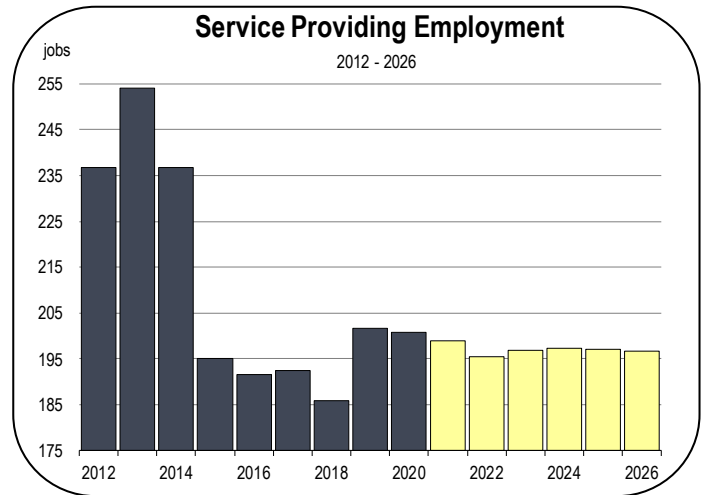
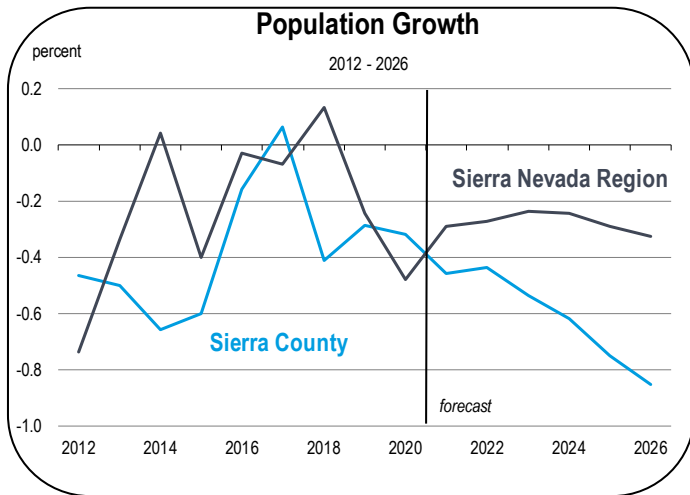


# Sierra County Economic Forecast

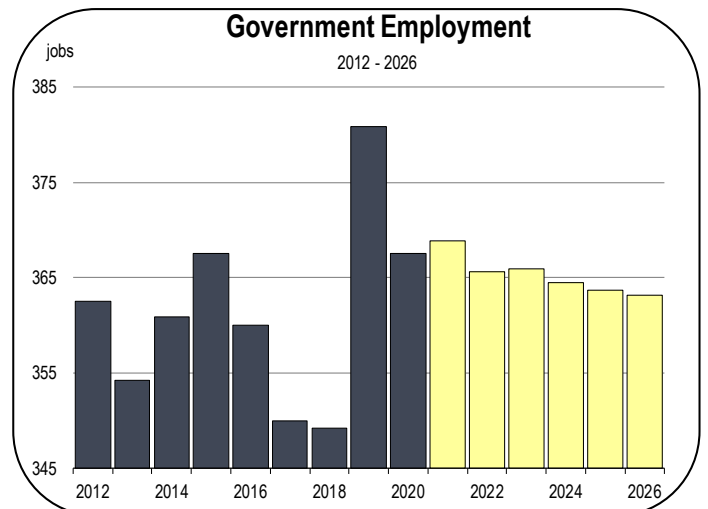
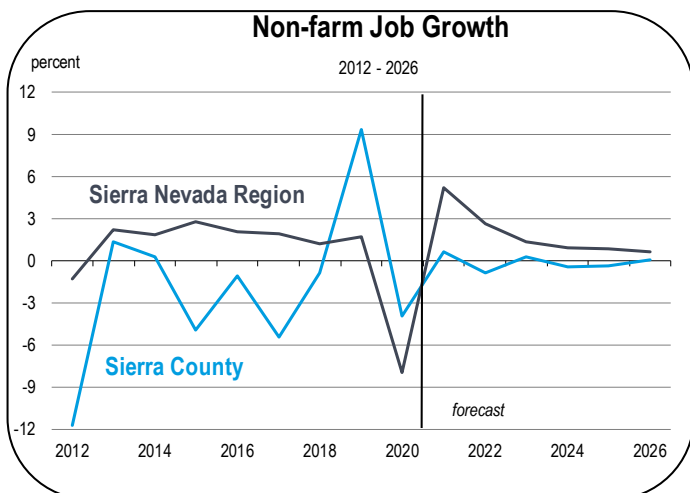


## Forecast Summary

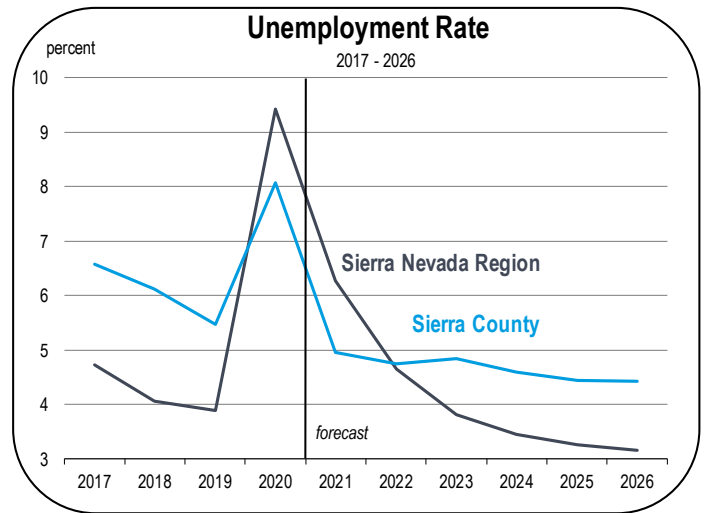
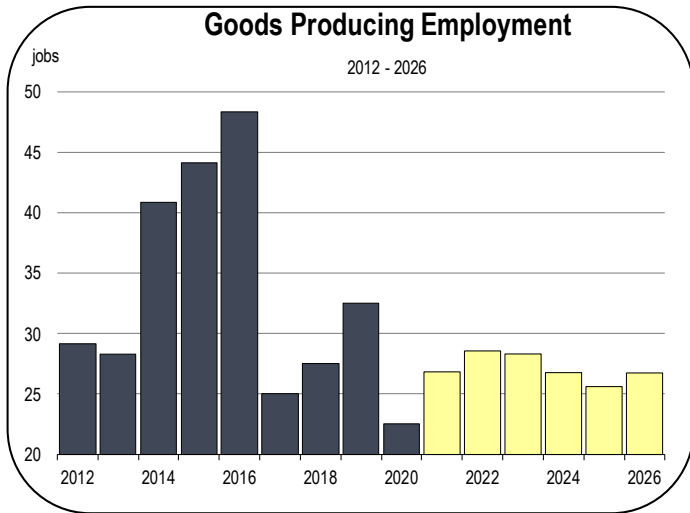
- The Sierra County economy lost approximately 25 jobs in 2020. No meaningful recovery is expected during the 2021-2026 forecast period.
- The unemployment rate averaged 8.1 percent in 2020. It is forecast to average 4.9 percent in 2021 and 4.7 percent in 2022. The unemployment rate will improve because the labor force will shrink, not because the local economy will gain jobs.
- The Sierra County population is expected to decline during the forecast period. By 2026, the population could fall below 3,000 residents for the first time in several decades.
- The median home price increased by 8 percent in 2020. Home prices are expected to increase by 11 percent in 2021 and 5 percent in 2022.

## The Job Market

- The Sierra County job market is very small. In 2020, local companies employed approximately 600 workers. Most of these jobs were filled by Sierra County residents.
- There are also approximately 600 people who live in Sierra County and commute to other counties for work, primarily to Nevada County (which is in California), and to Washoe County (which is across the Nevada state line).
- The primary employment sectors in Sierra County are the service-providing industry and the government sector. Together, they account for 95 percent of all local jobs.



# Sierra County Economic Forecast

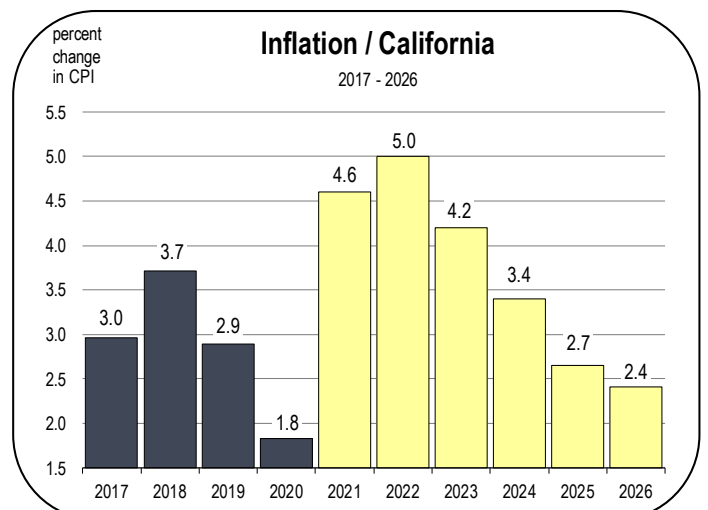


- Sierra County is a small business economy. There are no large employers in the county, with the biggest firms employing only 50 workers.
- Approximately half of all workers are employed in very small firms that have fewer than 10 employees.
- Some of the most prominent employers include the public school districts, the municipal fire departments, the Eastern Plumas Healthcare facilities in Loyalton, and the Western Sierra Medical Clinic in Downieville.

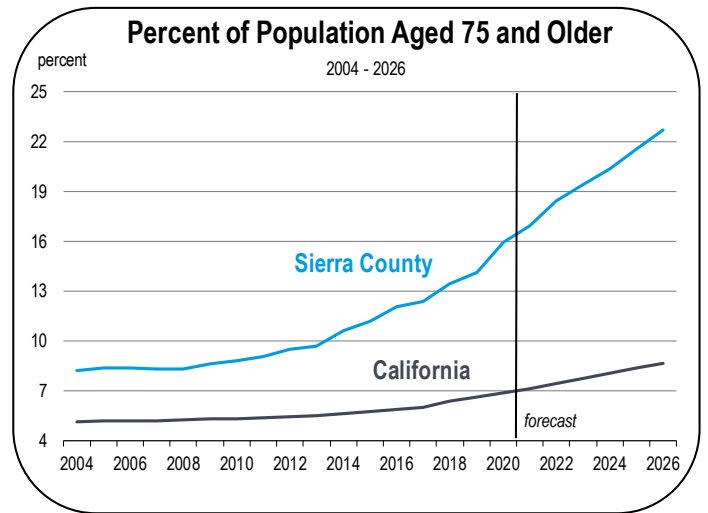
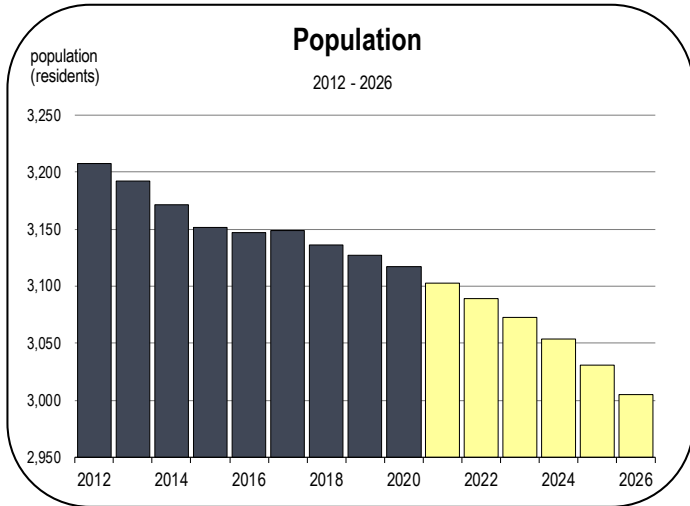
## Unemployment and Inflation Rates

- The unemployment rate in Sierra County averaged 8.1 percent in 2020.
- The unemployment rate is expected to average 4.9 percent in 2021 and 4.7 percent in 2022.
- Even though the Sierra County economy is not expected to create jobs during the forecast period, the unemployment rate will improve because the labor force will shrink. The Sierra County population is declining, and fewer local residents will participate in the job market.
- Inflation decelerated sharply in 2020, largely because energy prices declined when the demand for fuels plunged.
- Inflation soared in 2021 and is expected to remain elevated for several years.

- Over the forecast period, there will be a number of factors that will contribute to high inflation. The most prominent will be:
  - Record levels of spending by consumers and government agencies
  - Fractures in the global supply chain that raise the cost of production for many businesses
  - Sharp increases in the cost of housing and energy
  - Labor market recruitment challenges that force companies to raise wages
- Combined, these factors will push inflation to its highest rates in 30 years. Ultimately, it will reduce the purchasing power of households and negatively impact consumer confidence, limiting the growth potential of the economy in 2022.



# Sierra County Economic Forecast

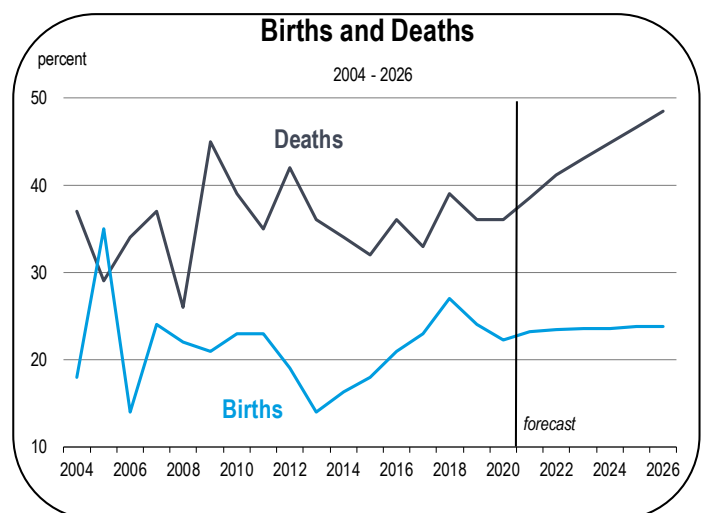
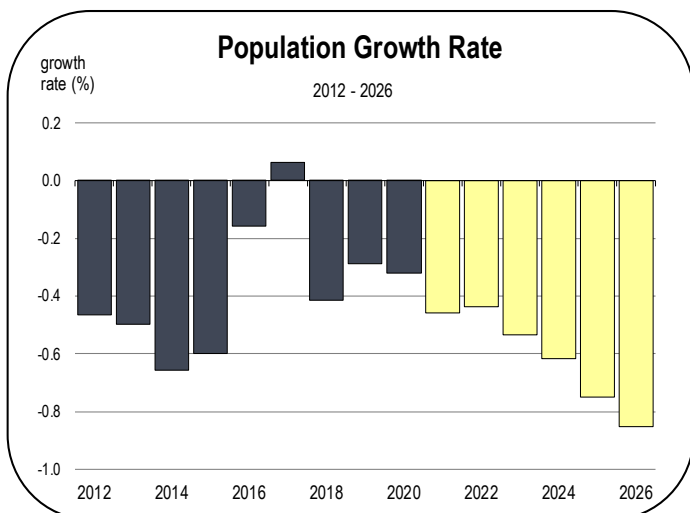


- However, inflation will begin to decelerate as supply chains and the labor force are restored by the second half of the forecast period, eventually falling below 3 percent.

## Population Growth

- The Sierra County population has declined consistently over the last two decades.
- As of 2020, Sierra county had 3,117 residents.
- Sierra County's population is much older than the statewide average. As of 2020, approximately 16 percent of Sierra County's population was age 75 or older, compared to just 7 percent of California's population.

- Because Sierra County has a high share of residents aged 75 and older, the number of deaths now exceeds the number of births.
- Between 2015 and 2020, there were 77 more deaths than births, which contributed to overall population decline.
- Between 2021 and 2026, there are expected to be approximately 120 more deaths than births.
- The population declined at an annual average rate of 0.3 percent per year over the last six years. It is expected to decline at a rate of 0.6 percent over the next six years.



# Sierra County Economic Forecast

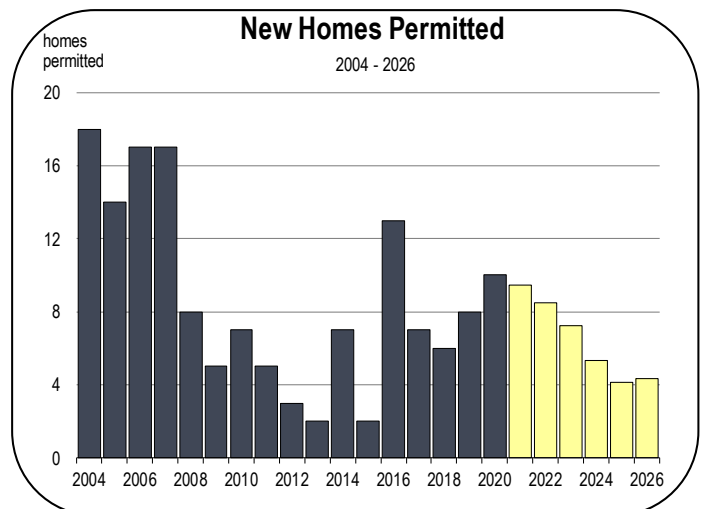
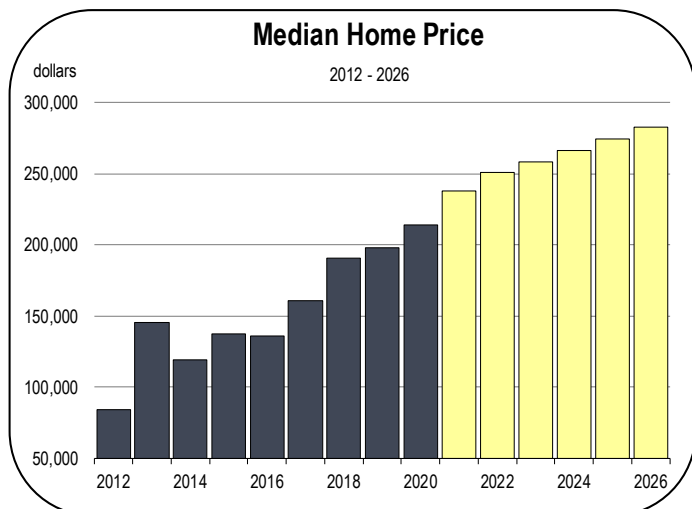


The Sierra County seat is in the town of Downieville. Gold was first discovered in Downieville in 1849, and the entire Sierra County region was a major destination for gold miners in the 1800s. Downieville had more than 5,000 residents in the 1850s. As of 2020, it had approximately 150 residents.

## Home Prices and New Housing Production

- In 2020 the median home price in Sierra County was \$214,100.
- The median price is expected to increase very quickly in 2021 as the number of homes on the market plummets and the number of house hunters grows.
- In 2021, prices are forecast to expand rapidly in almost all California markets.

- Price appreciation should slow down in 2022, but the median price in Sierra County could exceed \$275,000 by 2026.
- From 2015 to 2020, a total of 46 new homes were started per year in Sierra County. All were single-family homes.
- Between 2021 and 2026, approximately 30 to 50 homes are expected to be built. Virtually all will be single-family units.



# Sierra County Economic Forecast

## Economic Indicators

## 2015-2020 History, 2021-2050 Forecast

	Population (people)	House- holds (thousands)	Net Migration (people)	New Homes Permitted (homes)	Registered Vehicles (thousands)	Personal Income (millions)	Taxable Retail Sales (millions)	Total Taxable Sales (millions)	Real Industrial Production (millions)	Real per Capita Income (dollars)	Unemployment Rate (percent)	Real Farm Production (millions)	Inflation Rate (percent)
2015	3,152	1.5	-7	2	5.5	\$121	\$11	\$19	\$15.2	\$43,848	8.8	\$11.6	1.4
2016	3,147	1.5	-1	13	5.6	\$125	\$12	\$22	\$15.4	\$44,416	7.6	\$11.2	2.3
2017	3,149	1.5	0	7	5.6	\$132	\$13	\$22	\$15.7	\$45,407	6.6	\$11.2	3.0
2018	3,136	1.5	-1	6	5.5	\$137	\$13	\$19	\$15.7	\$45,611	6.1	\$10.4	3.7
2019	3,127	1.5	0	8	5.7	\$142	\$13	\$19	\$15.9	\$46,170	5.5	\$12.1	2.9
2020	3,117	1.5	0	10	5.7	\$148	\$17	\$23	\$16.2	\$47,380	8.1	\$11.3	1.8
2021	3,103	1.5	1	9	5.8	\$151	\$14	\$21	\$16.2	\$47,337	4.9	\$11.4	2.7
2022	3,089	1.5	4	8	5.8	\$153	\$14	\$21	\$15.9	\$46,847	4.7	\$11.5	2.9
2023	3,073	1.5	3	7	5.8	\$159	\$14	\$21	\$16.1	\$47,767	4.8	\$11.3	2.4
2024	3,054	1.5	2	5	5.8	\$164	\$14	\$22	\$16.3	\$48,511	4.6	\$11.4	2.5
2025	3,031	1.5	0	4	5.9	\$169	\$14	\$22	\$16.4	\$49,204	4.4	\$11.4	2.3
2026	3,005	1.5	-1	4	6.0	\$174	\$14	\$23	\$16.5	\$49,947	4.4	\$11.3	2.3
2027	2,977	1.5	-3	4	6.0	\$179	\$15	\$23	\$16.6	\$50,699	4.5	\$11.4	2.2
2028	2,945	1.5	-4	3	6.1	\$183	\$15	\$23	\$16.6	\$51,337	4.6	\$11.4	2.2
2029	2,913	1.5	-5	3	6.1	\$187	\$15	\$24	\$16.6	\$51,818	4.7	\$11.4	2.3
2030	2,881	1.5	-4	4	6.1	\$191	\$15	\$24	\$16.6	\$52,305	4.8	\$11.4	2.2
2031	2,849	1.5	-4	4	6.1	\$195	\$15	\$25	\$16.5	\$52,816	4.8	\$11.4	2.1
2032	2,813	1.5	-6	3	6.1	\$198	\$16	\$25	\$16.5	\$53,279	4.8	\$11.4	2.3
2033	2,778	1.5	-5	2	6.0	\$202	\$16	\$26	\$16.5	\$53,900	4.8	\$11.4	1.9
2034	2,743	1.5	-5	3	6.0	\$206	\$16	\$26	\$16.4	\$54,491	4.8	\$11.4	2.1
2035	2,708	1.5	-4	3	6.0	\$210	\$16	\$27	\$16.4	\$55,034	4.8	\$11.4	2.2
2036	2,676	1.5	-3	2	6.0	\$214	\$16	\$27	\$16.3	\$55,345	4.8	\$11.4	2.6
2037	2,645	1.5	0	2	5.9	\$218	\$17	\$28	\$16.2	\$55,619	4.7	\$11.4	2.7
2038	2,617	1.5	2	2	5.9	\$223	\$17	\$28	\$16.1	\$55,963	4.8	\$11.4	2.5
2039	2,592	1.5	4	1	5.8	\$228	\$17	\$29	\$16.0	\$56,213	4.8	\$11.4	2.7
2040	2,569	1.5	6	1	5.8	\$232	\$18	\$30	\$16.0	\$56,473	4.8	\$11.4	2.6
2041	2,548	1.5	6	1	5.8	\$237	\$18	\$30	\$15.9	\$56,876	4.8	\$11.4	2.2
2042	2,525	1.5	4	1	5.8	\$242	\$18	\$31	\$15.9	\$57,333	4.8	\$11.4	2.1
2043	2,506	1.5	7	1	5.8	\$247	\$18	\$32	\$15.9	\$57,798	4.8	\$11.4	2.0
2044	2,486	1.5	5	1	5.8	\$252	\$18	\$32	\$16.0	\$58,335	4.8	\$11.4	1.8
2045	2,466	1.5	3	1	5.8	\$257	\$19	\$33	\$16.0	\$58,814	4.8	\$11.4	1.9
2046	2,446	1.5	2	1	5.8	\$261	\$19	\$33	\$15.9	\$59,247	4.8	\$11.4	2.0
2047	2,428	1.5	3	1	5.8	\$267	\$19	\$34	\$15.9	\$59,553	4.8	\$11.4	2.2
2048	2,414	1.5	4	1	5.7	\$272	\$20	\$34	\$15.9	\$59,788	4.8	\$11.4	2.3
2049	2,402	1.5	5	1	5.7	\$278	\$20	\$35	\$15.9	\$60,132	4.8	\$11.4	2.0
2050	2,391	1.5	5	1	5.7	\$284	\$20	\$36	\$15.9	\$60,432	4.8	\$11.4	2.1

## Employment Sectors

## 2015-2020 History, 2021-2050 Forecast

	Total Wage & Salary	Farm	Goods Producing (jobs)	Service Providing	Government
2015	622	15	44	195	368
2016	618	18	48	192	360
2017	584	17	25	193	350
2018	579	17	28	186	349
2019	632	17	33	202	381
2020	608	17	23	201	368
2021	611	17	27	199	369
2022	607	17	29	195	366
2023	608	17	28	197	366
2024	605	17	27	197	364
2025	603	17	26	197	364
2026	603	17	27	197	363
2027	603	17	27	196	363
2028	598	17	26	195	361
2029	595	17	27	192	359
2030	591	17	28	190	356
2031	585	17	28	188	352
2032	579	17	26	186	350
2033	574	17	25	184	349
2034	574	17	27	181	348
2035	573	17	28	179	349
2036	567	17	26	176	348
2037	563	17	25	174	347
2038	559	17	24	172	347
2039	556	17	23	170	347
2040	554	17	23	168	346
2041	552	17	23	167	346
2042	551	17	22	165	347
2043	551	17	22	165	347
2044	550	17	22	164	346
2045	549	17	23	164	346
2046	547	17	23	163	345
2047	545	17	23	162	344
2048	543	17	23	161	342
2049	542	17	23	161	341
2050	542	17	23	161	342

# Sierra County Economic Forecast

## Socioeconomic Indicators

