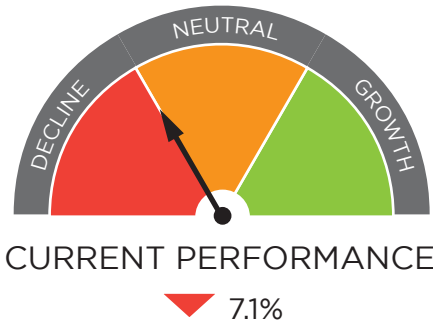


# ECONOMIC SNAPSHOT™

An overview of our local economy.

## PERFORMANCE THIS QUARTER

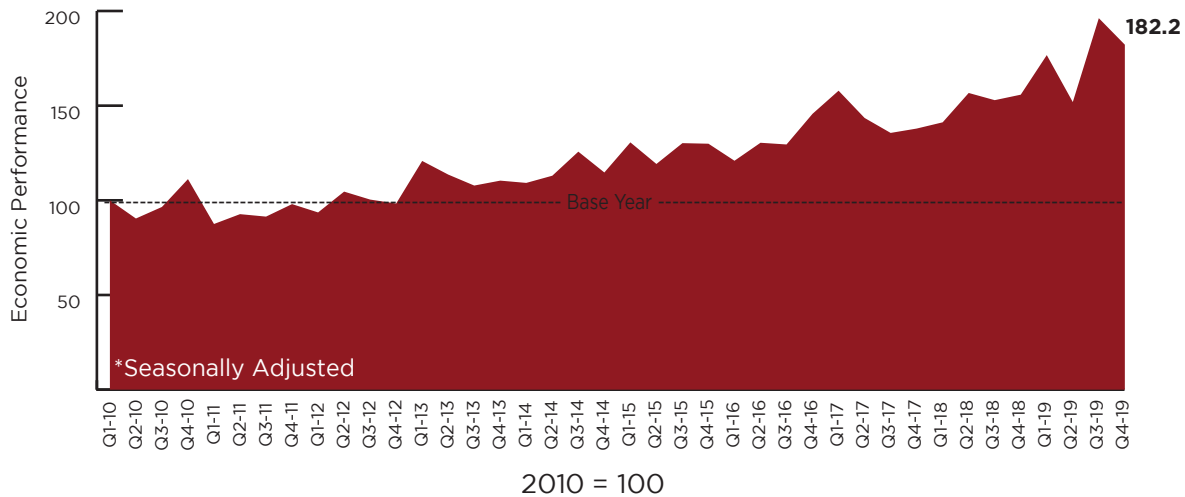


SALES TAX	BUILDING	HOUSING	TOT	EMPLOYMENT
▲ 3.6%	▼ 20.9%	▲ 3%	▼ 2.9%	▲ .6%
<b>Performance Compared to One Year Ago</b>				
▲ 15%	▲ 73.8%	▲ 5.4%	▼ 7.8%	▼ 2.6%

Detailed reports and Chico Business Confidence Survey™ at [www.goldenvalley.bank](http://www.goldenvalley.bank)



## CHANGES OVER THE YEARS



## CURRENT TRENDS



Overall performance was down 7.1% in Q4 2019 following the strongest quarter since 2010. Increases in sales tax, employment, and housing, were not enough to outweigh the decreases in building valuations and TOT revenue.

Sales tax revenue was over \$6.4 million in Q4 2019, the second highest level since 2010. Transient Occupancy Tax revenue was over \$852k, down 2.9% following record highs. Over \$51.9 million in building permits was issued in Q4 2019, a decrease following a record high in the previous quarter. Employment was up .6% with more than 98k Butte County residents employed. The average home sales price was nearly \$414k with 65 fewer closed sales and properties spending 12 more days on the market before selling.

The newest May 2020 Chico Business Confidence Survey shows a major change in optimism among business leaders. Get the full report at [www.GoldenValley.Bank](http://www.GoldenValley.Bank).

**Mark Francis, President & CEO**

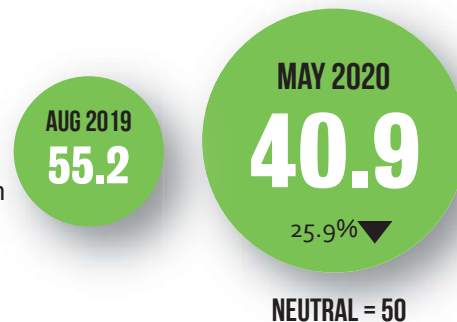


# BUSINESS CONFIDENCE SURVEY

Confidence among local business leaders was down in May 2020, following the COVID-19 pandemic.

Change in optimism was seen across all the questions below when compared to the previous survey in August 2019. While confidence is down overall, there are still a number of leaders with a positive outlook for the next 12 months.

In May 2020, 35% of leaders expected their sales to increase, down from 59% in August 2019. There were 34% of leaders expecting their profits to increase, down from 61%. While 22% expect their employment to decrease over the next year, 25% are expecting to increase their employment levels, equal to August 2019. Overall, a strong majority of leaders are expecting a decrease in general business conditions in Chico and across the U.S. over the next year.



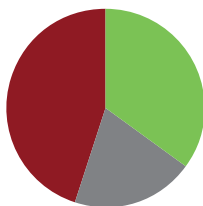
## WHAT LOCAL BUSINESS LEADERS ARE SAYING

What are expectations for the next 12 months?

### SALES

How are top line sales expected to change in the next 12 months?

- Increase: 35%
- Same: 20%
- Decrease: 45%



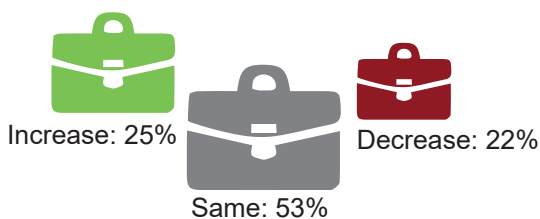
### PROFITS

How is profit expected to change in the next 12 months?



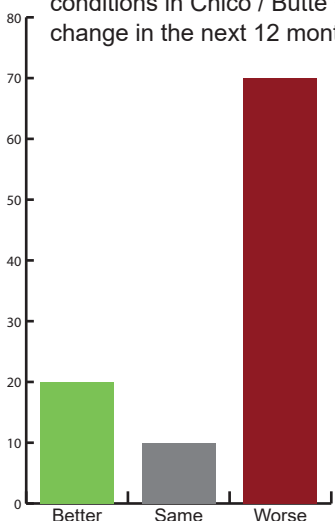
### EMPLOYMENT

How is the level of employment expected to change in the next 12 months?



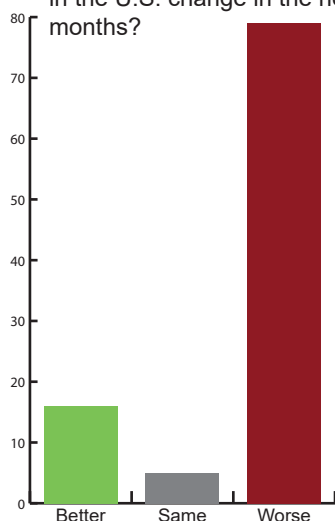
### LOCAL BUSINESS CONDITIONS

How will general business conditions in Chico / Butte County change in the next 12 months?



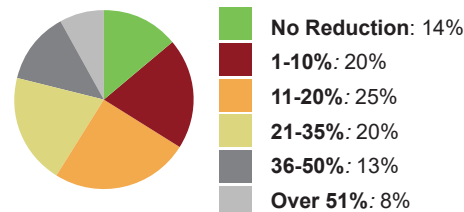
### US BUSINESS CONDITIONS

How will general business conditions in the U.S. change in the next 12 months?



### HOT TOPIC!

What is your anticipated revenue reduction due to COVID-19?



Want to participate in our next survey?  
Email [mfrancis@goldenvally.bank](mailto:mfrancis@goldenvally.bank) for more information!

# ECONOMIC SNAPSHOT

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## SALES TAX

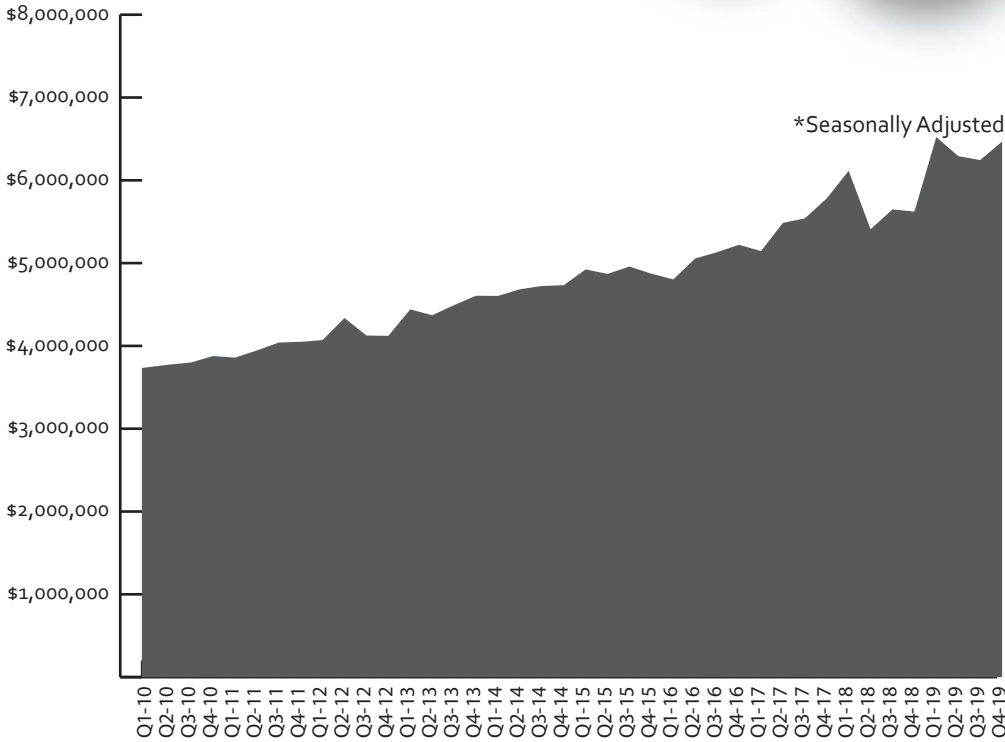
2010=100

3.6%

Q3 2019  
167.2

Q4 2019  
173.2

## SALES TAX AT A GLANCE...



Sales Tax revenue was \$6,468,395 in Q4 2019, up 3.6% from the previous quarter.

Current revenue is up 15% from one year ago and up 11.9% from two years ago.

Total revenue in 2019 was over \$25.5 million, the highest grossing year since 2010.

Sales tax revenue has increased 73.2% or more than \$2.7 million since Q1 2010.

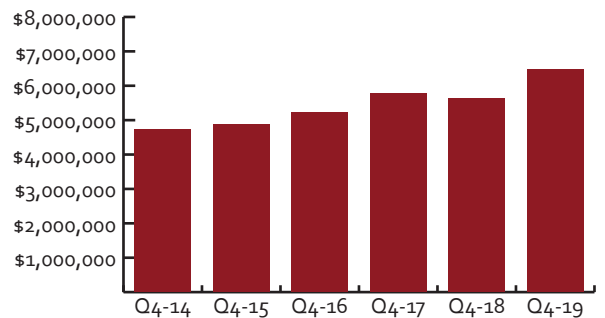
## 4TH QUARTER TREND

Local sales tax revenue was at its second highest level since Q1 2010 with total revenue of more than \$6.4 million in Q4 2019. This was an increase of 3.6% from the previous quarter.

In 2019, total sales tax revenue was over \$25.5 million, up from nearly \$22.8 million in 2018 and up from \$15.1 million in 2010. Overall, performance remained strong in 2019, with sales tax revenue at its highest level in Q1 2019.

It is important to note that this data is prior to any impacts from COVID-19, which are expected to show in future reporting.

## Q4 SALES TAX PERFORMANCE



Total increase of 36.7%

*Mark Francis*

Mark Francis  
President and CEO | Golden Valley Bank

More Snapshot information available at [www.goldenvalley.bank](http://www.goldenvalley.bank)



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# ECONOMIC SNAPSHOT

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## BUILDING PERMITS

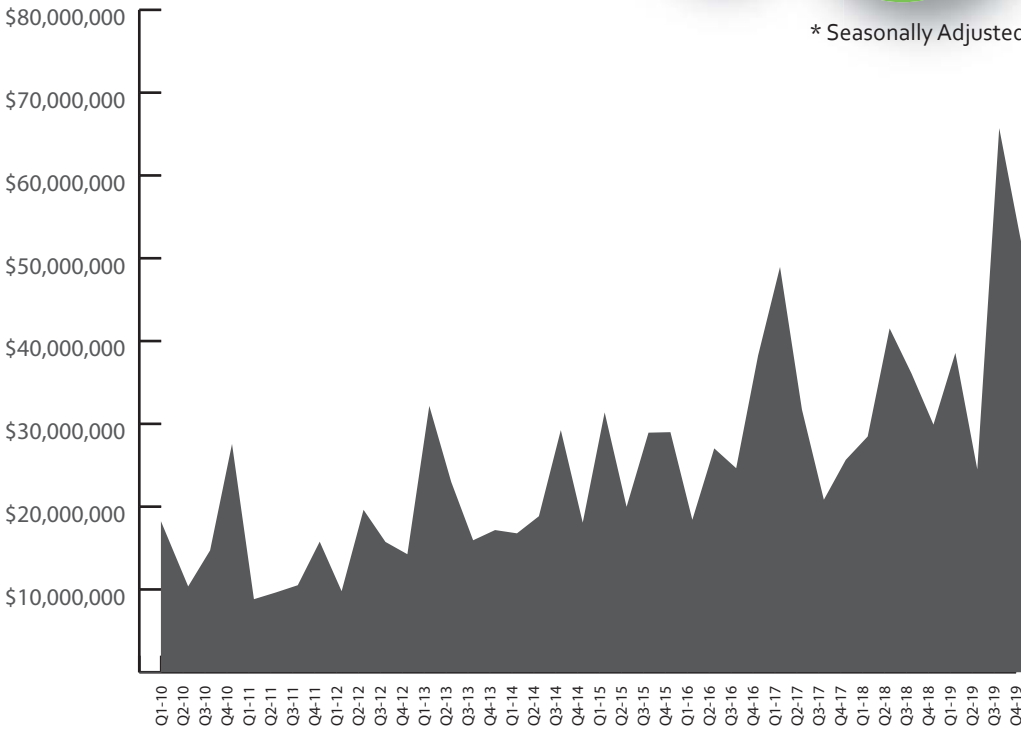
2010=100

20.9%

Q3 2019  
360.2

Q4 2019  
284.8

## BUILDING PERMITS AT A GLANCE...



Total value of permits issued was over \$51.9 million in Q4 19, down 20.9% from the previous quarter.

Current valuation is up 73.8% from a year ago and up 102.6% from two years ago.

In 2019, total valuation of permits issued was over \$180.7 million, the highest grossing year since 2010.

Compared to Q1 2010, total valuation has increased 184.8% or more than \$33.7 million.

## 4TH QUARTER TREND

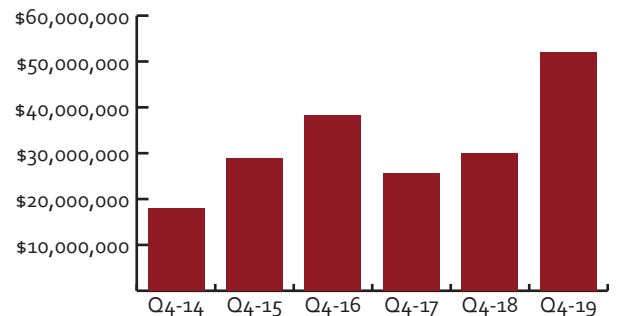
Total valuation of permits issued was over \$51.9 million in Q4 2019, down 20.9% following a strong increase in the previous quarter.

Even with the decrease, current valuation was at its second highest level since Q1 2010, an increase of 184.8% or more than \$33.7 million since that time. It is important to note that volatility between quarters can be standard for this component due to project size, valuation, and number of projects actually issued during the quarter.

Overall, building performance has continued to remain strong with solid projects in the mix.

Mark Francis  
President and CEO | Golden Valley Bank  
More Snapshot information available at [www.goldenvalley.bank](http://www.goldenvalley.bank)

## Q4 BUILDING PERMIT VALUATION



Total increase of 187.6%



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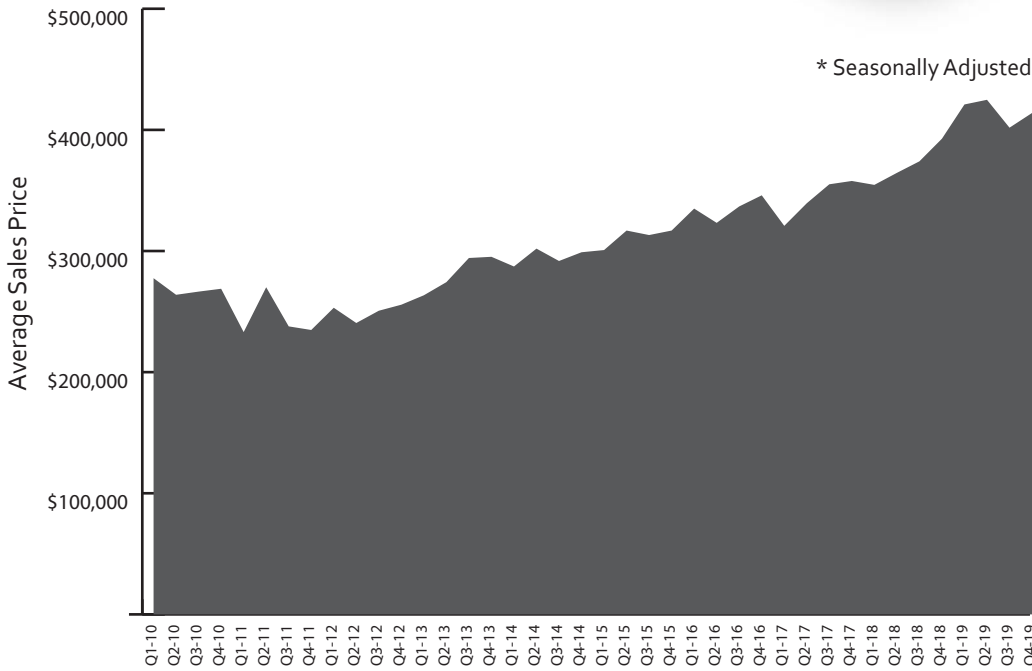
**HOUSING**  
2010=100

▲  
3%

Q3 2019  
144.8

Q4 2019  
149.1

## HOUSING MARKET AT A GLANCE...



Average home sales price was \$413,951 in Q4 19, up 3% from the previous quarter.

Current prices are up 5.4% from a year ago and up 15.7% from two years ago.

There were 383 closed sales in Q4 19, down from 448 closed sales in Q3 19.

Residential properties stayed on the market an average of 44 days, up from 32 days in the previous quarter.

## 4TH QUARTER TREND

Average home sales price was nearly \$414k in Q4 2019, a 3% increase from the previous quarter.

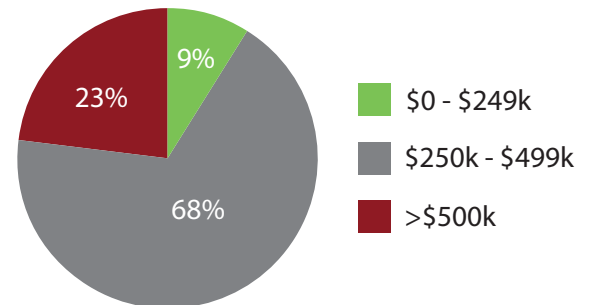
While prices were up, there were 65 fewer closed sales and properties spent 12 more days on the market before selling, when compared to the previous quarter. Compared to a year ago (post Camp Fire), there were 162 fewer sales and properties spent an average of 4 fewer days on the market.

Impacts of COVID-19 will be shown in future data sets for 2020.

Mark Francis  
President and CEO | Golden Valley Bank

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## PERCENTAGE OF SALES



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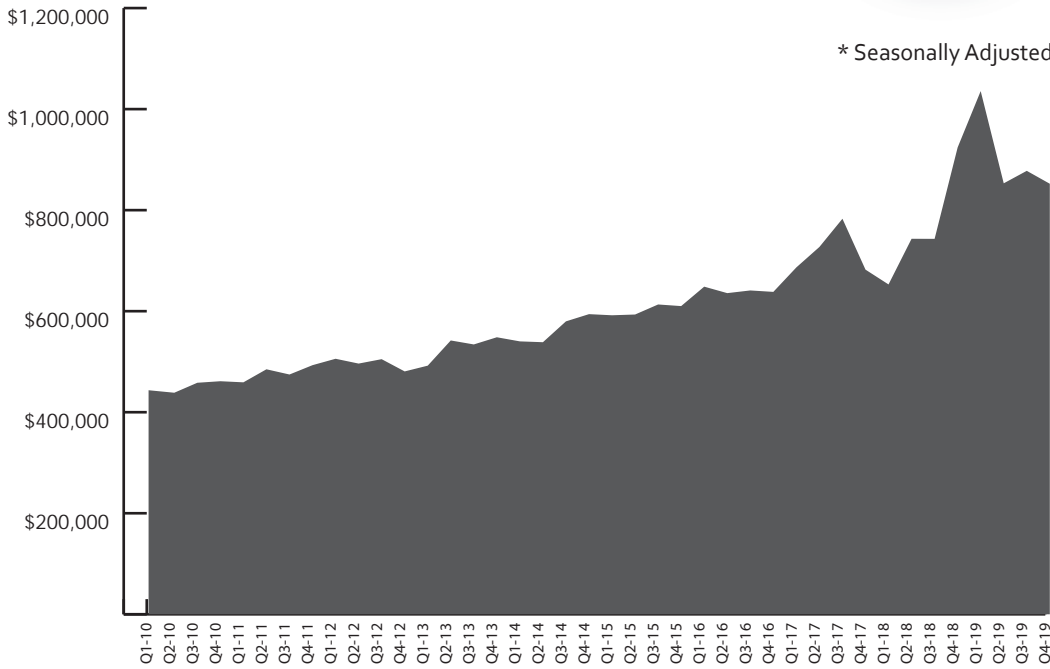
**TOT**  
TRANSIENT OCCUPANCY TAX  
2010=100

2.9%

Q3 2019  
197.9

Q4 2019  
**192.2**

## TOT AT A GLANCE...



TOT revenue was \$852,232 in Q4 19, down 2.9% from the previous quarter.

Revenue was down 7.8% from a year ago and up 25% from two years ago.

In 2019, total revenue was over \$3.6 million, the highest grossing year since 2010.

TOT revenue has increased over 92.2% or over \$408k since Q1 2010.

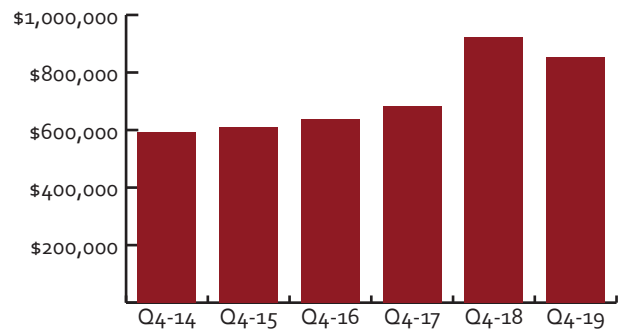
## 4TH QUARTER TREND

TOT revenue continued to slow down in Q4 2019 following record highs from 2018 – 2019. Total revenue was over \$852k in Q4 2019, down 2.9% from the previous quarter.

Over the past two years revenue has increased four of the past eight quarters and is up 25% since that time. In Q1 2019, total revenue was at its highest level since the base year of Q1 2010, an increase of 133.5% since that time.

In 2019, total TOT revenue was over \$3.6 million, up from over \$3 million in the previous year and up from \$1.8 million in 2010.

## Q4 TOT PERFORMANCE



Total increase of 43.4%

Mark Francis  
President and CEO | Golden Valley Bank

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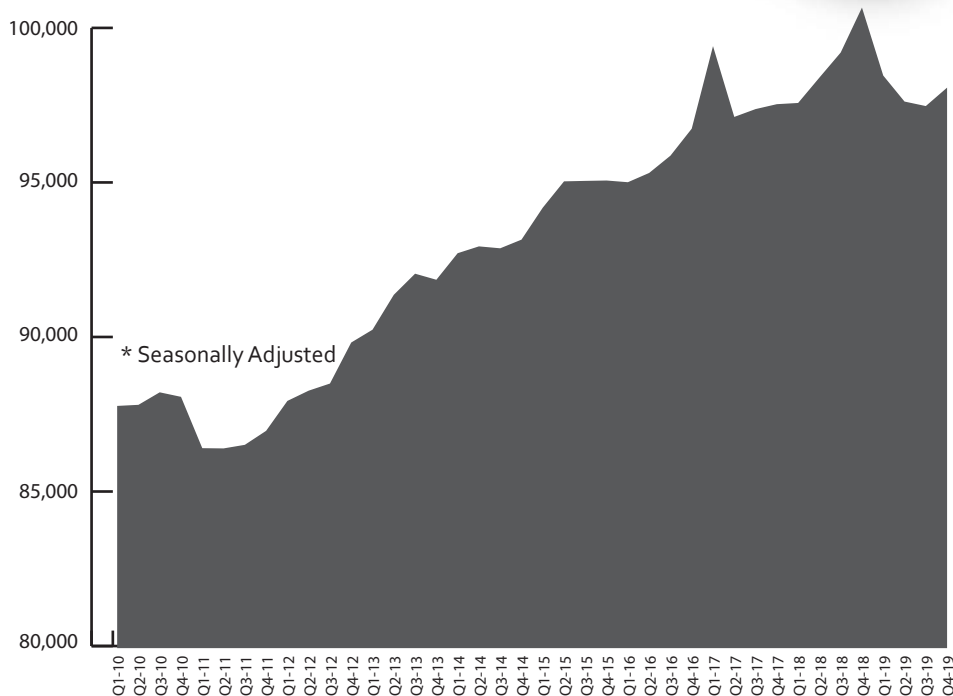
**EMPLOYMENT**  
2010=100

▲ 0.6%

Q3 2019  
**111**

Q4 2019  
**111.7**

## EMPLOYMENT AT A GLANCE...



- There were 98,135 Butte County residents employed in Q4 19, up .6% from the previous quarter.
- Employment was down 2.6% from a year ago and up .5% compared to two years ago.
- There were 10,298 more residents employed in Q4 2019 when compared to Q1 2010.
- Government employment increased 1% while Goods Providing employment decreased 1%.

## 4TH QUARTER TREND

Local employment was up slightly with over 98k Butte County residents employed in Q4 2019, an increase of .6% from the previous quarter. It is important to note that this employment data reported is prior to COVID-19 impacts, which are expected to be shown in upcoming reports.

Fourth quarter employment has continued to show a strong performance since 2014- increasing or staying the same every year since that time. Looking over the past two years, employment has increased five out of eight quarters and is up .5% overall.

While overall confidence among local business leaders was down in the latest survey, 25% of leaders continue to expect their employment levels to increase over the next year. Full results from the May 2020 Chico Business Confidence Survey can be found at [www.goldenvalley.bank](http://www.goldenvalley.bank)

*Mark Francis*

Mark Francis  
President and CEO | Golden Valley Bank

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## INDUSTRY BREAKDOWN

