

EL DORADO COUNTY ECONOMIC FORECAST

El Dorado County is home to the town of Coloma, where the first discoveries of gold sparked the California gold rush. It is part of the greater Sacramento Valley, and shares its eastern border with the state of Nevada. It is also home to a portion of Lake Tahoe, one of the most popular recreational destinations in the state. As a result, leisure and hospitality is one of the county's largest industries, accounting for 16 percent of total wage and salary employment.

El Dorado County has a population of 184,000 people and approximately 49,000 wage and salary jobs. The per capita income is \$56,011 and the average salary per worker is \$52,749.

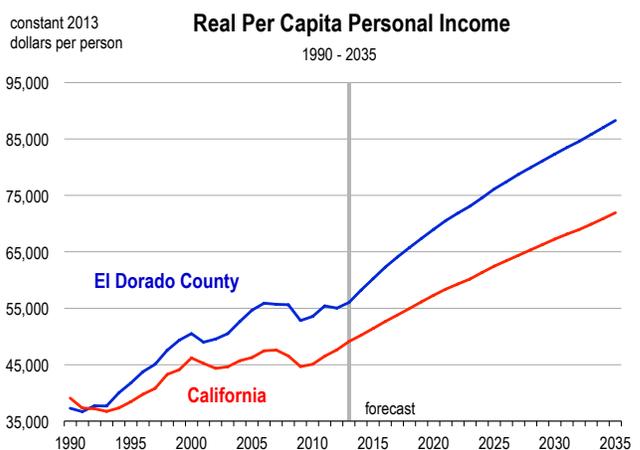
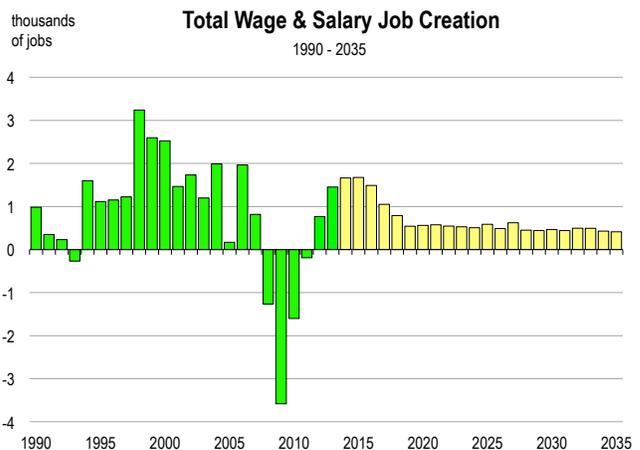
Employment across Northern California increased by 3.7 percent in 2013, whereas employment in the Sacramento Valley (consisting of Sacramento, Yolo, Placer, El Dorado, Yuba and Sutter counties) increased by 2.6 percent. In El Dorado County, 1,500 wage and salary jobs were gained, representing a growth rate of 3.0 percent. The unemployment rate improved substantially, falling from 10.3 percent in 2012 to 8.5 percent in 2013.

During 2013, most sectors were characterized by positive job growth. The largest increases occurred in education and healthcare (+340 jobs), construction (+340 jobs), leisure and hospitality (+310 jobs), and professional and business services (+180 jobs). Significant losses were not observed in any sectors.

Over the 2008-2013 period, the El Dorado County population increased at a rate of 0.6 percent per year. The majority of this growth was the result of in-migration, as the county gained an average of 670 net migrants per year.

FORECAST HIGHLIGHTS

- Total employment is expected to increase by 3.4 percent in 2014. From 2014 to 2019, the growth rate is forecast to average 2.1 percent per year.
- Average salaries are currently below the California state average, and will remain so throughout the forecast. In El Dorado County, inflation-adjusted salaries are expected to rise by an average of 2.4 percent per year between 2014 and 2019.
- Over the 2014-2019 period, employment growth will be greatest in professional and business services (+1,700 jobs), construction (+940 jobs), education and healthcare (+690 jobs), and leisure and hospitality (+630 jobs). Together, these sectors will account for 71 percent of net job creation between 2014 and 2019.
- Over the 2014-2019 period, population growth is expected to average 0.6 percent per year.

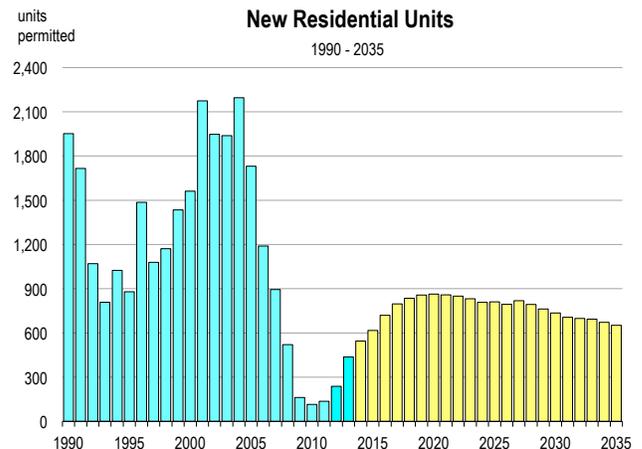
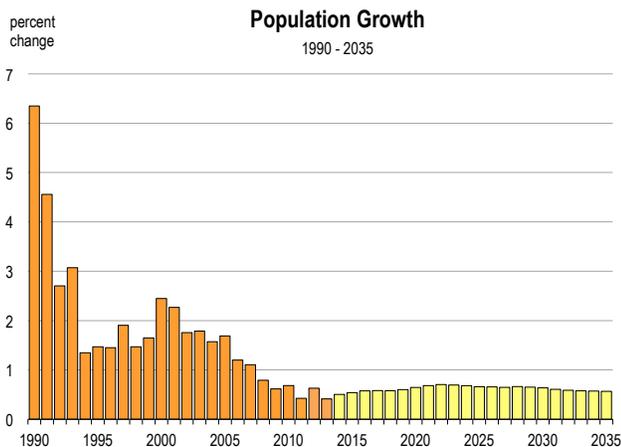


- Between 2014 and 2019, an average of 930 net migrants will enter the county each year, representing 87 percent of total population growth.
- Real per capita income is expected to rise by 3.9 percent in 2014. Between 2014 and 2019, real per capita income will increase by 3.0 percent per year.
- Total taxable sales, adjusted for inflation, are expected to increase by an average of 2.8 percent per year between 2014 and 2019.
- Industrial production is forecasted to increase by 8.0 percent in 2014. From 2014 to 2019, industrial production is projected to grow at an average annual rate of 4.8 percent.

El Dorado County Economic Forecast

2006-2013 History, 2014-2040 Forecast

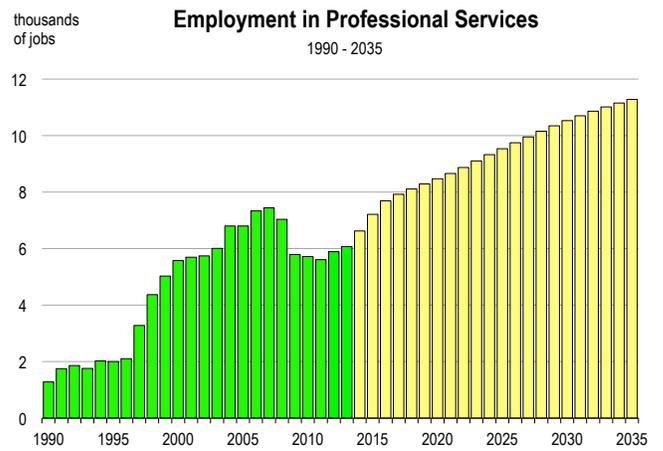
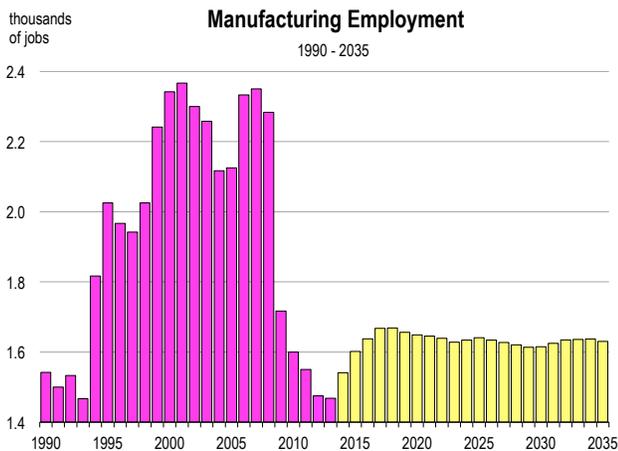
	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (millions)	Unemploy- ment Rate (percent)
2006	175,258	1,324	228	67.7	1,189	\$1.9	\$8.4	\$55,887	3.2	34.4	557.2	4.6
2007	177,195	1,243	224	68.7	894	\$1.9	\$8.7	\$55,701	3.4	39.2	582.8	5.2
2008	178,599	785	222	69.2	521	\$1.8	\$9.0	\$55,611	3.0	32.3	596.9	7.0
2009	179,701	609	219	69.7	162	\$1.5	\$8.7	\$52,832	0.8	39.0	439.9	11.1
2010	180,931	863	215	70.2	115	\$1.6	\$9.0	\$53,531	1.3	37.7	399.2	12.5
2011	181,700	447	213	70.3	137	\$1.7	\$9.6	\$55,405	2.7	37.9	396.0	11.9
2012	182,845	865	209	70.3	238	\$1.7	\$9.8	\$55,032	2.7	48.2	400.1	10.3
2013	183,600	545	216	70.5	437	\$1.9	\$10.3	\$56,011	2.2	48.6	415.7	8.5
2014	184,525	797	214	70.7	545	\$2.0	\$11.0	\$58,206	2.7	48.7	448.8	7.4
2015	185,522	892	213	70.9	617	\$2.1	\$11.8	\$60,253	3.2	49.3	480.7	6.5
2016	186,590	963	215	71.2	720	\$2.3	\$12.7	\$62,292	3.1	50.1	504.8	5.7
2017	187,676	955	220	71.6	797	\$2.4	\$13.4	\$64,059	2.3	50.8	529.2	5.4
2018	188,763	926	224	72.1	835	\$2.5	\$14.2	\$65,754	2.2	51.3	549.8	5.3
2019	189,899	923	230	72.6	857	\$2.6	\$15.0	\$67,359	2.3	51.8	567.4	5.2
2020	191,124	958	235	73.2	864	\$2.7	\$15.8	\$68,962	2.3	52.0	586.0	5.2
2021	192,429	992	240	73.8	858	\$2.8	\$16.6	\$70,524	2.4	52.1	604.1	5.3
2022	193,783	1,009	243	74.4	850	\$3.0	\$17.5	\$71,845	2.5	52.4	622.0	5.2
2023	195,128	973	245	75.1	832	\$3.1	\$18.3	\$73,101	2.4	52.7	640.4	5.2
2024	196,458	944	246	75.8	808	\$3.2	\$19.3	\$74,588	2.4	53.0	661.3	5.2
2025	197,755	896	248	76.5	811	\$3.3	\$20.3	\$76,110	2.4	53.2	683.3	5.2
2026	199,053	899	249	77.1	794	\$3.5	\$21.3	\$77,395	2.4	53.3	703.6	5.2
2027	200,341	893	250	77.8	819	\$3.6	\$22.3	\$78,725	2.4	53.4	724.9	5.1
2028	201,670	932	251	78.5	793	\$3.8	\$23.4	\$79,935	2.4	53.6	748.7	5.2
2029	202,984	916	253	79.2	763	\$3.9	\$24.4	\$81,127	2.4	53.7	773.5	5.2
2030	204,277	890	256	79.8	735	\$4.1	\$25.6	\$82,315	2.4	53.6	801.2	5.2
2031	205,518	829	260	80.5	706	\$4.3	\$26.7	\$83,473	2.4	53.4	832.2	5.1
2032	206,726	792	264	81.1	698	\$4.5	\$27.9	\$84,576	2.4	53.6	864.4	5.1
2033	207,919	777	267	81.8	694	\$4.7	\$29.1	\$85,797	2.4	53.8	895.3	5.1
2034	209,108	771	270	82.4	672	\$5.0	\$30.4	\$87,026	2.4	54.0	927.3	5.1
2035	210,293	762	274	83.0	652	\$5.2	\$31.8	\$88,295	2.4	54.0	957.3	5.1
2036	211,453	746	278	83.6	639	\$5.4	\$33.2	\$89,579	2.4	54.2	988.0	5.1
2037	212,569	730	283	84.2	620	\$5.7	\$34.7	\$90,911	2.4	54.3	1,019.8	5.1
2038	213,614	694	289	84.7	606	\$5.9	\$36.3	\$92,328	2.4	54.0	1,052.3	5.1
2039	214,577	647	295	85.3	596	\$6.2	\$38.0	\$93,807	2.4	54.0	1,085.9	5.1
2040	215,464	611	301	85.8	579	\$6.4	\$39.7	\$95,298	2.4	54.0	1,122.9	5.1

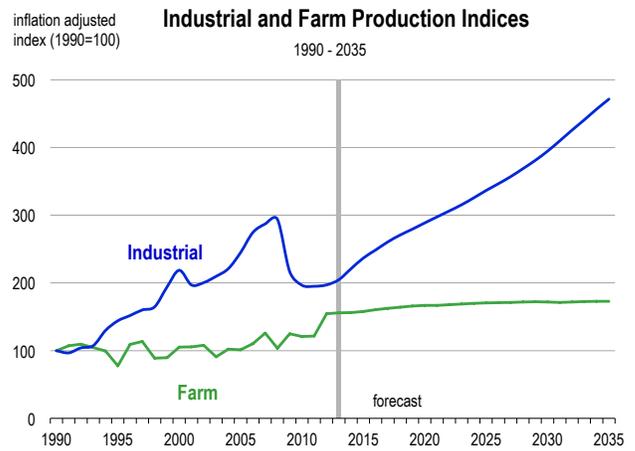
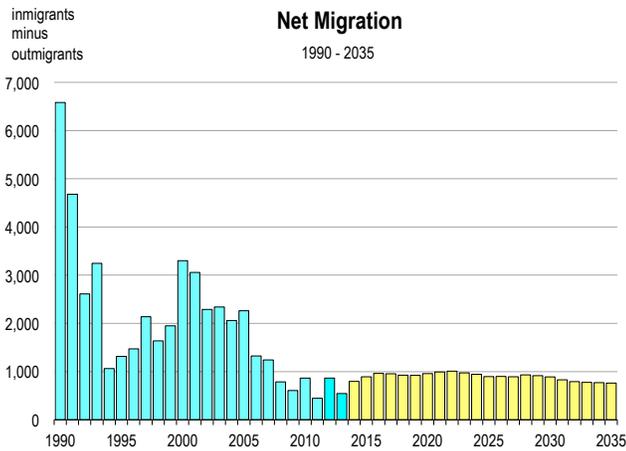
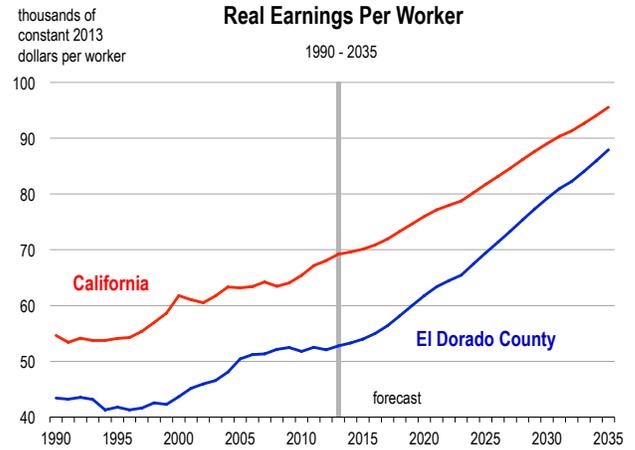
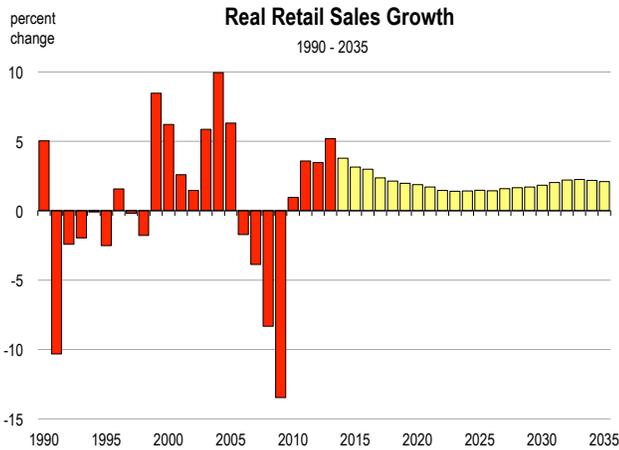


El Dorado County Employment Forecast

2006-2013 History, 2014-2040 Forecast

	Total Wage & Salary	Farm	Construction	Manufacturing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
	-----employment (thousands of jobs)-----											
2006	52.7	0.40	5.6	2.3	0.7	6.9	3.4	7.3	0.7	6.0	7.7	9.5
2007	53.5	0.37	5.7	2.4	0.7	7.0	3.5	7.4	0.8	6.1	7.6	9.8
2008	52.2	0.33	4.8	2.3	0.6	6.9	3.6	7.0	0.7	6.5	7.3	10.2
2009	48.7	0.33	3.4	1.7	0.6	6.2	3.5	5.8	0.6	6.5	7.0	11.1
2010	47.1	0.29	3.0	1.6	0.5	6.2	3.5	5.7	0.5	6.0	7.2	10.8
2011	46.9	0.29	3.0	1.6	0.5	6.3	3.5	5.6	0.4	6.2	7.4	10.5
2012	47.6	0.25	2.9	1.5	0.5	6.3	3.7	5.9	0.5	6.6	7.6	10.3
2013	49.1	0.25	3.3	1.5	0.5	6.4	3.8	6.1	0.5	6.9	7.9	10.3
2014	50.7	0.25	3.5	1.5	0.6	6.5	3.8	6.6	0.5	7.1	8.0	10.4
2015	52.4	0.26	3.8	1.6	0.6	6.6	3.9	7.2	0.5	7.3	8.2	10.5
2016	53.9	0.27	4.1	1.6	0.6	6.7	3.9	7.7	0.5	7.4	8.4	10.6
2017	55.0	0.27	4.4	1.7	0.7	6.8	3.9	7.9	0.5	7.5	8.5	10.6
2018	55.7	0.28	4.4	1.7	0.7	6.9	3.9	8.1	0.5	7.7	8.6	10.8
2019	56.3	0.28	4.5	1.7	0.7	7.0	3.9	8.3	0.5	7.8	8.7	10.8
2020	56.8	0.29	4.5	1.6	0.7	7.0	3.9	8.5	0.5	7.9	8.7	10.8
2021	57.4	0.29	4.6	1.6	0.7	7.1	3.9	8.7	0.6	8.0	8.7	10.9
2022	58.0	0.29	4.7	1.6	0.8	7.2	3.8	8.9	0.6	8.2	8.7	10.9
2023	58.5	0.29	4.7	1.6	0.8	7.2	3.8	9.1	0.6	8.3	8.8	11.0
2024	59.0	0.30	4.7	1.6	0.8	7.3	3.8	9.3	0.6	8.4	8.8	11.1
2025	59.6	0.30	4.7	1.6	0.8	7.3	3.8	9.5	0.6	8.5	8.8	11.1
2026	60.1	0.30	4.6	1.6	0.8	7.4	3.8	9.7	0.6	8.6	8.8	11.2
2027	60.7	0.30	4.7	1.6	0.8	7.4	3.9	10.0	0.6	8.7	8.8	11.3
2028	61.2	0.30	4.6	1.6	0.9	7.5	3.9	10.2	0.6	8.8	8.9	11.4
2029	61.6	0.30	4.6	1.6	0.9	7.5	3.9	10.3	0.6	8.9	8.9	11.5
2030	62.1	0.30	4.5	1.6	0.9	7.6	3.9	10.5	0.6	9.0	8.9	11.5
2031	62.5	0.30	4.4	1.6	0.9	7.7	3.9	10.7	0.6	9.1	8.9	11.6
2032	63.0	0.30	4.4	1.6	0.9	7.7	3.9	10.9	0.6	9.1	8.9	11.7
2033	63.5	0.30	4.4	1.6	0.9	7.8	4.0	11.0	0.6	9.2	9.0	11.8
2034	63.9	0.31	4.3	1.6	1.0	7.9	4.0	11.2	0.6	9.3	9.0	11.9
2035	64.3	0.30	4.2	1.6	1.0	7.9	4.0	11.3	0.6	9.4	9.0	11.9
2036	64.8	0.31	4.2	1.6	1.0	8.0	4.0	11.4	0.6	9.5	9.0	12.0
2037	65.2	0.31	4.2	1.6	1.0	8.1	4.0	11.5	0.6	9.6	9.0	12.1
2038	65.6	0.30	4.1	1.6	1.0	8.1	4.1	11.7	0.6	9.7	9.1	12.2
2039	66.1	0.30	4.1	1.6	1.0	8.2	4.1	11.8	0.6	9.8	9.1	12.3
2040	66.5	0.30	4.1	1.6	1.1	8.2	4.1	11.9	0.6	9.8	9.1	12.4





County Economic and Demographic Indicators

Projected Economic Growth (2014-2019)

Expected retail sales growth:	13.3%
Expected job growth:	10.9%
Fastest growing jobs sector:	Construction
Expected personal income growth	19.1%

Expected population growth:	2.9%
Net migration to account for:	86.7%
Expected growth in number of vehicles:	7.5%

Demographics (2014)

Unemployment rate (April 2014):	7.4%
County rank* in California (58 counties):	21st
Working age (16-64) population:	65.0%

Population with B.A. degree or higher:	30.3%
Median home selling price (2013):	\$332,000
Median household income:	\$64,431

Quality of Life

Violent crime rate (2012):	243 per 100,000 persons
County rank* in California (58 counties):	11th
Average commute time to work (2014):	30.3 minutes

High school drop out rate (2012):	7.0%
Households at/below poverty line (2014):	5.7%

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