

EL DORADO COUNTY ECONOMIC FORECAST

El Dorado County is home to the town of Coloma, where the first discoveries of gold sparked the California gold rush. It is part of the greater Sacramento Valley, and shares its eastern border with the state of Nevada. It is also home to a portion of Lake Tahoe, one of the most popular recreational destinations in the state. As a result, leisure and hospitality is one of the county's largest industries, accounting for 15 percent of total wage and salary employment.

El Dorado County has a population of 180,600 people and approximately 46,900 wage and salary jobs. The per capita income in El Dorado County is \$51,822, and the average salary per worker is \$51,243.

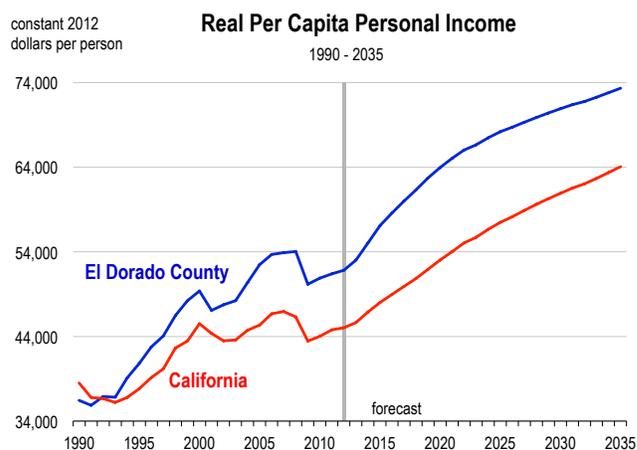
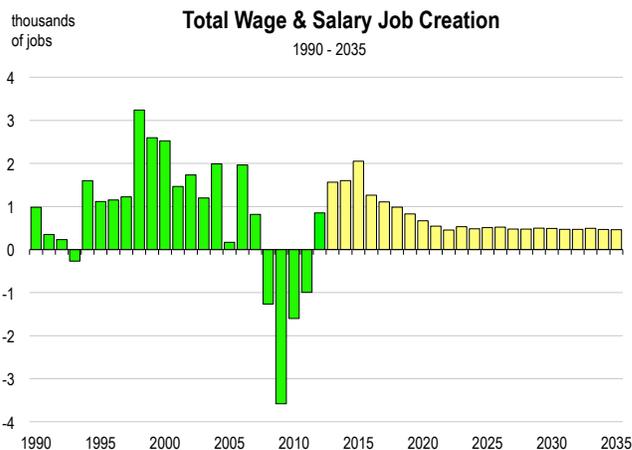
Employment across Northern California increased by 2.4 percent in 2012, whereas employment in the Sacramento Valley (consisting of Sacramento, Yolo, Placer, El Dorado, Yuba and Sutter Counties) increased by 1.7 percent. In El Dorado County, 850 wage and salary jobs were gained, representing a growth rate of 1.9 percent. This is the first annual gain since before the 2007-2009 recession. The unemployment rate also improved, falling from 11.9 percent in 2011 to 10.3 percent in 2012.

During 2012, most sectors were characterized by positive job growth. The largest increases occurred in professional services (+340 jobs), wholesale and retail trade (+190 jobs), education and healthcare (+170 jobs), and leisure and hospitality (+140 jobs). The only sector to lose a significant number of jobs was government (-150 jobs).

Over the last two years, the population of El Dorado County has declined. This is largely the result of out-migration, as 600 net migrants left the county in 2011 and 400 left in 2012. Over the forecast, net migration is expected to turn positive, but will remain below the levels that prevailed between 2000 and 2005.

FORECAST HIGHLIGHTS

- Total employment is expected to increase by 3.3 percent in 2013. From 2013 to 2018, the growth rate is forecast to average 2.7 percent per year.
- Average salaries are currently below the California state average, and will remain so throughout the forecast. Adjusted for inflation, average salaries are expected to rise by an average of 1.5 percent per year between 2013 and 2018.
- Over the 2013-2018 period, employment growth will be greatest in professional services and construction, which will add 1,800 and 1,600 jobs, respectively. Other sectors with strong growth will be government, leisure and hospitality, and education and healthcare.

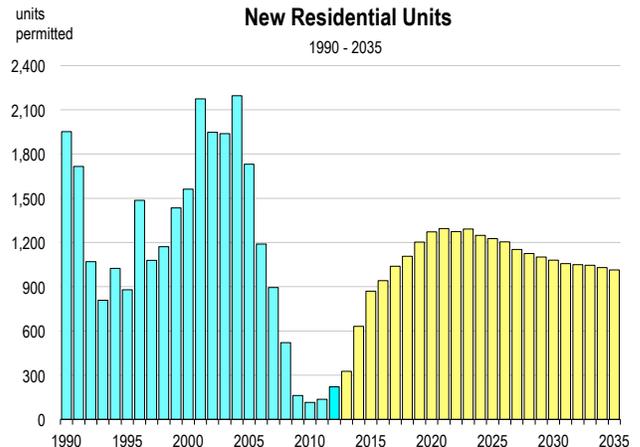
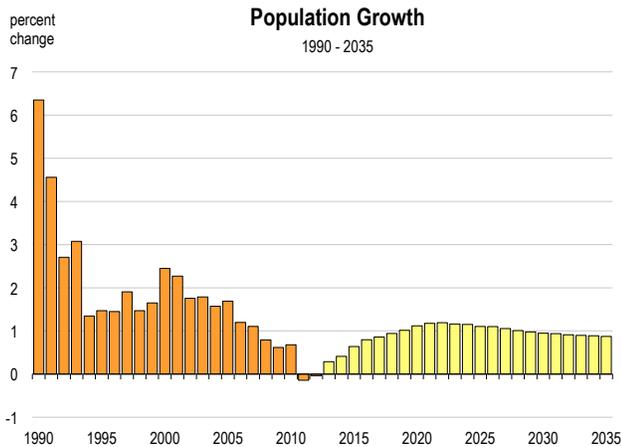


- The El Dorado County population is expected to grow by 0.3 percent in 2013. Growth will then accelerate, reaching 0.9 percent by 2018. Over the entire 2013-2018 period, growth is expected to average 0.7 percent per year.
- Net migration is projected to accelerate over the next five years. Between 2013 and 2018, an average of 1,100 net migrants will enter the county each year, representing 82 percent of total population growth.
- Real per capita income is expected to rise by 2.3 percent in 2013. Between 2013 and 2018, real per capita income will increase by 2.9 percent per year.
- Total taxable sales, adjusted for inflation, are expected to increase by an average of 2.3 percent per year between 2013 and 2018.
- Industrial production is forecast to increase by 4.3 percent in 2013. From 2013 to 2018, industrial production is projected to grow at an average annual rate of 4.6 percent.

El Dorado County Economic Forecast

2006-2012 History, 2013-2040 Forecast

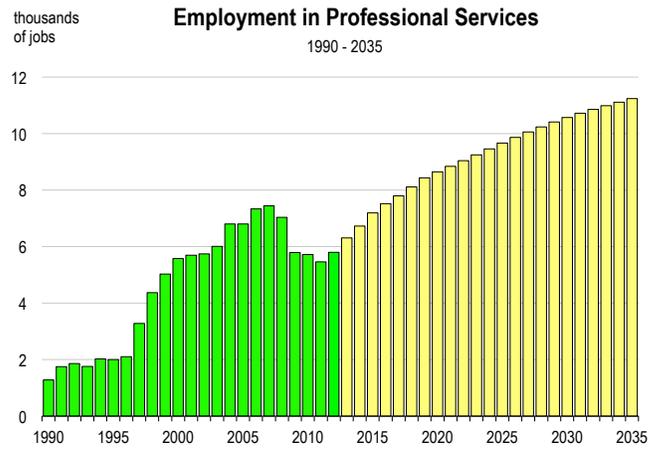
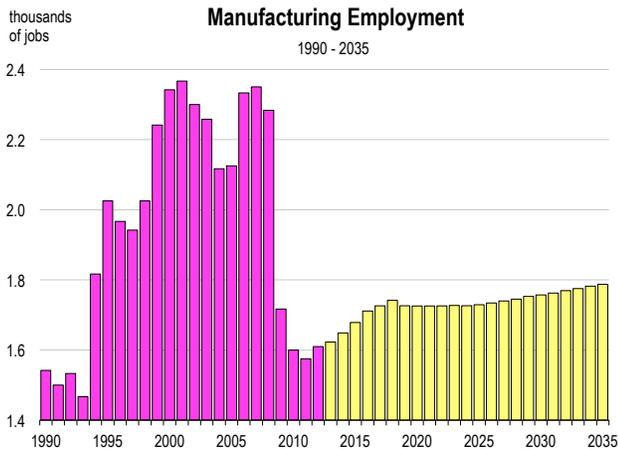
	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (millions)	Unemploy- ment Rate (percent)
2006	175,258	1,324	228	67.7	1,189	\$1.9	\$8.2	\$53,685	3.3	33.7	554.9	4.6
2007	177,195	1,243	224	68.7	894	\$1.9	\$8.6	\$53,891	3.2	38.4	578.6	5.2
2008	178,599	785	222	69.2	521	\$1.8	\$9.0	\$54,027	3.1	31.6	591.0	7.0
2009	179,701	609	219	69.7	162	\$1.5	\$8.5	\$50,185	0.9	38.1	430.1	11.1
2010	180,921	853	215	70.2	115	\$1.6	\$8.7	\$50,889	1.2	36.9	418.5	12.5
2011	180,663	-554	213	70.3	137	\$1.7	\$9.0	\$51,401	2.6	37.1	436.9	11.9
2012	180,599	-383	211	70.3	221	\$1.8	\$9.4	\$51,822	2.7	36.9	449.2	10.3
2013	181,119	257	209	70.4	326	\$1.8	\$9.8	\$53,036	2.3	37.5	468.6	9.4
2014	181,864	513	208	70.6	631	\$1.9	\$10.5	\$55,038	2.7	38.0	488.7	8.3
2015	183,025	949	208	70.8	870	\$2.0	\$11.2	\$57,104	2.1	39.0	513.1	7.1
2016	184,483	1,241	210	71.2	941	\$2.1	\$11.9	\$58,606	2.4	39.5	538.9	6.4
2017	186,069	1,342	213	71.7	1,039	\$2.2	\$12.5	\$59,989	2.1	39.8	562.0	6.1
2018	187,821	1,473	217	72.3	1,107	\$2.3	\$13.2	\$61,324	2.1	40.0	585.7	6.0
2019	189,725	1,572	221	72.9	1,203	\$2.4	\$13.9	\$62,717	2.1	39.9	604.1	5.9
2020	191,847	1,733	225	73.7	1,272	\$2.5	\$14.6	\$63,948	2.1	40.3	627.3	5.8
2021	194,102	1,819	228	74.6	1,295	\$2.6	\$15.4	\$65,032	2.2	41.0	649.1	5.9
2022	196,413	1,839	231	75.5	1,274	\$2.8	\$16.2	\$66,024	2.3	41.1	671.3	5.9
2023	198,693	1,784	233	76.4	1,291	\$2.9	\$16.9	\$66,648	2.3	40.9	690.8	5.9
2024	200,979	1,775	234	77.4	1,248	\$3.1	\$17.7	\$67,468	2.4	40.3	712.7	5.9
2025	203,197	1,692	236	78.4	1,226	\$3.2	\$18.6	\$68,184	2.4	39.8	735.6	5.9
2026	205,433	1,711	237	79.4	1,204	\$3.4	\$19.4	\$68,724	2.5	39.4	759.3	5.9
2027	207,601	1,645	238	80.4	1,153	\$3.6	\$20.3	\$69,313	2.5	39.2	783.9	5.9
2028	209,693	1,569	239	81.5	1,125	\$3.7	\$21.1	\$69,868	2.5	38.9	808.8	5.9
2029	211,742	1,525	241	82.4	1,101	\$3.9	\$22.0	\$70,393	2.5	38.6	835.3	5.9
2030	213,750	1,480	243	83.4	1,080	\$4.1	\$23.0	\$70,899	2.5	38.9	861.8	5.9
2031	215,754	1,467	246	84.4	1,057	\$4.3	\$23.9	\$71,380	2.5	39.5	889.4	5.8
2032	217,720	1,423	249	85.3	1,050	\$4.5	\$24.8	\$71,770	2.5	39.2	918.5	5.8
2033	219,673	1,412	252	86.3	1,046	\$4.7	\$25.9	\$72,275	2.5	38.5	948.3	5.8
2034	221,624	1,408	254	87.2	1,030	\$4.9	\$26.9	\$72,797	2.5	37.6	979.5	5.8
2035	223,559	1,389	257	88.1	1,014	\$5.1	\$28.1	\$73,343	2.5	37.0	1,011.1	5.8
2036	225,401	1,305	260	89.0	1,003	\$5.4	\$29.2	\$73,882	2.5	35.9	1,044.0	5.8
2037	227,196	1,289	264	89.9	987	\$5.6	\$30.4	\$74,460	2.5	34.8	1,078.8	5.8
2038	228,931	1,265	268	90.7	974	\$5.8	\$31.7	\$75,100	2.5	34.9	1,114.1	5.8
2039	230,612	1,249	273	91.6	963	\$6.1	\$33.0	\$75,794	2.5	34.5	1,151.0	5.8
2040	232,234	1,231	277	92.4	948	\$6.3	\$34.4	\$76,510	2.4	33.8	1,182.6	5.8

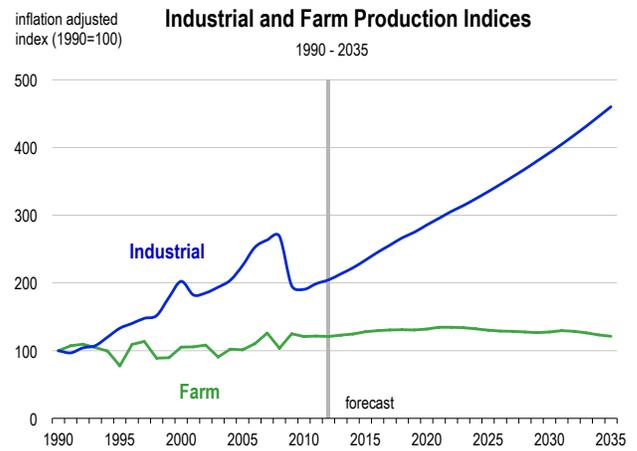
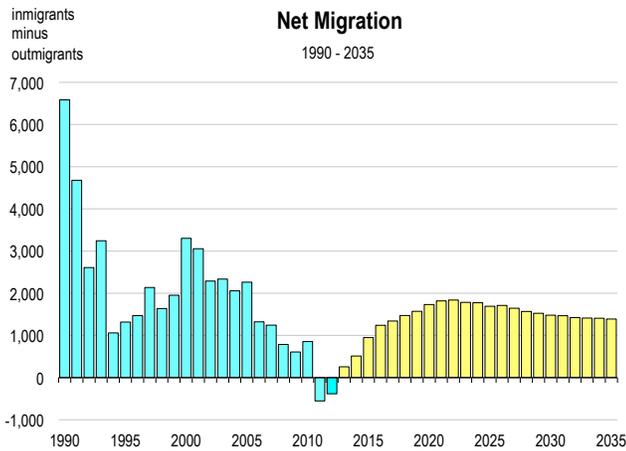
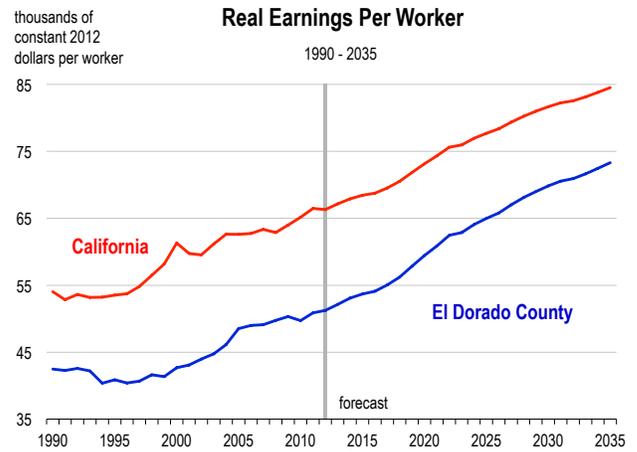
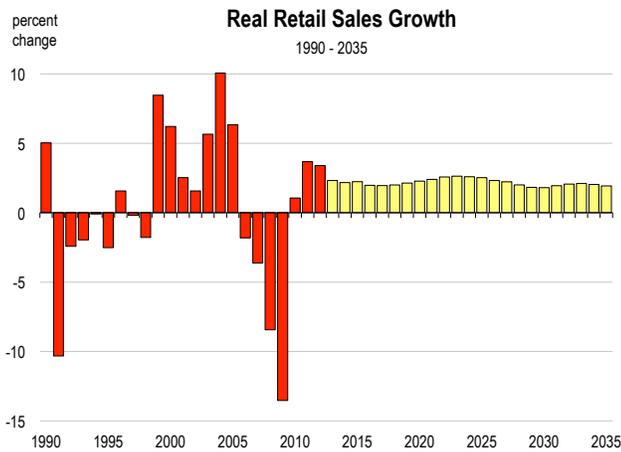


El Dorado County Employment Forecast

2006-2012 History, 2013-2040 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)-----												
2006	52.7	0.40	5.6	2.3	0.7	6.9	3.4	7.3	0.7	6.0	7.7	9.5
2007	53.5	0.37	5.7	2.4	0.7	7.0	3.5	7.4	0.8	6.1	7.6	9.8
2008	52.2	0.33	4.8	2.3	0.6	6.9	3.6	7.0	0.7	6.5	7.3	10.2
2009	48.7	0.33	3.4	1.7	0.6	6.2	3.5	5.8	0.6	6.5	7.0	11.1
2010	47.1	0.29	3.0	1.6	0.5	6.2	3.5	5.7	0.5	6.0	7.2	10.8
2011	46.1	0.20	2.8	1.6	0.5	6.2	3.6	5.5	0.4	6.2	7.1	10.4
2012	46.9	0.21	2.9	1.6	0.5	6.4	3.6	5.8	0.4	6.3	7.2	10.3
2013	48.5	0.21	3.0	1.6	0.5	6.5	3.8	6.3	0.4	6.5	7.4	10.4
2014	50.1	0.21	3.4	1.6	0.6	6.6	3.7	6.7	0.4	6.8	7.5	10.7
2015	52.1	0.23	4.0	1.7	0.6	6.7	3.9	7.2	0.4	7.0	7.6	10.9
2016	53.4	0.23	4.2	1.7	0.7	6.8	3.8	7.5	0.4	7.2	7.7	11.0
2017	54.5	0.23	4.5	1.7	0.7	6.9	3.9	7.8	0.4	7.4	7.9	11.0
2018	55.5	0.24	4.6	1.7	0.7	7.0	3.9	8.1	0.4	7.5	8.0	11.1
2019	56.3	0.24	4.6	1.7	0.7	7.0	4.0	8.4	0.4	7.7	8.0	11.2
2020	57.0	0.24	4.7	1.7	0.8	7.1	4.0	8.6	0.4	7.8	8.0	11.2
2021	57.5	0.25	4.6	1.7	0.8	7.2	4.1	8.8	0.4	8.0	8.0	11.3
2022	58.0	0.25	4.5	1.7	0.8	7.3	4.0	9.0	0.5	8.1	8.0	11.3
2023	58.5	0.25	4.5	1.7	0.8	7.4	4.1	9.2	0.5	8.3	8.1	11.4
2024	59.0	0.24	4.4	1.7	0.8	7.5	4.1	9.5	0.5	8.4	8.1	11.4
2025	59.5	0.23	4.4	1.7	0.9	7.5	4.1	9.7	0.5	8.5	8.1	11.5
2026	60.0	0.23	4.4	1.7	0.9	7.6	4.1	9.9	0.5	8.6	8.1	11.6
2027	60.5	0.23	4.3	1.7	0.9	7.7	4.1	10.1	0.5	8.7	8.1	11.6
2028	61.0	0.22	4.3	1.7	0.9	7.8	4.1	10.2	0.5	8.8	8.2	11.7
2029	61.5	0.22	4.2	1.8	0.9	7.9	4.1	10.4	0.5	8.9	8.2	11.8
2030	62.0	0.22	4.2	1.8	0.9	8.0	4.1	10.6	0.5	9.0	8.2	11.8
2031	62.4	0.23	4.1	1.8	1.0	8.0	4.1	10.7	0.5	9.1	8.3	11.9
2032	62.9	0.23	4.1	1.8	1.0	8.1	4.1	10.9	0.5	9.3	8.3	11.9
2033	63.4	0.22	4.1	1.8	1.0	8.2	4.1	11.0	0.5	9.4	8.3	12.0
2034	63.9	0.21	4.0	1.8	1.0	8.3	4.1	11.1	0.5	9.5	8.4	12.1
2035	64.3	0.20	4.0	1.8	1.0	8.4	4.2	11.2	0.5	9.6	8.4	12.1
2036	64.8	0.19	3.9	1.8	1.0	8.5	4.2	11.4	0.5	9.7	8.5	12.2
2037	65.2	0.18	3.9	1.8	1.1	8.5	4.2	11.5	0.5	9.8	8.5	12.3
2038	65.7	0.18	3.8	1.8	1.1	8.6	4.2	11.6	0.5	9.9	8.6	12.3
2039	66.2	0.18	3.8	1.8	1.1	8.7	4.2	11.8	0.5	10.0	8.6	12.4
2040	66.7	0.17	3.8	1.8	1.1	8.8	4.2	11.9	0.6	10.1	8.6	12.5





County Economic and Demographic Indicators

Projected Economic Growth (2013-2018)

Expected retail sales growth:	10.8 %
Expected job growth:	14.5 %
Fastest growing jobs sector:	Construction
Expected personal income growth:	19.9 %

Expected population growth:	3.7 %
Net migration to account for:	82.3 %
Expected growth in number of vehicles:	3.7 %

Demographics (2013)

Unemployment rate (April 2013)	8.6 %
County Rank* in California (58 counties):	22nd
Working age (16-64) population:	65.0 %

Population with B.A. Degree or higher:	31.4 %
Median Home Selling Price (2012):	\$258,000
Median Household Income:	\$68,425

Quality of Life

Violent Crime rate (2010):	265 per 100,000 persons
County Rank* in California (58 counties):	16th
Average Commute Time to work (2013):	30.8 minutes

High School drop out rate (2011):	5.5 %
Households at/below poverty line (2013):	6.3 %

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