

SIERRA COUNTY ECONOMIC FORECAST

Sierra County is located on the California-Nevada state border. The county is the second smallest in the state in terms of population. There is only one controlled traffic signal in Sierra County. The county has a population of 3,312 people and 724 wage and salary jobs. The per capita income in Sierra County is \$28,437, and the average salary per worker is \$38,446.

In 2009, total wage and salary employment in Sierra County fell by 47 jobs, representing a decline of 6.1 percent. The unemployment rate increased to 16.1 percent in 2009.

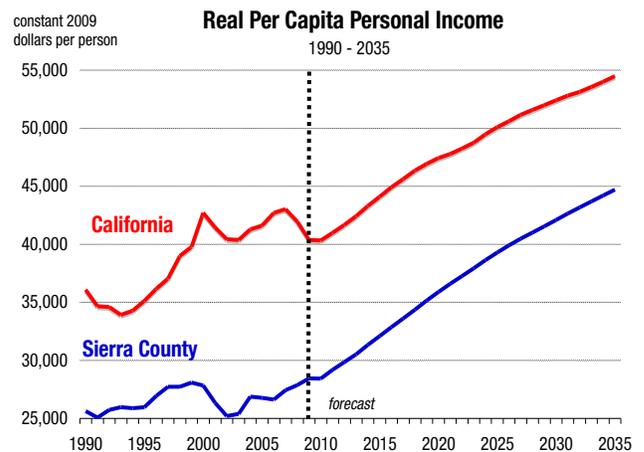
The goods producing sector lost 13 jobs last year, bringing total jobs in that sector to 56. The sector contracted sharply in 2008, losing 52 jobs, or 43 percent of the workforce. The public sector, which represents 55 percent of total employment in the county, lost 43 jobs in 2009. The services sector created 4 jobs, an increase of 1.7 percent. Services account for 34 percent of total employment in the county.

During 2009, the population declined in Sierra County at a rate of 0.9 percent. A total of 18 net migrants left the county last year. The only incorporated city in the county is Loyaltown, which declined in population by 0.7 percent between January 2008 and January 2009. The city has a total of 842 residents, representing 25 percent of the county total.

Employment growth is expected to remain marginally positive over the forecast period after 2010, but this only amounts to approximately 10 jobs created per year.

FORECAST HIGHLIGHTS

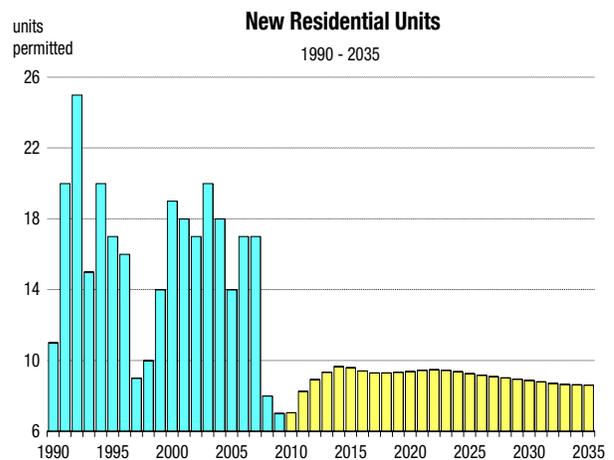
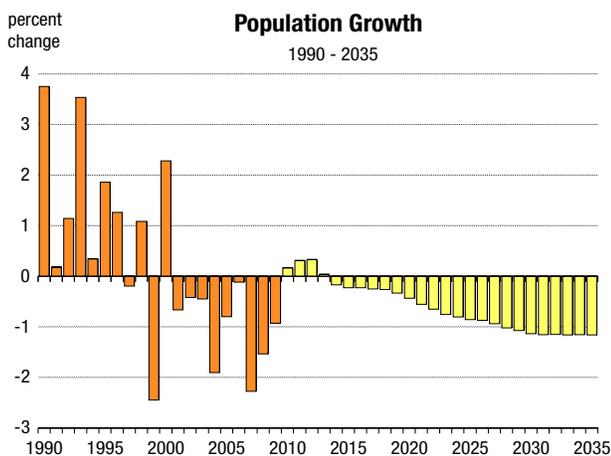
- Total wage and salary employment is forecast to decline 1.4 percent in 2010. From 2010 to 2015 job growth is expected to average 1.3 percent per year.
- Average salaries adjusted for inflation are currently well below the California state average, and will remain so over the forecast period. Inflation adjusted salaries are expected to increase an average of 0.6 percent per year during the 2010 to 2015 period.
- Between 2010 and 2015, the services sector is forecast to create most of the new jobs. That sector will create an estimated 35 jobs during this time. The public sector is forecast to lose 4 jobs while the goods producing sector creates 15 jobs over the same time period.
- The population decline is expected to reverse in 2010, with an expected gain of 0.2 percent. Population is expected to grow annually by an average of 0.1 percent in the 2010 to 2015 period.
- Migration is forecast at 18 migrants entering the county during 2010. Over the next five years net migration will average approximately 9 net migrants per year.
- Real per capita income is forecast to remain unchanged in 2010. Between 2010 and 2015, the growth in real per capita income will average approximately 2.5 percent per year.
- Total taxable sales adjusted for inflation are forecast to rise dramatically in 2010, increasing by 10 percent as businesses are forced to make purchases they have delayed for years. From 2010 to 2015 real taxable sales are forecast to increase at an average rate of 0.7 percent per year.
- Industrial production is forecast to decline 24 percent in 2010, as goods producing employment continues to erode. Between 2010 and 2015 the growth rate of industrial production averages 8.8 percent per year.



Sierra 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 (millions)	Personal Income (millions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (millions)	Unemploy- ment Rate (percent)
2002	3,590	2	5.2	1.5	17	\$26.12	\$77.69	\$25,187	1.6	5.1	13.3	8.8
2003	3,574	1	5.2	1.5	20	\$20.80	\$79.39	\$25,389	1.8	6.5	12.6	9.5
2004	3,506	-57	5.4	1.6	18	\$22.93	\$83.34	\$26,861	1.2	7.1	12.5	9.8
2005	3,478	-17	5.5	1.6	14	\$25.58	\$84.01	\$26,769	2.0	7.1	16.3	8.5
2006	3,474	-4	5.5	1.6	17	\$25.98	\$86.10	\$26,613	3.2	6.9	18.4	7.5
2007	3,395	-62	5.4	1.6	17	\$23.95	\$89.67	\$27,419	3.4	6.8	18.1	8.0
2008	3,343	-37	5.4	1.6	8	\$20.88	\$92.35	\$27,856	3.0	6.0	10.8	10.5
2009	3,312	-18	5.3	1.6	7	\$20.21	\$94.18	\$28,437	0.8	6.0	8.9	16.1
2010	3,318	18	5.4	1.6	7	\$22.71	\$96.29	\$28,428	2.1	6.2	6.8	14.8
2011	3,328	19	5.4	1.6	8	\$23.79	\$101.50	\$29,183	2.4	6.3	8.3	13.6
2012	3,339	18	5.4	1.6	9	\$24.48	\$106.38	\$29,849	2.1	6.4	9.0	12.1
2013	3,340	8	5.5	1.6	9	\$25.10	\$111.22	\$30,512	2.2	6.4	9.3	11.4
2014	3,335	0	5.5	1.6	10	\$25.69	\$116.48	\$31,335	2.2	6.5	10.0	10.6
2015	3,327	0	5.5	1.6	10	\$26.31	\$121.66	\$32,085	2.2	6.5	10.4	10.1
2016	3,320	1	5.5	1.6	9	\$26.92	\$126.96	\$32,852	2.2	6.5	11.0	9.8
2017	3,311	1	5.6	1.6	9	\$27.56	\$132.38	\$33,604	2.2	6.5	11.5	9.8
2018	3,303	0	5.6	1.6	9	\$28.21	\$138.02	\$34,366	2.2	6.5	12.0	9.7
2019	3,292	-1	5.6	1.6	9	\$28.87	\$143.71	\$35,141	2.2	6.5	12.5	9.5
2020	3,278	-3	5.6	1.6	9	\$29.53	\$149.21	\$35,893	2.1	6.5	12.9	9.5
2021	3,260	-5	5.6	1.6	9	\$30.33	\$155.13	\$36,596	2.5	6.5	13.6	9.4
2022	3,239	-7	5.6	1.6	9	\$31.16	\$161.00	\$37,254	2.6	6.5	14.3	9.3
2023	3,214	-8	5.6	1.6	9	\$32.00	\$166.83	\$37,929	2.5	6.5	15.1	9.2
2024	3,188	-8	5.6	1.6	9	\$32.81	\$172.57	\$38,623	2.4	6.5	15.9	9.1
2025	3,161	-8	5.6	1.6	9	\$33.67	\$178.29	\$39,278	2.5	6.5	16.7	9.0
2026	3,134	-8	5.6	1.6	9	\$34.55	\$184.01	\$39,895	2.5	6.5	17.6	9.1
2027	3,104	-9	5.5	1.6	9	\$35.49	\$189.72	\$40,483	2.6	6.5	18.5	9.0
2028	3,073	-10	5.5	1.6	9	\$36.51	\$195.51	\$41,016	2.8	6.5	19.4	9.0
2029	3,040	-10	5.5	1.6	9	\$37.55	\$201.29	\$41,546	2.7	6.5	20.4	8.9
2030	3,005	-11	5.5	1.6	9	\$38.61	\$207.06	\$42,099	2.7	6.5	21.5	8.9
2031	2,971	-11	5.5	1.6	9	\$39.70	\$212.87	\$42,642	2.7	6.5	22.2	8.8
2032	2,937	-10	5.4	1.6	9	\$40.83	\$218.75	\$43,172	2.7	6.5	22.9	8.8
2033	2,903	-10	5.4	1.6	9	\$41.98	\$224.64	\$43,685	2.7	6.5	23.7	8.9
2034	2,869	-9	5.4	1.6	9	\$43.17	\$230.64	\$44,192	2.7	6.5	24.4	9.0
2035	2,836	-9	5.3	1.6	9	\$44.40	\$236.78	\$44,702	2.7	6.5	25.2	9.0

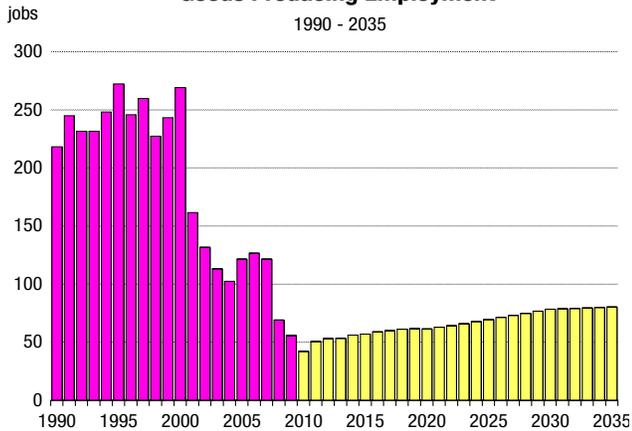


Sierra County Employment Forecast

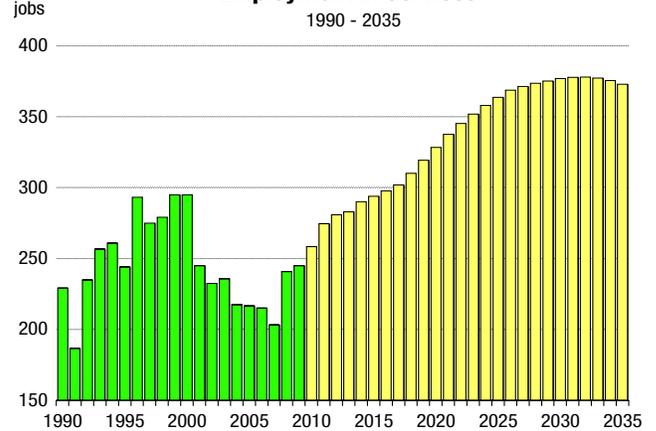
2002-2009 History, 2010-2035 Forecast

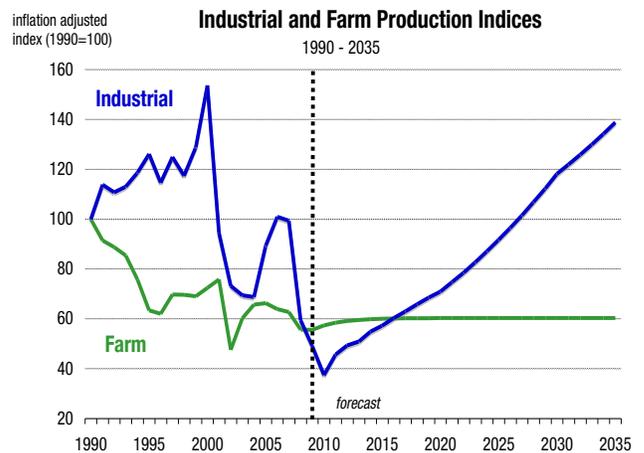
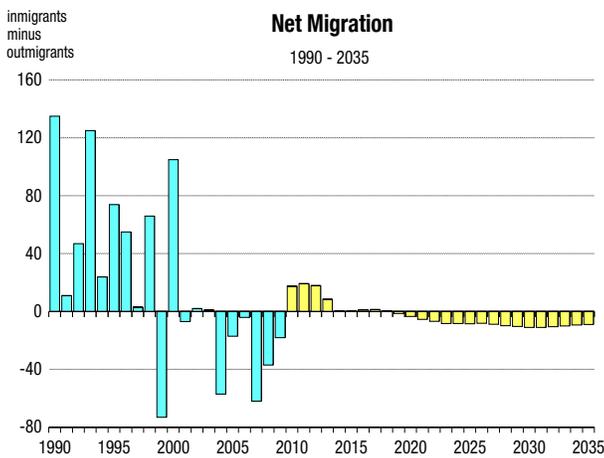
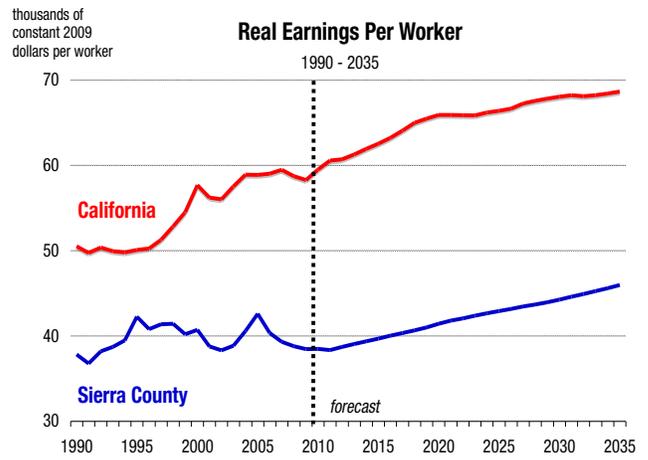
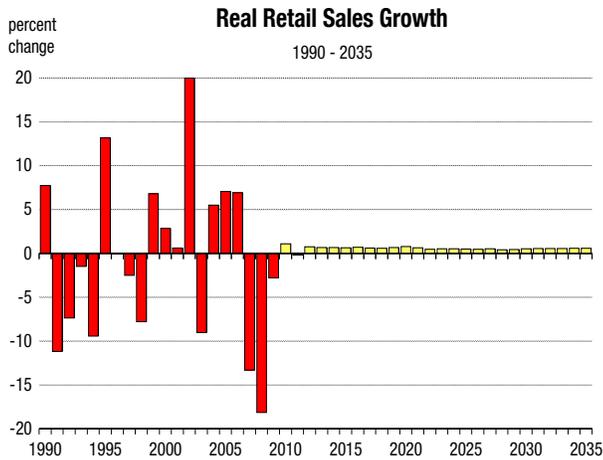
	Total Wage & Salary	Farm	Goods Producing	Services	Government
	-----employment (number of jobs)-----				
2002	833	5	132	233	463
2003	814	10	113	236	455
2004	759	10	103	218	429
2005	768	10	122	217	419
2006	780	13	127	215	426
2007	794	23	122	203	447
2008	771	22	69	241	439
2009	724	27	56	245	397
2010	714	25	42	258	388
2011	737	26	51	275	385
2012	744	26	53	281	384
2013	745	25	54	283	383
2014	756	26	56	290	384
2015	761	26	57	294	384
2016	767	26	59	298	384
2017	773	26	60	302	386
2018	784	26	61	310	387
2019	797	26	62	319	390
2020	808	26	62	328	392
2021	820	26	63	338	393
2022	830	26	64	345	395
2023	840	26	66	352	397
2024	850	26	68	358	398
2025	859	26	70	364	399
2026	866	26	71	369	400
2027	872	26	73	371	401
2028	876	26	75	374	402
2029	880	26	77	375	403
2030	884	26	79	377	403
2031	886	25	79	378	404
2032	888	25	79	378	406
2033	889	25	80	377	407
2034	889	25	80	376	408
2035	888	25	80	373	409

Goods Producing Employment



Employment in Services





County Economic and Demographic Indicators

Projected Economic Growth (2010-2015)

Expected retail sales growth:	2.6%
Expected job growth:	6.5%
Fastest growing jobs sector:	Goods Producing
Expected personal income growth:	13.2%

Expected population growth:	0.3%
Net migration to account for:	100.0%
Expected growth in number of vehicles:	2.7%

Demographics (2009)

Unemployment rate (December)	17.9%
County Rank* in California (58 counties):	48th
Working age (16-64) population:	65.6%

Population with B.A. Degree or higher:	17.7%
Median Home Selling Price:	\$165,650
Median Household Income:	\$46,250

Quality of Life

Violent Crime rate (2008):	238 per 100,000 persons
County Rank* in California (58 counties):	7th
Average Commute Time to work (2009):	30.2 minutes

High School drop out rate (2008):	4.6%
Households at/below poverty line:	8.6%

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