

TULARE COUNTY ECONOMIC FORECAST

Tulare County is located in the San Joaquin Valley. Nearly half of the land in the county is devoted to national parks or national forests. Tulare's large agricultural sector routinely ranks as the second highest gross crop value in the nation, behind Fresno County. Tulare County has a population of 425,600 people and 146,500 wage and salary jobs. The per capita income in Tulare County is \$24,688, and the average salary per worker is \$35,413.

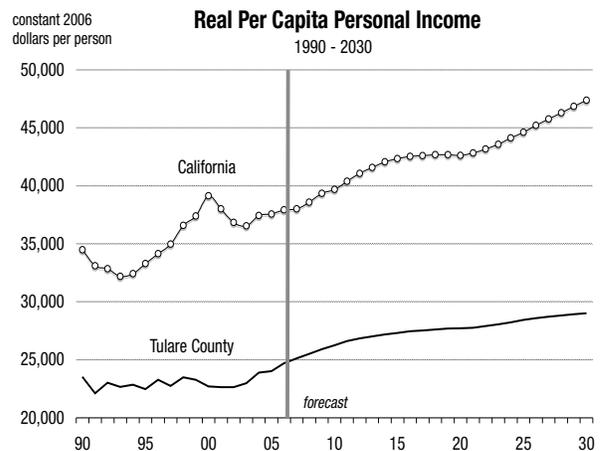
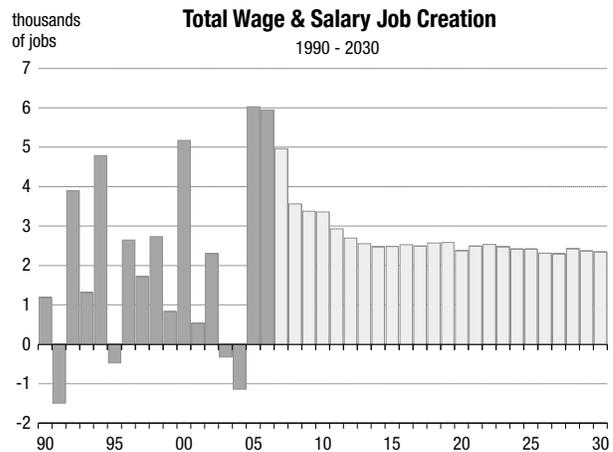
Employment growth in Northern California was strong in 2006, compared to the previous five years. However, employment growth in the San Joaquin Valley was actually lower at 1.5 percent in 2006 compared to 2.3 percent in 2005. In 2006, 5,950 total wage and salary jobs were created in Tulare County, representing an increase in employment of 4.2 percent. Farm employment, which accounts for 23 percent of total employment, jumped 4.8 percent last year after increasing by 7.4 percent the year before. The non-farm sectors added 4,400 new jobs, representing a growth rate of 4.1 percent. The unemployment rate declined to 8.5 percent in 2006.

The principal sectors producing jobs in 2006 in Tulare County were construction, retail trade, professional services and farm. The two largest sectors in the county are government and farm, and together they account for 44 percent of total employment. No sectors experienced a decline in employment in 2006.

The population in Tulare County grew at a rate of 2.1 percent during 2006. Over 90 percent of the population gain occurred in the cities of Visalia, Tulare and Porterville. Visalia is the largest city in the county and is currently home to 117,700 residents.

FORECAST HIGHLIGHTS

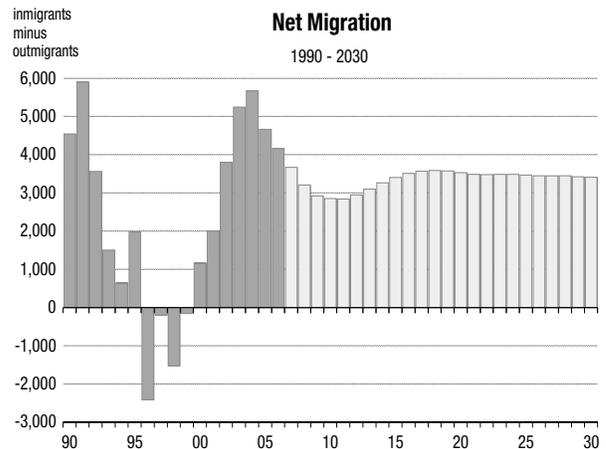
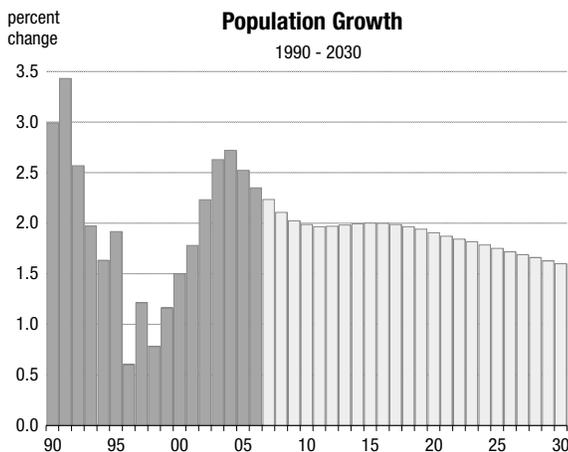
- Total wage and salary job growth is forecast to moderate to 3.4 percent in 2007. From 2007 to 2011, total employment growth averages 2.4 percent per year. Non-farm employment is expected to grow at a rate of 1.8 percent per year.
- Average salaries adjusted for inflation are currently below the California state average, and will remain so over the forecast period. Inflation adjusted salaries are expected to rise an average of 1.4 percent per year over the next 5 years.
- Between 2007 and 2011, the momentum for employment growth is in professional services, wholesale and retail trade, agriculture, and government. These sectors account for 78 percent of all jobs created 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 2007 to 2011 period averages 2.1 percent per year.
- Net migration will decline to approximately 3,700 people in 2007. Over the next five years net migration is expected to average 3,100 net migrants entering the county per year.
- Real per capita income is forecast to rise 1.8 percent in 2007. Over the next five years, the growth of real per capita income is expected to average 1.5 percent per year.
- Total taxable sales are expected to increase by an average of 7.5 percent over the next five years. Adjusted for inflation, they increase by 5.0 percent per year.
- Industrial production is forecast to increase 4.9 percent in 2007. Over the next five years the growth rate of industrial production averages 5.0 percent per year. The value of total crop production, which set record levels in the past three years, is expected to decline by an average of 3.7 percent per year between 2007 and 2011.



Tulare 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 (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	357,261	-195	248.7	110.1	1,338	\$2.7	\$6.2	\$22,733	3.4	3.79	1.40	15.5
1998	360,065	-1,526	261.0	111.2	1,455	\$2.8	\$6.7	\$23,491	3.2	3.70	1.50	15.7
1999	364,256	-150	270.1	112.2	1,653	\$3.0	\$7.0	\$23,271	4.2	3.74	1.56	16.6
2000	369,727	1,163	277.6	110.4	1,651	\$3.2	\$7.2	\$22,703	4.5	3.57	1.68	10.4
2001	376,313	2,007	286.5	111.5	1,773	\$3.3	\$7.7	\$22,643	5.4	3.84	1.60	11.4
2002	384,718	3,804	298.9	113.0	1,988	\$3.3	\$8.0	\$22,629	1.6	3.48	1.64	12.0
2003	394,836	5,248	301.4	114.6	2,390	\$3.6	\$8.5	\$22,976	1.8	3.51	1.78	12.3
2004	405,579	5,673	324.2	116.6	2,751	\$4.0	\$9.2	\$23,881	1.2	4.26	1.88	11.6
2005	415,820	4,665	331.6	119.1	3,386	\$4.5	\$9.7	\$24,016	2.0	4.51	1.94	9.5
2006	425,600	4,165	340.5	122.4	3,612	\$5.1	\$10.5	\$24,688	3.3	4.87	2.03	8.5
2007	435,114	3,671	349.8	126.5	3,420	\$5.6	\$11.3	\$25,125	2.9	4.45	2.13	8.1
2008	444,286	3,212	358.8	130.0	3,304	\$6.0	\$11.9	\$25,513	2.0	4.19	2.23	8.7
2009	453,273	2,923	367.6	133.3	3,266	\$6.4	\$12.6	\$25,911	2.0	4.09	2.33	9.0
2010	462,286	2,854	376.0	136.5	3,266	\$6.9	\$13.3	\$26,252	2.5	4.06	2.47	9.2
2011	471,380	2,844	384.0	139.8	3,225	\$7.4	\$14.1	\$26,604	2.4	4.03	2.60	9.5
2012	480,673	2,953	391.5	143.1	3,217	\$7.8	\$14.8	\$26,832	2.2	4.03	2.72	9.9
2013	490,205	3,103	398.7	146.3	3,221	\$8.3	\$15.6	\$27,009	2.3	4.06	2.84	10.3
2014	499,987	3,266	405.7	149.5	3,237	\$8.8	\$16.4	\$27,178	2.3	4.08	2.97	10.7
2015	509,996	3,408	412.5	152.8	3,255	\$9.3	\$17.2	\$27,319	2.6	4.11	3.09	10.9
2016	520,192	3,511	419.0	156.0	3,271	\$9.9	\$18.1	\$27,456	2.7	4.14	3.21	11.0
2017	530,530	3,571	425.3	159.3	3,288	\$10.5	\$19.0	\$27,516	2.7	4.15	3.34	11.1
2018	540,967	3,591	431.4	162.6	3,295	\$11.0	\$19.9	\$27,609	2.5	4.17	3.48	11.1
2019	551,467	3,580	437.6	165.9	3,301	\$11.7	\$20.9	\$27,700	2.5	4.19	3.62	11.1
2020	561,985	3,531	443.8	169.2	3,297	\$12.3	\$21.8	\$27,713	2.5	4.22	3.76	11.1
2021	572,515	3,491	450.0	172.5	3,291	\$12.9	\$22.8	\$27,760	2.4	4.21	3.88	11.1
2022	583,070	3,481	456.4	175.8	3,291	\$13.6	\$23.9	\$27,893	2.5	4.24	3.97	11.0
2023	593,659	3,491	462.9	179.1	3,300	\$14.3	\$25.1	\$28,044	2.5	4.23	4.07	11.0
2024	604,259	3,487	469.7	182.4	3,301	\$15.1	\$26.3	\$28,228	2.3	4.26	4.17	11.1
2025	614,852	3,473	476.4	185.7	3,303	\$15.9	\$27.6	\$28,437	2.4	4.29	4.26	11.1
2026	625,427	3,451	483.2	189.1	3,303	\$16.8	\$28.9	\$28,591	2.4	4.31	4.34	11.1
2027	636,000	3,451	490.1	192.4	3,308	\$17.7	\$30.3	\$28,704	2.5	4.33	4.40	11.1
2028	646,568	3,452	497.1	195.7	3,308	\$18.6	\$31.7	\$28,812	2.7	4.34	4.48	11.1
2029	657,106	3,428	504.2	199.0	3,302	\$19.6	\$33.2	\$28,914	2.7	4.36	4.57	11.0
2030	667,625	3,414	511.4	202.3	3,302	\$20.6	\$34.7	\$29,018	2.6	4.39	4.66	11.0



Tulare County Employment Forecast

1997-2006 History, 2007-2030 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	124.4	34.48	4.1	11.9	3.7	17.1	3.6	7.5	0.8	6.9	7.1	24.7
1998	127.1	34.96	4.4	12.1	4.0	17.0	3.7	7.8	0.9	7.0	7.3	25.5
1999	127.9	33.30	5.1	11.9	4.2	16.8	4.0	8.0	1.0	7.1	7.4	26.6
2000	133.1	34.93	5.2	11.7	4.6	17.2	3.9	8.5	1.1	7.6	7.4	28.3
2001	133.6	33.34	5.5	11.5	5.1	16.9	4.2	8.4	1.0	8.3	7.4	29.1
2002	136.0	33.48	5.6	11.2	5.2	16.6	4.5	9.2	1.0	8.9	7.9	29.6
2003	135.6	32.90	6.1	11.2	5.1	16.7	4.5	9.0	1.1	9.3	7.9	29.0
2004	134.5	30.01	6.6	11.3	5.1	17.2	4.3	9.1	1.2	9.5	7.9	29.4
2005	140.5	32.23	7.5	11.6	5.0	17.9	4.5	9.8	1.1	9.8	8.1	29.9
2006	146.5	33.78	8.3	11.9	5.3	18.7	4.5	10.8	1.1	10.2	8.6	30.2
2007	151.4	36.81	7.8	11.9	5.5	19.3	4.6	11.3	1.1	10.4	9.1	30.6
2008	155.0	38.77	7.5	11.9	5.6	19.7	4.6	11.7	1.1	10.6	9.3	31.1
2009	158.4	40.07	7.5	11.9	5.8	20.1	4.7	12.1	1.1	10.9	9.5	31.6
2010	161.8	40.98	7.5	11.9	6.2	20.5	4.8	12.4	1.2	11.3	9.7	32.1
2011	164.7	41.64	7.5	12.0	6.5	20.7	4.8	12.8	1.2	11.7	10.0	32.6
2012	167.4	42.13	7.5	12.0	6.8	20.8	4.9	13.2	1.2	12.0	10.3	33.1
2013	169.9	42.52	7.5	12.0	7.1	21.0	4.9	13.5	1.2	12.4	10.6	33.7
2014	172.4	42.83	7.6	11.9	7.4	21.2	5.0	13.8	1.2	12.8	10.9	34.3
2015	174.9	43.10	7.6	11.9	7.6	21.3	5.1	14.2	1.2	13.1	11.2	34.9
2016	177.4	43.33	7.7	11.9	7.9	21.5	5.2	14.4	1.3	13.5	11.5	35.6
2017	179.9	43.53	7.7	11.9	8.1	21.7	5.2	14.7	1.3	13.9	11.8	36.3
2018	182.5	43.69	7.8	11.9	8.4	21.8	5.3	14.9	1.3	14.3	12.1	37.0
2019	185.1	43.83	7.8	11.9	8.8	22.0	5.4	15.1	1.3	14.8	12.4	37.8
2020	187.5	43.97	7.8	11.9	9.0	22.2	5.4	15.3	1.3	15.3	12.7	38.6
2021	190.0	44.08	7.8	11.9	9.3	22.4	5.5	15.6	1.3	15.8	13.0	39.3
2022	192.5	44.18	7.8	11.8	9.6	22.5	5.6	15.8	1.3	16.3	13.3	40.1
2023	195.0	44.26	7.8	11.8	9.8	22.7	5.6	16.1	1.3	16.8	13.5	40.9
2024	197.4	44.34	7.8	11.8	10.1	22.9	5.7	16.3	1.3	17.3	13.8	41.6
2025	199.8	44.42	7.9	11.8	10.3	23.0	5.8	16.6	1.3	17.7	14.0	42.4
2026	202.1	44.51	7.9	11.8	10.5	23.2	5.8	16.9	1.3	18.2	14.2	43.1
2027	204.4	44.61	8.0	11.7	10.7	23.3	5.9	17.2	1.4	18.5	14.4	43.9
2028	206.9	44.69	8.1	11.8	10.8	23.5	6.0	17.6	1.4	18.9	14.7	44.7
2029	209.2	44.76	8.1	11.8	11.0	23.7	6.1	18.0	1.4	19.3	14.9	45.4
2030	211.6	44.85	8.2	11.8	11.2	23.9	6.1	18.3	1.4	19.6	15.0	46.2

