

LASSEN COUNTY ECONOMIC FORECAST

Lassen County is one of the northernmost counties in California. It is approximately the same size as the state of Connecticut. The county's name was derived from Mount Lassen, which is actually in neighboring Shasta County. Lassen County has a population of 34,283 people and 10,253 wage and salary jobs. The per capita income in Lassen County is \$29,180, and the average salary per worker is \$53,407.

The largest employers in the county are public institutions; 63 percent of all jobs in the county are in the public sector. The penitentiaries and correctional institutions in Susanville account for a large portion of these jobs. They employ nearly 2,800 people and house more than 10,500 inmates.

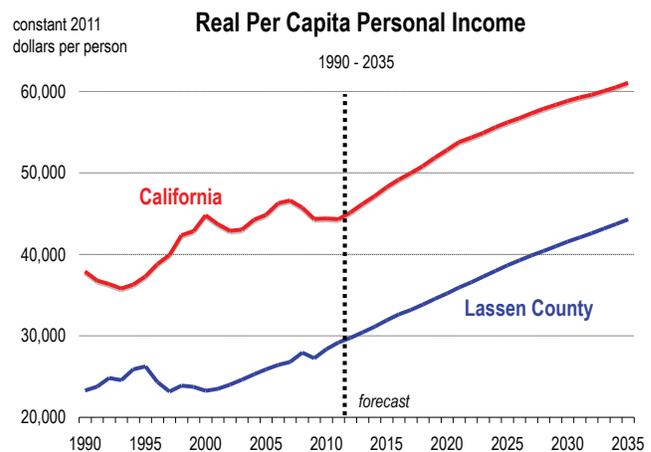
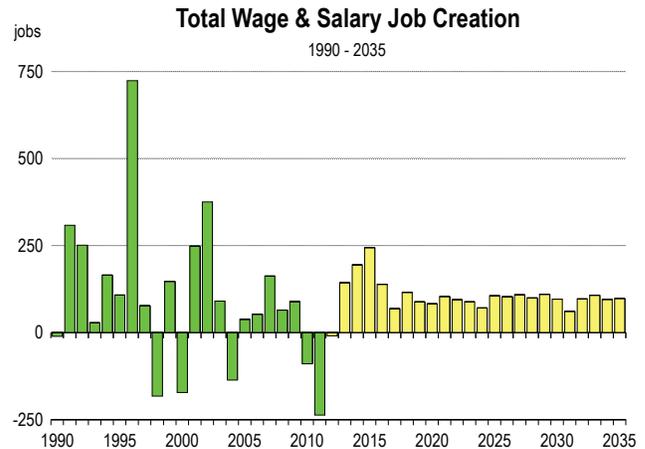
In 2011, wage and salary employment fell by 237 jobs in Lassen County, a decline of 2.3 percent. The farm sector added 107 jobs, representing a growth rate of 24.4 percent. The non-farm sectors lost 343 jobs, a decline of 3.4 percent. However, despite overall job losses, the unemployment rate improved moderately, falling from 14.0 to 13.5 percent.

Over the past year, most of the major employment sectors were largely unchanged. The largest job gains occurred in agriculture (+107 jobs), while the largest decreases were observed in the public sector (-257 jobs) and retail trade (-73 jobs).

Between 2006 and 2011, the population of Lassen County declined at an annual rate of 0.1 percent. This decline was the result of out-migration, as an average of 150 net migrants left the county each year. Net migration is expected to turn positive in 2013, and remain positive over the life of the forecast. However, net migration will be low, and population growth will be slow.

FORECAST HIGHLIGHTS

- Total wage and salary employment is expected to decline by 0.1 percent in 2012, but growth will turn positive in 2013. Over the 2012 -2017 period, total wage and salary job growth is expected to average 1.2 percent per year.
- Average salaries are currently below the California state average and will remain so over the forecast period. Inflation adjusted salaries are expected to rise by an average of 1.3 percent per year between 2012 and 2017.
- Between 2012 and 2017, the public sector will account for 39 percent of total employment growth. Retail trade, construction, leisure and hospitality, and health and education will account for an additional 54 percent of job growth over this period.

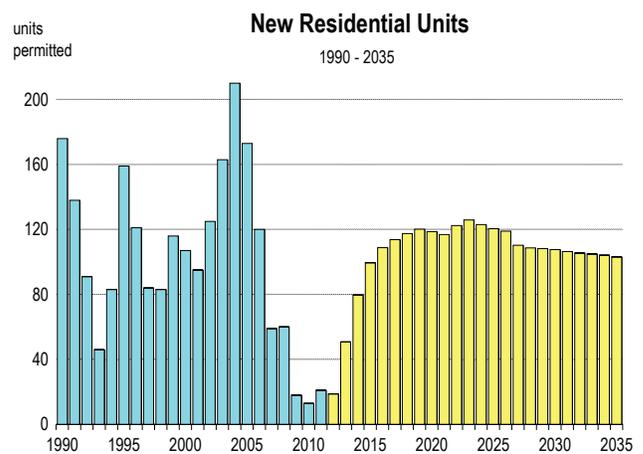
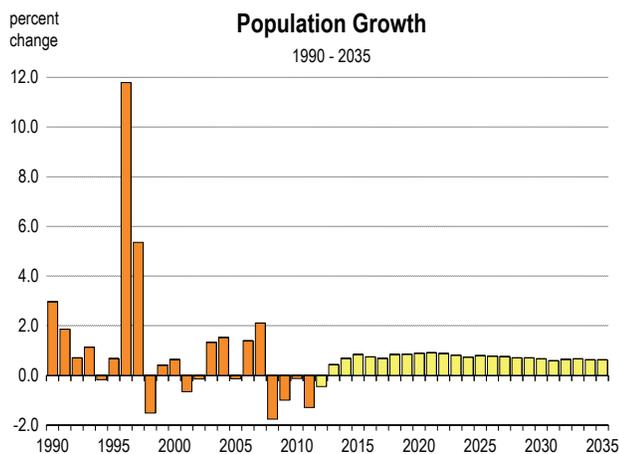


- The population is expected to decline by 0.4 percent in 2012. In 2013, growth will turn positive, and remain so during the forecast period. Over the 2012-2017 period, annual growth will average 0.5 percent per year.
- In 2012, a total of 230 net migrants will leave the county. Net migration will turn positive thereafter, with an annual average of 100 net migrants entering the county over the 2012-2017 period.
- Real per capita income is forecast to increase by 2.0 percent in 2012. From 2012 to 2017, real per capita income is expected to increase at an average rate of 2.2 percent per year.
- Over the next five years, inflation adjusted taxable sales are expected to increase at an average rate of 2.9 percent per year.
- Industrial production is forecast to decline by 3.2 percent in 2012. It will decline again in 2013, but turn positive thereafter. Over the 2012-2017 period, industrial production will increase at an average rate of 0.1 percent per year.

Lassen County Economic Forecast

2006-2011 History, 2012-2040 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)
2006	35,011	393	37.7	10.0	120	\$286.5	\$0.83	\$26,408	3.2	81.5	124.7	7.9
2007	35,749	655	37.9	10.0	59	\$279.9	\$0.89	\$26,781	3.4	70.7	114.6	8.2
2008	35,120	-753	37.6	10.0	60	\$260.1	\$0.94	\$27,929	3.0	95.6	116.4	9.5
2009	34,773	-474	37.5	10.0	18	\$221.5	\$0.91	\$27,243	0.8	71.7	69.4	12.6
2010	34,730	-179	37.1	10.0	13	\$219.5	\$0.96	\$28,350	1.3	76.3	74.1	14.0
2011	34,283	-548	36.4	10.1	21	\$230.5	\$1.00	\$29,180	2.5	76.0	74.5	13.5
2012	34,131	-227	36.3	10.1	19	\$245.7	\$1.04	\$29,757	1.9	79.6	72.1	12.9
2013	34,281	73	36.8	10.1	51	\$259.6	\$1.08	\$30,418	2.1	82.3	70.2	12.0
2014	34,518	156	37.5	10.1	80	\$273.5	\$1.14	\$31,101	2.1	84.0	70.9	10.9
2015	34,812	222	38.4	10.2	99	\$287.9	\$1.20	\$31,913	1.8	83.2	71.4	9.9
2016	35,075	198	39.0	10.2	109	\$302.2	\$1.26	\$32,631	1.7	86.8	72.7	9.1
2017	35,316	176	39.2	10.3	114	\$315.5	\$1.31	\$33,186	1.7	89.4	75.0	8.7
2018	35,615	238	39.6	10.4	118	\$329.1	\$1.37	\$33,844	1.7	92.1	76.9	8.3
2019	35,920	242	40.0	10.4	120	\$343.0	\$1.43	\$34,537	1.5	95.7	78.8	8.0
2020	36,242	256	40.3	10.5	119	\$356.3	\$1.49	\$35,190	1.4	93.9	80.5	7.7
2021	36,574	272	40.7	10.6	117	\$369.6	\$1.56	\$35,922	1.3	91.2	82.4	7.7
2022	36,900	266	41.0	10.7	122	\$382.6	\$1.63	\$36,575	1.5	95.7	84.7	7.7
2023	37,200	261	41.4	10.8	126	\$396.1	\$1.70	\$37,250	1.5	99.2	87.3	7.7
2024	37,475	248	41.6	10.8	123	\$411.6	\$1.77	\$37,954	1.6	103.7	90.2	7.7
2025	37,777	275	42.0	10.9	120	\$428.8	\$1.85	\$38,659	1.7	107.3	93.2	7.7
2026	38,072	273	42.4	11.0	119	\$445.5	\$1.92	\$39,264	1.7	109.1	96.5	7.7
2027	38,363	277	42.8	11.1	110	\$463.0	\$2.00	\$39,858	1.7	110.0	100.1	7.7
2028	38,636	271	43.2	11.1	109	\$481.1	\$2.08	\$40,424	1.7	112.7	103.5	7.7
2029	38,912	279	43.6	11.2	108	\$500.2	\$2.16	\$40,996	1.7	114.4	106.9	7.7
2030	39,175	269	44.0	11.3	108	\$519.3	\$2.24	\$41,546	1.7	111.7	110.4	7.7
2031	39,408	243	44.2	11.4	106	\$538.9	\$2.32	\$42,061	1.7	109.1	114.0	7.6
2032	39,666	270	44.6	11.4	105	\$559.3	\$2.40	\$42,596	1.7	115.3	117.6	7.6
2033	39,931	278	45.0	11.5	105	\$580.5	\$2.49	\$43,162	1.7	120.7	121.3	7.6
2034	40,184	270	45.3	11.6	104	\$602.4	\$2.58	\$43,718	1.7	125.2	125.0	7.6
2035	40,438	272	45.7	11.6	103	\$625.5	\$2.68	\$44,300	1.7	126.1	128.8	7.6
2036	40,695	277	46.1	11.7	102	\$649.7	\$2.78	\$44,896	1.7	133.2	132.7	7.6
2037	40,944	270	46.4	11.8	101	\$674.8	\$2.89	\$45,487	1.7	136.8	136.6	7.6
2038	41,171	250	46.7	11.8	100	\$701.1	\$2.99	\$46,076	1.7	131.5	140.5	7.6
2039	41,428	282	47.1	11.9	99	\$728.5	\$3.10	\$46,723	1.7	135.9	144.6	7.6
2040	41,683	281	47.5	12.0	98	\$757.0	\$3.22	\$47,387	1.7	139.5	150.0	7.6

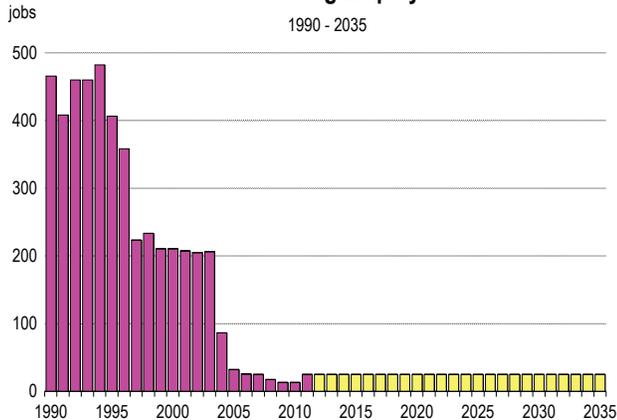


Lassen County Employment Forecast

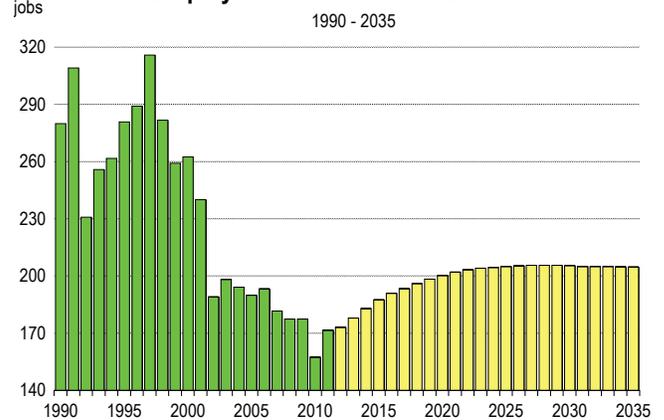
2006-2011 History, 2012-2040 Forecast

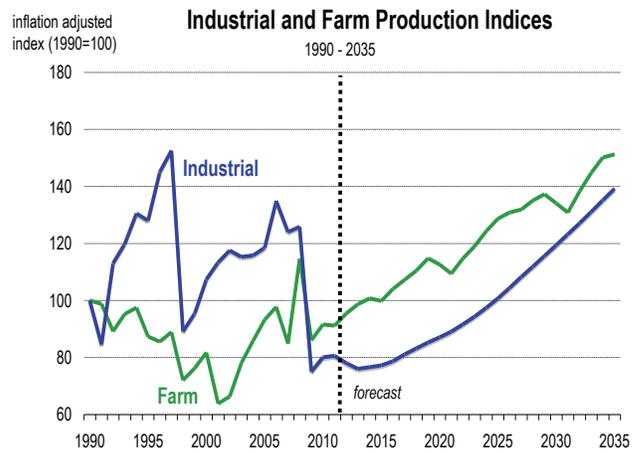
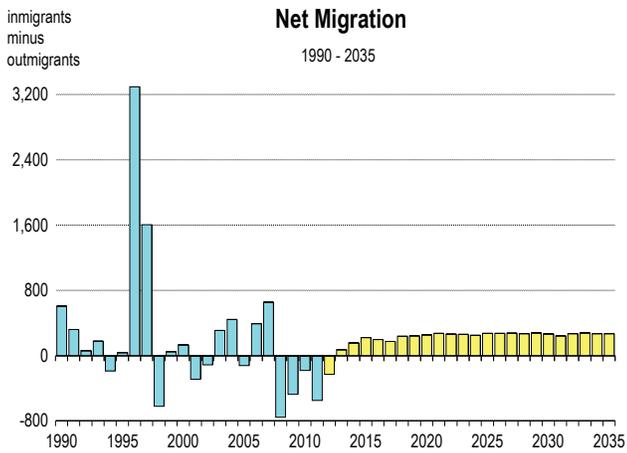
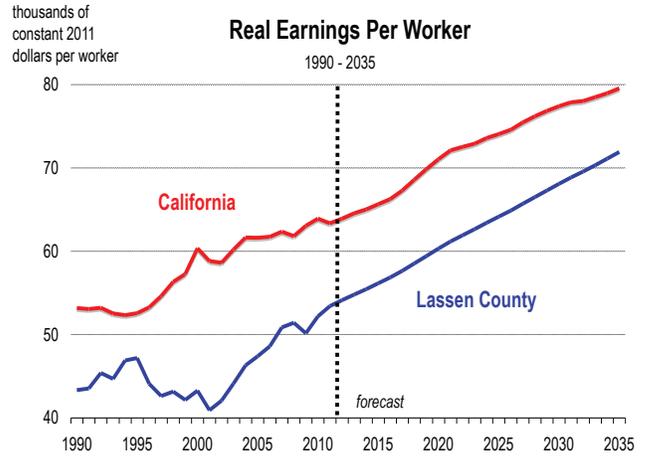
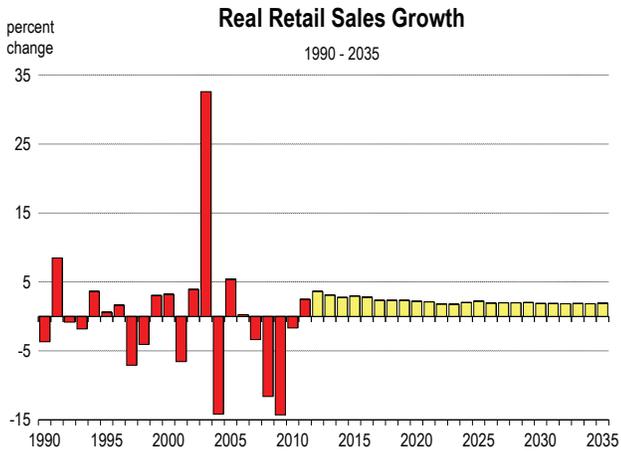
	Total Wage & Salary	Farm	Construction	Manufacturing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
-----employment (thousands of jobs)-----												
2006	10.3	0.40	0.29	0.03	0.16	1.00	0.17	0.19	0.12	0.87	0.74	6.02
2007	10.4	0.41	0.23	0.03	0.15	1.06	0.17	0.18	0.13	0.86	0.71	6.22
2008	10.5	0.42	0.17	0.02	0.15	1.03	0.18	0.18	0.13	0.90	0.60	6.44
2009	10.6	0.47	0.12	0.01	0.11	0.98	0.16	0.18	0.11	0.95	0.60	6.64
2010	10.5	0.44	0.10	0.01	0.10	0.91	0.15	0.16	0.09	0.92	0.62	6.73
2011	10.3	0.54	0.10	0.03	0.10	0.86	0.13	0.17	0.08	0.92	0.63	6.48
2012	10.2	0.55	0.11	0.03	0.09	0.89	0.14	0.17	0.07	0.94	0.64	6.41
2013	10.4	0.55	0.13	0.03	0.09	0.92	0.15	0.18	0.06	0.96	0.66	6.47
2014	10.6	0.56	0.15	0.03	0.09	0.93	0.15	0.18	0.06	0.97	0.68	6.57
2015	10.8	0.56	0.18	0.03	0.09	0.96	0.16	0.19	0.05	0.99	0.70	6.72
2016	11.0	0.56	0.19	0.03	0.09	0.99	0.16	0.19	0.05	1.01	0.71	6.77
2017	11.0	0.57	0.20	0.03	0.09	0.99	0.16	0.19	0.04	1.03	0.73	6.78
2018	11.1	0.57	0.21	0.03	0.10	1.00	0.16	0.20	0.04	1.04	0.74	6.84
2019	11.2	0.58	0.21	0.03	0.10	1.00	0.16	0.20	0.04	1.06	0.76	6.87
2020	11.3	0.58	0.21	0.03	0.10	1.01	0.16	0.20	0.03	1.07	0.78	6.92
2021	11.4	0.57	0.22	0.03	0.10	1.01	0.16	0.20	0.03	1.09	0.79	6.99
2022	11.5	0.58	0.22	0.03	0.11	1.02	0.16	0.20	0.03	1.10	0.80	7.03
2023	11.6	0.59	0.22	0.03	0.11	1.03	0.16	0.20	0.03	1.11	0.82	7.07
2024	11.7	0.59	0.22	0.03	0.12	1.03	0.17	0.20	0.03	1.13	0.83	7.09
2025	11.8	0.60	0.22	0.03	0.12	1.04	0.17	0.21	0.03	1.15	0.85	7.14
2026	11.9	0.60	0.22	0.03	0.13	1.04	0.17	0.21	0.02	1.16	0.86	7.20
2027	12.0	0.61	0.22	0.03	0.13	1.05	0.17	0.21	0.02	1.18	0.87	7.27
2028	12.1	0.61	0.22	0.03	0.14	1.05	0.17	0.21	0.02	1.19	0.89	7.32
2029	12.2	0.61	0.22	0.03	0.14	1.06	0.17	0.21	0.02	1.21	0.90	7.39
2030	12.3	0.61	0.21	0.03	0.14	1.06	0.17	0.21	0.02	1.23	0.91	7.45
2031	12.4	0.60	0.21	0.03	0.15	1.07	0.17	0.21	0.02	1.24	0.92	7.48
2032	12.5	0.62	0.22	0.03	0.15	1.08	0.17	0.20	0.02	1.26	0.93	7.52
2033	12.6	0.63	0.21	0.03	0.15	1.08	0.17	0.21	0.02	1.27	0.95	7.58
2034	12.7	0.63	0.21	0.03	0.16	1.09	0.18	0.20	0.02	1.29	0.96	7.63
2035	12.8	0.64	0.21	0.03	0.16	1.09	0.18	0.20	0.02	1.30	0.97	7.68
2036	12.9	0.65	0.21	0.03	0.16	1.10	0.18	0.20	0.02	1.32	0.98	7.74
2037	13.0	0.66	0.21	0.03	0.16	1.10	0.18	0.20	0.02	1.33	1.00	7.79
2038	13.0	0.65	0.21	0.03	0.17	1.11	0.18	0.20	0.02	1.35	1.01	7.82
2039	13.1	0.65	0.21	0.03	0.17	1.11	0.18	0.20	0.02	1.37	1.02	7.89
2040	13.3	0.66	0.21	0.03	0.17	1.12	0.18	0.20	0.02	1.38	1.04	7.95

Manufacturing Employment



Employment in Professional Services





County Economic and Demographic Indicators

Projected Economic Growth (2012-2017)

Expected retail sales growth:	19.0 %
Expected job growth:	7.6 %
Fastest growing jobs sector:	Construction
Expected personal income growth:	17.2 %

Expected population growth:	3.0 %
Net migration to account for:	57.9 %
Expected growth in number of vehicles:	7.8 %

Demographics (2012)

Unemployment rate (March 2012)	15.4 %
County Rank* in California (58 counties):	38th
Working age (16-64) population:	75.1 %

Population with B.A. Degree or higher:	12.0 %
Median Home Selling Price (2011):	\$111,500
Median Household Income:	\$46,173

Quality of Life

Violent Crime rate (2010):	340 per 100,000 persons
County Rank* in California (58 counties):	22nd
Average Commute Time to work (2012):	21.8 minutes

High School drop out rate (2010):	19.5 %
Households at/below poverty line (2012):	9.5 %

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