

MODOC COUNTY ECONOMIC FORECAST

Modoc County is located in the northeastern corner of the state, bordering both Nevada and Oregon. Approximately 90 percent of the land in the county consists of national forests and wilderness area. The county's official slogans include, "The last best place" and "Where the West still lives."

Modoc County has a population of 9,000 people and a total of 3,000 wage and salary jobs. The per capita income is \$39,828 and the average salary per worker is \$44,655. The largest employer in the county is the government, which accounts for 45 percent of all wage and salary jobs.

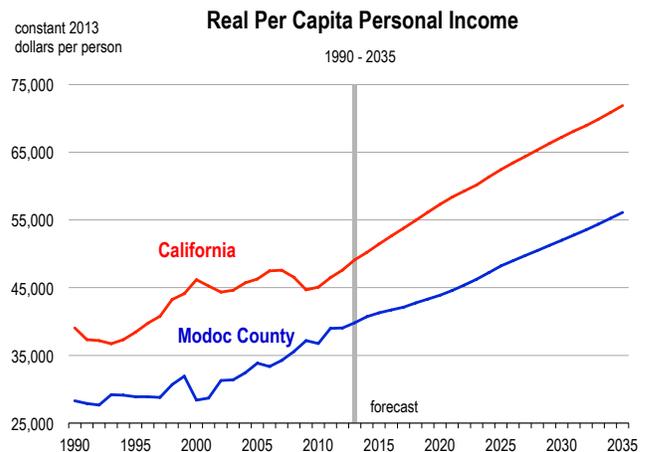
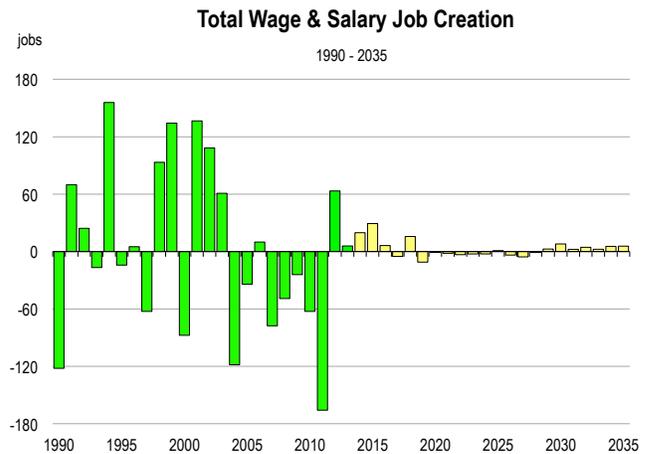
In 2013, employment in Modoc was virtually flat. The farm sector gained 35 jobs, whereas the non-farm sector lost 29 jobs. Despite stagnant job creation, the unemployment rate improved substantially, falling from 13.6 percent in 2012 to 11.7 percent in 2013.

Over the course of the year, results were mixed among the major employment sectors. The largest gains were observed in agriculture (+35 jobs), the goods-producing sector (+30 jobs), and education and healthcare (+17 jobs). The largest declines occurred in government (-54 jobs) and trade, transportation, and utilities (-16 jobs).

Between 2008 and 2013, the population of Modoc County declined at an annual average rate of 0.7 percent. This was largely due to out-migration between 2011 and 2013, when an average of 112 net-migrants left the county each year. However, the county also experienced a natural decrease (deaths outnumbering births), which contributed to overall population decline.

FORECAST HIGHLIGHTS

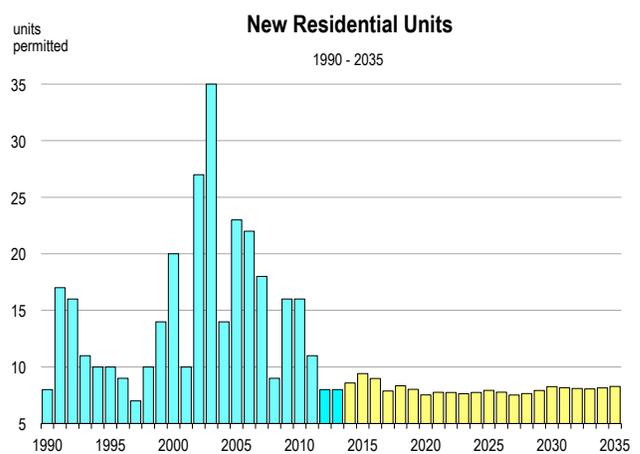
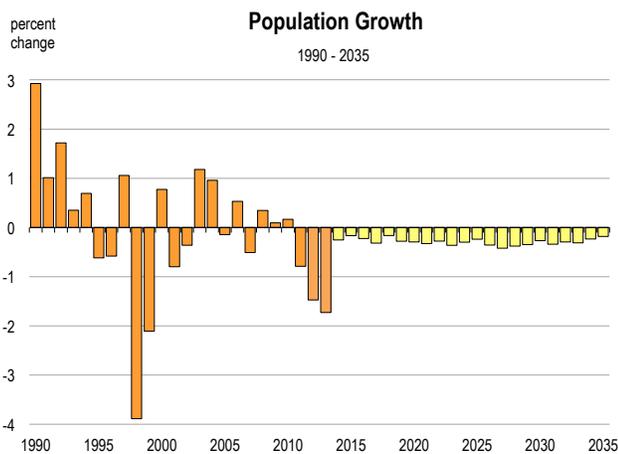
- In 2014, total wage and salary employment will increase by 0.7 percent. Over the 2014-2019 period, the growth rate will average 0.3 percent per year. This is one of the slowest rates in the state.
- Average salaries are currently below the California state average, and will remain so over the forecast period. In Modoc County, inflation-adjusted salaries are expected to increase by an average of 0.6 percent per year over the 2014-2019 period.
- Between 2014 and 2019, the principal employment growth will occur in the education and healthcare industry, and the trade, transportation, and utilities sector. Together, these sectors will account for the majority of the net job growth in the county.
- Over the 2014-2019 period, the population will decline by 0.2 percent per year. The county will gain an average of 12 residents per year through net migration, but will experience a reduction of 33 residents per year through the natural decrease (deaths outnumbering births).
- Real per capita income is forecast to rise by 2.2 percent in 2014. Over the following five years, real per capita income is expected to increase at an annual average rate of 1.2 percent.
- Total taxable sales, adjusted for inflation, are expected to rise by 1.1 percent per year between 2014 and 2019.
- Industrial production is forecast to rise by 7.3 percent in 2014. Over the following five years, total industrial production will increase at an annual average rate of 2.2 percent.
- Total crop production, adjusted for inflation, is expected to increase by an average of 0.7 percent per year between 2014 and 2019.



Modoc 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 (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	9,639	64	13.3	4.0	22	\$90	\$274	\$33,363	3.2	109.1	36.4	7.8
2007	9,590	-31	13.5	4.0	18	\$89	\$290	\$34,252	3.4	104.1	32.6	8.1
2008	9,623	38	13.7	4.0	9	\$92	\$311	\$35,547	2.9	117.8	34.3	9.7
2009	9,632	28	13.7	4.1	16	\$78	\$328	\$37,194	0.8	114.5	27.3	12.5
2010	9,648	-2	13.6	4.1	16	\$75	\$329	\$36,749	1.3	117.8	24.6	14.4
2011	9,572	-73	13.3	4.1	11	\$87	\$356	\$39,001	2.7	117.1	14.9	15.1
2012	9,431	-123	12.9	4.1	8	\$98	\$360	\$39,068	2.7	117.5	12.6	13.6
2013	9,268	-141	13.1	4.1	8	\$93	\$369	\$39,828	2.3	118.4	19.2	11.7
2014	9,244	4	13.2	4.1	9	\$102	\$387	\$40,717	2.8	119.6	20.6	10.6
2015	9,229	16	13.3	4.1	9	\$107	\$404	\$41,271	3.3	120.6	22.0	9.7
2016	9,208	13	13.3	4.1	9	\$112	\$421	\$41,732	3.2	121.5	22.1	8.9
2017	9,179	5	13.3	4.1	8	\$115	\$433	\$42,133	2.4	122.3	21.7	8.6
2018	9,164	19	13.4	4.1	8	\$119	\$449	\$42,745	2.3	123.0	22.7	8.4
2019	9,138	8	13.3	4.1	8	\$124	\$465	\$43,326	2.4	123.6	23.1	8.4
2020	9,112	7	13.3	4.1	8	\$128	\$480	\$43,873	2.3	124.0	23.4	8.3
2021	9,082	3	13.3	4.1	8	\$132	\$498	\$44,566	2.5	124.4	24.3	8.4
2022	9,057	9	13.3	4.1	8	\$137	\$519	\$45,367	2.6	124.7	25.0	8.3
2023	9,024	2	13.3	4.1	8	\$143	\$540	\$46,253	2.5	125.1	25.8	8.3
2024	8,997	9	13.3	4.1	8	\$148	\$563	\$47,214	2.5	125.4	26.6	8.3
2025	8,975	16	13.3	4.2	8	\$154	\$588	\$48,206	2.5	125.8	27.6	8.3
2026	8,943	6	13.3	4.2	8	\$160	\$610	\$48,983	2.5	126.2	28.3	8.3
2027	8,906	1	13.2	4.2	8	\$166	\$632	\$49,744	2.5	126.4	29.0	8.3
2028	8,872	4	13.2	4.2	8	\$172	\$655	\$50,486	2.5	126.7	30.1	8.3
2029	8,841	7	13.3	4.2	8	\$178	\$679	\$51,233	2.5	127.0	31.5	8.3
2030	8,817	14	13.3	4.2	8	\$184	\$704	\$52,009	2.5	127.2	33.0	8.3
2031	8,787	7	13.3	4.2	8	\$191	\$730	\$52,782	2.5	127.2	34.1	8.3
2032	8,762	9	13.3	4.2	8	\$198	\$757	\$53,560	2.5	127.4	35.2	8.3
2033	8,734	6	13.3	4.2	8	\$206	\$785	\$54,377	2.5	127.7	36.3	8.3
2034	8,714	11	13.3	4.2	8	\$214	\$816	\$55,231	2.5	128.0	37.7	8.3
2035	8,698	14	13.4	4.2	8	\$222	\$848	\$56,105	2.5	128.2	39.2	8.3
2036	8,689	20	13.4	4.2	8	\$231	\$881	\$56,966	2.5	128.6	40.8	8.2
2037	8,675	15	13.4	4.2	8	\$240	\$915	\$57,839	2.5	129.0	42.1	8.2
2038	8,655	10	13.4	4.2	8	\$249	\$951	\$58,747	2.5	129.1	43.3	8.2
2039	8,638	13	13.5	4.2	8	\$258	\$988	\$59,678	2.5	129.4	44.9	8.2
2040	8,626	19	13.5	4.2	8	\$268	\$1,027	\$60,607	2.5	129.6	48.1	8.2

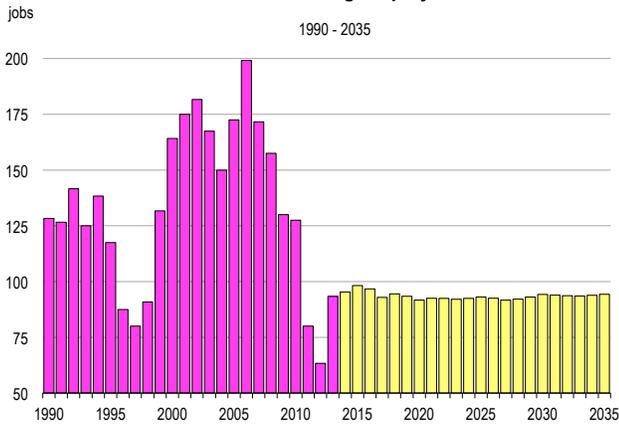


Modoc County Employment Forecast

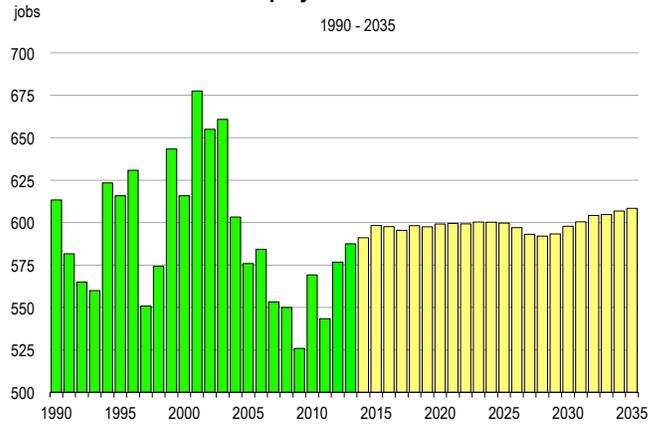
2006-2013 History, 2014-2040 Forecast

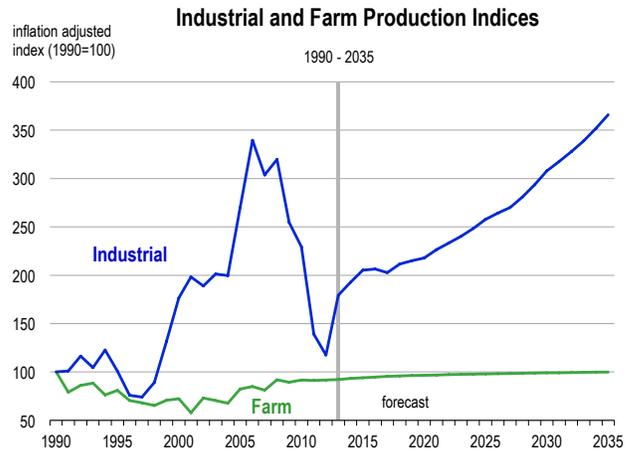
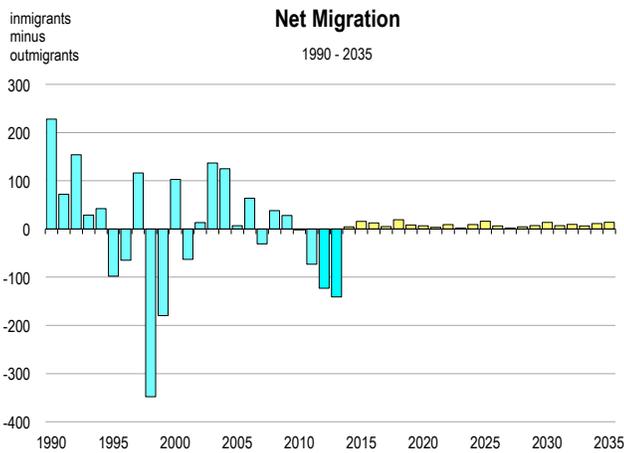
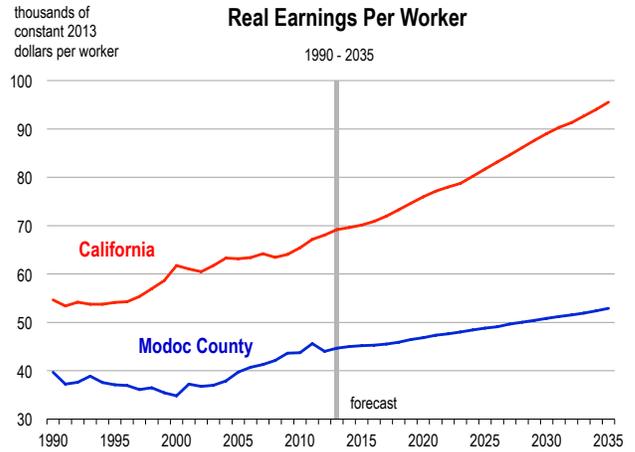
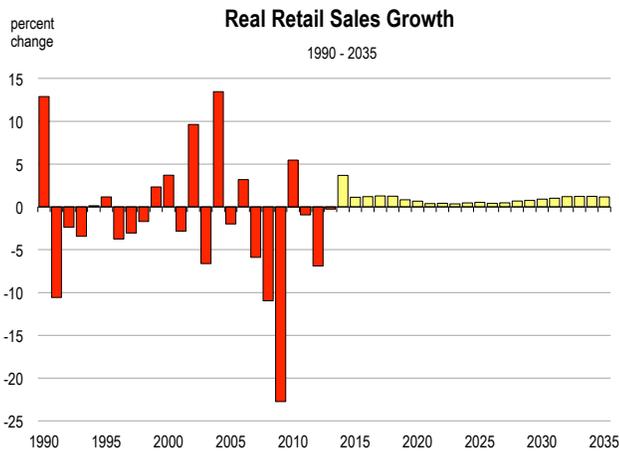
	Total Wage & Salary	Farm	Goods Producing	Trade, Transportation, and Utilities	Health & Education	Leisure	Government
-----employment (thousands of jobs)-----							
2006	2.974	0.345	0.199	0.459	0.155	0.140	1.387
2007	2.897	0.333	0.172	0.470	0.158	0.126	1.369
2008	2.848	0.364	0.158	0.422	0.157	0.133	1.354
2009	2.823	0.351	0.130	0.415	0.193	0.134	1.402
2010	2.761	0.320	0.128	0.403	0.190	0.153	1.341
2011	2.595	0.330	0.080	0.378	0.191	0.147	1.264
2012	2.658	0.360	0.063	0.414	0.197	0.167	1.244
2013	2.664	0.395	0.093	0.398	0.213	0.166	1.190
2014	2.684	0.397	0.095	0.417	0.214	0.167	1.184
2015	2.713	0.398	0.098	0.422	0.220	0.167	1.197
2016	2.719	0.399	0.097	0.427	0.221	0.166	1.199
2017	2.714	0.400	0.093	0.431	0.222	0.165	1.195
2018	2.730	0.400	0.094	0.435	0.224	0.165	1.202
2019	2.719	0.401	0.093	0.437	0.225	0.164	1.190
2020	2.719	0.402	0.092	0.438	0.229	0.163	1.188
2021	2.717	0.402	0.093	0.439	0.230	0.162	1.183
2022	2.714	0.403	0.092	0.441	0.230	0.161	1.178
2023	2.711	0.403	0.092	0.443	0.233	0.160	1.173
2024	2.709	0.403	0.092	0.444	0.233	0.160	1.168
2025	2.709	0.404	0.093	0.446	0.232	0.159	1.167
2026	2.706	0.404	0.093	0.447	0.231	0.158	1.165
2027	2.700	0.405	0.092	0.449	0.229	0.157	1.162
2028	2.699	0.405	0.092	0.450	0.229	0.156	1.160
2029	2.702	0.405	0.093	0.452	0.230	0.155	1.158
2030	2.710	0.405	0.094	0.454	0.235	0.154	1.158
2031	2.712	0.406	0.094	0.456	0.239	0.153	1.156
2032	2.717	0.406	0.094	0.458	0.243	0.152	1.155
2033	2.719	0.406	0.094	0.460	0.245	0.151	1.155
2034	2.724	0.406	0.094	0.462	0.247	0.151	1.155
2035	2.730	0.407	0.094	0.464	0.249	0.150	1.157
2036	2.737	0.407	0.095	0.466	0.251	0.150	1.159
2037	2.741	0.408	0.094	0.468	0.252	0.150	1.161
2038	2.745	0.408	0.094	0.470	0.254	0.149	1.162
2039	2.751	0.408	0.094	0.472	0.256	0.148	1.164
2040	2.759	0.408	0.095	0.473	0.258	0.148	1.167

Goods Producing Employment



Employment in Services





County Economic and Demographic Indicators

Projected Economic Growth (2014-2019)

Expected retail sales growth:	5.8%
Expected job growth:	1.3%
Fastest growing jobs sector:	Education and Health
Expected personal income growth:	5.2%

Expected population growth:	-1.2%
Net migration to account for:	N/A
Expected growth in number of vehicles:	1.1%

Demographics (2014)

Unemployment rate (April 2014):	11.1%
County rank* in California (58 counties):	40th
Percent of population working age (16-64):	60.4%

Population with B.A. degree or higher:	16.2%
Median home selling price (2013):	\$50,000
Median household income:	\$38,457

Quality of Life

Violent crime rate (2012):	732 per 100,000 persons
County rank* in California (58 counties):	56th
Average commute time to work (2014):	19.3 minutes

High School drop out rate (2012):	7.5%
Households at/below poverty line (2014):	14.3%

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