

EL DORADO COUNTY ECONOMIC FORECAST

El Dorado County is home to the town of Coloma, where the first discoveries of gold sparked the California gold rush. It shares its eastern border with the state of Nevada. El Dorado County has a population of 181,400 people and 47,400 wage and salary jobs. The per capita income in El Dorado County is \$49,891, and the average salary per worker is \$46,083.

Employment in the Sacramento Valley (consisting of Sacramento, Yolo, Placer, El Dorado, Yuba and Sutter Counties) declined 2.9 percent during 2010, the third straight year of contracting employment. In 2010, 1,600 total wage and salary jobs were lost in El Dorado County, a decline of -3.3 percent. The unemployment rate increased to 12.6 percent in 2010.

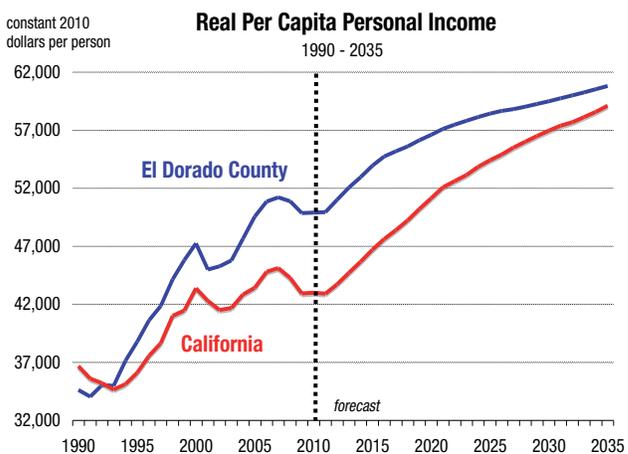
During 2010 the only non-farm sector to create jobs was professional services. Job losses were greatest in the government (-500 jobs), construction (-400 jobs), and financial activities (-300 jobs) sectors.

Between the 2000 and 2010 census, the population increased by 15.8 percent in El Dorado County. The majority of the gain in population occurred in the unincorporated areas of the county. The largest incorporated city, South Lake Tahoe, has declined in population over the past 10 years.

Employment and population growth in El Dorado County are both expected to accelerate over the next few years as the state slowly rebounds from the Great Recession.

FORECAST HIGHLIGHTS

- Total employment is expected to increase by 2.7 percent in 2011. From 2011 to 2016, the growth rate is forecast to average 3.7 percent per year.
- Average salaries adjusted for inflation are currently below the California state average. They expected to rise an average of 0.4 percent per year between 2011 and 2016, slower than the expected growth rate for the average salary in California.
- The momentum for employment growth is in professional services, construction, and healthcare and education. These sectors account for 56 percent of all jobs created in the county during the 2011 to 2016 period. Other growing sectors include finance, wholesale trade, and transportation, each of which grows by over 25 percent during this time.
- Population is forecast to grow by 1.0 percent in 2011. Growth then accelerates, reaching nearly 2 percent by 2018. Annual growth in the 2011 to 2016 period also averages 1.5 percent per year.

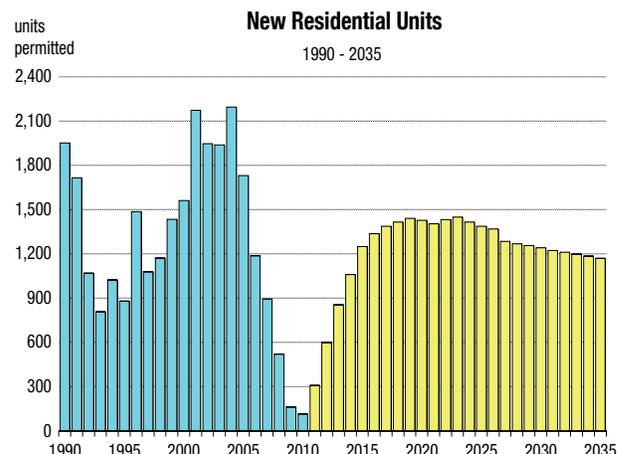
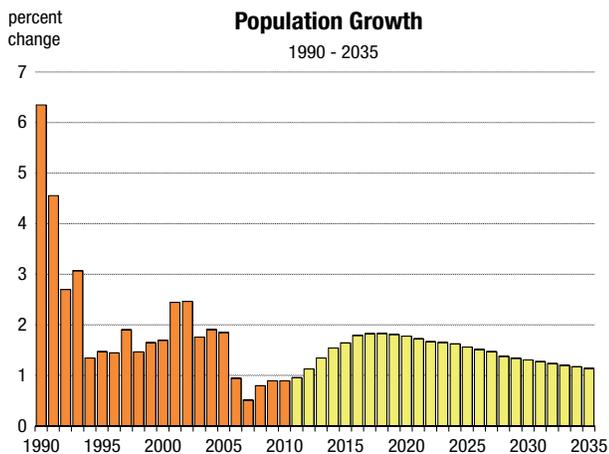


- Net migration is forecast to remain at approximately 1,400 people in 2011. Between 2011 and 2016 net migration is expected to average 2,300 net migrants entering the county per year.
- Real per capita income is forecast to rise a scant 0.2 percent in 2011. Between 2011 and 2016 real per capita income is forecast to increase 1.9 percent per year.
- Total taxable sales adjusted for inflation are expected to increase an average of 5.0 percent per year between 2011 and 2016.
- Industrial production is forecast to decline by 2.7 percent in 2011, due to weakness in mining and non-durable manufacturing. From 2011 to 2016 industrial production is forecast to rebound, growing by an average of 3.5 percent per year.

El Dorado County Economic Forecast

2006-2010 History, 2011-2040 Forecast

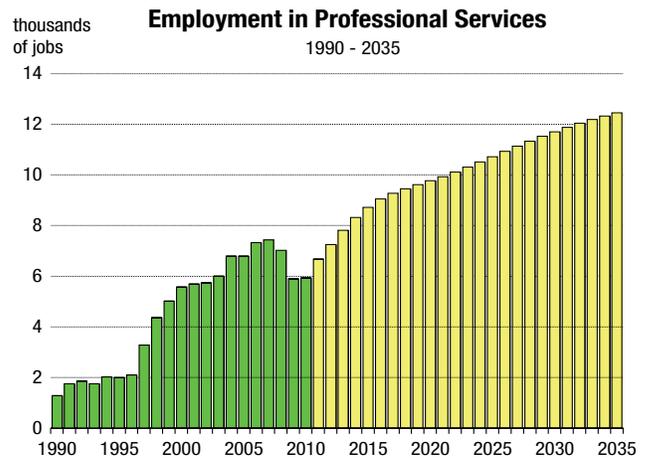
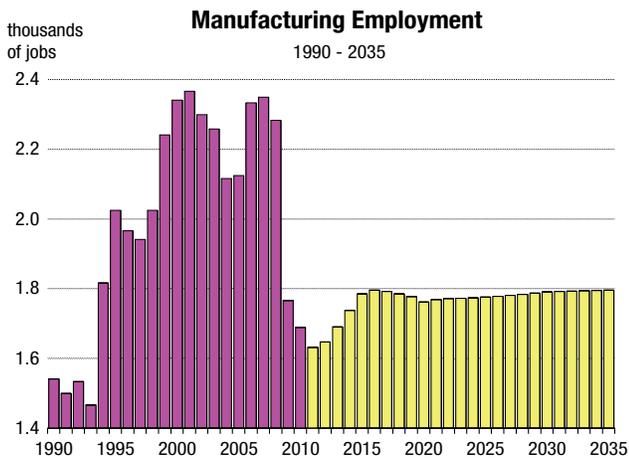
	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (millions)	Unemploy- ment Rate (percent)
2006	175,882	898	227.8	67.7	1,189	\$1.90	\$8.22	\$50,848	3.2	32.0	532.1	4.6
2007	176,794	218	224.3	68.7	894	\$1.90	\$8.61	\$51,214	3.4	36.4	545.6	5.2
2008	178,210	797	221.9	69.3	521	\$1.79	\$8.87	\$50,874	3.0	30.0	562.8	6.9
2009	179,811	1,260	218.8	69.8	162	\$1.53	\$8.85	\$49,866	0.8	36.0	440.2	11.1
2010	181,426	1,337	215.4	70.2	115	\$1.60	\$9.05	\$49,891	1.3	34.1	427.3	12.6
2011	183,169	1,356	219.3	71.0	304	\$1.71	\$9.46	\$49,994	3.3	34.3	415.6	11.3
2012	185,236	1,690	228.8	71.6	601	\$1.84	\$9.99	\$51,041	2.3	34.9	420.4	10.4
2013	187,733	2,133	239.7	72.2	853	\$1.98	\$10.58	\$52,134	2.3	35.6	437.4	9.3
2014	190,631	2,540	249.7	72.8	1,059	\$2.12	\$11.20	\$53,060	2.4	36.3	456.2	8.2
2015	193,761	2,778	259.8	73.6	1,249	\$2.28	\$11.84	\$54,081	2.1	37.1	476.8	7.2
2016	197,235	3,121	267.8	74.5	1,338	\$2.43	\$12.48	\$54,847	2.1	37.4	494.6	6.6
2017	200,841	3,247	273.8	75.5	1,391	\$2.58	\$13.06	\$55,250	2.1	37.6	511.1	6.2
2018	204,530	3,323	279.7	76.6	1,415	\$2.73	\$13.67	\$55,677	2.0	37.6	525.6	5.9
2019	208,234	3,328	285.1	77.7	1,438	\$2.88	\$14.32	\$56,196	1.9	37.4	540.2	5.6
2020	211,932	3,313	289.8	78.9	1,424	\$3.03	\$14.95	\$56,666	1.7	37.7	555.4	5.4
2021	215,583	3,258	294.3	80.1	1,399	\$3.19	\$15.60	\$57,166	1.7	38.4	573.3	5.4
2022	219,172	3,200	299.0	81.4	1,443	\$3.35	\$16.30	\$57,513	2.2	38.2	589.7	5.4
2023	222,822	3,261	304.0	82.6	1,459	\$3.51	\$17.03	\$57,852	2.2	37.7	605.8	5.4
2024	226,461	3,253	308.7	83.9	1,422	\$3.70	\$17.78	\$58,175	2.1	36.8	623.0	5.4
2025	230,008	3,165	313.4	85.1	1,392	\$3.90	\$18.53	\$58,481	2.1	35.9	640.2	5.4
2026	233,506	3,120	318.2	86.4	1,372	\$4.10	\$19.28	\$58,695	2.1	35.2	658.3	5.4
2027	236,946	3,071	322.4	87.6	1,286	\$4.30	\$20.02	\$58,857	2.1	34.7	677.3	5.4
2028	240,218	2,915	327.0	88.8	1,269	\$4.52	\$20.80	\$59,065	2.1	34.1	696.4	5.4
2029	243,444	2,878	331.7	90.0	1,257	\$4.75	\$21.61	\$59,288	2.1	33.5	716.7	5.4
2030	246,633	2,845	336.3	91.2	1,243	\$4.98	\$22.45	\$59,516	2.1	33.5	738.0	5.4
2031	249,778	2,812	341.0	92.3	1,224	\$5.23	\$23.32	\$59,770	2.2	33.8	760.9	5.4
2032	252,871	2,771	345.6	93.4	1,212	\$5.48	\$24.23	\$60,029	2.2	33.2	784.2	5.4
2033	255,916	2,741	350.2	94.5	1,198	\$5.74	\$25.16	\$60,291	2.1	32.3	808.2	5.4
2034	258,918	2,711	354.6	95.6	1,185	\$6.02	\$26.13	\$60,550	2.2	31.2	832.8	5.4
2035	261,879	2,685	358.9	96.7	1,171	\$6.31	\$27.12	\$60,837	2.2	30.4	858.1	5.4
2036	264,771	2,636	363.3	97.7	1,158	\$6.62	\$28.16	\$61,154	2.1	29.1	884.2	5.4
2037	267,612	2,602	367.6	98.8	1,143	\$6.94	\$29.23	\$61,489	2.2	27.9	911.2	5.4
2038	270,416	2,578	372.1	99.8	1,128	\$7.27	\$30.35	\$61,860	2.1	27.8	939.0	5.4
2039	273,184	2,547	376.6	100.8	1,113	\$7.62	\$31.50	\$62,260	2.1	27.2	967.5	5.4
2040	275,922	2,519	381.2	101.8	1,098	\$7.99	\$32.70	\$62,694	2.1	26.5	997.6	5.3

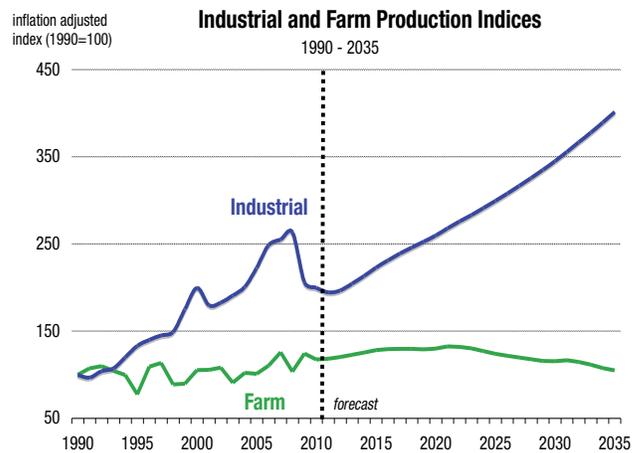
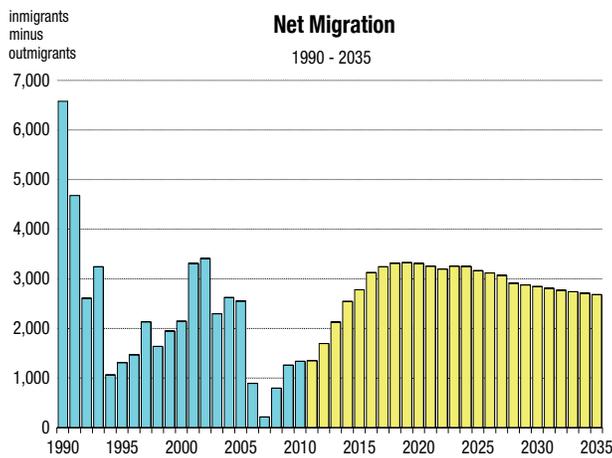
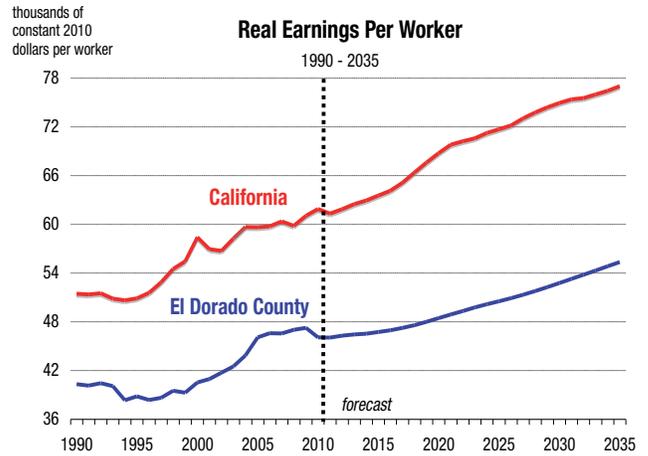
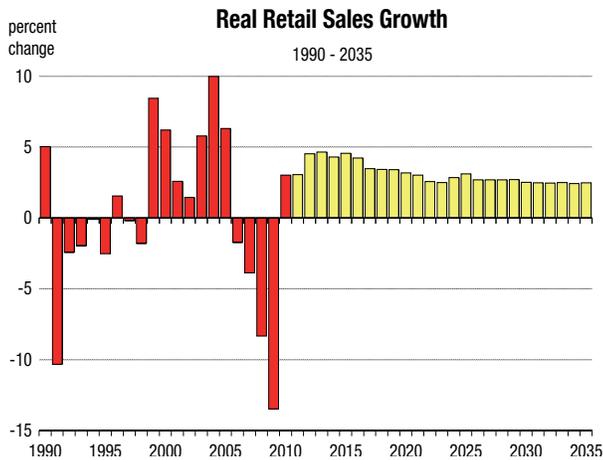


El Dorado County Employment Forecast

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	52.7	0.40	5.6	2.3	0.7	6.9	3.4	7.3	0.7	6.0	7.7	9.5
2007	53.5	0.37	5.7	2.4	0.7	7.0	3.5	7.4	0.8	6.1	7.6	9.8
2008	52.2	0.33	4.8	2.3	0.6	6.9	3.6	7.0	0.7	6.5	7.3	10.2
2009	49.0	0.28	3.4	1.8	0.6	6.2	3.5	5.9	0.6	6.5	7.0	11.4
2010	47.4	0.28	3.0	1.7	0.6	6.2	3.2	5.9	0.6	6.5	6.8	10.9
2011	48.7	0.27	3.2	1.6	0.6	6.3	3.2	6.7	0.6	6.7	6.9	10.7
2012	50.5	0.28	3.7	1.6	0.6	6.4	3.3	7.3	0.6	7.0	7.1	10.6
2013	52.7	0.29	4.2	1.7	0.6	6.6	3.6	7.8	0.6	7.2	7.2	10.6
2014	54.7	0.30	4.5	1.7	0.7	6.8	3.8	8.3	0.6	7.4	7.4	10.7
2015	56.7	0.31	4.9	1.8	0.7	7.1	3.9	8.7	0.6	7.7	7.7	10.9
2016	58.3	0.31	5.1	1.8	0.8	7.3	4.1	9.1	0.6	7.9	7.8	11.0
2017	59.5	0.31	5.2	1.8	0.8	7.4	4.2	9.3	0.6	8.1	8.0	11.1
2018	60.7	0.31	5.4	1.8	0.8	7.5	4.3	9.5	0.6	8.3	8.1	11.2
2019	61.7	0.31	5.6	1.8	0.8	7.7	4.4	9.6	0.6	8.5	8.2	11.4
2020	62.7	0.31	5.6	1.8	0.9	7.8	4.5	9.8	0.7	8.7	8.3	11.6
2021	63.6	0.32	5.6	1.8	0.9	7.9	4.5	9.9	0.7	8.9	8.4	11.7
2022	64.5	0.32	5.7	1.8	0.9	8.0	4.6	10.1	0.7	9.1	8.5	11.8
2023	65.5	0.31	5.8	1.8	1.0	8.1	4.7	10.3	0.7	9.3	8.5	12.0
2024	66.4	0.30	5.8	1.8	1.0	8.3	4.8	10.5	0.7	9.5	8.6	12.1
2025	67.4	0.29	5.8	1.8	1.0	8.4	4.9	10.7	0.7	9.7	8.7	12.3
2026	68.3	0.29	5.8	1.8	1.0	8.5	5.0	10.9	0.7	9.9	8.7	12.4
2027	69.2	0.28	5.7	1.8	1.0	8.7	5.1	11.1	0.7	10.1	8.8	12.6
2028	70.1	0.27	5.6	1.8	1.0	8.8	5.2	11.3	0.7	10.3	8.8	12.7
2029	71.0	0.27	5.6	1.8	1.0	8.9	5.3	11.5	0.7	10.6	8.9	12.8
2030	71.9	0.27	5.7	1.8	1.1	9.1	5.4	11.7	0.7	10.8	9.0	12.8
2031	72.9	0.27	5.6	1.8	1.1	9.2	5.5	11.9	0.7	11.0	9.0	13.0
2032	73.8	0.26	5.6	1.8	1.1	9.3	5.6	12.0	0.7	11.2	9.1	13.1
2033	74.7	0.25	5.6	1.8	1.1	9.5	5.7	12.2	0.7	11.5	9.2	13.2
2034	75.6	0.24	5.6	1.8	1.1	9.6	5.9	12.3	0.7	11.7	9.3	13.3
2035	76.4	0.23	5.6	1.8	1.1	9.7	6.0	12.5	0.7	11.9	9.3	13.3
2036	77.3	0.22	5.6	1.8	1.1	9.9	6.1	12.6	0.7	12.2	9.4	13.4
2037	78.2	0.20	5.6	1.8	1.1	10.0	6.2	12.7	0.7	12.4	9.5	13.5
2038	79.1	0.20	5.6	1.8	1.2	10.1	6.3	12.8	0.7	12.7	9.5	13.5
2039	80.0	0.19	5.6	1.8	1.2	10.3	6.4	13.0	0.7	12.9	9.6	13.6
2040	80.9	0.19	5.6	1.8	1.2	10.4	6.6	13.1	0.7	13.2	9.7	13.6





County Economic and Demographic Indicators

Projected Economic Growth (2011-2016)

Expected retail sales growth:	24.3 %
Expected job growth:	19.8 %
Fastest growing jobs sector:	Wholesale Trade
Expected personal income growth:	18.1 %

Expected population growth:	7.7 %
Net migration to account for:	87.2 %
Expected growth in number of vehicles:	22.1 %

Demographics (2011)

Unemployment rate (June 2011)	12.1 %
County Rank* in California (58 counties):	23rd
Working age (16-64) population:	67.0 %

Population with B.A. Degree or higher:	31.2 %
Median Home Selling Price:	\$295,000
Median Household Income:	\$66,019

Quality of Life

Violent Crime rate (2009):	289 per 100,000 persons
County Rank* in California (58 counties):	18th
Average Commute Time to work (2011):	29.4 minutes

High School drop out rate (2009):	11.4 %
Households at/below poverty line:	5.0 %

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