

FRESNO COUNTY ECONOMIC FORECAST

Fresno County is the most productive agricultural county in the Nation. In each of the last five years the total crop value has exceeded \$5 billion. Fresno County has a population of 951,200 people and just under 342,000 wage and salary jobs. The per capita income in Fresno County is \$27,905, and the average salary per worker is \$41,366.

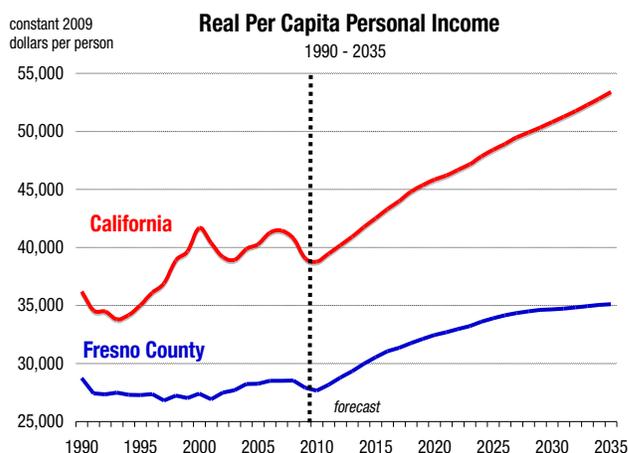
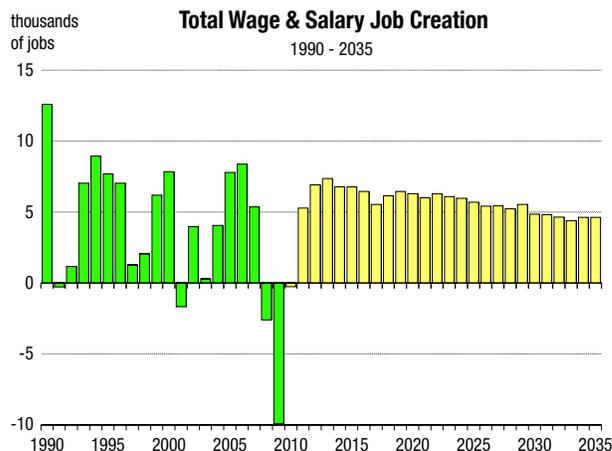
Employment in Northern California contracted during 2009, consistent with the rest of the state and nation. In 2009, 9,900 total wage and salary jobs were lost in Fresno County, representing a decline of 2.8 percent. Non-farm employment dropped by 3.4 percent. Farm employment was mostly unchanged, increasing by 0.6 percent. The average unemployment rate increased to 16.1 percent in 2009.

The labor market fall-out was broad based in 2009. Non-farm labor markets with positive job creation during 2009 included mining and education and healthcare. However, the change was essentially zero as both sectors combined to create only 75 jobs. Sectors with the largest declines in employment were construction (2,600 jobs), manufacturing (1,900 jobs), leisure services (1,300 jobs), and government (1,000 jobs).

The population continues to grow in Fresno County, and the growth rate remained relatively high during calendar 2009 at 1.5 percent. The neighboring cities of Clovis and Fresno account for 63 percent of the county population and combined for 83 percent of the population growth from January 2008 to January 2009.

FORECAST HIGHLIGHTS

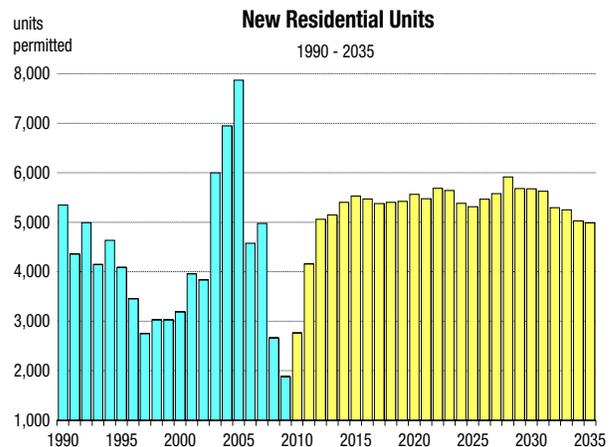
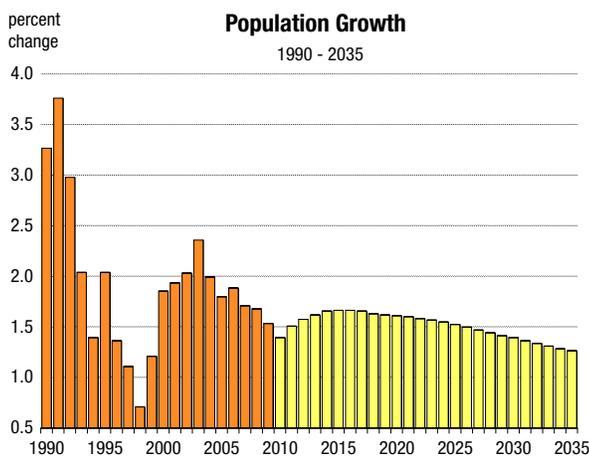
- Total wage and salary job growth is forecast to be near zero in 2010 at -0.1 percent. Non-farm job growth is slightly worse, at an estimated -0.4 percent. From 2010 to 2015 total wage and salary growth averages +1.9 percent per year, while non-farm growth averages +2.2 percent per year.
- Average salaries adjusted for inflation are currently well below the California state average, and will remain so over the foreseeable future. Real average salaries rise an average of 2.0 percent per year during the 2010 to 2015 period.
- Between 2010 and 2015, the principle job creation will be led by construction, professional services, healthcare and education, and government. These sectors are all forecast to add between 5,000 and 7,000 jobs from 2010 to 2015. Employment in farm, manufacturing, and financial activities is stagnant during this time period.
- Annual population growth declines further in 2010 to 1.4 percent. In the 2010 to 2015 period population growth averages 1.6 percent per year.
- Net migration remains positive, but slows compared to the previous five years. From 2010 to 2015 net migration is expected to average 3,600 net migrants entering the county per year.
- Real per capita incomes are forecast to decline 0.9 percent in 2010. Between 2010 and 2015 real per capita incomes are forecast to increase 2.0 percent per year.
- Total taxable sales adjusted for inflation are expected to increase by an average of 3.1 percent per year from 2010 to 2015.
- Industrial production is forecast to rise 1.4 percent in 2010. Between 2010 and 2015 the growth rate of industrial production will decline when compared with last decade, with total production advancing an average of 2.2 percent per year.
- Farm production is forecast to increase by 0.3 percent per year between 2010 and 2015. The principal crop in the county is grapes.



Fresno County Economic Forecast

2002-2009 History, 2010-2035 Forecast

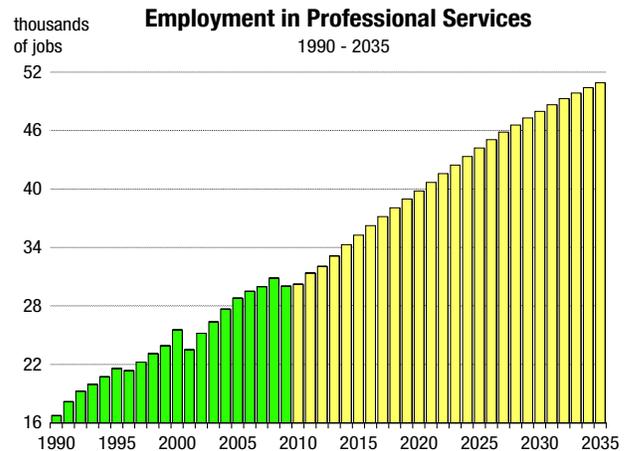
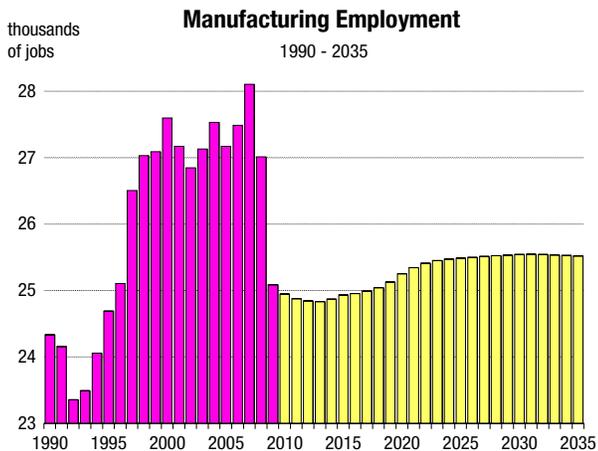
	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (billions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
2002	836,614	7,960	628	258	3,839	\$9.0	\$19.7	\$27,481	1.6	4.02	4.06	11.6
2003	856,350	10,219	636	262	5,999	\$9.7	\$20.7	\$27,703	1.8	4.67	4.36	11.8
2004	873,417	7,478	683	266	6,950	\$10.7	\$21.7	\$28,221	1.2	5.22	4.66	10.5
2005	889,121	5,546	692	272	7,875	\$11.9	\$22.6	\$28,249	2.0	5.16	4.85	9.1
2006	905,880	6,404	711	278	4,580	\$12.6	\$24.0	\$28,498	3.2	5.22	5.28	8.1
2007	921,361	4,550	713	284	4,979	\$12.3	\$25.2	\$28,500	3.4	5.56	5.47	8.6
2008	936,828	3,972	713	288	2,669	\$12.0	\$26.4	\$28,515	3.0	5.72	5.59	10.6
2009	951,204	2,378	710	292	1,884	\$11.6	\$26.5	\$27,905	0.8	5.83	5.48	16.1
2010	964,463	1,377	694	294	2,767	\$11.3	\$27.2	\$27,655	2.1	5.82	5.55	15.4
2011	979,013	2,706	685	297	4,165	\$11.5	\$28.9	\$28,164	2.4	5.76	5.62	13.6
2012	994,433	3,549	685	301	5,064	\$12.1	\$30.6	\$28,786	2.1	5.75	5.77	12.5
2013	1,010,532	4,152	693	306	5,150	\$12.9	\$32.4	\$29,324	2.2	5.85	5.90	11.6
2014	1,027,268	4,679	706	311	5,406	\$13.7	\$34.4	\$29,968	2.2	5.87	6.04	10.6
2015	1,044,372	4,919	722	316	5,532	\$14.7	\$36.4	\$30,548	2.2	5.91	6.19	10.1
2016	1,061,761	5,060	740	321	5,471	\$15.7	\$38.5	\$31,051	2.2	5.95	6.31	9.7
2017	1,079,345	5,103	758	326	5,382	\$16.7	\$40.3	\$31,358	2.2	5.91	6.46	9.6
2018	1,096,929	4,955	775	332	5,406	\$17.6	\$42.4	\$31,757	2.2	5.95	6.62	9.4
2019	1,114,676	4,974	792	337	5,425	\$18.6	\$44.6	\$32,110	2.2	5.97	6.81	9.2
2020	1,132,643	5,066	810	342	5,567	\$19.6	\$46.7	\$32,445	2.1	5.97	7.05	9.1
2021	1,150,782	5,126	827	347	5,477	\$20.7	\$49.0	\$32,690	2.5	5.91	7.26	9.0
2022	1,168,992	5,112	843	352	5,686	\$21.8	\$51.5	\$32,962	2.6	5.98	7.46	8.8
2023	1,187,322	5,169	858	358	5,646	\$22.8	\$54.1	\$33,218	2.5	5.94	7.65	8.7
2024	1,205,701	5,178	872	363	5,387	\$23.9	\$56.9	\$33,599	2.4	6.00	7.84	8.5
2025	1,224,090	5,169	887	368	5,316	\$25.2	\$59.7	\$33,898	2.5	6.01	8.05	8.4
2026	1,242,434	5,121	901	374	5,469	\$26.4	\$62.6	\$34,157	2.5	6.02	8.28	8.4
2027	1,260,694	5,043	916	379	5,581	\$27.7	\$65.5	\$34,351	2.6	6.03	8.52	8.3
2028	1,278,891	4,992	930	384	5,919	\$29.1	\$68.6	\$34,489	2.8	6.00	8.77	8.2
2029	1,296,988	4,910	944	390	5,685	\$30.5	\$71.7	\$34,617	2.7	6.05	9.02	8.1
2030	1,315,076	4,921	958	395	5,678	\$31.9	\$74.7	\$34,659	2.7	6.06	9.28	8.1
2031	1,333,015	4,792	972	401	5,630	\$33.3	\$77.9	\$34,728	2.7	6.05	9.56	7.9
2032	1,350,842	4,697	986	406	5,295	\$34.9	\$81.3	\$34,834	2.7	6.04	9.85	8.0
2033	1,368,557	4,599	999	411	5,255	\$36.5	\$84.9	\$34,938	2.7	6.03	10.14	8.0
2034	1,386,134	4,475	1,012	416	5,027	\$38.2	\$88.5	\$35,033	2.7	6.02	10.44	8.0
2035	1,403,656	4,435	1,025	421	4,987	\$39.9	\$92.2	\$35,115	2.7	6.01	10.75	8.1

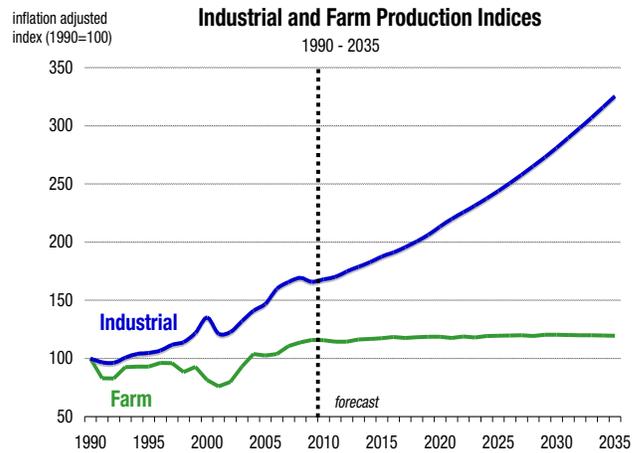
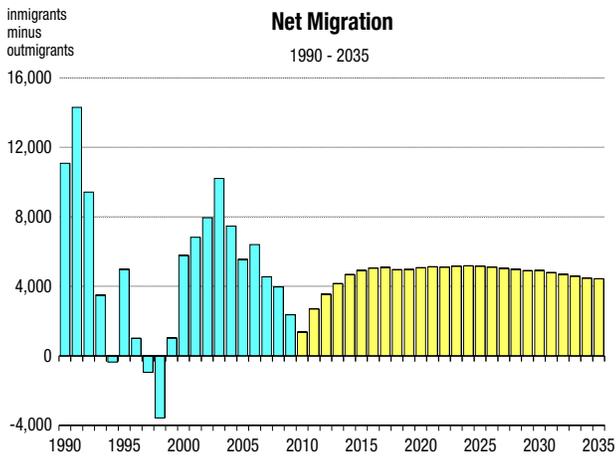
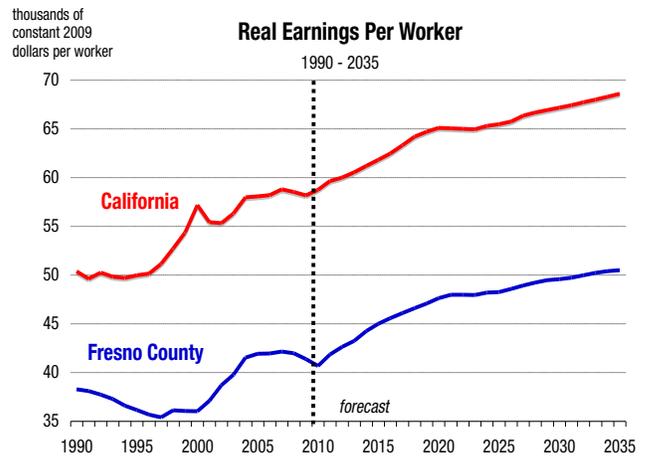
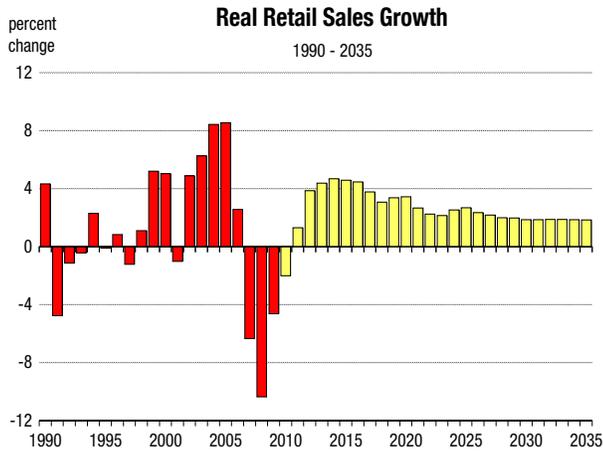


Fresno County Employment Forecast

2002-2009 History, 2010-2035 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)-----											
2002	328.5	46.6	16.9	26.9	9.4	45.4	14.1	25.2	4.7	33.9	24.2	69.1
2003	328.8	46.2	18.1	27.1	9.6	46.3	13.7	26.4	4.2	34.9	23.6	67.6
2004	332.9	46.0	19.9	27.5	9.6	46.2	13.9	27.7	4.6	35.8	24.3	66.6
2005	340.7	46.4	21.6	27.2	9.4	47.7	14.7	28.8	4.3	36.6	25.9	67.0
2006	349.1	46.5	23.2	27.5	10.0	48.5	15.5	29.5	4.2	37.5	28.1	67.6
2007	354.5	48.1	21.1	28.1	10.7	49.8	15.3	30.0	4.2	38.9	28.2	69.2
2008	351.9	49.1	17.9	27.0	11.1	48.0	14.7	30.9	4.4	39.8	28.0	70.1
2009	342.0	49.4	15.3	25.1	11.0	46.9	13.9	30.0	4.0	39.8	26.7	69.1
2010	341.7	50.2	13.7	25.0	11.1	47.0	13.7	30.2	3.9	40.6	27.0	68.3
2011	347.0	50.0	15.4	24.9	11.3	47.3	13.7	31.4	3.9	41.5	27.6	69.1
2012	353.9	49.9	17.5	24.8	11.4	48.1	13.8	32.1	4.0	42.7	28.1	70.3
2013	361.3	50.3	19.1	24.8	11.6	48.9	13.9	33.1	4.0	44.2	28.6	71.6
2014	368.1	50.3	20.1	24.9	11.7	49.7	14.0	34.3	4.0	45.8	29.1	72.8
2015	374.8	50.4	21.0	24.9	11.8	50.5	14.1	35.3	4.1	47.6	29.7	74.0
2016	381.3	50.6	21.6	25.0	12.0	51.3	14.1	36.3	4.1	49.5	30.3	75.0
2017	386.9	50.5	21.8	25.0	12.1	51.9	14.2	37.2	4.1	51.5	30.8	76.1
2018	393.0	50.6	22.0	25.0	12.3	52.4	14.2	38.1	4.1	53.6	31.3	77.5
2019	399.5	50.6	22.4	25.1	12.4	52.9	14.3	39.0	4.1	55.8	31.8	79.1
2020	405.8	50.7	22.7	25.3	12.5	53.5	14.3	39.8	4.1	58.0	32.3	80.5
2021	411.8	50.5	22.9	25.3	12.7	54.1	14.3	40.7	4.1	60.1	32.7	82.0
2022	418.1	50.7	23.1	25.4	12.8	54.8	14.4	41.6	4.1	62.2	33.2	83.3
2023	424.2	50.5	23.4	25.5	13.0	55.5	14.5	42.5	4.2	64.3	33.7	84.6
2024	430.2	50.7	23.5	25.5	13.1	56.2	14.6	43.3	4.2	66.3	34.1	85.8
2025	435.9	50.8	23.4	25.5	13.2	57.0	14.6	44.2	4.3	68.3	34.5	87.0
2026	441.3	50.8	23.5	25.5	13.4	57.6	14.7	45.1	4.3	70.2	34.9	88.1
2027	446.7	50.8	23.7	25.5	13.5	58.2	14.8	45.8	4.3	72.1	35.3	89.2
2028	452.0	50.7	23.9	25.5	13.7	58.8	14.9	46.6	4.4	73.9	35.8	90.3
2029	457.5	50.9	24.2	25.5	13.8	59.4	15.0	47.3	4.4	75.6	36.2	91.4
2030	462.4	50.9	24.0	25.5	13.9	60.0	15.1	48.0	4.4	77.3	36.6	92.4
2031	467.2	50.9	24.1	25.5	14.1	60.6	15.2	48.7	4.5	78.8	37.1	93.5
2032	471.9	50.9	24.0	25.5	14.2	61.2	15.3	49.3	4.5	80.3	37.5	94.6
2033	476.3	50.8	23.7	25.5	14.4	61.9	15.4	49.9	4.5	81.8	38.0	95.7
2034	480.9	50.8	23.6	25.5	14.5	62.5	15.5	50.4	4.6	83.3	38.4	96.8
2035	485.5	50.8	23.4	25.5	14.6	63.1	15.6	50.9	4.6	85.0	38.9	97.9





County Economic and Demographic Indicators

Projected Economic Growth (2010-2015)

Expected retail sales growth:	20.3 %
Expected job growth:	9.7 %
Fastest growing jobs sector:	Construction
Expected personal income growth:	19.6 %

Expected population growth:	8.3 %
Net migration to account for:	25.0 %
Expected growth in number of vehicles:	4.1 %

Demographics (2009)

Unemployment rate (December):	16.8 %
County Rank* in California (58 counties):	43rd
Working age (16-64) population:	65.3 %

Population with B.A. Degree or higher:	18.2 %
Median Home Selling Price:	\$145,447
Median Household Income:	\$46,847

Quality of Life

Violent Crime rate (2008):	462 per 100,000 persons
County Rank* in California (58 counties):	34th
Average Commute Time to work (2009):	23.9 minutes

High School drop out rate (2008):	24.0 %
Households at/below poverty line:	17.2 %

* The county ranked 1st corresponds to the lowest rate in California