

TULARE COUNTY ECONOMIC FORECAST

Tulare County is located in the San Joaquin Valley. Nearly half of the land in the county is devoted to national parks or national forests. In terms of crop value, Tulare's agricultural sector is routinely the second largest in the nation, behind that of Fresno County. Its most prevalent commodity is milk, which generates more than \$1 billion in annual output. The county is also a large producer of oranges, cattle, and grapes.

Tulare County has a population of 449,000 people and 142,500 wage and salary jobs. The per capita income in Tulare County is \$28,736, and the average salary per worker is \$40,179.

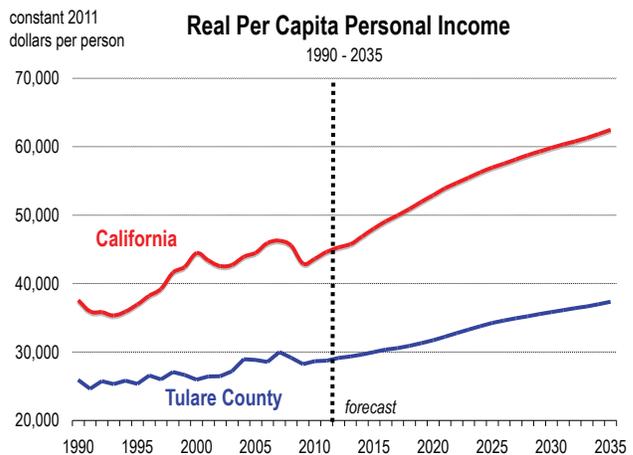
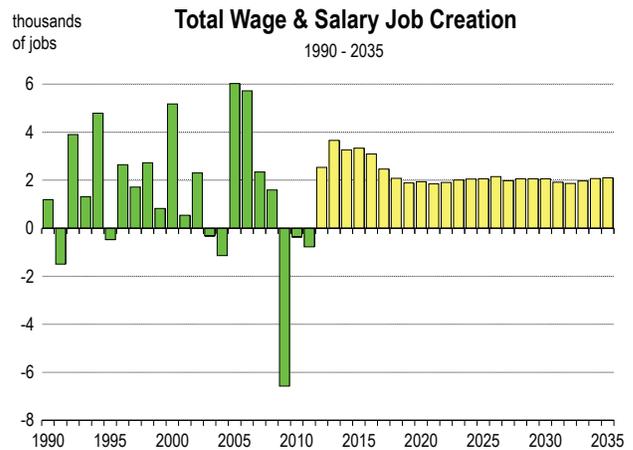
In 2011, employment across the San Joaquin Valley contracted by 0.7 percent. In Tulare County, 800 total wage and salary jobs were lost, a decline of 0.5 percent. The unemployment rate, while still very high, improved from 16.9 percent to 16.6 percent.

In 2011, the only industries to produce a significant number of jobs were professional services (+500 jobs) and retail trade (+300 jobs). The sectors with the largest employment declines during 2011 were government (-500 jobs), wholesale trade (-300 jobs), and leisure and hospitality (-300 jobs). Employment in the agricultural sector – the county's largest – was virtually flat in 2012.

Population growth in Tulare County slowed during the recession, but was still relatively high in 2011 at 1.2 percent. During the 2006-2011 period, growth averaged 1.6 percent. Most of this growth was due to the natural increase (new births), as net in-migration averaged only 1,100 individuals per year. Population growth over the next five years will be high, but will also be driven by the natural increase.

FORECAST HIGHLIGHTS

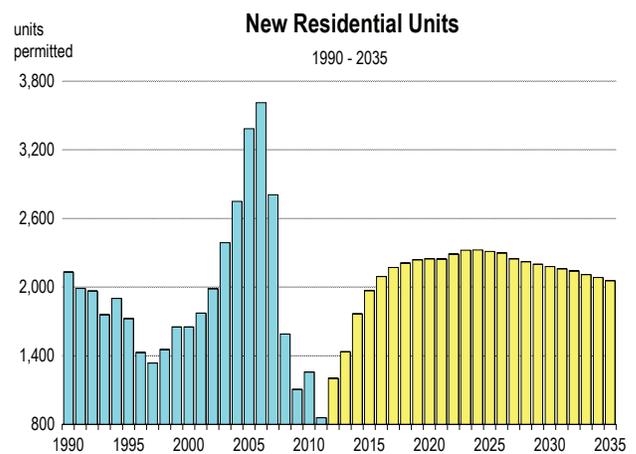
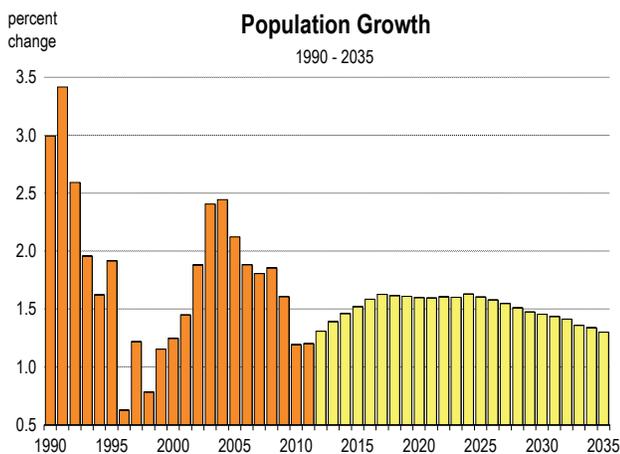
- Employment growth is projected at 1.8 percent in 2012. Between 2012 and 2017, total employment growth averages 2.0 percent per year and farm job growth averages 1.3 percent per year.
- Average salaries are currently below the California state average, and will remain so over the forecast period. Inflation-adjusted salaries are expected to rise an average of 0.3 percent per year between 2012 and 2017, much slower than the statewide average of 1.0 percent.
- Between 2012 and 2017, the momentum for employment growth occurs in professional services, construction, agriculture, and government. These sectors account for 55 percent of growth during this time period, adding a combined total of 10,000 jobs.
- The population in the county will continue to grow faster than the state average. Annual growth in the 2012 to 2017 period will average 1.5 percent per year.
- Net migration will remain low, with around 200 people entering the county in 2012. From 2012 to 2017, net migration is expected to average 900 in-migrants per year.
- Real per capita income is forecast to rise 1.3 percent in 2012. Between 2012 and 2017, the growth of real per capita income is expected to average 1.0 percent per year.
- Total taxable sales, adjusted for inflation, are expected to increase by an average of 2.6 percent per year from 2012 to 2017.
- Industrial production is forecast to rise 3.1 percent in 2012. During the 2012 to 2017 period, the growth rate of industrial production will average 3.0 percent per year.
- Farm production is forecast to increase by 2.5 percent per year between 2012 and 2017. The principal commodity in the county is dairy products.



Tulare County Economic Forecast

2006-2011 History, 2012-2040 Forecast

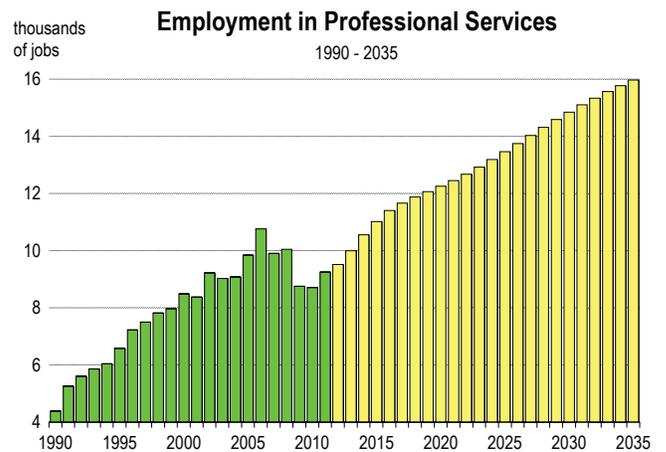
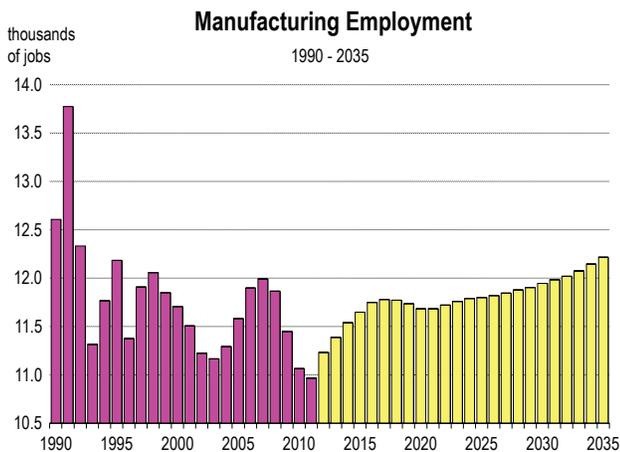
	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (billions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
2006	416,092	2,395	341	121.3	3,612	\$4.8	\$10.7	\$28,538	3.2	4.32	2.84	8.5
2007	423,608	1,864	343	124.6	2,807	\$4.9	\$11.8	\$30,003	3.4	5.25	2.85	9.2
2008	431,471	2,045	345	127.5	1,590	\$4.8	\$12.0	\$29,161	3.0	5.25	3.09	10.7
2009	438,408	1,179	347	129.4	1,105	\$4.1	\$11.9	\$28,207	0.8	4.20	2.90	15.2
2010	443,638	-364	349	130.1	1,259	\$4.5	\$12.4	\$28,664	1.3	4.98	2.96	16.9
2011	448,965	-298	350	131.0	860	\$4.9	\$12.9	\$28,736	2.5	4.96	2.98	16.6
2012	454,840	228	355	132.0	1,203	\$5.1	\$13.4	\$29,118	1.9	5.24	3.08	14.7
2013	461,167	547	361	133.2	1,435	\$5.4	\$14.0	\$29,326	2.1	5.42	3.15	13.3
2014	467,910	829	367	134.6	1,766	\$5.6	\$14.8	\$29,636	2.1	5.54	3.25	12.5
2015	475,029	1,077	373	136.3	1,971	\$5.9	\$15.5	\$30,000	1.8	5.58	3.35	11.6
2016	482,562	1,359	380	138.2	2,095	\$6.2	\$16.3	\$30,348	1.7	5.66	3.46	10.9
2017	490,410	1,548	386	140.3	2,172	\$6.5	\$17.0	\$30,576	1.7	5.75	3.57	10.5
2018	498,336	1,506	393	142.5	2,212	\$6.7	\$17.8	\$30,886	1.7	5.84	3.69	10.1
2019	506,360	1,500	399	144.7	2,241	\$7.1	\$18.7	\$31,300	1.5	5.95	3.80	9.8
2020	514,459	1,484	404	147.0	2,250	\$7.4	\$19.6	\$31,732	1.4	5.96	3.92	9.4
2021	522,671	1,518	410	149.2	2,247	\$7.7	\$20.6	\$32,229	1.3	5.92	4.03	9.4
2022	531,069	1,641	416	151.5	2,290	\$8.1	\$21.6	\$32,752	1.5	5.98	4.16	9.4
2023	539,578	1,705	422	153.8	2,323	\$8.5	\$22.7	\$33,260	1.5	6.08	4.30	9.4
2024	548,369	1,949	428	156.1	2,325	\$8.9	\$23.9	\$33,762	1.6	6.20	4.44	9.4
2025	557,164	1,927	434	158.4	2,313	\$9.3	\$25.1	\$34,235	1.7	6.33	4.58	9.4
2026	565,954	1,895	439	160.8	2,299	\$9.8	\$26.3	\$34,596	1.7	6.42	4.73	9.4
2027	574,725	1,864	445	163.1	2,248	\$10.2	\$27.6	\$34,909	1.7	6.48	4.89	9.5
2028	583,402	1,765	451	165.4	2,223	\$10.7	\$28.8	\$35,228	1.7	6.55	5.05	9.4
2029	592,000	1,677	456	167.6	2,200	\$11.2	\$30.1	\$35,537	1.7	6.62	5.22	9.5
2030	600,615	1,680	462	169.8	2,181	\$11.7	\$31.4	\$35,835	1.7	6.61	5.40	9.5
2031	609,242	1,688	467	172.0	2,162	\$12.2	\$32.8	\$36,124	1.7	6.55	5.58	9.5
2032	617,853	1,668	472	174.2	2,143	\$12.7	\$34.2	\$36,384	1.7	6.64	5.77	9.5
2033	626,256	1,456	478	176.4	2,111	\$13.2	\$35.7	\$36,672	1.7	6.78	5.97	9.5
2034	634,645	1,444	483	178.5	2,086	\$13.8	\$37.2	\$36,988	1.7	6.92	6.18	9.5
2035	642,898	1,317	488	180.6	2,057	\$14.3	\$38.9	\$37,328	1.7	7.01	6.41	9.5
2036	650,904	1,082	494	182.7	2,019	\$14.9	\$40.6	\$37,684	1.7	7.18	6.63	9.5
2037	658,856	1,035	499	184.7	1,990	\$15.5	\$42.3	\$38,063	1.7	7.32	6.86	9.5
2038	666,666	901	505	186.8	1,959	\$16.2	\$44.2	\$38,466	1.7	7.29	7.09	9.5
2039	674,343	770	511	188.7	1,929	\$16.8	\$46.2	\$38,895	1.7	7.36	7.33	9.5
2040	681,881	633	516	190.7	1,897	\$17.5	\$48.2	\$39,351	1.7	7.46	7.70	9.5

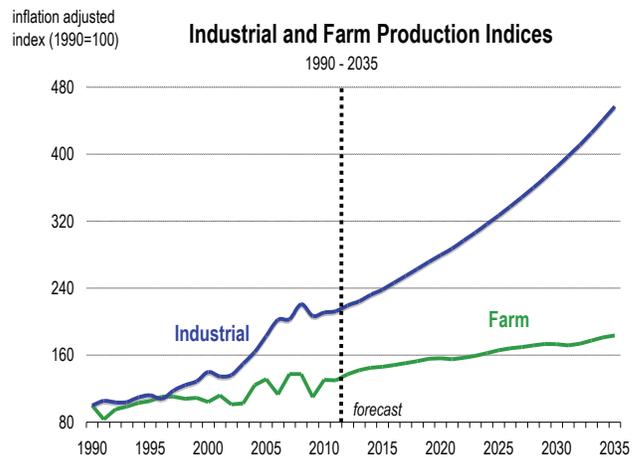
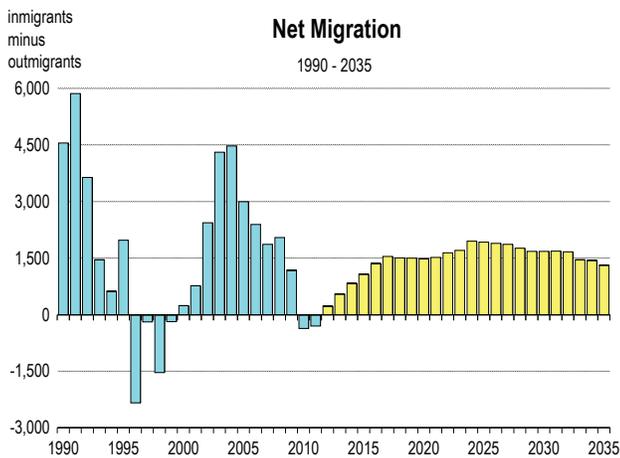
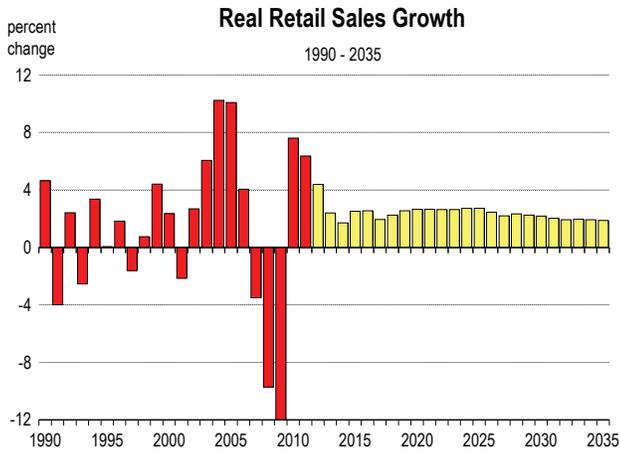


Tulare County Employment Forecast

2006-2011 History, 2012-2040 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	146.3	33.68	8.3	11.9	5.3	18.7	4.5	10.8	1.1	10.3	8.6	30.2
2007	148.6	35.04	7.6	12.0	5.4	19.4	4.5	9.9	1.1	10.7	9.0	31.0
2008	150.2	36.65	6.1	11.9	5.3	19.8	4.4	10.1	1.4	10.8	8.9	31.8
2009	143.6	36.36	4.6	11.5	5.0	18.3	4.0	8.8	1.2	10.6	9.0	31.3
2010	143.3	37.66	3.9	11.1	5.1	18.1	3.8	8.7	1.1	10.8	8.9	31.1
2011	142.5	37.59	3.8	11.0	5.0	18.2	3.7	9.3	1.0	10.8	8.6	30.6
2012	145.0	37.98	4.3	11.2	5.0	19.1	3.8	9.5	1.0	11.1	9.0	30.0
2013	148.7	38.54	4.6	11.4	5.1	19.5	3.9	10.0	1.0	11.3	9.1	31.0
2014	152.0	39.13	5.1	11.5	5.3	19.8	4.0	10.6	1.1	11.5	9.3	31.4
2015	155.3	39.66	5.5	11.6	5.5	20.1	4.1	11.0	1.1	11.8	9.6	31.9
2016	158.4	40.14	5.9	11.8	5.6	20.5	4.2	11.4	1.1	12.1	9.8	32.4
2017	160.9	40.60	6.2	11.8	5.7	20.8	4.2	11.7	1.1	12.3	10.1	32.8
2018	162.9	41.05	6.3	11.8	5.8	21.0	4.3	11.9	1.1	12.5	10.2	33.3
2019	164.8	41.50	6.4	11.7	6.0	21.2	4.3	12.1	1.1	12.7	10.3	33.7
2020	166.8	41.92	6.5	11.7	6.2	21.5	4.3	12.3	1.1	12.9	10.3	34.1
2021	168.6	42.22	6.6	11.7	6.4	21.8	4.4	12.5	1.1	13.1	10.4	34.5
2022	170.5	42.46	6.8	11.7	6.6	22.1	4.4	12.7	1.1	13.3	10.4	35.0
2023	172.5	42.74	6.9	11.8	6.8	22.4	4.4	12.9	1.1	13.5	10.4	35.5
2024	174.6	43.07	7.0	11.8	6.9	22.7	4.5	13.2	1.1	13.7	10.4	36.0
2025	176.7	43.46	7.1	11.8	7.1	23.1	4.5	13.5	1.1	13.8	10.5	36.6
2026	178.8	43.88	7.1	11.8	7.2	23.4	4.5	13.8	1.1	14.0	10.5	37.2
2027	180.8	44.28	7.1	11.8	7.3	23.7	4.5	14.0	1.1	14.2	10.5	37.7
2028	182.9	44.67	7.1	11.9	7.4	24.1	4.5	14.3	1.1	14.5	10.6	38.2
2029	184.9	45.04	7.1	11.9	7.5	24.4	4.5	14.6	1.2	14.7	10.6	38.8
2030	187.0	45.35	7.1	11.9	7.6	24.8	4.5	14.9	1.2	14.9	10.7	39.3
2031	188.9	45.55	7.1	12.0	7.7	25.2	4.5	15.1	1.2	15.1	10.8	39.9
2032	190.8	45.72	7.1	12.0	7.9	25.5	4.5	15.3	1.2	15.4	10.9	40.5
2033	192.8	45.97	7.0	12.1	8.0	25.9	4.5	15.6	1.2	15.6	10.9	41.0
2034	194.8	46.33	7.0	12.1	8.1	26.2	4.5	15.8	1.2	15.8	11.0	41.6
2035	196.9	46.73	7.0	12.2	8.2	26.6	4.5	16.0	1.2	16.0	11.1	42.2
2036	199.1	47.17	6.9	12.3	8.4	27.0	4.5	16.2	1.2	16.3	11.1	42.8
2037	201.3	47.69	6.9	12.3	8.5	27.4	4.5	16.4	1.2	16.5	11.2	43.4
2038	203.5	48.15	6.8	12.4	8.6	27.7	4.5	16.6	1.2	16.7	11.3	44.0
2039	205.6	48.52	6.8	12.4	8.8	28.1	4.5	16.8	1.2	17.0	11.4	44.6
2040	207.6	48.89	6.7	12.4	8.9	28.5	4.5	17.0	1.2	17.2	11.5	45.1





County Economic and Demographic Indicators

Projected Economic Growth (2012-2017)

Expected retail sales growth:	16.6 %
Expected job growth:	14.6 %
Fastest growing jobs sector:	Construction
Expected personal income growth:	16.2 %

Expected population growth:	9.2 %
Net migration to account for:	13.5 %
Expected growth in number of vehicles:	10.5 %

Demographics

Unemployment rate (March 2012):	18.3 %
County Rank* in California (58 counties):	50th
Working age (16-64) population:	61.3 %

Population with B.A. Degree or higher:	12.5 %
Median Home Selling Price:	\$125,000
Median Household Income:	\$41,404

Quality of Life

Violent Crime rate (2010):	460 per 100,000 persons
County Rank* in California (58 counties):	40th
Average Commute Time to work (2012):	22.9 minutes

High School drop out rate (2010):	18.5 %
Households at/below poverty line:	18.8 %

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