

SHASTA COUNTY ECONOMIC FORECAST

Shasta County is one of the northernmost counties in California. The largest city is Redding, which has 91,000 residents. The recreation industry is the principal source of economic activity in the county, with Shasta Lake and Lassen Peak being the main visitor attractions.

Shasta County has a population of 178,000 people and a total of 61,000 wage and salary jobs. The per capita income in Shasta County is \$39,016 and the average salary per worker is \$48,138.

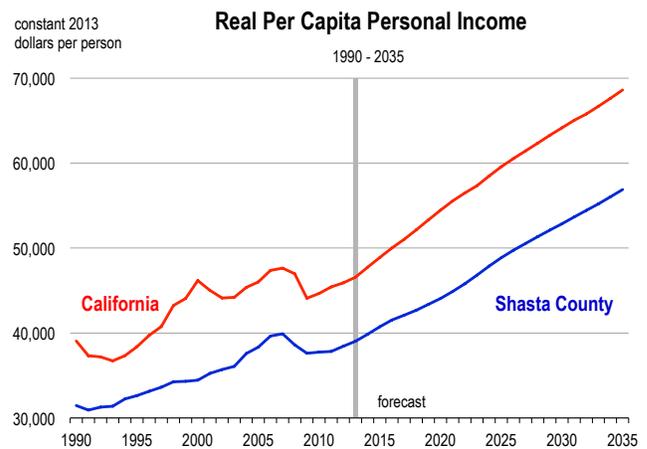
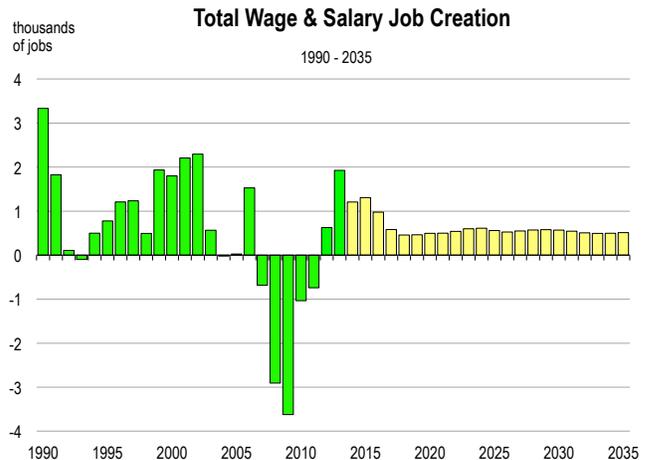
In 2013, a total of 1,900 wage and salary jobs were created in Shasta County, representing an increase of 3.3 percent. The unemployment rate improved substantially, falling from 13.3 percent in 2012 to 10.9 percent in 2013.

During 2013, virtually all sectors were characterized by positive job creation. The largest gains were observed in education and healthcare (+1,000 jobs), professional and business services (+320 jobs), and wholesale and retail trade (+230 jobs). Significant losses were not observed in any sector.

The population in Shasta County grew at an annual average rate of 0.2 percent between 2008 and 2013. This growth was largely due to net migration, as the county gained an average of 240 net migrants per year. Due to an aging population, the natural increase (new births) has been relatively low, which prevented faster rates of population growth.

FORECAST HIGHLIGHTS

- Total wage and salary employment is expected to increase by 2.0 percent in 2014. From 2014 to 2019, growth will average 1.2 percent per year.
- Average salaries are currently below the California state average, and will remain so over the forecast period. In Shasta County, inflation-adjusted salaries are expected to rise slowly, increasing by an average of 0.5 percent per year from 2014 to 2019.
- Between 2014 and 2019, the largest employment gains will be observed in wholesale and retail trade, leisure and hospitality, education and healthcare, professional services, and government. Combined, these sectors will account for 82 percent of net job creation in the county.
- Annual population growth in the 2014-2019 period will average 0.4 percent per year.
- Between 2014 and 2019, an average of 760 net migrants will enter the county each year. This will account for 96 percent of the expected population growth, as the natural increase will be very low.

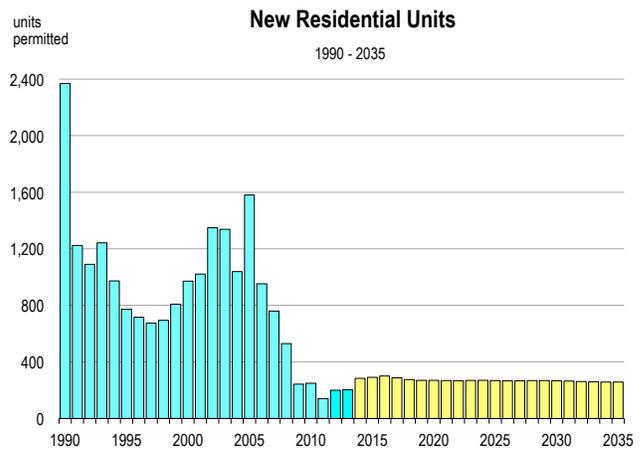
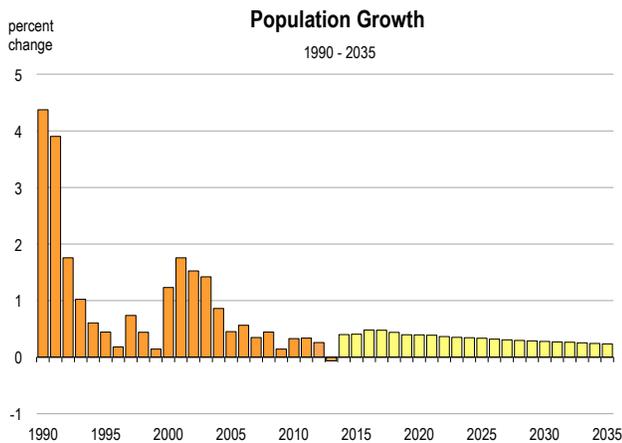


- Real per capita income is forecast to increase by 2.2 percent in 2014. Between 2014 and 2019, real per capita income is expected to rise by an average of 1.7 percent per year.
- Between 2014 and 2019, total taxable sales, adjusted for inflation, are expected to increase by an average of 2.0 percent per year.
- Industrial production is forecast to increase by 3.0 percent in 2014. Between 2014 and 2019, the growth rate will average 4.0 percent per year.

Shasta County Economic Forecast

2006-2013 History, 2014-2040 Forecast

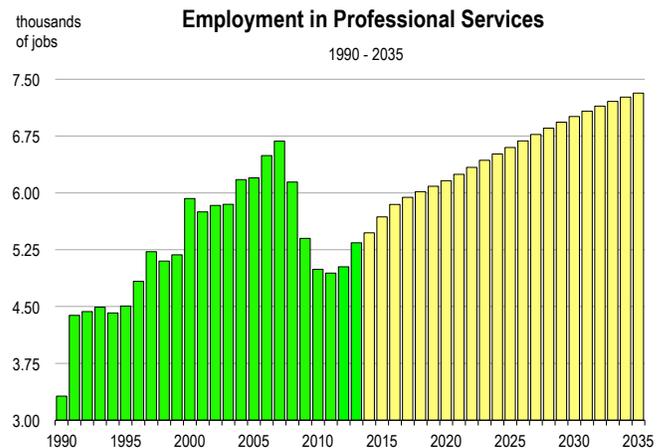
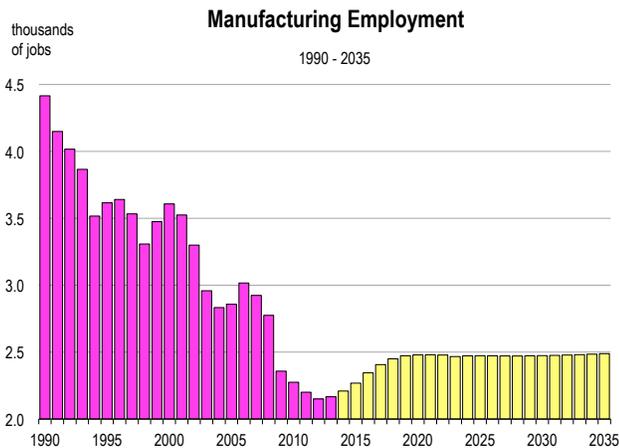
	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (millions)	Unemploy- ment Rate (percent)
2006	175,238	798	222.0	68.5	952	\$2.64	\$5.92	\$39,640	3.2	77.6	1164.2	6.6
2007	175,849	396	223.0	69.4	760	\$2.84	\$6.19	\$39,907	3.4	84.5	1103.6	7.5
2008	176,629	632	219.6	70.0	530	\$2.64	\$6.19	\$38,612	2.9	81.5	1044.8	10.0
2009	176,881	82	218.6	70.3	243	\$2.31	\$6.09	\$37,616	0.8	75.5	850.5	14.6
2010	177,460	436	216.7	70.3	249	\$2.49	\$6.22	\$37,756	1.3	76.3	900.0	15.8
2011	178,058	521	213.2	70.5	141	\$2.54	\$6.42	\$37,820	2.7	80.1	908.0	14.9
2012	178,519	385	207.4	70.7	200	\$2.64	\$6.71	\$38,455	2.7	79.0	896.2	13.3
2013	178,403	-208	213.2	70.8	204	\$2.76	\$6.96	\$39,016	2.3	81.2	912.8	10.9
2014	179,116	621	213.1	71.1	284	\$2.93	\$7.34	\$39,860	2.8	81.4	940.1	9.8
2015	179,844	646	213.4	71.3	291	\$3.09	\$7.77	\$40,736	3.3	81.5	981.6	8.6
2016	180,708	816	214.0	71.6	301	\$3.26	\$8.22	\$41,524	3.2	81.5	1024.0	7.7
2017	181,569	837	214.3	71.9	288	\$3.40	\$8.57	\$42,104	2.4	81.2	1065.7	7.4
2018	182,366	779	214.5	72.2	276	\$3.55	\$8.93	\$42,690	2.3	80.8	1107.2	7.2
2019	183,090	733	214.9	72.4	270	\$3.70	\$9.32	\$43,364	2.4	80.2	1145.1	7.1
2020	183,812	724	216.3	72.7	270	\$3.85	\$9.73	\$44,067	2.3	79.7	1178.6	7.1
2021	184,526	715	215.7	72.9	269	\$4.01	\$10.19	\$44,884	2.5	79.4	1208.4	6.7
2022	185,199	693	215.6	73.2	268	\$4.18	\$10.71	\$45,811	2.6	78.9	1239.5	6.2
2023	185,849	690	215.6	73.4	269	\$4.35	\$11.25	\$46,807	2.5	78.1	1270.1	6.0
2024	186,488	693	215.9	73.7	270	\$4.57	\$11.83	\$47,873	2.5	77.1	1303.5	5.9
2025	187,114	696	216.4	73.9	269	\$4.78	\$12.42	\$48,874	2.5	75.8	1337.8	5.9
2026	187,711	688	216.7	74.2	266	\$4.99	\$13.00	\$49,738	2.5	74.6	1374.0	5.8
2027	188,287	685	217.1	74.4	267	\$5.21	\$13.58	\$50,530	2.5	73.3	1412.4	5.8
2028	188,844	690	218.0	74.7	268	\$5.42	\$14.18	\$51,344	2.5	71.9	1454.9	5.8
2029	189,388	691	218.7	74.9	269	\$5.63	\$14.79	\$52,112	2.5	70.5	1500.9	5.7
2030	189,916	683	220.0	75.2	267	\$5.86	\$15.42	\$52,870	2.5	69.3	1548.1	5.7
2031	190,428	672	221.6	75.5	265	\$6.10	\$16.09	\$53,658	2.5	68.3	1596.9	5.7
2032	190,932	658	223.4	75.7	262	\$6.36	\$16.77	\$54,433	2.5	67.0	1647.5	5.6
2033	191,416	643	225.3	76.0	259	\$6.62	\$17.48	\$55,219	2.5	65.4	1699.8	5.6
2034	191,881	633	227.4	76.2	258	\$6.89	\$18.22	\$56,022	2.5	63.6	1754.0	5.5
2035	192,330	627	229.0	76.4	258	\$7.17	\$19.00	\$56,882	2.5	61.8	1810.0	5.5
2036	192,759	625	230.9	76.7	258	\$7.45	\$19.81	\$57,737	2.5	59.6	1867.9	5.5
2037	193,165	623	233.3	76.9	258	\$7.73	\$20.64	\$58,578	2.5	57.3	1927.9	5.4
2038	193,553	620	235.9	77.2	258	\$8.02	\$21.51	\$59,447	2.5	55.5	1989.9	5.4
2039	193,923	616	238.2	77.4	258	\$8.33	\$22.44	\$60,386	2.5	53.4	2054.2	5.3
2040	194,282	612	240.2	77.7	257	\$8.64	\$23.40	\$61,349	2.5	51.3	2112.8	5.3

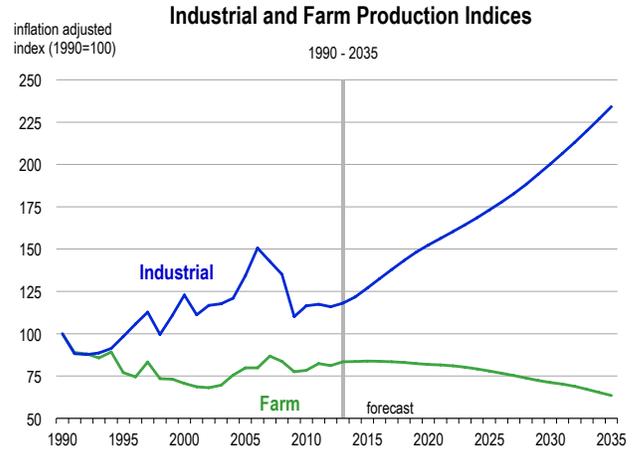
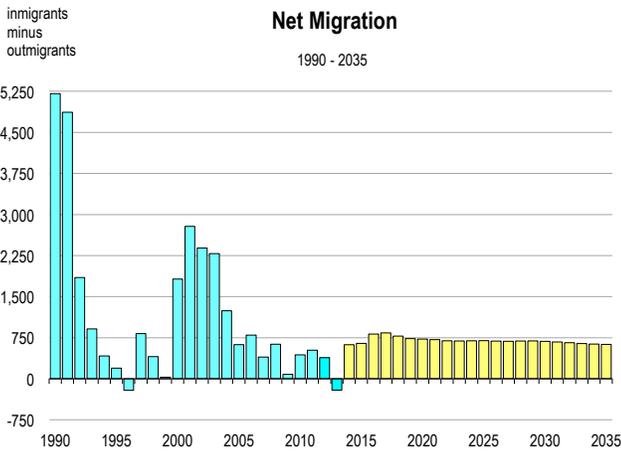
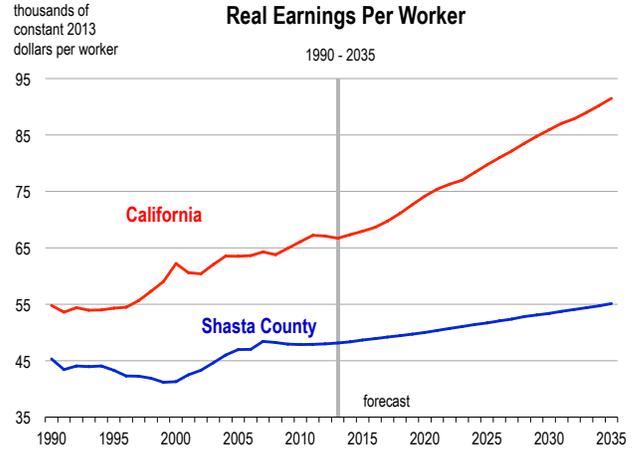


Shasta County Employment Forecast

2006-2013 History, 2014-2040 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	67.46	0.74	5.06	3.02	2.43	11.77	3.24	6.49	1.02	11.02	6.71	12.95
2007	66.78	0.78	4.48	2.93	2.31	11.71	2.93	6.68	0.92	11.24	6.92	12.88
2008	63.87	0.73	3.50	2.78	1.92	11.05	2.66	6.14	0.75	11.64	6.88	12.99
2009	60.24	0.73	2.59	2.36	1.70	10.39	2.59	5.40	0.67	11.94	6.32	12.86
2010	59.21	0.69	2.28	2.28	1.73	10.18	2.48	4.99	0.64	12.31	6.12	12.80
2011	58.47	0.78	2.35	2.20	1.73	10.02	2.42	4.94	0.62	12.19	5.83	12.62
2012	59.09	0.80	2.28	2.15	1.69	10.05	2.42	5.03	0.60	12.41	6.29	12.48
2013	61.02	0.82	2.26	2.17	1.70	10.28	2.47	5.34	0.60	13.42	6.45	12.58
2014	62.22	0.82	2.33	2.21	1.71	10.40	2.51	5.47	0.60	13.94	6.60	12.61
2015	63.53	0.82	2.46	2.27	1.72	10.51	2.54	5.68	0.61	14.45	6.72	12.70
2016	64.51	0.82	2.47	2.35	1.73	10.62	2.57	5.85	0.61	14.79	6.81	12.79
2017	65.09	0.82	2.44	2.41	1.74	10.71	2.59	5.94	0.61	14.96	6.90	12.84
2018	65.54	0.82	2.41	2.45	1.76	10.77	2.61	6.02	0.62	15.11	6.96	12.88
2019	66.01	0.81	2.41	2.47	1.77	10.82	2.62	6.09	0.62	15.29	7.02	12.92
2020	66.50	0.81	2.45	2.48	1.78	10.85	2.64	6.16	0.62	15.51	7.07	12.95
2021	67.00	0.81	2.48	2.48	1.79	10.88	2.65	6.25	0.62	15.74	7.13	12.98
2022	67.54	0.81	2.53	2.48	1.80	10.91	2.67	6.34	0.62	15.97	7.18	13.00
2023	68.14	0.80	2.59	2.47	1.81	10.94	2.70	6.43	0.62	16.26	7.23	13.02
2024	68.75	0.80	2.66	2.47	1.82	10.97	2.74	6.51	0.63	16.53	7.28	13.06
2025	69.31	0.80	2.70	2.47	1.83	11.00	2.77	6.60	0.63	16.77	7.33	13.10
2026	69.83	0.79	2.72	2.47	1.84	11.03	2.80	6.69	0.63	17.00	7.39	13.15
2027	70.38	0.79	2.74	2.47	1.85	11.06	2.84	6.77	0.63	17.25	7.44	13.21
2028	70.95	0.78	2.77	2.47	1.86	11.09	2.87	6.85	0.63	17.50	7.49	13.27
2029	71.53	0.77	2.81	2.47	1.87	11.12	2.90	6.93	0.63	17.76	7.54	13.33
2030	72.10	0.77	2.85	2.47	1.88	11.15	2.93	7.01	0.64	18.01	7.59	13.39
2031	72.64	0.77	2.86	2.48	1.89	11.17	2.97	7.08	0.64	18.27	7.65	13.45
2032	73.15	0.76	2.85	2.48	1.90	11.20	3.00	7.15	0.64	18.52	7.70	13.51
2033	73.64	0.76	2.83	2.48	1.91	11.23	3.03	7.21	0.64	18.77	7.75	13.57
2034	74.14	0.75	2.82	2.48	1.92	11.26	3.06	7.26	0.64	19.02	7.80	13.63
2035	74.65	0.74	2.84	2.49	1.93	11.29	3.09	7.32	0.64	19.27	7.85	13.69
2036	75.18	0.73	2.86	2.49	1.94	11.32	3.12	7.37	0.64	19.52	7.91	13.75
2037	75.71	0.72	2.90	2.50	1.95	11.34	3.15	7.42	0.64	19.77	7.96	13.81
2038	76.25	0.72	2.94	2.50	1.96	11.37	3.18	7.47	0.65	20.02	8.01	13.87
2039	76.79	0.71	2.99	2.51	1.97	11.40	3.21	7.53	0.65	20.26	8.06	13.94
2040	77.32	0.70	3.01	2.51	1.98	11.43	3.24	7.58	0.65	20.51	8.11	14.00





County Economic and Demographic Indicators

Projected Economic Growth (2014-2019)

Expected retail sales growth:	10.2%
Expected job growth:	6.1%
Fastest growing jobs sector:	Manufacturing
Expected personal income growth:	11.2%

Expected population growth:	2.2%
Net migration to account for:	95.9%
Expected growth in number of vehicles:	0.8%

Demographics (2014)

Unemployment rate (April 2014):	9.5%
County rank* in California (58 counties):	34th
Percent of population working age (16-64):	62.6%

Population with B.A. degree or higher:	19.0%
Median home selling price (2013):	\$185,000
Median household income:	\$42,693

Quality of Life

Violent crime rate (2012):	727 per 100,000 persons
County rank* in California (58 counties):	55th
Average commute time to work (2014):	21.0 minutes

High school drop out rate (2012):	9.9%
Households at/below poverty line (2014):	12.8%

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