

TUOLUMNE COUNTY ECONOMIC FORECAST

Like many other counties in the Sierra Nevada mountain ranges, most of the land (80 percent) in Tuolumne County is publicly owned by government departments. The two major areas of public land are sections of Yosemite National Park and Stanislaus National Forest. Tuolumne County has a population of 56,280 people and 16,681 wage and salary jobs. The per capita income in Tuolumne County is \$34,336, and the average salary per worker is \$42,494.

In 2009, 1,060 total wage and salary jobs were lost in Tuolumne County, representing an employment decline of 6.0 percent. The unemployment rate increased to 13.0 percent in 2009.

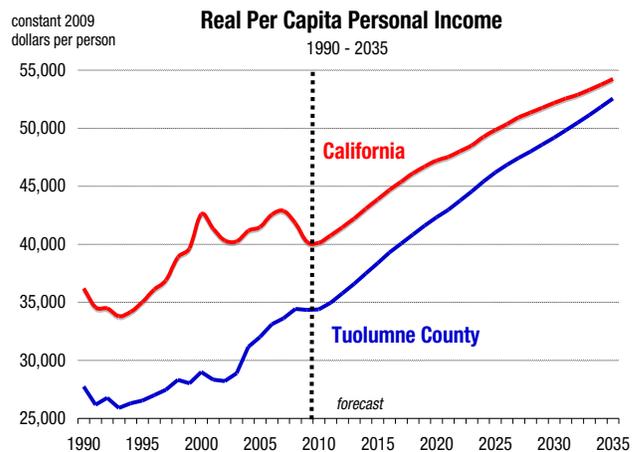
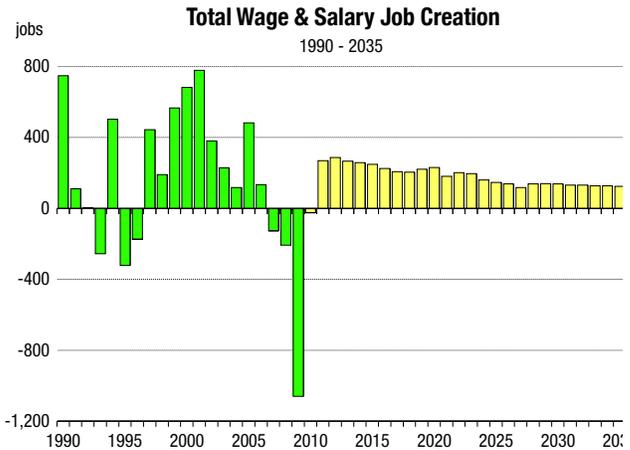
The only sector adding jobs in Tuolumne County during 2009 was health and education, which increased employment by 4 jobs. Employment fell by 200 jobs in construction, 150 jobs in manufacturing, 160 jobs in retail trade, and 130 jobs in government. The largest sectors in the county are leisure services, education and healthcare services, retail trade, and government.

During 2009, the population declined in Tuolumne County at a rate of 0.3 percent. A total of 94 net migrants left the county last year. The county is dependent on net migration for growth because the natural increase has been negative since 1994. The only incorporated city in the county is Sonora, which has a population of 4,666. Sonora had no change in population between January 2008 and January 2009.

Employment growth is expected to continue at a moderate level over the forecast period. Population growth is expected to remain very low.

FORECAST HIGHLIGHTS

- Total wage and salary job growth is forecast at -0.1 percent 2010. From 2010 to 2015, total employment growth averages 1.6 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 increase an average of 0.7 percent per year from 2010 to 2015.
- Between 2010 and 2015, the principle job creation occurs in construction, healthcare and education services and other services. These sectors account for 65 percent of all jobs created in the county during the 2010 to 2015 period.
- Population is expected to decline slightly in 2010. Very minor growth is forecast thereafter, averaging 0.4 percent per year from 2010 to 2015.

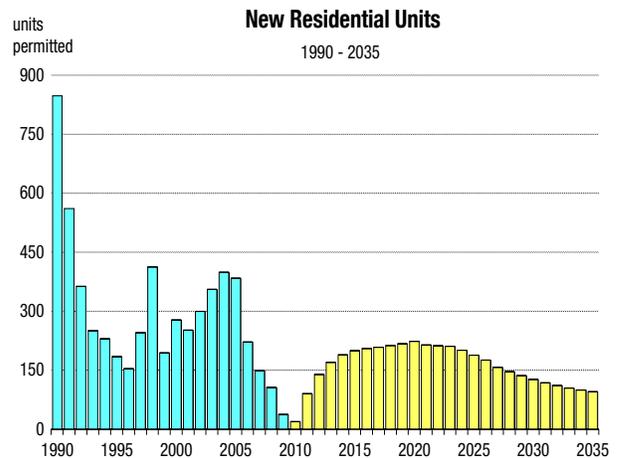
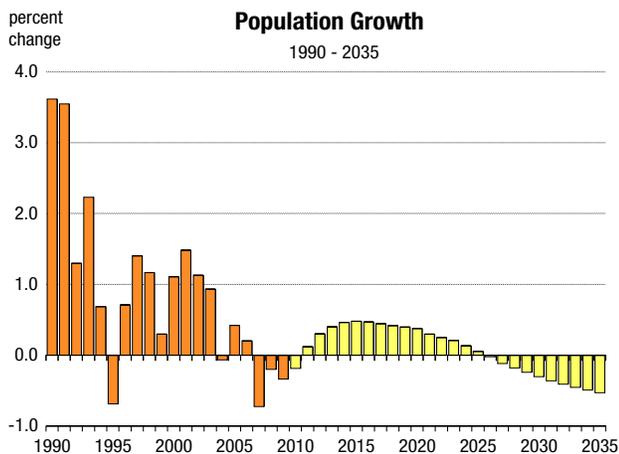


- Net migration is forecast to be approximately zero in 2010. Between 2010 and 2015, the migration forecast averages 280 people entering the county per year. All population growth will come from net migration, as the natural increase remains negative.
- Real per capita income is forecast to increase 0.1 percent in 2010. From 2010 to 2015, the growth in real per capita income will average approximately 2.2 percent per year.
- Total taxable sales adjusted for inflation are expected to decline by 0.4 percent in 2010. During the 2010 to 2015 period taxable sales are expected to increase by an average of 3.9 percent per year.
- Industrial production is forecast to remain unchanged in 2010. Between 2010 and 2015 the growth rate of industrial production averages 1.9 percent per year.

Tuolumne County Economic Forecast

2002-2009 History, 2010-2035 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) |
|------|------------------------|------------------------------|---------------------------------------|---------------------------|-----------------------------------|--------------------------------------|----------------------------------|--|--|---------------------------------------|---|-------------------------------------|
| 2002 | 56,154 | 816 | 73.5 | 21.3 | 300 | \$0.5 | \$1.36 | \$28,213 | 1.6 | 22.5 | 206.7 | 6.7 |
| 2003 | 56,678 | 660 | 73.2 | 21.5 | 356 | \$0.6 | \$1.43 | \$28,877 | 1.8 | 24.9 | 204.1 | 7.1 |
| 2004 | 56,641 | 125 | 77.6 | 21.8 | 399 | \$0.6 | \$1.56 | \$31,155 | 1.2 | 26.7 | 211.4 | 6.9 |
| 2005 | 56,880 | 334 | 76.8 | 22.1 | 384 | \$0.7 | \$1.64 | \$32,010 | 2.0 | 27.1 | 242.9 | 6.5 |
| 2006 | 56,995 | 236 | 78.1 | 22.3 | 222 | \$0.7 | \$1.76 | \$33,106 | 3.2 | 27.0 | 286.3 | 5.8 |
| 2007 | 56,583 | -304 | 76.2 | 22.5 | 149 | \$0.6 | \$1.83 | \$33,625 | 3.4 | 19.1 | 272.2 | 6.2 |
| 2008 | 56,470 | -8 | 76.3 | 22.6 | 106 | \$0.6 | \$1.93 | \$34,437 | 3.0 | 19.9 | 257.3 | 7.9 |
| 2009 | 56,280 | -94 | 74.8 | 22.7 | 38 | \$0.6 | \$1.93 | \$34,336 | 0.8 | 19.2 | 212.2 | 13.0 |
| 2010 | 56,176 | 3 | 73.8 | 22.8 | 20 | \$0.6 | \$1.97 | \$34,376 | 2.1 | 19.4 | 212.3 | 13.6 |
| 2011 | 56,244 | 178 | 74.4 | 22.9 | 90 | \$0.6 | \$2.06 | \$34,958 | 2.4 | 19.5 | 209.5 | 11.8 |
| 2012 | 56,414 | 288 | 75.3 | 23.0 | 139 | \$0.7 | \$2.16 | \$35,768 | 2.1 | 19.6 | 214.1 | 9.9 |
| 2013 | 56,641 | 358 | 76.0 | 23.1 | 170 | \$0.7 | \$2.26 | \$36,593 | 2.2 | 19.6 | 219.2 | 8.9 |
| 2014 | 56,903 | 405 | 76.8 | 23.2 | 189 | \$0.8 | \$2.38 | \$37,484 | 2.2 | 19.6 | 224.8 | 7.9 |
| 2015 | 57,177 | 433 | 77.5 | 23.3 | 200 | \$0.8 | \$2.50 | \$38,386 | 2.2 | 19.7 | 233.5 | 7.3 |
| 2016 | 57,447 | 443 | 78.1 | 23.5 | 205 | \$0.9 | \$2.63 | \$39,284 | 2.2 | 19.7 | 241.7 | 7.0 |
| 2017 | 57,704 | 447 | 78.7 | 23.6 | 209 | \$0.9 | \$2.75 | \$40,045 | 2.2 | 19.7 | 250.6 | 6.9 |
| 2018 | 57,946 | 451 | 79.2 | 23.7 | 213 | \$1.0 | \$2.88 | \$40,839 | 2.2 | 19.7 | 259.4 | 6.8 |
| 2019 | 58,178 | 459 | 79.8 | 23.8 | 218 | \$1.1 | \$3.01 | \$41,596 | 2.2 | 19.7 | 268.7 | 6.5 |
| 2020 | 58,399 | 468 | 80.4 | 24.0 | 224 | \$1.1 | \$3.14 | \$42,327 | 2.1 | 19.7 | 281.9 | 6.5 |
| 2021 | 58,572 | 442 | 81.0 | 24.1 | 214 | \$1.2 | \$3.28 | \$42,961 | 2.5 | 19.7 | 291.4 | 6.4 |
| 2022 | 58,719 | 441 | 81.5 | 24.3 | 213 | \$1.2 | \$3.43 | \$43,751 | 2.6 | 19.7 | 300.2 | 6.3 |
| 2023 | 58,842 | 439 | 82.1 | 24.4 | 211 | \$1.3 | \$3.59 | \$44,552 | 2.5 | 19.7 | 308.6 | 6.2 |
| 2024 | 58,921 | 416 | 82.5 | 24.6 | 201 | \$1.3 | \$3.75 | \$45,395 | 2.4 | 19.7 | 317.2 | 6.1 |
| 2025 | 58,954 | 390 | 83.0 | 24.7 | 188 | \$1.4 | \$3.91 | \$46,197 | 2.5 | 19.7 | 325.9 | 6.0 |
| 2026 | 58,943 | 367 | 83.4 | 24.9 | 176 | \$1.5 | \$4.07 | \$46,850 | 2.5 | 19.7 | 334.6 | 6.0 |
| 2027 | 58,875 | 332 | 83.7 | 25.0 | 158 | \$1.6 | \$4.22 | \$47,438 | 2.6 | 19.7 | 343.5 | 6.0 |
| 2028 | 58,770 | 315 | 84.0 | 25.2 | 147 | \$1.6 | \$4.38 | \$47,999 | 2.8 | 19.7 | 352.4 | 5.9 |
| 2029 | 58,628 | 294 | 84.3 | 25.3 | 136 | \$1.7 | \$4.54 | \$48,578 | 2.7 | 19.7 | 361.4 | 5.8 |
| 2030 | 58,451 | 273 | 84.6 | 25.4 | 127 | \$1.8 | \$4.71 | \$49,191 | 2.7 | 19.7 | 370.7 | 5.7 |
| 2031 | 58,240 | 251 | 84.9 | 25.6 | 118 | \$1.9 | \$4.88 | \$49,827 | 2.7 | 19.7 | 380.4 | 5.7 |
| 2032 | 58,003 | 235 | 85.2 | 25.7 | 111 | \$2.0 | \$5.06 | \$50,483 | 2.7 | 19.7 | 389.9 | 5.7 |
| 2033 | 57,741 | 219 | 85.5 | 25.8 | 105 | \$2.0 | \$5.24 | \$51,146 | 2.7 | 19.7 | 399.2 | 5.8 |
| 2034 | 57,459 | 206 | 85.8 | 25.9 | 100 | \$2.1 | \$5.42 | \$51,839 | 2.7 | 19.7 | 408.5 | 5.9 |
| 2035 | 57,155 | 194 | 86.0 | 26.0 | 96 | \$2.2 | \$5.62 | \$52,561 | 2.7 | 19.7 | 417.7 | 5.9 |

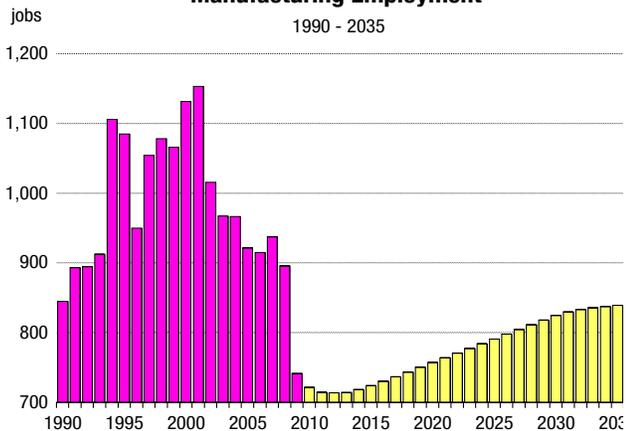


Tuolumne County Employment Forecast

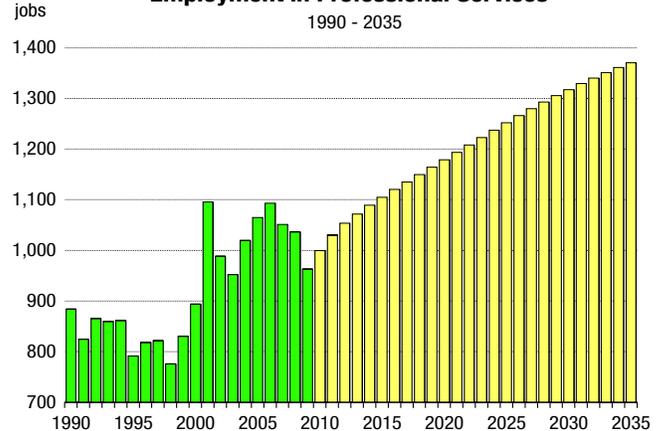
2002-2009 History, 2010-2035 Forecast

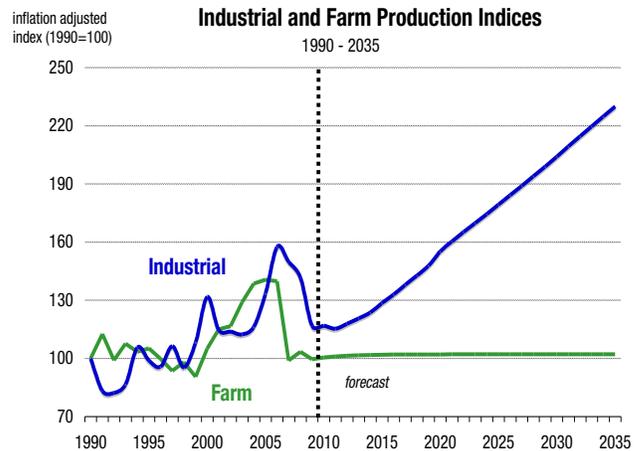
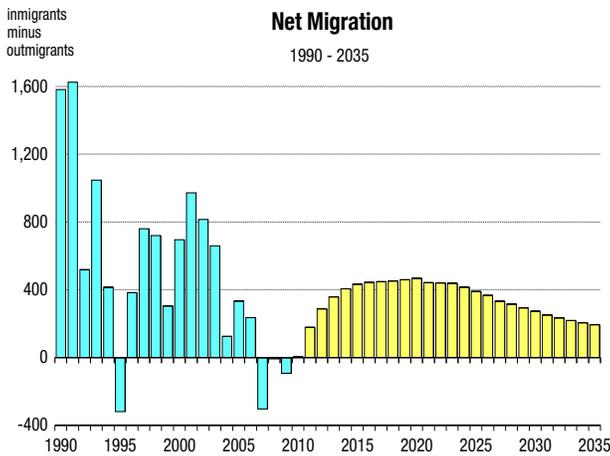
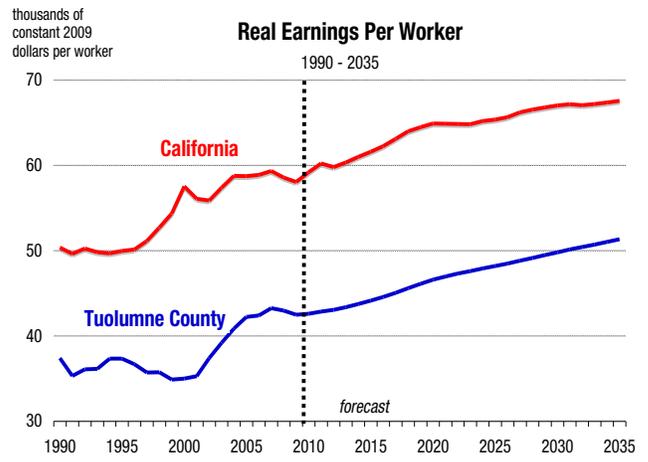
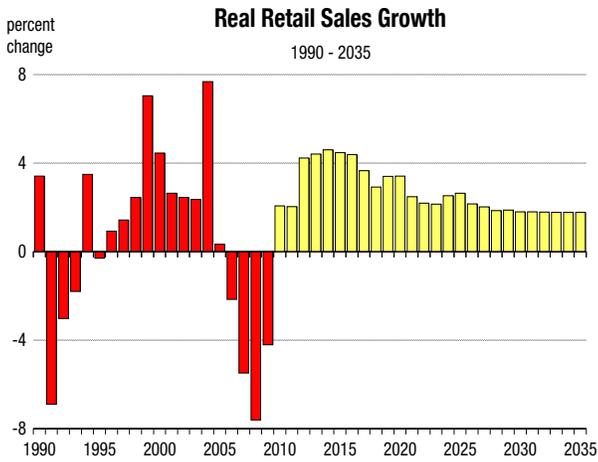
| | Total Wage & Salary | Farm | Construction | Manufacturing | Transportation & Utilities | Wholesale & Retail Trade | Financial Activities | Professional Services | Information | Health & Education | Leisure | Government |
|--|---------------------|------|--------------|---------------|----------------------------|--------------------------|----------------------|-----------------------|-------------|--------------------|---------|------------|
| -----employment (thousands of jobs)----- | | | | | | | | | | | | |
| 2002 | 17.1 | 0.20 | 1.06 | 1.02 | 0.30 | 2.63 | 0.55 | 0.99 | 0.23 | 1.96 | 2.28 | 4.93 |
| 2003 | 17.3 | 0.14 | 1.12 | 0.97 | 0.29 | 2.70 | 0.62 | 0.95 | 0.27 | 2.06 | 2.26 | 5.08 |
| 2004 | 17.5 | 0.11 | 1.17 | 0.97 | 0.26 | 2.68 | 0.59 | 1.02 | 0.28 | 2.16 | 2.34 | 5.02 |
| 2005 | 17.9 | 0.09 | 1.22 | 0.92 | 0.26 | 2.67 | 0.63 | 1.07 | 0.28 | 2.18 | 2.29 | 5.44 |
| 2006 | 18.1 | 0.06 | 1.24 | 0.92 | 0.28 | 2.65 | 0.68 | 1.09 | 0.27 | 2.22 | 2.24 | 5.52 |
| 2007 | 17.9 | 0.07 | 1.10 | 0.94 | 0.30 | 2.61 | 0.66 | 1.05 | 0.26 | 2.30 | 2.28 | 5.57 |
| 2008 | 17.7 | 0.06 | 0.86 | 0.90 | 0.28 | 2.57 | 0.60 | 1.04 | 0.28 | 2.47 | 2.35 | 5.64 |
| 2009 | 16.7 | 0.06 | 0.66 | 0.74 | 0.26 | 2.39 | 0.55 | 0.96 | 0.28 | 2.48 | 2.25 | 5.51 |
| 2010 | 16.7 | 0.05 | 0.64 | 0.72 | 0.26 | 2.38 | 0.54 | 1.00 | 0.28 | 2.51 | 2.26 | 5.46 |
| 2011 | 16.9 | 0.05 | 0.84 | 0.71 | 0.26 | 2.38 | 0.54 | 1.03 | 0.28 | 2.55 | 2.27 | 5.40 |
| 2012 | 17.2 | 0.05 | 0.98 | 0.71 | 0.26 | 2.41 | 0.55 | 1.05 | 0.28 | 2.59 | 2.29 | 5.39 |
| 2013 | 17.5 | 0.05 | 1.07 | 0.71 | 0.27 | 2.45 | 0.55 | 1.07 | 0.28 | 2.63 | 2.30 | 5.42 |
| 2014 | 17.7 | 0.05 | 1.13 | 0.72 | 0.27 | 2.49 | 0.56 | 1.09 | 0.29 | 2.67 | 2.31 | 5.47 |
| 2015 | 18.0 | 0.05 | 1.16 | 0.72 | 0.28 | 2.53 | 0.56 | 1.11 | 0.29 | 2.71 | 2.32 | 5.54 |
| 2016 | 18.2 | 0.05 | 1.17 | 0.73 | 0.28 | 2.57 | 0.56 | 1.12 | 0.29 | 2.75 | 2.34 | 5.61 |
| 2017 | 18.4 | 0.05 | 1.18 | 0.74 | 0.28 | 2.61 | 0.57 | 1.14 | 0.29 | 2.79 | 2.35 | 5.69 |
| 2018 | 18.6 | 0.04 | 1.19 | 0.74 | 0.29 | 2.64 | 0.57 | 1.15 | 0.30 | 2.82 | 2.36 | 5.77 |
| 2019 | 18.8 | 0.04 | 1.21 | 0.75 | 0.29 | 2.67 | 0.57 | 1.16 | 0.30 | 2.85 | 2.38 | 5.88 |
| 2020 | 19.1 | 0.04 | 1.22 | 0.76 | 0.30 | 2.70 | 0.57 | 1.18 | 0.30 | 2.88 | 2.39 | 5.98 |
| 2021 | 19.3 | 0.04 | 1.20 | 0.76 | 0.30 | 2.73 | 0.57 | 1.19 | 0.30 | 2.91 | 2.40 | 6.10 |
| 2022 | 19.5 | 0.04 | 1.19 | 0.77 | 0.30 | 2.76 | 0.58 | 1.21 | 0.30 | 2.93 | 2.41 | 6.21 |
| 2023 | 19.7 | 0.04 | 1.19 | 0.78 | 0.30 | 2.79 | 0.58 | 1.22 | 0.30 | 2.95 | 2.42 | 6.32 |
| 2024 | 19.8 | 0.04 | 1.16 | 0.78 | 0.30 | 2.82 | 0.59 | 1.24 | 0.30 | 2.97 | 2.43 | 6.42 |
| 2025 | 20.0 | 0.04 | 1.12 | 0.79 | 0.30 | 2.85 | 0.60 | 1.25 | 0.30 | 3.00 | 2.44 | 6.51 |
| 2026 | 20.1 | 0.04 | 1.09 | 0.80 | 0.30 | 2.87 | 0.60 | 1.27 | 0.31 | 3.02 | 2.45 | 6.60 |
| 2027 | 20.2 | 0.04 | 1.04 | 0.80 | 0.30 | 2.90 | 0.61 | 1.28 | 0.31 | 3.05 | 2.46 | 6.68 |
| 2028 | 20.4 | 0.04 | 1.01 | 0.81 | 0.30 | 2.93 | 0.62 | 1.29 | 0.31 | 3.09 | 2.48 | 6.76 |
| 2029 | 20.5 | 0.04 | 0.98 | 0.82 | 0.30 | 2.95 | 0.63 | 1.31 | 0.31 | 3.13 | 2.49 | 6.83 |
| 2030 | 20.6 | 0.04 | 0.95 | 0.82 | 0.30 | 2.97 | 0.63 | 1.32 | 0.32 | 3.17 | 2.50 | 6.89 |
| 2031 | 20.8 | 0.04 | 0.92 | 0.83 | 0.29 | 2.99 | 0.64 | 1.33 | 0.32 | 3.22 | 2.51 | 6.95 |
| 2032 | 20.9 | 0.04 | 0.91 | 0.83 | 0.29 | 3.02 | 0.65 | 1.34 | 0.32 | 3.26 | 2.52 | 7.01 |
| 2033 | 21.0 | 0.04 | 0.89 | 0.84 | 0.28 | 3.04 | 0.66 | 1.35 | 0.32 | 3.30 | 2.53 | 7.07 |
| 2034 | 21.2 | 0.04 | 0.87 | 0.84 | 0.28 | 3.06 | 0.66 | 1.36 | 0.32 | 3.35 | 2.54 | 7.12 |
| 2035 | 21.3 | 0.04 | 0.86 | 0.84 | 0.28 | 3.08 | 0.67 | 1.37 | 0.33 | 3.39 | 2.55 | 7.17 |

Manufacturing Employment



Employment in Professional Services





County Economic and Demographic Indicators

Projected Economic Growth (2010-2015)

| | |
|----------------------------------|--------------|
| Expected retail sales growth: | 21.4 % |
| Expected job growth: | 8.0 % |
| Fastest growing jobs sector: | Construction |
| Expected personal income growth: | 13.7 % |

| | |
|--|---------|
| Expected population growth: | 1.8 % |
| Net migration to account for: | 100.0 % |
| Expected growth in number of vehicles: | 4.9 % |

Demographics (2009)

| | |
|---|--------|
| Unemployment rate (December) | 19.8 % |
| County Rank* in California (58 counties): | 55th |
| Working age (16-64) population: | 63.9 % |

| | |
|--|-----------|
| Population with B.A. Degree or higher: | 16.3 % |
| Median Home Selling Price: | \$228,641 |
| Median Household Income: | \$52,890 |

Quality of Life

| | |
|---|-------------------------|
| Violent Crime rate (2008): | 237 per 100,000 persons |
| County Rank* in California (58 counties): | 6th |
| Average Commute Time to work (2009): | 27.0 minutes |

| | |
|-----------------------------------|--------|
| High School drop out rate (2008): | 10.0 % |
| Households at/below poverty line: | 9.0 % |

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