

KINGS COUNTY ECONOMIC FORECAST

Kings County is located in the San Joaquin Valley, bordering Kern County to the south, Fresno County to the north and west, and Tulare County to the east. Kings County has a population of 149,800 people and 44,100 wage and salary jobs. The income per capita in Kings County is \$33,263 and the average salary per worker is \$57,228.

Kings County has a strong farm sector, producing more than \$2 billion in agricultural commodities per year. It is one of the largest milk producers in the state of California, and also produces a significant amount of cotton. The state penitentiaries in Avenal and Corcoran, as well as the substance abuse treatment facility in Corcoran, are among the largest employers in the county. Combined, these facilities house almost 13,700 inmates and employ more than 5,000 workers.

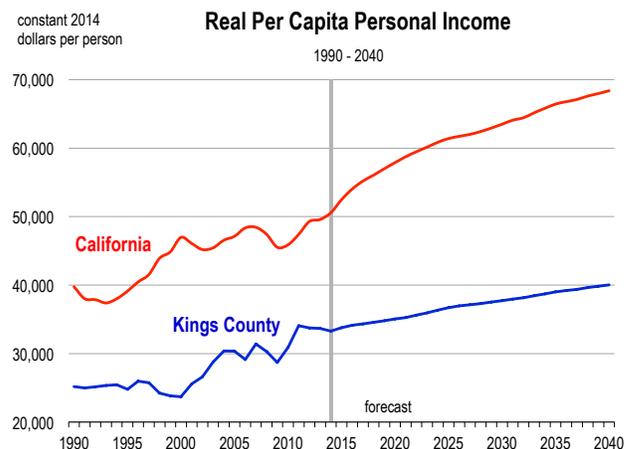
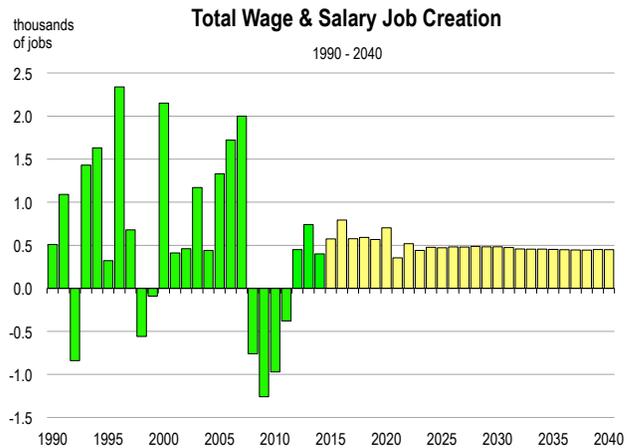
In 2014, employment across Northern California increased by 3.4 percent, whereas employment in the San Joaquin Valley (Fresno, Kings, Madera, Merced, San Joaquin, Stanislaus, and Tulare counties) grew by 2.5 percent. In Kings County, 400 jobs were gained, representing an increase of 0.9 percent. Farm employment, which accounts for 15 percent of total wage and salary jobs, declined by 3.5 percent. Non-farm employment increased by 1.7 percent. Although still very high, the unemployment rate improved over the course of the year, falling from 13.5 percent in 2013 to 12.1 percent in 2014.

During 2014, the strongest job growth occurred in education and healthcare (+290 jobs), wholesale and retail trade (+120 jobs), manufacturing (+120 jobs), and leisure and hospitality (+100 jobs). The largest losses occurred in agriculture (-240 jobs) and government (-60 jobs).

Between 2009 and 2014, the population of Kings County declined by an average of 0.3 percent per year. This decline was largely the result of out-migration, as the county lost an average of 2,100 net migrants per year.

FORECAST HIGHLIGHTS

- Total wage and salary employment is expected to increase by 1.3 percent in 2015. From 2015 to 2020, total wage and salary employment growth will average 1.7 percent per year, while agricultural employment growth will average 1.4 percent per year.
- Average salaries are currently below the California state average, and will remain so over the forecast period. In Kings County, inflation-adjusted salaries are expected to rise by an average of 0.6 percent per year between 2015 and 2020.
- Between 2015 and 2020, the largest employment gains will be in the public sector. With 1,600 new jobs, this industry will account for 48 percent of net job creation in the county. Another 37 percent of net job creation will be generated by education and healthcare (+500 jobs), agriculture (+400 jobs), and leisure and hospitality (+300 jobs).

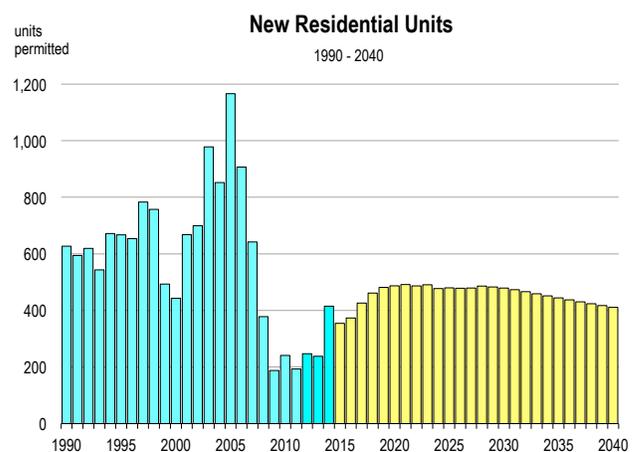
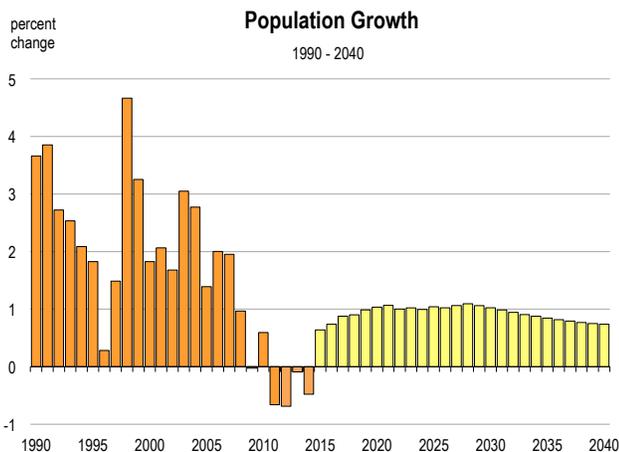


- Population growth in the county is expected to accelerate rapidly from its currently-depressed levels. During the 2015-2020 period, growth will average 0.9 percent per year.
- Net migration will remain negative for much of the 2015-2020 period. Over this interval, an average of 70 net migrants will leave the county each year.
- Real income per capita is expected to rise by 1.5 by percent in 2015. From 2015 to 2020, real income per capita is expected to increase by 0.7 percent per year.
- Total taxable sales, adjusted for inflation, are expected to increase by an average of 1.3 percent per year during the 2015-2020 period.
- Industrial production is forecasted to advance by 3.5 percent in 2015. Over the entire 2015-2020 period, growth will average 2.6 percent per year.
- Farm production is forecasted to increase by 1.7 percent per year between 2015 and 2020. The principal commodity in the county is milk.

Kings County Economic Forecast

2006-2014 History, 2015-2040 Forecast

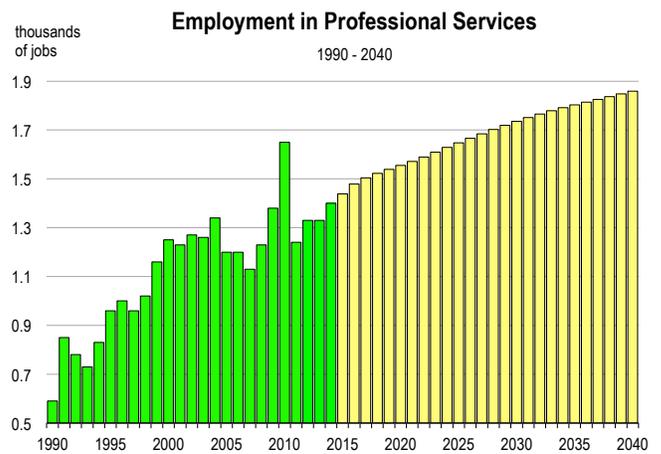
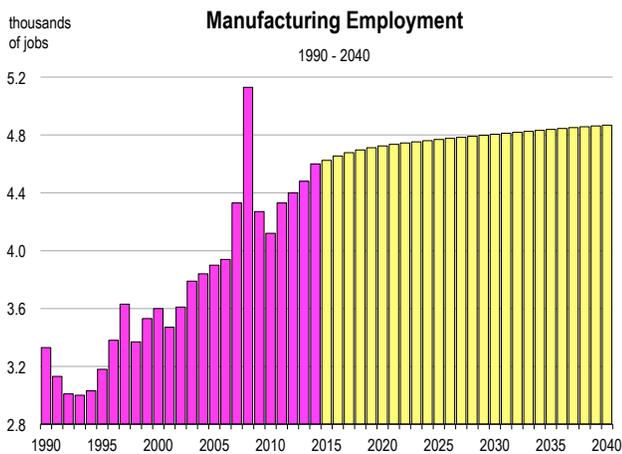
	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (billions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
2006	147,496	1,118	102.7	38.8	907	\$1.30	\$3.56	\$29,122	3.2	1.55	0.90	8.5
2007	150,378	949	103.7	39.7	642	\$1.33	\$4.05	\$31,410	3.4	2.05	1.01	8.7
2008	151,834	-537	104.1	40.4	378	\$1.39	\$4.06	\$30,294	2.9	1.97	1.33	10.5
2009	151,794	-1,865	104.1	40.8	188	\$1.17	\$3.88	\$28,710	0.8	1.47	1.11	14.6
2010	152,696	-875	104.2	41.2	241	\$1.19	\$4.26	\$30,919	1.3	1.90	1.05	16.2
2011	151,685	-2,835	103.4	41.4	193	\$1.32	\$4.79	\$34,078	2.7	2.40	1.04	15.9
2012	150,643	-2,623	103.3	41.5	247	\$1.39	\$4.83	\$33,740	2.7	2.33	1.12	14.9
2013	150,507	-1,799	106.2	41.7	238	\$1.46	\$4.93	\$33,664	2.3	2.33	1.15	13.5
2014	149,788	-2,226	107.7	41.9	415	\$1.58	\$4.98	\$33,263	2.8	2.31	1.20	12.1
2015	150,746	-463	108.2	42.4	354	\$1.63	\$5.16	\$33,762	1.2	2.37	1.24	11.6
2016	151,859	-325	108.9	42.7	373	\$1.71	\$5.42	\$34,136	3.2	2.38	1.27	10.8
2017	153,191	-118	109.5	43.1	426	\$1.78	\$5.67	\$34,323	3.2	2.42	1.29	10.6
2018	154,572	-83	110.2	43.5	461	\$1.85	\$5.90	\$34,560	3.0	2.44	1.33	10.4
2019	156,098	51	111.0	43.9	482	\$1.92	\$6.14	\$34,799	2.8	2.48	1.37	10.3
2020	157,713	132	111.8	44.4	487	\$1.98	\$6.39	\$35,044	2.9	2.57	1.41	10.1
2021	159,395	191	112.5	44.9	492	\$2.05	\$6.64	\$35,251	3.0	2.57	1.46	10.2
2022	160,991	108	113.3	45.4	487	\$2.12	\$6.93	\$35,607	3.1	2.62	1.50	10.1
2023	162,637	161	114.2	45.8	491	\$2.19	\$7.23	\$35,942	2.7	2.64	1.55	10.1
2024	164,254	139	115.1	46.3	477	\$2.28	\$7.58	\$36,346	2.6	2.68	1.60	10.0
2025	165,965	242	116.0	46.8	480	\$2.36	\$7.95	\$36,713	2.8	2.71	1.65	10.0
2026	167,663	239	116.8	47.2	478	\$2.45	\$8.31	\$36,957	2.8	2.75	1.70	10.0
2027	169,445	338	117.7	47.7	479	\$2.54	\$8.68	\$37,126	2.8	2.78	1.75	9.9
2028	171,298	429	118.5	48.1	486	\$2.63	\$9.06	\$37,308	2.7	2.82	1.81	9.9
2029	173,115	410	119.4	48.6	483	\$2.73	\$9.43	\$37,513	2.5	2.85	1.87	9.8
2030	174,888	380	120.2	49.1	479	\$2.83	\$9.81	\$37,732	2.4	2.89	1.94	9.8
2031	176,612	354	121.1	49.5	473	\$2.93	\$10.20	\$37,967	2.3	2.93	2.00	9.7
2032	178,279	322	122.0	50.0	466	\$3.04	\$10.60	\$38,149	2.5	2.96	2.07	9.7
2033	179,894	290	122.9	50.5	459	\$3.15	\$11.01	\$38,443	2.1	3.00	2.14	9.7
2034	181,473	268	123.8	50.9	452	\$3.26	\$11.44	\$38,720	2.3	3.04	2.22	9.6
2035	183,006	243	124.8	51.3	444	\$3.38	\$11.90	\$38,993	2.4	3.08	2.29	9.6
2036	184,501	220	125.8	51.8	437	\$3.50	\$12.39	\$39,192	2.8	3.11	2.37	9.5
2037	185,964	197	126.8	52.2	430	\$3.63	\$12.91	\$39,381	2.8	3.15	2.45	9.5
2038	187,392	174	127.8	52.6	424	\$3.75	\$13.44	\$39,618	2.7	3.19	2.53	9.5
2039	188,798	153	128.8	53.0	417	\$3.88	\$14.00	\$39,820	2.8	3.23	2.60	9.4
2040	190,192	138	129.7	53.4	411	\$4.02	\$14.57	\$40,033	2.8	3.27	2.67	9.4

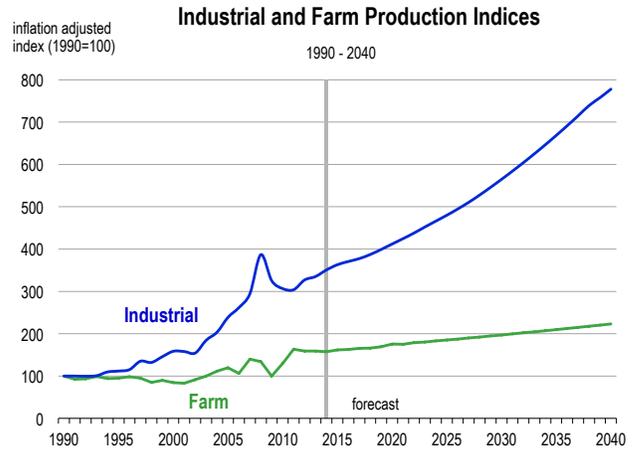
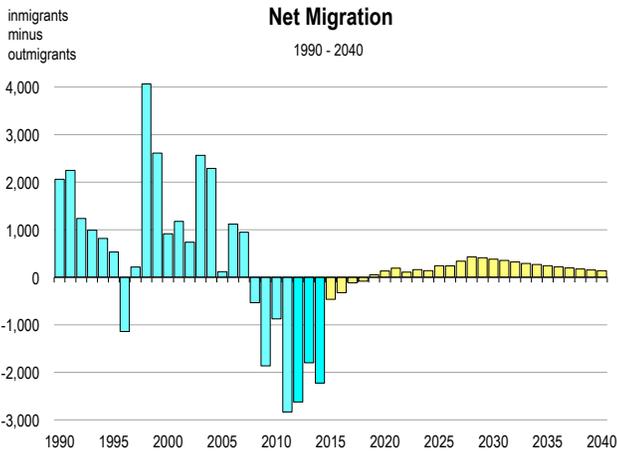
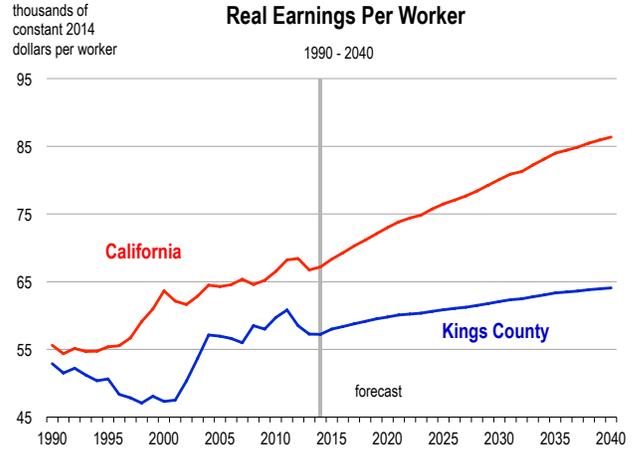


Kings County Employment Forecast

2006-2014 History, 2015-2040 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	43.8	8.68	1.37	3.94	0.82	4.63	1.10	1.20	0.30	4.36	2.82	14.02
2007	45.8	9.30	1.26	4.33	0.82	4.71	1.10	1.13	0.33	4.68	2.83	14.74
2008	45.1	6.69	1.14	5.13	0.87	4.63	1.08	1.23	0.30	5.16	2.74	15.47
2009	43.8	6.51	0.91	4.27	0.78	4.46	0.99	1.38	0.28	5.37	2.74	15.61
2010	42.9	6.55	0.86	4.12	0.80	4.38	0.94	1.65	0.20	5.19	2.71	14.95
2011	42.5	6.23	0.88	4.33	0.77	4.51	0.96	1.24	0.20	5.25	2.78	14.78
2012	42.9	6.46	0.79	4.40	0.82	4.61	1.00	1.33	0.20	5.41	2.78	14.56
2013	43.7	6.87	0.81	4.48	0.92	4.72	0.90	1.33	0.20	5.63	2.94	14.28
2014	44.1	6.63	0.78	4.60	0.93	4.84	0.90	1.40	0.20	5.92	3.04	14.22
2015	44.6	6.74	0.82	4.62	0.95	4.88	0.95	1.44	0.21	5.97	3.16	14.29
2016	45.4	6.77	0.84	4.66	0.96	4.91	0.97	1.48	0.21	6.04	3.26	14.74
2017	46.0	6.85	0.86	4.68	0.98	4.92	0.99	1.50	0.21	6.12	3.33	14.97
2018	46.6	6.88	0.88	4.70	1.00	4.93	1.00	1.52	0.22	6.22	3.39	15.28
2019	47.2	6.97	0.90	4.71	1.02	4.94	1.02	1.54	0.22	6.34	3.43	15.53
2020	47.9	7.15	0.91	4.72	1.04	4.95	1.04	1.56	0.22	6.47	3.44	15.85
2021	48.2	7.14	0.92	4.74	1.06	4.96	1.05	1.57	0.22	6.60	3.46	16.00
2022	48.7	7.26	0.92	4.75	1.08	4.97	1.07	1.59	0.22	6.75	3.46	16.18
2023	49.2	7.30	0.93	4.75	1.10	4.98	1.09	1.61	0.23	6.90	3.46	16.36
2024	49.7	7.37	0.94	4.76	1.11	4.99	1.11	1.63	0.23	7.04	3.47	16.55
2025	50.1	7.44	0.95	4.77	1.13	5.00	1.13	1.65	0.23	7.18	3.47	16.75
2026	50.6	7.51	0.96	4.78	1.15	5.01	1.14	1.67	0.23	7.31	3.48	16.96
2027	51.1	7.57	0.97	4.78	1.16	5.02	1.16	1.68	0.23	7.44	3.50	17.17
2028	51.6	7.65	0.98	4.79	1.18	5.02	1.18	1.70	0.23	7.56	3.52	17.38
2029	52.1	7.72	0.99	4.80	1.20	5.03	1.20	1.72	0.24	7.68	3.54	17.59
2030	52.5	7.79	1.00	4.81	1.21	5.04	1.22	1.74	0.24	7.78	3.57	17.80
2031	53.0	7.86	1.01	4.81	1.23	5.06	1.23	1.75	0.24	7.88	3.60	18.01
2032	53.5	7.94	1.02	4.82	1.25	5.07	1.24	1.77	0.24	7.97	3.63	18.21
2033	53.9	8.01	1.03	4.83	1.27	5.09	1.26	1.78	0.24	8.05	3.67	18.42
2034	54.4	8.08	1.04	4.83	1.28	5.10	1.27	1.79	0.24	8.13	3.70	18.62
2035	54.8	8.16	1.05	4.84	1.30	5.11	1.29	1.80	0.25	8.21	3.73	18.83
2036	55.3	8.24	1.05	4.85	1.32	5.12	1.30	1.81	0.25	8.29	3.76	19.04
2037	55.7	8.31	1.06	4.85	1.33	5.13	1.32	1.83	0.25	8.37	3.80	19.25
2038	56.2	8.39	1.07	4.86	1.35	5.14	1.33	1.84	0.25	8.45	3.83	19.45
2039	56.6	8.47	1.08	4.86	1.37	5.14	1.34	1.85	0.25	8.53	3.86	19.66
2040	57.1	8.55	1.09	4.87	1.39	5.15	1.36	1.86	0.25	8.62	3.90	19.86





County Economic and Demographic Indicators

Projected Economic Growth (2015-2020)

Expected retail sales growth:	7.2%
Expected job growth:	7.2%
Fastest growing jobs sector:	Government
Expected personal income growth:	8.6%

Expected population growth:	4.6%
Net migration to account for:	0%
Expected growth in number of vehicles:	3.3%

Demographics (2015)

Unemployment rate (March 2015):	11.9%
County rank* in California (58 counties):	52nd
Working age (16-64) population:	66.6%

Population with B.A. or higher:	12.4%
Median home selling price (2014):	\$175,000
Median household income:	\$48,223

Quality of Life

Violent crime rate (2013):	474 per 100,000 persons
County rank* in California (58 counties):	42nd
Average commute time to work (2015):	23.2 minutes

High School drop out rate (2014):	15.0%
Households at/below poverty line (2015):	17.5%

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