

TEHAMA COUNTY ECONOMIC FORECAST

Tehama County is located in Northern California halfway between the Oregon border and Sacramento. The largest city is Red Bluff. Tehama County has a population of 63,462 people and 15,200 wage and salary jobs. The per capita income in Tehama County is \$26,550, and the average salary per worker is \$41,039.

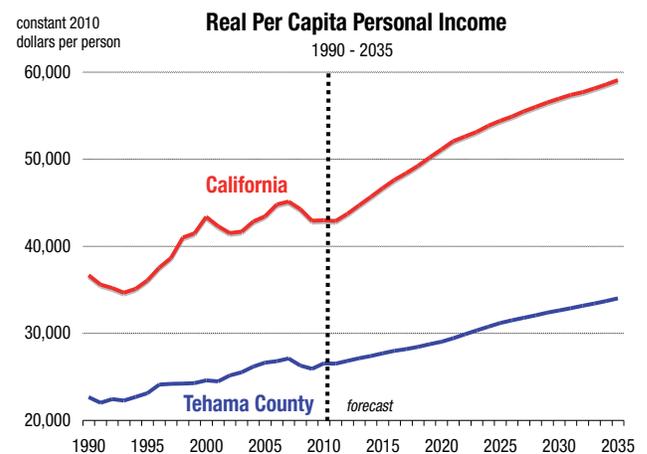
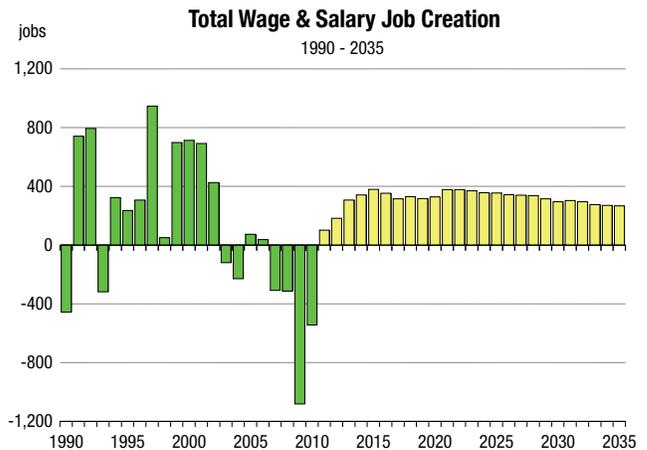
In 2010, 543 total wage and salary jobs were lost in Tehama County, representing a decline in employment of 3.5 percent. Non-farm employment fell by 573 jobs, a 4.0 percent decrease. The unemployment rate rose to 15.8 percent in 2010.

During 2010 the farm, transportation and warehousing, information, and professional services sectors all created jobs. The transportation and warehousing sector had the most significant increase, up by 66 positions. The largest employment loss came in the government sector, which shed 295 jobs. The manufacturing and leisure services sectors also had significant job loss. The government sector represents 26 percent of all employment in Tehama County, and is expected to continue to decline through 2012. Employment in the farm sector rose by 2.2 percent in 2010.

The population of Tehama County grew by 13.2 percent between the 2000 and 2010 census. The fastest growing city in the county was Corning, where population increased 13.7 percent over the past decade. Net migration has slowed significantly in the last 2 years, but remained positive, with an estimated total of 41 migrants entering the county during 2010.

FORECAST HIGHLIGHTS

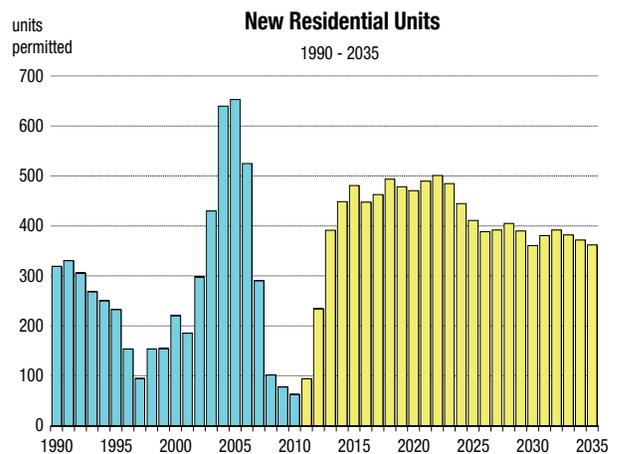
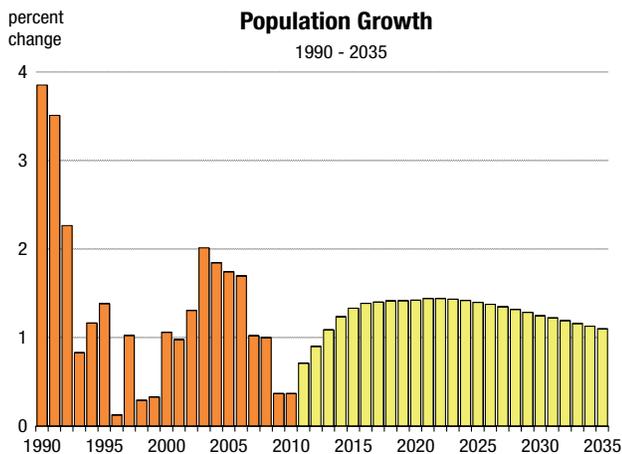
- Total wage and salary job growth is forecast to turn marginally positive in 2011, at 0.7 percent. From 2011 to 2016, total employment growth increases to an average of 2.0 percent per year. Over that same period, non-farm growth averages 2.1 percent per year.
- Average salaries adjusted for inflation 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 0.6 percent per year from 2011 to 2016.
- Between 2011 and 2016, the principal employment growth occurs in manufacturing, transportation, retail trade, and professional services. These sectors account for 58 percent of all job creation in the county during this time period.
- Annual population growth in the 2011 to 2016 period averages 1.2 percent per year.
- Net migration is expected to stay positive in 2011, at approximately 170 in-migrants. Between 2011 and 2016 net migration is forecast to average 410 net migrants entering the county per year.
- Real per capita income is forecast to remain essentially unchanged in 2011. Over the next five years real per capita incomes are expected to average 1.1 percent growth per year.
- Total taxable sales, adjusted for inflation, are forecast to rise at a rate of 5.2 percent in 2011. Over the next five years real taxable sales growth is expected to average 4.3 percent per year.
- Industrial production is forecast remain at the current level in 2011. Over the next five years the growth rate of industrial production will average 3.5 percent per year. Total crop production, adjusted for inflation, is expected to increase 0.6 percent per year between 2011 and 2016. The principle crop in the county is walnuts.



Tehama County Economic Forecast

2006-2010 History, 2011-2040 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)
2006	61,739	791	68.5	23.1	525	\$0.75	\$1.52	\$26,799	3.2	176.6	628.0	6.5
2007	62,371	477	68.5	23.8	291	\$0.73	\$1.61	\$27,110	3.4	200.6	609.9	7.2
2008	62,995	485	68.4	24.3	102	\$0.68	\$1.62	\$26,276	3.0	162.0	670.2	9.1
2009	63,228	84	68.4	24.6	78	\$0.54	\$1.62	\$25,910	0.8	183.0	535.7	14.0
2010	63,462	41	68.7	24.7	63	\$0.54	\$1.68	\$26,550	1.3	175.9	514.8	15.8
2011	63,914	173	69.6	24.8	94	\$0.58	\$1.75	\$26,521	3.3	180.6	514.6	15.3
2012	64,491	284	70.6	24.9	235	\$0.62	\$1.83	\$26,834	2.3	183.8	517.6	14.5
2013	65,193	399	71.6	25.1	391	\$0.67	\$1.91	\$27,137	2.3	185.5	532.7	13.2
2014	65,999	489	72.7	25.5	449	\$0.71	\$2.00	\$27,401	2.4	185.8	553.5	11.8
2015	66,879	552	74.0	25.9	481	\$0.76	\$2.09	\$27,694	2.1	184.5	580.8	10.4
2016	67,807	589	75.2	26.3	448	\$0.80	\$2.19	\$27,988	2.1	185.8	610.6	9.4
2017	68,758	604	76.4	26.7	463	\$0.85	\$2.28	\$28,168	2.1	186.4	642.3	8.7
2018	69,731	617	77.6	27.2	494	\$0.89	\$2.38	\$28,446	2.0	187.0	674.0	8.2
2019	70,721	624	78.9	27.6	478	\$0.94	\$2.49	\$28,754	1.9	188.2	707.9	7.7
2020	71,727	638	80.1	28.1	471	\$0.98	\$2.59	\$29,036	1.7	186.6	743.8	7.3
2021	72,762	664	81.2	28.5	490	\$1.04	\$2.71	\$29,427	1.7	184.5	786.4	7.0
2022	73,812	676	82.1	29.0	501	\$1.09	\$2.85	\$29,879	2.2	184.8	827.3	6.8
2023	74,871	684	83.0	29.5	485	\$1.15	\$3.00	\$30,319	2.2	184.5	870.2	6.6
2024	75,935	687	83.9	29.9	445	\$1.21	\$3.15	\$30,746	2.1	184.8	916.4	6.5
2025	76,997	687	84.7	30.3	411	\$1.28	\$3.31	\$31,173	2.1	184.5	964.1	6.4
2026	78,057	684	85.6	30.7	389	\$1.34	\$3.46	\$31,493	2.1	183.5	1013.9	6.2
2027	79,111	681	86.4	31.1	392	\$1.41	\$3.61	\$31,781	2.1	181.9	1065.8	6.1
2028	80,155	677	87.2	31.5	405	\$1.47	\$3.77	\$32,071	2.1	181.0	1117.8	6.0
2029	81,186	667	88.1	31.8	390	\$1.54	\$3.93	\$32,357	2.1	179.6	1171.3	5.9
2030	82,200	653	88.9	32.2	361	\$1.61	\$4.10	\$32,616	2.1	176.2	1226.3	5.8
2031	83,204	643	89.8	32.5	381	\$1.69	\$4.27	\$32,881	2.2	172.8	1282.4	5.7
2032	84,196	631	90.7	32.9	392	\$1.76	\$4.46	\$33,160	2.2	173.1	1340.1	5.6
2033	85,173	617	91.6	33.3	382	\$1.84	\$4.64	\$33,419	2.1	173.0	1398.5	5.5
2034	86,135	603	92.5	33.6	372	\$1.92	\$4.84	\$33,694	2.2	172.4	1458.2	5.5
2035	87,082	591	93.4	34.0	362	\$2.01	\$5.04	\$34,009	2.2	170.3	1519.0	5.4
2036	88,013	581	94.3	34.3	353	\$2.11	\$5.25	\$34,327	2.1	170.7	1581.1	5.3
2037	88,931	571	95.2	34.6	344	\$2.20	\$5.47	\$34,646	2.2	169.6	1644.3	5.2
2038	89,834	561	96.1	35.0	335	\$2.30	\$5.70	\$34,968	2.1	165.1	1708.6	5.2
2039	90,724	553	97.1	35.3	326	\$2.40	\$5.93	\$35,298	2.1	164.4	1774.1	5.1
2040	91,605	545	98.2	35.6	318	\$2.51	\$6.17	\$35,637	2.1	163.3	1844.3	5.0

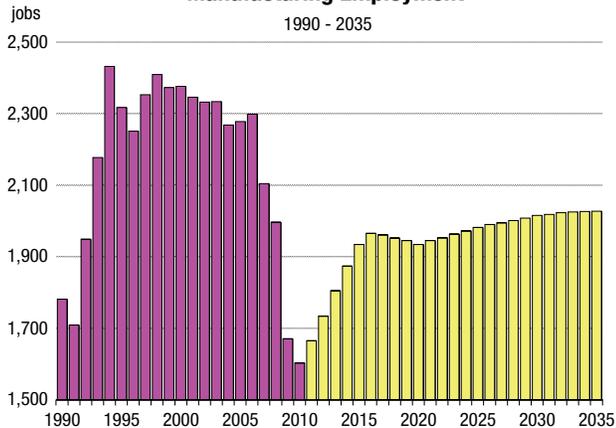


Tehama County Employment Forecast

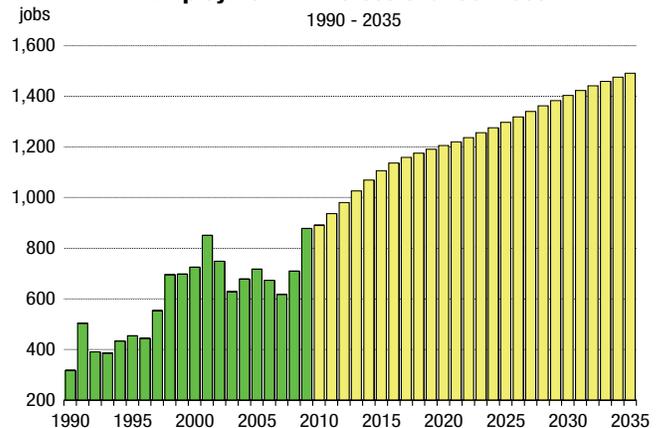
2006-2010 History, 2011-2040 Forecast

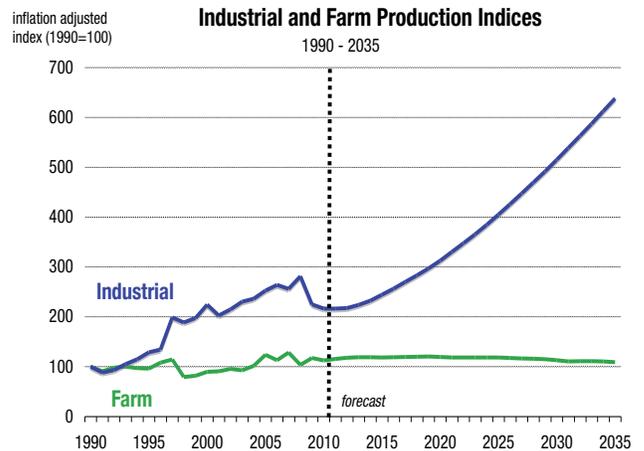
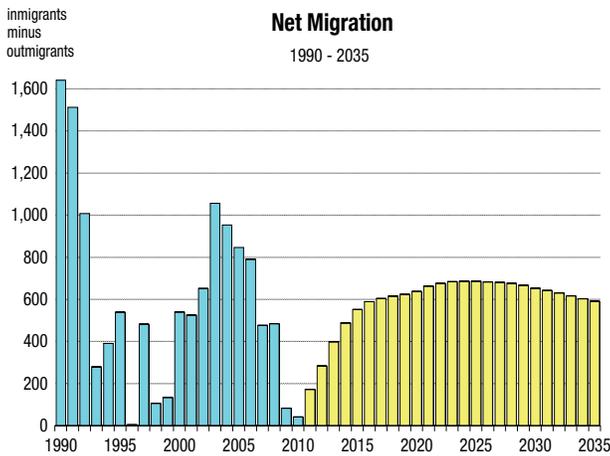
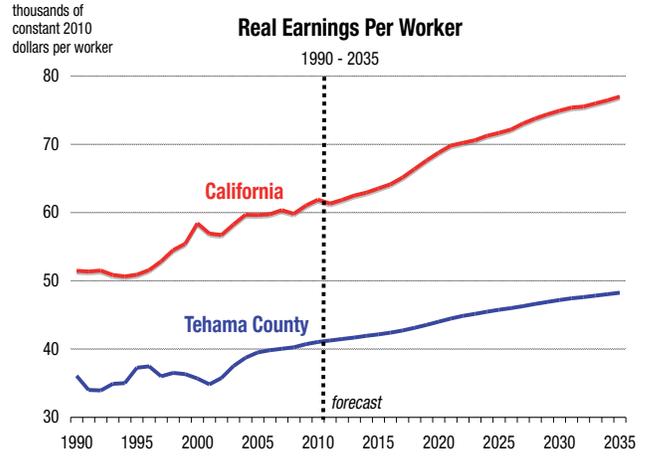
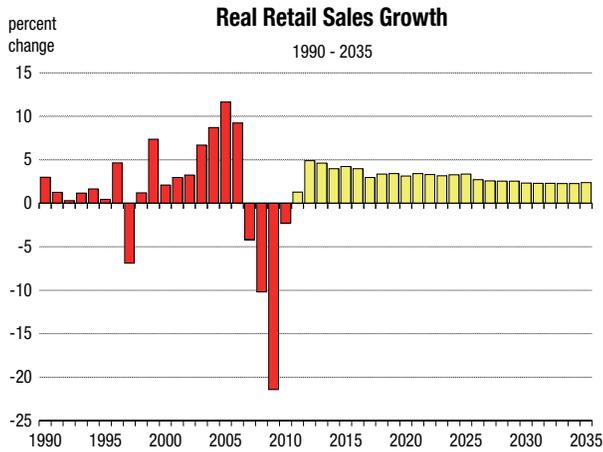
	Total Wage & Salary	Farm	Construction	Manufacturing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
-----employment (thousands of jobs)-----												
2006	17.4	1.17	0.73	2.30	1.60	2.47	0.45	0.67	0.11	1.85	1.25	4.25
2007	17.1	1.22	0.65	2.11	1.57	2.48	0.45	0.62	0.08	1.85	1.25	4.29
2008	16.8	1.27	0.54	2.00	1.35	2.32	0.42	0.71	0.08	1.87	1.28	4.37
2009	15.7	1.31	0.43	1.67	1.03	2.16	0.37	0.88	0.07	1.83	1.19	4.29
2010	15.2	1.34	0.41	1.60	1.10	2.06	0.36	0.89	0.07	1.80	1.11	3.99
2011	15.3	1.35	0.40	1.67	1.07	2.11	0.37	0.94	0.07	1.79	1.19	3.90
2012	15.5	1.36	0.46	1.73	1.06	2.17	0.38	0.98	0.07	1.78	1.19	3.86
2013	15.8	1.36	0.53	1.81	1.07	2.24	0.38	1.03	0.07	1.79	1.21	3.87
2014	16.1	1.37	0.55	1.87	1.12	2.31	0.39	1.07	0.08	1.81	1.22	3.91
2015	16.5	1.37	0.56	1.93	1.19	2.39	0.41	1.11	0.08	1.84	1.23	3.98
2016	16.9	1.37	0.55	1.97	1.29	2.46	0.42	1.14	0.08	1.87	1.24	4.06
2017	17.2	1.38	0.56	1.96	1.40	2.51	0.43	1.16	0.09	1.92	1.24	4.12
2018	17.5	1.38	0.57	1.95	1.53	2.55	0.44	1.18	0.09	1.98	1.24	4.19
2019	17.8	1.38	0.57	1.95	1.67	2.59	0.44	1.19	0.09	2.04	1.24	4.25
2020	18.2	1.38	0.57	1.93	1.81	2.63	0.45	1.21	0.10	2.11	1.24	4.30
2021	18.5	1.38	0.59	1.95	1.97	2.67	0.45	1.22	0.10	2.18	1.25	4.36
2022	18.9	1.38	0.61	1.95	2.12	2.72	0.46	1.24	0.10	2.26	1.25	4.41
2023	19.3	1.38	0.61	1.96	2.28	2.76	0.46	1.26	0.11	2.33	1.25	4.46
2024	19.6	1.38	0.60	1.97	2.45	2.81	0.46	1.28	0.11	2.40	1.25	4.52
2025	20.0	1.38	0.59	1.98	2.61	2.86	0.46	1.30	0.12	2.47	1.25	4.57
2026	20.3	1.38	0.58	1.99	2.76	2.90	0.46	1.32	0.12	2.53	1.25	4.63
2027	20.7	1.37	0.59	1.99	2.91	2.94	0.46	1.34	0.12	2.59	1.25	4.68
2028	21.0	1.37	0.60	2.00	3.06	2.99	0.46	1.36	0.13	2.64	1.25	4.74
2029	21.3	1.37	0.60	2.01	3.20	3.03	0.46	1.38	0.13	2.69	1.24	4.80
2030	21.6	1.37	0.59	2.02	3.34	3.07	0.46	1.40	0.13	2.73	1.24	4.85
2031	21.9	1.36	0.60	2.02	3.47	3.11	0.47	1.42	0.14	2.77	1.24	4.91
2032	22.2	1.36	0.61	2.02	3.61	3.15	0.47	1.44	0.14	2.80	1.24	4.97
2033	22.5	1.36	0.61	2.03	3.73	3.19	0.47	1.46	0.14	2.84	1.24	5.02
2034	22.8	1.35	0.61	2.03	3.86	3.23	0.47	1.48	0.15	2.86	1.24	5.08
2035	23.1	1.35	0.61	2.03	3.98	3.28	0.47	1.49	0.15	2.89	1.23	5.14
2036	23.3	1.35	0.61	2.03	4.10	3.32	0.47	1.51	0.15	2.92	1.23	5.20
2037	23.6	1.35	0.61	2.03	4.22	3.37	0.47	1.52	0.15	2.95	1.23	5.25
2038	23.8	1.34	0.61	2.03	4.34	3.41	0.47	1.54	0.16	2.98	1.23	5.31
2039	24.1	1.34	0.60	2.03	4.45	3.46	0.47	1.55	0.16	3.01	1.23	5.37
2040	24.4	1.34	0.60	2.03	4.55	3.51	0.47	1.57	0.16	3.04	1.23	5.43

Manufacturing Employment



Employment in Professional Services





County Economic and Demographic Indicators

Projected Economic Growth (2011-2016)

Expected retail sales growth:	23.7%
Expected job growth:	10.2%
Fastest growing jobs sector:	Wholesale Trade
Expected personal income growth:	12.0%

Expected population growth:	6.1%
Net migration to account for:	59.4%
Expected growth in number of vehicles:	8.0%

Demographics (2011)

Unemployment rate (June 2011)	15.7%
County Rank* in California (58 counties):	42nd
Working age (16-64) population:	62.5%

Population with B.A. Degree or higher:	12.6%
Median Home Selling Price:	\$110,000
Median Household Income:	\$37,278

Quality of Life

Violent Crime rate (2009):	616 per 100,000 persons
County Rank* in California (58 counties):	51st
Average Commute Time to work (2011):	22.7 minutes

High School drop out rate (2009):	67.1%
Households at/below poverty line:	15.3%

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