

KINGS COUNTY ECONOMIC FORECAST

Kings County is located in the San Joaquin Valley, bordering Kern County to the south, Fresno County to the north and west, and Tulare County to the east. Kings County has a population of 149,800 people and 43,000 wage and salary jobs. The per capita income in Kings County is \$22,195, and the average salary per worker is \$48,857.

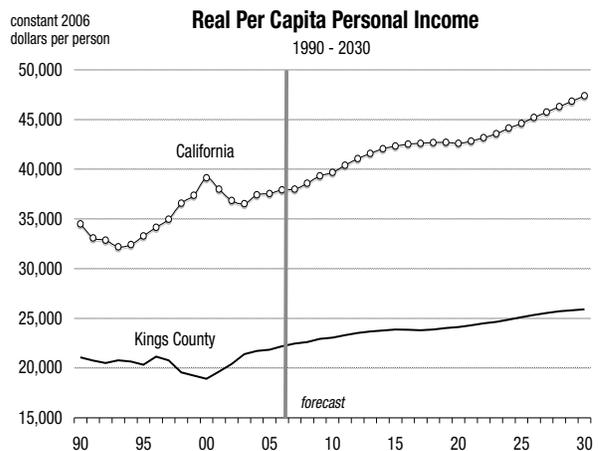
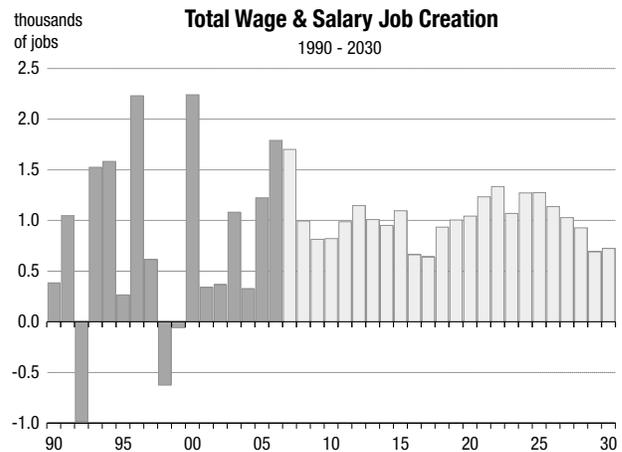
Employment growth in Northern California was strong in 2006, compared to the previous five years. However, employment growth in the San Joaquin Valley was actually lower at 1.5 percent in 2006 compared to 2.3 percent in 2005. In 2006, 1,800 total wage and salary jobs were created in Kings County, representing a growth rate of 4.3 percent. Farm employment, which accounts for 20 percent of total employment, grew by 14.2 percent last year, adding nearly 1,100 jobs. The non-farm sector added 700 new jobs, representing a growth rate of 2.1 percent. The unemployment rate declined to 8.5 percent in 2006.

Other than the farm sector, which has produced an uncharacteristically large number of jobs in the last two years, other sectors creating jobs are leisure and hospitality, healthcare and education, and government. The two largest sectors in the county are government and farm. The state penitentiaries in Avenal and Corcoran are the two of the largest employers in the county, with 2,500 total jobs at the two prisons. Combined, the correctional facilities have just over 15,000 inmates assigned.

The population of Kings County grew at a rate of 2.2 percent in 2006. The fastest growing city in the county is Corcoran, which jumped 8.7 percent between January 2006 and January 2007.

FORECAST HIGHLIGHTS

- Total wage and salary job growth is forecast to remain high in 2007 at 4.0 percent. From 2007 to 2011, total employment growth averages 2.4 percent per year, while non-farm job growth also averages 2.4 percent per year.
- Average salaries adjusted for inflation are currently below the California state average, and will remain so over the forecast. Inflation adjusted salaries are expected to rise an average of 0.9 percent per year over the next 5 years.
- Between 2007 and 2011, the momentum for employment growth is in the public and farm sectors. They account for 75 percent of expected job creation in the county over the next five years.
- The population in the county will continue to grow faster than the state average. Annual growth in the 2007 to 2011 period averages 2.1 percent per year.

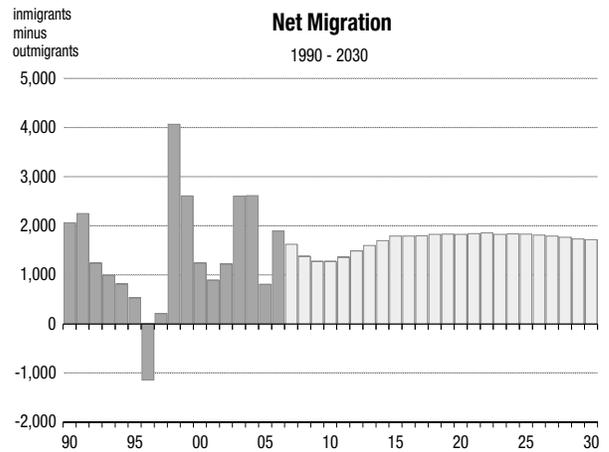
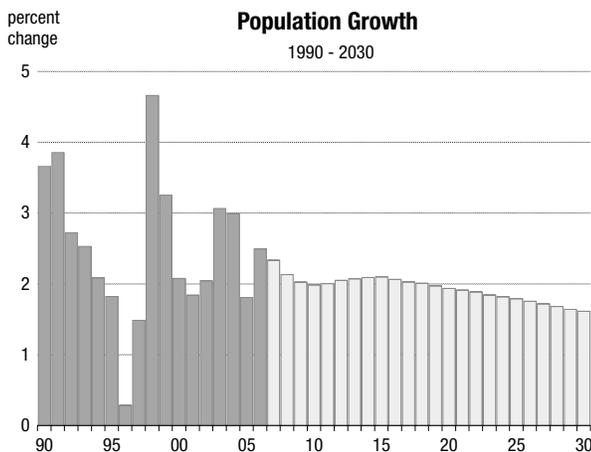


- Net migration declines in 2007 to 1,600 people. Over the next five years migration is expected to average approximately 1,400 net migrants entering the county per year. Net migration accounts for 42 percent of the population growth over the next five years.
- Real per capita incomes are forecast to rise 1.2 percent in 2007. Over the next five years real per capita incomes are forecast to increase 1.0 percent per year.
- Total taxable sales are expected to increase by an average of 5.6 percent over the next five years. Adjusted for inflation, they increase by 3.1 percent per year.
- Industrial production is forecast to advance 5.3 percent in 2007. Over the next five years industrial production is forecast to rise 4.7 percent per year. Total real crop production is expected to increase by an average of 0.9 percent per year between 2007 and 2011.

Kings County Economic Forecast

1997-2006 History, 2007-2030 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)
1997	117,923	216	71.6	32.6	783	\$0.74	\$1.87	\$20,768	3.4	1.16	0.34	13.3
1998	123,424	4,065	75.4	33.3	757	\$0.72	\$1.91	\$19,558	3.2	1.03	0.34	13.9
1999	127,440	2,610	78.2	34.4	493	\$0.80	\$2.02	\$19,247	4.2	1.10	0.37	13.2
2000	130,090	1,243	81.2	34.6	443	\$0.89	\$2.12	\$18,928	4.5	1.03	0.40	10.0
2001	132,484	891	84.7	35.1	668	\$0.93	\$2.36	\$19,639	5.4	1.01	0.38	10.7
2002	135,196	1,225	89.3	35.2	699	\$0.98	\$2.54	\$20,403	1.6	1.11	0.40	11.7
2003	139,343	2,605	90.8	35.9	978	\$1.01	\$2.79	\$21,384	1.8	1.21	0.46	12.0
2004	143,513	2,613	97.7	36.6	852	\$1.09	\$2.96	\$21,729	1.2	1.36	0.49	11.0
2005	146,112	805	99.6	37.3	1,166	\$1.22	\$3.09	\$21,841	2.0	1.45	0.52	9.5
2006	149,758	1,894	102.7	38.3	905	\$1.36	\$3.32	\$22,195	3.3	1.29	0.53	8.5
2007	153,257	1,623	105.7	39.2	813	\$1.45	\$3.54	\$22,456	2.9	1.34	0.55	8.2
2008	156,524	1,379	108.7	40.0	782	\$1.53	\$3.72	\$22,612	2.0	1.35	0.58	8.7
2009	159,693	1,274	111.6	40.8	759	\$1.61	\$3.92	\$22,936	2.0	1.35	0.61	8.9
2010	162,866	1,272	114.6	41.5	743	\$1.69	\$4.13	\$23,065	2.5	1.34	0.63	8.9
2011	166,132	1,360	117.5	42.2	735	\$1.78	\$4.35	\$23,310	2.4	1.35	0.66	8.7
2012	169,535	1,492	120.4	42.9	734	\$1.87	\$4.59	\$23,537	2.2	1.36	0.69	8.6
2013	173,052	1,600	123.2	43.6	739	\$1.96	\$4.82	\$23,671	2.3	1.37	0.71	8.7
2014	176,668	1,696	126.0	44.4	747	\$2.06	\$5.06	\$23,775	2.3	1.36	0.74	8.8
2015	180,384	1,789	128.7	45.1	755	\$2.18	\$5.32	\$23,883	2.6	1.37	0.77	8.6
2016	184,109	1,792	131.4	45.8	763	\$2.29	\$5.56	\$23,848	2.7	1.38	0.80	8.8
2017	187,845	1,796	134.1	46.6	767	\$2.42	\$5.82	\$23,801	2.7	1.36	0.83	8.8
2018	191,617	1,824	136.6	47.3	770	\$2.54	\$6.10	\$23,874	2.5	1.37	0.86	8.5
2019	195,401	1,829	139.1	48.0	772	\$2.68	\$6.42	\$24,012	2.5	1.37	0.89	8.3
2020	199,185	1,823	141.5	48.8	773	\$2.81	\$6.73	\$24,120	2.5	1.37	0.93	8.1
2021	202,995	1,840	143.9	49.5	774	\$2.95	\$7.08	\$24,292	2.4	1.37	0.96	7.7
2022	206,828	1,853	146.2	50.3	774	\$3.10	\$7.46	\$24,488	2.5	1.36	0.98	7.5
2023	210,642	1,824	148.6	51.0	776	\$3.26	\$7.82	\$24,631	2.5	1.34	1.00	7.5
2024	214,475	1,833	150.8	51.8	775	\$3.42	\$8.23	\$24,865	2.3	1.31	1.03	7.3
2025	218,317	1,831	153.0	52.6	775	\$3.60	\$8.66	\$25,124	2.4	1.28	1.05	7.1
2026	222,148	1,812	155.2	53.3	776	\$3.78	\$9.11	\$25,342	2.4	1.27	1.07	6.9
2027	225,967	1,790	157.4	54.1	775	\$3.98	\$9.56	\$25,529	2.5	1.27	1.09	6.9
2028	229,771	1,768	159.7	54.8	774	\$4.19	\$10.05	\$25,706	2.7	1.27	1.11	6.9
2029	233,543	1,730	162.1	55.6	773	\$4.41	\$10.53	\$25,803	2.7	1.26	1.14	6.9
2030	237,309	1,717	164.5	56.3	771	\$4.63	\$11.02	\$25,918	2.6	1.26	1.16	6.7



Kings County Employment Forecast

1997-2006 History, 2007-2030 Forecast

	Total Wage & Salary	Farm	Mining & Construction	Manufacturing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
-----employment (thousands of jobs)-----												
1997	36.3	9.38	0.88	3.63	0.47	4.51	0.80	0.96	0.35	2.90	2.23	9.62
1998	35.7	7.78	0.92	3.37	0.50	4.53	0.84	1.02	0.30	2.98	2.28	10.54
1999	35.6	6.89	1.02	3.53	0.54	4.49	0.90	1.16	0.30	2.87	2.21	11.09
2000	37.9	7.65	1.08	3.60	0.53	4.27	1.06	1.25	0.26	2.84	2.23	12.51
2001	38.2	7.03	1.17	3.47	0.58	4.08	1.28	1.23	0.29	2.97	2.25	13.20
2002	38.6	6.67	1.25	3.61	0.59	4.02	1.29	1.27	0.30	3.11	2.38	13.43
2003	39.7	7.08	1.25	3.79	0.60	4.20	1.32	1.26	0.30	3.30	2.48	13.44
2004	40.0	7.08	1.21	3.84	0.67	4.34	1.23	1.34	0.30	3.28	2.54	13.56
2005	41.2	7.68	1.36	3.90	0.79	4.51	1.13	1.20	0.30	3.40	2.68	13.68
2006	43.0	8.78	1.42	3.86	0.81	4.56	1.10	1.21	0.30	3.64	2.80	13.95
2007	44.7	9.56	1.43	3.90	0.83	4.70	1.11	1.24	0.30	3.69	2.84	14.53
2008	45.7	9.76	1.44	3.92	0.83	4.77	1.11	1.27	0.30	3.74	2.89	15.08
2009	46.5	9.80	1.46	3.94	0.85	4.81	1.11	1.31	0.30	3.79	2.94	15.62
2010	47.4	9.80	1.47	3.96	0.86	4.85	1.11	1.37	0.30	3.84	2.99	16.18
2011	48.3	9.84	1.48	3.98	0.88	4.88	1.12	1.45	0.30	3.89	3.03	16.85
2012	49.5	9.90	1.50	4.00	0.89	4.91	1.13	1.53	0.30	3.96	3.08	17.65
2013	50.5	9.91	1.52	4.01	0.90	4.94	1.14	1.60	0.30	4.03	3.12	18.35
2014	51.5	9.84	1.54	4.03	0.90	4.98	1.15	1.66	0.30	4.11	3.16	19.09
2015	52.5	9.90	1.56	4.05	0.91	5.01	1.15	1.72	0.30	4.20	3.21	19.83
2016	53.2	9.90	1.58	4.07	0.92	5.05	1.16	1.75	0.30	4.29	3.26	20.22
2017	53.9	9.84	1.60	4.09	0.92	5.08	1.17	1.79	0.30	4.38	3.31	20.64
2018	54.8	9.86	1.62	4.11	0.94	5.12	1.18	1.82	0.30	4.47	3.36	21.25
2019	55.8	9.88	1.65	4.12	0.95	5.15	1.19	1.85	0.30	4.57	3.39	21.94
2020	56.8	9.87	1.67	4.14	0.96	5.19	1.20	1.88	0.30	4.67	3.42	22.72
2021	58.1	9.87	1.70	4.15	0.97	5.22	1.22	1.91	0.30	4.77	3.44	23.68
2022	59.4	9.86	1.73	4.17	0.98	5.26	1.23	1.95	0.30	4.89	3.46	24.72
2023	60.5	9.77	1.76	4.19	0.99	5.30	1.24	1.98	0.30	5.00	3.47	25.59
2024	61.8	9.71	1.79	4.20	1.00	5.34	1.25	2.01	0.30	5.12	3.49	26.62
2025	63.0	9.65	1.82	4.22	1.01	5.38	1.26	2.04	0.30	5.24	3.50	27.65
2026	64.2	9.68	1.85	4.24	1.02	5.43	1.27	2.07	0.30	5.36	3.52	28.47
2027	65.2	9.70	1.88	4.26	1.03	5.47	1.27	2.11	0.30	5.47	3.54	29.18
2028	66.1	9.72	1.91	4.27	1.04	5.52	1.28	2.14	0.30	5.59	3.56	29.78
2029	66.8	9.69	1.94	4.29	1.06	5.56	1.29	2.16	0.30	5.70	3.59	30.21
2030	67.5	9.67	1.97	4.31	1.07	5.61	1.29	2.19	0.30	5.81	3.61	30.66

