

NEVADA COUNTY ECONOMIC FORECAST

Nevada County is located on the California-Nevada state border. In addition to being a leisure destination, the county is a mini technology hub, home to over 50 high tech businesses. Nevada County has a population of 100,227 people and 29,840 wage and salary jobs. The per capita income in Nevada County is \$34,943, and the average salary per worker is \$38,564. The median household income was \$64,200 in 2006.

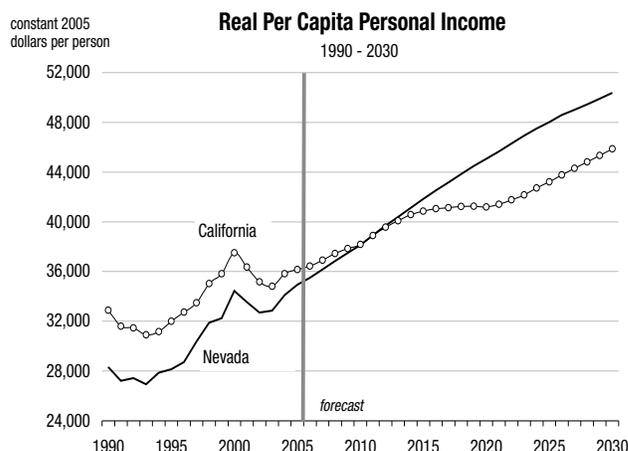
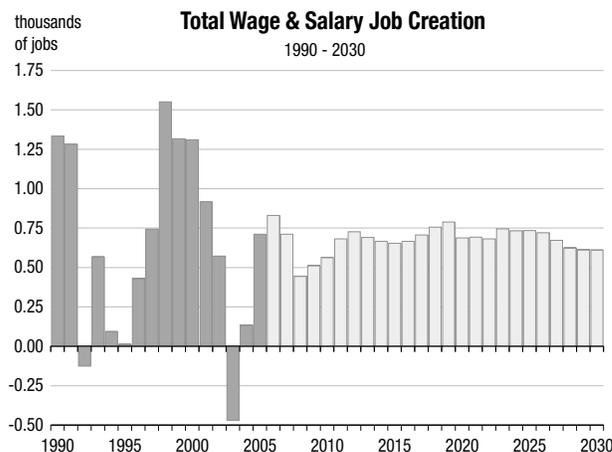
In 2005, 712 total wage and salary jobs were created in Nevada County, representing an increase in employment of 2.4 percent. Non-farm employment, which accounts for over 99 percent of total employment in the county, gained 729 jobs last year. The unemployment rate declined to 4.7 percent in 2005.

The principal sectors that are producing jobs in Nevada County are leisure services and construction. In 2005, 400 construction jobs and nearly 300 leisure service jobs were created. The financial services and government sectors lost over 60 jobs in 2005. The largest employment sectors in the county are the retail, leisure services, education and healthcare services, and government sectors. Many of the largest employers in the county are related to tourism, including Soda Springs Ski Area, Sugar Bowl Ski Resort, and Boreal Mountain Resort.

The population grew in Nevada County at a rate of 0.6 percent in 2005. The largest city in the county is Truckee with 15,915 residents, which grew 1.1 percent from January 2005 to January 2006. Net migration was positive last year, with an estimated total of 1,378 migrants entering the county. Since 1997 the county has relied on net migration for growth, as the natural increase has been negative.

FORECAST HIGHLIGHTS

- Total wage and salary job growth is forecast to increase to 2.8 percent in 2006. From 2006 to 2010, total employment growth averages 2.0 percent per year.
- Average salaries adjusted for inflation are currently below the California state average, and will remain so over the forecast period. Inflation adjusted salaries are expected to rise an average of 1.0 percent per year over the next 5 years.
- Between 2006 and 2010, the momentum for employment growth is in professional services, leisure services, and government. These sectors account for over 95 percent of all net jobs created in the county over the next five years.
- Net migration is expected to reach nearly 1,600 net migrants entering the county in 2006. Over the next five years net migration averages 1,500 net migrants per year.

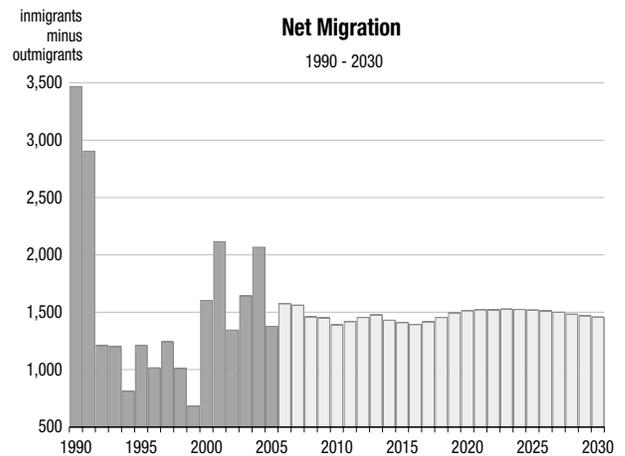
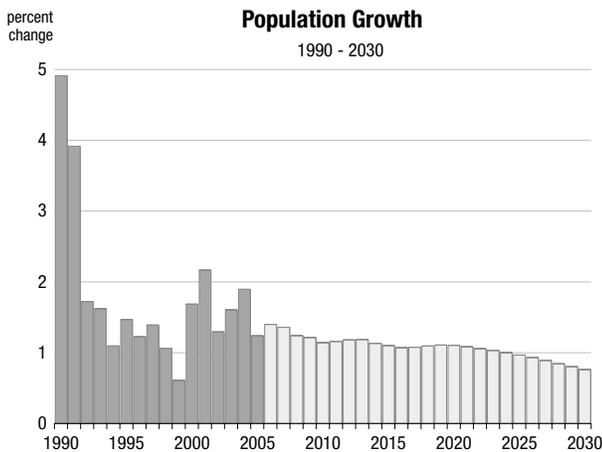


- Population growth in the 2006 to 2010 period is forecast to average 1.3 percent per year.
- Real per capita income is forecast to increase 1.6 percent in 2006. Over the next five years real per capita incomes are expected to increase an average of 1.8 percent per year. By 2010, the per capita income in Nevada is forecast to reach the state average.
- Total taxable sales, adjusted for inflation, are forecast to increase 8.3 percent in 2006. Over the next five years real taxable sales are forecast to increase at a rate of 6.3 percent per year.
- Industrial production is forecast to increase 2.7 percent in 2006. Over the next five years the growth rate of industrial production averages 1.9 percent per year. Total crop production is expected to decline an average of 1.0 percent per year between 2006 and 2010.

Nevada County Economic Forecast

1997-2005 History, 2006-2030 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 (millions)	Real Industrial Production (millions)	Unemploy- ment Rate (percent)
1997	89,353	1,243	95.1	35.0	645	\$0.76	\$2.14	\$30,357	3.4	8.88	226.8	6.2
1998	90,306	1,011	102.0	35.4	668	\$0.78	\$2.35	\$31,884	3.2	7.38	267.4	5.5
1999	90,860	683	106.1	36.0	815	\$0.91	\$2.49	\$32,249	4.2	7.90	248.3	4.1
2000	92,393	1,604	112.4	36.9	847	\$1.00	\$2.83	\$34,440	4.5	8.04	263.8	4.1
2001	94,395	2,116	118.0	37.4	680	\$1.02	\$2.97	\$33,559	5.4	7.65	252.3	4.3
2002	95,617	1,344	120.1	38.0	912	\$1.03	\$2.98	\$32,706	1.6	7.82	244.3	5.2
2003	97,155	1,643	119.3	38.6	912	\$1.06	\$3.09	\$32,858	1.8	8.13	269.8	5.5
2004	98,998	2,067	128.2	39.4	979	\$1.17	\$3.31	\$34,110	1.2	8.84	300.4	5.2
2005	100,227	1,378	129.4	40.2	829	\$1.26	\$3.50	\$34,943	2.0	9.31	314.3	4.7
2006	101,631	1,575	133.6	40.9	873	\$1.37	\$3.75	\$35,502	3.9	9.09	322.9	4.0
2007	103,013	1,560	137.0	41.6	688	\$1.45	\$3.97	\$36,173	2.4	9.08	329.7	3.8
2008	104,294	1,459	139.7	42.2	585	\$1.53	\$4.17	\$36,846	2.0	8.88	336.3	4.1
2009	105,565	1,451	142.3	42.7	520	\$1.62	\$4.39	\$37,498	2.0	8.90	339.9	4.3
2010	106,773	1,391	145.1	43.1	478	\$1.71	\$4.63	\$38,136	2.5	8.86	344.9	4.4
2011	108,015	1,420	148.5	43.5	509	\$1.80	\$4.89	\$38,917	2.4	8.68	356.6	4.4
2012	109,293	1,455	152.2	43.9	535	\$1.91	\$5.16	\$39,692	2.2	8.57	371.9	4.5
2013	110,593	1,476	155.9	44.4	548	\$2.01	\$5.43	\$40,389	2.3	8.51	387.5	4.7
2014	111,849	1,430	159.5	44.8	549	\$2.12	\$5.73	\$41,122	2.3	8.40	401.9	4.8
2015	113,083	1,412	163.0	45.3	546	\$2.25	\$6.04	\$41,830	2.5	8.28	415.2	4.8
2016	114,296	1,394	166.5	45.7	539	\$2.37	\$6.37	\$42,533	2.7	8.17	426.9	4.9
2017	115,530	1,418	170.1	46.2	539	\$2.51	\$6.71	\$43,169	2.7	7.92	439.5	4.9
2018	116,795	1,456	173.8	46.6	548	\$2.64	\$7.06	\$43,831	2.5	7.79	455.5	5.0
2019	118,090	1,494	177.6	47.1	558	\$2.79	\$7.43	\$44,488	2.5	7.67	469.7	5.0
2020	119,396	1,515	181.1	47.5	566	\$2.94	\$7.80	\$45,055	2.5	7.54	482.2	5.0
2021	120,693	1,523	184.1	48.0	564	\$3.09	\$8.19	\$45,660	2.4	7.32	490.6	5.0
2022	121,970	1,522	186.9	48.5	561	\$3.24	\$8.60	\$46,291	2.5	7.21	491.3	5.0
2023	123,232	1,528	189.8	48.9	556	\$3.40	\$9.02	\$46,926	2.5	7.00	491.0	5.0
2024	124,470	1,525	192.7	49.4	555	\$3.57	\$9.44	\$47,505	2.3	6.95	484.8	5.0
2025	125,678	1,520	195.4	49.9	554	\$3.74	\$9.86	\$48,020	2.4	6.85	475.3	5.0
2026	126,853	1,513	198.1	50.3	553	\$3.93	\$10.31	\$48,588	2.4	6.73	478.3	5.0
2027	127,985	1,500	200.4	50.8	552	\$4.11	\$10.75	\$49,007	2.5	6.61	480.1	4.9
2028	129,069	1,483	202.4	51.2	549	\$4.31	\$11.23	\$49,439	2.7	6.42	488.0	4.9
2029	130,108	1,469	204.3	51.7	544	\$4.52	\$11.73	\$49,897	2.7	6.33	497.3	4.8
2030	131,103	1,459	206.1	52.1	533	\$4.73	\$12.24	\$50,369	2.6	6.22	506.7	4.7



Nevada County Employment Forecast

1997-2005 History, 2006-2030 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	23.8	0.11	1.9	2.3	0.5	4.4	1.3	1.6	0.4	2.6	3.1	4.9
1998	25.3	0.13	2.3	2.3	0.7	4.4	1.3	1.9	0.4	2.6	3.4	5.0
1999	26.7	0.15	2.7	2.3	0.5	4.6	1.4	2.5	0.4	2.8	3.5	5.1
2000	28.0	0.09	2.9	2.3	0.5	4.9	1.5	2.7	0.4	3.0	3.7	5.3
2001	28.9	0.10	3.3	2.1	0.5	4.7	1.6	2.5	0.4	3.4	3.7	5.6
2002	29.5	0.10	3.3	1.8	0.5	4.8	1.7	2.5	0.4	3.6	3.8	5.8
2003	29.0	0.10	3.1	1.8	0.5	4.6	1.7	2.6	0.4	3.8	3.7	5.7
2004	29.1	0.09	3.3	1.9	0.5	4.5	1.7	2.4	0.4	3.8	4.0	5.5
2005	29.8	0.08	3.7	1.9	0.5	4.5	1.6	2.4	0.4	3.8	4.3	5.4
2006	30.7	0.07	3.7	1.9	0.5	4.6	1.5	2.6	0.4	3.9	4.8	5.5
2007	31.4	0.07	3.6	1.9	0.5	4.6	1.5	2.8	0.4	3.9	5.2	5.7
2008	31.8	0.07	3.4	1.9	0.5	4.7	1.5	2.9	0.4	4.0	5.4	5.8
2009	32.3	0.07	3.3	1.9	0.5	4.8	1.4	3.0	0.4	4.0	5.7	5.9
2010	32.9	0.07	3.2	1.9	0.5	4.9	1.4	3.2	0.4	4.0	5.9	6.1
2011	33.6	0.07	3.2	1.9	0.5	4.9	1.4	3.4	0.4	4.0	6.0	6.3
2012	34.3	0.07	3.3	1.9	0.5	5.0	1.4	3.6	0.4	4.1	6.2	6.4
2013	35.0	0.07	3.3	1.9	0.6	5.1	1.4	3.8	0.4	4.2	6.3	6.5
2014	35.7	0.07	3.3	1.9	0.6	5.2	1.4	3.9	0.4	4.3	6.4	6.7
2015	36.3	0.07	3.3	1.8	0.6	5.2	1.4	4.1	0.4	4.4	6.5	6.8
2016	37.0	0.07	3.3	1.8	0.6	5.3	1.4	4.2	0.4	4.6	6.6	6.9
2017	37.7	0.07	3.4	1.8	0.6	5.4	1.4	4.3	0.4	4.8	6.7	7.0
2018	38.5	0.07	3.4	1.8	0.6	5.4	1.4	4.4	0.4	5.0	6.8	7.2
2019	39.2	0.07	3.4	1.8	0.6	5.5	1.4	4.5	0.4	5.2	6.8	7.3
2020	39.9	0.07	3.4	1.8	0.6	5.6	1.4	4.6	0.4	5.5	6.9	7.5
2021	40.6	0.08	3.4	1.8	0.6	5.6	1.4	4.6	0.4	5.8	7.0	7.6
2022	41.3	0.08	3.4	1.8	0.6	5.7	1.4	4.7	0.4	6.0	7.0	7.7
2023	42.1	0.08	3.5	1.8	0.6	5.8	1.4	4.8	0.4	6.3	7.1	7.9
2024	42.8	0.08	3.5	1.8	0.6	5.8	1.4	4.9	0.4	6.6	7.1	8.0
2025	43.5	0.08	3.6	1.8	0.6	5.9	1.4	5.0	0.4	6.8	7.1	8.1
2026	44.2	0.08	3.7	1.8	0.6	5.9	1.4	5.0	0.4	7.1	7.2	8.2
2027	44.9	0.08	3.7	1.8	0.7	6.0	1.4	5.1	0.4	7.4	7.2	8.3
2028	45.5	0.08	3.7	1.8	0.7	6.0	1.4	5.2	0.4	7.6	7.2	8.4
2029	46.2	0.08	3.7	1.8	0.7	6.1	1.4	5.3	0.4	7.8	7.3	8.5
2030	46.8	0.08	3.7	1.8	0.7	6.2	1.4	5.4	0.4	8.0	7.3	8.6

