

# BUTTE COUNTY ECONOMIC FORECAST

In California, there are 14 counties north of the Bay Area and the Sacramento Valley. Of these, Butte County is the largest in terms of population. It is home to Chico State, the second oldest college in the California State University system. Butte County has a population of 224,300 people and a total of 80,600 wage and salary jobs. The per capita income is \$39,117 and the average salary per worker is \$46,128.

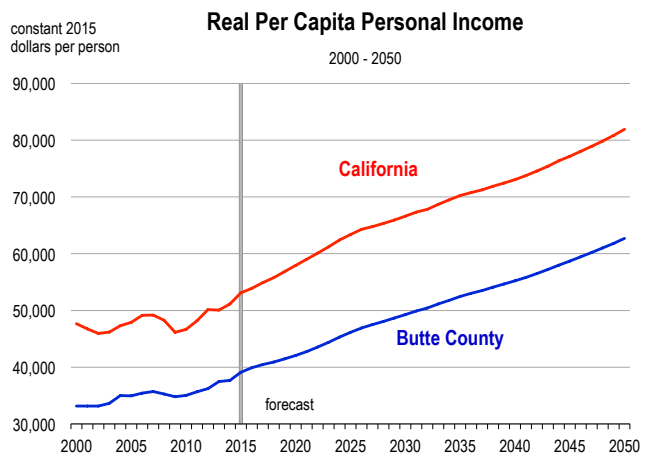
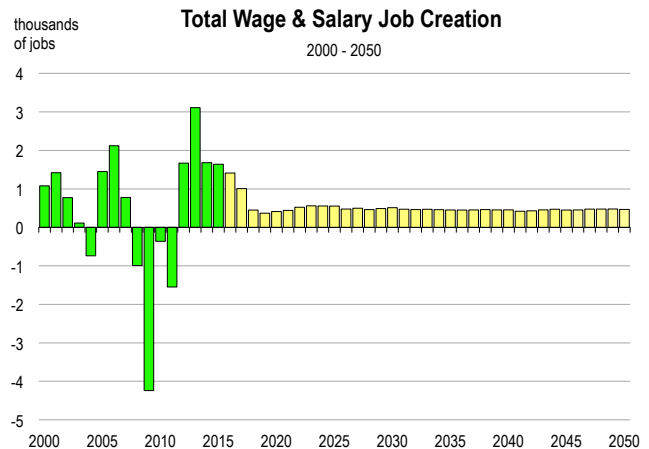
In 2015, a total of 1,600 wage and salary jobs were gained in Butte County, representing a growth rate of 2.1 percent. The unemployment rate improved during the year, falling from 8.6 percent in 2014 to 7.2 percent in 2015.

During 2015, most industries were characterized by positive employment growth. The largest gains were observed in education and healthcare (+350 jobs), wholesale and retail trade (+320 jobs), leisure and hospitality (+240 jobs), and construction (+220 jobs). The largest losses were observed in manufacturing (-40 jobs).

The population of Butte County grew at an annual rate of 0.4 percent between 2010 and 2015. This growth was largely due to net migration. On average, the county gained 630 residents each year through the migration process, accounting for 73 percent of total population growth.

## FORECAST HIGHLIGHTS

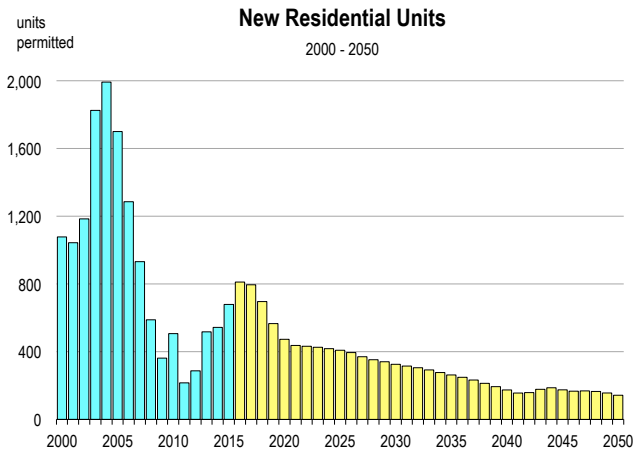
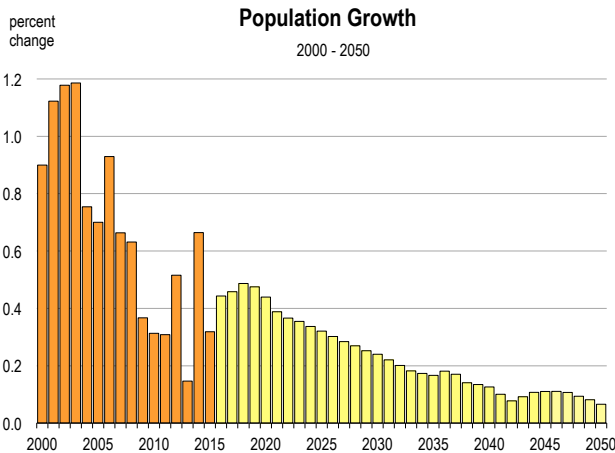
- Total wage and salary employment is expected to increase by 1.8 percent in 2016. Between 2016 and 2021, growth will average 0.6 percent per year.
- Average salaries are currently below the California state average, and will remain so over the forecast period. In Butte County, inflation-adjusted salaries are expected to rise by an average of 1.8 percent per year from 2016 to 2021.
- Between 2016 and 2021, the momentum for employment growth will be in leisure and hospitality, education and healthcare, and professional and business services. Together, these sectors are expected to account for 91 percent of net job creation in the county. Employment in the construction sector will begin to decline over this horizon.
- In Butte County, population growth will average 0.4 percent annually between 2016 and 2021.
- Net migration is expected to be relatively high over the next five years. Between 2016 and 2021, an average of 700 net migrants will enter the county each year, accounting for 68 percent of total population.
- Real per capita income is expected to increase by 2.0 percent in 2016. Over the following five years, growth is expected to average 1.4 percent per year.
- Total taxable sales, adjusted for inflation, are forecasted to rise by 1.2 percent per year between 2016 and 2021.
- Industrial production will increase by 2.9 percent in 2016. From 2016 to 2021, the growth rate of industrial production will average 1.4 percent per year.



# Butte County Economic Forecast

## 2010-2015 History, 2016-2050 Forecast

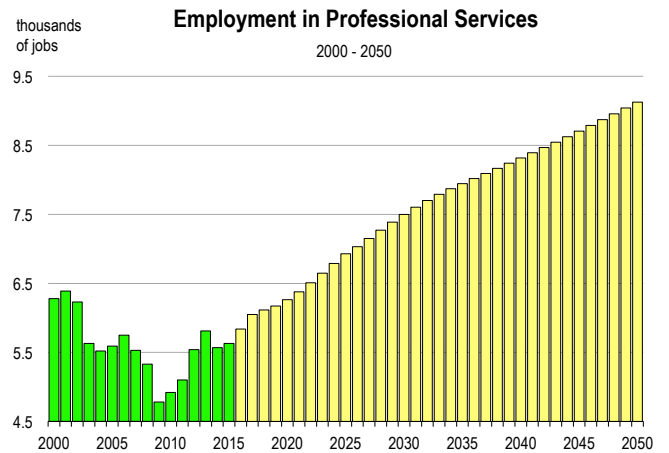
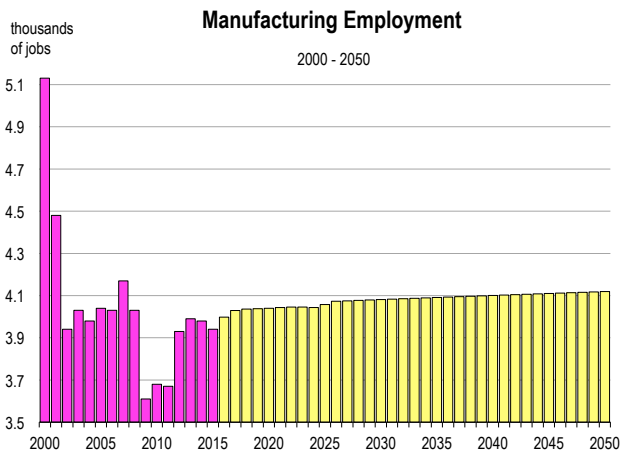
	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (millions)	Unemploy- ment Rate (percent)
2010	219,973	426	225.4	87.6	507	\$2.46	\$7.00	\$35,009	1.3	690	1,024	13.9
2011	220,651	392	223.4	87.9	216	\$2.59	\$7.35	\$35,675	2.7	681	977	13.7
2012	221,788	967	218.8	88.3	287	\$2.71	\$7.66	\$36,216	2.7	736	1,047	12.1
2013	222,113	286	225.2	88.6	517	\$2.88	\$8.06	\$37,481	2.3	890	1,080	10.3
2014	223,589	1,118	227.6	89.0	544	\$3.01	\$8.30	\$37,655	2.8	814	1,070	8.6
2015	224,301	406	232.2	89.4	679	\$3.13	\$8.77	\$39,117	2.6	842	1,069	7.2
2016	225,295	647	234.3	90.2	812	\$3.27	\$9.22	\$39,901	2.7	843	1,101	6.1
2017	226,327	685	236.4	91.0	795	\$3.43	\$9.70	\$40,479	3.4	839	1,119	5.7
2018	227,429	765	238.3	91.7	696	\$3.58	\$10.17	\$40,894	3.4	839	1,132	5.8
2019	228,509	753	239.9	92.4	566	\$3.73	\$10.66	\$41,471	3.0	840	1,148	5.8
2020	229,513	690	241.3	93.0	473	\$3.88	\$11.16	\$42,069	3.0	841	1,163	5.9
2021	230,404	594	242.6	93.4	437	\$4.03	\$11.70	\$42,754	2.9	845	1,179	5.8
2022	231,248	586	243.8	93.9	432	\$4.18	\$12.28	\$43,551	2.9	846	1,196	5.8
2023	232,068	597	245.1	94.3	426	\$4.33	\$12.90	\$44,389	2.8	848	1,215	5.7
2024	232,850	592	246.3	94.7	418	\$4.49	\$13.52	\$45,286	2.6	850	1,229	5.6
2025	233,597	597	247.5	95.1	409	\$4.66	\$14.15	\$46,155	2.5	852	1,248	5.5
2026	234,302	593	248.7	95.5	395	\$4.83	\$14.75	\$46,901	2.5	854	1,269	5.3
2027	234,968	595	249.8	95.9	370	\$5.01	\$15.38	\$47,485	2.9	856	1,291	5.3
2028	235,601	608	250.9	96.2	353	\$5.19	\$16.00	\$48,063	2.7	858	1,316	5.3
2029	236,195	616	252.0	96.6	341	\$5.37	\$16.61	\$48,663	2.5	861	1,343	5.3
2030	236,762	641	253.0	96.9	326	\$5.55	\$17.23	\$49,268	2.4	863	1,370	5.3
2031	237,284	647	254.1	97.2	315	\$5.75	\$17.85	\$49,890	2.3	865	1,398	5.2
2032	237,761	639	255.1	97.5	305	\$5.98	\$18.50	\$50,436	2.5	867	1,427	5.2
2033	238,194	620	256.2	97.8	293	\$6.21	\$19.14	\$51,121	2.1	869	1,456	5.2
2034	238,606	625	257.2	98.1	277	\$6.45	\$19.83	\$51,795	2.3	871	1,485	5.2
2035	239,004	617	258.2	98.4	263	\$6.71	\$20.57	\$52,465	2.4	874	1,515	5.2
2036	239,436	667	259.2	98.7	249	\$6.98	\$21.36	\$53,009	2.8	876	1,544	5.2
2037	239,844	673	260.1	98.9	233	\$7.25	\$22.18	\$53,518	2.9	878	1,573	5.1
2038	240,182	656	261.1	99.1	213	\$7.50	\$23.02	\$54,102	2.7	881	1,605	5.1
2039	240,504	659	262.1	99.3	194	\$7.76	\$23.91	\$54,640	2.9	883	1,636	5.1
2040	240,808	652	263.1	99.5	174	\$8.02	\$24.81	\$55,201	2.8	885	1,668	5.1
2041	241,050	597	264.0	99.7	156	\$8.26	\$25.72	\$55,823	2.6	888	1,702	5.1
2042	241,236	540	265.0	99.8	159	\$8.50	\$26.65	\$56,497	2.5	890	1,736	5.1
2043	241,458	569	265.9	100.0	178	\$8.74	\$27.60	\$57,205	2.4	893	1,771	5.0
2044	241,717	602	266.9	100.2	187	\$8.98	\$28.57	\$57,984	2.2	895	1,806	5.0
2045	241,983	605	267.8	100.4	175	\$9.23	\$29.59	\$58,708	2.4	898	1,842	5.0
2046	242,251	603	268.8	100.5	167	\$9.48	\$30.63	\$59,454	2.3	900	1,880	5.0
2047	242,510	586	269.7	100.7	169	\$9.73	\$31.71	\$60,215	2.3	903	1,918	5.0
2048	242,737	549	270.7	100.9	165	\$9.99	\$32.83	\$61,004	2.3	905	1,957	5.0
2049	242,934	515	271.7	101.0	156	\$10.26	\$34.00	\$61,829	2.3	908	1,996	5.0
2050	243,094	472	272.7	101.2	143	\$10.54	\$35.22	\$62,691	2.3	911	2,035	4.9

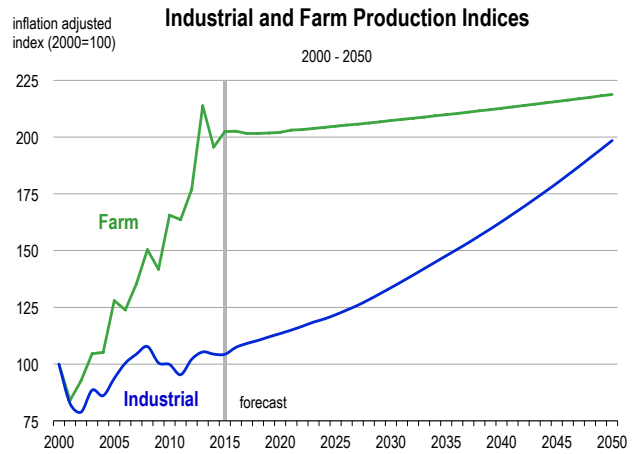
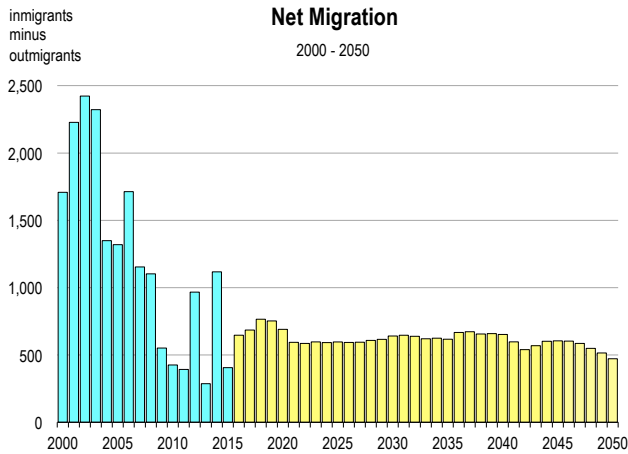
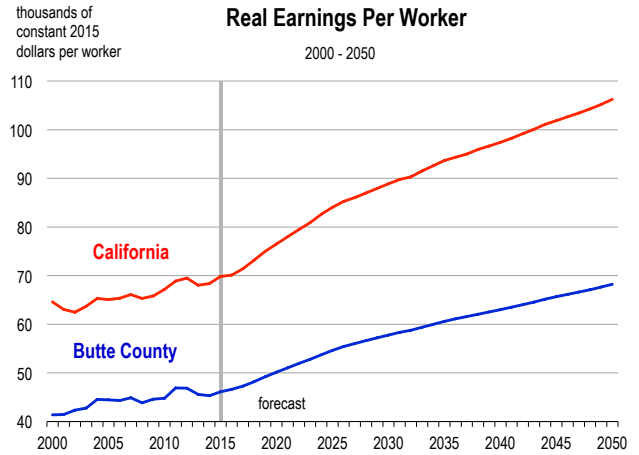
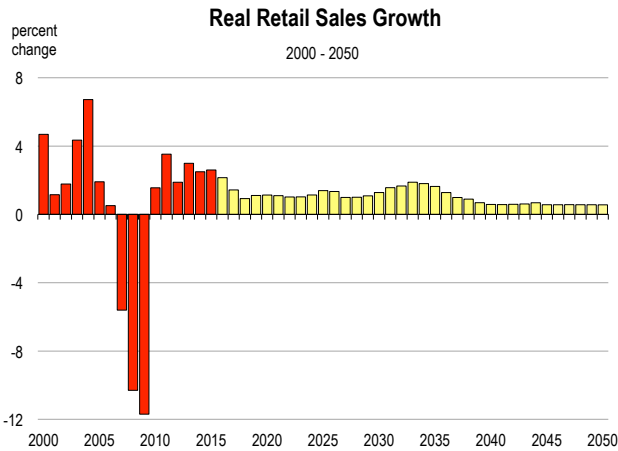


# Butte County Employment Forecast

## 2010-2015 History, 2016-2050 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)-----												
2010	74.06	2.77	2.38	3.68	1.60	11.09	3.13	4.92	1.00	15.84	7.12	16.97
2011	72.51	2.72	2.33	3.67	1.58	10.97	2.97	5.10	1.08	15.53	7.17	15.71
2012	74.18	2.80	2.39	3.93	1.56	11.28	2.97	5.54	1.08	15.73	7.43	15.79
2013	77.29	2.90	2.88	3.99	1.50	11.49	3.08	5.81	1.00	17.11	7.81	15.98
2014	78.97	2.91	3.15	3.98	1.47	11.85	3.28	5.57	1.02	17.75	8.04	16.12
2015	80.61	3.03	3.37	3.94	1.50	12.17	3.48	5.63	1.06	18.10	8.28	16.22
2016	82.02	3.07	3.50	4.00	1.53	12.17	3.49	5.84	1.07	18.69	8.57	16.25
2017	83.03	3.11	3.49	4.03	1.54	12.28	3.51	6.05	1.08	19.11	8.74	16.26
2018	83.48	3.14	3.37	4.04	1.54	12.33	3.52	6.11	1.08	19.40	8.85	16.24
2019	83.85	3.16	3.25	4.04	1.55	12.38	3.53	6.17	1.08	19.63	8.94	16.27
2020	84.26	3.18	3.13	4.04	1.54	12.41	3.53	6.26	1.09	19.82	9.04	16.34
2021	84.70	3.20	3.06	4.04	1.53	12.43	3.54	6.38	1.09	20.01	9.16	16.39
2022	85.23	3.21	3.02	4.05	1.52	12.46	3.55	6.51	1.09	20.19	9.27	16.46
2023	85.79	3.22	3.01	4.05	1.52	12.48	3.57	6.65	1.10	20.37	9.40	16.54
2024	86.34	3.23	3.00	4.04	1.51	12.51	3.58	6.79	1.10	20.56	9.48	16.63
2025	86.90	3.24	2.99	4.06	1.50	12.55	3.60	6.93	1.10	20.76	9.53	16.73
2026	87.37	3.24	2.98	4.07	1.49	12.57	3.61	7.03	1.11	20.95	9.58	16.82
2027	87.87	3.25	2.99	4.07	1.50	12.59	3.62	7.15	1.11	21.15	9.62	16.90
2028	88.33	3.25	2.98	4.08	1.50	12.62	3.63	7.27	1.11	21.34	9.66	16.94
2029	88.82	3.26	2.98	4.08	1.51	12.65	3.65	7.39	1.11	21.55	9.72	17.00
2030	89.34	3.26	2.97	4.08	1.52	12.67	3.66	7.50	1.12	21.76	9.78	17.08
2031	89.81	3.26	2.95	4.08	1.52	12.70	3.67	7.60	1.12	21.97	9.85	17.12
2032	90.27	3.26	2.94	4.09	1.53	12.73	3.68	7.70	1.12	22.18	9.92	17.17
2033	90.74	3.27	2.92	4.09	1.54	12.76	3.69	7.79	1.12	22.39	9.99	17.22
2034	91.20	3.27	2.91	4.09	1.54	12.79	3.70	7.87	1.12	22.60	10.06	17.28
2035	91.65	3.27	2.90	4.09	1.54	12.82	3.70	7.94	1.12	22.81	10.14	17.33
2036	92.11	3.27	2.90	4.09	1.53	12.85	3.71	8.02	1.13	23.02	10.21	17.37
2037	92.56	3.27	2.89	4.09	1.53	12.87	3.72	8.09	1.13	23.23	10.28	17.43
2038	93.02	3.27	2.88	4.10	1.53	12.90	3.73	8.17	1.13	23.45	10.36	17.49
2039	93.48	3.27	2.88	4.10	1.53	12.93	3.74	8.24	1.13	23.66	10.43	17.54
2040	93.93	3.27	2.86	4.10	1.53	12.95	3.75	8.32	1.14	23.88	10.51	17.59
2041	94.35	3.27	2.85	4.10	1.53	12.98	3.76	8.39	1.14	24.09	10.55	17.65
2042	94.78	3.27	2.84	4.10	1.53	13.00	3.77	8.47	1.14	24.31	10.57	17.72
2043	95.24	3.28	2.86	4.11	1.53	13.03	3.78	8.54	1.14	24.52	10.59	17.80
2044	95.71	3.28	2.88	4.11	1.53	13.05	3.79	8.62	1.14	24.74	10.63	17.87
2045	96.16	3.28	2.87	4.11	1.53	13.08	3.80	8.71	1.15	24.96	10.67	17.94
2046	96.61	3.28	2.87	4.11	1.54	13.10	3.81	8.79	1.15	25.18	10.70	18.01
2047	97.09	3.28	2.87	4.11	1.54	13.13	3.82	8.87	1.15	25.40	10.75	18.09
2048	97.57	3.28	2.87	4.12	1.54	13.16	3.83	8.96	1.15	25.62	10.77	18.18
2049	98.04	3.28	2.87	4.12	1.54	13.18	3.84	9.04	1.16	25.84	10.79	18.27
2050	98.51	3.28	2.86	4.12	1.54	13.21	3.85	9.13	1.16	26.07	10.81	18.37





## County Economic and Demographic Indicators

### Projected Economic Growth (2016-2021)

Expected retail sales growth:	5.8%
Expected job growth:	3.3%
Fastest growing jobs sector:	Professional Services
Expected personal income growth:	9.6%

Expected population growth:	2.3%
Net migration to account for:	68.3%
Expected growth in number of vehicles:	3.5%

### Demographics (2016)

Unemployment rate (April 2016):	6.5%
County rank* in California (58 counties):	31st
Working age (16-64) population:	64.3%

Population with B.A. or higher:	25.8%
Median home selling price (2015):	\$225,000
Median household income:	\$44,956

### Quality of Life

Violent crime rate (2014):	300 per 100,000 persons
County rank* in California (58 counties):	18th
Average commute time to work (2016):	21.0 minutes

High School drop out rate (2015):	9.4%
Households at/below poverty line (2016):	13.6%

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