

MADERA COUNTY ECONOMIC FORECAST

Madera County is located in the heart of the San Joaquin Valley and is part of the Fresno Metropolitan Statistical Area. Madera County has a population of 151,100 people and 42,700 wage and salary jobs. The per capita income in Madera County is \$26,707, and the average salary per worker is \$42,699.

Employment in Northern California contracted during 2010, consistent with the rest of the state and nation. In 2010, 800 total wage and salary jobs were lost in Madera County, representing a decline of 1.9 percent. The farm sector, which accounts for 24 percent of total employment, added 180 jobs. Excluding the farm sector, job growth rate was worse at -3.0 percent. The unemployment rate increased to 15.6 percent in 2010, the highest rate since the early 1990s.

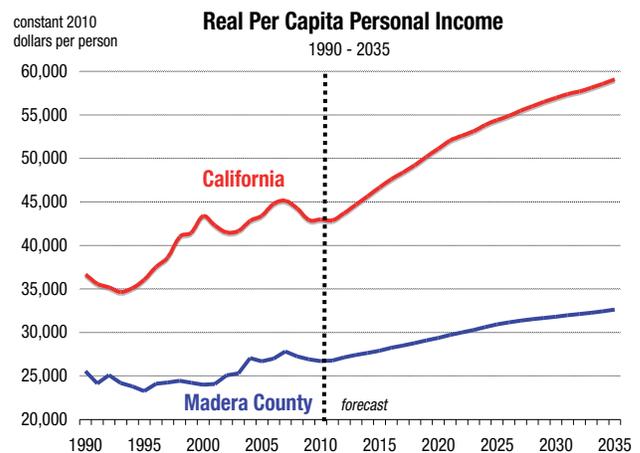
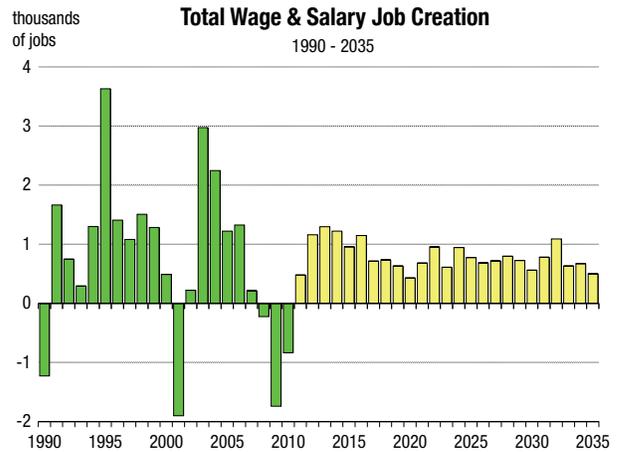
In addition to the farm sector, the wholesale trade and professional services sectors also created employment during 2010. However both of these sectors are relatively small, and combined only 130 jobs were created. The majority of the employment decline in 2010 occurred in government (-380 jobs) and construction (-280 jobs). Only 193 new homes were constructed in 2010, compared to 2,379 in the peak year of 2005.

Between the 2000 and 2010 census, the population of Madera County grew by 22.5 percent, making it the 5th fastest growing county in the state. The two incorporated cities in the county, Chowchilla and Madera, grew at rates of 30 and 42 percent, respectively over the past 10 years.

Non-farm job growth rebounds in 2011 in Madera County. Population growth will accelerate as migration turns positive again.

FORECAST HIGHLIGHTS

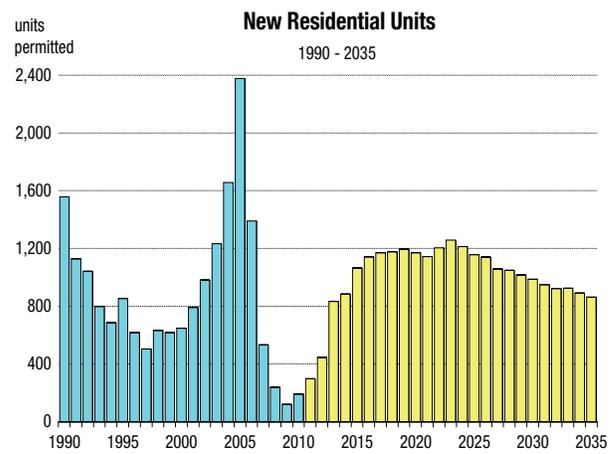
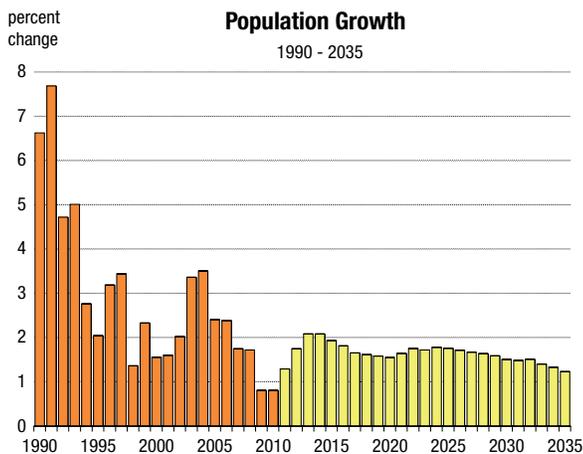
- Total wage and salary job growth is forecast to average 1.1 percent in 2011, while non-farm job growth is higher at 1.8 percent. From 2011 to 2016, total wage and salary job growth averages 2.5 percent and non-farm job growth averages 3.2 percent.
- Average salaries adjusted for inflation are currently well below the California state average, and will remain so over the foreseeable future. Real average salaries rise an average of 0.7 percent per year between 2011 and 2016.
- Between 2011 and 2016, the momentum for employment growth is in professional services, government, retail trade, construction, and education and healthcare services. These sectors account for the majority of growth in the county from 2011 to 2016. All sectors contribute to job growth during this period.
- The population will continue to grow at a rate above the state average. Annual growth in the 2011 to 2016 period averages 1.9 percent per year.
- Net migration will turn positive in 2011, with an estimated 550 people entering the county. From 2011 to 2016 net migration is expected to average 1,500 net migrants per year.
- Real per capita incomes are expected to increase 0.2 percent in 2011. During the 2011 to 2016 period real per capita incomes are forecast to increase by 1.1 percent per year.
- Total taxable sales adjusted for inflation are expected to increase by an average of 4.6 percent per year over the next five years.
- Industrial production is forecast to increase 2.9 percent in 2011. From 2011 to 2016 the growth rate will average 3.3 percent per year.
- Farm production is forecast to increase by 0.7 percent per year between 2011 and 2016. The principal crop in the county is grapes.



Madera County Economic Forecast

2006-2010 History, 2011-2040 Forecast

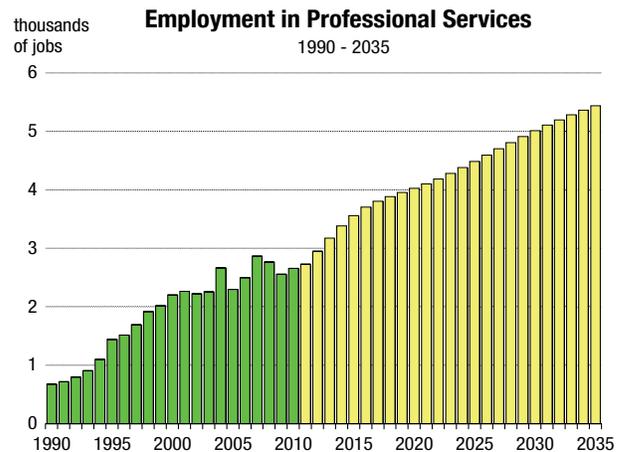
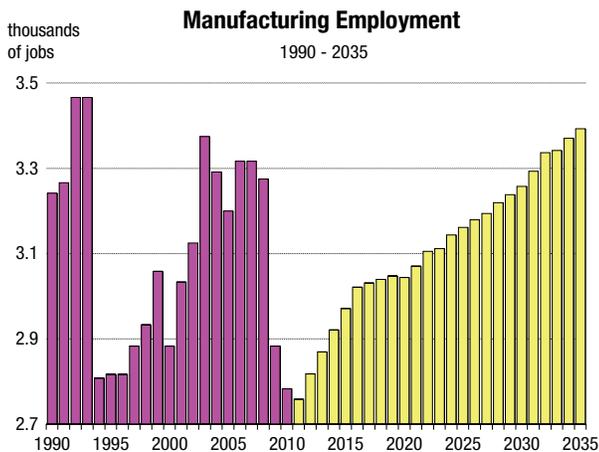
	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (millions)	Unemploy- ment Rate (percent)
2006	143,684	1,818	128.3	41.8	1,391	\$1.43	\$3.6	\$26,997	3.2	1,124	608	7.0
2007	146,196	884	128.2	43.5	533	\$1.44	\$3.9	\$27,799	3.4	1,284	617	7.5
2008	148,709	844	128.2	44.3	240	\$1.33	\$4.0	\$27,255	3.0	1,339	653	9.4
2009	149,917	-306	128.6	44.7	120	\$1.10	\$4.0	\$26,912	0.8	976	624	13.7
2010	151,135	-218	128.8	44.8	193	\$1.12	\$4.0	\$26,707	1.3	986	617	15.6
2011	153,088	551	129.9	45.0	298	\$1.14	\$4.2	\$26,772	3.3	980	634	14.8
2012	155,763	1,270	131.2	45.3	446	\$1.21	\$4.5	\$27,121	2.3	997	658	14.0
2013	159,007	1,835	132.5	45.8	835	\$1.30	\$4.7	\$27,406	2.3	1,021	680	12.9
2014	162,321	1,900	134.0	46.6	885	\$1.40	\$5.0	\$27,635	2.4	1,019	698	11.6
2015	165,462	1,722	135.5	47.5	1,066	\$1.49	\$5.2	\$27,897	2.1	992	719	10.5
2016	168,467	1,582	137.2	48.6	1,144	\$1.60	\$5.5	\$28,248	2.1	1,014	747	9.7
2017	171,260	1,366	138.9	49.8	1,171	\$1.70	\$5.7	\$28,497	2.1	997	771	9.3
2018	174,033	1,349	140.7	51.0	1,179	\$1.80	\$6.0	\$28,783	2.0	995	799	8.9
2019	176,791	1,340	142.6	52.2	1,197	\$1.90	\$6.3	\$29,087	1.9	1,001	827	8.6
2020	179,536	1,336	144.6	53.4	1,171	\$2.00	\$6.6	\$29,377	1.7	964	856	8.3
2021	182,492	1,542	146.6	54.6	1,145	\$2.11	\$6.9	\$29,718	1.7	969	891	8.3
2022	185,689	1,781	148.8	55.8	1,205	\$2.22	\$7.2	\$29,998	2.2	1,031	926	8.3
2023	188,889	1,778	151.0	57.0	1,258	\$2.33	\$7.6	\$30,264	2.2	1,024	950	8.3
2024	192,256	1,936	153.3	58.3	1,214	\$2.46	\$7.9	\$30,626	2.1	1,040	984	8.3
2025	195,642	1,947	155.7	59.5	1,159	\$2.59	\$8.3	\$30,934	2.1	1,035	1015	8.3
2026	198,996	1,911	158.1	60.7	1,141	\$2.72	\$8.7	\$31,158	2.1	1,021	1048	8.3
2027	202,319	1,880	160.6	61.9	1,060	\$2.86	\$9.1	\$31,356	2.1	1,014	1083	8.3
2028	205,636	1,873	163.2	63.0	1,049	\$3.01	\$9.5	\$31,519	2.1	1,025	1121	8.3
2029	208,901	1,811	165.9	64.0	1,017	\$3.16	\$9.9	\$31,675	2.1	1,016	1157	8.3
2030	212,049	1,684	168.6	65.1	987	\$3.31	\$10.3	\$31,813	2.1	980	1194	8.3
2031	215,199	1,693	171.4	66.1	950	\$3.47	\$10.7	\$31,973	2.2	980	1242	8.3
2032	218,459	1,811	174.2	67.1	923	\$3.65	\$11.2	\$32,121	2.2	1,046	1294	8.3
2033	221,527	1,635	177.0	68.0	925	\$3.82	\$11.7	\$32,261	2.1	1,030	1330	8.3
2034	224,478	1,539	179.9	68.9	891	\$4.00	\$12.1	\$32,431	2.2	1,018	1379	8.3
2035	227,248	1,386	182.8	69.9	863	\$4.19	\$12.6	\$32,618	2.2	984	1425	8.3
2036	230,063	1,451	185.8	70.7	826	\$4.40	\$13.1	\$32,840	2.1	1,028	1486	8.3
2037	232,637	1,234	188.8	71.6	807	\$4.60	\$13.7	\$33,041	2.2	991	1529	8.2
2038	234,982	1,028	191.7	72.4	760	\$4.81	\$14.2	\$33,283	2.1	918	1579	8.2
2039	237,506	1,225	194.8	73.2	718	\$5.06	\$14.8	\$33,581	2.1	994	1656	8.3
2040	239,827	1,042	197.8	73.9	731	\$5.29	\$15.3	\$33,852	2.1	977	1703	8.2

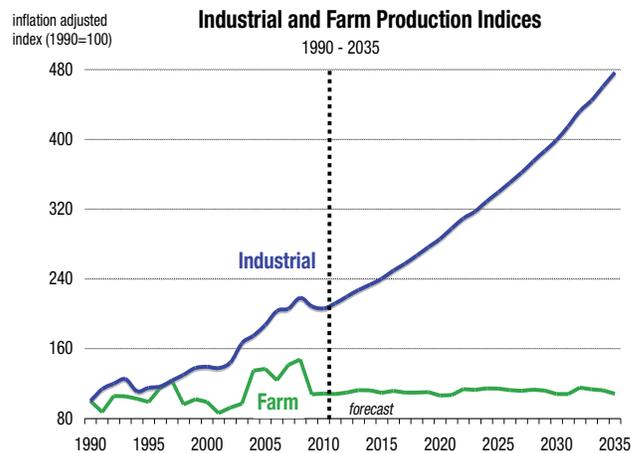
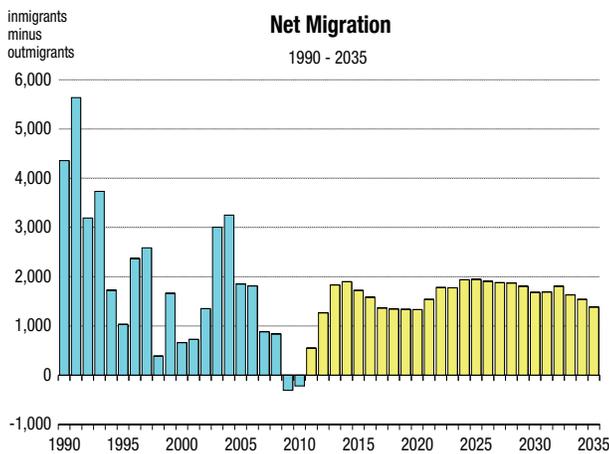
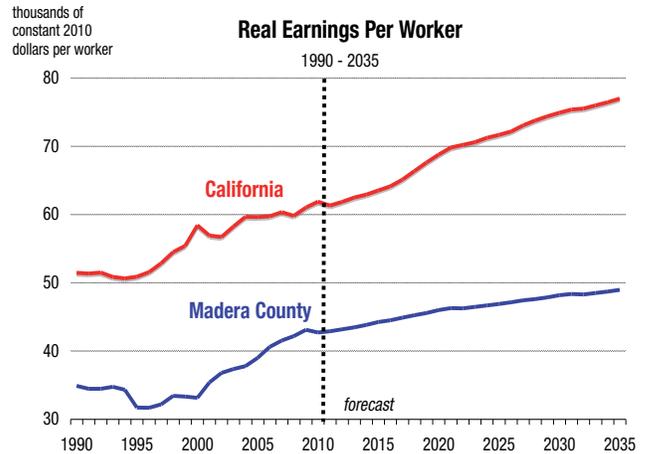
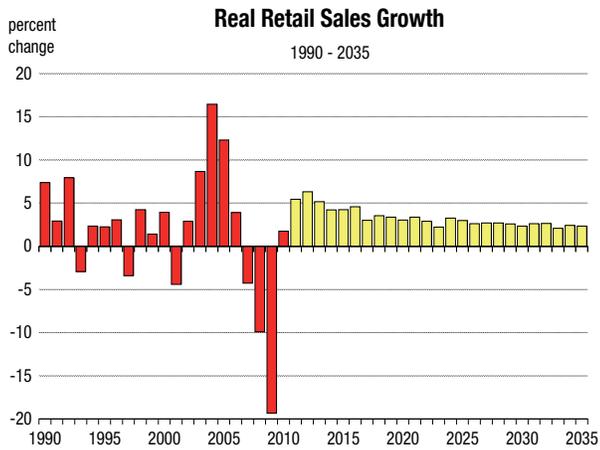


Madera County Employment Forecast

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	45.3	10.5	2.9	3.3	0.9	4.5	0.9	2.5	0.5	5.8	2.6	10.2
2007	45.5	10.4	2.4	3.3	0.9	4.4	0.8	2.9	0.5	5.7	2.7	10.6
2008	45.3	10.3	1.9	3.3	0.9	4.3	0.8	2.8	0.5	5.9	2.8	11.0
2009	43.6	10.1	1.4	2.9	0.9	4.2	0.8	2.6	0.4	6.0	2.6	11.0
2010	42.7	10.3	1.1	2.8	0.9	4.0	0.7	2.7	0.4	5.9	2.6	10.6
2011	43.2	10.2	1.2	2.8	0.9	4.2	0.7	2.7	0.4	6.1	2.7	10.5
2012	44.4	10.3	1.3	2.8	1.0	4.3	0.7	3.0	0.4	6.4	2.9	10.5
2013	45.7	10.4	1.4	2.9	1.0	4.4	0.8	3.2	0.4	6.7	2.9	10.7
2014	46.9	10.4	1.6	2.9	1.1	4.5	0.8	3.4	0.4	7.0	3.0	10.8
2015	47.9	10.3	1.7	3.0	1.2	4.7	0.8	3.6	0.4	7.3	3.1	11.0
2016	49.0	10.4	1.8	3.0	1.2	4.8	0.9	3.7	0.4	7.5	3.2	11.1
2017	49.7	10.3	1.9	3.0	1.3	4.9	0.9	3.8	0.4	7.8	3.3	11.2
2018	50.5	10.3	2.0	3.0	1.3	5.0	0.9	3.9	0.4	8.1	3.3	11.3
2019	51.1	10.3	2.0	3.0	1.4	5.0	0.9	4.0	0.4	8.3	3.4	11.3
2020	51.5	10.1	2.1	3.0	1.4	5.1	0.9	4.0	0.4	8.5	3.4	11.4
2021	52.2	10.1	2.1	3.1	1.5	5.2	1.0	4.1	0.4	8.7	3.4	11.4
2022	53.2	10.4	2.2	3.1	1.6	5.3	1.0	4.2	0.4	9.0	3.5	11.5
2023	53.8	10.4	2.2	3.1	1.6	5.4	1.0	4.3	0.4	9.2	3.5	11.5
2024	54.7	10.5	2.3	3.1	1.7	5.5	1.0	4.4	0.5	9.5	3.5	11.7
2025	55.5	10.5	2.3	3.2	1.7	5.6	1.0	4.5	0.5	9.8	3.6	11.8
2026	56.2	10.4	2.3	3.2	1.8	5.6	1.1	4.6	0.5	10.0	3.6	12.0
2027	56.9	10.4	2.4	3.2	1.8	5.7	1.1	4.7	0.5	10.3	3.6	12.2
2028	57.7	10.4	2.4	3.2	1.9	5.8	1.1	4.8	0.5	10.6	3.6	12.3
2029	58.4	10.4	2.4	3.2	1.9	5.9	1.1	4.9	0.5	10.8	3.6	12.5
2030	59.0	10.2	2.4	3.3	1.9	6.0	1.2	5.0	0.5	11.1	3.7	12.6
2031	59.8	10.2	2.4	3.3	2.0	6.1	1.2	5.1	0.5	11.3	3.7	12.8
2032	60.9	10.5	2.4	3.3	2.0	6.2	1.2	5.2	0.5	11.6	3.7	13.0
2033	61.5	10.4	2.4	3.3	2.1	6.2	1.2	5.3	0.5	11.8	3.8	13.2
2034	62.2	10.4	2.4	3.4	2.1	6.3	1.2	5.4	0.5	12.1	3.8	13.4
2035	62.7	10.2	2.4	3.4	2.2	6.4	1.3	5.4	0.4	12.3	3.8	13.5
2036	63.6	10.4	2.5	3.4	2.2	6.5	1.3	5.5	0.4	12.5	3.8	13.6
2037	64.0	10.2	2.5	3.4	2.3	6.6	1.3	5.6	0.4	12.7	3.8	13.7
2038	64.2	9.9	2.5	3.5	2.3	6.7	1.3	5.7	0.4	12.9	3.9	13.8
2039	65.2	10.3	2.5	3.5	2.4	6.8	1.4	5.7	0.4	13.0	3.9	13.9
2040	65.6	10.2	2.5	3.5	2.4	6.9	1.4	5.8	0.4	13.2	3.9	14.0





County Economic and Demographic Indicators

Projected Economic Growth (2011-2016)

Expected retail sales growth:	27.1 %
Expected job growth:	13.4 %
Fastest growing jobs sector:	Construction
Expected personal income growth:	16.1 %

Expected population growth:	10.0 %
Net migration to account for:	54.0 %
Expected growth in number of vehicles:	5.6 %

Demographics (2011)

Unemployment rate (June 2011):	15.2 %
County Rank* in California (58 counties):	38th
Working age (16-64) population:	63.2 %

Population with B.A. Degree or higher:	13.8 %
Median Home Selling Price:	\$134,000
Median Household Income:	\$43,790

Quality of Life

Violent Crime rate (2009):	450 per 100,000 persons
County Rank* in California (58 counties):	39th
Average Commute Time to work (2011):	27.7 minutes

High School drop out rate (2009):	17.1 %
Households at/below poverty line:	13.0 %

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