

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 153,300 people and 45,000 wage and salary jobs. The per capita income in Kings County is \$23,560, and the average salary per worker is \$52,704.

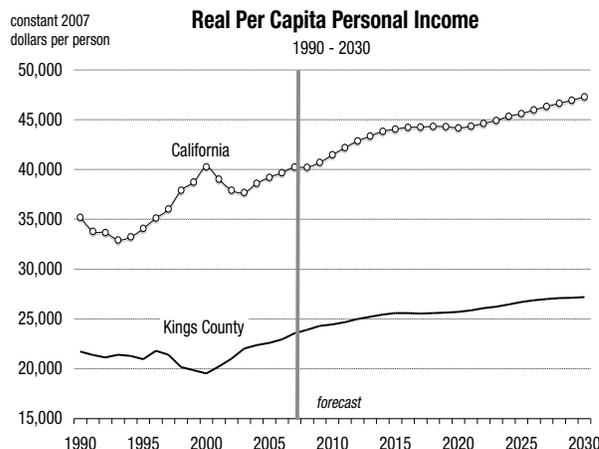
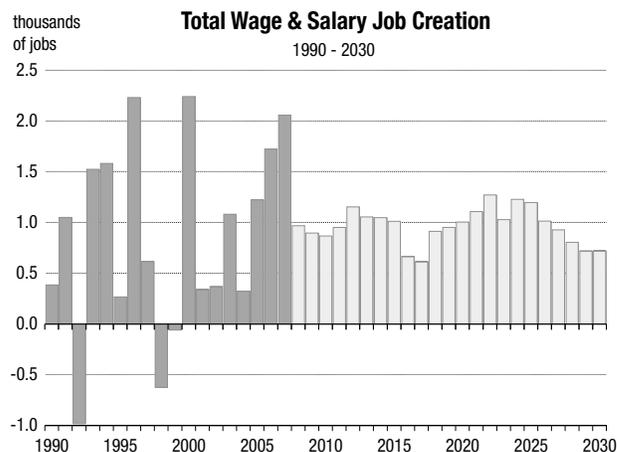
Employment growth in Northern California was modest in 2007, compared to the previous two years. Employment in the greater San Joaquin Valley grew at a rate of 0.9 percent, the slowest since 1992. In 2007, 2,100 total wage and salary jobs were created in Kings County, representing a growth rate of 4.8 percent. Farm employment, which accounts for 20 percent of total employment, grew by 7.5 percent last year, adding 650 jobs. The non-farm sector added 1,400 new jobs, representing a growth rate of 4.1 percent. The unemployment rate increased to 8.7 percent in 2007.

Employment growth in Kings County in 2007 was dominated by the government, manufacturing, and farm sectors. Government employment increased by 975 jobs, and manufacturing employment increased by more than 300 jobs. 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 1.9 percent in calendar year 2007. The fastest growing city in the county is Hanford, which jumped 3.0 percent between January 2007 and January 2008.

FORECAST HIGHLIGHTS

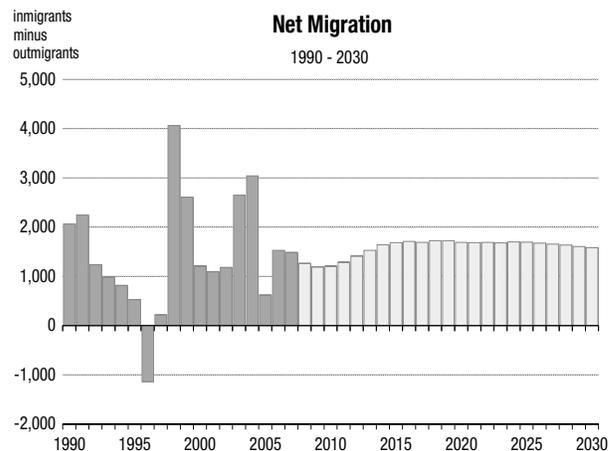
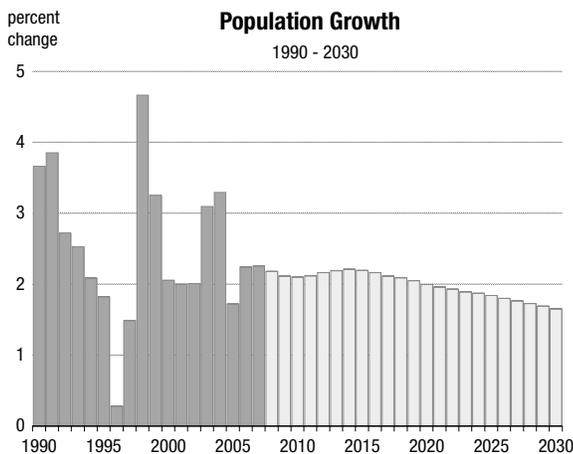
- Total wage and salary job growth is forecast to moderate in 2008 to 2.2 percent. From 2008 to 2012, total employment growth averages 2.1 percent per year, while non-farm job growth averages 2.4 percent per year.
- Average salaries adjusted for inflation are currently below the California state average, and will remain so over the forecast. Inflation adjusted salaries are expected to rise an average of 0.7 percent per year over the next 5 years.
- Between 2008 and 2012, the momentum for employment growth is in the government, farm, healthcare and education, leisure, professional services, and wholesale and retail trade sectors. Together they account for virtually all of the 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 2008 to 2012 period averages 2.1 percent per year.
- Net migration declines in 2008 to 1,300 people. Over the next five years migration is expected to average approximately 1,300 net migrants entering the county per year. Net migration accounts for 37 percent of the population growth over the next five years.
- Real per capita incomes are forecast to rise 1.5 percent in 2008. Over the next five years real per capita incomes are forecast to increase 1.2 percent per year.
- Total taxable sales are expected to increase by an average of 5.7 percent over the next five years. Adjusted for inflation, they increase by 3.6 percent per year.
- Industrial production is forecast to advance 3.7 percent in 2008. Over the next five years industrial production is forecast to rise 3.3 percent per year. Total real crop production is expected to increase by an average of 0.3 percent per year between 2008 and 2012.



Kings County Economic Forecast

1997-2007 History, 2008-2030 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	\$21,414	3.4	1.19	0.35	13.3
1998	123,424	4,065	75.4	33.3	757	\$0.72	\$1.91	\$20,167	3.2	1.07	0.35	13.9
1999	127,440	2,610	78.2	34.4	493	\$0.80	\$2.02	\$19,846	4.2	1.13	0.39	13.2
2000	130,057	1,210	81.2	34.6	443	\$0.89	\$2.12	\$19,521	4.5	1.06	0.42	10.0
2001	132,656	1,096	84.7	34.6	668	\$0.93	\$2.36	\$20,224	5.4	1.04	0.41	10.7
2002	135,323	1,180	89.3	35.1	699	\$0.98	\$2.54	\$21,017	1.6	1.15	0.42	11.7
2003	139,515	2,650	90.8	35.8	978	\$1.01	\$2.79	\$22,021	1.8	1.25	0.48	12.0
2004	144,114	3,042	97.7	36.6	852	\$1.09	\$2.97	\$22,374	1.2	1.40	0.52	11.0
2005	146,595	622	99.6	37.4	1,166	\$1.22	\$3.11	\$22,601	2.0	1.50	0.59	9.5
2006	149,883	1,529	102.7	38.3	907	\$1.30	\$3.33	\$22,938	3.2	1.33	0.61	8.5
2007	153,268	1,484	103.7	39.2	633	\$1.36	\$3.61	\$23,560	3.3	1.35	0.68	8.7
2008	156,613	1,266	106.4	39.8	478	\$1.44	\$3.82	\$23,903	2.0	1.35	0.70	10.1
2009	159,930	1,196	109.1	40.3	447	\$1.52	\$4.04	\$24,305	1.8	1.36	0.72	10.4
2010	163,292	1,212	111.8	40.7	556	\$1.60	\$4.23	\$24,459	1.9	1.37	0.74	10.1
2011	166,755	1,291	114.4	41.3	688	\$1.69	\$4.46	\$24,671	2.4	1.36	0.77	10.0
2012	170,361	1,418	117.0	41.9	759	\$1.79	\$4.72	\$24,992	2.2	1.37	0.80	9.9
2013	174,093	1,532	119.5	42.7	802	\$1.89	\$4.98	\$25,214	2.3	1.39	0.83	9.9
2014	177,946	1,643	122.0	43.4	886	\$2.00	\$5.25	\$25,430	2.3	1.40	0.87	9.9
2015	181,852	1,687	124.4	44.3	978	\$2.11	\$5.54	\$25,593	2.6	1.41	0.91	9.9
2016	185,791	1,710	126.8	45.3	1,004	\$2.24	\$5.81	\$25,591	2.7	1.42	0.94	10.1
2017	189,721	1,694	129.1	46.2	921	\$2.36	\$6.07	\$25,536	2.7	1.41	0.97	10.2
2018	193,692	1,726	131.4	47.1	938	\$2.49	\$6.37	\$25,577	2.5	1.42	1.01	10.0
2019	197,668	1,724	133.5	48.0	893	\$2.63	\$6.68	\$25,638	2.5	1.43	1.05	9.9
2020	201,617	1,691	135.6	48.9	928	\$2.78	\$7.00	\$25,720	2.5	1.44	1.10	9.7
2021	205,572	1,688	137.7	49.8	982	\$2.93	\$7.36	\$25,865	2.4	1.43	1.13	9.6
2022	209,542	1,693	139.8	50.8	957	\$3.09	\$7.75	\$26,077	2.5	1.44	1.16	9.4
2023	213,510	1,681	141.9	51.7	953	\$3.26	\$8.14	\$26,231	2.5	1.42	1.18	9.5
2024	217,508	1,701	143.9	52.6	944	\$3.43	\$8.56	\$26,462	2.3	1.41	1.21	9.4
2025	221,512	1,697	145.9	53.5	941	\$3.61	\$9.00	\$26,694	2.4	1.39	1.23	9.3
2026	225,504	1,676	147.9	54.4	936	\$3.80	\$9.44	\$26,861	2.4	1.37	1.25	9.4
2027	229,487	1,660	149.9	55.3	877	\$4.00	\$9.90	\$26,996	2.5	1.36	1.28	9.4
2028	233,454	1,636	152.0	56.2	751	\$4.22	\$10.37	\$27,083	2.7	1.35	1.31	9.5
2029	237,401	1,609	154.1	56.9	850	\$4.44	\$10.84	\$27,131	2.7	1.35	1.34	9.5
2030	241,327	1,582	156.2	57.8	735	\$4.66	\$11.33	\$27,188	2.6	1.34	1.37	9.5



Kings County Employment Forecast

1997-2007 History, 2008-2030 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	8.68	1.37	3.94	0.82	4.63	1.08	1.20	0.30	3.56	2.82	13.97
2007	45.0	9.33	1.36	4.28	0.79	4.71	1.08	1.12	0.33	3.64	2.83	14.94
2008	46.0	9.52	1.27	4.30	0.83	4.79	1.07	1.16	0.35	3.68	2.86	15.53
2009	46.9	9.65	1.26	4.32	0.84	4.85	1.08	1.19	0.36	3.71	2.90	16.10
2010	47.7	9.69	1.29	4.34	0.85	4.90	1.10	1.23	0.37	3.75	2.94	16.70
2011	48.7	9.67	1.30	4.35	0.86	4.94	1.11	1.29	0.37	3.80	2.99	17.39
2012	49.8	9.71	1.31	4.37	0.87	4.99	1.13	1.36	0.37	3.85	3.03	18.22
2013	50.9	9.76	1.32	4.38	0.88	5.03	1.14	1.43	0.37	3.92	3.07	18.95
2014	52.0	9.77	1.34	4.40	0.88	5.07	1.16	1.49	0.37	3.99	3.11	19.71
2015	53.0	9.78	1.35	4.41	0.89	5.11	1.17	1.54	0.37	4.06	3.16	20.43
2016	53.6	9.79	1.37	4.42	0.90	5.15	1.18	1.58	0.37	4.14	3.21	20.81
2017	54.2	9.75	1.37	4.44	0.91	5.20	1.19	1.61	0.37	4.22	3.26	21.21
2018	55.2	9.79	1.38	4.45	0.91	5.24	1.20	1.64	0.37	4.30	3.31	21.81
2019	56.1	9.82	1.39	4.47	0.92	5.28	1.21	1.67	0.37	4.38	3.34	22.49
2020	57.1	9.82	1.39	4.48	0.93	5.33	1.22	1.70	0.37	4.47	3.36	23.25
2021	58.2	9.79	1.39	4.49	0.94	5.38	1.23	1.73	0.37	4.57	3.38	24.14
2022	59.5	9.80	1.40	4.50	0.94	5.42	1.24	1.76	0.37	4.68	3.40	25.13
2023	60.5	9.74	1.40	4.51	0.95	5.47	1.25	1.79	0.37	4.79	3.42	25.95
2024	61.8	9.72	1.41	4.53	0.96	5.52	1.26	1.82	0.37	4.91	3.43	26.92
2025	63.0	9.67	1.42	4.54	0.97	5.57	1.27	1.85	0.37	5.03	3.45	27.90
2026	64.0	9.65	1.43	4.55	0.97	5.62	1.28	1.88	0.37	5.15	3.46	28.66
2027	64.9	9.63	1.44	4.57	0.98	5.68	1.29	1.91	0.37	5.26	3.48	29.33
2028	65.7	9.61	1.45	4.58	0.98	5.73	1.30	1.94	0.37	5.38	3.50	29.89
2029	66.4	9.63	1.46	4.60	0.99	5.78	1.31	1.96	0.37	5.49	3.53	30.31
2030	67.1	9.63	1.47	4.61	0.99	5.83	1.31	1.99	0.37	5.60	3.55	30.75

