

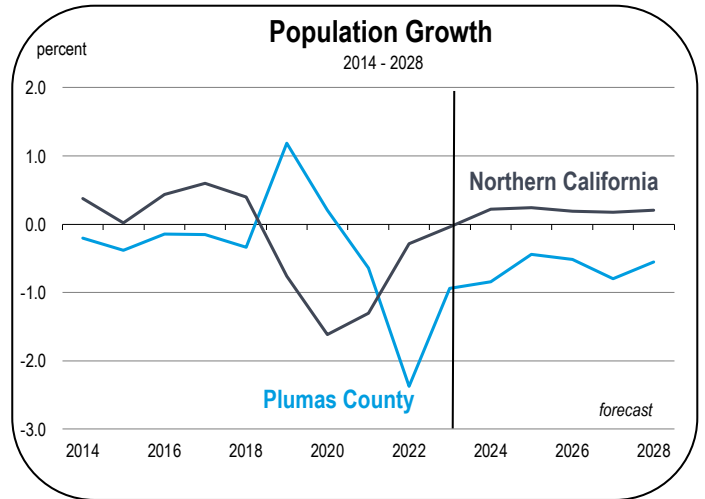
Plumas County Economic Forecast

Forecast Summary

- Plumas County employment increased in 2022 with 150 new jobs, an increase of 14.3 percent compared to 2021.
- Total employment in the county is on pace to decline by 115 jobs during 2023.
- An increase of 250 jobs is anticipated during 2024-2028 but a full retracement to employment levels prior to the pandemic recession is not expected over the forecast.
- The leisure services and business services sectors will be responsible for most job creation during the forecast period.
- The unemployment rate averaged 6.6 percent in 2022. It is forecast to average 7.7 percent in 2023 and 7.9 percent in 2024.
- The median home value increased by 4.9 percent in 2022 to \$419,000. Home prices are expected to decrease by 2.8 percent in 2023 and appreciate 3.1 percent in 2024 to \$420,000.

Job Growth

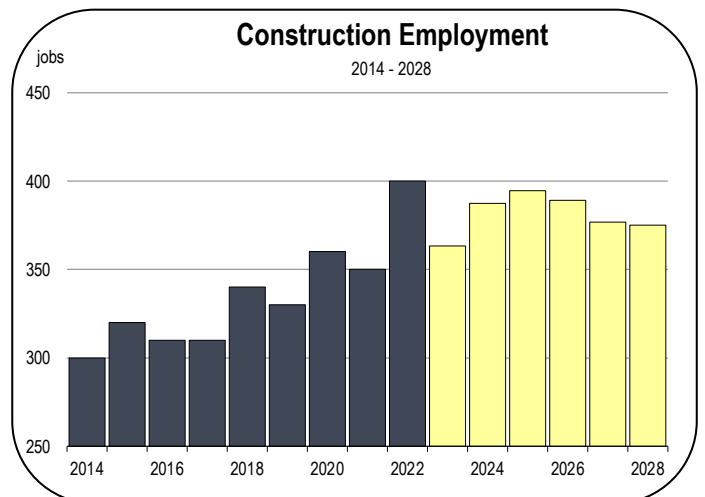
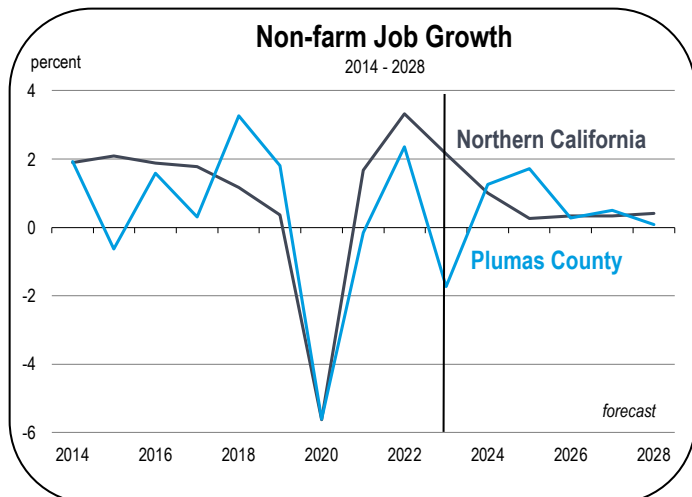
- Total employment in Plumas County expanded by 2.3 percent in 2022 with the addition of 150 jobs. 60 percent of those jobs were in leisure services.
- In 2023, the county will lose 115 jobs. The healthcare and construction sectors are bearing the brunt of that loss.
- Job growth resumes in 2024-2028 at an average rate of 0.8 percent resulting in 250 new jobs. Leisure services and professional services are the primary beneficiaries of that growth.



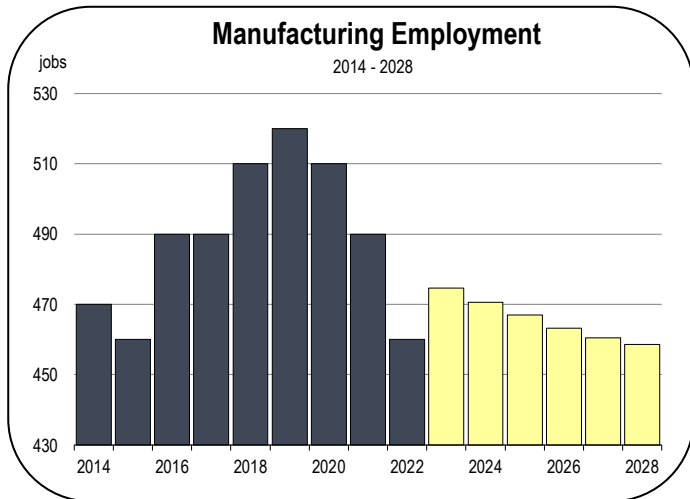
- The county is not expected to reach its pre-pandemic level of employment in the foreseeable future.

Construction Employment

- In the summer and fall of 2021, the Dixie Fire ripped through Plumas, Lassen, Butte, Shasta, and Tehama Counties, destroying 1,329 structures, 555 single and multi-family homes, and damaging 43 additional homes.
- Damage to structures occurred throughout Plumas County but was most prominent in the town of Greenville, where 400 homes were destroyed.
- The Dixie Fire was the largest wildfire in California history, burning a territory that is larger than the state of Rhode Island.



Plumas County Economic Forecast



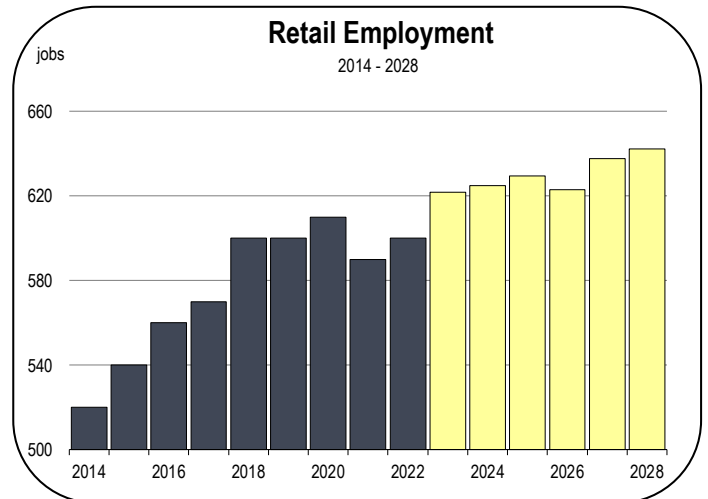
- Construction employment is currently at just under 400 workers. It increased 14.3 percent in 2022 with the addition of 50 jobs as crews addressed the rebuilding of homes and structures that were destroyed by wildfires.
- The rebuilding process is expected to continue over several years, with peak construction activity occurring in 2022, 2023, 2024 and 2025. Because of limited construction labor, only about 25 homes can be started per year.
- Some minor job consolidation is occurring in 2023 as the sector is on pace to average 363 jobs for the year.
- Construction is forecast to remain relatively steady, gaining a net 12 jobs between 2024-2028.

Manufacturing Employment

- Manufacturing employment declined by 30 jobs in 2022. No growth is forecast for 2022 or 2023.
- It is likely that manufacturing employment will gradually contract over time. The largest manufacturing company is Sierra Pacific, a lumber manufacturer. Timber production has been declining in Plumas County for several years.

Retail Trade Employment

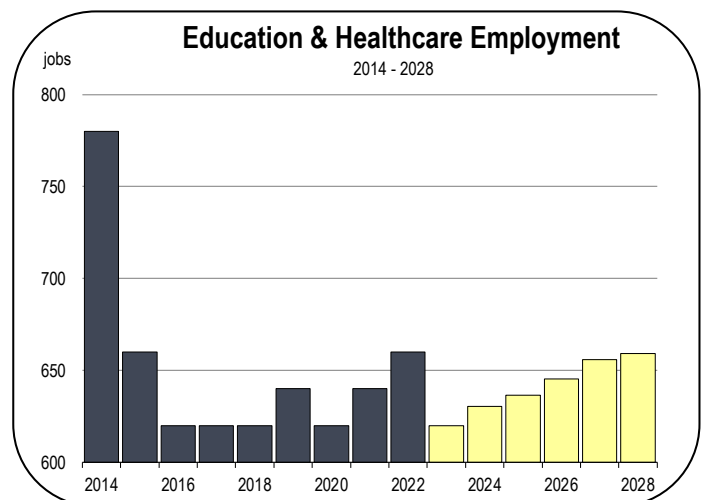
- So far, Plumas County has been able to avoid the "Retail Apocalypse" that has plagued other regions of California, but peak retail employment is approaching.
- Retail employment grew 1.7 percent in 2022 with the addition of 10 jobs.



- In addition to fighting off competition from online vendors, the retail sector has been among the most resilient sectors in the county following the pandemic. The sector lost few jobs and in 2023, with 3.6 percent growth resulting in 22 new jobs, will have restored employment to its pre-pandemic level.
- The retail industry will average 0.7 percent growth per year from 2024-2028 resulting in 20 new jobs.
- In addition to competition from the ever-expanding online markets, local retail businesses should be concerned about a declining population which could lead to fewer customers.

Private Education and Healthcare Employment

- A large share of the local economy is represented by hospitals and health facilities.
- Healthcare is the third largest employment sector in Plumas County, behind government and leisure services.



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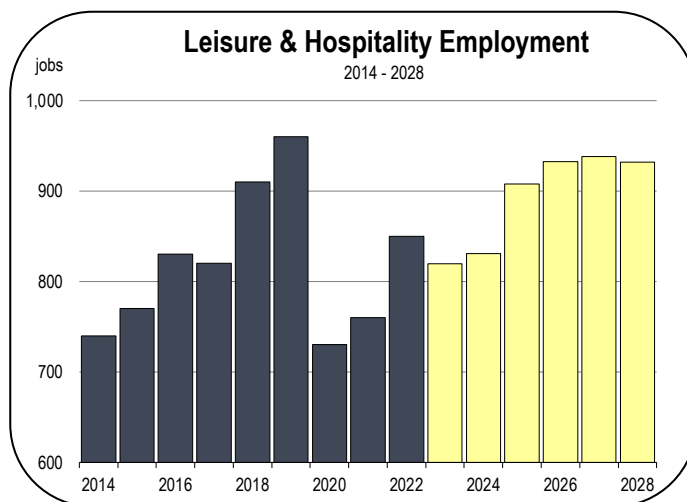
- The largest healthcare employers are Plumas District Hospital (200 employees) and Eastern Plumas Healthcare (250 employees).
- In 2022, healthcare employment grew 3.1 percent with the addition of 20 jobs.
- Healthcare employment is not expected to expand over the forecast period. The sector is on pace to lose 40 jobs in 2023, a 6.1 percent decrease in the employment level.
- From 2024-2028, job growth will average 1.2 percent per year resulting in 40 new jobs.
- In Plumas County, there are very few jobs in the 3 private K-12 institutions that had a total enrollment of 109 students in 2023. Most teachers and education administrators work in public schools which is part of the government or public sector.

Leisure and Hospitality Employment

- Plumas County is filled with blue lakes, rivers, and scenic terrain. The county is also home to the Plumas Sierra County Fair.
- Most of the land area in Plumas County is comprised of forests, mountains, rivers, and lakes. The terrain offers hiking, camping, fishing, and other recreational opportunities that attract tourists from outside the region.
- Travelers visit Plumas County every year to experience its natural amenities, with overall tourism activity supporting hundreds of jobs at restaurants, hotels, shops, and related businesses.
- Leisure services employment increased by 90 jobs in 2022, 11.8 percent higher than the previous year.
- The sector is on pace to shed approximately 30 jobs in 2023.
- Job growth will resume for the remainder of the forecast period averaging 2.7 percent per year and resulting in 115 new jobs.
- Leisure and hospitality employment is not expected to return to pre-pandemic levels during the forecast period or in the foreseeable future.

Lakes Basin

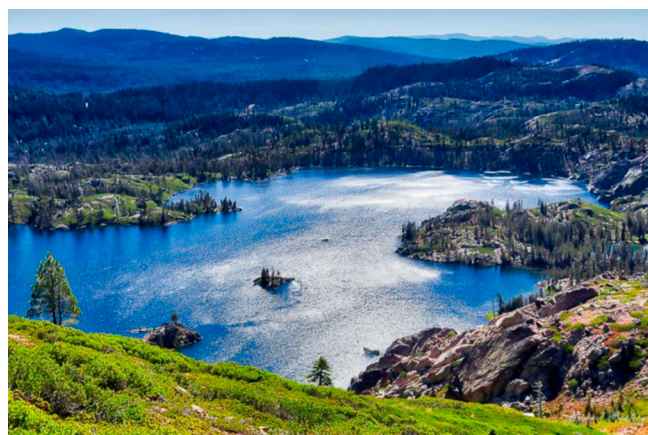
- Lakes Basin is part of the Plumas National Forest, located 9 miles southwest of Graeagle. Lakes Basin is comprised of over 20 glacially carved lakes connected by a multitude of trails.



- Visitors to Lakes Basin can hike, mountain bike, ride horseback, fish, hunt, and go boating. Camping is also available at Lakes Basin. Trailhead and day parking cost \$10.

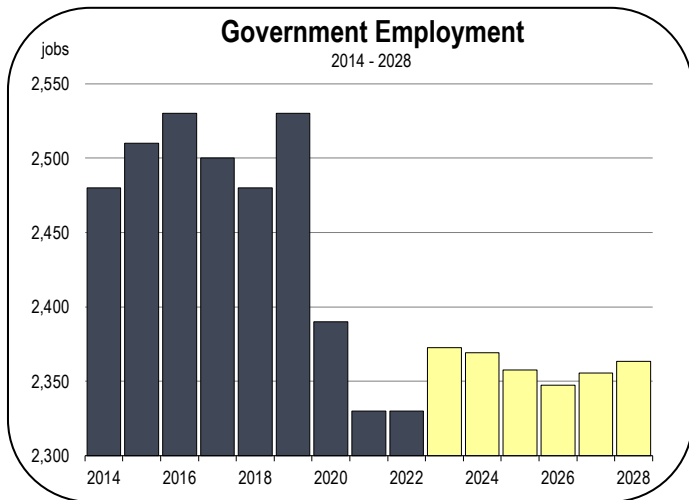
Plumas Sierra County Fair

- The Plumas Sierra County Fair is held annually in Quincy in July. The fair is located on a 62-acre plot of land and contains many attractions.
- Live music, livestock shows, and a carnival are present every day of the fair. Admission to the fair costs \$6 for adults (18 and up) and \$5 for kids (12-17). More than 10,000 people attend the fair during its 4-day run.



Lakes Basin Recreation Area

Plumas County Economic Forecast

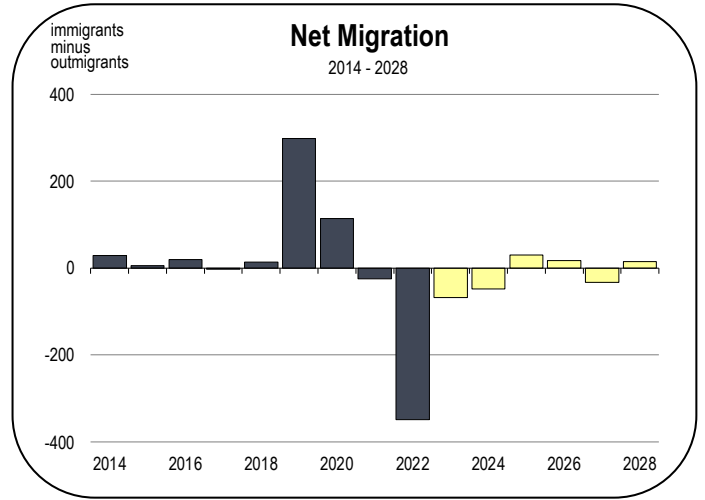
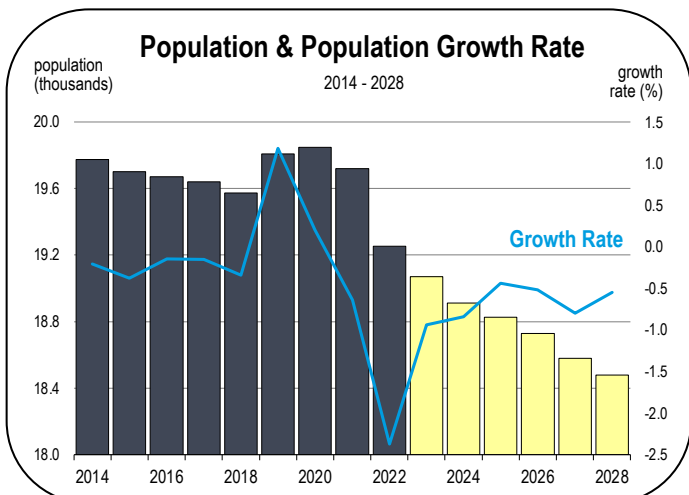


Government Employment

- Government has historically been the largest employer in Plumas County, and currently provides 37 percent of the wage and salaried jobs.
- The largest government agencies are the local school districts and the US Forest Service.
- The government employment level remained stable in 2022.
- In 2023, public sector jobs are on pace to increase 1.8 percent with the addition of 42 positions.
- For the remainder of the forecast period, no meaningful job growth is expected in the public sector.

Population Growth

- The Plumas County population has been trending downward since 2008. The natural population rate has been contracting for a long time and is expected to continue in that direction for the



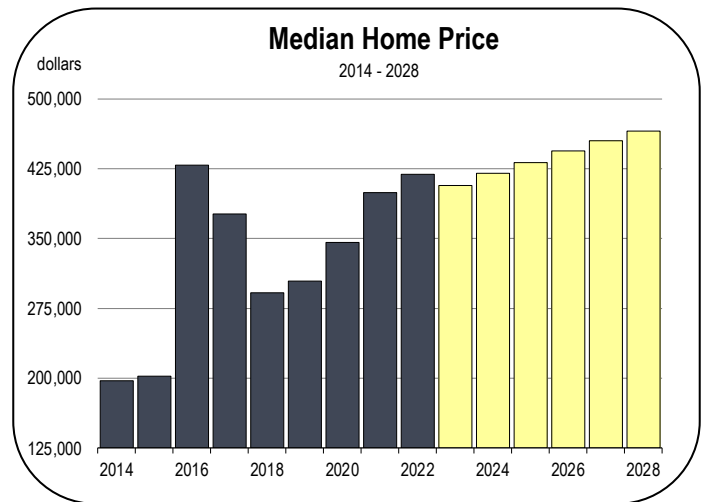
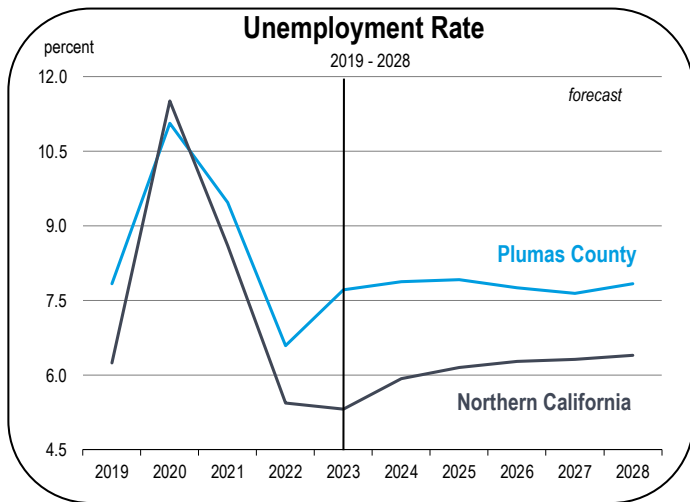
foreseeable future. Net in-migration, when it is positive, is generally not enough to offset the natural population decline.

- The number of people moving out of Plumas County is expected to exceed the number of residents moving in over the forecast period, and because Plumas County has an older population base, the number of deaths will continue to exceed the number of births. Thus, the county's population is mired in a downward trend.
- The population decreased 2.4 percent in 2022 with the loss of 470 residents.
- In 2023, the population is on pace to fall by 180 people, a 0.9 percent decrease.
- Between 2024-2028, the population will decline at an average annual rate of 0.6 percent resulting in a loss of 600 residents.
- The population is expected to be about 18,500 by the end of 2028.
- Economic development efforts could attract higher levels of net migration into the county which would then reverse the current baseline forecast.

Unemployment and Inflation Rates

- The unemployment rate in Plumas County averaged 6.6 percent in 2022. The unemployment rate is expected to average 7.7 percent in 2023 and 7.9 percent in 2024.
- Inflation in California, including the Northern California Region, soared to 7.4 percent in 2022, but is expected to decelerate in 2023 to 3.8 percent due largely to declining energy costs, the restoration of supply chains, and stagnant housing costs.
- Ultimately, inflation reduces the purchasing power of households and negatively impacts consumer confidence, limiting the growth potential of the economy in 2023.

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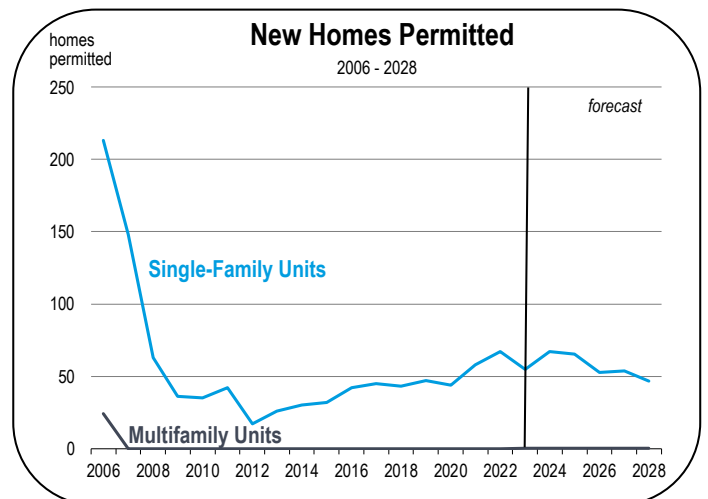
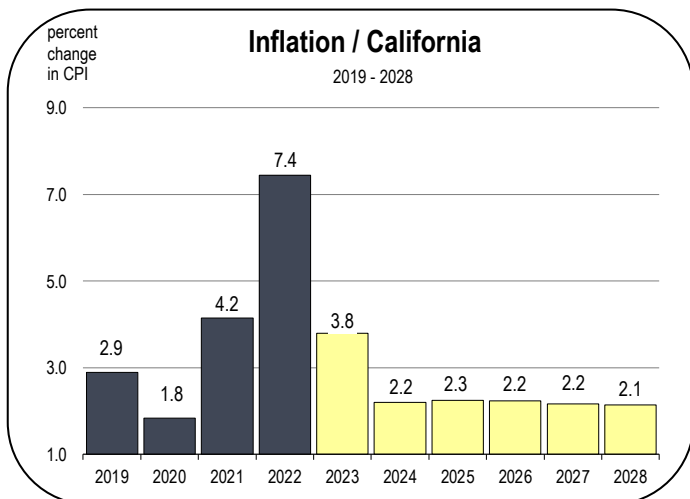


- The rate is forecast to continuously decelerate over the forecast period as the labor force is restored, interest rates subside, and wage inflation is contained.
- A risk to the forecast is whether Congressional spending will subside. During 2021 and 2022, this was a principal contributor to the surge of inflation nation-wide. Another risk is whether the economic slowdown will moderate the demand for labor, leading to lower wage inflation.
- Average general inflation rates eventually decline to 3 percent again by 2024.

- Price appreciation is now reversing throughout California with most counties reporting selling price contractions in 2023. The median selling price for Plumas County is forecast to fall 2.8 percent to \$407,000.
- Home price appreciation is expected to resume in 2024.
- The average annual rate of appreciation between 2024-2028 is forecast to be 2.7 percent. The median home price is expected to be \$466,000 in 2028.
- Despite these price increases, homes in Plumas County are much more affordable than homes in many other parts of California. In Plumas County, the typical household spends less than 20 percent of its income on housing costs. In coastal California, households often spend 35-50 percent on mortgage payments or rent.
- From 2017 to 2022, an average of 50 new homes were built in Plumas County each year. All were single-family homes.
- Housing production is expected to average 57 units from 2023 to 2028, consisting entirely of single-family homes. The growth of housing in recent years is above average for Plumas County because of fire rebuilds from the Claremont and Dixie Fires.

Home Prices and New Housing Production

- In 2022, the median home price in Plumas County increased 4.9 percent to \$419,000. The previous two years had seen double digit appreciation. For the most part, house price appreciation was occurring in most counties of California during that time. Additionally, for Plumas County, price appreciation is typical for fire rebuild areas where neighborhoods are restored with newer homes.



Plumas County Economic Forecast

Economic Indicators

2015-2022 History, 2023-2050 Forecast

	Population (people)	Households (thousands)	Net Migration (people)	New Homes Permitted (homes)	Registered Vehicles (thousands)	Personal Income (billions)	Taxable Retail Sales (millions)	Total Taxable Sales (millions)	Real Industrial Production (millions)	Real per Capita Income (dollars)	Unemployment Rate (percent)	Real Farm Production Rate (millions)(percent)	Inflation Rate (percent)
2015	19,701	9.1	6	32	32.5	\$0.8	\$118	\$207	\$266	\$54,742	10.4	\$163	1.4
2016	19,672	8.9	20	42	33.3	\$0.9	\$121	\$221	\$333	\$55,264	9.9	\$169	2.3
2017	19,642	8.9	-2	45	32.7	\$0.9	\$149	\$252	\$452	\$55,212	9.0	\$173	3.0
2018	19,575	8.8	14	43	33.1	\$0.9	\$141	\$217	\$314	\$56,137	7.7	\$164	3.7
2019	19,807	8.8	298	47	33.9	\$1.0	\$151	\$234	\$434	\$57,196	7.8	\$162	2.9
2020	19,847	9.2	114	44	34.0	\$1.1	\$178	\$278	\$296	\$60,448	11.1	\$162	1.8
2021	19,720	8.9	-25	58	34.6	\$1.1	\$194	\$340	\$239	\$62,106	9.5	\$165	4.2
2022	19,252	8.6	-349	67	33.0	\$1.2	\$217	\$364	\$218	\$60,137	6.6	\$150	7.4
2023	19,072	8.6	-67	55	32.9	\$1.2	\$220	\$364	\$221	\$59,362	7.7	\$159	3.8
2024	18,911	8.7	-48	67	32.7	\$1.2	\$228	\$378	\$223	\$60,610	7.9	\$161	2.2
2025	18,828	8.7	30	65	32.6	\$1.3	\$237	\$392	\$226	\$62,126	7.9	\$164	2.3
2026	18,730	8.7	17	53	32.3	\$1.3	\$245	\$405	\$230	\$63,103	7.8	\$166	2.2
2027	18,580	8.7	-32	54	32.1	\$1.4	\$253	\$419	\$233	\$64,186	7.6	\$166	2.2
2028	18,478	8.8	15	47	31.9	\$1.4	\$262	\$433	\$234	\$65,069	7.8	\$169	2.1
2029	18,325	8.8	-33	40	31.7	\$1.4	\$269	\$445	\$236	\$65,935	7.9	\$168	2.2
2030	18,217	8.8	11	44	31.5	\$1.5	\$279	\$462	\$235	\$66,536	8.0	\$170	2.2
2031	18,080	8.8	-15	40	31.3	\$1.5	\$287	\$474	\$235	\$67,247	8.0	\$168	2.3
2032	17,948	8.8	-6	44	31.1	\$1.6	\$297	\$491	\$234	\$67,606	7.8	\$166	2.3
2033	17,779	8.8	-39	42	30.9	\$1.6	\$305	\$504	\$235	\$68,162	7.9	\$163	2.4
2034	17,599	8.9	-48	44	30.7	\$1.6	\$313	\$518	\$234	\$68,741	8.1	\$161	2.4
2035	17,420	8.9	-45	41	30.6	\$1.6	\$321	\$531	\$235	\$69,290	8.2	\$159	2.5
2036	17,285	8.9	1	41	30.4	\$1.7	\$330	\$545	\$234	\$69,596	8.3	\$158	2.5
2037	17,121	8.9	-29	41	30.3	\$1.7	\$338	\$560	\$234	\$69,841	8.5	\$156	2.6
2038	16,987	8.9	1	46	30.1	\$1.8	\$348	\$576	\$234	\$70,239	8.7	\$156	2.6
2039	16,808	8.9	-42	44	30.0	\$1.8	\$356	\$590	\$235	\$70,488	8.6	\$153	2.7
2040	16,634	9.0	-40	47	29.9	\$1.8	\$367	\$606	\$235	\$70,774	8.8	\$154	2.7
2041	16,526	9.0	24	43	29.8	\$1.9	\$373	\$618	\$235	\$71,230	9.0	\$155	2.8
2042	16,410	9.0	13	44	29.8	\$1.9	\$383	\$633	\$235	\$71,724	8.7	\$155	2.8
2043	16,271	9.0	-14	46	29.7	\$1.9	\$393	\$650	\$234	\$72,324	8.8	\$155	2.9
2044	16,154	9.0	8	45	29.6	\$2.0	\$403	\$667	\$235	\$73,033	8.9	\$154	2.9
2045	15,989	9.1	-42	40	29.6	\$2.0	\$412	\$682	\$235	\$73,683	9.0	\$152	3.0
2046	15,867	9.1	-1	42	29.6	\$2.1	\$423	\$700	\$234	\$74,231	9.1	\$152	3.1
2047	15,749	9.1	0	38	29.5	\$2.1	\$433	\$716	\$234	\$74,638	9.1	\$152	3.1
2048	15,635	9.1	1	41	29.5	\$2.1	\$446	\$738	\$234	\$74,955	9.1	\$152	3.2
2049	15,535	9.1	12	43	29.5	\$2.2	\$459	\$759	\$234	\$75,450	9.1	\$152	3.2
2050	15,441	9.1	15	42	29.5	\$2.2	\$471	\$780	\$234	\$75,880	9.1	\$151	3.3

Employment Sectors

2015-2022 History, 2023-2050 Forecast

	Total Wage & Salary	Farm	Construction	Manufacturing	Transportation & Utilities	Wholesale & Retail Trade (jobs)	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
2015	6,350	30	320	460	300	600	170	290	60	660	770	2,510
2016	6,450	30	310	490	290	620	170	290	60	620	830	2,530
2017	6,480	40	310	490	290	620	170	300	60	620	820	2,500
2018	6,690	40	340	510	300	650	180	320	60	620	910	2,480
2019	6,810	40	330	520	280	660	160	330	60	640	960	2,530
2020	6,450	60	360	510	290	670	140	350	40	620	730	2,390
2021	6,440	60	350	490	290	650	170	330	40	640	760	2,330
2022	6,590	60	400	460	300	660	190	310	40	660	850	2,330
2023	6,480	60	363	475	263	683	168	304	39	620	819	2,372
2024	6,560	59	387	471	287	685	165	317	39	631	831	2,369
2025	6,670	59	395	467	293	689	164	344	39	637	908	2,358
2026	6,690	59	389	463	297	682	164	356	40	645	932	2,347
2027	6,720	60	377	460	300	696	163	360	40	656	938	2,356
2028	6,730	60	375	459	302	700	162	359	41	659	932	2,363
2029	6,710	60	367	454	303	701	162	355	41	661	927	2,368
2030	6,700	60	361	450	304	696	161	356	41	663	922	2,372
2031	6,700	60	363	447	305	703	161	356	42	663	917	2,375
2032	6,680	60	360	443	306	696	160	359	42	664	910	2,376
2033	6,660	60	364	438	306	688	159	359	41	664	904	2,376
2034	6,640	60	363	434	306	685	158	358	41	664	897	2,374
2035	6,620	60	364	429	305	685	157	356	41	664	889	2,371
2036	6,610	60	362	425	305	684	157	359	40	666	883	2,370
2037	6,600	60	361	421	305	683	156	359	40	667	877	2,367
2038	6,590	60	363	414	305	684	155	362	40	670	873	2,365
2039	6,580	60	368	410	305	682	154	363	39	670	867	2,361
2040	6,560	60	367	404	304	681	153	363	39	670	862	2,357
2041	6,550	60	369	399	304	679	153	364	38	671	859	2,355
2042	6,530	60	366	391	304	679	152	363	38	672	856	2,353
2043	6,520	60	367	386	304	681	152	361	38	672	852	2,349
2044	6,520	60	368	385	304	684	151	360	37	673	850	2,346
2045	6,490	60	367	377	302	683	150	357	37	675	844	2,341
2046	6,480	60	363	375	302	686	149	356	36	675	839	2,338
2047	6,460	60	364	371	302	685	149	354	36	676	835	2,334
2048	6,450	60	361	365	301	687	148	353	36	676	830	2,331
2049	6,440	60	364	360	301	689	148	352	35	678	826	2,328
2050	6,430	60	366	355	301	691	147	351	35	680	823	2,325

Plumas County Economic Forecast

Socioeconomic Indicators

