

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 150,800 people and 42,000 wage and salary jobs. The income per capita in Kings County is \$28,403 and the average salary per worker is \$57,733.

Kings County has a strong agricultural sector, producing more than \$2.2 billion in agricultural commodities in 2012. It is one of the largest milk producers in the state of California, and also produces a significant amount of cotton.

Employment across the San Joaquin Valley increased by 1.0 percent in 2012. In Kings County, 240 jobs were gained, representing an increase of 0.6 percent. Farm employment, which accounts for 15 percent of total wage and salary jobs, increased by 2.3 percent, while the non-farm sector increased by 0.3 percent. Although still very high, the unemployment rate improved over the course of the year, falling from 16.2 percent in 2011 to 15.3 percent in 2012.

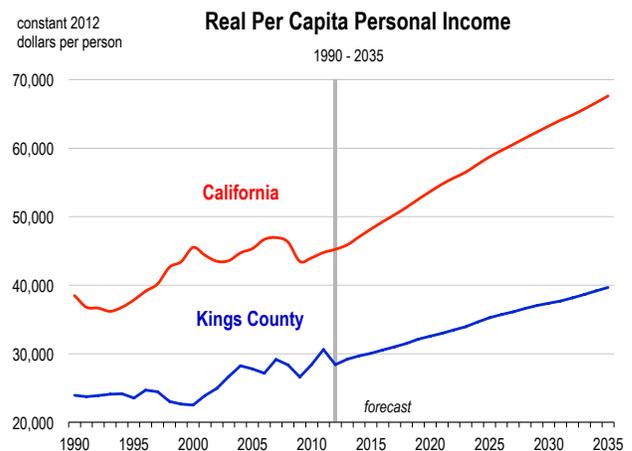
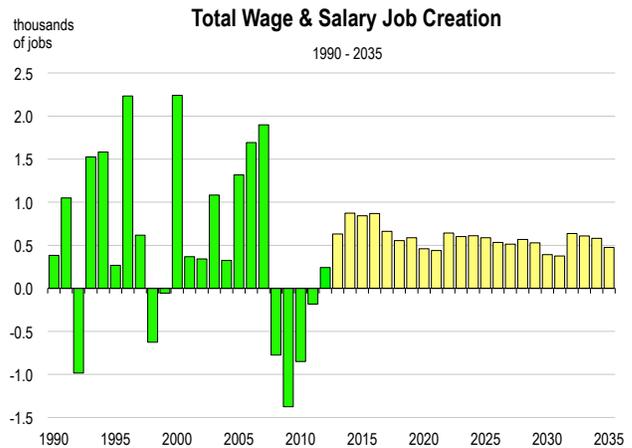
During 2012, the strongest job growth occurred in agriculture (+140 jobs) and professional services (+110 jobs). The largest losses occurred in the public sector (-210 jobs), and construction (-110 jobs). All other industries gained or lost a small number of positions.

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 more than 15,000 inmates and employ more than 5,000 workers.

Between 2007 and 2012, the population of Kings County grew by an average of 0.1 percent per year. However, due to out-migration, growth was negative in 2011 and 2012. Population growth should accelerate over the next five years as net migration turns positive.

FORECAST HIGHLIGHTS

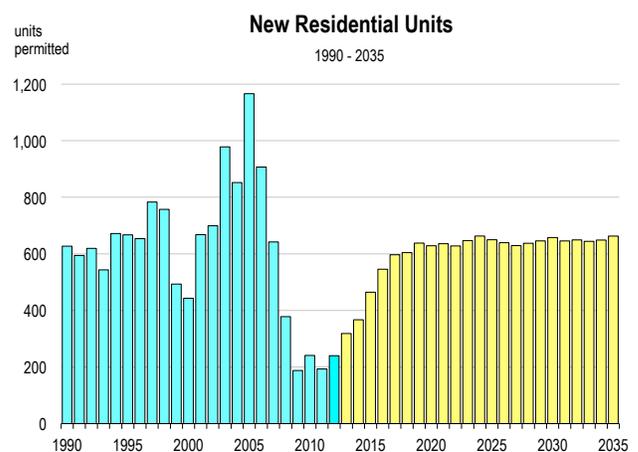
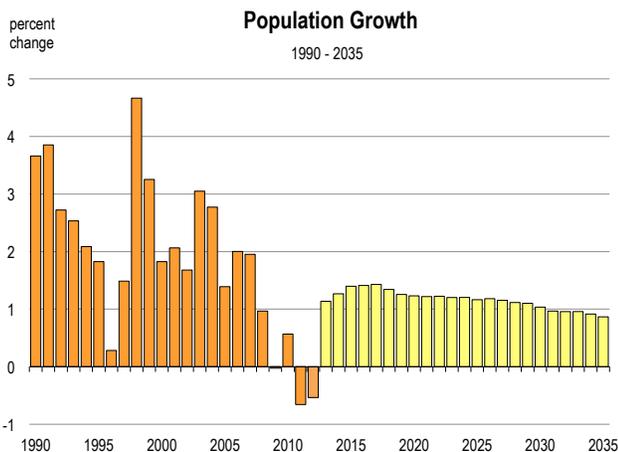
- Total wage and salary employment is expected to increase by 1.5 percent in 2013. From 2013 to 2018, total wage and salary employment growth will average 1.7 percent per year, while agricultural employment growth will average 1.0 percent per year.
- Average salaries are currently below the California state average, and will remain so over the forecast period. Inflation-adjusted salaries are expected to rise by an average of 1.3 percent per year between 2013 and 2018.
- Between 2013 and 2018, the largest employment gains will be in the public sector. With 1,700 new jobs, this industry will account for 44 percent of net job creation in the county. Another 28 percent of net job creation will be observed in agriculture, leisure and hospitality, and education and healthcare.
- Population growth in the county is expected to accelerate rapidly from its currently-depressed levels. During the 2013-2018 period, growth will average 1.4 percent per year.
- In 2013, net migration will be virtually flat. In 2014, net migration will turn positive, and over the entire 2013-2018 period, approximately 340 net migrants will enter the county each year.
- Real income per capita is expected to rise by 2.8 by percent in 2013. From 2013 to 2018, real income per capita is expected to increase by 1.5 percent per year.
- Total taxable sales, adjusted for inflation, are expected to increase by an average of 2.9 percent per year during the 2013-2018 period.
- Industrial production is forecast to advance by 3.0 percent in 2013. Over the entire 2013-2018 period, growth will average 3.0 percent per year.
- Farm production is forecast to increase by 1.3 percent per year between 2013 and 2018. The principal commodity in the county is milk.



Kings County Economic Forecast

2006-2012 History, 2013-2040 Forecast

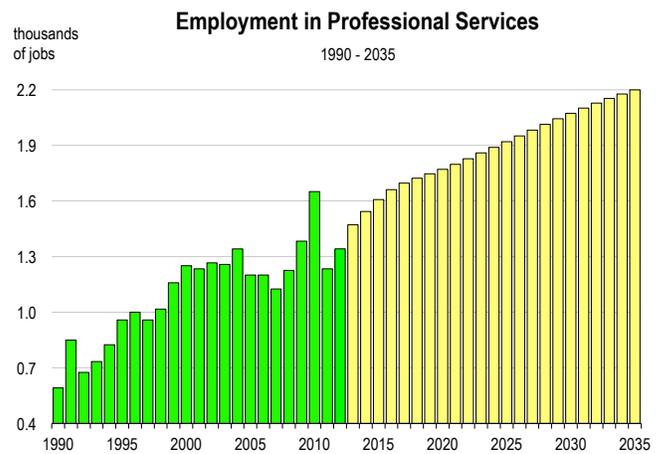
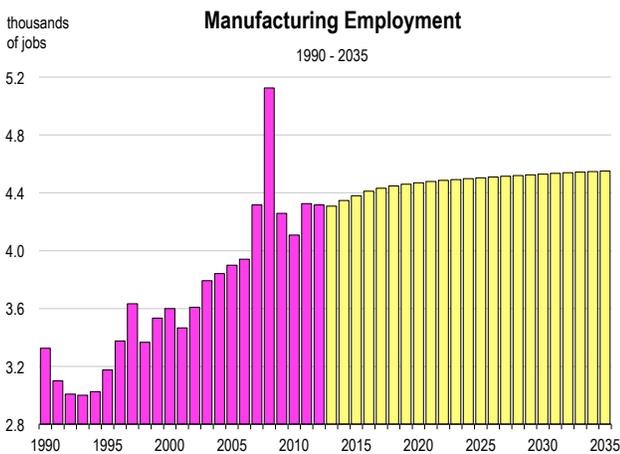
	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (billions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
2006	147,496	1,118	102.7	38.8	907	\$1.30	\$3.50	\$27,163	3.3	1.48	0.82	8.5
2007	150,378	949	103.7	39.7	642	\$1.33	\$3.95	\$29,145	3.2	1.95	0.91	8.7
2008	151,834	-537	104.1	40.4	378	\$1.39	\$4.00	\$28,379	3.1	1.87	1.19	10.5
2009	151,794	-1,865	104.1	40.8	188	\$1.17	\$3.79	\$26,609	0.9	1.39	0.97	14.5
2010	152,656	-915	104.2	41.2	241	\$1.19	\$4.12	\$28,445	1.2	1.81	0.95	16.5
2011	151,655	-2,825	104.4	41.4	193	\$1.32	\$4.52	\$30,625	2.6	2.28	1.03	16.2
2012	150,843	-2,622	104.5	41.5	240	\$1.37	\$4.28	\$28,403	2.7	2.22	1.06	15.3
2013	152,558	-87	105.0	41.8	318	\$1.43	\$4.54	\$29,185	2.3	2.27	1.09	13.9
2014	154,490	130	105.7	42.1	367	\$1.52	\$4.79	\$29,683	2.7	2.31	1.13	13.1
2015	156,649	357	106.6	42.4	464	\$1.60	\$5.05	\$30,062	2.1	2.29	1.16	12.2
2016	158,860	405	107.8	42.9	546	\$1.69	\$5.34	\$30,555	2.4	2.34	1.19	11.6
2017	161,131	460	109.2	43.4	597	\$1.77	\$5.63	\$30,999	2.1	2.38	1.23	11.4
2018	163,295	343	110.7	44.0	604	\$1.86	\$5.93	\$31,486	2.1	2.42	1.27	11.3
2019	165,344	219	112.4	44.6	638	\$1.95	\$6.27	\$32,120	2.1	2.47	1.31	11.1
2020	167,380	192	114.2	45.2	629	\$2.03	\$6.59	\$32,552	2.1	2.45	1.36	11.1
2021	169,419	183	116.0	45.8	636	\$2.11	\$6.91	\$32,969	2.2	2.41	1.40	10.9
2022	171,493	212	117.8	46.4	628	\$2.20	\$7.27	\$33,478	2.3	2.47	1.45	10.5
2023	173,554	199	119.4	47.0	647	\$2.29	\$7.63	\$33,930	2.3	2.52	1.49	10.4
2024	175,643	231	121.0	47.7	663	\$2.40	\$8.04	\$34,631	2.4	2.59	1.54	10.3
2025	177,688	198	122.4	48.3	650	\$2.51	\$8.45	\$35,264	2.4	2.64	1.59	10.3
2026	179,788	265	123.8	48.9	639	\$2.61	\$8.84	\$35,720	2.5	2.66	1.64	10.2
2027	181,861	257	125.1	49.5	629	\$2.72	\$9.23	\$36,123	2.5	2.68	1.69	10.2
2028	183,890	238	126.4	50.2	637	\$2.83	\$9.66	\$36,604	2.5	2.72	1.74	10.1
2029	185,916	264	127.8	50.8	646	\$2.94	\$10.08	\$37,037	2.5	2.74	1.80	10.0
2030	187,841	200	129.3	51.4	658	\$3.05	\$10.50	\$37,369	2.5	2.70	1.85	10.0
2031	189,657	126	130.9	52.0	646	\$3.16	\$10.91	\$37,681	2.5	2.66	1.91	10.0
2032	191,473	161	132.6	52.7	649	\$3.29	\$11.38	\$38,140	2.5	2.75	1.97	9.8
2033	193,308	217	134.5	53.3	644	\$3.42	\$11.88	\$38,644	2.5	2.83	2.03	9.8
2034	195,077	182	136.5	53.9	649	\$3.54	\$12.41	\$39,173	2.5	2.89	2.10	9.7
2035	196,767	135	138.5	54.5	663	\$3.67	\$12.94	\$39,664	2.5	2.91	2.16	9.7
2036	198,413	117	140.7	55.2	651	\$3.81	\$13.52	\$40,254	2.5	3.01	2.23	9.6
2037	200,081	161	143.0	55.8	629	\$3.95	\$14.11	\$40,767	2.5	3.06	2.29	9.6
2038	201,629	59	145.5	56.4	631	\$4.08	\$14.65	\$41,153	2.5	2.98	2.37	9.6
2039	203,106	-1	148.2	57.0	616	\$4.23	\$15.30	\$41,773	2.5	3.05	2.44	9.5
2040	204,672	95	150.9	57.6	597	\$4.38	\$15.95	\$42,354	2.4	3.10	2.50	9.5

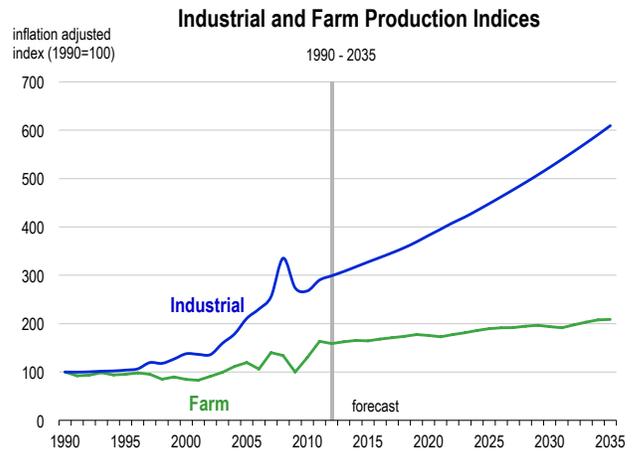
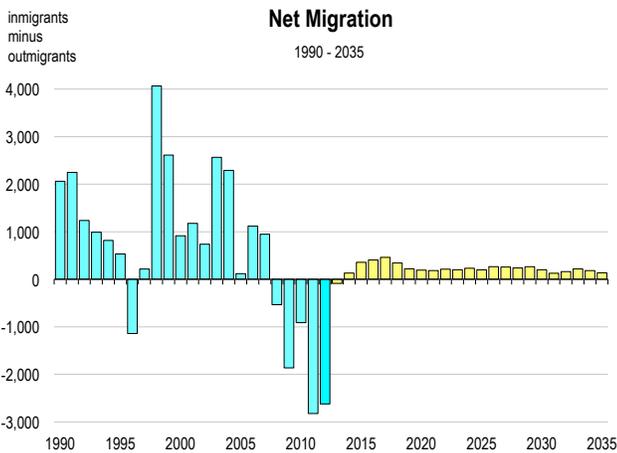
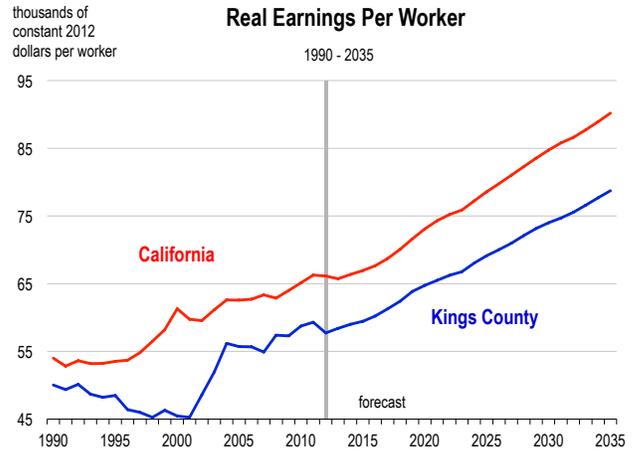


Kings County Employment Forecast

2006-2012 History, 2013-2040 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	43.0	8.68	1.37	3.94	0.82	4.63	1.10	1.20	0.30	3.54	2.82	14.02
2007	44.9	9.30	1.26	4.32	0.82	4.71	1.10	1.13	0.33	3.78	2.83	14.74
2008	44.1	6.69	1.14	5.13	0.87	4.63	1.08	1.23	0.30	4.22	2.74	15.47
2009	42.8	6.51	0.91	4.26	0.78	4.46	0.99	1.38	0.28	4.33	2.74	15.61
2010	41.9	6.55	0.86	4.11	0.80	4.38	0.94	1.65	0.20	4.26	2.71	14.95
2011	41.7	6.23	0.88	4.33	0.77	4.51	0.99	1.23	0.20	4.48	2.78	14.78
2012	42.0	6.38	0.78	4.32	0.81	4.59	1.08	1.34	0.20	4.57	2.76	14.58
2013	42.6	6.48	0.83	4.31	0.82	4.62	1.12	1.47	0.26	4.66	2.84	14.60
2014	43.5	6.57	0.86	4.35	0.84	4.67	1.15	1.54	0.26	4.74	2.90	14.99
2015	44.3	6.54	0.89	4.38	0.85	4.71	1.17	1.61	0.27	4.80	2.98	15.46
2016	45.2	6.65	0.92	4.41	0.87	4.76	1.20	1.66	0.28	4.87	3.07	15.83
2017	45.8	6.73	0.94	4.43	0.89	4.80	1.22	1.70	0.28	4.93	3.15	16.08
2018	46.4	6.81	0.95	4.45	0.91	4.83	1.24	1.72	0.29	5.01	3.22	16.27
2019	47.0	6.92	0.97	4.46	0.92	4.86	1.26	1.75	0.29	5.09	3.27	16.48
2020	47.4	6.86	0.97	4.47	0.94	4.89	1.28	1.77	0.30	5.18	3.33	16.74
2021	47.9	6.78	0.98	4.48	0.95	4.92	1.30	1.80	0.30	5.27	3.39	17.00
2022	48.5	6.92	0.99	4.49	0.97	4.95	1.32	1.83	0.30	5.36	3.45	17.23
2023	49.1	7.02	1.00	4.49	0.98	4.98	1.34	1.86	0.30	5.45	3.51	17.44
2024	49.7	7.16	1.01	4.50	0.99	5.01	1.37	1.89	0.30	5.53	3.57	17.64
2025	50.3	7.27	1.02	4.50	1.00	5.05	1.40	1.92	0.31	5.61	3.63	17.85
2026	50.9	7.32	1.02	4.51	1.01	5.08	1.42	1.95	0.31	5.68	3.70	18.07
2027	51.4	7.35	1.03	4.51	1.02	5.12	1.45	1.98	0.31	5.75	3.76	18.29
2028	51.9	7.43	1.05	4.52	1.03	5.15	1.47	2.01	0.31	5.81	3.83	18.51
2029	52.5	7.48	1.06	4.52	1.04	5.19	1.50	2.04	0.32	5.88	3.89	18.74
2030	52.9	7.40	1.08	4.53	1.04	5.22	1.52	2.07	0.32	5.93	3.96	18.96
2031	53.2	7.32	1.08	4.53	1.05	5.25	1.54	2.10	0.32	5.98	4.03	19.18
2032	53.9	7.51	1.10	4.54	1.06	5.28	1.56	2.13	0.33	6.03	4.10	19.39
2033	54.5	7.67	1.11	4.54	1.06	5.31	1.59	2.15	0.33	6.07	4.17	19.61
2034	55.1	7.81	1.12	4.55	1.07	5.34	1.61	2.18	0.33	6.11	4.24	19.83
2035	55.5	7.83	1.13	4.55	1.08	5.38	1.63	2.20	0.34	6.16	4.32	20.04
2036	56.2	8.05	1.14	4.55	1.08	5.41	1.65	2.22	0.34	6.20	4.39	20.26
2037	56.7	8.16	1.14	4.56	1.09	5.44	1.67	2.24	0.34	6.24	4.46	20.48
2038	57.0	7.99	1.15	4.56	1.10	5.47	1.70	2.27	0.35	6.28	4.54	20.70
2039	57.6	8.13	1.16	4.57	1.10	5.50	1.72	2.29	0.35	6.32	4.62	20.92
2040	58.1	8.24	1.16	4.57	1.11	5.52	1.74	2.31	0.35	6.36	4.70	21.13





County Economic and Demographic Indicators

Projected Economic Growth (2013-2018)

Expected retail sales growth:	15.4 %
Expected job growth:	8.9 %
Fastest growing jobs sector:	Professional Services
Expected personal income growth:	15.5 %

Expected population growth:	7.0 %
Net migration to account for:	15.8 %
Expected growth in number of vehicles:	5.5 %

Demographics (2013)

Unemployment rate (April 2013):	13.8 %
County Rank* in California (58 counties):	53rd
Working age (16-64) population:	67.3 %

Population with B.A. Degree or higher:	11.1 %
Median Home Selling Price (2012):	\$140,000
Median Household Income:	\$46,906

Quality of Life

Violent Crime rate (2010):	341 per 100,000 persons
County Rank* in California (58 counties):	23th
Average Commute Time to work (2013):	23.3 minutes

High School drop out rate (2011):	24.6 %
Households at/below poverty line (2013):	17.2 %

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