

KINGS COUNTY ECONOMIC FORECAST

Kings County is located in the San Joaquin Valley, bordering Kern County to the south, Fresno County to the north and west, and Tulare County to the east. Kings County has a population of 146,500 people and 41,000 wage and salary jobs. The per capita income in Kings County is \$21,411, and the average salary per worker is \$47,193.

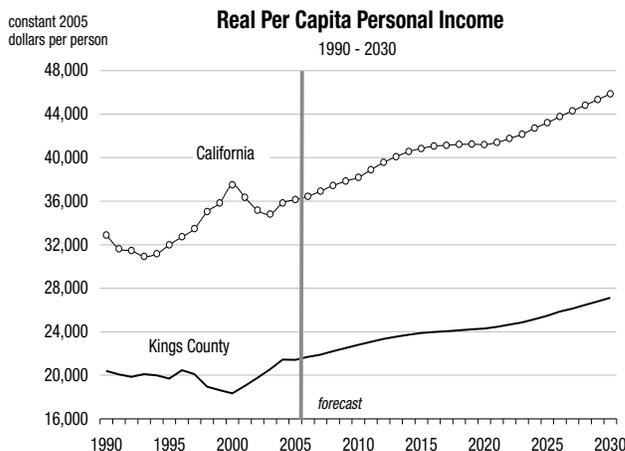
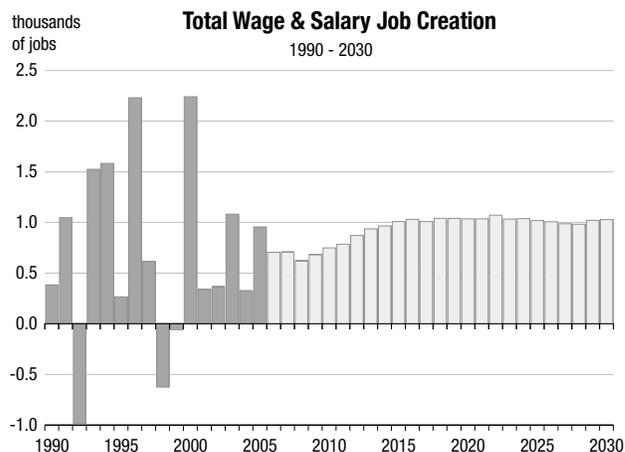
Although not nearly as robust as Southern California, employment growth in Northern California was strong in 2005, compared to the previous four years. Employment in the greater Bay Area increased by 0.8 percent last year, while the San Joaquin Valley grew at a robust pace of 2.3 percent. In 2005, almost 1,000 total wage and salary jobs were created in Kings County, representing a growth rate of 2.4 percent. Farm employment, which accounts for 19 percent of total employment, grew by 11.2 percent last year, adding 800 jobs. The non-farm sector added 160 new jobs, representing a growth rate of 0.5 percent. The unemployment rate increased slightly to 12.1 percent in 2005.

Other than the farm sector, which produced an uncharacteristically large number of jobs in 2005, other sectors creating jobs are construction, retail trade, leisure and hospitality, healthcare and education, and transportation. The two largest sectors in the county are government and farm. The state penitentiaries in Avenal and Corcoran are the two of the largest employers in the county, with 2,500 total jobs at the two prisons. Combined, the correctional facilities have just over 15,000 inmates assigned.

The population of Kings County grew at a rate of 1.8 percent in 2005. The fastest growing cities in the county are Corcoran and Lemoore, which jumped 3.9 and 3.6 percent respectively, between January 2005 and January 2006. Hanford is the largest city in the county and is currently home to 49,048 residents.

FORECAST HIGHLIGHTS

- Total wage and salary job growth is forecast to moderate slightly in 2006 to 1.7 percent. From 2006 to 2010, total employment growth averages 1.6 percent per year, while non-farm job growth averages 1.9 percent per year.
- Average salaries adjusted for inflation are currently below the California state average, but are rising at a faster rate than the rest of the state. Inflation adjusted salaries are expected to rise an average of 2.2 percent per year over the next 5 years, surpassing the California average by 2009.
- Between 2006 and 2010, the momentum for employment growth is in the public and wholesale and retail trade sectors. They account for over 61 percent of expected job creation in the county over the next five years.

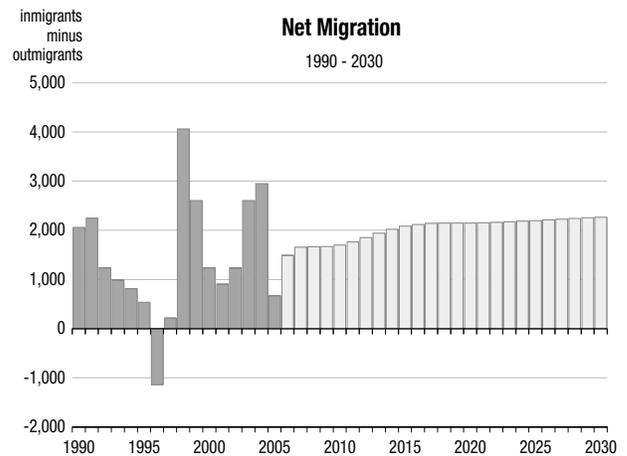
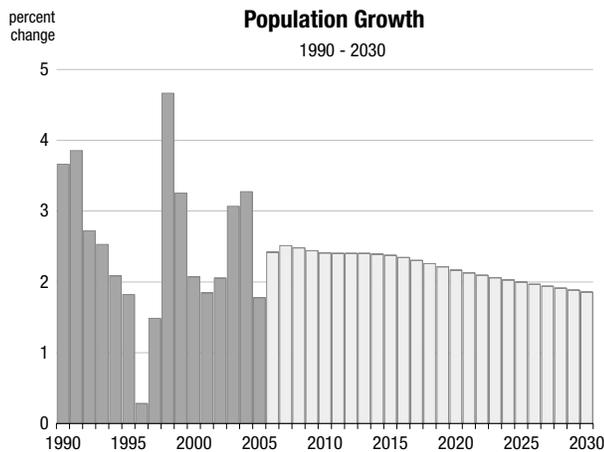


- The population in the county will continue to grow faster than the state average. Annual growth in the 2006 to 2010 period averages 2.5 percent per year.
- Net migration increases in 2006 to nearly 1,500 people. Over the next five years migration is expected to average approximately 1,600 net migrants entering the county per year.
- Real per capita income is forecast to increase 1.3 percent in 2006, and also average the same rate over the next five years.
- Industrial production is forecast to advance 3.6 percent in 2006. Over the next five years industrial production is forecast to rise 3.4 percent per year. Total real crop production is expected to decline by 1.7 percent per year between 2006 and 2010.

Kings 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 (billions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
1997	117,923	216	71.6	32.6	783	\$0.74	\$1.87	\$20,108	3.4	1.12	0.33	13.3
1998	123,424	4,065	75.4	33.3	757	\$0.72	\$1.91	\$18,936	3.2	1.00	0.33	13.9
1999	127,440	2,610	78.2	34.4	493	\$0.80	\$2.02	\$18,635	4.2	1.06	0.37	13.2
2000	130,085	1,238	81.2	34.6	443	\$0.89	\$2.12	\$18,327	4.5	1.00	0.40	10.1
2001	132,491	903	84.7	35.1	668	\$0.93	\$2.36	\$19,014	5.4	0.98	0.39	10.8
2002	135,212	1,234	89.3	35.2	699	\$0.98	\$2.54	\$19,751	1.6	1.08	0.43	11.8
2003	139,361	2,607	90.8	35.9	978	\$1.01	\$2.77	\$20,547	1.8	1.17	0.50	12.0
2004	143,924	2,950	97.7	36.6	852	\$1.09	\$3.02	\$21,442	1.2	1.32	0.55	11.0
2005	146,487	675	99.6	37.3	1,166	\$1.19	\$3.14	\$21,411	2.0	1.41	0.55	12.1
2006	150,035	1,489	102.8	38.5	748	\$1.31	\$3.38	\$21,682	3.9	1.34	0.57	10.6
2007	153,808	1,657	106.0	39.3	761	\$1.40	\$3.58	\$21,891	2.4	1.32	0.59	10.5
2008	157,628	1,668	109.3	40.0	720	\$1.49	\$3.80	\$22,198	2.0	1.30	0.62	10.9
2009	161,477	1,671	112.5	40.7	715	\$1.57	\$4.03	\$22,505	2.0	1.30	0.63	11.2
2010	165,372	1,701	115.7	41.4	690	\$1.66	\$4.28	\$22,793	2.5	1.29	0.65	11.2
2011	169,346	1,768	119.0	42.1	653	\$1.74	\$4.54	\$23,061	2.4	1.28	0.67	11.2
2012	173,417	1,855	122.1	42.7	595	\$1.83	\$4.81	\$23,344	2.2	1.29	0.70	11.3
2013	177,584	1,943	125.2	43.3	582	\$1.92	\$5.08	\$23,532	2.3	1.29	0.74	11.4
2014	181,835	2,022	128.2	43.8	674	\$2.02	\$5.37	\$23,723	2.3	1.30	0.77	11.4
2015	186,156	2,084	131.1	44.5	685	\$2.12	\$5.67	\$23,876	2.5	1.30	0.80	11.4
2016	190,522	2,123	134.1	45.2	695	\$2.22	\$5.99	\$23,979	2.7	1.30	0.83	11.5
2017	194,915	2,143	137.0	45.8	716	\$2.33	\$6.30	\$24,037	2.7	1.29	0.85	11.5
2018	199,322	2,150	139.7	46.5	688	\$2.44	\$6.64	\$24,130	2.5	1.30	0.89	11.5
2019	203,735	2,149	142.3	47.2	699	\$2.56	\$6.98	\$24,211	2.5	1.30	0.92	11.5
2020	208,153	2,149	144.8	47.9	705	\$2.68	\$7.33	\$24,288	2.5	1.30	0.95	11.5
2021	212,587	2,155	147.3	48.6	716	\$2.81	\$7.72	\$24,453	2.4	1.29	0.98	11.4
2022	217,039	2,165	149.8	49.3	691	\$2.94	\$8.15	\$24,656	2.5	1.28	0.99	11.4
2023	221,511	2,176	152.4	49.9	702	\$3.08	\$8.59	\$24,860	2.5	1.27	0.99	11.4
2024	226,005	2,187	154.7	50.6	709	\$3.23	\$9.07	\$25,153	2.3	1.25	0.98	11.4
2025	230,519	2,199	157.1	51.3	691	\$3.40	\$9.59	\$25,474	2.4	1.22	0.97	11.3
2026	235,056	2,213	159.4	52.0	671	\$3.57	\$10.17	\$25,848	2.4	1.20	0.97	11.3
2027	239,616	2,228	161.9	52.6	681	\$3.76	\$10.73	\$26,127	2.5	1.18	0.98	11.2
2028	244,197	2,244	164.6	53.3	694	\$3.96	\$11.37	\$26,458	2.7	1.16	0.99	11.2
2029	248,799	2,257	167.3	54.0	714	\$4.16	\$12.04	\$26,790	2.7	1.16	1.01	11.1
2030	253,418	2,269	170.2	54.6	714	\$4.38	\$12.74	\$27,125	2.6	1.15	1.03	11.0



Kings County Employment Forecast

1997-2005 History, 2006-2030 Forecast

	Total Wage & Salary	Farm	Mining & Construction	Manufacturing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
-----employment (thousands of jobs)-----												
1997	36.3	9.38	0.9	3.6	0.5	4.5	0.8	1.0	0.4	2.9	2.2	9.6
1998	35.7	7.78	0.9	3.4	0.5	4.5	0.8	1.0	0.3	3.0	2.3	10.5
1999	35.6	6.89	1.0	3.5	0.5	4.5	0.9	1.2	0.3	2.9	2.2	11.1
2000	37.9	7.65	1.1	3.6	0.5	4.3	1.1	1.3	0.3	2.8	2.2	12.5
2001	38.2	7.03	1.2	3.5	0.6	4.1	1.3	1.2	0.3	3.0	2.3	13.2
2002	38.6	6.67	1.3	3.6	0.6	4.0	1.3	1.3	0.3	3.1	2.4	13.4
2003	39.7	7.08	1.3	3.8	0.6	4.2	1.3	1.3	0.3	3.3	2.5	13.4
2004	40.0	7.08	1.2	3.8	0.7	4.3	1.2	1.3	0.3	3.3	2.5	13.6
2005	41.0	7.88	1.4	3.5	0.8	4.5	1.1	1.2	0.3	3.4	2.7	13.6
2006	41.7	7.95	1.4	3.6	0.8	4.8	1.1	1.3	0.3	3.5	2.7	13.7
2007	42.4	8.03	1.4	3.6	0.8	5.0	1.1	1.3	0.3	3.5	2.8	13.9
2008	43.0	8.04	1.4	3.6	0.9	5.2	1.1	1.3	0.3	3.6	2.8	14.1
2009	43.7	8.08	1.4	3.6	0.9	5.5	1.1	1.4	0.3	3.6	2.9	14.3
2010	44.4	8.12	1.4	3.7	0.9	5.7	1.2	1.4	0.3	3.6	2.9	14.5
2011	45.2	8.14	1.4	3.7	0.9	5.9	1.3	1.5	0.3	3.6	2.9	14.7
2012	46.1	8.17	1.4	3.7	0.9	6.2	1.4	1.6	0.3	3.7	3.0	15.0
2013	47.0	8.22	1.4	3.7	0.9	6.4	1.5	1.7	0.3	3.8	3.0	15.3
2014	48.0	8.26	1.5	3.8	0.9	6.6	1.6	1.7	0.3	4.0	3.1	15.6
2015	49.0	8.31	1.5	3.8	0.9	6.8	1.7	1.8	0.3	4.1	3.1	15.9
2016	50.0	8.36	1.5	3.8	0.9	7.1	1.8	1.8	0.3	4.3	3.2	16.3
2017	51.0	8.36	1.5	3.8	0.9	7.3	1.9	1.8	0.3	4.4	3.2	16.6
2018	52.1	8.39	1.6	3.9	0.9	7.5	2.0	1.9	0.3	4.6	3.3	17.0
2019	53.1	8.42	1.6	3.9	0.9	7.8	2.1	1.9	0.3	4.7	3.3	17.4
2020	54.2	8.45	1.6	3.9	1.0	8.0	2.2	1.9	0.3	4.9	3.3	17.8
2021	55.2	8.44	1.7	3.9	1.0	8.2	2.3	2.0	0.3	5.0	3.3	18.2
2022	56.3	8.44	1.7	3.9	1.0	8.5	2.4	2.0	0.3	5.2	3.4	18.7
2023	57.3	8.39	1.7	4.0	1.0	8.7	2.5	2.0	0.3	5.4	3.4	19.1
2024	58.3	8.35	1.8	4.0	1.0	8.9	2.5	2.0	0.3	5.6	3.4	19.5
2025	59.4	8.27	1.8	4.0	1.0	9.2	2.6	2.1	0.3	5.8	3.4	20.0
2026	60.4	8.19	1.8	4.0	1.0	9.4	2.7	2.1	0.3	6.0	3.4	20.5
2027	61.4	8.10	1.8	4.1	1.0	9.6	2.7	2.1	0.3	6.2	3.4	20.9
2028	62.3	7.99	1.9	4.1	1.0	9.8	2.8	2.2	0.3	6.5	3.5	21.4
2029	63.4	7.91	1.9	4.1	1.0	10.1	2.8	2.2	0.3	6.7	3.5	21.8
2030	64.4	7.85	1.9	4.1	1.0	10.3	2.9	2.2	0.3	6.9	3.5	22.3

