

California's Outlook

California Department of Finance

January 15, 2019

Figure ECO-06
**Current Recovery Is Approaching
The Longest Ever**

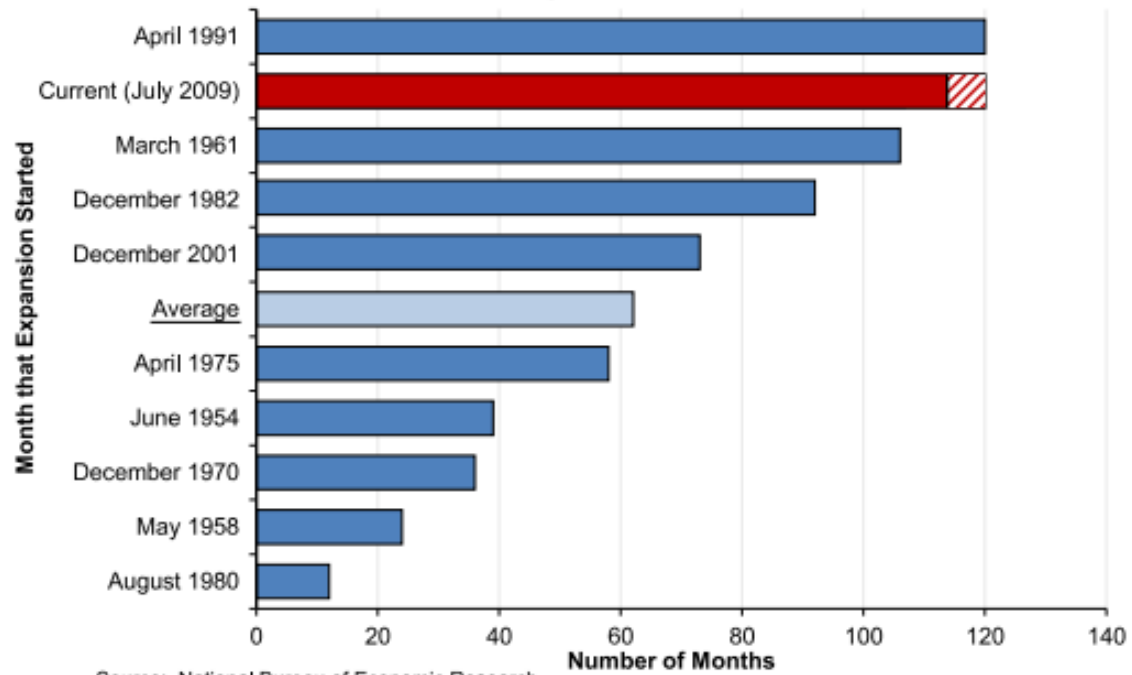
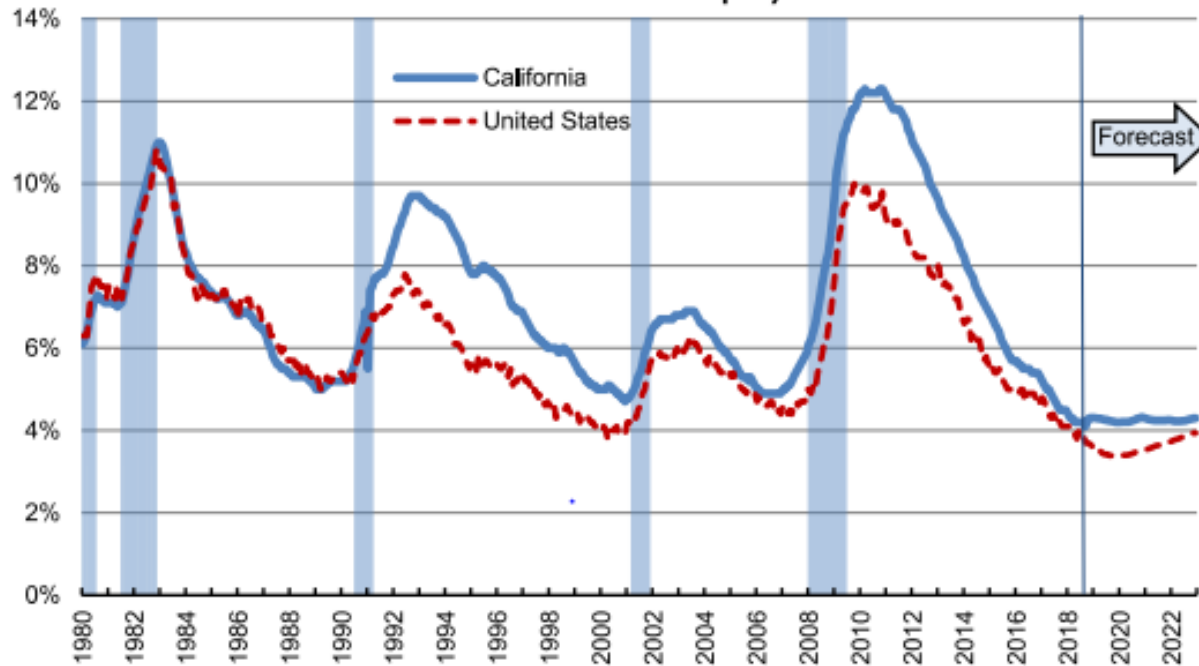


Figure ECO-02
U.S. and California Unemployment Rates

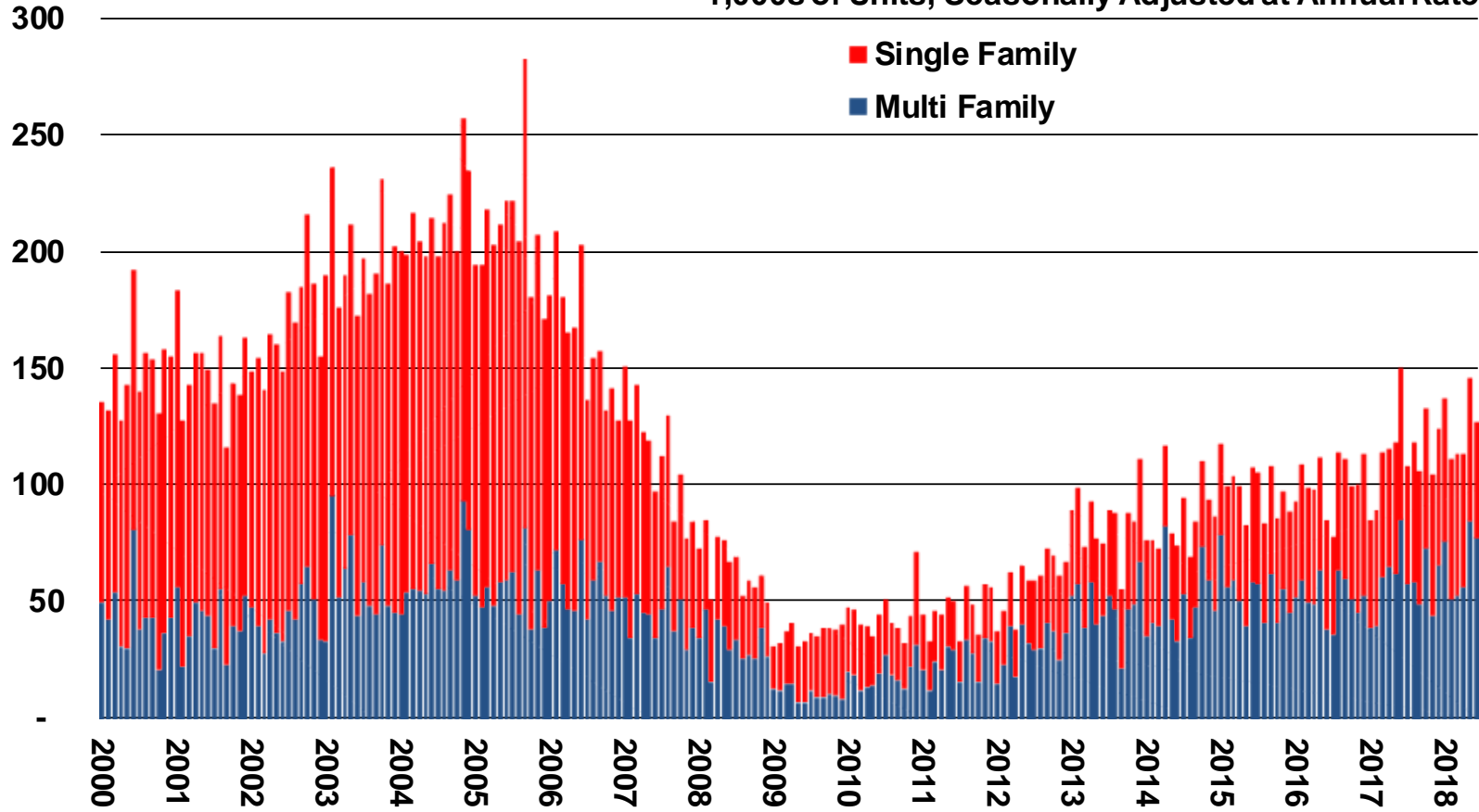


Shaded areas indicate U.S. recessions.

Source: U.S. Bureau of Labor Statistics; CA Employment Development Department, Labor Market Information Division; CA Department of Finance, Governor's Budget Forecast.

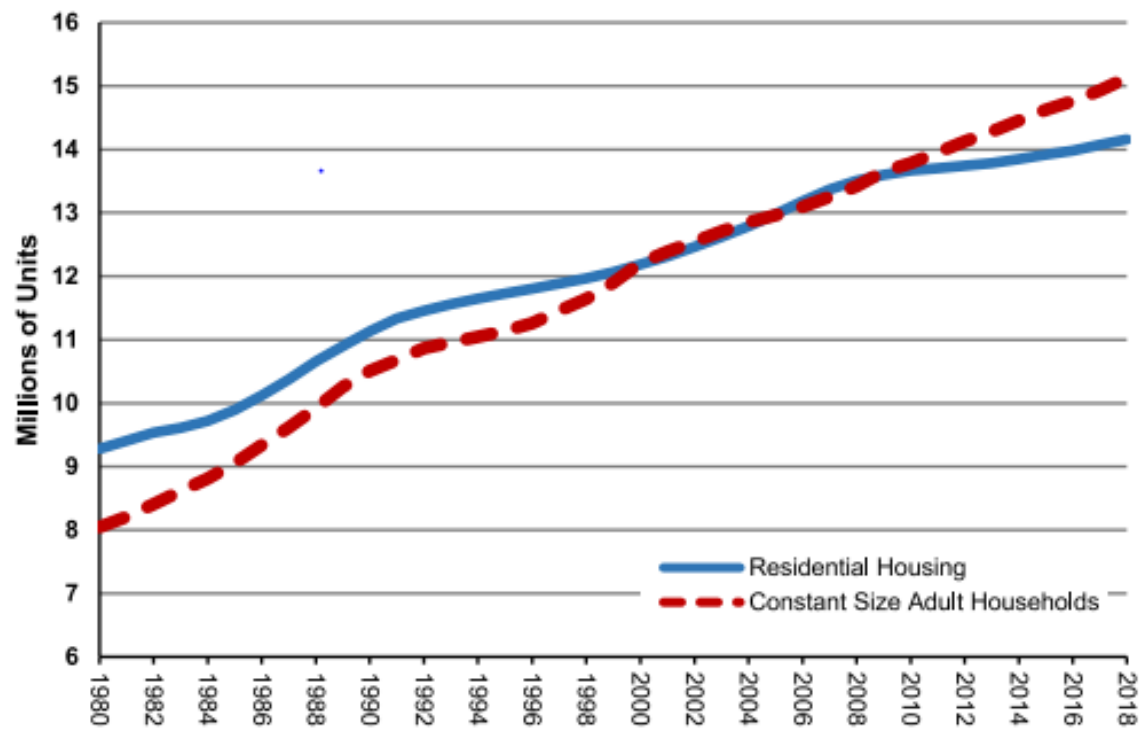
California Residential Construction

Residential Construction Permits
1,000s of Units, Seasonally Adjusted at Annual Rate



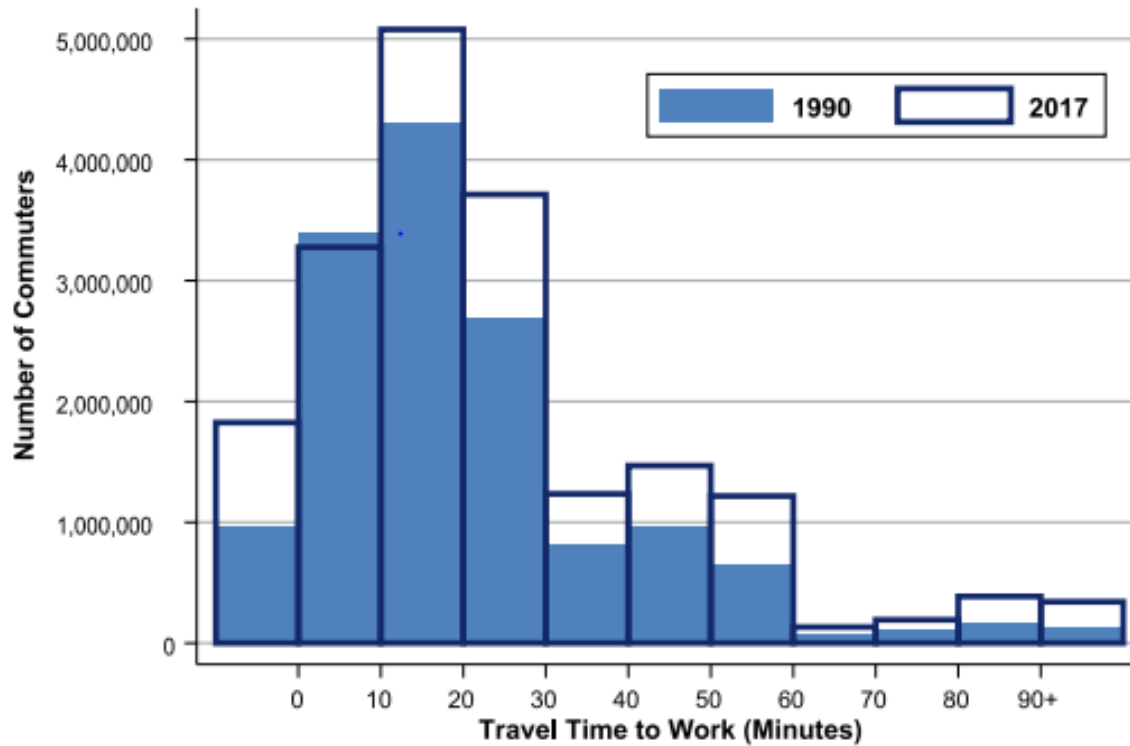
Source: California Homebuilding Foundation

Figure ECO-04
California Housing & Constant Size Adult Households



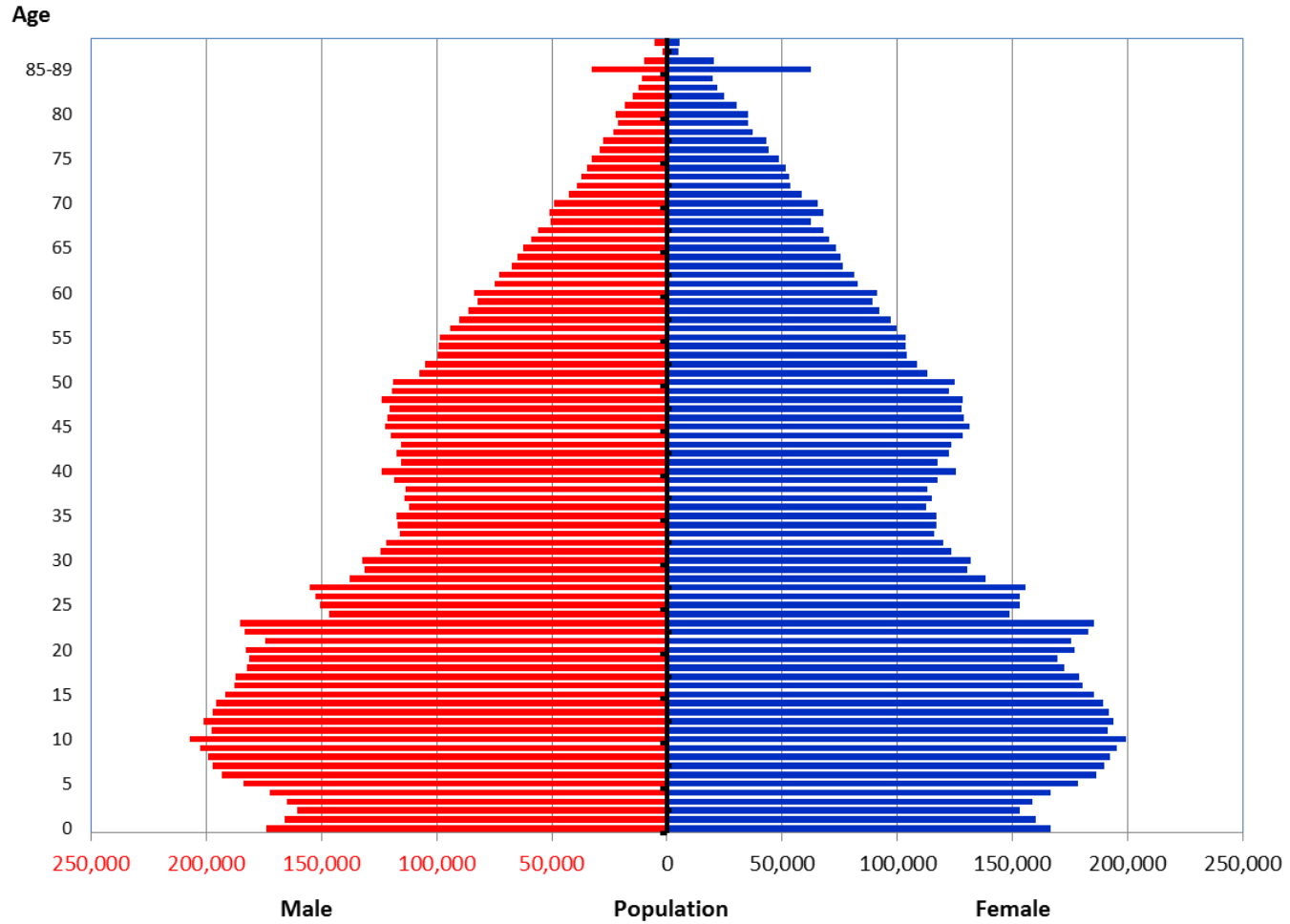
Source: U.S. Bureau of the Census; CA Department of Finance, Governor's Budget Forecast.

Figure DEM-04
Travel Time to Work

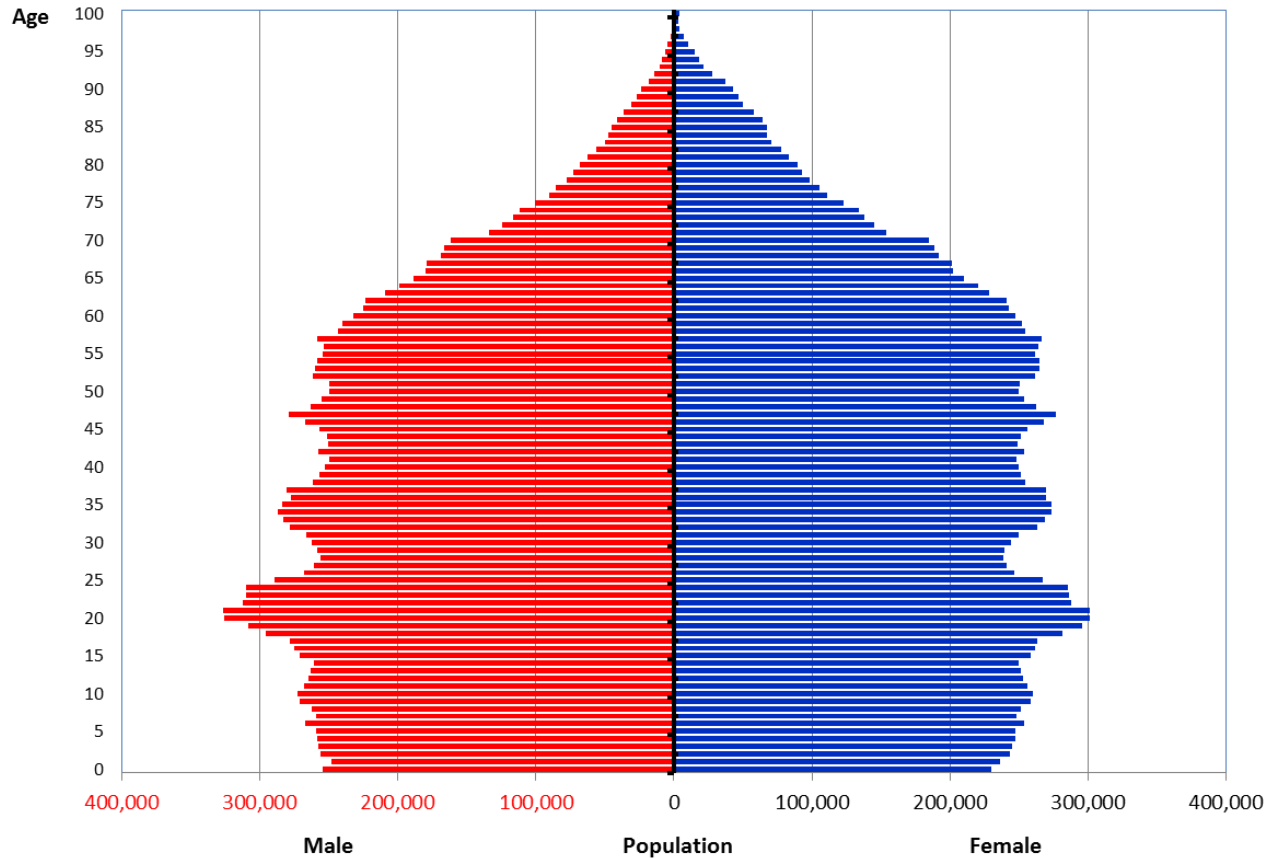


Source: U.S. Bureau of the Census

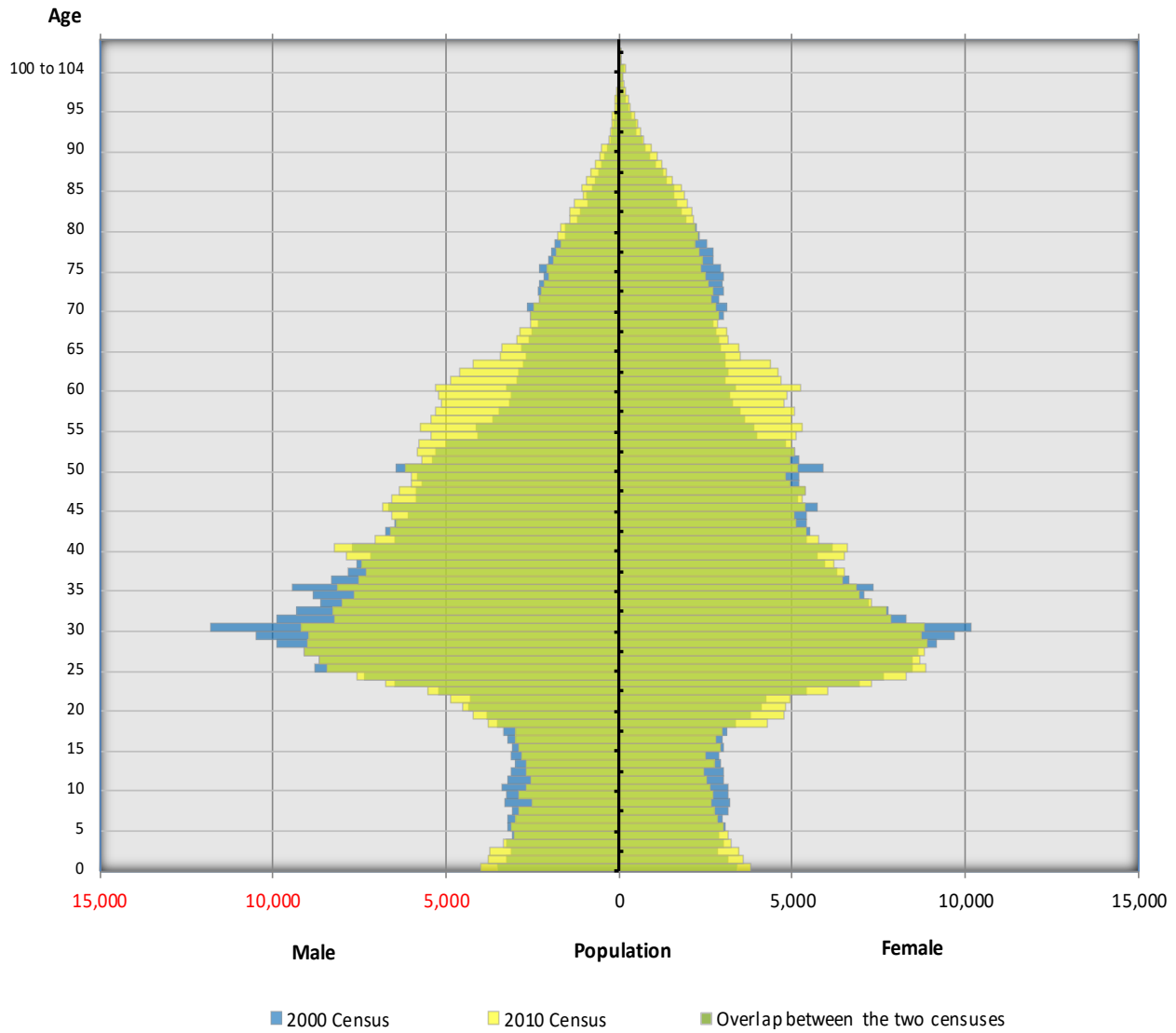
California Population by Age and Sex 1970



California Population by Age and Sex 2017



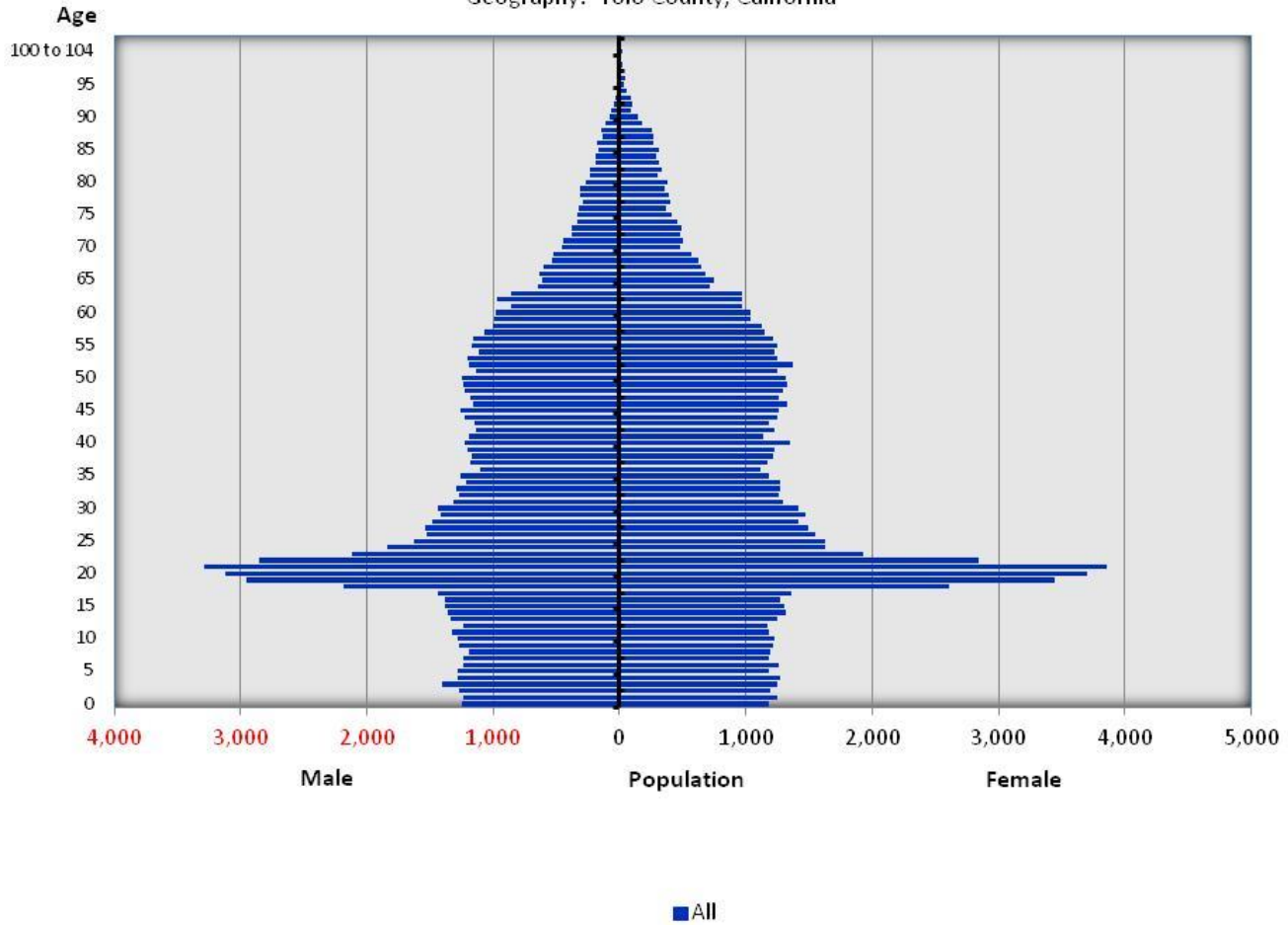
San Francisco County



2010 Population, Age and Sex Characteristics by Race

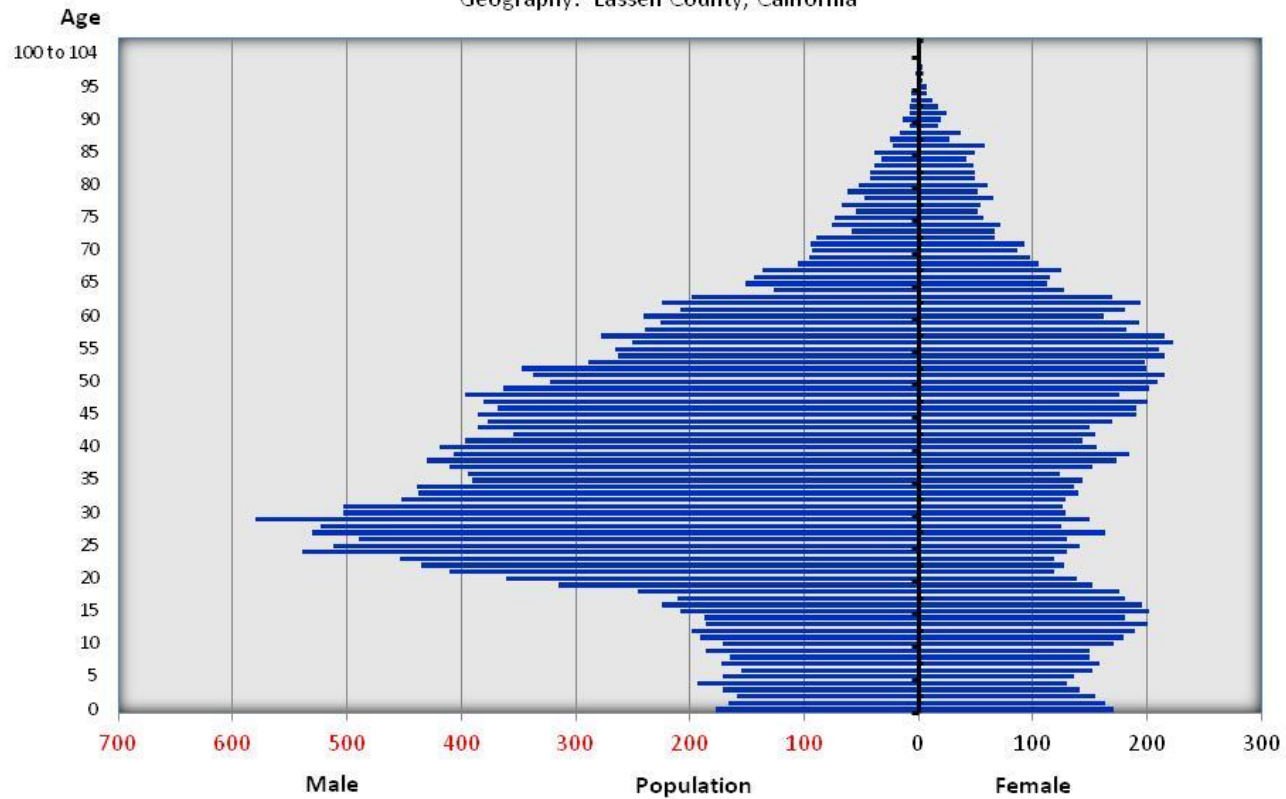
Source: Census 2010 Summary File

Geography: Yolo County, California



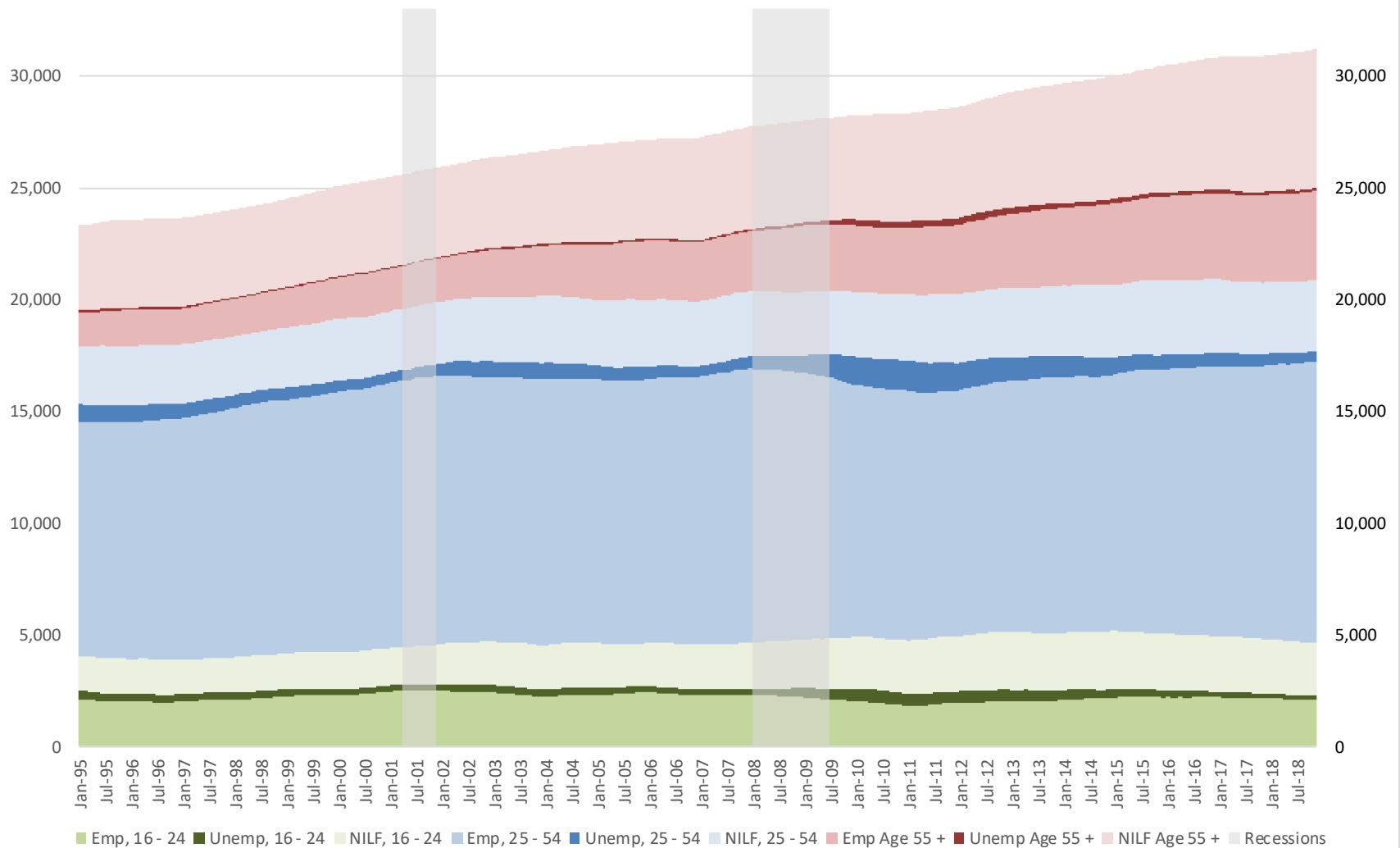
2010 Population, Age and Sex Characteristics by Race

Source: Census 2010 Summary File
Geography: Lassen County, California



■ All

Labor Force and Working Age Population (Thousands)



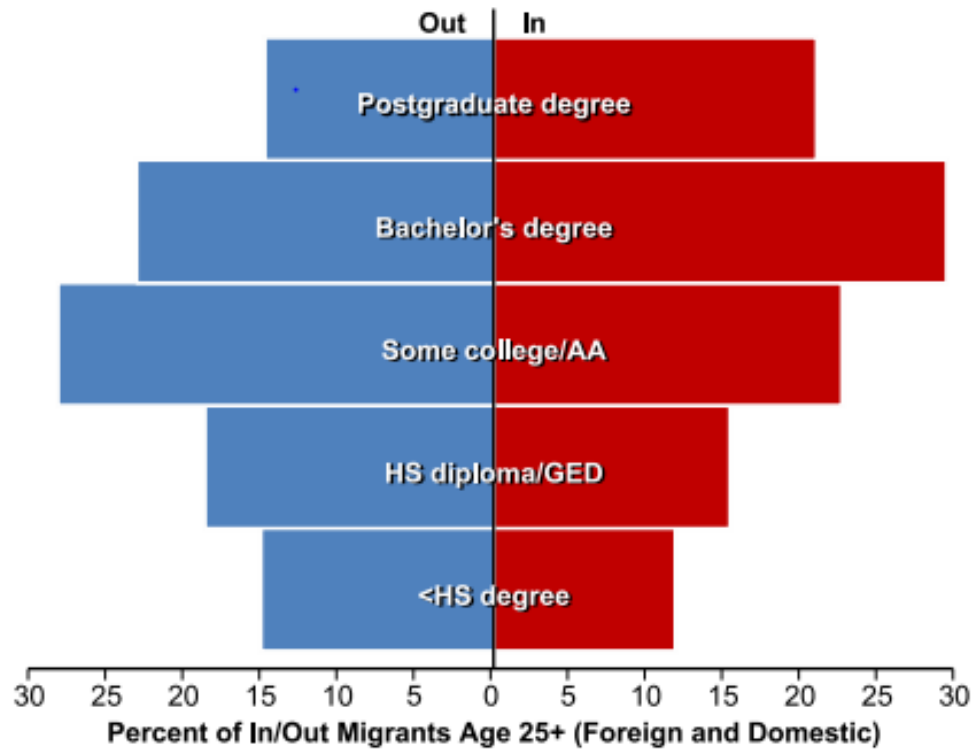
Source: California Employment Development Department, LMID

Figure DEM-02
2013-2017 Educational Attainment of Californians



Source: U.S. Bureau of the Census

Figure DEM-03
Migration by Educational Attainment



Source: U.S. Bureau of the Census and CA Department of Finance

Annual Revenue Could Drop by over \$25 Billion in a Recession (Dollars in Millions)

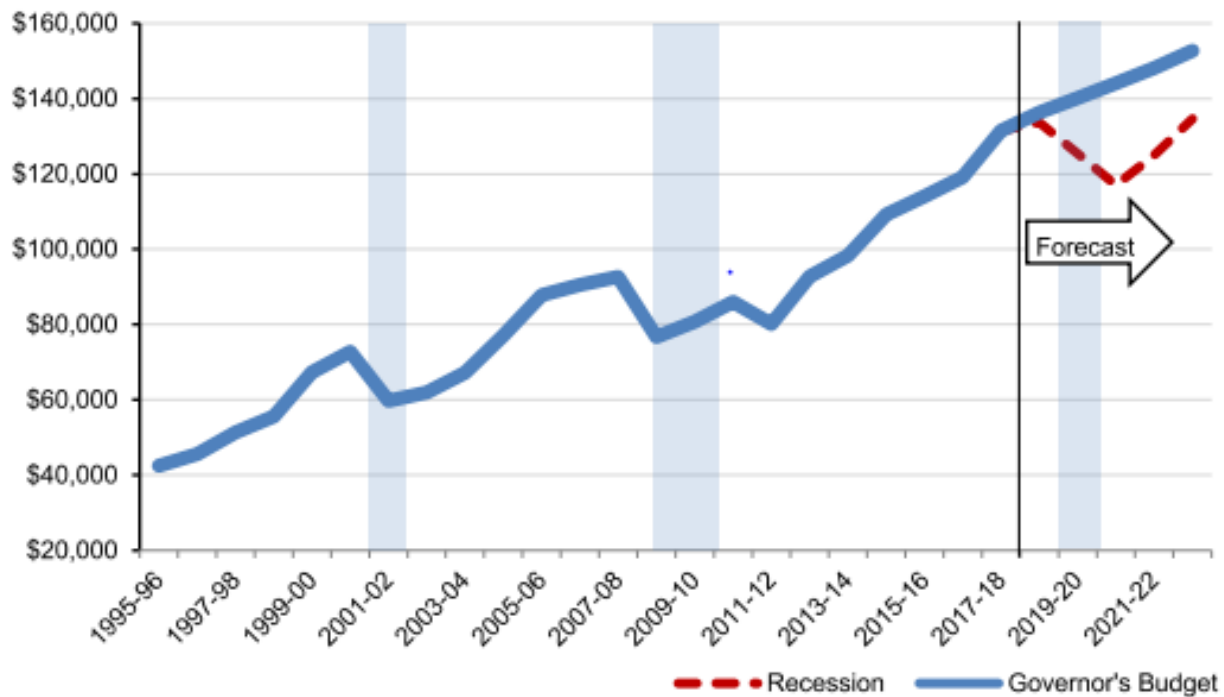


Figure REV-04
California State Revenue By Source

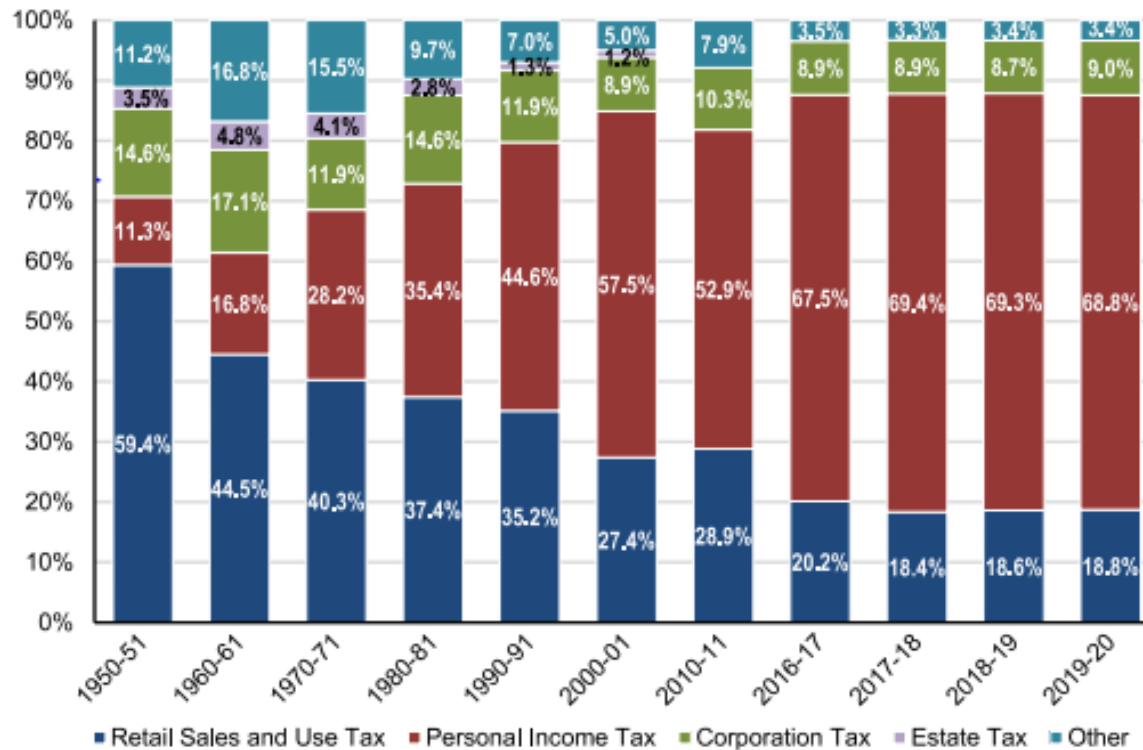
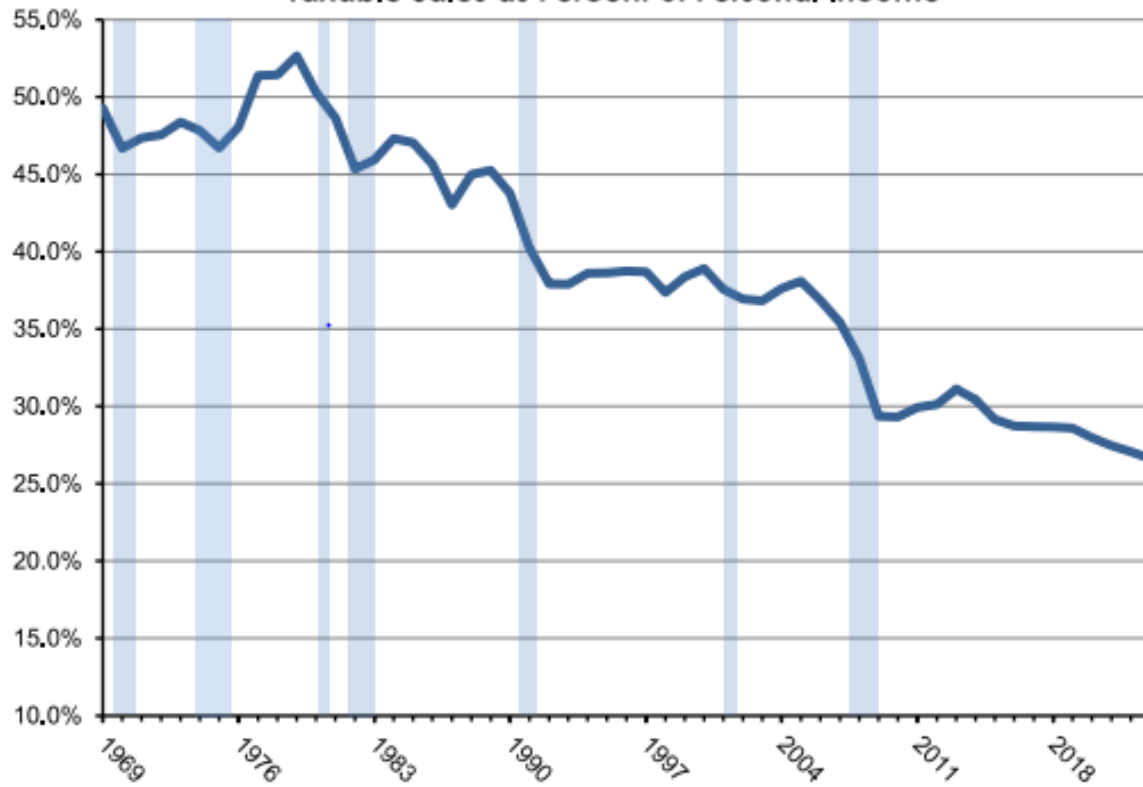


Figure REV-08
Taxable Sales as Percent of Personal Income



Shaded areas indicate U.S. recessions.

Figure REV-05

Long-Term Revenue Forecast - Three Largest Sources

(General Fund Revenue - Dollars in Billions)

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	Average Year-Over- Year Growth
Personal Income Tax	\$94.3	\$97.7	\$100.5	\$103.1	\$106.0	\$109.4	3.0%
Sales and Use Tax	25.0	26.2	27.4	28.2	29.0	29.8	3.5%
Corporation Tax	12.2	12.3	13.1	13.6	14.0	14.5	3.5%
Total	\$131.4	\$136.3	\$141.1	\$145.0	\$149.0	\$153.6	3.2%

Note: Numbers may not add due to rounding.

Figure ECO-05
S&P 500 Index



Shaded areas indicate U.S. recession.

Source: S&P Dow Jones Indices.