

LASSEN COUNTY ECONOMIC FORECAST

Lassen County is one of the northernmost counties in California. It is roughly the same size as the state of Connecticut. Lassen County has a population of 36,515 people and 10,275 wage and salary jobs. The per capita income in Lassen County is \$21,563, and the average salary per worker is \$42,816. In 2007 the median household income in Lassen County is estimated at \$53,200.

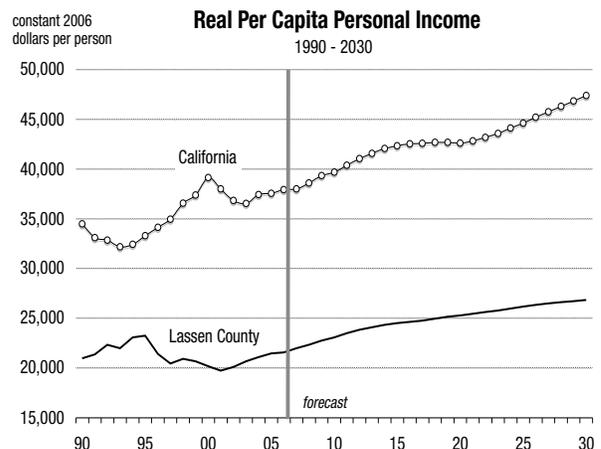
In 2006, wage and salary employment grew by 67 jobs in Lassen County, an increase of 0.7 percent. Non-farm employment gained 78 jobs, a 0.8 percent increase. The unemployment rate declined slightly to 8.0 percent in 2006.

The public sector had the most significant employment gains in 2006, adding 93 jobs. The next biggest job gainer was leisure services, which added 26 workers. Employment declined by 36 workers in the wholesale and retail trade sector, and 13 workers in the healthcare and education sector. The largest employment sectors in the county are public institutions. Nearly 59 percent of all jobs in the county are in the public sector. The penitentiaries and correctional institutions in Susanville are the largest employers in the county. They employ more than 2,500 people, and house over 11,000 inmates.

The population grew in Lassen County at a rate of 2.4 percent in 2006. All of the growth occurred in unincorporated areas as population of the only incorporated city in the county, Susanville, declined by 0.7 percent between January 2006 and January 2007. Migration was significantly positive last year with an estimated 679 net migrants entering the county.

FORECAST HIGHLIGHTS

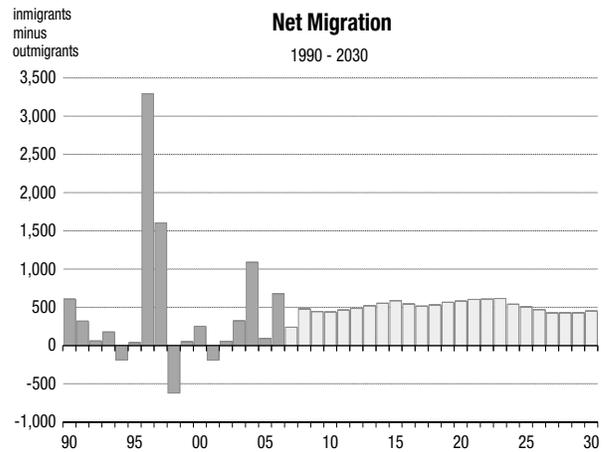
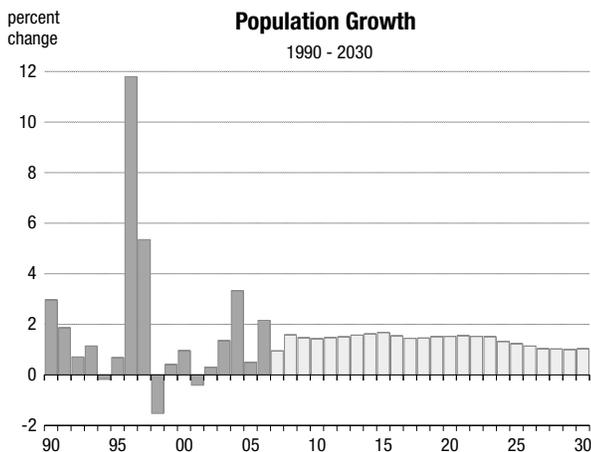
- Total wage and salary job growth is forecast to increase to 2.6 percent in 2007. Over the next five years job growth is expected to average 2.2 percent per year.
- Average salaries adjusted for inflation are currently below the California state average, and will remain so over the forecast period. Inflation adjusted salaries are expected to rise an average of 0.8 percent per year over the next 5 years.
- Between 2007 and 2011, employment growth is dominated by the public sector, which accounts for 65 percent of expected job growth. The leisure services, healthcare and education, and transportation and warehousing sectors account for an additional 20 percent of net job creation over the next five years.
- Population growth is expected to be 1.0 percent in 2007. Annual growth in the 2007 to 2011 period averages 1.4 percent per year.
- Net migration is forecast at approximately 240 persons in 2007. Over the next five years migration is expected to average 420 net migrants per year.
- Real per capita income is forecast to increase 2.0 percent in 2007. Over the next five years real per capita incomes are expected to increase an average of 1.7 percent per year.
- Total taxable sales, adjusted for inflation, are forecast to decline 1.0 percent in 2007. Over the next five years real taxable sales are forecast to increase 0.9 percent per year.
- Industrial production is forecast to increase sharply in 2007, due to strong gains in the mining and transportation sectors. Over the next five years the growth rate of industrial production will remain high, with total production rising an average of 17 percent per year. Total crop production, adjusted for inflation, is expected to decline an average of 2.5 percent per year between 2007 and 2011.



Lassen County Economic Forecast

1997-2006 History, 2007-2030 Forecast

	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (millions)	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	34,029	1,606	28.3	9.3	84	\$184.3	\$0.53	\$20,440	3.4	66.6	116.1	9.7
1998	33,514	-619	29.2	9.5	83	\$187.4	\$0.55	\$20,928	3.2	53.9	73.1	9.4
1999	33,654	51	29.9	9.6	116	\$208.5	\$0.57	\$20,673	4.2	57.2	92.4	7.0
2000	33,980	253	31.1	9.6	107	\$221.1	\$0.59	\$20,168	4.5	61.2	118.1	7.1
2001	33,845	-190	32.8	9.7	95	\$226.4	\$0.61	\$19,727	5.4	47.8	117.5	7.3
2002	33,951	56	33.7	9.8	125	\$247.8	\$0.63	\$20,091	1.6	49.7	123.2	7.7
2003	34,412	323	34.1	9.9	163	\$302.2	\$0.67	\$20,661	1.8	58.4	109.3	7.7
2004	35,562	1,090	36.4	10.0	210	\$257.1	\$0.71	\$21,100	1.2	63.8	100.8	7.6
2005	35,740	94	36.9	10.2	173	\$280.7	\$0.74	\$21,465	2.0	69.3	98.0	8.1
2006	36,515	679	37.7	10.4	120	\$281.8	\$0.79	\$21,563	3.3	73.0	99.3	8.0
2007	36,863	241	38.5	10.4	103	\$287.1	\$0.83	\$21,986	2.9	68.1	126.2	7.6
2008	37,451	481	39.2	10.5	108	\$294.2	\$0.88	\$22,329	2.0	66.4	150.7	7.7
2009	38,003	447	39.9	10.6	114	\$304.3	\$0.93	\$22,751	2.0	65.2	177.8	7.6
2010	38,550	441	40.5	10.7	117	\$317.6	\$0.98	\$23,069	2.5	64.5	200.6	7.6
2011	39,121	467	41.1	10.7	124	\$331.8	\$1.03	\$23,490	2.4	64.2	218.0	7.6
2012	39,712	487	41.7	10.8	145	\$346.6	\$1.09	\$23,831	2.2	64.1	230.9	7.7
2013	40,339	523	42.3	10.9	166	\$362.6	\$1.14	\$24,079	2.3	63.9	242.7	7.8
2014	40,997	555	42.8	11.0	177	\$379.4	\$1.20	\$24,346	2.3	63.8	248.9	7.9
2015	41,688	589	43.4	11.1	168	\$397.7	\$1.26	\$24,502	2.6	63.8	252.6	7.9
2016	42,333	544	44.0	11.2	167	\$416.9	\$1.32	\$24,648	2.7	63.5	258.3	8.0
2017	42,948	516	44.5	11.3	158	\$436.7	\$1.38	\$24,768	2.7	63.5	263.6	8.0
2018	43,578	531	45.1	11.4	159	\$456.5	\$1.45	\$24,959	2.5	63.3	270.3	8.0
2019	44,241	566	45.7	11.5	152	\$477.3	\$1.52	\$25,152	2.5	63.3	277.6	7.9
2020	44,918	581	46.2	11.7	174	\$498.6	\$1.59	\$25,279	2.5	63.2	290.5	7.9
2021	45,618	605	46.8	11.8	185	\$520.6	\$1.67	\$25,442	2.4	63.3	291.8	7.8
2022	46,318	608	47.4	11.9	195	\$543.9	\$1.75	\$25,635	2.5	63.2	288.9	7.8
2023	47,023	617	47.9	12.0	175	\$567.5	\$1.83	\$25,782	2.5	63.3	292.1	7.8
2024	47,651	540	48.5	12.1	173	\$591.2	\$1.91	\$25,974	2.3	62.9	298.5	7.9
2025	48,242	506	49.1	12.2	163	\$616.3	\$1.99	\$26,159	2.4	62.6	306.2	7.8
2026	48,796	471	49.7	12.4	153	\$642.6	\$2.08	\$26,353	2.4	62.4	310.4	7.8
2027	49,304	427	50.3	12.5	163	\$669.8	\$2.16	\$26,484	2.5	62.1	314.9	7.8
2028	49,813	431	50.9	12.6	163	\$699.0	\$2.26	\$26,607	2.7	62.0	323.6	7.8
2029	50,320	430	51.4	12.7	174	\$728.7	\$2.35	\$26,722	2.7	61.8	333.2	7.8
2030	50,846	451	52.0	12.8	184	\$758.7	\$2.44	\$26,828	2.6	61.7	342.7	7.8



Lassen County Employment Forecast

1997-2006 History, 2007-2030 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	9.8	0.22	0.21	0.22	0.11	1.24	0.20	0.32	0.16	0.74	0.61	5.33
1998	9.6	0.23	0.23	0.23	0.07	1.22	0.17	0.28	0.15	0.77	0.62	5.27
1999	9.8	0.32	0.28	0.21	0.09	1.19	0.15	0.26	0.14	0.77	0.62	5.36
2000	9.6	0.24	0.20	0.21	0.10	1.24	0.16	0.26	0.13	0.76	0.61	5.35
2001	9.8	0.28	0.24	0.21	0.16	1.18	0.17	0.24	0.15	0.81	0.69	5.38
2002	10.2	0.31	0.35	0.21	0.18	1.12	0.15	0.19	0.14	0.89	0.78	5.55
2003	10.3	0.35	0.31	0.21	0.19	1.12	0.16	0.20	0.12	0.92	0.79	5.65
2004	10.2	0.44	0.30	0.09	0.19	1.06	0.15	0.19	0.10	0.90	0.75	5.70
2005	10.2	0.40	0.29	0.03	0.17	1.05	0.15	0.19	0.11	0.88	0.71	5.93
2006	10.3	0.39	0.30	0.03	0.16	1.02	0.16	0.19	0.12	0.87	0.73	6.02
2007	10.5	0.36	0.34	0.03	0.19	0.99	0.16	0.19	0.13	0.88	0.77	6.18
2008	10.8	0.39	0.33	0.03	0.20	0.99	0.16	0.19	0.14	0.89	0.79	6.33
2009	11.0	0.39	0.32	0.03	0.21	0.99	0.16	0.19	0.15	0.90	0.80	6.48
2010	11.2	0.39	0.31	0.03	0.23	1.01	0.17	0.19	0.15	0.92	0.82	6.63
2011	11.5	0.40	0.31	0.04	0.23	1.02	0.17	0.19	0.16	0.94	0.83	6.79
2012	11.7	0.40	0.31	0.04	0.24	1.04	0.17	0.19	0.16	0.97	0.84	6.95
2013	11.9	0.40	0.31	0.04	0.25	1.06	0.17	0.19	0.17	0.99	0.85	7.10
2014	12.1	0.40	0.31	0.03	0.25	1.09	0.17	0.19	0.17	1.01	0.87	7.26
2015	12.3	0.40	0.32	0.03	0.26	1.11	0.17	0.19	0.17	1.03	0.88	7.41
2016	12.5	0.40	0.32	0.03	0.27	1.12	0.17	0.19	0.17	1.05	0.89	7.54
2017	12.7	0.40	0.32	0.03	0.28	1.14	0.17	0.19	0.17	1.07	0.90	7.70
2018	13.0	0.40	0.32	0.03	0.30	1.16	0.17	0.19	0.18	1.10	0.91	7.87
2019	13.2	0.40	0.31	0.03	0.31	1.17	0.17	0.19	0.18	1.13	0.92	8.06
2020	13.5	0.40	0.31	0.03	0.32	1.19	0.17	0.19	0.18	1.16	0.92	8.23
2021	13.7	0.40	0.32	0.03	0.34	1.21	0.17	0.19	0.18	1.19	0.93	8.39
2022	13.9	0.40	0.32	0.02	0.35	1.22	0.17	0.19	0.18	1.21	0.94	8.52
2023	14.1	0.40	0.33	0.02	0.36	1.24	0.17	0.19	0.18	1.24	0.94	8.64
2024	14.2	0.40	0.32	0.02	0.38	1.25	0.17	0.19	0.18	1.26	0.95	8.75
2025	14.4	0.40	0.32	0.02	0.39	1.27	0.17	0.19	0.18	1.28	0.95	8.86
2026	14.5	0.40	0.32	0.02	0.40	1.29	0.17	0.19	0.18	1.30	0.96	8.95
2027	14.7	0.40	0.32	0.02	0.42	1.30	0.17	0.19	0.18	1.32	0.96	9.03
2028	14.8	0.40	0.32	0.02	0.43	1.31	0.17	0.19	0.18	1.33	0.97	9.10
2029	14.9	0.40	0.32	0.02	0.44	1.33	0.17	0.19	0.18	1.34	0.98	9.17
2030	15.0	0.40	0.32	0.02	0.46	1.34	0.17	0.19	0.18	1.36	0.98	9.24

