

# STANISLAUS COUNTY ECONOMIC FORECAST

Stanislaus County is located in the heart of the San Joaquin Valley, bordered by the Bay Area to the west and the Sierra Nevada Mountains to the east. Stanislaus County has a population of 522,700 people and a total of 162,000 wage and salary jobs, most of them located in Modesto, its largest city. The income per capita in Stanislaus County is \$33,143, and the average salary per worker is \$50,200.

Like the rest of the San Joaquin Valley, Stanislaus County is a large producer of agricultural goods. Its primary commodities are milk, almonds, and chickens, each generating more than \$200 million in output per year.

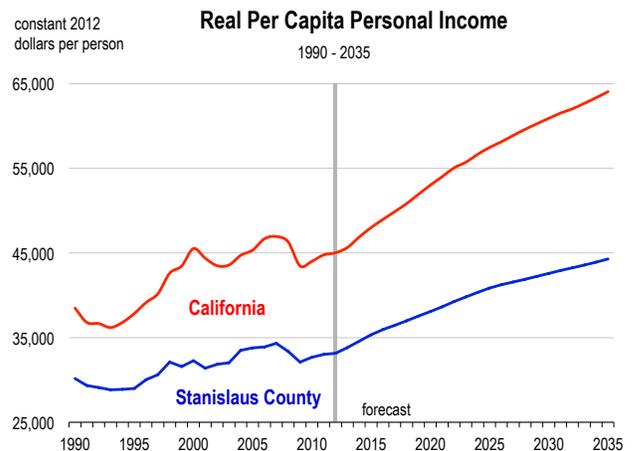
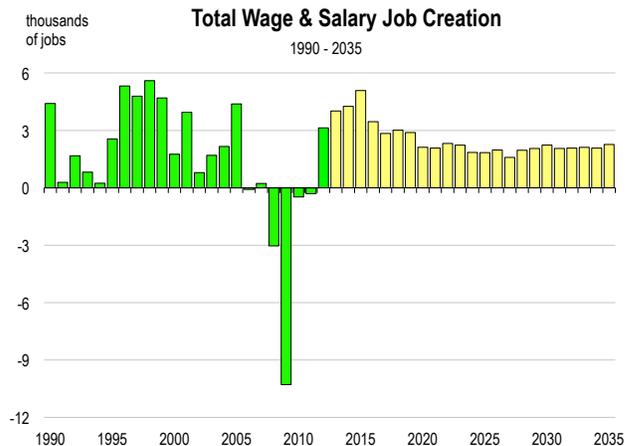
In 2012, employment in Northern California increased by 2.4 percent. By contrast, employment in the San Joaquin Valley increased by 1.0 percent. In Stanislaus County, 3,100 total wage and salary jobs were gained, representing a growth rate of 2.0 percent. The unemployment rate remains high, but improved from 16.7 percent in 2011 to 15.2 percent in 2012.

In 2012, most sectors were characterized by positive job growth. The largest gains were observed in wholesale and retail trade (+780 jobs), professional services (+560 jobs), construction (+470 jobs), and agriculture (+400 jobs). For the construction sector, this was the first annual increase since 2005. The only sector with significant declines was government (-310 jobs).

Between 2007 and 2012, the population of Stanislaus County increased at an average rate of 0.6 percent per year. This growth was due entirely to the natural increase (new births), as net migration was negative. Over the long term, population in the county will grow at a rate exceeding the state average.

## FORECAST HIGHLIGHTS

- In 2013, total wage and salary employment is expected to increase by 2.5 percent, while agricultural employment will remain relatively flat. Between 2013 and 2018, total job growth will average 2.2 percent per year, while growth in agricultural employment will average 1.1 percent per year.
- Average salaries are currently well below the California state average, and will remain so over the forecast period. Average salaries, adjusted for inflation, are expected to rise by an average of 1.0 percent per year between 2013 and 2018.
- Between 2013 and 2018, employment growth will be led by professional services, education and healthcare, wholesale and retail trade, and government. Combined, these sectors will account for 66 percent of total wage and salary job growth.
- Population growth is expected to accelerate through 2015 before gradually moderating. Growth during the 2013-2018 period will average 1.4 percent per year.

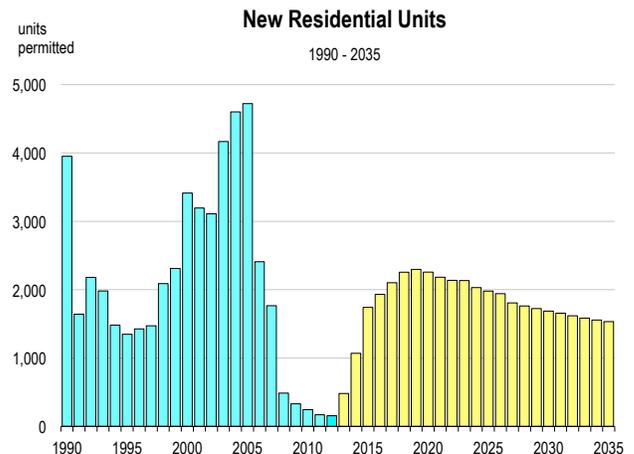
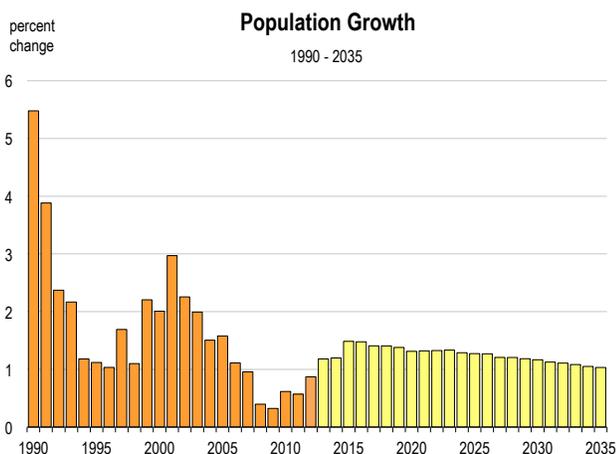


- Net migration will accelerate in 2013, with a total of 2,200 net migrants entering the county. Between 2013 and 2018, net migration is expected to average 3,400 in-migrants per year.
- Real income per capita is forecast to rise by 2.0 percent in 2013. From 2013 to 2018, real income per capita is expected to increase by 1.8 percent per year.
- Total taxable sales, adjusted for inflation, are expected to increase by an average of 3.5 percent per year over the 2013-2018 period. Sales will not eclipse their 2005 peak until 2018.
- Industrial production is forecast to rise by 3.7 percent in 2013. From 2013 to 2018, the growth rate of industrial production is expected to average 3.0 percent per year.
- Farm production is forecast to increase by 0.2 percent per year between 2013 and 2018. The principal commodities in the county are milk, almonds, and chickens.

# Stanislaus County Economic Forecast

## 2006-2012 History, 2013-2040 Forecast

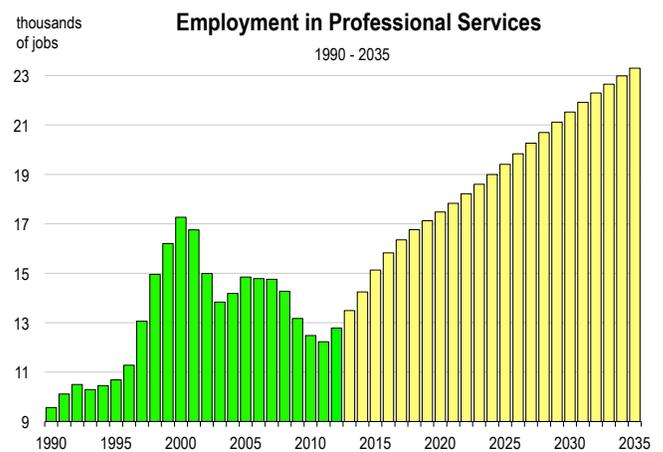
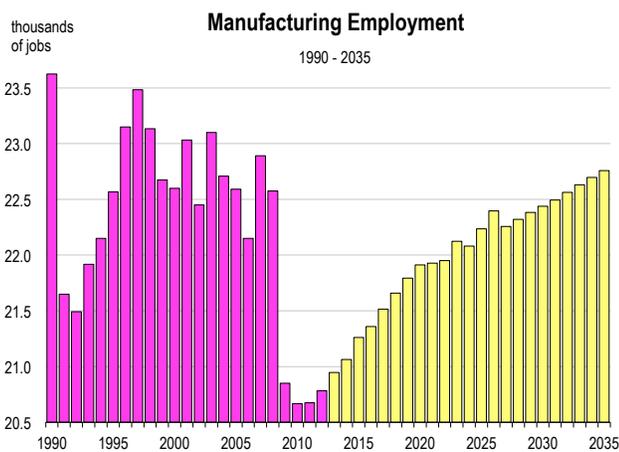
	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (billions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
2006	503,548	785	455	161.2	2,410	\$7.4	\$14.9	\$33,906	3.3	2.46	4.44	8.0
2007	508,372	-371	451	163.8	1,767	\$7.1	\$15.7	\$34,320	3.2	2.69	4.72	8.7
2008	510,396	-3,100	448	164.8	486	\$6.7	\$15.8	\$33,370	3.1	2.66	5.11	11.0
2009	512,052	-3,147	445	165.0	331	\$5.8	\$15.4	\$32,115	0.9	2.47	4.80	15.9
2010	515,205	-1,190	443	165.1	244	\$6.1	\$16.0	\$32,680	1.2	2.71	4.97	17.3
2011	518,141	-1,237	439	165.3	170	\$6.7	\$16.7	\$33,011	2.6	3.15	5.18	16.7
2012	522,651	304	437	165.4	156	\$7.1	\$17.3	\$33,143	2.7	3.22	5.39	15.2
2013	528,821	2,153	443	166.0	482	\$7.5	\$18.3	\$33,814	2.3	3.23	5.59	13.2
2014	535,153	2,308	448	167.0	1,069	\$8.0	\$19.4	\$34,601	2.7	3.24	5.74	11.2
2015	543,102	3,878	454	168.6	1,741	\$8.4	\$20.6	\$35,330	2.1	3.24	5.92	9.2
2016	551,126	3,870	462	170.5	1,932	\$8.9	\$21.8	\$35,956	2.4	3.25	6.08	8.0
2017	558,883	3,500	470	172.5	2,102	\$9.4	\$22.8	\$36,444	2.1	3.25	6.28	7.4
2018	566,739	3,469	478	174.6	2,256	\$9.9	\$24.0	\$36,985	2.1	3.26	6.49	7.3
2019	574,555	3,295	486	176.9	2,297	\$10.5	\$25.2	\$37,550	2.1	3.27	6.74	7.1
2020	582,094	2,900	494	179.1	2,258	\$11.0	\$26.5	\$38,078	2.1	3.27	7.00	7.1
2021	589,779	2,925	501	181.3	2,183	\$11.7	\$27.8	\$38,643	2.2	3.26	7.23	7.2
2022	597,598	2,956	508	183.5	2,137	\$12.4	\$29.3	\$39,252	2.3	3.27	7.47	7.2
2023	605,567	3,023	515	185.5	2,134	\$13.1	\$30.8	\$39,811	2.3	3.28	7.73	7.2
2024	613,367	2,791	519	187.6	2,031	\$13.8	\$32.4	\$40,346	2.4	3.30	7.96	7.1
2025	621,172	2,750	523	189.5	1,980	\$14.6	\$34.0	\$40,856	2.4	3.31	8.26	7.1
2026	629,055	2,796	527	191.5	1,942	\$15.3	\$35.6	\$41,246	2.5	3.31	8.57	7.0
2027	636,644	2,469	532	193.3	1,807	\$16.1	\$37.2	\$41,565	2.5	3.32	8.79	7.0
2028	644,321	2,531	537	195.1	1,762	\$16.9	\$38.9	\$41,903	2.5	3.32	9.08	6.9
2029	651,952	2,461	542	196.9	1,724	\$17.6	\$40.7	\$42,239	2.5	3.33	9.38	6.9
2030	659,555	2,407	548	198.6	1,687	\$18.5	\$42.5	\$42,578	2.5	3.32	9.69	6.8
2031	666,980	2,200	555	200.3	1,656	\$19.4	\$44.4	\$42,919	2.5	3.31	10.01	6.8
2032	674,372	2,132	561	202.0	1,619	\$20.3	\$46.4	\$43,247	2.5	3.33	10.35	6.8
2033	681,676	2,025	567	203.6	1,584	\$21.3	\$48.4	\$43,581	2.5	3.35	10.69	6.7
2034	688,839	1,897	573	205.2	1,556	\$22.3	\$50.5	\$43,927	2.5	3.36	11.04	6.7
2035	695,952	1,898	579	206.8	1,533	\$23.3	\$52.8	\$44,299	2.5	3.36	11.40	6.6
2036	702,925	1,820	586	208.4	1,507	\$24.4	\$55.1	\$44,677	2.5	3.38	11.78	6.5
2037	709,735	1,733	593	210.0	1,473	\$25.5	\$57.5	\$45,068	2.5	3.39	12.17	6.4
2038	716,382	1,659	601	211.5	1,444	\$26.7	\$60.1	\$45,480	2.5	3.38	12.56	6.4
2039	722,859	1,583	608	213.0	1,423	\$27.8	\$62.7	\$45,917	2.5	3.39	12.97	6.3
2040	729,236	1,566	616	214.5	1,400	\$29.1	\$65.5	\$46,381	2.4	3.40	13.34	6.2

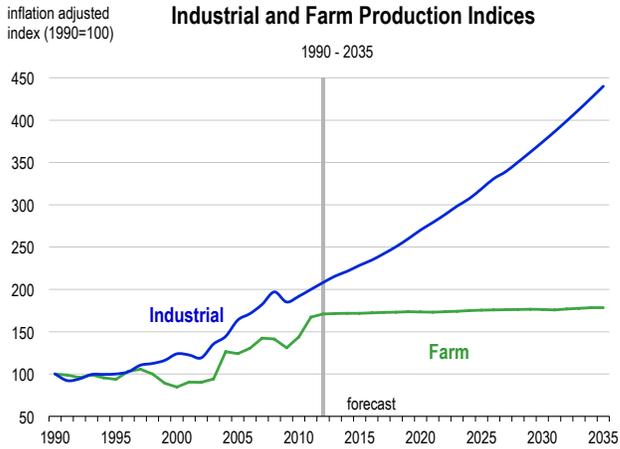
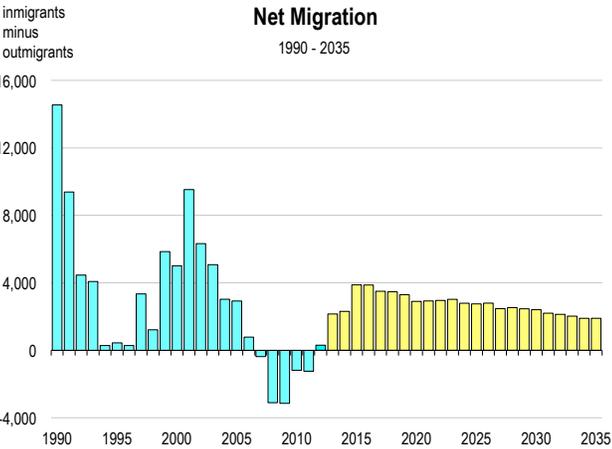
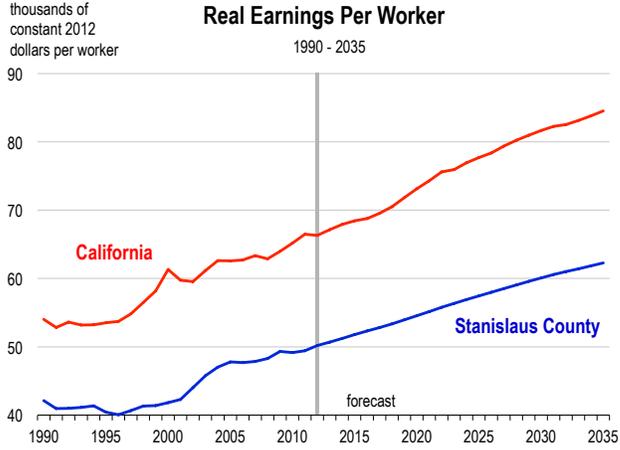
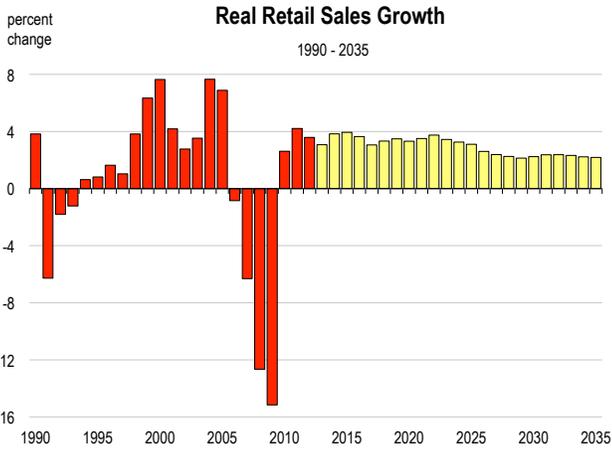


# Stanislaus County Employment Forecast

## 2006-2012 History, 2013-2040 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	172.8	12.9	13.2	22.2	5.2	28.4	6.3	14.8	2.4	19.9	15.3	26.3
2007	173.0	12.9	11.2	22.9	5.6	28.1	6.2	14.8	2.3	21.1	15.4	26.5
2008	170.0	13.6	9.1	22.6	5.7	27.2	6.1	14.3	1.9	21.7	15.5	26.7
2009	159.7	12.9	6.6	20.9	5.7	25.6	5.6	13.2	1.3	22.2	14.7	25.8
2010	159.2	12.9	5.9	20.7	6.2	25.4	5.5	12.5	1.2	23.2	14.6	26.2
2011	158.9	12.9	5.8	20.7	6.4	25.8	5.4	12.2	1.1	23.6	14.5	25.7
2012	162.0	13.3	6.3	20.8	6.8	26.6	5.4	12.8	1.0	24.0	14.9	25.4
2013	166.0	13.3	7.4	20.9	6.9	27.1	5.4	13.5	1.1	24.6	15.3	25.5
2014	170.3	13.4	7.8	21.1	7.0	27.7	5.5	14.2	1.1	25.5	15.6	26.4
2015	175.4	13.4	8.9	21.3	7.1	28.2	5.5	15.1	1.2	26.4	16.1	26.9
2016	178.8	13.4	8.9	21.4	7.2	28.9	5.6	15.8	1.2	27.1	16.6	27.3
2017	181.7	13.4	8.8	21.5	7.3	29.4	5.6	16.4	1.2	27.8	17.0	27.4
2018	184.7	13.5	9.1	21.7	7.5	29.9	5.6	16.8	1.3	28.6	17.2	27.7
2019	187.6	13.5	9.5	21.8	7.6	30.4	5.6	17.1	1.3	29.5	17.3	27.9
2020	189.7	13.5	9.5	21.9	7.7	30.8	5.6	17.5	1.3	30.2	17.3	28.1
2021	191.8	13.5	9.6	21.9	7.8	31.3	5.6	17.8	1.3	31.0	17.3	28.3
2022	194.1	13.5	9.8	22.0	8.0	31.7	5.7	18.2	1.4	31.9	17.2	28.4
2023	196.3	13.5	9.9	22.1	8.1	32.2	5.7	18.6	1.4	32.5	17.2	28.6
2024	198.2	13.5	10.2	22.1	8.2	32.7	5.7	19.0	1.4	32.9	17.1	28.7
2025	200.0	13.5	10.2	22.2	8.4	33.1	5.7	19.4	1.5	33.3	17.0	28.9
2026	202.0	13.6	10.2	22.4	8.5	33.5	5.7	19.8	1.5	33.7	17.0	29.1
2027	203.6	13.6	10.1	22.3	8.6	33.9	5.8	20.3	1.5	34.2	17.0	29.3
2028	205.5	13.6	10.1	22.3	8.8	34.3	5.8	20.7	1.6	34.7	17.0	29.5
2029	207.6	13.6	10.1	22.4	8.9	34.7	5.8	21.1	1.6	35.4	17.1	29.7
2030	209.8	13.6	10.2	22.4	9.0	35.1	5.8	21.5	1.6	36.1	17.1	30.0
2031	211.9	13.6	10.2	22.5	9.2	35.5	5.8	21.9	1.7	36.8	17.2	30.2
2032	214.0	13.6	10.2	22.6	9.3	35.8	5.8	22.3	1.7	37.4	17.2	30.3
2033	216.1	13.6	10.2	22.6	9.5	36.2	5.8	22.7	1.7	38.2	17.3	30.5
2034	218.2	13.6	10.2	22.7	9.6	36.6	5.8	23.0	1.8	38.9	17.3	30.8
2035	220.4	13.6	10.3	22.8	9.8	36.9	5.8	23.3	1.8	39.8	17.4	31.0
2036	222.7	13.6	10.3	22.8	9.9	37.3	5.8	23.6	1.8	40.7	17.5	31.2
2037	224.8	13.6	10.3	22.9	10.0	37.6	5.8	23.9	1.9	41.5	17.5	31.4
2038	227.0	13.6	10.3	22.9	10.2	37.9	5.8	24.2	1.9	42.4	17.6	31.6
2039	229.1	13.6	10.3	23.0	10.3	38.3	5.8	24.5	1.9	43.2	17.7	31.8
2040	231.3	13.6	10.4	23.1	10.4	38.6	5.8	24.8	2.0	44.0	17.7	32.0





# County Economic and Demographic Indicators

## Projected Economic Growth (2013-2018)

Expected retail sales growth:	19.1 %
Expected job growth:	11.2 %
Fastest growing jobs sector:	Professional Services
Expected personal income growth:	17.2 %

Expected population growth:	7.2 %
Net migration to account for:	44.9 %
Expected growth in number of vehicles:	7.8 %

## Demographics (2013)

Unemployment rate (April 2013):	13.4 %
County Rank* in California (58 counties):	47th
Working age (16-64) population:	64.0 %

Population with B.A. Degree or higher:	16.1 %
Median Home Selling Price (2012):	\$137,500
Median Household Income:	\$46,294

## Quality of Life

Violent Crime rate (2010):	503 per 100,000 persons
County Rank* in California (58 counties):	45th
Average Commute Time to work (2013):	28.0 minutes

High School drop out rate (2011):	15.6 %
Households at/below poverty line (2013):	16.0 %

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