



## Virginia Population Projections Data Users Input Process Report

On November 22, 2016, an email request for input was sent to 23 state agency representatives identified by the Department of Planning and Budget, as well as to Executive Directors of 21 Planning District Commissions. In addition, the input request was sent to the Virginia Municipal League and the Virginia Association of Counties with the request that the information be forwarded to their members, as deemed appropriate.

Input comments were requested by December 15, 2016. By that date, we had received 19 responses in addition to a handful of comments and questions addressed by phone. Each written response was acknowledged and appropriate efforts to address the comments provided.

In addition, Qian Cai participated in a hour-long phone conference with a gathering of individuals in various Northern Virginia localities who are serving as demographers for their communities. Notes from that call were retained as well.

### **BENEFITS OF THE INPUT PROCESS**

We find that several benefits have accrued as a result of this round of review:

1. Data users have been alerted to the upcoming provisional projections release.
2. In advance of seeing the numbers, they have had an opportunity to read the background materials we provided, to understand the context for these sorts of projections, and to become familiar with the methodology.
3. Those who were concerned about the projections we produced in 2012 had an opportunity to voice their concerns again about the approach we used last time, and to see that we have changed the methodology to what we believe will produce a better result, especially for the short term projections.
4. We learned that many data users have very limited understanding of population data, of the difference between estimates and projections, and of the requirements associated with producing projections using a uniform methodology across the Commonwealth. This information helps us to imagine ways to communicate the informational materials more effectively.

## NATURE OF THE INPUT RECEIVED

Everyone who has commented expressed appreciation for DPB's approach to a well-informed and transparent process that is open to input from data users.

1. Reviewers who provided comments to us generally found that the methodology for this round is an improvement over the one used in 2012, and believe it would produce numbers more reflective of recent trends.
2. A few reviewers took the opportunity to reprise their disagreement over the 2012 projections, criticizing again the methodology used for those projections, even though it bears no resemblance of the methodology developed for this round.
3. A few Northern Virginia localities argue that we should use their locality-produced 2015 estimates (in place of the 2015 state official estimates) as part of the input data. These individuals see that the growth rate we propose to use (calculated from our estimates between 2010 and 2015) will be either higher (in one case) or lower (in another case) than what they anticipate. This raises a fundamental question about the criteria for data we used to produce the projections, which is to use only input data consistently available for all localities. Customizing projections to incorporate different vintages or even types of data across localities fundamentally changes the nature (and appropriate uses) of the projections. Such a change in approach should not be undertaken lightly or without full understanding of the impact on the projections comparability and utility.
4. The Northern Virginia Planning District Commission suggested producing a high-low range, incorporating locality-provided input data. We are open to the idea of producing projection ranges, but concerned about less-resource-rich localities not having their own data (see item 3 above), as well as the costs of producing a high-mid-low range of projections.
5. Some reviewers recommended an annual survey of users to document the application of the projections, and possibly to clear up the end-use of the projections. Such a survey may have merit, but it is a separate project from actually producing the projections; and a statewide survey of this nature, as well as the necessary additional work to validate and document results, would require a substantial amount of funding.
6. Some respondents propose an option to adjust the projection numbers when a locality disagrees and can provide sufficient evidence to substantiate their position. We are, and have always been, open to looking at hard evidence to justify a change. Unfortunately, locality-originated differences often arise from starting with different assumptions or unique input data. This takes us back to item 3 above and the ultimate purpose and use of the official state projections. We worked very hard this year to design a concrete and straightforward methodology that should minimize, if not eliminate, the need for any manual adjustment. These challenges can only be evaluated on a case-by-case basis, but, under the current approach to projections, it should not be assumed that any locality-originated data shall result in an adjustment.
7. Several towns asked if there would be projections for towns. We would consider producing large town projections in the next round's scope of service.
8. Several reviewers generously shared with us how they produced the local projections.
9. A few state agencies told us how they use the projections and when during the fiscal year they need them. It should be noted that the concerns about discrepancies between locality projections and the official state projections come from localities, not from state agency users. This is actually

logical. State agencies need to have projections data that are comparable across localities – thereby requiring a uniform methodology and standard input data. Localities need custom projections. Perhaps this introduces the possibility that two sets of projections are needed. (Only the former is covered by the scope of services for this work).

10. Some commented that the timing of input seeking of this nature would be better in the beginning, rather than in the middle, of the process.

In general, respondents to the request for input were positive about the process and the new methodology. Many still have difficulty understanding that projections are not meant to be precise predictions of the future, rather than a ballpark estimate based on observed past trends and assumptions about the future.

As we have said in the past, and in our current background documents as well, locality-produced projections can be as valid as uniform statewide projections. Locality-specific projections may be particularly appropriate for locality-level planning. The values of the state official projections are that they are a consistent set for every locality based on the same methodology and input data, and perhaps more importantly, they are not driven or affected by local politics.

From our point of view, no comments provided in this input period require we delay the release of provisional projections; as a matter of fact, everyone is looking forward to reviewing provisional numbers and providing more specific comments.