

FRESNO COUNTY ECONOMIC FORECAST

Fresno County is one of the most productive agricultural counties in the nation. In each of the last four years, total agricultural output has exceeded \$6 billion. Almonds are the most prevalent commodity, followed by grapes, poultry, milk, and tomatoes. Fresno County, located in the San Joaquin Valley, has a population of 967,500 people and a total of 362,400 wage and salary jobs. The per capita income is \$36,917 and the average salary per worker is \$48,898.

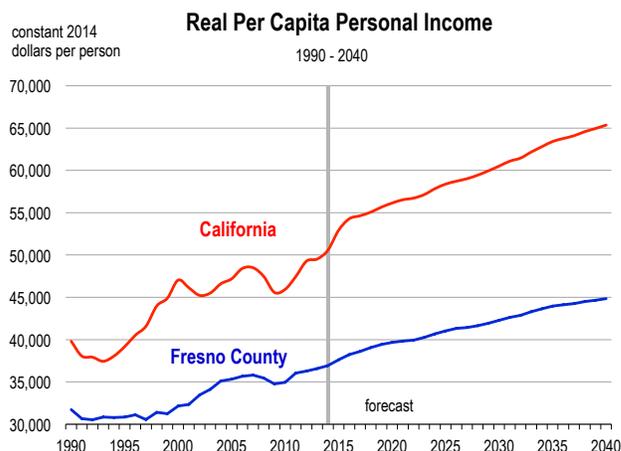
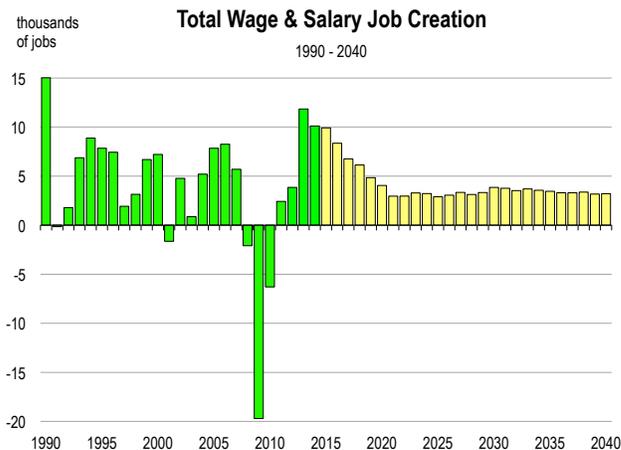
In 2014, employment across Northern California increased by 3.4 percent, whereas employment in the San Joaquin Valley (Fresno, Kings, Madera, Merced, San Joaquin, Stanislaus, and Tulare counties) grew by 2.5 percent. In Fresno County, employment increased by 10,100 jobs, representing a growth rate of 2.9 percent. The unemployment rate improved substantially, falling from 13.2 percent in 2013 to 11.6 percent in 2014.

In 2014, most sectors were characterized by positive job growth. The largest increases were observed in professional and business services (+2,500 jobs), government (+1,900 jobs), wholesale and retail trade (+1,800 jobs), and leisure and hospitality (+1,600 jobs). The largest declines were observed in agriculture (-180 jobs).

Between 2009 and 2014, the population increased at an annual average rate of 0.9 percent. This growth was entirely due to the natural increase (new births), as overall net migration was negative.

FORECAST HIGHLIGHTS

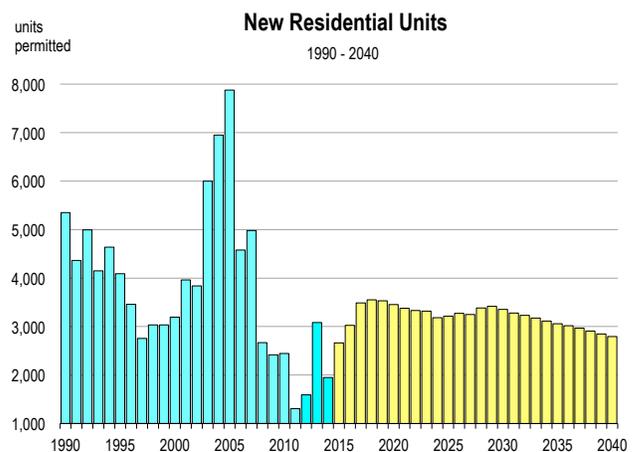
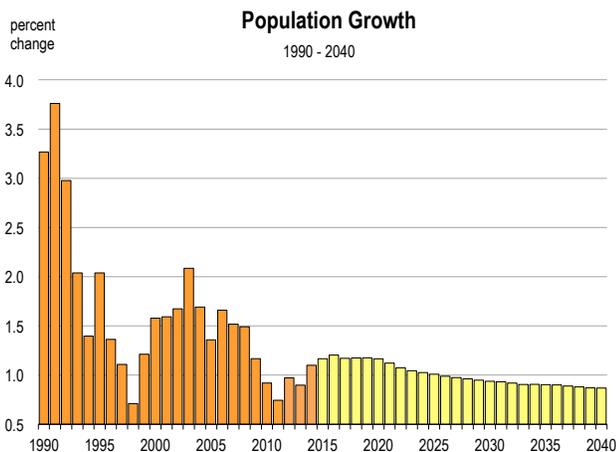
- Total wage and salary employment is expected to increase by 2.7 percent in 2015. Employment in the farm sector will decline by 0.9 percent. From 2015 to 2020, total employment growth will average 1.6 percent per year, while agricultural growth will average 0.8 percent.
- Average salaries are currently below the California state average, and will remain so for the foreseeable future. In Fresno County, inflation-adjusted salaries are expected to rise by 0.4 percent per year during the 2015-2020 period.
- Between 2015 and 2020, employment growth will be led by professional services (+7,800 jobs), healthcare and education (+6,200 jobs), leisure and hospitality (+3,900 jobs), and government (+3,400 jobs). Together, these sectors will account for 70 percent of net employment growth in the county.
- Population growth will accelerate over the near term, averaging 1.2 percent per year during the 2015-2020 period.
- Net migration is expected to be positive over the forecast period. Between 2015 and 2020, net migration will average 2,000 people per year.
- Real income per capita is forecasted to increase by 1.9 percent in 2015, and by an average of 1.1 percent per year between 2015 and 2020.
- Total taxable sales, adjusted for inflation, are expected to increase by an average of 1.2 percent per year between 2015 and 2020.
- Industrial production is forecasted to rise by 4.0 percent in 2015. Between 2015 and 2020, industrial production will increase at an average rate of 2.8 percent per year.
- Farm production is forecasted to increase by 0.5 percent per year between 2015 and 2020. The principal crops in the county are grapes and almonds.



Fresno County Economic Forecast

2006-2014 History, 2015-2040 Forecast

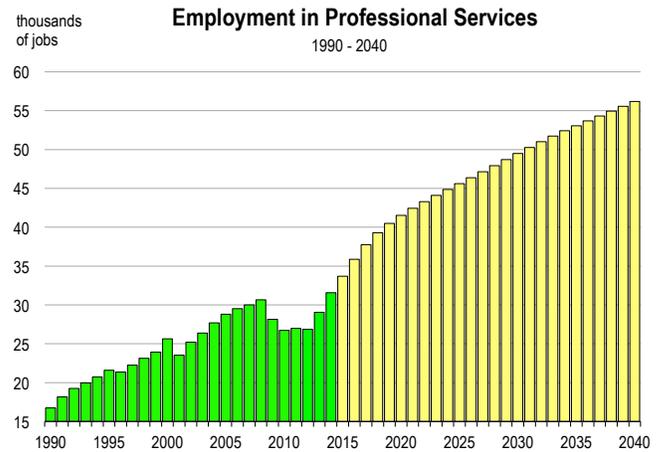
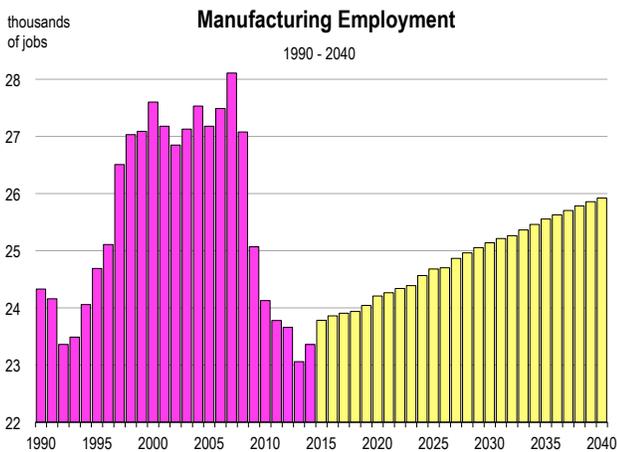
	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (billions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
2006	886,376	4,111	711	274.9	4,580	\$12.6	\$26.2	\$35,669	3.2	5.8	6.8	8.0
2007	899,826	2,477	713	280.4	4,979	\$12.3	\$27.6	\$35,803	3.4	6.2	7.1	8.6
2008	913,239	2,168	713	283.9	2,669	\$11.7	\$28.6	\$35,470	2.9	6.4	7.5	10.5
2009	923,895	243	717	287.6	2,416	\$10.0	\$28.6	\$34,762	0.8	6.0	7.2	15.0
2010	932,392	-1,980	721	289.4	2,444	\$10.2	\$29.4	\$34,943	1.3	6.6	7.0	16.7
2011	939,329	-3,400	717	290.8	1,308	\$11.2	\$31.4	\$36,036	2.7	7.4	6.9	16.6
2012	948,453	-571	719	292.4	1,592	\$12.0	\$32.7	\$36,291	2.7	6.9	7.1	15.2
2013	956,967	-693	742	294.1	3,083	\$12.6	\$34.0	\$36,586	2.3	6.6	7.0	13.2
2014	967,491	1,211	757	295.9	1,949	\$13.2	\$35.7	\$36,917	2.8	6.6	7.2	11.6
2015	978,775	1,918	762	298.3	2,663	\$13.8	\$37.2	\$37,609	1.2	6.6	7.5	10.1
2016	990,553	2,286	770	301.0	3,025	\$14.5	\$39.5	\$38,230	3.2	6.6	7.6	9.0
2017	1,002,148	1,943	778	303.8	3,487	\$15.1	\$41.7	\$38,610	3.2	6.6	7.8	8.7
2018	1,013,918	1,961	786	307.0	3,551	\$15.8	\$44.0	\$39,044	3.0	6.6	8.0	8.5
2019	1,025,835	1,914	794	310.2	3,531	\$16.4	\$46.2	\$39,420	2.8	6.7	8.3	8.4
2020	1,037,791	1,773	802	313.5	3,454	\$17.0	\$48.4	\$39,679	2.9	6.7	8.6	8.4
2021	1,049,432	1,355	810	316.7	3,377	\$17.6	\$50.6	\$39,816	3.0	6.7	8.8	8.4
2022	1,060,703	887	817	319.7	3,331	\$18.2	\$52.9	\$39,944	3.1	6.8	9.1	8.4
2023	1,071,780	625	825	322.8	3,318	\$18.8	\$55.3	\$40,244	2.7	6.8	9.4	8.3
2024	1,082,772	516	832	325.8	3,183	\$19.5	\$57.9	\$40,683	2.6	6.8	9.7	8.3
2025	1,093,696	440	840	328.8	3,215	\$20.2	\$60.6	\$41,041	2.8	6.9	10.0	8.3
2026	1,104,508	355	848	331.7	3,273	\$20.9	\$63.4	\$41,330	2.8	6.9	10.3	8.2
2027	1,115,273	355	856	334.7	3,249	\$21.6	\$66.0	\$41,419	2.8	6.9	10.7	8.2
2028	1,125,999	409	865	337.6	3,383	\$22.4	\$68.8	\$41,632	2.7	6.9	11.1	8.2
2029	1,136,678	404	873	340.7	3,417	\$23.1	\$71.6	\$41,927	2.5	7.0	11.5	8.2
2030	1,147,330	402	881	343.8	3,354	\$23.9	\$74.6	\$42,274	2.4	7.0	11.9	8.1
2031	1,158,022	451	890	346.8	3,279	\$24.8	\$77.7	\$42,632	2.3	7.0	12.3	8.1
2032	1,168,661	406	899	349.9	3,231	\$25.7	\$80.8	\$42,866	2.5	7.0	12.7	8.1
2033	1,179,233	316	908	352.9	3,175	\$26.6	\$84.0	\$43,287	2.1	7.1	13.2	8.1
2034	1,189,916	419	917	355.8	3,113	\$27.6	\$87.4	\$43,639	2.3	7.1	13.7	8.1
2035	1,200,659	509	927	358.7	3,058	\$28.5	\$91.0	\$43,967	2.4	7.1	14.2	8.0
2036	1,211,464	607	937	361.5	3,017	\$29.5	\$94.7	\$44,128	2.8	7.1	14.6	8.0
2037	1,222,230	642	947	364.3	2,968	\$30.5	\$98.6	\$44,262	2.8	7.2	15.2	8.0
2038	1,232,986	694	957	367.1	2,907	\$31.6	\$102.6	\$44,494	2.7	7.2	15.7	8.0
2039	1,243,712	763	967	369.8	2,847	\$32.6	\$106.8	\$44,642	2.8	7.2	16.2	8.0
2040	1,254,509	895	977	372.4	2,794	\$33.7	\$111.1	\$44,827	2.8	7.3	16.8	7.9

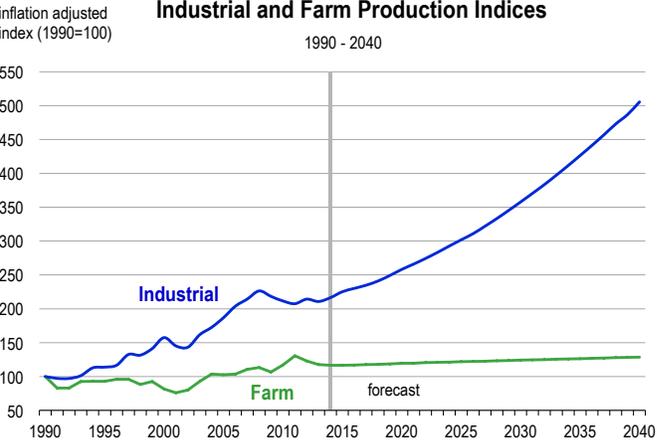
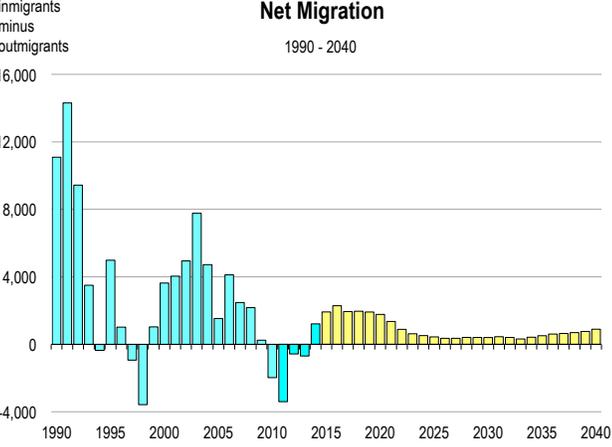
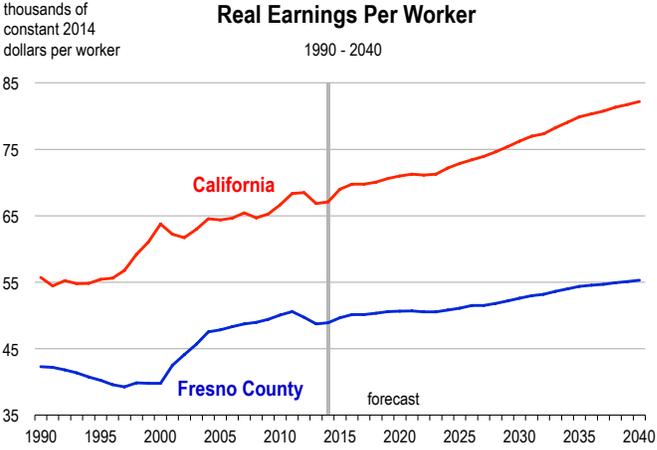
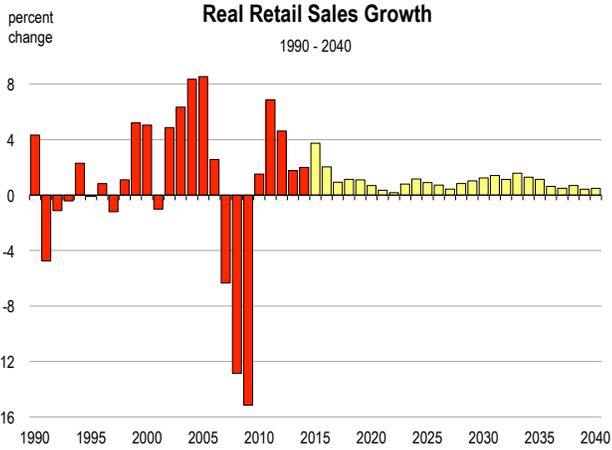


Fresno County Employment Forecast

2006-2014 History, 2015-2040 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	356.6	46.5	23.2	27.5	10.0	48.5	15.5	29.5	4.2	45.0	28.1	67.6
2007	362.3	48.1	21.1	28.1	10.7	49.8	15.3	30.0	4.2	46.6	28.2	69.2
2008	360.2	48.9	17.9	27.1	11.0	48.2	14.8	30.7	4.7	48.4	28.0	70.0
2009	340.5	45.1	13.7	25.1	10.6	45.0	13.8	28.2	4.2	49.1	26.6	68.7
2010	334.2	46.0	12.0	24.1	10.8	44.3	13.4	26.7	3.6	49.2	26.8	67.1
2011	336.6	47.9	11.5	23.8	11.4	45.9	13.0	27.0	3.5	49.4	27.1	65.7
2012	340.4	48.9	12.2	23.7	11.6	46.6	12.9	26.9	3.8	51.1	28.0	64.1
2013	352.3	49.2	13.1	23.1	12.0	48.7	12.9	29.1	3.8	56.1	29.0	64.2
2014	362.4	49.1	13.7	23.4	11.9	50.5	12.8	31.6	3.8	57.6	30.6	66.1
2015	372.3	48.6	15.1	23.8	12.1	51.3	13.0	33.7	3.9	59.8	32.3	67.0
2016	380.7	48.6	16.4	23.9	12.3	51.7	13.1	35.9	3.9	61.2	33.6	67.8
2017	387.4	49.2	16.9	23.9	12.5	51.8	13.3	37.8	3.9	62.2	34.7	68.6
2018	393.5	50.0	17.3	23.9	12.7	52.0	13.4	39.3	4.0	63.4	35.4	69.2
2019	398.4	50.5	17.4	24.0	12.9	52.2	13.6	40.5	4.0	64.7	35.9	69.7
2020	402.4	50.5	17.5	24.2	13.1	52.3	13.6	41.5	4.0	65.9	36.1	70.4
2021	405.4	50.6	17.3	24.3	13.3	52.4	13.7	42.4	4.0	67.2	36.3	70.6
2022	408.4	50.7	17.1	24.3	13.5	52.4	13.8	43.3	4.0	68.5	36.4	70.9
2023	411.6	50.7	17.1	24.4	13.7	52.5	13.8	44.1	4.0	69.8	36.5	71.3
2024	414.9	50.8	17.1	24.6	13.9	52.6	13.9	44.9	4.1	71.0	36.6	71.7
2025	417.8	50.8	17.0	24.7	14.1	52.8	13.9	45.6	4.1	72.1	36.7	72.0
2026	420.8	50.9	17.2	24.7	14.3	52.9	13.9	46.4	4.1	73.1	36.9	72.4
2027	424.2	50.9	17.3	24.9	14.5	53.0	13.9	47.1	4.1	74.1	37.1	72.8
2028	427.3	51.0	17.2	25.0	14.7	53.3	13.9	47.9	4.1	75.2	37.4	73.2
2029	430.6	51.0	17.1	25.1	14.9	53.5	14.0	48.7	4.1	76.2	37.7	73.5
2030	434.5	51.1	17.5	25.1	15.1	53.8	14.0	49.5	4.2	77.3	38.1	74.0
2031	438.2	51.1	17.6	25.2	15.3	54.2	14.0	50.3	4.2	78.4	38.5	74.4
2032	441.8	51.2	17.6	25.3	15.4	54.6	14.0	51.0	4.2	79.5	38.8	74.8
2033	445.5	51.2	17.6	25.4	15.6	55.1	14.0	51.7	4.2	80.6	39.2	75.2
2034	449.0	51.3	17.6	25.5	15.8	55.5	14.1	52.4	4.2	81.7	39.6	75.6
2035	452.5	51.3	17.7	25.6	16.0	55.8	14.1	53.1	4.2	82.8	40.0	76.0
2036	455.8	51.4	17.7	25.6	16.2	56.0	14.1	53.7	4.2	83.9	40.4	76.4
2037	459.1	51.4	17.8	25.7	16.4	56.2	14.1	54.3	4.3	85.0	40.7	76.7
2038	462.4	51.5	18.0	25.8	16.6	56.4	14.1	54.9	4.3	86.1	41.1	77.1
2039	465.6	51.5	18.0	25.9	16.8	56.6	14.1	55.6	4.3	87.2	41.5	77.4
2040	468.8	51.6	18.0	25.9	17.0	56.7	14.1	56.2	4.3	88.3	41.9	77.7





County Economic and Demographic Indicators

Projected Economic Growth (2015-2020)

Expected retail sales growth:	6.0%
Expected job growth:	8.1%
Fastest growing jobs sector:	Professional Services
Expected personal income growth:	11.9%

Expected population growth:	6.0%
Net migration to account for:	16.7%
Expected growth in number of vehicles:	5.3%

Demographics (2015)

Unemployment rate (March 2015):	11.2%
County rank* in California (58 counties):	49th
Working age (16-64) population:	63.3%

Population with B.A. or higher:	18.8%
Median home selling price (2014):	\$209,000
Median household income:	\$42,917

Quality of Life

Violent crime rate (2013):	479 per 100,000 persons
County rank* in California (58 counties):	43rd
Average commute time to work (2015):	24.6 minutes

High school drop out rate (2014):	12.9%
Households at/below poverty line (2015):	23.1%

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