

NEVADA COUNTY ECONOMIC FORECAST

Nevada County is located on the California-Nevada state border. In addition to being a recreation destination, the county is a mini technology hub, home to over 70 high tech businesses. Nevada County has a population of 98,879 people and 27,880 wage and salary jobs. The per capita income in Nevada County is \$45,129, and the average salary per worker is \$45,970.

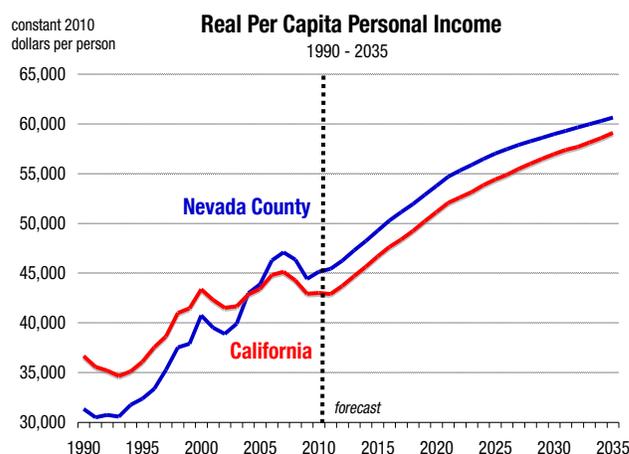
In 2010, 7 total wage and salary jobs were lost in Nevada County, leaving employment in the county essentially unchanged. Non-farm employment accounts for over 99 percent of total employment in the county. The unemployment rate rose to 11.5 percent in 2010.

During 2010 employment rose substantially in government (+420 jobs), and leisure (+305 jobs), no other sectors increased employment by more than 10 positions. These gains were offset by losses in construction (-190 jobs), professional services (-150 jobs), education and healthcare (-140 jobs), and retail trade (-140 jobs). Many of the largest employers in the county are related to tourism, including Soda Springs Ski Area, Sugar Bowl Ski Resort, and Boreal Mountain Resort.

The population of Nevada County grew by 7.3 percent between the 2000 and 2010 census. The largest city in the county is Truckee with 16,180 residents, which grew 16.7 percent over the past decade. Net migration into the county has been positive every year since 1971. Since 1997 the county has relied on net migration for growth, because the natural increase has been negative.

FORECAST HIGHLIGHTS

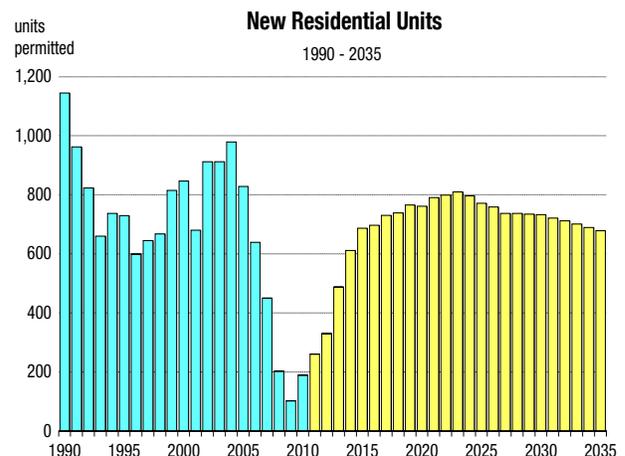
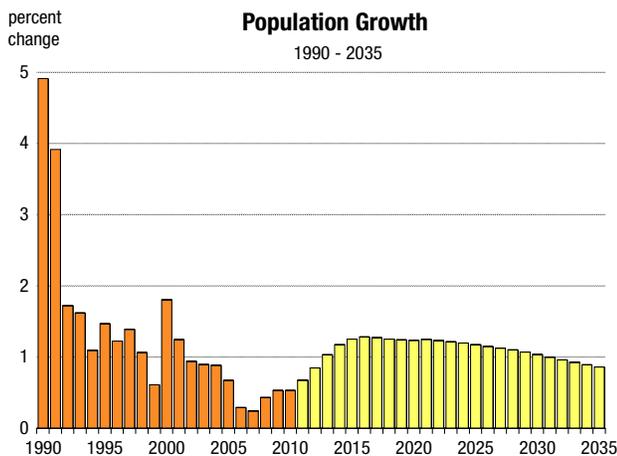
- Total wage and salary job growth is forecast to be 1.3 percent in 2011. From 2011 to 2016, total employment growth averages 2.2 percent per year.
- Average salaries adjusted for inflation are currently below the California state average, and will remain so over the forecast period. Inflation adjusted salaries are expected to rise an average of 0.3 percent per year during the 2011 to 2016 period.
- Between 2011 and 2016, the momentum for employment growth is in professional services, health and education, leisure services, retail trade and construction. These sectors account for 73 percent of all job creation during this time. Government, the largest employer in the county has declining employment through 2012.
- Population growth in the 2011 to 2016 period is forecast to average 1.1 percent per year.
- Net migration is expected to be approximately 800 net migrants entering the county in 2011, continuing the upward trend of recent years. Between 2011 and 2016 net migration averages 1,200 net migrants per year.
- Real per capita income is forecast to rise 0.7 percent in 2011. From 2011 to 2016 real per capita incomes are expected to increase an average of 2.1 percent per year.
- Total taxable sales, adjusted for inflation, are forecast to increase 6.0 percent in 2011. Between 2011 and 2016 real taxable sales are forecast to increase at an average rate of 4.7 percent per year.
- Industrial production is forecast to increase by 2.7 percent in 2011. From 2011 to 2016 the growth rate of industrial production averages 3.1 percent per year.



Nevada County Economic Forecast

2006-2010 History, 2011-2040 Forecast

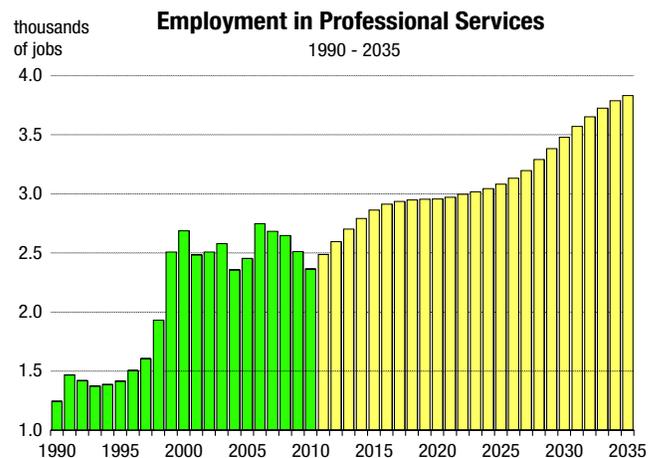
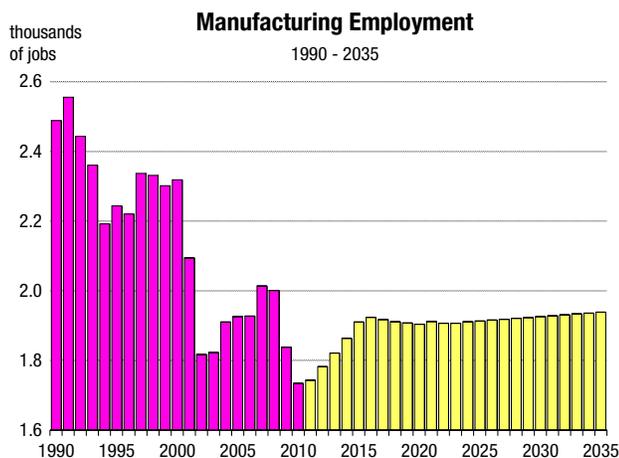
	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (millions)	Unemploy- ment Rate (percent)
2006	97,168	331	131.5	40.6	639	\$1.35	\$4.13	\$46,264	3.2	9.7	412.3	4.9
2007	97,405	334	128.9	41.1	450	\$1.32	\$4.36	\$47,103	3.4	10.1	436.7	5.0
2008	97,829	481	129.0	41.7	203	\$1.19	\$4.44	\$46,360	3.0	9.5	496.9	5.1
2009	98,353	588	128.4	42.0	103	\$0.98	\$4.31	\$44,406	0.8	9.8	499.0	10.5
2010	98,879	629	128.4	42.1	190	\$1.03	\$4.46	\$45,129	1.3	10.1	479.9	11.5
2011	99,550	778	128.6	42.3	261	\$1.12	\$4.67	\$45,436	3.3	10.0	492.8	10.6
2012	100,395	943	129.2	42.5	330	\$1.21	\$4.91	\$46,257	2.3	10.0	507.0	10.0
2013	101,433	1,137	130.3	42.8	488	\$1.31	\$5.18	\$47,286	2.3	10.0	524.6	9.1
2014	102,627	1,295	131.8	43.2	612	\$1.40	\$5.48	\$48,241	2.4	10.0	540.7	8.2
2015	103,914	1,392	133.6	43.7	687	\$1.49	\$5.79	\$49,266	2.1	10.0	557.9	7.5
2016	105,250	1,444	135.3	44.3	697	\$1.58	\$6.11	\$50,290	2.1	10.0	574.2	7.0
2017	106,592	1,453	136.9	44.8	731	\$1.67	\$6.42	\$51,137	2.1	10.1	589.3	6.7
2018	107,929	1,454	138.4	45.4	739	\$1.76	\$6.73	\$51,952	2.0	10.1	603.8	6.5
2019	109,271	1,464	139.8	46.1	766	\$1.84	\$7.07	\$52,871	1.9	10.1	619.0	6.3
2020	110,624	1,481	141.2	46.7	762	\$1.93	\$7.41	\$53,788	1.7	10.1	634.5	6.2
2021	112,008	1,519	142.6	47.3	791	\$2.01	\$7.75	\$54,684	1.7	10.1	656.8	6.2
2022	113,388	1,524	143.9	48.0	800	\$2.10	\$8.11	\$55,306	2.2	10.1	674.3	6.3
2023	114,769	1,533	145.2	48.6	810	\$2.19	\$8.48	\$55,887	2.2	10.1	692.6	6.3
2024	116,144	1,538	146.5	49.3	797	\$2.29	\$8.85	\$56,490	2.1	10.1	713.1	6.4
2025	117,509	1,538	147.8	50.0	771	\$2.39	\$9.23	\$57,028	2.1	10.1	734.0	6.4
2026	118,862	1,537	149.1	50.6	759	\$2.48	\$9.61	\$57,469	2.1	10.1	756.1	6.4
2027	120,202	1,539	150.5	51.2	737	\$2.58	\$9.99	\$57,882	2.1	10.1	779.5	6.4
2028	121,530	1,540	152.1	51.8	737	\$2.68	\$10.38	\$58,260	2.1	10.1	803.6	6.4
2029	122,835	1,533	153.7	52.4	735	\$2.79	\$10.78	\$58,622	2.1	10.1	828.6	6.3
2030	124,111	1,517	155.3	53.0	733	\$2.90	\$11.19	\$58,972	2.1	10.1	854.6	6.3
2031	125,353	1,496	156.9	53.7	721	\$3.01	\$11.62	\$59,313	2.2	10.1	881.5	6.2
2032	126,562	1,473	158.6	54.2	712	\$3.12	\$12.05	\$59,645	2.2	10.1	909.1	6.2
2033	127,737	1,451	160.2	54.8	702	\$3.24	\$12.49	\$59,970	2.1	10.2	937.6	6.1
2034	128,879	1,429	161.8	55.4	690	\$3.36	\$12.95	\$60,297	2.2	10.2	967.0	6.1
2035	129,990	1,406	163.4	56.0	679	\$3.48	\$13.42	\$60,647	2.2	10.2	997.2	6.1
2036	131,075	1,385	164.9	56.5	672	\$3.61	\$13.91	\$61,018	2.1	10.2	1028.4	6.0
2037	132,134	1,364	166.4	57.1	664	\$3.74	\$14.41	\$61,393	2.2	10.2	1060.6	6.0
2038	133,172	1,345	167.8	57.6	657	\$3.88	\$14.93	\$61,791	2.1	10.2	1093.7	5.9
2039	134,189	1,328	169.2	58.2	647	\$4.02	\$15.46	\$62,215	2.1	10.2	1127.8	5.9
2040	135,188	1,311	170.6	58.7	637	\$4.16	\$16.01	\$62,667	2.1	10.2	1164.0	5.8

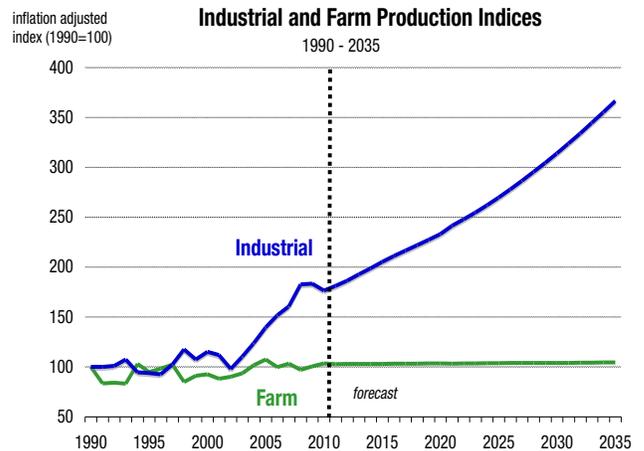
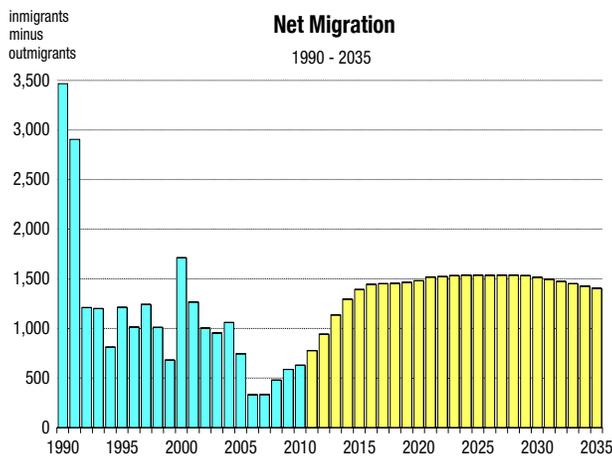
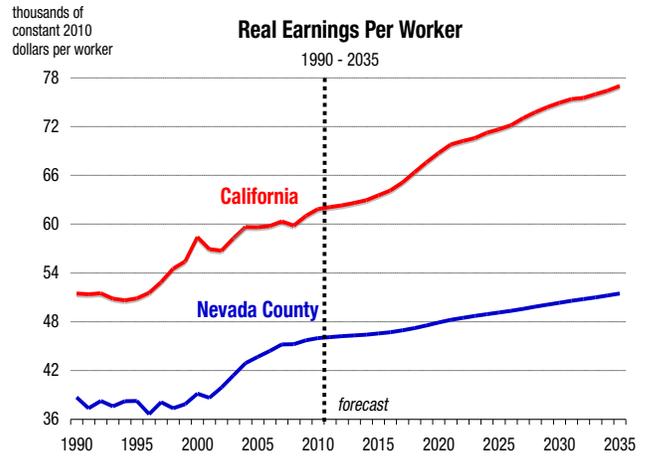
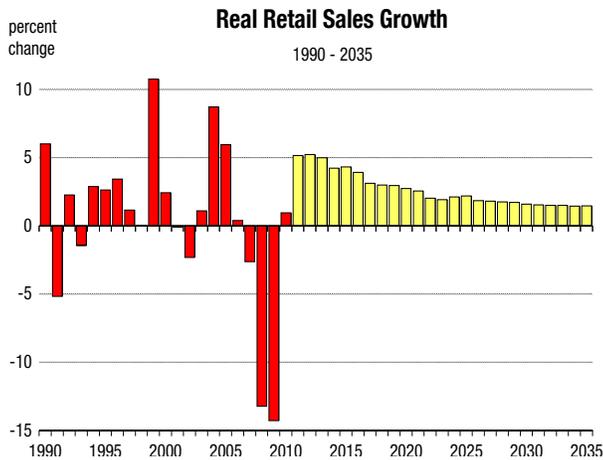


Nevada County Employment Forecast

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	30.4	0.07	3.9	1.9	0.5	4.7	1.6	2.7	0.4	3.8	4.2	5.4
2007	30.5	0.09	3.7	2.0	0.5	4.7	1.6	2.7	0.4	3.8	4.4	5.4
2008	29.8	0.10	3.1	2.0	0.5	4.5	1.5	2.6	0.4	4.0	4.3	5.6
2009	27.9	0.07	2.3	1.8	0.5	4.2	1.4	2.5	0.4	4.1	4.1	5.6
2010	27.9	0.08	2.1	1.7	0.4	4.0	1.4	2.4	0.3	3.9	4.4	6.1
2011	28.2	0.08	2.1	1.7	0.4	4.1	1.4	2.5	0.4	4.0	4.6	5.9
2012	28.7	0.08	2.1	1.8	0.4	4.2	1.4	2.6	0.4	4.1	4.7	5.9
2013	29.4	0.09	2.2	1.8	0.4	4.3	1.4	2.7	0.4	4.2	4.9	5.9
2014	30.1	0.09	2.2	1.9	0.4	4.5	1.5	2.8	0.4	4.3	5.0	6.0
2015	30.8	0.09	2.3	1.9	0.4	4.6	1.5	2.9	0.4	4.3	5.2	6.1
2016	31.4	0.09	2.4	1.9	0.4	4.7	1.5	2.9	0.4	4.4	5.4	6.2
2017	31.9	0.09	2.5	1.9	0.4	4.8	1.5	2.9	0.4	4.5	5.6	6.2
2018	32.4	0.09	2.5	1.9	0.5	4.8	1.5	2.9	0.4	4.5	5.8	6.3
2019	32.9	0.08	2.6	1.9	0.5	4.9	1.6	3.0	0.4	4.6	5.9	6.4
2020	33.3	0.08	2.7	1.9	0.5	4.9	1.6	3.0	0.4	4.6	6.0	6.5
2021	33.8	0.08	2.8	1.9	0.5	5.0	1.6	3.0	0.4	4.7	6.1	6.6
2022	34.2	0.08	2.9	1.9	0.5	5.1	1.6	3.0	0.4	4.8	6.2	6.7
2023	34.6	0.08	3.0	1.9	0.5	5.1	1.6	3.0	0.4	4.8	6.3	6.8
2024	35.1	0.08	3.1	1.9	0.5	5.2	1.6	3.0	0.4	4.9	6.3	6.9
2025	35.5	0.08	3.2	1.9	0.5	5.2	1.6	3.1	0.4	4.9	6.4	7.0
2026	35.9	0.08	3.2	1.9	0.5	5.3	1.6	3.1	0.4	5.0	6.5	7.0
2027	36.4	0.08	3.3	1.9	0.5	5.4	1.6	3.2	0.4	5.1	6.6	7.1
2028	36.8	0.08	3.4	1.9	0.5	5.4	1.7	3.3	0.4	5.1	6.6	7.2
2029	37.3	0.08	3.4	1.9	0.5	5.5	1.7	3.4	0.4	5.2	6.7	7.3
2030	37.8	0.08	3.5	1.9	0.5	5.5	1.7	3.5	0.4	5.3	6.8	7.4
2031	38.2	0.08	3.6	1.9	0.5	5.6	1.7	3.6	0.4	5.3	6.9	7.5
2032	38.6	0.08	3.6	1.9	0.5	5.6	1.7	3.7	0.4	5.4	6.9	7.5
2033	39.1	0.08	3.7	1.9	0.5	5.7	1.7	3.7	0.4	5.5	7.0	7.6
2034	39.5	0.08	3.7	1.9	0.5	5.7	1.8	3.8	0.5	5.5	7.1	7.7
2035	39.9	0.09	3.8	1.9	0.5	5.8	1.8	3.8	0.5	5.6	7.2	7.8
2036	40.3	0.09	3.8	1.9	0.5	5.8	1.8	3.9	0.5	5.7	7.2	7.9
2037	40.7	0.09	3.9	1.9	0.6	5.9	1.8	3.9	0.5	5.8	7.3	8.0
2038	41.2	0.09	3.9	1.9	0.6	5.9	1.8	3.9	0.5	5.8	7.4	8.1
2039	41.6	0.09	4.0	1.9	0.6	6.0	1.8	4.0	0.5	5.9	7.5	8.1
2040	42.0	0.09	4.0	2.0	0.6	6.1	1.8	4.0	0.5	6.0	7.6	8.2





County Economic and Demographic Indicators

Projected Economic Growth (2011-2016)

Expected retail sales growth:	24.9%
Expected job growth:	11.3%
Fastest growing jobs sector:	Wholesale Trade
Expected personal income growth:	17.0%

Expected population growth:	5.7%
Net migration to account for:	100.0%
Expected growth in number of vehicles:	5.3%

Demographics (2011)

Unemployment rate (June 2011)	11.4%
County Rank* in California (58 counties):	19th
Working age (16-64) population:	64.6%

Population with B.A. Degree or higher:	32.4%
Median Home Selling Price:	\$300,000
Median Household Income:	\$56,364

Quality of Life

Violent Crime rate (2009):	293 per 100,000 persons
County Rank* in California (58 counties):	19th
Average Commute Time to work (2011):	23.2 minutes

High School drop out rate (2009):	70.5%
Households at/below poverty line:	5.3%

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