

YOLO COUNTY ECONOMIC FORECAST

Yolo County, home to the University of California at Davis, is located in the Sacramento Valley bordering Sacramento County to the east and Napa County to the west. Yolo County has a population of 188,900 people and more than 98,000 wage and salary jobs. The per capita income in Yolo County is \$29,947, and the average salary per worker is \$43,622.

Although not nearly as robust as Southern California, employment growth in Northern California was strong in 2005, compared to the previous four years. Employment in the greater Bay Area increased by 0.8 percent last year, while the Sacramento Valley (consisting of Sacramento, Yolo, Placer, El Dorado, Yuba and Sutter Counties) grew at a robust pace of 2.4 percent. In 2005, 1,880 total wage and salary jobs were created in Yolo County, representing a growth rate of 2.0 percent. Non-farm employment grew slightly faster, at 2.2 percent. The unemployment rate fell to 5.1 percent in 2005.

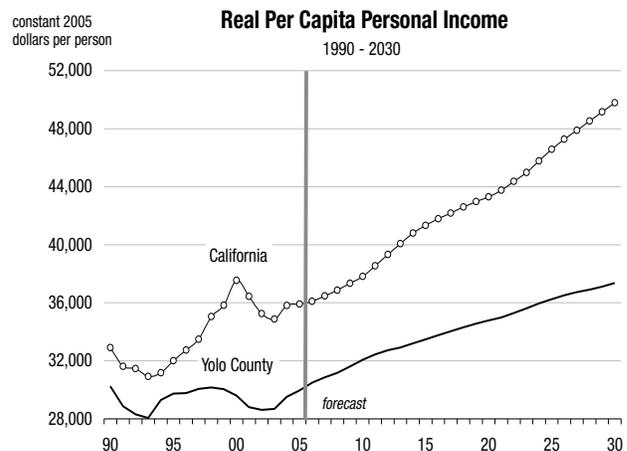
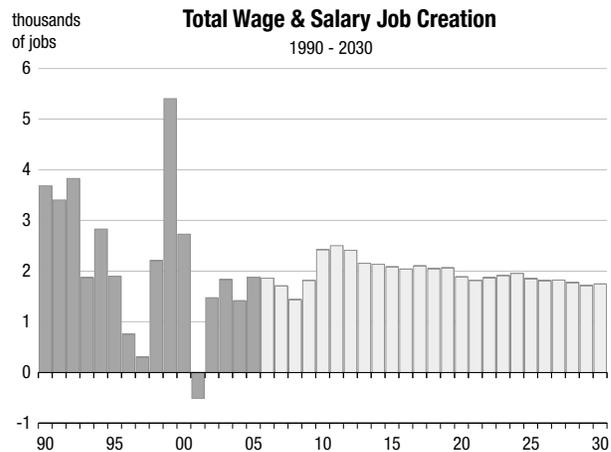
Job creation in Yolo County has been dominated by the public sector. Led by UC Davis, the public sector accounted for 83 percent of Yolo County job growth over the last five years. Other expanding labor markets include manufacturing, leisure services, and healthcare and education.

The population grew at a respectable rate of 1.5 percent in Yolo County from January 2005 to January 2006. All of the net growth occurred in West Sacramento, which added 3,000 residents implying a growth rate of 7.5 percent. Davis grew by a scant 0.4 percent.

Employment and population growth will continue at healthy rates in Yolo County over the next several years. Inland counties, like Yolo County, will dominate growth in the state due to the relative affordability and higher production of homes.

FORECAST HIGHLIGHTS

- Job growth is forecast to decline slightly in 2006 to 1.9 percent. Job growth is forecast to average 1.8 percent annually from 2006 to 2010.
- Average salaries adjusted for inflation are currently below the California state average. They are not likely to catch up in the foreseeable future. Inflation adjusted salaries are expected to rise an average of 0.6 percent per year over the next 5 years.
- Between 2006 and 2010, the momentum for employment growth is in professional services, healthcare and education, and government. These sectors account for 65 percent of job creation in the county over the next five years. All sectors are forecast to grow by at least 10 percent over that time period except for construction, manufacturing and financial services.

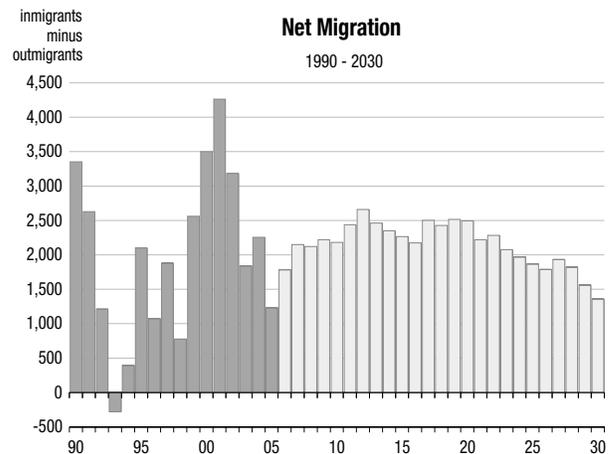
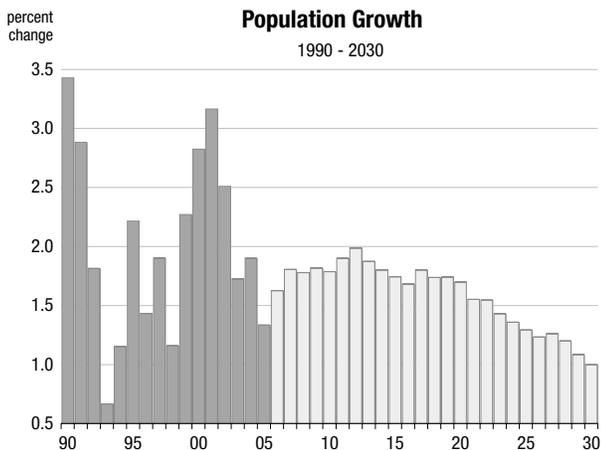


- The population will continue to grow at a steady rate, averaging 1.8 percent per year between 2006 and 2010.
- Net migration will increase to approximately 1,800 people in 2006. Over the next five years net migration is expected to increase slightly, averaging 2,400 net migrants per year. Net migration accounts for 60 percent of population growth in the county.
- Real per capita income will increase at a rate of 1.8 percent in 2006. Over the next five years real per capita incomes are forecast to grow by an average of 1.4 percent per year.
- Industrial production is forecast to increase by 3.9 percent in 2006. From 2006 to 2010, the growth rate of industrial production will be lower, with total production rising 2.8 percent per year.

Yolo 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 (billions)	Unemploy- ment Rate (percent)
1997	159,806	1,879	122.9	56.2	714	\$1.8	\$3.8	\$30,055	1.7	423.5	1.3	5.1
1998	161,659	777	131.5	57.0	1,591	\$1.9	\$3.9	\$30,165	1.4	339.8	1.3	4.8
1999	165,332	2,564	135.9	57.7	1,465	\$2.1	\$4.1	\$30,033	2.3	399.8	1.5	4.0
2000	170,004	3,500	139.5	59.4	1,216	\$2.3	\$4.3	\$29,601	3.3	340.8	1.6	4.3
2001	175,387	4,266	145.7	60.8	1,300	\$2.3	\$4.4	\$28,800	3.4	308.3	1.4	4.3
2002	179,790	3,186	156.0	62.2	1,389	\$2.3	\$4.6	\$28,608	2.8	315.1	1.6	5.0
2003	182,892	1,841	155.2	63.3	1,763	\$2.4	\$4.9	\$28,676	2.6	314.2	1.7	5.3
2004	186,370	2,255	165.5	64.8	2,215	\$2.7	\$5.3	\$29,518	3.3	345.1	1.9	5.5
2005	188,858	1,235	172.8	66.0	1,718	\$3.0	\$5.7	\$29,947	4.5	322.8	2.0	5.1
2006	191,932	1,786	180.5	68.1	1,373	\$3.2	\$6.0	\$30,487	3.1	316.2	2.0	4.9
2007	195,398	2,150	187.2	69.5	1,256	\$3.4	\$6.3	\$30,847	2.1	312.8	2.1	4.9
2008	198,877	2,124	193.2	70.8	1,197	\$3.6	\$6.6	\$31,157	1.9	311.1	2.1	5.0
2009	202,492	2,220	198.7	72.0	1,203	\$3.8	\$7.0	\$31,598	2.2	310.2	2.2	5.1
2010	206,113	2,184	203.3	73.2	1,288	\$4.1	\$7.4	\$32,056	2.4	309.8	2.2	5.0
2011	210,030	2,441	207.4	74.5	1,316	\$4.4	\$7.8	\$32,429	2.3	309.6	2.4	4.9
2012	214,207	2,661	211.5	75.8	1,255	\$4.6	\$8.2	\$32,715	2.1	309.6	2.5	4.9
2013	218,224	2,466	215.4	77.1	1,213	\$4.9	\$8.6	\$32,912	2.2	309.5	2.6	4.8
2014	222,159	2,352	219.2	78.3	1,177	\$5.2	\$9.0	\$33,202	2.2	309.6	2.7	4.7
2015	226,033	2,266	222.8	79.5	1,153	\$5.5	\$9.5	\$33,469	2.4	309.6	2.8	4.7
2016	229,839	2,177	226.1	80.7	1,139	\$5.9	\$10.0	\$33,751	2.5	309.6	2.9	4.6
2017	233,979	2,502	229.3	81.8	1,135	\$6.2	\$10.5	\$34,024	2.6	309.6	3.0	4.7
2018	238,047	2,429	232.3	83.0	1,146	\$6.6	\$11.0	\$34,302	2.4	309.7	3.2	4.8
2019	242,198	2,515	235.0	84.1	1,152	\$7.0	\$11.6	\$34,563	2.4	309.7	3.3	4.8
2020	246,316	2,495	237.7	85.3	1,135	\$7.4	\$12.1	\$34,769	2.3	309.7	3.4	4.9
2021	250,143	2,221	240.3	86.4	1,114	\$7.8	\$12.7	\$34,983	2.3	309.8	3.5	5.0
2022	254,011	2,285	242.8	87.6	1,113	\$8.2	\$13.3	\$35,284	2.4	309.8	3.5	5.1
2023	257,645	2,076	245.2	88.7	1,134	\$8.6	\$13.9	\$35,607	2.3	309.8	3.5	5.2
2024	261,151	1,972	247.4	89.8	1,162	\$9.1	\$14.5	\$35,947	2.2	309.8	3.5	5.2
2025	264,528	1,871	249.4	91.0	1,163	\$9.6	\$15.2	\$36,243	2.2	309.8	3.4	5.1
2026	267,794	1,788	251.3	92.2	1,173	\$10.0	\$15.8	\$36,515	2.3	309.9	3.4	5.0
2027	271,178	1,932	253.1	93.4	1,180	\$10.5	\$16.5	\$36,728	2.3	309.9	3.4	4.9
2028	274,435	1,825	254.9	94.6	1,155	\$11.1	\$17.2	\$36,908	2.5	309.9	3.5	4.9
2029	277,414	1,566	256.8	95.7	1,140	\$11.6	\$17.9	\$37,107	2.5	309.9	3.5	5.0
2030	280,186	1,362	258.6	96.9	1,168	\$12.1	\$18.7	\$37,359	2.4	309.9	3.5	5.1



Yolo County Employment Forecast

1997-2005 History, 2006-2030 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)-----												
1997	81.9	5.13	3.1	6.4	6.5	12.7	2.9	8.2	1.1	4.0	4.7	25.3
1998	84.1	4.78	3.4	6.4	6.5	13.2	3.0	8.8	1.1	4.3	4.7	26.2
1999	89.5	4.88	4.0	7.2	6.9	14.1	3.1	9.2	1.1	4.6	5.1	27.5
2000	92.2	4.86	4.5	6.7	7.4	13.5	3.1	9.2	1.1	5.0	5.6	29.3
2001	91.7	4.10	4.7	5.4	7.6	13.0	3.2	8.8	1.1	5.6	6.0	30.3
2002	93.2	4.48	4.7	5.5	7.7	12.4	3.3	8.1	1.1	5.8	5.9	32.1
2003	95.0	4.18	4.9	5.8	7.3	11.9	3.3	8.2	1.1	5.8	6.2	34.3
2004	96.5	3.90	4.9	6.1	7.6	11.5	3.3	7.9	1.2	6.1	6.5	35.3
2005	98.3	3.74	5.1	6.3	7.8	11.7	3.5	8.2	1.1	6.3	6.7	35.7
2006	100.2	3.79	5.3	6.3	7.9	11.8	3.5	8.5	1.2	6.5	6.9	36.3
2007	101.9	3.81	5.3	6.3	8.0	12.1	3.6	8.7	1.2	6.7	7.1	37.0
2008	103.4	3.82	5.0	6.3	8.1	12.3	3.6	8.9	1.2	6.9	7.2	37.7
2009	105.2	3.83	4.7	6.3	8.3	12.6	3.7	9.2	1.3	7.1	7.4	38.5
2010	107.6	3.83	4.8	6.3	8.6	12.9	3.7	9.5	1.3	7.3	7.5	39.4
2011	110.1	3.84	4.9	6.4	8.8	13.3	3.8	9.9	1.4	7.5	7.6	40.2
2012	112.5	3.84	5.0	6.4	9.1	13.5	3.8	10.3	1.4	7.7	7.8	41.1
2013	114.7	3.84	5.1	6.5	9.4	13.7	3.8	10.7	1.5	7.9	7.9	42.0
2014	116.8	3.84	5.2	6.5	9.6	13.9	3.9	10.9	1.5	8.1	8.0	42.8
2015	118.9	3.84	5.3	6.5	9.9	14.1	3.9	11.1	1.6	8.3	8.2	43.7
2016	120.9	3.84	5.4	6.5	10.1	14.3	4.0	11.3	1.6	8.5	8.3	44.5
2017	123.0	3.84	5.5	6.5	10.4	14.6	4.0	11.4	1.7	8.7	8.5	45.3
2018	125.1	3.84	5.5	6.6	10.6	14.9	4.0	11.5	1.7	8.9	8.7	46.1
2019	127.2	3.84	5.5	6.6	10.9	15.2	4.1	11.7	1.8	9.2	8.8	47.0
2020	129.0	3.84	5.4	6.6	11.2	15.4	4.1	11.8	1.8	9.4	8.8	47.9
2021	130.9	3.84	5.3	6.6	11.4	15.7	4.1	11.9	1.8	9.6	8.9	48.7
2022	132.7	3.84	5.2	6.6	11.7	16.0	4.2	12.0	1.9	9.8	9.0	49.5
2023	134.7	3.84	5.2	6.6	11.9	16.2	4.2	12.1	1.9	10.1	9.1	50.3
2024	136.6	3.84	5.3	6.6	12.2	16.5	4.3	12.3	2.0	10.3	9.1	51.2
2025	138.5	3.84	5.3	6.7	12.4	16.8	4.3	12.4	2.0	10.5	9.1	51.9
2026	140.3	3.84	5.4	6.7	12.6	17.0	4.4	12.5	2.1	10.7	9.2	52.7
2027	142.1	3.84	5.5	6.7	12.8	17.3	4.4	12.6	2.1	11.0	9.2	53.4
2028	143.9	3.84	5.6	6.7	13.0	17.5	4.4	12.7	2.2	11.2	9.3	54.2
2029	145.6	3.84	5.6	6.7	13.2	17.8	4.5	12.8	2.2	11.4	9.4	54.9
2030	147.4	3.84	5.6	6.8	13.3	18.0	4.5	12.9	2.2	11.6	9.5	55.7

