

SIERRA COUNTY ECONOMIC FORECAST

Sierra County is located on the California-Nevada state border. It was a hub of activity during the gold rush, and experienced a large amount of in-migration in the mid 1800's. According to the 1880 Census, the county had a population of 6,623. By 2012, it was the second smallest county in California, with only 3,089 residents. Sierra County has 637 wage and salary jobs, a per capita income of \$36,664, and an average salary per worker of \$47,935.

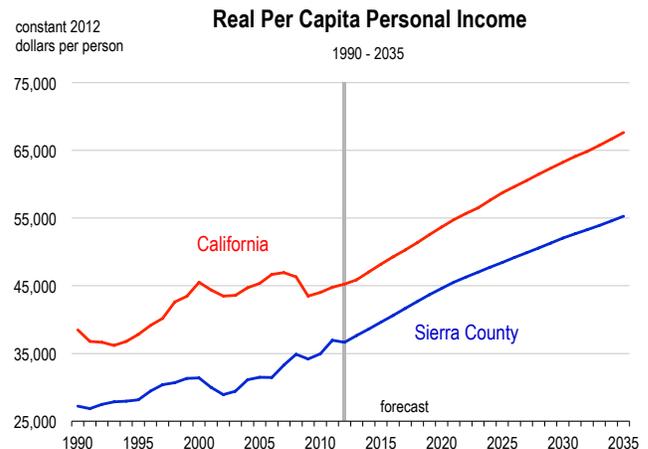
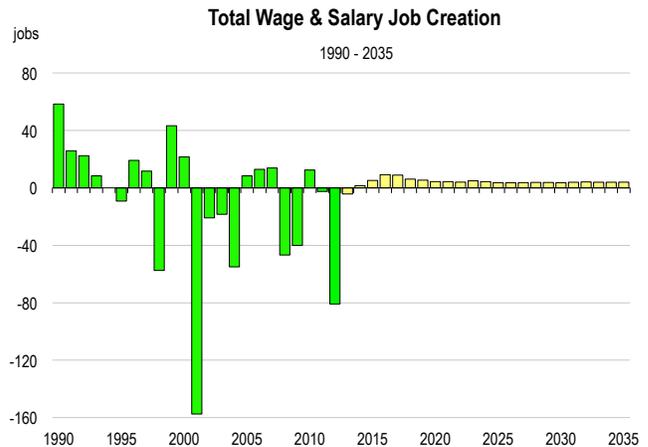
In 2012, Sierra County lost 81 wage and salary jobs, representing a decline of 11.3 percent. The unemployment rate, although still high, fell from 14.8 percent in 2011 to 14.4 percent in 2012.

The goods producing sector gained 5 jobs last year, bringing total jobs in that sector to 29. The public sector, which represents 56 percent of total employment in the county, lost 28 jobs. In addition, the services sector declined sharply, falling by 59 jobs.

Between 2007 and 2012, the population of Sierra County declined at an annual average rate of 1.6 percent. The majority of this decrease was the result of out-migration, as the county lost an average of 43 net migrants per year. However, the county also experienced a natural decrease (deaths outnumbering births), which was responsible for a small portion of the overall population decline.

FORECAST HIGHLIGHTS

- Total wage and salary employment is expected to decline by 0.7 percent in 2013. However, growth will turn positive thereafter, and over the following five years, total employment will increase at an average rate of 1.0 percent per year.
- Average salaries are well below the California state average, and will remain so over the forecast period. Inflation-adjusted salaries are expected to increase at an average annual rate of 0.6 percent per year during the 2013-2018 period.
- Between 2013 and 2018, the goods producing sector is forecast to grow at an annual rate of 14.6 percent, resulting in a cumulative total of 31 new jobs. The services sector will grow at an annual rate of 0.8 percent, and the public sector will decline by 0.6 percent per year.
- The population is expected to decline throughout the 2013-2018 period. Over this time frame, the annual average decrease will be 1.3 percent.

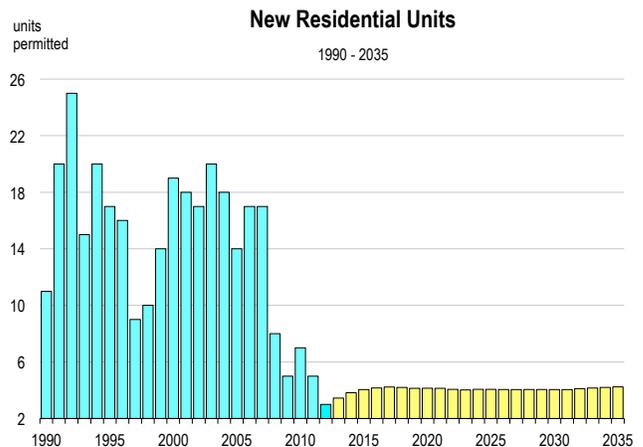
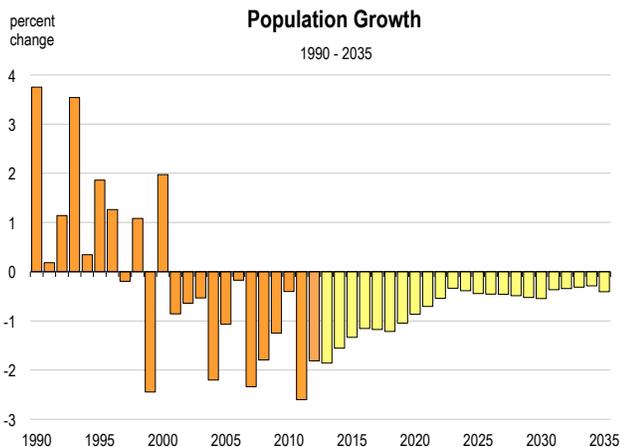


- Net migration will also remain negative. Over the next five years, the county will lose an average of 21 net migrants per year.
- Between 2013 and 2018, the growth rate of real per capita income will average approximately 2.5 percent per year.
- Total taxable sales, adjusted for inflation, are forecast to increase by 1.8 percent per year from 2013 to 2018.
- Between 2013 and 2018, the growth rate of industrial production will average 17.2 percent per year, as the goods producing sector expands rapidly.

Sierra County Economic Forecast

2006-2012 History, 2013-2040 Forecast

	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (millions)	Personal Income (millions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (millions)	Unemploy- ment Rate (percent)
2006	3,424	-6	5.5	1.5	17	\$25.98	\$94.07	\$31,448	3.3	7.3	23.0	7.6
2007	3,344	-63	5.4	1.5	17	\$23.95	\$100.30	\$33,275	3.2	7.2	22.9	8.0
2008	3,284	-44	5.4	1.5	8	\$20.88	\$106.50	\$34,898	3.1	6.4	11.1	10.6
2009	3,243	-34	5.4	1.5	5	\$16.22	\$103.96	\$34,188	0.9	5.5	5.3	15.3
2010	3,230	-16	5.4	1.5	7	\$18.46	\$107.12	\$34,942	1.2	6.5	6.5	15.5
2011	3,146	-72	5.3	1.5	5	\$15.77	\$113.18	\$36,951	2.6	8.4	5.2	14.8
2012	3,089	-50	5.3	1.5	3	\$18.92	\$113.26	\$36,664	2.7	8.3	6.4	14.4
2013	3,032	-38	5.2	1.5	3	\$20.59	\$116.73	\$37,649	2.3	8.9	7.1	12.7
2014	2,985	-30	5.2	1.5	4	\$21.79	\$120.98	\$38,606	2.7	9.3	9.1	11.7
2015	2,945	-23	5.2	1.5	4	\$22.68	\$125.11	\$39,616	2.1	9.5	10.9	10.6
2016	2,911	-17	5.1	1.5	4	\$23.57	\$129.83	\$40,619	2.4	9.7	13.0	9.9
2017	2,877	-17	5.0	1.5	4	\$24.37	\$134.36	\$41,644	2.1	9.7	14.5	9.7
2018	2,842	-18	4.9	1.5	4	\$25.17	\$138.82	\$42,671	2.1	9.8	15.7	9.6
2019	2,812	-12	4.9	1.5	4	\$26.00	\$143.63	\$43,680	2.1	9.8	16.9	9.6
2020	2,788	-6	4.8	1.5	4	\$26.83	\$148.55	\$44,626	2.1	9.9	17.9	9.5
2021	2,768	-1	4.7	1.5	4	\$27.70	\$153.81	\$45,514	2.2	9.9	18.9	9.2
2022	2,753	5	4.6	1.5	4	\$28.61	\$159.19	\$46,280	2.3	9.9	19.9	8.8
2023	2,744	12	4.6	1.5	4	\$29.53	\$164.84	\$47,004	2.3	9.9	20.6	8.7
2024	2,733	11	4.5	1.5	4	\$30.49	\$170.74	\$47,734	2.4	9.9	21.8	8.7
2025	2,721	10	4.4	1.5	4	\$31.49	\$176.75	\$48,461	2.4	9.9	22.9	8.7
2026	2,709	10	4.3	1.5	4	\$32.52	\$182.89	\$49,166	2.5	9.9	24.0	8.7
2027	2,696	11	4.3	1.5	4	\$33.58	\$189.22	\$49,869	2.5	9.9	25.2	8.7
2028	2,683	11	4.2	1.5	4	\$34.66	\$195.72	\$50,593	2.5	9.9	26.4	8.7
2029	2,669	11	4.1	1.5	4	\$35.79	\$202.38	\$51,317	2.5	9.9	27.7	8.7
2030	2,654	11	4.0	1.5	4	\$36.95	\$209.17	\$52,033	2.5	9.9	29.1	8.7
2031	2,645	16	3.9	1.5	4	\$38.12	\$216.21	\$52,685	2.5	9.9	30.5	8.7
2032	2,636	17	3.9	1.5	4	\$39.32	\$223.35	\$53,288	2.5	9.9	32.0	8.7
2033	2,627	18	3.8	1.5	4	\$40.54	\$230.82	\$53,916	2.5	9.9	33.5	8.7
2034	2,620	20	3.8	1.5	4	\$41.81	\$238.66	\$54,561	2.5	9.9	35.2	8.7
2035	2,609	17	3.7	1.5	4	\$43.13	\$246.76	\$55,271	2.5	9.9	36.9	8.7
2036	2,593	12	3.7	1.5	4	\$44.51	\$254.93	\$56,041	2.5	9.9	38.6	8.7
2037	2,577	12	3.6	1.5	4	\$45.92	\$263.39	\$56,828	2.5	9.9	40.4	8.6
2038	2,563	14	3.6	1.5	4	\$47.35	\$272.21	\$57,615	2.5	9.9	42.2	8.6
2039	2,550	16	3.5	1.5	4	\$48.78	\$281.36	\$58,416	2.5	9.9	44.2	8.6
2040	2,534	14	3.5	1.5	4	\$50.20	\$290.65	\$59,265	2.4	9.9	45.8	8.6

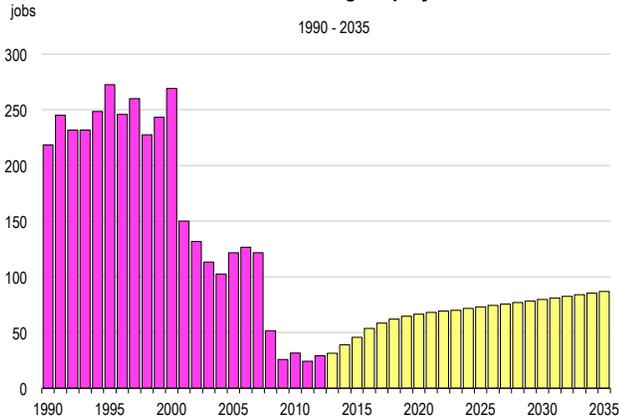


Sierra County Employment Forecast

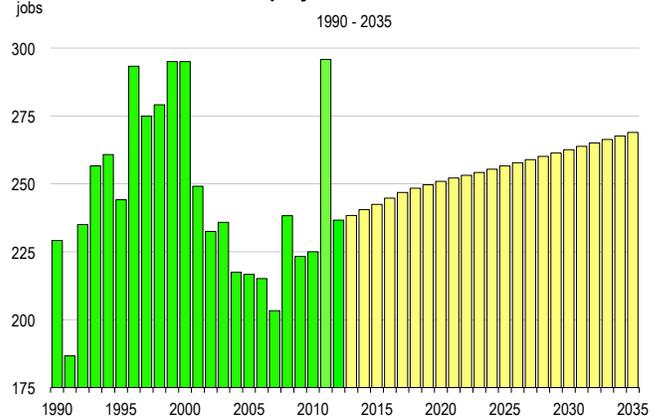
2006-2012 History, 2013-2040 Forecast

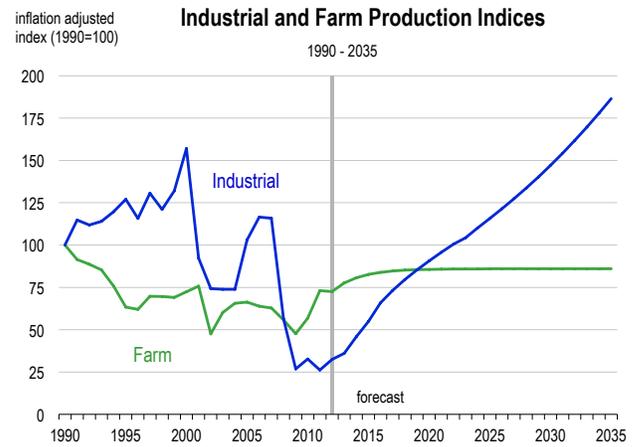
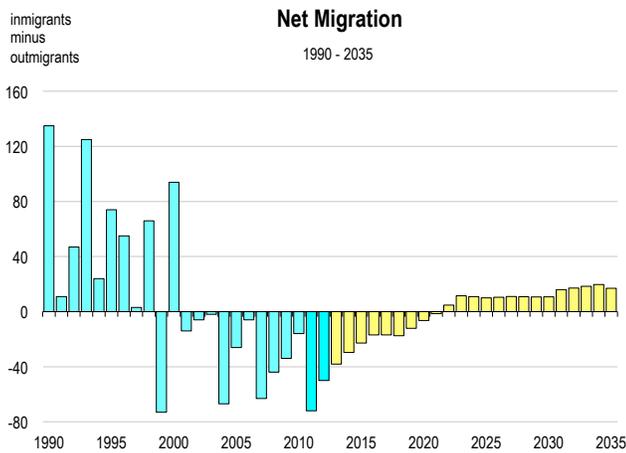
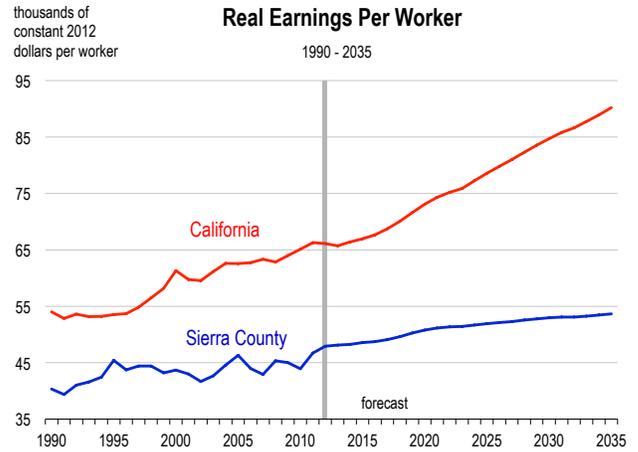
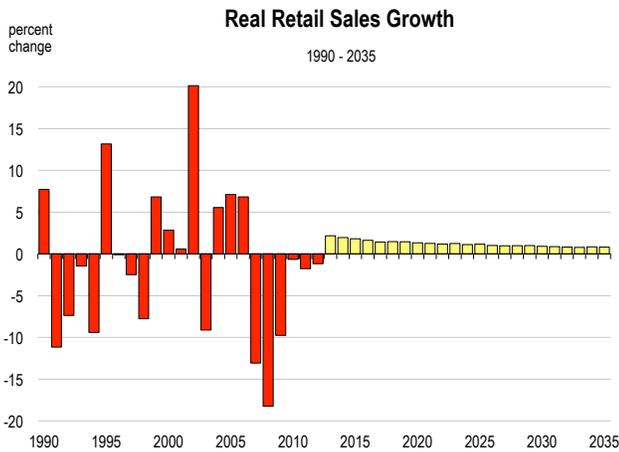
	Total Wage & Salary	Farm	Goods Producing	Services	Government
	-----employment (thousands of jobs)-----				
2006	0.780	0.013	0.127	0.215	0.426
2007	0.794	0.023	0.122	0.203	0.447
2008	0.748	0.022	0.052	0.238	0.436
2009	0.708	0.021	0.026	0.223	0.438
2010	0.720	0.018	0.032	0.225	0.445
2011	0.718	0.014	0.024	0.296	0.383
2012	0.637	0.015	0.029	0.237	0.356
2013	0.632	0.015	0.031	0.238	0.348
2014	0.634	0.015	0.039	0.241	0.340
2015	0.639	0.015	0.046	0.242	0.336
2016	0.648	0.015	0.054	0.245	0.335
2017	0.657	0.015	0.058	0.247	0.337
2018	0.663	0.015	0.062	0.248	0.338
2019	0.669	0.015	0.065	0.250	0.340
2020	0.673	0.015	0.066	0.251	0.341
2021	0.678	0.015	0.068	0.252	0.342
2022	0.682	0.015	0.069	0.253	0.344
2023	0.686	0.015	0.070	0.254	0.347
2024	0.691	0.015	0.072	0.255	0.349
2025	0.694	0.015	0.073	0.257	0.350
2026	0.698	0.015	0.074	0.258	0.351
2027	0.702	0.015	0.076	0.259	0.352
2028	0.706	0.015	0.077	0.260	0.354
2029	0.709	0.015	0.078	0.261	0.355
2030	0.713	0.015	0.080	0.263	0.356
2031	0.717	0.015	0.081	0.264	0.357
2032	0.721	0.015	0.083	0.265	0.359
2033	0.725	0.015	0.084	0.266	0.360
2034	0.729	0.015	0.085	0.268	0.361
2035	0.733	0.015	0.087	0.269	0.362
2036	0.737	0.015	0.088	0.270	0.364
2037	0.741	0.015	0.090	0.272	0.365
2038	0.745	0.015	0.091	0.273	0.366
2039	0.749	0.015	0.092	0.274	0.367
2040	0.753	0.015	0.094	0.276	0.369

Goods Producing Employment



Employment in Services





County Economic and Demographic Indicators

Projected Economic Growth (2013-2018)

Expected retail sales growth:	8.5 %
Expected job growth:	4.9 %
Fastest growing jobs sector:	Goods Producing
Expected personal income growth:	6.2 %

Expected population growth:	-6.3 %
Net migration to account for:	N/A
Expected growth in number of vehicles:	-5.8 %

Demographics (2013)

Unemployment rate (April 2013)	13.9 %
County Rank* in California (58 counties):	54th
Working age (16-64) population:	63.4 %

Population with B.A. Degree or higher:	22.8 %
Median Home Selling Price (2012):	\$98,000
Median Household Income:	\$48,807

Quality of Life

Violent Crime rate (2010):	588 per 100,000 persons
County Rank* in California (58 counties):	52nd
Average Commute Time to work (2013):	30.7 minutes

High School drop out rate (2011):	3.0 %
Households at/below poverty line (2013):	6.6 %

* The county ranked 1st corresponds to the lowest rate in California