

NEVADA COUNTY ECONOMIC FORECAST

Nevada County is located on the California-Nevada state border. Many of the largest employers in the county are related to tourism and recreation, including Soda Springs Ski Area, Sugar Bowl Ski Resort, and Boreal Mountain Resort. In addition, the county is a mini technology hub, home to over 50 high-tech businesses. Nevada County has a population of 98,200 people and a total of 28,317 wage and salary jobs. The per capita income is \$46,376, and the average salary per worker is \$47,772.

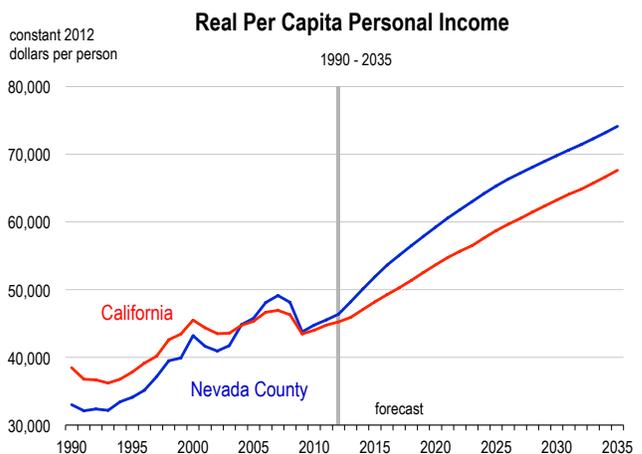
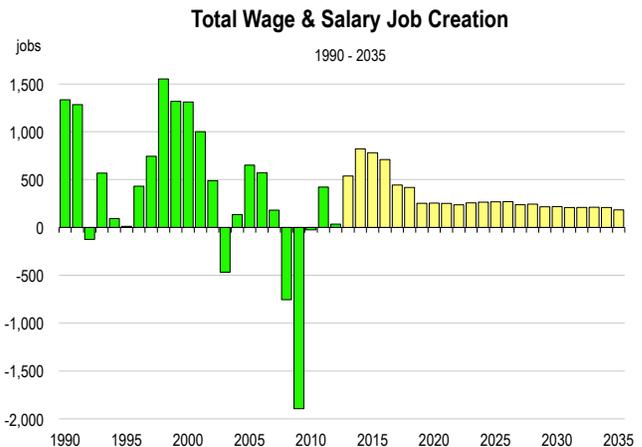
In 2012, a total of 35 wage and salary jobs were gained in Nevada County, representing a growth rate of 0.1 percent. Despite this slow rate of job creation, the unemployment rate improved substantially, falling from 10.6 percent in 2011 to 9.4 percent in 2012.

Across the major employment sectors, results were mixed in 2012. The largest increases were observed in education and healthcare (+140 jobs), “miscellaneous services” (+137 jobs), and construction (+118 jobs). The sectors with the largest losses were government (-179 jobs), professional services (-163 jobs), and leisure and hospitality (-140 jobs).

The population of Nevada County declined slightly over the 2007-2012 period, falling by approximately 280 individuals. This represents a decline of less than 0.1 percent per year. This result was due entirely to the natural decrease (deaths outnumbering births), as the county gained a small number of residents though net migration.

FORECAST HIGHLIGHTS

- Total wage and salary employment is expected to increase by 1.9 percent in 2013. From 2013 to 2018, growth will average 2.1 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 during the 2013-2018 period.
- Between 2013 and 2018, the momentum for employment growth will be in construction, leisure and hospitality, education and healthcare, professional services, and government. Together, these sectors will account for 80 percent of net job creation in the county.
- Population growth in the 2013-2018 period is expected to average 0.6 percent per year. All of this growth will be the result of net migration, as the natural decrease will persist.
- Net migration will be positive throughout the forecast period. Between 2013 and 2018, approximately 700 net migrants will enter the county each year.

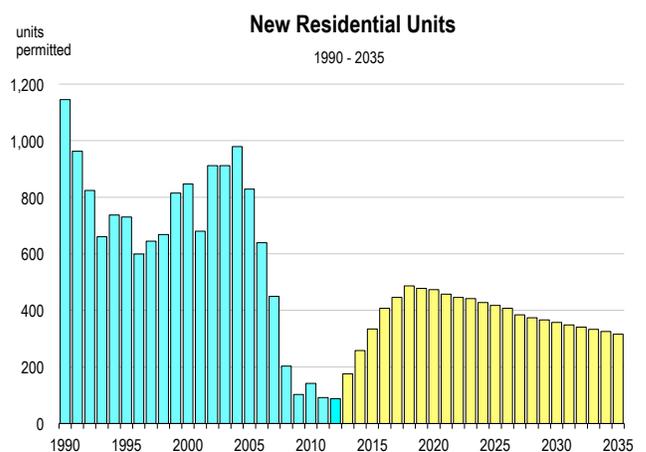
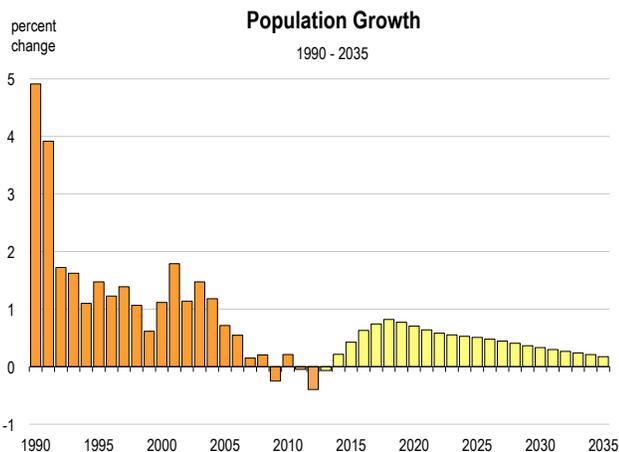


- Real per capita income is forecast to rise by 3.9 percent in 2013. From 2013-2018, real per capita income is expected to increase by an average of 3.2 percent per year.
- Total taxable sales, adjusted for inflation, are expected to increase by an average of 3.1 percent per year between 2013 and 2018.
- Industrial production is forecast to increase by 4.2 percent in 2013. From 2013 to 2018, the growth rate of industrial production will average 3.6 percent per year.

Nevada County Economic Forecast

2006-2012 History, 2013-2040 Forecast

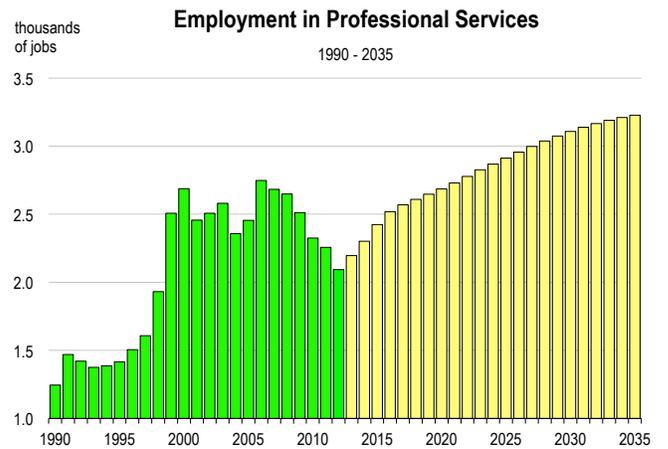
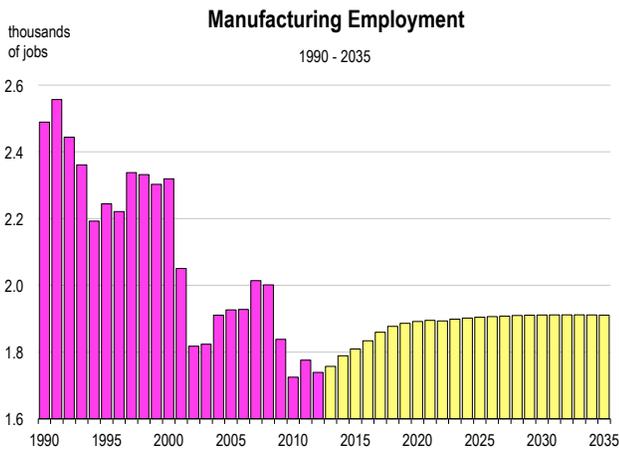
	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (millions)	Unemploy- ment Rate (percent)
2006	98,334	578	131.5	40.3	639	\$1.35	\$4.13	\$48,094	3.3	10.2	429.7	4.9
2007	98,480	243	128.9	40.7	450	\$1.32	\$4.36	\$49,135	3.2	10.6	460.6	5.0
2008	98,680	257	129.0	41.2	203	\$1.19	\$4.42	\$48,150	3.1	10.0	510.0	5.1
2009	98,432	-169	128.4	41.4	103	\$0.98	\$4.04	\$43,777	0.9	10.3	448.5	10.5
2010	98,639	288	128.4	41.5	142	\$1.01	\$4.19	\$44,773	1.2	9.9	420.9	11.4
2011	98,593	57	126.6	41.8	92	\$1.07	\$4.37	\$45,525	2.6	15.3	451.0	10.6
2012	98,202	-285	126.6	41.9	88	\$1.11	\$4.55	\$46,376	2.7	11.9	457.8	9.4
2013	98,136	80	127.6	41.9	176	\$1.18	\$4.84	\$48,187	2.3	12.0	476.9	8.7
2014	98,346	354	129.2	42.1	258	\$1.24	\$5.17	\$50,115	2.7	12.0	496.5	8.0
2015	98,764	562	131.1	42.3	334	\$1.31	\$5.50	\$51,913	2.1	12.0	514.0	7.3
2016	99,386	765	133.2	42.5	407	\$1.38	\$5.85	\$53,620	2.4	12.0	531.9	6.9
2017	100,123	877	134.8	42.9	446	\$1.46	\$6.19	\$55,078	2.1	12.0	551.3	6.8
2018	100,944	952	136.2	43.2	487	\$1.53	\$6.53	\$56,502	2.1	12.0	570.3	6.7
2019	101,723	904	137.2	43.6	478	\$1.62	\$6.88	\$57,861	2.1	12.1	590.2	6.8
2020	102,440	843	138.0	44.0	473	\$1.69	\$7.24	\$59,219	2.1	12.1	610.9	6.8
2021	103,095	786	138.8	44.4	457	\$1.76	\$7.62	\$60,568	2.2	12.0	630.4	6.6
2022	103,694	747	139.4	44.8	446	\$1.83	\$8.01	\$61,787	2.3	12.1	649.3	6.3
2023	104,266	735	140.1	45.1	442	\$1.91	\$8.39	\$62,985	2.3	12.1	668.5	6.2
2024	104,816	726	140.8	45.5	428	\$2.02	\$8.81	\$64,204	2.4	12.1	689.8	6.2
2025	105,348	720	141.6	45.8	418	\$2.14	\$9.23	\$65,336	2.4	12.2	711.6	6.2
2026	105,851	699	142.4	46.2	408	\$2.25	\$9.64	\$66,320	2.5	12.2	734.0	6.2
2027	106,322	675	143.1	46.5	384	\$2.37	\$10.06	\$67,216	2.5	12.2	756.7	6.2
2028	106,753	644	143.9	46.8	374	\$2.49	\$10.48	\$68,102	2.5	12.2	780.0	6.2
2029	107,141	604	144.6	47.1	366	\$2.60	\$10.92	\$68,952	2.5	12.2	803.9	6.1
2030	107,496	569	145.3	47.4	357	\$2.73	\$11.36	\$69,795	2.5	12.2	828.3	6.1
2031	107,816	529	145.9	47.7	349	\$2.87	\$11.82	\$70,633	2.5	12.2	853.4	6.1
2032	108,102	491	146.5	48.0	341	\$3.03	\$12.28	\$71,434	2.5	12.2	879.0	6.0
2033	108,360	453	147.0	48.3	333	\$3.19	\$12.76	\$72,295	2.5	12.3	905.4	6.0
2034	108,587	414	147.4	48.5	325	\$3.35	\$13.27	\$73,202	2.5	12.3	932.4	6.0
2035	108,776	366	147.8	48.8	316	\$3.51	\$13.80	\$74,129	2.5	12.3	960.1	6.0
2036	108,936	332	148.2	49.0	309	\$3.67	\$14.34	\$75,046	2.5	12.4	988.4	6.0
2037	109,075	304	148.6	49.3	304	\$3.83	\$14.91	\$75,992	2.5	12.4	1017.6	5.9
2038	109,188	279	149.2	49.5	298	\$4.00	\$15.49	\$76,984	2.5	12.3	1047.5	5.8
2039	109,281	257	149.7	49.8	294	\$4.16	\$16.11	\$78,038	2.5	12.4	1078.2	5.6
2040	109,352	233	150.3	50.0	287	\$4.33	\$16.74	\$79,110	2.4	12.4	1102.6	5.5

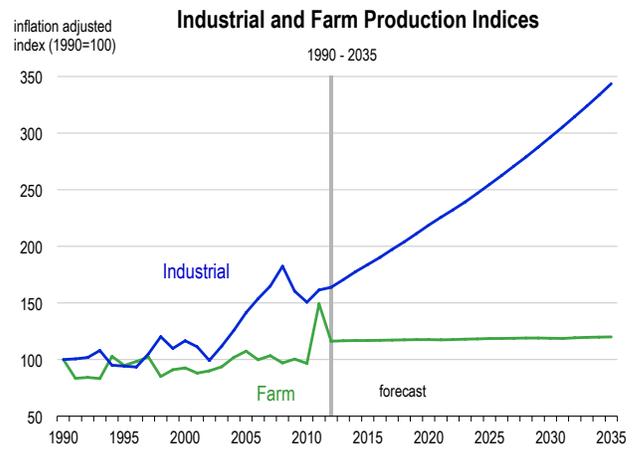
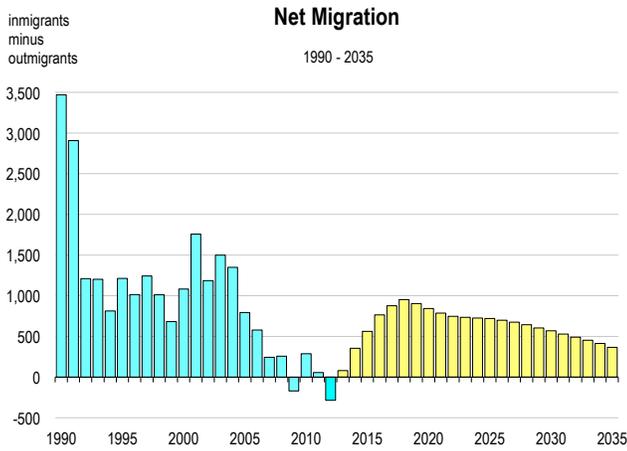
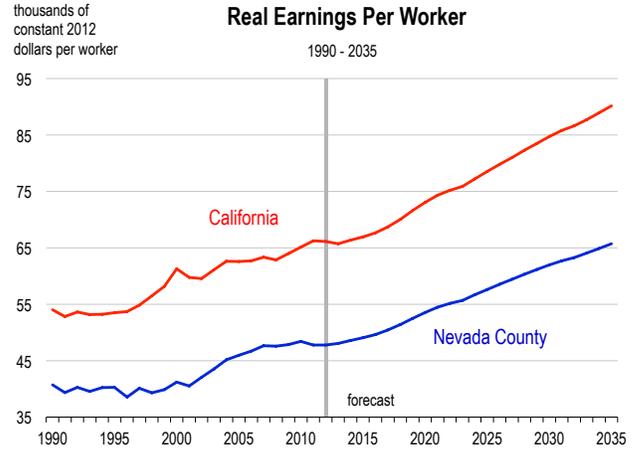
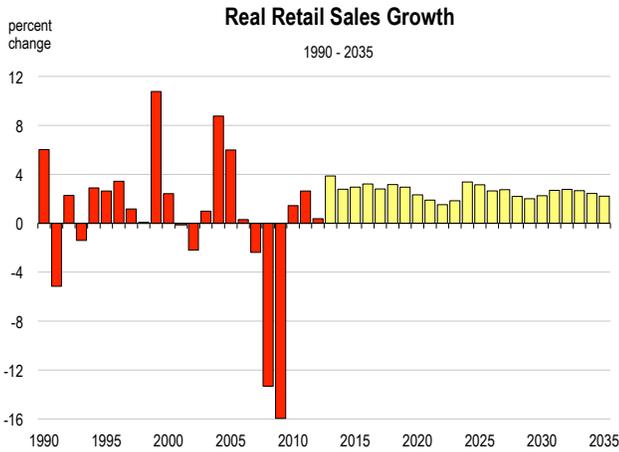


Nevada County Employment Forecast

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	30.35	0.07	3.88	1.93	0.50	4.68	1.59	2.75	0.41	3.80	4.24	5.38
2007	30.53	0.09	3.75	2.01	0.52	4.68	1.58	2.68	0.42	3.82	4.42	5.44
2008	29.78	0.10	3.14	2.00	0.51	4.54	1.46	2.65	0.41	4.01	4.30	5.58
2009	27.89	0.07	2.27	1.84	0.46	4.17	1.38	2.51	0.37	4.06	4.10	5.63
2010	27.86	0.08	2.08	1.73	0.44	4.05	1.36	2.33	0.33	3.89	4.38	6.16
2011	28.28	0.09	2.20	1.78	0.45	4.09	1.35	2.26	0.30	4.07	4.48	6.13
2012	28.32	0.09	2.32	1.74	0.47	4.16	1.42	2.09	0.29	4.21	4.34	5.95
2013	28.85	0.09	2.42	1.76	0.48	4.21	1.45	2.20	0.30	4.33	4.36	6.01
2014	29.68	0.10	2.60	1.79	0.49	4.26	1.48	2.30	0.30	4.46	4.42	6.20
2015	30.46	0.10	2.77	1.81	0.50	4.31	1.50	2.42	0.31	4.59	4.54	6.32
2016	31.17	0.10	2.92	1.83	0.51	4.36	1.52	2.52	0.31	4.69	4.71	6.39
2017	31.61	0.10	3.00	1.86	0.52	4.41	1.54	2.57	0.32	4.76	4.85	6.38
2018	32.03	0.10	3.07	1.88	0.53	4.46	1.56	2.61	0.32	4.82	4.95	6.41
2019	32.28	0.10	3.04	1.89	0.54	4.51	1.58	2.65	0.33	4.88	5.04	6.42
2020	32.54	0.09	3.02	1.89	0.54	4.55	1.60	2.69	0.33	4.94	5.12	6.43
2021	32.79	0.09	3.00	1.90	0.54	4.58	1.61	2.73	0.33	5.00	5.20	6.45
2022	33.02	0.09	3.00	1.89	0.55	4.61	1.63	2.78	0.34	5.05	5.29	6.46
2023	33.28	0.09	2.99	1.90	0.55	4.64	1.64	2.83	0.34	5.11	5.37	6.48
2024	33.54	0.09	2.97	1.90	0.55	4.69	1.66	2.87	0.34	5.15	5.45	6.51
2025	33.81	0.09	2.95	1.90	0.55	4.74	1.68	2.91	0.34	5.19	5.53	6.55
2026	34.08	0.09	2.94	1.91	0.56	4.78	1.69	2.96	0.35	5.22	5.62	6.59
2027	34.32	0.09	2.90	1.91	0.56	4.83	1.71	3.00	0.35	5.26	5.70	6.63
2028	34.56	0.09	2.88	1.91	0.56	4.86	1.73	3.04	0.35	5.29	5.78	6.67
2029	34.78	0.09	2.87	1.91	0.56	4.89	1.75	3.07	0.36	5.29	5.87	6.71
2030	35.00	0.09	2.85	1.91	0.57	4.93	1.77	3.11	0.36	5.30	5.95	6.76
2031	35.21	0.09	2.83	1.91	0.57	4.97	1.79	3.14	0.36	5.31	6.03	6.80
2032	35.41	0.10	2.81	1.91	0.57	5.02	1.81	3.17	0.37	5.31	6.11	6.83
2033	35.63	0.10	2.80	1.91	0.57	5.06	1.83	3.19	0.37	5.32	6.19	6.88
2034	35.83	0.10	2.78	1.91	0.57	5.10	1.85	3.21	0.37	5.33	6.27	6.92
2035	36.02	0.10	2.76	1.91	0.58	5.14	1.86	3.23	0.38	5.33	6.35	6.96
2036	36.20	0.10	2.75	1.91	0.58	5.17	1.88	3.24	0.38	5.33	6.44	7.01
2037	36.39	0.10	2.74	1.91	0.58	5.20	1.90	3.26	0.38	5.33	6.52	7.05
2038	36.58	0.10	2.73	1.91	0.58	5.23	1.92	3.28	0.39	5.33	6.60	7.09
2039	36.78	0.10	2.73	1.91	0.59	5.25	1.94	3.29	0.39	5.34	6.68	7.14
2040	36.97	0.10	2.72	1.90	0.59	5.28	1.96	3.31	0.39	5.35	6.77	7.18





County Economic and Demographic Indicators

Projected Economic Growth (2013-2018)

Expected retail sales growth:	15.9%
Expected job growth:	11.0%
Fastest growing jobs sector:	Construction
Expected personal income growth:	20.6%

Expected population growth:	2.9%
Net migration to account for:	100.0%
Expected growth in number of vehicles:	6.8%

Demographic (2013)

Unemployment rate (April 2013)	7.6%
County Rank* in California (58 counties):	17th
Working age (16-64) population:	63.3%

Population with B.A. Degree or higher:	31.7%
Median Home Selling Price (2012):	\$256,000
Median Household Income:	\$49,965

Quality of Life

Violent Crime rate (2010):	316 per 100,000 persons
County Rank* in California (58 counties):	20th
Average Commute Time to work (2013):	24.7 minutes

High School drop out rate (2011):	50.9%
Households at/below poverty line (2013):	6.8%

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