

FRESNO COUNTY ECONOMIC FORECAST

Fresno County is one of the most productive agricultural counties in the nation. In each of the last five years, total agricultural output has exceeded \$6 billion. Almonds are the most prevalent commodity, followed by grapes, poultry, milk, and tomatoes. Fresno County, located in the San Joaquin Valley, has a population of 981,000 people and a total of 371,900 wage and salary jobs. The per capita income is \$37,037 and the average salary per worker is \$49,708.

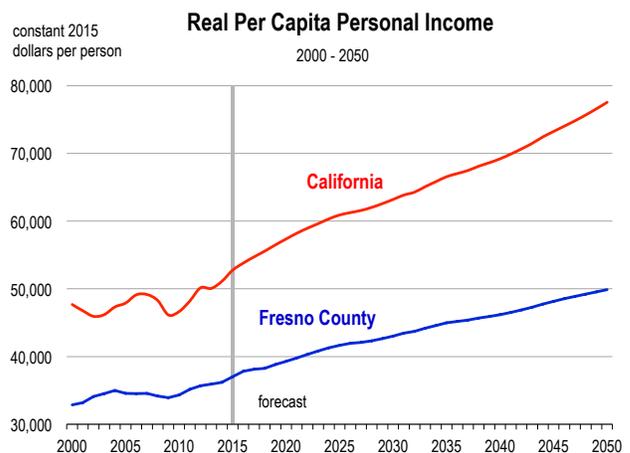
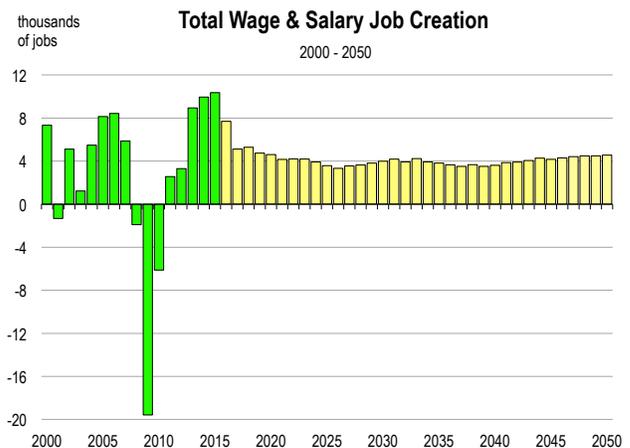
In 2015, employment across Northern California increased by 3.3 percent, whereas employment in the San Joaquin Valley (Fresno, Kings, Madera, Merced, San Joaquin, Stanislaus, and Tulare counties) grew by 3.1 percent. Fresno County gained 10,400 jobs, representing a growth rate of 2.9 percent. The unemployment rate improved substantially, falling from 11.6 percent in 2014 to 10.2 percent in 2015.

In 2015, the largest job gains were observed in education and healthcare (+3,500 jobs), government (+2,500 jobs), manufacturing (+1,500 jobs), wholesale and retail trade (+1,200 jobs), and construction (+1,000 jobs). The largest declines were observed in agriculture (-1,500 jobs).

Between 2010 and 2015, the population increased at an annual average rate of 1.1 percent. This growth was almost entirely due to the natural increase (new births), as net migration was virtually flat.

FORECAST HIGHLIGHTS

- Total wage and salary employment is expected to increase by 2.1 percent in 2016. Over the 2016-2021 period, growth will average 1.2 percent per year.
- Average salaries are currently below the California state average, and will remain so for the foreseeable future. In Fresno County, inflation-adjusted salaries are expected to rise by 0.5 percent per year during the 2016-2021 period.
- Between 2016 and 2021, employment growth will be led by professional services, healthcare and education, and government. Together, these sectors will account for 68 percent of net job creation in the county.
- Population growth will remain strong, but will decelerate from current levels. Over the 2016-2021 period, gains will average 1.1 percent per year.

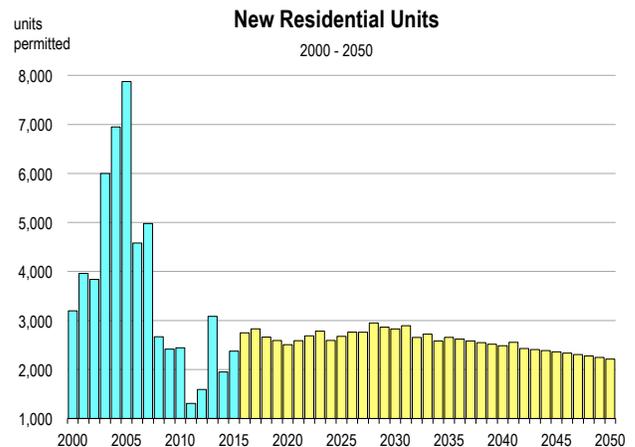
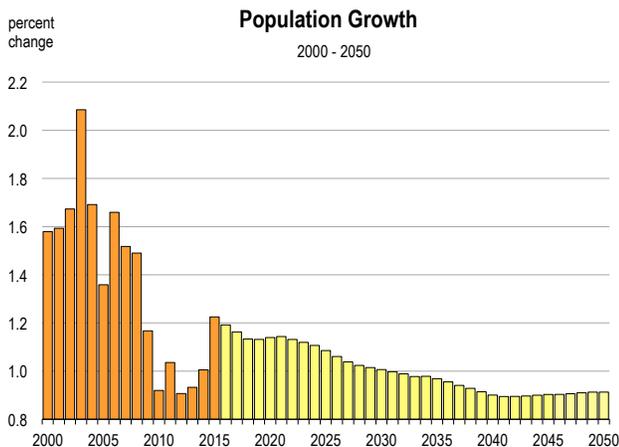


- Net migration is expected to be positive over the forecast period. Between 2016 and 2021, net migration will average 1,400 people per year.
- Real income per capita is expected to increase by 2.1 percent in 2016, and by an average of 1.0 percent per year between 2016 and 2021.
- Total taxable sales, adjusted for inflation, will rise by an average of 1.7 percent per year between 2016 and 2021.
- Industrial production is projected to rise by 1.3 percent in 2016. Between 2016 and 2021, industrial production will increase at an average rate of 2.4 percent per year.
- Farm production is expected to increase by 0.8 percent per year between 2016 and 2021. The principal crops in the county are grapes and almonds.

Fresno County Economic Forecast

2010-2015 History, 2016-2050 Forecast

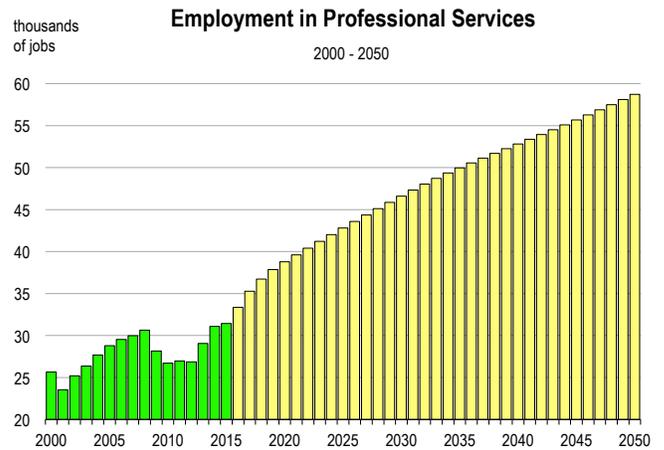
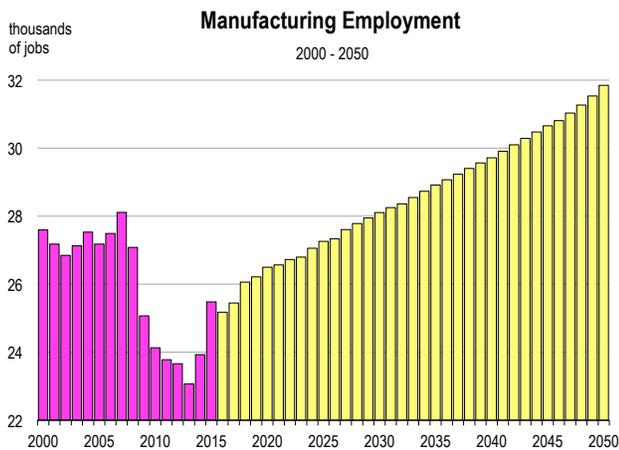
	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (billions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
2010	932,392	-1,980	721	289.4	2,444	\$10.2	\$29.1	\$34,340	1.3	6.5	7.2	16.7
2011	942,047	-682	717	290.8	1,308	\$11.2	\$30.9	\$35,170	2.7	7.3	6.9	16.6
2012	950,589	-1,153	719	292.6	1,592	\$12.0	\$32.4	\$35,689	2.7	6.9	7.1	15.2
2013	959,455	-341	742	294.7	3,083	\$12.6	\$33.4	\$35,914	2.3	6.6	7.2	13.2
2014	969,102	84	757	296.8	1,949	\$13.2	\$34.6	\$36,182	2.8	7.1	7.3	11.6
2015	980,980	2,393	780	299.5	2,376	\$14.1	\$36.3	\$37,037	2.6	7.3	7.8	10.2
2016	992,673	2,025	789	301.9	2,748	\$14.9	\$38.6	\$37,807	2.5	7.3	7.9	9.2
2017	1,004,216	1,699	797	304.4	2,830	\$15.6	\$40.8	\$38,114	3.6	7.4	8.0	8.8
2018	1,015,600	1,346	805	307.1	2,661	\$16.1	\$42.3	\$38,263	3.5	7.4	8.3	8.6
2019	1,027,094	1,259	812	309.7	2,591	\$16.8	\$44.3	\$38,814	2.3	7.5	8.5	8.5
2020	1,038,797	1,284	820	312.2	2,506	\$17.5	\$46.3	\$39,287	2.3	7.6	8.7	8.4
2021	1,050,677	1,331	828	314.7	2,588	\$18.1	\$48.4	\$39,798	2.3	7.6	8.9	8.5
2022	1,062,566	1,240	836	317.1	2,687	\$18.8	\$50.6	\$40,323	2.3	7.7	9.1	8.4
2023	1,074,461	1,172	844	319.6	2,783	\$19.5	\$52.9	\$40,815	2.3	7.8	9.3	8.3
2024	1,086,352	1,115	852	322.2	2,593	\$20.3	\$55.4	\$41,276	2.6	7.8	9.5	8.3
2025	1,098,143	974	860	324.7	2,677	\$21.1	\$58.0	\$41,669	2.8	7.9	9.7	8.3
2026	1,109,791	829	869	327.2	2,763	\$21.9	\$60.6	\$41,970	2.9	7.9	9.9	8.3
2027	1,121,315	718	877	329.7	2,761	\$22.6	\$63.1	\$42,078	2.9	8.0	10.2	8.3
2028	1,132,794	709	886	332.2	2,950	\$23.5	\$65.7	\$42,335	2.7	8.0	10.5	8.3
2029	1,144,289	736	895	334.9	2,864	\$24.3	\$68.5	\$42,669	2.5	8.1	10.8	8.2
2030	1,155,806	726	904	337.6	2,828	\$25.3	\$71.3	\$43,034	2.4	8.2	11.0	8.2
2031	1,167,336	711	913	340.3	2,893	\$26.4	\$74.2	\$43,438	2.3	8.2	11.3	8.2
2032	1,178,877	668	922	342.9	2,655	\$27.5	\$77.1	\$43,712	2.5	8.3	11.6	8.2
2033	1,190,401	588	932	345.5	2,722	\$28.7	\$80.2	\$44,191	2.1	8.3	12.0	8.1
2034	1,202,048	635	942	348.1	2,583	\$29.9	\$83.5	\$44,593	2.3	8.4	12.3	8.1
2035	1,213,689	592	952	350.6	2,656	\$31.1	\$86.9	\$44,977	2.4	8.5	12.6	8.1
2036	1,225,283	536	962	353.0	2,621	\$32.3	\$90.4	\$45,197	2.8	8.5	13.0	8.1
2037	1,236,810	473	973	355.5	2,583	\$33.5	\$94.1	\$45,387	2.9	8.6	13.3	8.1
2038	1,248,294	441	983	357.9	2,548	\$34.7	\$98.0	\$45,688	2.7	8.6	13.7	8.0
2039	1,259,706	393	994	360.3	2,516	\$36.0	\$102.1	\$45,911	2.9	8.7	14.1	8.0
2040	1,271,051	333	1,004	362.7	2,485	\$37.3	\$106.3	\$46,184	2.8	8.8	14.4	8.0
2041	1,282,422	303	1,014	365.0	2,555	\$38.5	\$110.6	\$46,511	2.6	8.8	14.8	8.0
2042	1,293,900	320	1,023	367.4	2,429	\$39.9	\$115.1	\$46,873	2.5	8.9	15.2	8.0
2043	1,305,502	331	1,032	369.8	2,407	\$41.2	\$119.7	\$47,274	2.4	9.0	15.7	7.9
2044	1,317,251	347	1,042	372.1	2,386	\$42.7	\$124.4	\$47,761	2.2	9.0	16.1	7.9
2045	1,329,147	362	1,050	374.4	2,361	\$44.1	\$129.3	\$48,141	2.4	9.1	16.6	7.9
2046	1,341,154	333	1,059	376.7	2,335	\$45.6	\$134.5	\$48,538	2.3	9.2	17.0	7.9
2047	1,353,307	321	1,067	378.9	2,306	\$47.1	\$139.6	\$48,873	2.6	9.2	17.5	7.8
2048	1,365,621	307	1,076	381.2	2,276	\$48.6	\$145.0	\$49,218	2.6	9.3	18.0	7.8
2049	1,378,087	292	1,086	383.4	2,247	\$50.2	\$150.6	\$49,558	2.7	9.4	18.5	7.8
2050	1,390,668	255	1,095	385.6	2,213	\$51.9	\$156.3	\$49,878	2.9	9.4	19.1	7.8

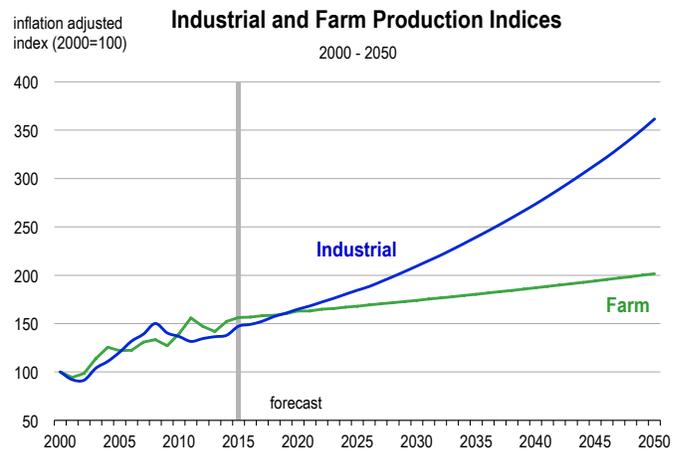
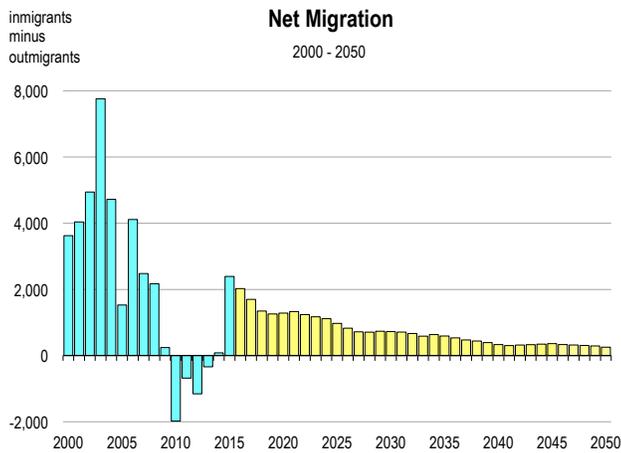
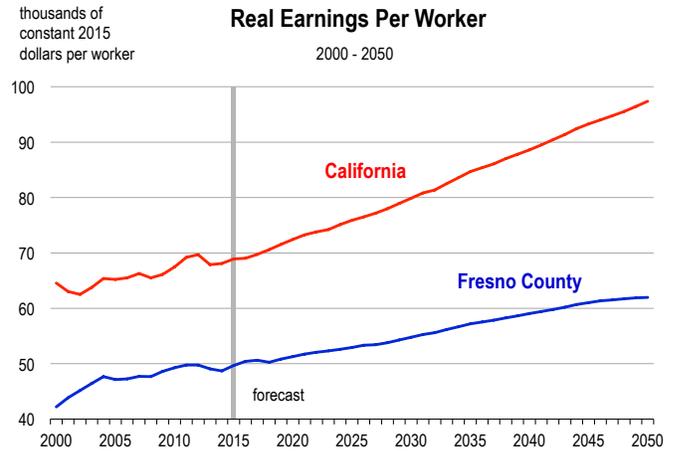
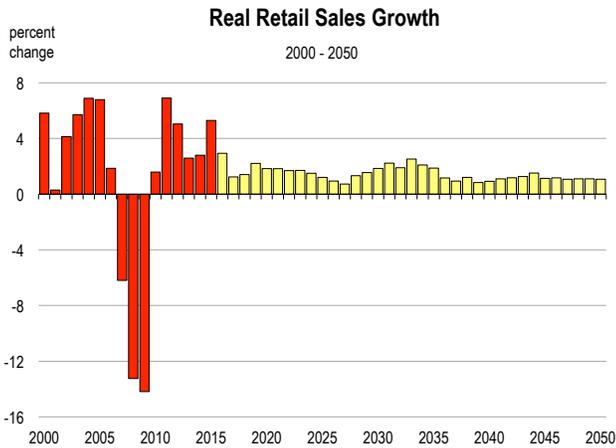


Fresno County Employment Forecast

2010-2015 History, 2016-2050 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)												
2010	336.7	46.0	12.0	24.1	10.8	44.3	13.4	26.7	3.6	51.6	26.8	67.1
2011	339.3	47.9	11.5	23.8	11.4	45.9	13.0	27.0	3.5	52.0	27.1	65.7
2012	342.6	48.9	12.2	23.7	11.6	46.6	12.9	26.9	3.8	53.2	28.0	64.1
2013	351.5	49.2	13.1	23.1	12.0	48.7	12.9	29.1	3.8	55.3	29.0	64.2
2014	361.5	48.8	13.9	23.9	11.9	50.1	12.8	31.1	3.9	56.9	30.6	66.3
2015	371.9	47.3	14.9	25.5	12.2	51.3	13.0	31.4	3.9	60.4	31.4	68.8
2016	379.5	47.4	16.0	25.2	12.4	51.7	13.3	33.4	4.0	62.3	32.3	69.7
2017	384.7	46.7	16.5	25.4	12.6	52.0	13.4	35.3	4.0	63.6	33.0	70.2
2018	390.0	46.4	16.7	26.1	12.8	52.3	13.4	36.7	4.0	64.9	33.5	70.8
2019	394.7	46.5	16.9	26.2	13.0	52.8	13.5	37.9	4.0	66.4	33.7	71.4
2020	399.3	46.5	17.1	26.5	13.2	53.1	13.6	38.8	4.1	67.9	33.9	72.2
2021	403.5	46.6	17.3	26.6	13.4	53.5	13.7	39.6	4.1	69.2	34.1	72.9
2022	407.7	46.6	17.5	26.7	13.5	53.8	13.9	40.4	4.1	70.6	34.2	73.5
2023	411.9	46.7	17.7	26.8	13.7	54.2	14.0	41.2	4.1	72.1	34.3	74.1
2024	415.8	46.8	17.8	27.1	13.9	54.5	14.1	42.0	4.1	73.4	34.4	74.6
2025	419.4	46.8	17.8	27.3	14.1	54.8	14.3	42.8	4.1	74.6	34.5	75.0
2026	422.7	46.9	17.9	27.3	14.3	55.0	14.4	43.6	4.2	75.8	34.7	75.4
2027	426.3	46.9	17.9	27.6	14.5	55.1	14.5	44.4	4.2	76.9	34.9	75.8
2028	429.9	47.0	17.9	27.8	14.6	55.4	14.6	45.1	4.2	78.0	35.2	76.3
2029	433.7	47.0	18.0	27.9	14.8	55.8	14.7	45.9	4.2	79.1	35.5	76.8
2030	437.7	47.1	18.1	28.1	15.0	56.2	14.8	46.6	4.2	80.3	35.8	77.3
2031	441.9	47.1	18.2	28.3	15.2	56.7	15.0	47.3	4.2	81.5	36.2	77.9
2032	445.8	47.2	18.2	28.4	15.3	57.1	15.1	48.0	4.2	82.7	36.5	78.5
2033	450.0	47.2	18.3	28.5	15.5	57.7	15.2	48.7	4.3	83.8	36.9	79.2
2034	454.0	47.3	18.3	28.7	15.7	58.2	15.3	49.4	4.3	84.9	37.2	79.8
2035	457.8	47.3	18.4	28.9	15.9	58.7	15.4	50.0	4.3	85.9	37.6	80.3
2036	461.4	47.4	18.5	29.1	16.0	59.0	15.6	50.6	4.3	87.0	37.9	80.8
2037	465.0	47.5	18.5	29.2	16.2	59.2	15.7	51.1	4.3	88.2	38.3	81.2
2038	468.6	47.5	18.6	29.4	16.4	59.5	15.8	51.7	4.3	89.4	38.7	81.5
2039	472.1	47.6	18.6	29.6	16.6	59.8	16.0	52.3	4.4	90.6	39.0	81.9
2040	475.8	47.6	18.7	29.7	16.8	60.0	16.1	52.8	4.4	91.9	39.4	82.2
2041	479.6	47.7	18.7	29.9	17.0	60.3	16.2	53.4	4.4	93.3	39.8	82.6
2042	483.5	47.7	18.7	30.1	17.2	60.6	16.3	53.9	4.4	94.7	40.1	83.0
2043	487.6	47.8	18.8	30.3	17.4	61.0	16.5	54.5	4.4	96.2	40.5	83.5
2044	491.9	47.8	18.9	30.5	17.5	61.4	16.6	55.1	4.5	97.7	40.9	84.0
2045	496.0	47.9	18.9	30.7	17.7	61.7	16.7	55.7	4.5	99.1	41.3	84.5
2046	500.3	47.9	18.9	30.8	17.9	62.1	16.8	56.3	4.5	100.7	41.7	85.1
2047	504.7	48.0	19.0	31.0	18.1	62.4	16.9	56.9	4.5	102.4	42.1	85.7
2048	509.2	48.0	19.0	31.3	18.3	62.7	17.1	57.5	4.5	104.1	42.4	86.3
2049	513.7	48.1	19.0	31.5	18.5	63.0	17.2	58.1	4.5	105.7	42.8	86.9
2050	518.3	48.1	19.0	31.8	18.7	63.4	17.3	58.7	4.6	107.3	43.2	87.6





County Economic and Demographic Indicators

Projected Economic Growth (2016-2021)

Expected retail sales growth:	8.1%
Expected job growth:	6.3%
Fastest growing jobs sector:	Professional Services
Expected personal income growth:	11.4%

Expected population growth:	5.8%
Net migration to account for:	11.9%
Expected growth in number of vehicles:	4.9%

Demographics (2016)

Unemployment rate (April 2016):	9.7%
County rank* in California (58 counties):	49th
Working age (16-64) population:	62.9%

Population with B.A. or higher:	19.4%
Median home selling price (2015):	\$225,000
Median household income:	\$45,982

Quality of Life

Violent crime rate (2014):	450 per 100,000 persons
County rank* in California (58 counties):	40th
Average commute time to work (2016):	24.0 minutes

High school drop out rate (2015):	10.2%
Households at/below poverty line (2016):	22.8%

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