume of commercial fisheries landings has dropped, coinciding with reduced sales of Saltwater Products Licenses. Changes in such license sales may be more directly linked with regulatory change, rather than environmental factors.