

# BUTTE COUNTY ECONOMIC FORECAST

Butte County is the largest California County in terms of population north of the Bay Area and the Sacramento Valley. The county is home to Chico State, the second oldest college in the California State University system. Butte County has a population of 220,269 people and 72,633 wage and salary jobs. The per capita income in Butte County is \$33,363, and the average salary per worker is \$41,016.

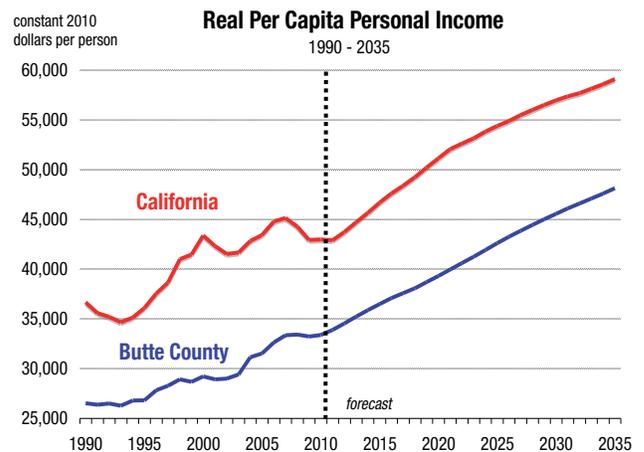
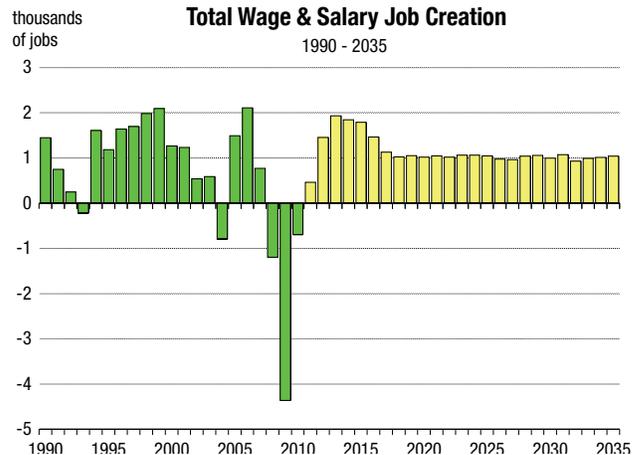
In 2010, 692 total wage and salary jobs were lost in Butte County, representing a decline in employment of 0.9 percent. The unemployment rate increased to 14.0 percent in 2010.

During 2010, jobs were created in the retail trade, education and healthcare, financial activities, and professional services. The public sector, which accounts for 23 percent of total employment in Butte County, shed 442 jobs, or 2.6 percent of total employment. Other sectors with significant employment losses included leisure (-200 jobs), construction (-190 jobs) and transportation and warehousing (-180 jobs). Manufacturing employment fell to the lowest level on record.

The population in Butte County grew at a rate of 8.3 percent between the 2000 and 2010 census. The largest city in the county is Chico (86,200 residents), which grew 42.4 percent over the past decade. Slower migration has limited population growth in recent years, however migration and growth are expected to increase over the forecast.

## FORECAST HIGHLIGHTS

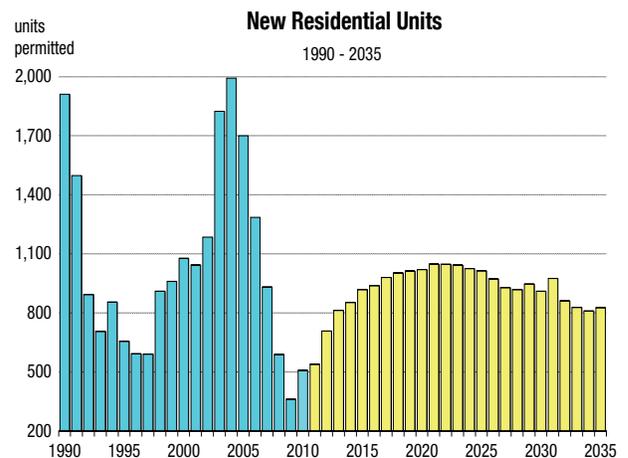
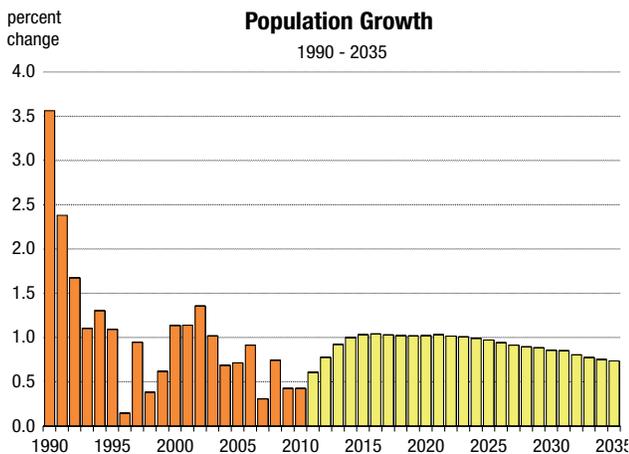
- Total wage and salary job growth is forecast to be 0.6 percent in 2011. Between 2011 and 2016, total employment growth averages 2.2 percent per year.
- Average salaries adjusted for inflation are currently below the California state average and will remain so over the forecast period. Inflation adjusted salaries are expected to rise by an average of 0.8 percent per year from 2011 to 2016.
- Between 2011 and 2016, the momentum for employment growth is in professional services, education and healthcare services, retail trade, and miscellaneous services. These sectors account for 64 percent of all jobs created in the county during this time period.
- The population in the county will continue to grow at a modest rate. Annual growth in the 2011 to 2016 period averages 1.0 percent per year.
- Net migration is forecast to rise in 2011 to 1,100 people. Migration then accelerates, averaging over 1,800 people per year from 2011 to 2016.
- Real per capita income is forecast to increase 1.6 percent in 2011. Over the 2011 to 2016 period real per capita income growth is expected to average 1.8 percent per year.
- Total taxable sales, adjusted for inflation, are forecast to rise by 3.6 percent in 2011. Between 2011 and 2016 real taxable sales are forecast to increase by an average of 3.8 percent per year.
- Industrial production is forecast to rise 2.6 percent in 2011. From 2011 to 2016 the growth rate of industrial production will remain stable, averaging 2.7 percent growth per year.



# Butte County Economic Forecast

## 2006-2010 History, 2011-2040 Forecast

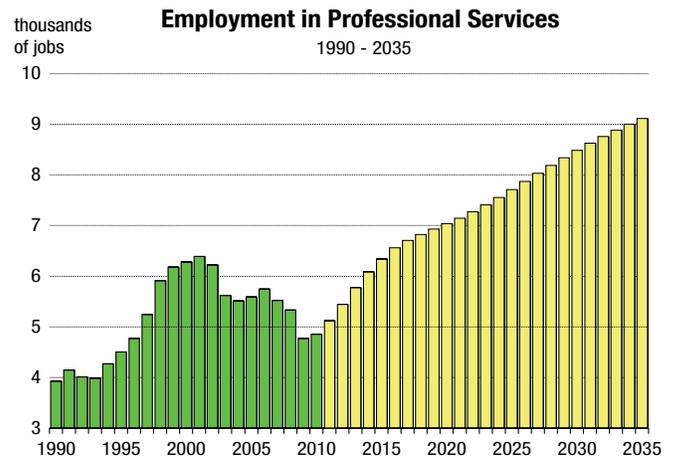
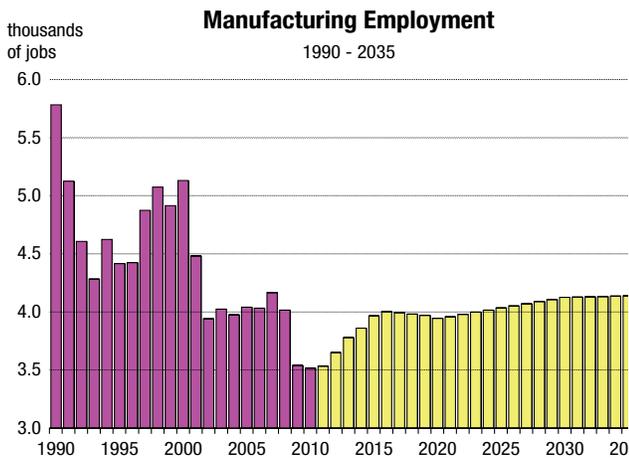
	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (millions)	Unemploy- ment Rate (percent)
2006	216,119	1,687	227.8	87.2	1,286	\$2.83	\$6.48	\$32,618	3.2	473	887	6.2
2007	216,787	390	223.9	88.5	932	\$2.78	\$6.87	\$33,355	3.4	516	914	6.6
2008	218,404	1,349	225.9	89.7	589	\$2.68	\$7.15	\$33,433	3.0	576	940	8.4
2009	219,335	708	225.5	90.0	362	\$2.35	\$7.19	\$33,213	0.8	547	932	12.6
2010	220,269	710	225.4	90.4	508	\$2.39	\$7.35	\$33,363	1.3	549	922	14.0
2011	221,609	1,103	225.2	90.9	540	\$2.56	\$7.75	\$33,881	3.3	561	946	13.4
2012	223,337	1,502	225.7	91.5	708	\$2.72	\$8.15	\$34,544	2.3	568	973	12.6
2013	225,399	1,844	227.0	92.2	813	\$2.90	\$8.58	\$35,232	2.3	572	1,005	11.3
2014	227,653	2,040	228.8	93.0	854	\$3.07	\$9.04	\$35,880	2.4	574	1,026	10.0
2015	230,006	2,141	231.0	93.8	919	\$3.25	\$9.49	\$36,505	2.1	575	1,052	8.8
2016	232,401	2,183	233.3	94.7	939	\$3.44	\$9.94	\$37,076	2.1	575	1,079	7.9
2017	234,799	2,189	235.7	95.7	981	\$3.62	\$10.39	\$37,572	2.1	575	1,108	7.4
2018	237,201	2,198	238.1	96.6	1,003	\$3.80	\$10.85	\$38,090	2.0	575	1,135	7.0
2019	239,623	2,226	240.4	97.6	1,013	\$3.98	\$11.34	\$38,687	1.9	575	1,163	6.7
2020	242,074	2,270	242.7	98.6	1,021	\$4.16	\$11.84	\$39,311	1.7	575	1,192	6.4
2021	244,576	2,338	245.0	99.6	1,048	\$4.34	\$12.37	\$39,973	1.7	575	1,227	6.3
2022	247,067	2,344	247.3	100.7	1,047	\$4.54	\$12.98	\$40,603	2.2	574	1,262	6.3
2023	249,558	2,360	249.5	101.7	1,044	\$4.74	\$13.60	\$41,246	2.2	574	1,295	6.3
2024	252,036	2,360	251.8	102.7	1,026	\$4.95	\$14.26	\$41,930	2.1	574	1,331	6.2
2025	254,486	2,343	254.0	103.7	1,015	\$5.19	\$14.94	\$42,613	2.1	574	1,368	6.2
2026	256,886	2,305	256.3	104.8	973	\$5.42	\$15.63	\$43,247	2.1	575	1,407	6.2
2027	259,236	2,264	258.4	105.7	930	\$5.67	\$16.32	\$43,857	2.1	575	1,449	6.1
2028	261,559	2,246	260.6	106.6	919	\$5.92	\$17.05	\$44,453	2.1	575	1,491	6.1
2029	263,874	2,245	262.8	107.5	947	\$6.19	\$17.79	\$45,026	2.1	576	1,536	6.1
2030	266,135	2,196	265.0	108.5	910	\$6.47	\$18.54	\$45,568	2.1	576	1,582	6.1
2031	268,401	2,206	267.2	109.4	975	\$6.75	\$19.33	\$46,101	2.2	577	1,628	6.0
2032	270,567	2,109	269.4	110.3	861	\$7.05	\$20.12	\$46,590	2.2	578	1,675	6.0
2033	272,668	2,048	271.5	111.2	829	\$7.36	\$20.94	\$47,094	2.1	579	1,724	6.0
2034	274,720	2,003	273.7	112.0	810	\$7.68	\$21.79	\$47,602	2.2	580	1,774	5.9
2035	276,748	1,984	275.9	112.8	828	\$8.02	\$22.67	\$48,127	2.2	580	1,826	5.9
2036	278,771	1,982	278.0	113.6	860	\$8.38	\$23.59	\$48,664	2.1	581	1,879	5.9
2037	280,791	1,983	280.2	114.5	893	\$8.75	\$24.54	\$49,205	2.2	582	1,934	5.9
2038	282,780	1,955	282.4	115.4	876	\$9.13	\$25.53	\$49,763	2.1	583	1,990	5.8
2039	284,729	1,919	284.6	116.2	857	\$9.53	\$26.55	\$50,342	2.1	584	2,048	5.8
2040	286,638	1,885	286.8	117.1	837	\$9.95	\$27.60	\$50,950	2.1	585	2,110	5.8

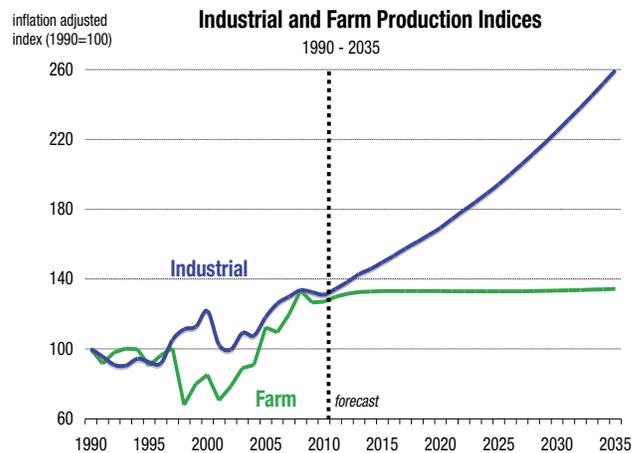
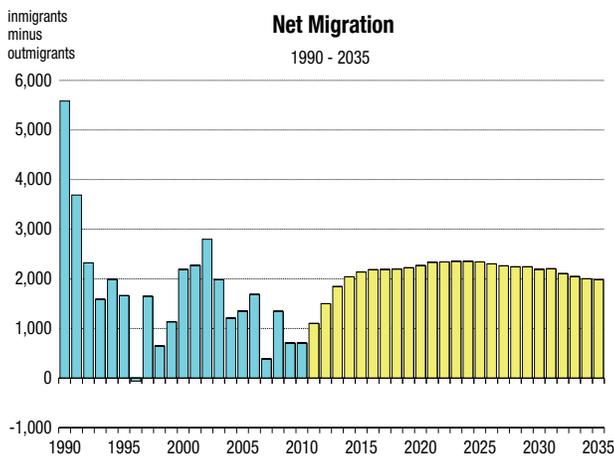
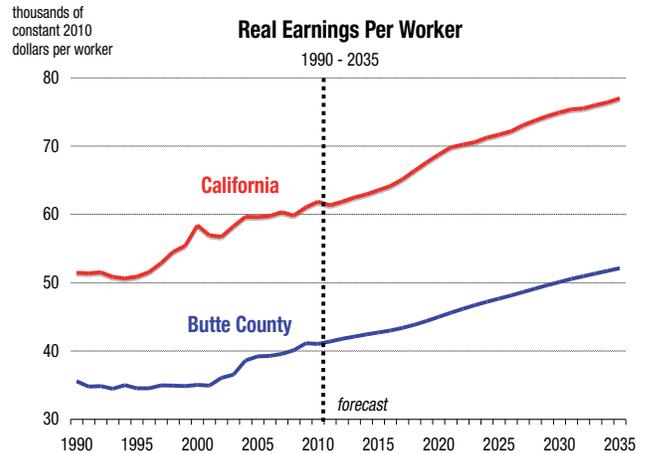
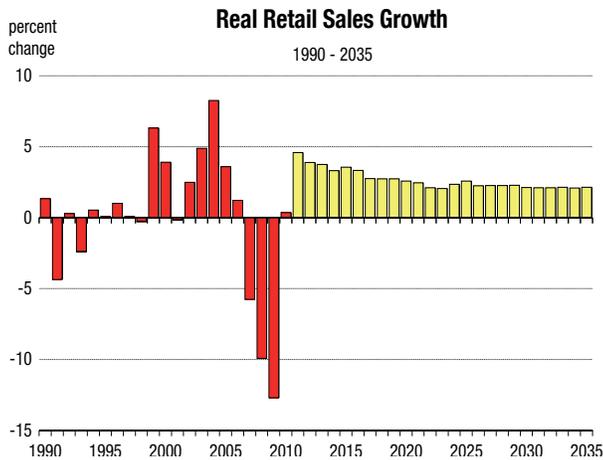


# Butte County Employment Forecast

## 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	78.1	2.50	4.2	4.0	1.9	12.5	4.2	5.8	1.3	12.9	7.7	17.5
2007	78.9	2.58	3.8	4.2	2.0	12.3	4.2	5.5	1.2	13.0	8.0	18.5
2008	77.7	2.81	3.3	4.0	1.9	11.8	4.4	5.3	1.2	13.4	7.9	18.2
2009	73.3	2.70	2.6	3.5	1.8	11.1	4.4	4.8	1.1	13.3	7.3	17.3
2010	72.6	2.65	2.4	3.5	1.6	11.1	4.6	4.9	1.0	13.7	7.1	16.8
2011	73.1	2.67	2.5	3.5	1.6	11.2	4.6	5.1	1.0	13.9	7.1	16.5
2012	74.6	2.67	2.6	3.7	1.6	11.5	4.7	5.4	1.0	14.2	7.2	16.3
2013	76.5	2.67	2.7	3.8	1.7	11.8	4.8	5.8	1.0	14.4	7.4	16.5
2014	78.3	2.67	2.8	3.9	1.7	12.2	4.9	6.1	1.1	14.6	7.5	16.7
2015	80.1	2.67	2.9	4.0	1.7	12.5	5.0	6.3	1.1	14.8	7.7	16.9
2016	81.6	2.67	2.9	4.0	1.8	12.8	5.1	6.6	1.1	15.0	7.9	17.0
2017	82.7	2.67	2.9	4.0	1.8	13.0	5.2	6.7	1.1	15.2	8.1	17.1
2018	83.8	2.67	3.0	4.0	1.8	13.2	5.2	6.8	1.1	15.4	8.2	17.3
2019	84.8	2.67	3.0	4.0	1.8	13.3	5.3	6.9	1.1	15.6	8.4	17.5
2020	85.8	2.67	3.0	3.9	1.9	13.5	5.3	7.0	1.1	15.8	8.5	17.7
2021	86.9	2.67	3.1	4.0	1.9	13.7	5.4	7.1	1.1	16.0	8.6	18.0
2022	87.9	2.67	3.1	4.0	1.9	13.8	5.4	7.3	1.1	16.2	8.7	18.2
2023	89.0	2.67	3.1	4.0	1.9	14.0	5.4	7.4	1.1	16.4	8.8	18.4
2024	90.0	2.67	3.1	4.0	2.0	14.2	5.4	7.6	1.1	16.6	8.8	18.6
2025	91.1	2.67	3.2	4.0	2.0	14.4	5.5	7.7	1.1	16.8	8.9	18.8
2026	92.1	2.67	3.1	4.1	2.0	14.6	5.5	7.9	1.1	17.0	9.0	18.9
2027	93.0	2.67	3.1	4.1	2.0	14.7	5.5	8.0	1.1	17.2	9.1	19.1
2028	94.1	2.67	3.1	4.1	2.0	14.9	5.6	8.2	1.1	17.5	9.2	19.3
2029	95.1	2.67	3.2	4.1	2.1	15.0	5.6	8.3	1.1	17.7	9.3	19.5
2030	96.1	2.67	3.2	4.1	2.1	15.2	5.6	8.5	1.1	17.9	9.3	19.6
2031	97.2	2.67	3.2	4.1	2.1	15.3	5.6	8.6	1.2	18.2	9.4	19.8
2032	98.1	2.67	3.2	4.1	2.1	15.5	5.7	8.8	1.2	18.4	9.5	20.0
2033	99.1	2.67	3.2	4.1	2.1	15.6	5.7	8.9	1.2	18.7	9.6	20.2
2034	100.1	2.67	3.2	4.1	2.1	15.8	5.7	9.0	1.2	19.0	9.7	20.3
2035	101.2	2.67	3.2	4.1	2.2	16.0	5.8	9.1	1.2	19.2	9.8	20.5
2036	102.2	2.67	3.2	4.1	2.2	16.1	5.8	9.2	1.2	19.5	9.9	20.7
2037	103.3	2.67	3.3	4.1	2.2	16.3	5.8	9.3	1.2	19.8	9.9	20.9
2038	104.3	2.67	3.3	4.1	2.2	16.5	5.9	9.5	1.2	20.1	10.0	21.1
2039	105.4	2.67	3.3	4.1	2.2	16.6	5.9	9.6	1.2	20.3	10.1	21.2
2040	106.4	2.67	3.3	4.2	2.2	16.8	6.0	9.7	1.2	20.6	10.2	21.4





## County Economic and Demographic Indicators

### Projected Economic Growth (2011-2016)

Expected retail sales growth:	19.2 %
Expected job growth:	11.6 %
Fastest growing jobs sector:	Professional Business Services
Expected personal income growth:	14.8 %

Expected population growth:	4.9 %
Net migration to account for:	90.0 %
Expected growth in number of vehicles:	3.6 %

### Demographics (2011)

Unemployment rate (June 2011)	14.1 %
County Rank* in California (58 counties):	34th
Working age (16-64) population:	65.8 %

Population with B.A. Degree or higher:	24.0 %
Median Home Selling Price:	\$184,500
Median Household Income:	\$39,669

### Quality of Life

Violent Crime rate (2009):	422 per 100,000 persons
County Rank* in California (58 counties):	34th
Average Commute Time to work (2011):	21.0 minutes

High School drop out rate (2009):	18.3 %
Households at/below poverty line:	11.7 %

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