

EL DORADO COUNTY ECONOMIC FORECAST

El Dorado County is home to the town of Coloma, where the first discoveries of gold sparked the California gold rush. It shares its eastern border with the state of Nevada. El Dorado County has a population of 175,600 people and almost 52,000 wage and salary jobs. The per capita income in El Dorado County is \$38,709, and the average salary per worker is \$38,387.

Although not nearly as robust as Southern California, employment growth in Northern California was strong in 2005, compared to the previous four years. Employment in the greater Bay Area increased by 0.8 percent last year, while the Sacramento Valley (consisting of Sacramento, Yolo, Placer, El Dorado, Yuba and Sutter Counties) grew at a robust pace of 2.4 percent. In 2005, nearly 1,370 total wage and salary jobs were created in El Dorado County, implying a growth rate of 2.7 percent. Non-farm employment grew at 2.8 percent. The unemployment rate declined to 4.6 percent in 2005.

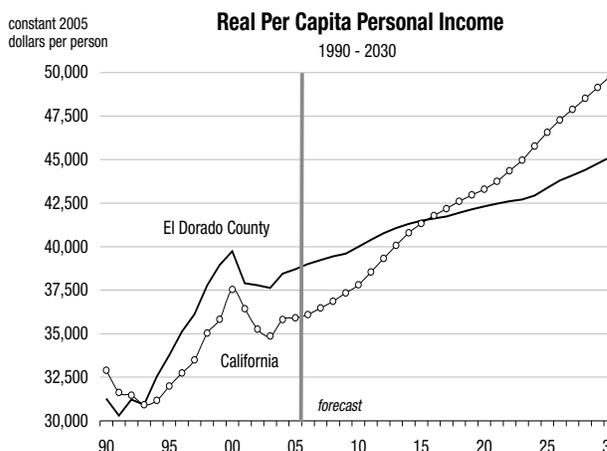
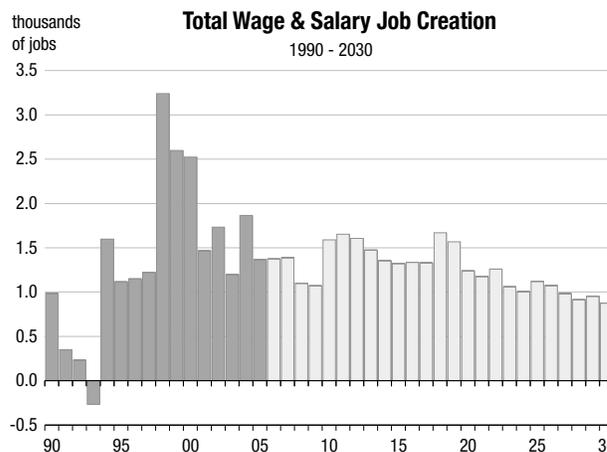
The principal sectors that are producing jobs are professional services, education and healthcare, and leisure services. Unlike many other areas in California, employment in manufacturing increased marginally in 2005.

The population continues to grow in El Dorado County, and from January 2005 to January 2006 the population increased by 1.6 percent. The gain in population was confined to the unincorporated areas of the county. The only two incorporated cities, Placerville and South Lake Tahoe, recorded slight declines in population.

Employment and population are forecast to grow at above average rates in El Dorado County over the next five years. Inland counties such as El Dorado County will dominate growth in the state due to the relative affordability and higher production of homes. However, home prices have been rising sharply in the county, and that may hinder growth over the next several years.

FORECAST HIGHLIGHTS

- Job growth is forecast to remain at 2.7 percent in 2006. From 2006 to 2010, the rate is forecast to moderate and over the five year period, it will average 2.4 percent.
- Average salaries adjusted for inflation are currently well below the California state average, and will remain so over the foreseeable future. Average salaries adjusted for inflation are expected to rise an average of 1.5 percent per year over the next 5 years.
- The momentum for employment growth is in professional services, leisure services, education and healthcare services, and retail trade. These sectors account for 75 percent of all jobs created in the county over the next five years.

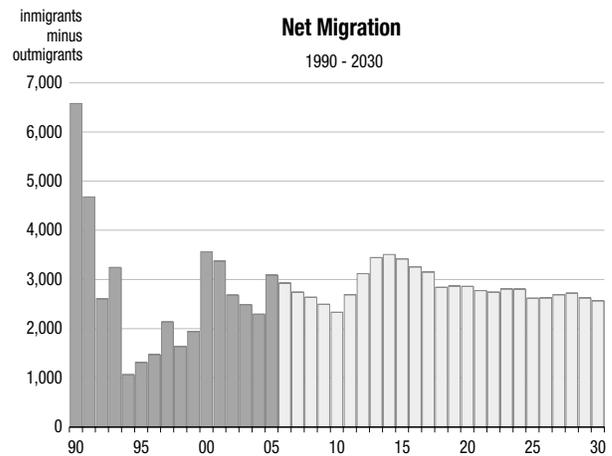
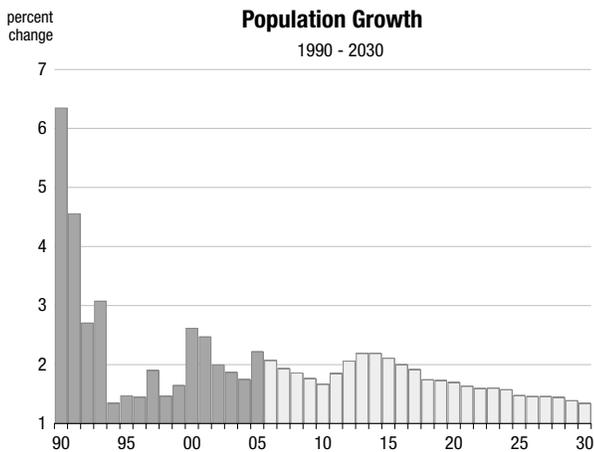


- Population growth is forecast to grow by 2.1 percent in 2006. Annual growth in the 2006 to 2010 period averages 1.9 percent per year.
- Net migration is forecast to be just less than 3,000 people in 2006. Over the next five years net migration is expected to decline, averaging 2,600 net migrants per year.
- Real per capita incomes are forecast to rise 0.7 percent in 2006. Over the next five years real per capita incomes are forecast to increase 0.7 percent per year.
- Industrial production is forecast to increase five percent in 2006. Over the next five years industrial production is forecast to rise an average of 3.4 percent per year.

El Dorado County Economic Forecast

1997-2005 History, 2006-2030 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)
1997	149,800	2,138	148.1	53.6	1,079	\$1.0	\$4.3	\$36,120	3.4	29.3	265.5	5.5
1998	152,000	1,638	159.2	54.7	1,172	\$1.0	\$4.7	\$37,776	3.2	23.0	284.3	5.0
1999	154,500	1,944	165.8	55.6	1,435	\$1.2	\$5.1	\$38,951	4.2	23.1	352.2	3.9
2000	158,543	3,564	177.5	58.9	1,562	\$1.3	\$5.6	\$39,736	4.5	27.2	419.2	4.2
2001	162,458	3,378	188.4	59.8	2,174	\$1.4	\$5.8	\$37,894	5.4	27.3	361.3	4.3
2002	165,700	2,685	195.1	61.1	1,947	\$1.5	\$6.0	\$37,790	1.6	27.9	382.8	5.2
2003	168,798	2,491	197.7	62.4	1,939	\$1.5	\$6.2	\$37,635	1.8	23.4	409.7	5.5
2004	171,745	2,296	216.6	64.0	2,196	\$1.7	\$6.5	\$38,446	1.2	26.4	432.5	5.1
2005	175,550	3,091	228.1	66.0	1,731	\$1.8	\$6.8	\$38,709	2.0	25.1	460.2	4.6
2006	179,187	2,928	236.2	67.5	1,551	\$1.9	\$7.2	\$38,997	2.7	25.9	482.5	4.4
2007	182,651	2,740	244.2	68.9	1,565	\$2.1	\$7.5	\$39,226	2.1	25.5	491.8	4.7
2008	186,042	2,640	251.8	70.4	1,501	\$2.2	\$7.9	\$39,439	2.3	26.1	508.3	4.8
2009	189,324	2,498	259.0	71.8	1,454	\$2.3	\$8.2	\$39,603	2.2	25.3	528.2	5.0
2010	192,484	2,332	266.6	73.2	1,639	\$2.4	\$8.6	\$39,995	2.4	24.2	543.4	4.6
2011	196,048	2,692	274.3	74.6	1,795	\$2.6	\$9.1	\$40,396	2.3	24.2	569.3	4.3
2012	200,084	3,123	282.3	76.1	1,913	\$2.7	\$9.6	\$40,770	2.1	23.7	597.7	4.2
2013	204,473	3,444	290.2	77.7	1,944	\$2.8	\$10.1	\$41,073	2.2	23.0	626.1	4.4
2014	208,952	3,510	298.1	79.3	1,891	\$3.0	\$10.6	\$41,304	2.2	22.4	654.8	4.5
2015	213,362	3,421	305.8	80.9	1,812	\$3.1	\$11.1	\$41,492	2.4	21.8	679.0	4.6
2016	217,626	3,258	313.4	82.6	1,715	\$3.3	\$11.6	\$41,627	2.5	21.1	708.9	4.4
2017	221,799	3,154	320.9	84.2	1,575	\$3.5	\$12.2	\$41,740	2.6	21.4	731.2	4.7
2018	225,667	2,839	328.7	85.7	1,675	\$3.7	\$12.8	\$41,940	2.4	21.1	759.9	4.8
2019	229,576	2,870	336.7	87.3	1,711	\$3.8	\$13.4	\$42,147	2.4	20.5	782.4	5.0
2020	233,477	2,861	344.4	88.8	1,637	\$4.0	\$14.0	\$42,319	2.3	20.1	812.0	4.9
2021	237,294	2,777	351.8	90.4	1,576	\$4.2	\$14.6	\$42,472	2.3	20.3	826.6	4.8
2022	241,079	2,742	359.2	91.9	1,624	\$4.4	\$15.2	\$42,609	2.4	19.7	823.2	4.7
2023	244,940	2,813	366.2	93.3	1,586	\$4.6	\$15.9	\$42,705	2.3	19.9	818.5	4.7
2024	248,800	2,807	373.0	94.8	1,493	\$4.9	\$16.6	\$42,941	2.2	19.1	805.7	4.8
2025	252,473	2,617	379.6	96.2	1,535	\$5.1	\$17.4	\$43,371	2.2	18.6	783.7	4.8
2026	256,156	2,627	386.0	97.7	1,553	\$5.3	\$18.2	\$43,794	2.3	18.2	770.3	4.8
2027	259,896	2,691	392.3	99.1	1,535	\$5.5	\$19.0	\$44,099	2.3	17.9	759.8	4.7
2028	263,659	2,723	398.3	100.5	1,508	\$5.8	\$19.9	\$44,408	2.5	18.0	760.9	4.9
2029	267,320	2,631	404.2	101.9	1,506	\$6.0	\$20.9	\$44,772	2.5	17.4	763.6	5.0
2030	270,909	2,570	409.8	103.3	1,435	\$6.3	\$21.8	\$45,147	2.5	16.9	767.5	5.1



El Dorado County Employment Forecast

1997-2005 History, 2006-2030 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)-----												
1997	35.8	0.28	2.5	1.9	0.6	5.7	1.4	3.3	0.6	3.8	5.9	8.4
1998	39.0	0.35	2.9	2.0	0.6	6.0	1.5	4.4	0.6	4.1	6.7	8.5
1999	41.6	0.38	3.7	2.2	0.7	6.3	1.7	5.0	0.6	4.2	6.6	8.9
2000	44.2	0.50	4.3	2.3	0.6	6.6	1.9	5.6	0.6	4.4	6.9	8.9
2001	45.6	0.38	4.7	2.4	0.7	6.8	2.3	5.7	0.6	4.6	7.0	9.1
2002	47.4	0.39	4.6	2.3	0.7	7.0	3.0	5.7	0.6	4.9	7.5	9.3
2003	48.6	0.38	4.7	2.3	0.7	6.8	3.5	6.0	0.6	5.2	7.6	9.1
2004	50.4	0.34	5.2	2.1	0.7	6.8	3.5	6.9	0.6	5.3	8.3	8.9
2005	51.8	0.33	5.3	2.1	0.7	7.0	3.6	7.2	0.6	5.5	8.5	9.0
2006	53.2	0.33	5.4	2.2	0.7	7.1	3.7	7.6	0.6	5.7	8.8	9.1
2007	54.6	0.34	5.6	2.2	0.7	7.3	3.8	7.9	0.6	5.9	9.0	9.2
2008	55.7	0.33	5.4	2.3	0.7	7.5	3.9	8.2	0.6	6.1	9.2	9.3
2009	56.7	0.35	5.1	2.4	0.7	7.8	4.0	8.5	0.7	6.5	9.4	9.4
2010	58.3	0.37	5.4	2.4	0.7	8.0	4.1	8.8	0.7	6.8	9.5	9.5
2011	60.0	0.37	5.7	2.4	0.8	8.3	4.1	9.1	0.7	7.1	9.7	9.6
2012	61.6	0.38	6.0	2.4	0.8	8.6	4.2	9.5	0.7	7.4	9.9	9.7
2013	63.1	0.39	6.2	2.4	0.8	8.8	4.2	9.9	0.7	7.6	10.1	9.8
2014	64.4	0.40	6.3	2.4	0.8	9.1	4.3	10.2	0.7	7.9	10.2	9.9
2015	65.7	0.41	6.3	2.4	0.9	9.4	4.3	10.6	0.7	8.2	10.4	10.0
2016	67.1	0.43	6.2	2.4	0.9	9.6	4.3	11.1	0.7	8.4	10.7	10.1
2017	68.4	0.42	6.2	2.4	0.9	9.9	4.4	11.5	0.7	8.7	10.9	10.2
2018	70.1	0.43	6.3	2.4	0.9	10.2	4.4	12.1	0.7	9.1	11.1	10.3
2019	71.6	0.44	6.5	2.4	0.9	10.4	4.4	12.6	0.7	9.4	11.2	10.3
2020	72.9	0.45	6.5	2.4	1.0	10.7	4.5	13.1	0.7	9.8	11.2	10.4
2021	74.1	0.45	6.4	2.4	1.0	11.0	4.5	13.5	0.7	10.2	11.3	10.4
2022	75.3	0.46	6.5	2.3	1.0	11.3	4.5	13.9	0.7	10.6	11.3	10.5
2023	76.4	0.45	6.5	2.4	1.0	11.5	4.6	14.2	0.7	11.0	11.3	10.5
2024	77.4	0.47	6.4	2.4	1.1	11.8	4.6	14.5	0.8	11.3	11.3	10.6
2025	78.5	0.48	6.4	2.4	1.1	12.1	4.6	14.8	0.8	11.7	11.4	10.6
2026	79.6	0.49	6.5	2.4	1.1	12.3	4.7	15.1	0.8	12.0	11.4	10.7
2027	80.6	0.49	6.5	2.4	1.1	12.6	4.7	15.4	0.8	12.3	11.4	10.7
2028	81.5	0.49	6.4	2.4	1.1	12.8	4.7	15.6	0.8	12.6	11.5	10.7
2029	82.5	0.50	6.4	2.4	1.1	13.1	4.7	15.9	0.8	12.9	11.6	10.8
2030	83.3	0.51	6.3	2.4	1.2	13.3	4.8	16.1	0.8	13.2	11.6	10.8

