

MODOC COUNTY ECONOMIC FORECAST

Modoc County is located in the northeastern corner of the state, bordering both Nevada and Oregon. Approximately 90 percent of the land in the county consists of national forests and wilderness area. The county's official slogans include, "The last best place" and "Where the West still lives."

Modoc County has a population of 9,400 people and a total of 2,600 wage and salary jobs. The per capita income is \$40,425 and the average salary per worker is \$45,946. The largest employer in the county is the government, which accounts for 45 percent of all wage and salary jobs.

In 2014, employment in Modoc County was virtually flat. Despite stagnant job creation, the unemployment rate improved substantially, falling from 12.4 percent in 2013 to 10.5 percent in 2014.

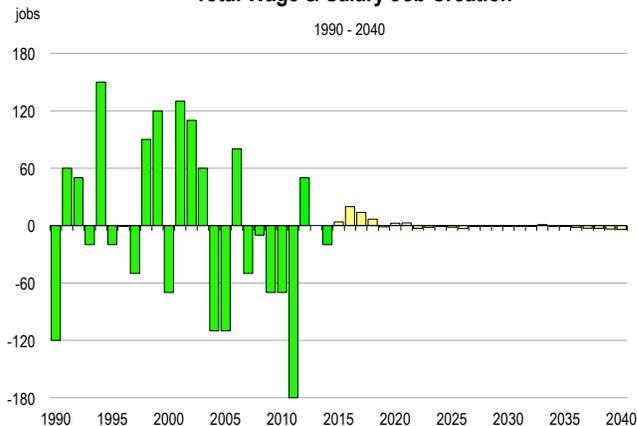
Over the course of the year, results were mixed among the major employment sectors. The largest gains were observed in education and healthcare (+20 jobs). The largest declines occurred in trade, transportation, and utilities (-30 jobs).

Between 2009 and 2014, the population of Modoc County declined at an annual average rate of 0.5 percent. This was partially due to out-migration, as an average of 23 net-migrants left the county each year. However, the county also experienced a natural decrease (deaths outnumbering births), which reduced the population by 29 people per year.

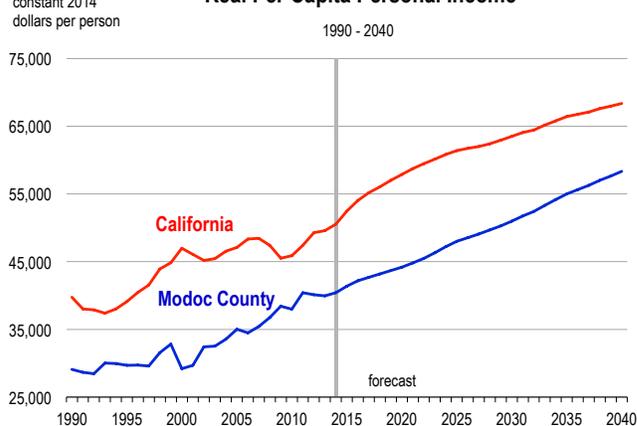
FORECAST HIGHLIGHTS

- In 2015, the growth rate of total wage and salary employment will be virtually flat. Over the 2015-2020 period, the growth rate will average 0.3 percent per year – one of the slowest rates in the state.
- Average salaries are currently below the California state average, and will remain so over the forecast period. In Modoc County, inflation-adjusted salaries are expected to increase by an average of 0.7 percent per year over the 2015-2020 period.
- Between 2015 and 2020, the largest employment gains will occur in the government sector, which will add approximately 30 new positions.
- Over the 2015-2020 period, the population will decline by 0.3 percent per year. The county will gain an average of 10 residents per year through net migration, but will experience a reduction of 40 residents per year through the natural decrease (deaths outnumbering births).

Total Wage & Salary Job Creation



Real Per Capita Personal Income

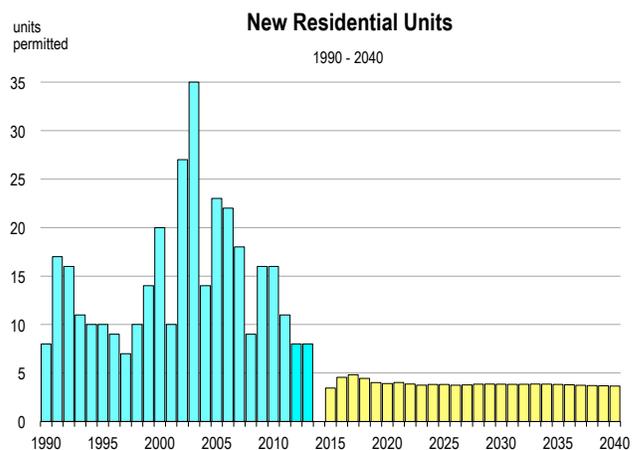
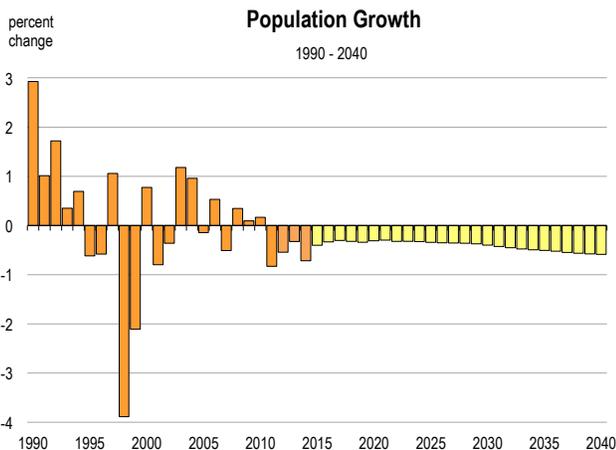


- Real per capita income is forecasted to rise by 2.4 percent in 2015. Over the following five years, real per capita income is expected to increase at an annual average rate of 1.2 percent.
- Total taxable sales, adjusted for inflation, are expected to rise by 1.1 percent per year between 2014 and 2019.
- Industrial production is forecasted to rise by 7.3 percent in 2014. Over the following five years, total industrial production will increase at an annual average rate of 1.3 percent.
- Total crop production, adjusted for inflation, is expected to increase by an average of 0.6 percent per year between 2015 and 2020.

Modoc 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 (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)
2006	9,639	64	13.3	4.0	22	\$90	\$276	\$34,503	3.2	112.2	34.2	7.8
2007	9,590	-31	13.5	4.0	18	\$89	\$291	\$35,412	3.4	107.0	35.9	8.1
2008	9,623	38	13.7	4.0	9	\$92	\$312	\$36,768	2.9	121.2	38.8	9.7
2009	9,632	28	13.7	4.1	16	\$78	\$329	\$38,408	0.8	117.8	31.0	12.5
2010	9,648	-2	13.6	4.1	16	\$75	\$331	\$37,969	1.3	121.1	29.7	15.2
2011	9,568	-77	13.3	4.1	11	\$87	\$358	\$40,403	2.7	120.4	17.2	16.0
2012	9,516	0	12.9	4.1	8	\$98	\$363	\$40,133	2.7	117.3	13.8	14.4
2013	9,485	0	13.1	4.1	8	\$92	\$369	\$39,963	2.3	122.9	20.5	12.4
2014	9,417	-35	13.2	4.1	0	\$95	\$381	\$40,425	2.8	121.9	21.1	10.5
2015	9,379	5	13.2	4.1	3	\$99	\$393	\$41,378	1.2	123.2	21.4	9.5
2016	9,348	12	13.3	4.1	5	\$103	\$412	\$42,184	3.2	124.3	22.4	8.5
2017	9,319	14	13.4	4.1	5	\$108	\$429	\$42,681	3.2	125.2	22.8	8.2
2018	9,289	10	13.4	4.1	4	\$112	\$445	\$43,196	3.0	125.9	23.0	8.1
2019	9,258	6	13.4	4.1	4	\$116	\$462	\$43,674	2.8	126.6	23.3	8.0
2020	9,229	7	13.4	4.1	4	\$121	\$479	\$44,168	2.9	127.2	23.8	8.0
2021	9,201	7	13.4	4.1	4	\$127	\$499	\$44,816	3.0	127.7	24.6	8.1
2022	9,172	5	13.4	4.1	4	\$132	\$521	\$45,495	3.1	128.2	25.1	8.0
2023	9,142	5	13.4	4.1	4	\$137	\$543	\$46,322	2.7	128.6	25.8	8.0
2024	9,112	6	13.4	4.1	4	\$143	\$566	\$47,201	2.6	128.9	26.6	8.0
2025	9,081	6	13.4	4.1	4	\$149	\$589	\$48,018	2.8	129.2	27.3	8.0
2026	9,049	5	13.4	4.1	4	\$154	\$611	\$48,563	2.8	129.5	28.0	8.0
2027	9,017	5	13.4	4.1	4	\$160	\$633	\$49,096	2.8	129.8	28.9	8.0
2028	8,984	6	13.4	4.1	4	\$165	\$655	\$49,664	2.7	130.1	29.9	8.0
2029	8,951	5	13.4	4.1	4	\$171	\$677	\$50,290	2.5	130.3	30.9	8.0
2030	8,915	5	13.4	4.1	4	\$177	\$699	\$50,981	2.4	130.6	31.9	8.0
2031	8,877	5	13.4	4.1	4	\$184	\$723	\$51,741	2.3	130.8	32.9	8.0
2032	8,837	5	13.4	4.1	4	\$191	\$747	\$52,427	2.5	131.0	34.0	8.0
2033	8,794	5	13.4	4.1	4	\$198	\$772	\$53,325	2.1	131.2	35.1	8.0
2034	8,751	4	13.4	4.1	4	\$205	\$798	\$54,170	2.3	131.4	36.2	8.0
2035	8,707	4	13.4	4.1	4	\$212	\$826	\$55,002	2.4	131.7	37.4	8.0
2036	8,661	4	13.4	4.1	4	\$220	\$854	\$55,659	2.8	131.9	38.5	8.0
2037	8,614	4	13.4	4.1	4	\$228	\$883	\$56,282	2.8	132.1	39.7	8.0
2038	8,565	4	13.3	4.1	4	\$235	\$913	\$57,007	2.7	132.3	41.0	8.0
2039	8,516	4	13.3	4.2	4	\$243	\$944	\$57,647	2.8	132.5	41.8	8.0
2040	8,466	4	13.3	4.2	4	\$252	\$976	\$58,327	2.8	132.7	42.4	8.0

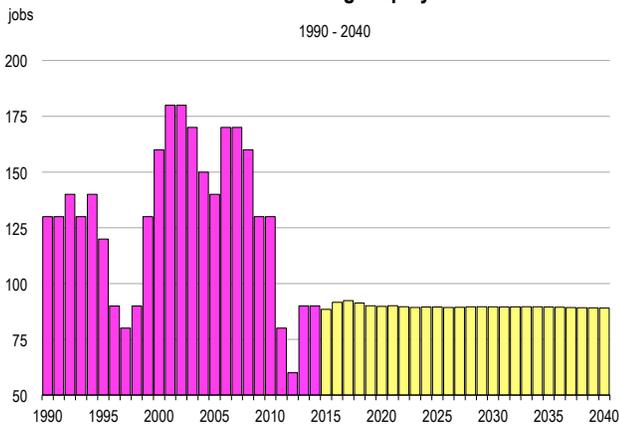


Modoc County Employment Forecast

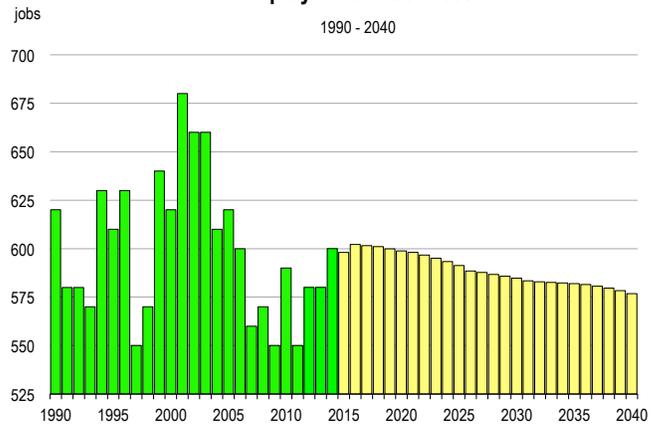
2006-2014 History, 2015-2040 Forecast

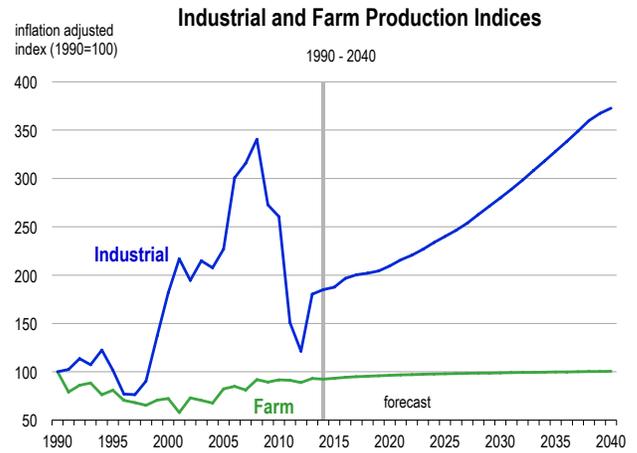
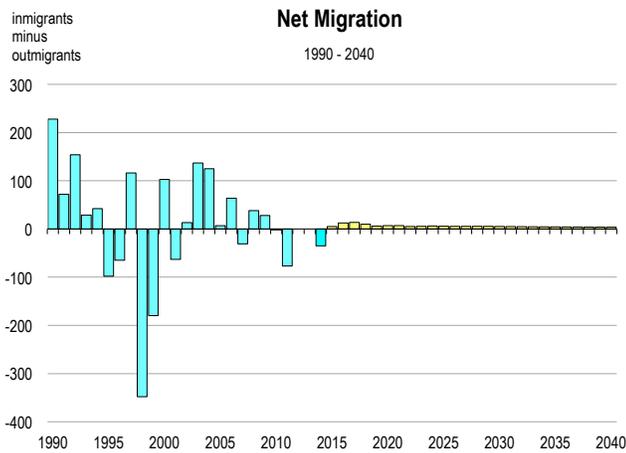
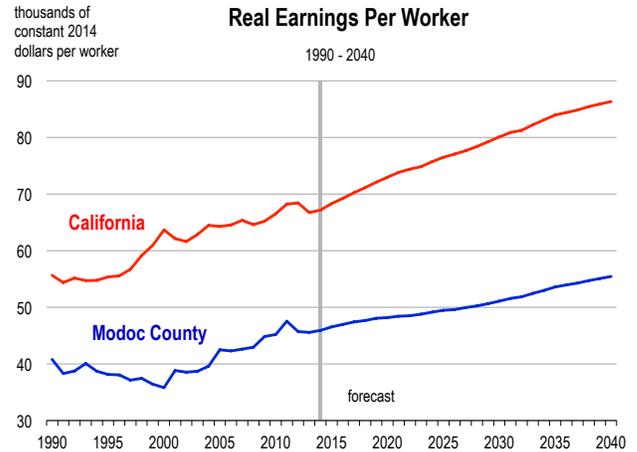
	Total Wage & Salary	Farm	Goods Producing	Trade, Transportation, and Utilities	Health & Education	Leisure	Government
	employment (thousands of jobs)						
2006	2.980	0.340	0.170	0.500	0.260	0.140	1.370
2007	2.930	0.330	0.170	0.530	0.250	0.120	1.340
2008	2.920	0.360	0.160	0.460	0.250	0.100	1.370
2009	2.850	0.350	0.130	0.420	0.220	0.130	1.400
2010	2.780	0.320	0.130	0.400	0.210	0.150	1.340
2011	2.600	0.330	0.080	0.380	0.190	0.150	1.260
2012	2.650	0.360	0.060	0.410	0.200	0.170	1.240
2013	2.650	0.390	0.090	0.400	0.220	0.160	1.190
2014	2.630	0.380	0.090	0.370	0.240	0.150	1.190
2015	2.634	0.386	0.088	0.372	0.244	0.150	1.189
2016	2.654	0.387	0.092	0.374	0.248	0.149	1.199
2017	2.667	0.388	0.092	0.375	0.248	0.148	1.210
2018	2.674	0.389	0.091	0.376	0.249	0.147	1.216
2019	2.673	0.390	0.090	0.377	0.249	0.145	1.216
2020	2.675	0.391	0.090	0.378	0.250	0.144	1.218
2021	2.678	0.391	0.090	0.380	0.250	0.143	1.219
2022	2.675	0.392	0.090	0.380	0.250	0.142	1.217
2023	2.673	0.392	0.089	0.380	0.249	0.141	1.217
2024	2.673	0.392	0.089	0.381	0.248	0.140	1.217
2025	2.671	0.393	0.089	0.381	0.247	0.139	1.216
2026	2.668	0.393	0.089	0.382	0.246	0.138	1.215
2027	2.667	0.394	0.089	0.382	0.246	0.137	1.214
2028	2.667	0.394	0.090	0.384	0.246	0.136	1.213
2029	2.667	0.394	0.090	0.385	0.246	0.134	1.213
2030	2.666	0.394	0.090	0.386	0.247	0.133	1.211
2031	2.666	0.395	0.090	0.388	0.247	0.132	1.210
2032	2.665	0.395	0.090	0.390	0.248	0.130	1.208
2033	2.666	0.395	0.090	0.392	0.249	0.129	1.206
2034	2.665	0.395	0.090	0.394	0.250	0.127	1.204
2035	2.664	0.396	0.090	0.396	0.252	0.125	1.201
2036	2.663	0.396	0.089	0.397	0.253	0.124	1.199
2037	2.660	0.396	0.089	0.398	0.254	0.122	1.196
2038	2.657	0.396	0.089	0.398	0.255	0.120	1.193
2039	2.653	0.397	0.089	0.399	0.255	0.118	1.190
2040	2.649	0.397	0.089	0.399	0.256	0.116	1.187

Goods Producing Employment



Employment in Services





County Economic and Demographic Indicators

Projected Economic Growth (2015-2020)

Expected retail sales growth:	6.1%
Expected job growth:	1.6%
Fastest growing jobs sector:	Government
Expected personal income growth:	5.0%

Expected population growth:	-1.6%
Net migration to account for:	N/A
Expected growth in number of vehicles:	1.3%

Demographics (2015)

Unemployment rate (March 2015):	10.4%
County rank* in California (58 counties):	45th
Working age (16-64) population:	60.1%

Population with B.A. degree or higher:	19.4%
Median home selling price (2014):	\$70,000
Median household income:	\$41,921

Quality of Life

Violent crime rate (2013):	727 per 100,000 persons
County rank* in California (58 counties):	56th
Average commute time to work (2015):	19.3 minutes

High School drop out rate (2014):	6.0%
Households at/below poverty line (2015):	12.9%

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