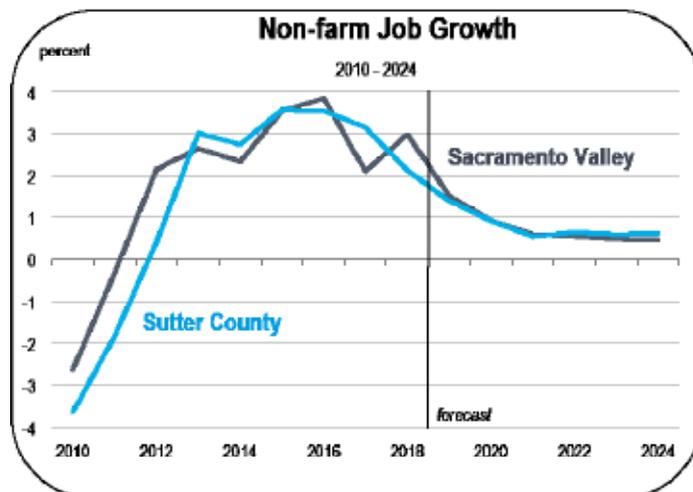
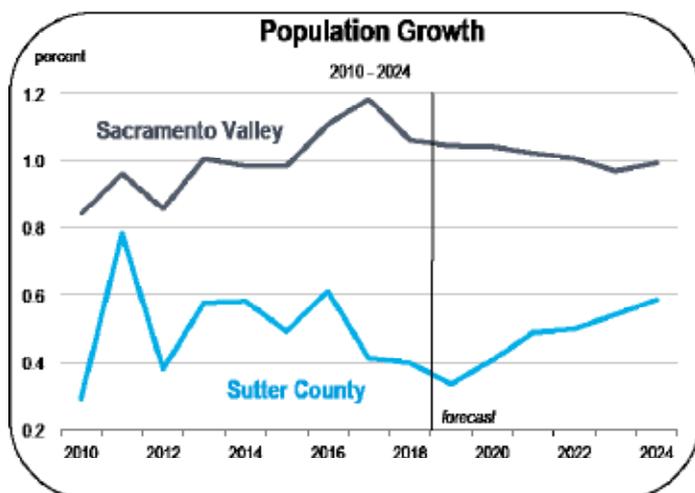


Sutter County Economic Forecast

Forecast Summary

- 400 non-farm jobs will be created in Sutter County during 2019.
- Over the entire 2018–2024 period, an average of 200 non-farm jobs per year are expected.
- Employment growth will be led by government, professional business services, and education and healthcare. Together, these sectors will account for 64 percent of net job creation in Sutter County through 2024.
- Between 2018 and 2024, a number of sectors are at risk of employment contraction, including agriculture, construction, manufacturing, wholesale trade, leisure and hospitality, and information.
- The unemployment rate averaged 7.5 percent in 2018, and is near its lowest sustainable level. The unemployment rate may begin to rise in 2019 or 2020.
- The population of Sutter County is expanding more slowly than the average for the Sacramento Valley and will continue to do so.
- Housing production has been very low in Sutter County during the last decade and is not expected to increase meaningfully during the 2018–2024 forecast period.



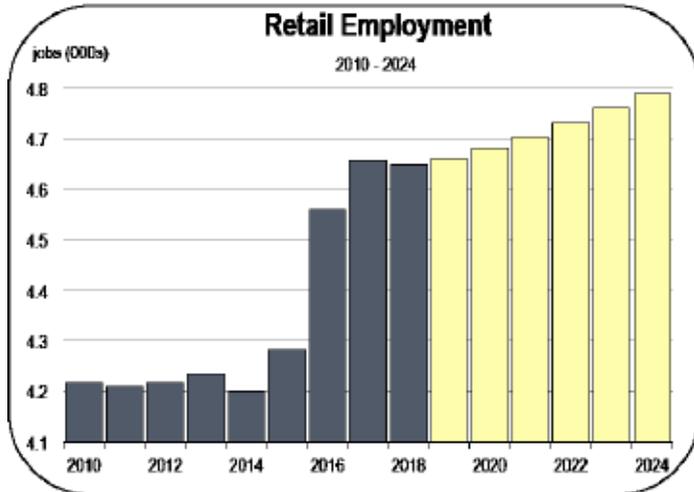
Job Growth

- Approximately 600 non-farm jobs were created in Sutter County in 2018.
- The largest gains in 2018 were observed in construction, leisure and hospitality, education and healthcare, and government.
- Almost 200 jobs were also gained in agriculture in 2018.
- Employment contractions were observed in information and in transportation and warehousing during 2018.
- Between 2012 and 2018, non-farm job growth averaged 3.0 percent per year. Between 2018 and 2024, growth is expected to average 0.8 percent per year.

Retail Trade Employment

- Employment in the Sutter County retail sector was largely unchanged in 2018, and it is expected to grow slowly in 2019 and 2020.
- The retail industry is being divided into two groups: stores that face heavy online competition, and stores that do not.

Sutter County Economic Forecast



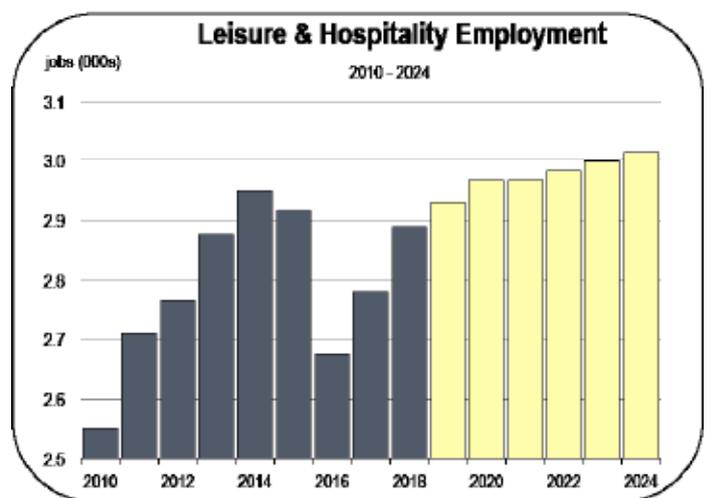
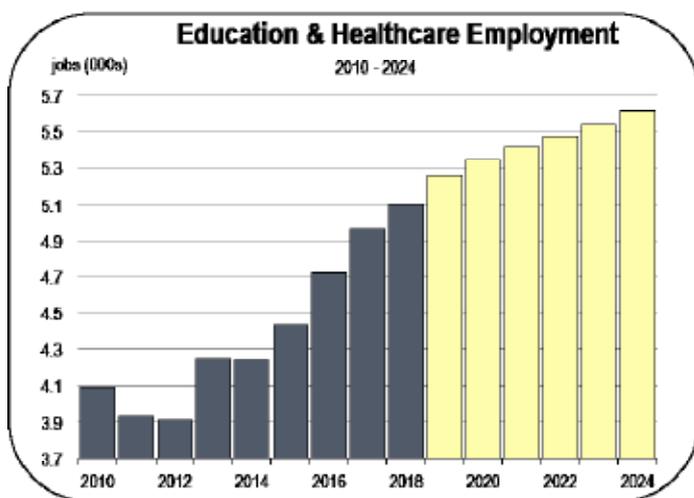
- In 2019 and 2020, jobs are expected to be created in sectors not facing heavy online competition:
 - Car dealerships
 - Drug stores and healthcare stores
 - Grocery stores
 - Gas Stations
- Job losses are expected in sectors that are facing heavy online competition:
 - Clothing stores
 - Sporting goods stores
 - Consumer electronics stores
 - Department stores (i.e. Macy's)
 - Office supply stores

Private Education and Healthcare Employment

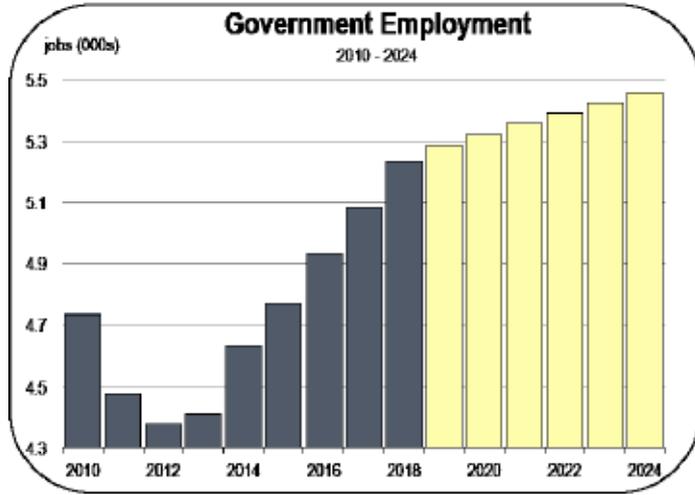
- This industry has grown quickly for much of the last decade and created more than 100 jobs in 2018.
- Since 2010, gains have been widespread, with strength in doctors' offices, home health services, outpatient care centers, and facilities that serve the elderly and disabled.
- The private education industry lost a small number of jobs in 2018 (public schools are included in the government sector).
- The future of the U.S. health insurance landscape is unknown, and legislative changes could influence job growth in this sector.

Leisure and Hospitality Employment

- The leisure and hospitality sector lost approximately 200 jobs in 2016, but by 2018 it had almost returned to its previous employment peak.
- In 2016 a small number of takeout and limited-service restaurants went out of business, leading to approximately 150 lost jobs. By 2018, approximately 10 new takeout restaurants had opened, replacing the lost jobs and creating new jobs.
- After 2020, growth in the leisure sector may become more moderate, and this sector may be characterized by employment contraction if the economy falls into recession during the 2018–2024 forecast period.



Sutter County Economic Forecast



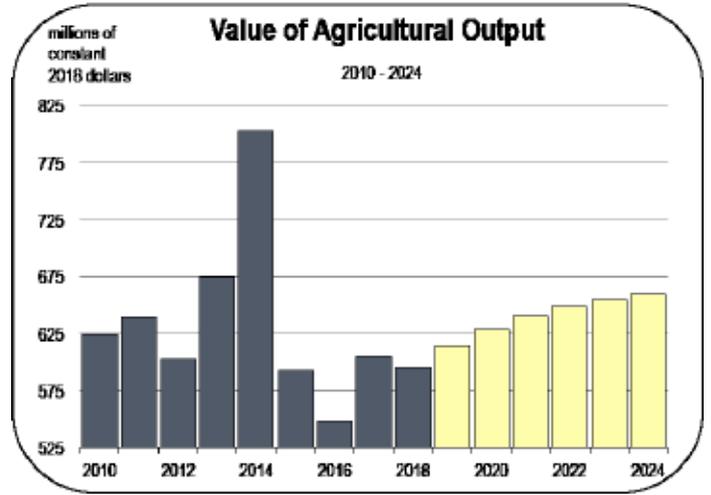
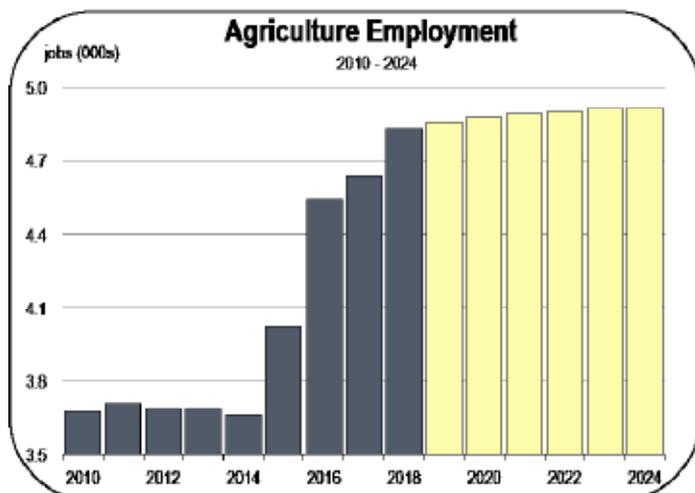
- The leisure industry is sensitive to changes in the minimum wage. As California’s minimum wage rises to \$15 per hour by 2022, job growth could be impacted.

Government Employment

- Government agencies in Sutter County created approximately 100 jobs in 2018.
- Some of these new jobs were created in local public schools, while others were created at municipal agencies.
- Future gains in government employment will depend on population growth and the conditions of state and local budgets.

Agriculture

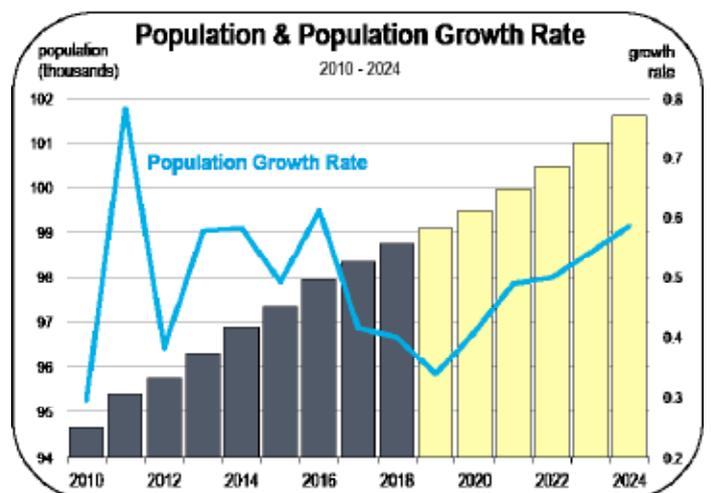
- Agriculture plays a big role in the Sutter County economy.



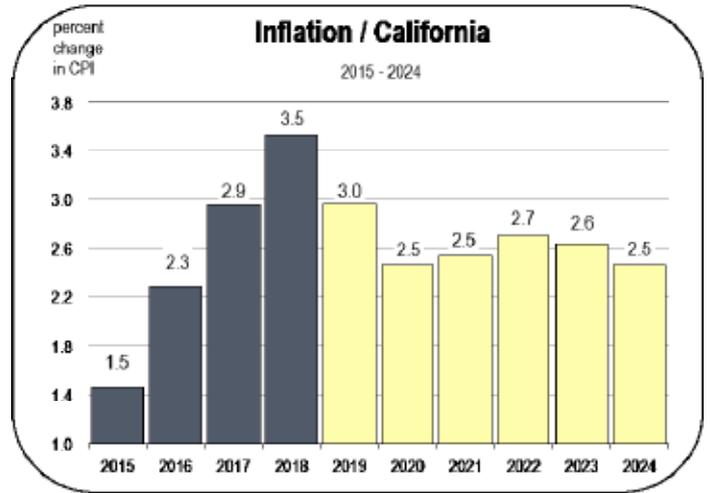
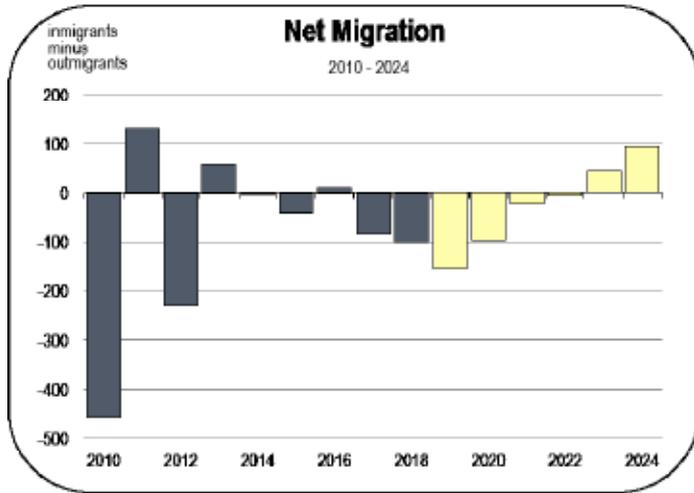
- The agriculture sector employs approximately 4,900 workers, representing 15 percent of the countywide jobs market.
- There are now more workers in the agriculture industry than at almost any point on record.
- Sutter County produces more than \$500 million in agricultural commodities annually. The top commodities in the county are:
 - Rice (\$100 million produced annually)
 - Walnuts (\$100 million)
 - Prunes (\$50 million)
 - Peaches (\$50 million)
 - Almonds (\$30 million)
 - Tomatoes (\$20 million)

Population Growth

- The Sutter County population expanded by 0.4 percent in 2018, which is much slower than the average for the Sacramento Valley.



Sutter County Economic Forecast



- Net migration was negative, subtracting more than 100 residents from the population.
- Population growth averaged 0.5 percent per year between 2012 and 2018.
- Population growth is also expected to average 0.5 percent per year between 2018 and 2024.
- Net migration is expected to be negative for most of the 2018–2024 forecast period, meaning that virtually all population growth will come from births.
- The countywide population will surpass 100,000 residents by 2024.

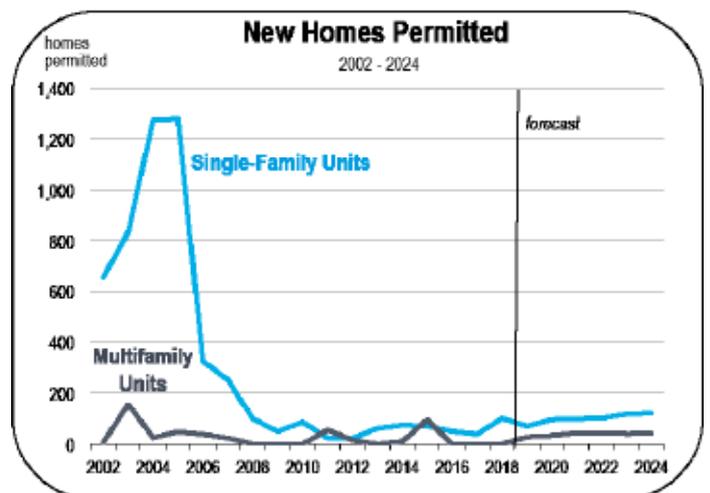
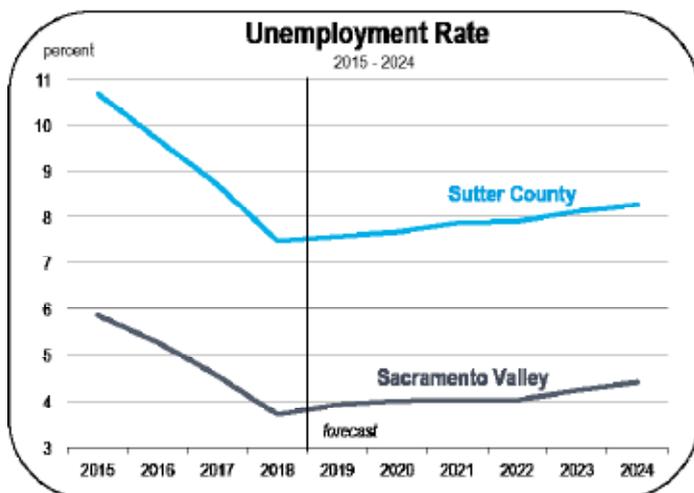
- The unemployment rate has reached its lowest sustainable level, and may begin to rise in 2019 or 2020.
- Inflation accelerated in 2018 as home prices and energy costs increased across California.
- In 2019 and 2020, inflation is expected to be within a range of 2.0 percent and 3.5 percent.

Unemployment and Inflation Rates

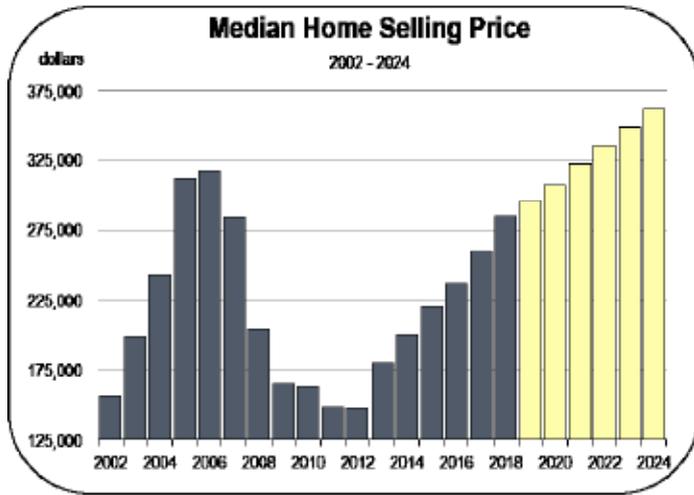
- The unemployment rate in Sutter County was 7.5 percent in 2018, which is above the average for the Sacramento Valley.

Home Prices and New Housing Production

- From 2013 to 2018, construction commenced on an average of 85 new homes each year.
- Between 2019 and 2024, housing production is expected to average 140 units per year. Most are expected to be single-family units.



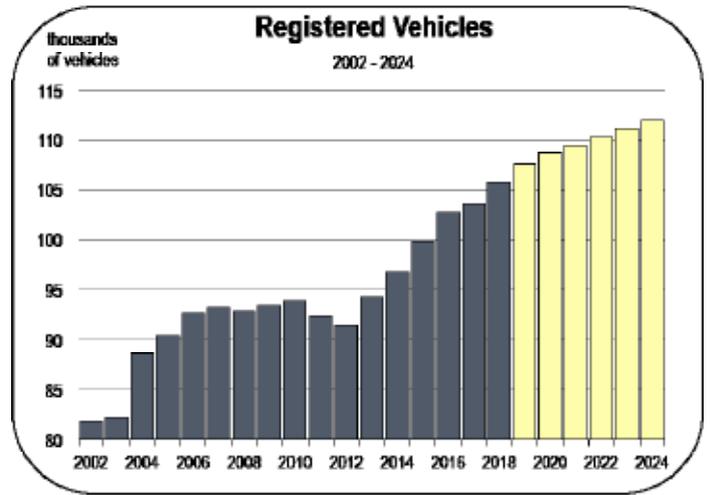
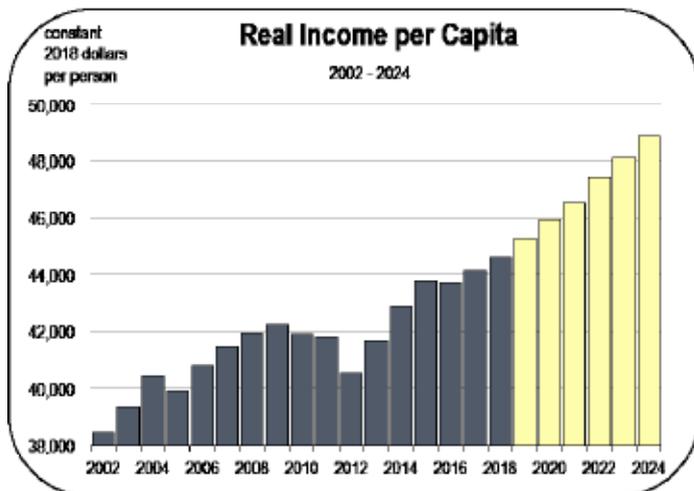
Sutter County Economic Forecast



- The median home selling price in Sutter County is approximately \$300,000, making homes in Sutter County much more affordable than other parts of California.
- Along the coastal areas of the state, home prices are substantially higher, and housing affordability has become a problem. Coastal households typically spend more than 35 percent of their income on mortgage payments or rent, and a large portion pays more than 50 percent of income on housing costs. In Sutter County, the typical household spends less than 25 percent of its income on housing costs.

Income per Capita

- Income per capita was \$44,600 in 2018, which is below the Sacramento Valley average of \$56,400.
- Over the last six years, real income per capita has risen at a rate of 1.6 percent per year.



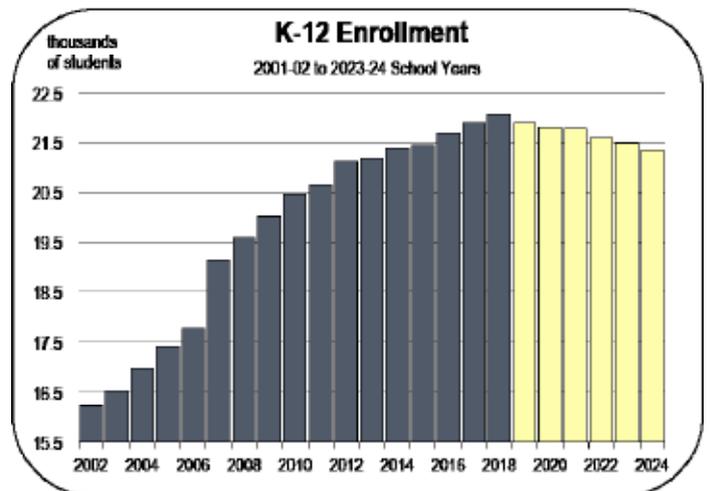
- Over the next six years, real income per capita is expected to increase by an average of 1.5 percent per year.

Registered Vehicles

- There were 105,700 registered vehicles in Sutter County in 2018. By 2024, it is expected that the county will have 112,000 registered vehicles.

Public School Enrollment

- In Sutter County, approximately 22,000 students were enrolled in K-12 public schools.
- By 2024, the number of enrolled students is expected to remain near 21,400. Enrollment will decline because the population aged 5 to 17 is expected to decline.



Sutter County Economic Forecast

Economic Indicators

2015-2018 History, 2019-2050 Forecast

	Population (people)	House- holds (thousands)	Average Household Income (dollars)	New Homes Permitted (homes)	Registered Vehicles (thousands)	Personal Income (billions)	Taxable Retail Sales (billions)	Local Sales Tax (millions)	Real Industrial Production (millions)	Real per Capita Income (dollars)	School Enrollment (thousands)	Births (people)	Deaths (people)
2015	97,341	31.9	\$122,804	165	100	\$3.9	\$1.1	\$14	\$726.0	\$43,776	21.5	1,306	765
2016	97,936	32.0	\$125,474	50	103	\$4.0	\$1.2	\$15	\$726.6	\$43,715	21.7	1,335	869
2017	98,342	32.1	\$130,297	39	104	\$4.2	\$1.2	\$15	\$735.8	\$44,151	21.9	1,335	820
2018	98,735	32.1	\$137,132	100	106	\$4.4	\$1.3	\$16	\$714.9	\$44,611	22.0	1,322	853
2019	99,068	32.2	\$143,009	98	108	\$4.6	\$1.3	\$17	\$726.6	\$45,269	21.9	1,340	850
2020	99,472	32.3	\$149,178	128	109	\$4.8	\$1.4	\$17	\$735.2	\$45,936	21.8	1,354	853
2021	99,958	32.4	\$155,521	142	110	\$5.0	\$1.4	\$18	\$746.7	\$46,535	21.8	1,368	859
2022	100,458	32.6	\$162,984	144	110	\$5.3	\$1.5	\$19	\$763.0	\$47,413	21.6	1,378	872
2023	101,002	32.7	\$170,159	158	111	\$5.6	\$1.6	\$19	\$777.8	\$48,140	21.5	1,389	889
2024	101,593	32.9	\$177,413	163	112	\$5.8	\$1.6	\$20	\$793.5	\$48,892	21.4	1,403	907
2025	102,232	33.0	\$184,498	155	113	\$6.1	\$1.7	\$21	\$809.0	\$49,570	21.2	1,414	924
2026	102,897	33.2	\$191,636	163	114	\$6.4	\$1.7	\$22	\$824.1	\$50,206	21.1	1,425	941
2027	103,578	33.4	\$199,085	174	115	\$6.6	\$1.8	\$22	\$840.4	\$50,910	21.1	1,435	953
2028	104,267	33.5	\$206,252	188	115	\$6.9	\$1.8	\$23	\$854.8	\$51,475	21.0	1,444	966
2029	104,953	33.7	\$212,538	203	116	\$7.2	\$1.9	\$24	\$864.2	\$51,746	21.1	1,455	986
2030	105,626	33.9	\$218,849	198	117	\$7.4	\$1.9	\$24	\$874.4	\$52,061	21.2	1,464	1,010
2031	106,297	34.1	\$225,273	192	117	\$7.7	\$2.0	\$25	\$885.4	\$52,405	21.4	1,475	1,022
2032	106,959	34.3	\$231,803	187	118	\$8.0	\$2.1	\$26	\$894.4	\$52,625	21.4	1,486	1,040
2033	107,610	34.5	\$238,550	181	118	\$8.2	\$2.1	\$26	\$906.6	\$53,053	21.6	1,494	1,056
2034	108,249	34.7	\$245,628	175	119	\$8.5	\$2.2	\$27	\$917.8	\$53,411	21.6	1,504	1,073
2035	108,870	34.8	\$253,089	170	119	\$8.8	\$2.2	\$28	\$928.5	\$53,757	21.8	1,510	1,093
2036	109,469	35.0	\$260,948	164	120	\$9.1	\$2.3	\$29	\$936.2	\$53,937	22.0	1,513	1,112
2037	110,052	35.2	\$269,214	159	120	\$9.5	\$2.4	\$30	\$943.7	\$54,099	22.1	1,514	1,124
2038	110,612	35.3	\$277,722	153	121	\$9.8	\$2.4	\$31	\$952.8	\$54,360	22.2	1,509	1,137
2039	111,146	35.5	\$286,648	148	121	\$10.2	\$2.5	\$32	\$960.5	\$54,555	22.3	1,508	1,157
2040	111,658	35.6	\$295,846	143	122	\$10.5	\$2.6	\$33	\$969.0	\$54,798	22.4	1,509	1,174
2041	112,152	35.8	\$305,169	137	122	\$10.9	\$2.7	\$34	\$978.8	\$55,121	22.6	1,510	1,187
2042	112,619	35.9	\$314,703	132	123	\$11.3	\$2.8	\$34	\$989.3	\$55,491	22.7	1,509	1,208
2043	113,068	36.0	\$324,431	127	123	\$11.7	\$2.8	\$35	\$1,000.5	\$55,900	22.8	1,512	1,222
2044	113,496	36.2	\$334,277	122	124	\$12.1	\$2.9	\$36	\$1,013.0	\$56,394	22.9	1,509	1,235
2045	113,900	36.3	\$344,487	117	124	\$12.5	\$3.0	\$37	\$1,023.8	\$56,797	22.9	1,511	1,256
2046	114,282	36.4	\$354,930	112	125	\$12.9	\$3.1	\$38	\$1,035.5	\$57,250	23.0	1,510	1,272
2047	114,646	36.5	\$365,619	107	125	\$13.3	\$3.2	\$39	\$1,047.0	\$57,695	23.0	1,512	1,287
2048	114,991	36.6	\$376,664	102	125	\$13.8	\$3.2	\$41	\$1,058.6	\$58,152	23.0	1,511	1,300
2049	115,325	36.7	\$388,115	97	126	\$14.2	\$3.3	\$42	\$1,070.4	\$58,621	22.9	1,510	1,306
2050	115,650	36.8	\$400,037	92	126	\$14.7	\$3.4	\$43	\$1,082.5	\$59,109	23.0	1,509	1,310

Employment Sectors

2015-2018 History, 2019-2050 Forecast

	Total Wage & Salary	Farm	Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade (thousands of jobs)	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
2015	29.4	4.0	1.3	1.5	0.9	5.5	1.1	2.1	0.2	4.4	2.9	4.8
2016	30.8	4.5	1.5	1.5	0.9	5.8	1.2	2.1	0.2	4.7	2.7	4.9
2017	31.8	4.6	1.6	1.5	1.0	6.0	1.2	2.2	0.2	5.0	2.8	5.1
2018	32.5	4.8	1.7	1.5	0.9	6.0	1.2	2.2	0.2	5.1	2.9	5.2
2019	32.9	4.9	1.8	1.5	0.9	6.1	1.2	2.3	0.2	5.3	2.9	5.3
2020	33.2	4.9	1.8	1.5	0.9	6.1	1.2	2.3	0.2	5.3	3.0	5.3
2021	33.4	4.9	1.7	1.5	1.0	6.1	1.2	2.3	0.2	5.4	3.0	5.4
2022	33.6	4.9	1.7	1.5	1.0	6.2	1.2	2.4	0.2	5.5	3.0	5.4
2023	33.8	4.9	1.7	1.5	1.0	6.2	1.2	2.4	0.2	5.5	3.0	5.4
2024	34.0	4.9	1.7	1.5	1.0	6.2	1.2	2.4	0.2	5.6	3.0	5.5
2025	34.2	4.9	1.7	1.5	1.0	6.2	1.2	2.4	0.2	5.7	3.0	5.5
2026	34.4	4.9	1.7	1.5	1.0	6.3	1.2	2.4	0.2	5.7	3.1	5.5
2027	34.5	4.9	1.7	1.5	1.0	6.3	1.2	2.5	0.2	5.8	3.1	5.6
2028	34.7	4.9	1.7	1.5	1.0	6.3	1.3	2.5	0.2	5.9	3.1	5.6
2029	34.9	4.9	1.7	1.5	1.0	6.4	1.3	2.5	0.2	5.9	3.1	5.6
2030	35.0	4.9	1.7	1.5	1.0	6.4	1.3	2.5	0.2	6.0	3.1	5.7
2031	35.2	4.9	1.7	1.5	1.0	6.4	1.3	2.5	0.2	6.0	3.2	5.7
2032	35.3	4.9	1.7	1.5	1.0	6.4	1.3	2.5	0.2	6.1	3.2	5.7
2033	35.5	4.9	1.7	1.5	1.0	6.4	1.3	2.5	0.2	6.2	3.2	5.8
2034	35.6	4.9	1.7	1.5	1.0	6.5	1.3	2.5	0.2	6.2	3.2	5.8
2035	35.8	4.9	1.7	1.5	1.0	6.5	1.3	2.5	0.2	6.3	3.2	5.8
2036	35.9	5.0	1.7	1.5	1.0	6.5	1.3	2.6	0.2	6.3	3.3	5.9
2037	36.1	5.0	1.7	1.5	1.1	6.5	1.3	2.6	0.2	6.4	3.3	5.9
2038	36.2	5.0	1.7	1.5	1.1	6.5	1.3	2.6	0.2	6.4	3.3	5.9
2039	36.3	5.0	1.6	1.5	1.1	6.5	1.3	2.6	0.2	6.5	3.3	6.0
2040	36.5	5.0	1.6	1.5	1.1	6.6	1.3	2.6	0.2	6.5	3.3	6.0
2041	36.6	5.0	1.6	1.5	1.1	6.6	1.3	2.6	0.2	6.6	3.3	6.0
2042	36.7	5.0	1.6	1.5	1.1	6.6	1.3	2.6	0.2	6.6	3.3	6.0
2043	36.8	5.0	1.6	1.5	1.1	6.6	1.3	2.6	0.2	6.7	3.4	6.1
2044	36.9	5.0	1.6	1.5	1.1	6.6	1.3	2.6	0.2	6.7	3.4	6.1
2045	37.0	5.0	1.6	1.5	1.1	6.7	1.3	2.6	0.2	6.7	3.4	6.1
2046	37.1	5.0	1.6	1.5	1.1	6.7	1.4	2.7	0.2	6.8	3.4	6.1
2047	37.2	5.0	1.6	1.5	1.1	6.7	1.4	2.7	0.2	6.8	3.4	6.1
2048	37.3	5.0	1.6	1.5	1.1	6.7	1.4	2.7	0.2	6.8	3.4	6.2
2049	37.4	5.0	1.6	1.5	1.1	6.7	1.4	2.7	0.2	6.9	3.4	6.2
2050	37.5	5.0	1.6	1.5	1.1	6.7	1.4	2.7	0.2	6.9	3.5	6.2

Sutter County Economic Forecast

Socioeconomic Indicators

