

5. Income

Income affects consumer choice, local retail sales, and is an indicator of current economic conditions. Income influences buying power and income changes allow comparison of local economic performance to that of surrounding areas (see sales data in section six).

Income is one measure of the benefits to people provided by employment, government, or their own investments. It is the primary connection between employment and the overall benefit jobs provide for residents.

The data in this section is not adjusted for inflation. The annual inflation rate, measured by the national Consumer Price Index (CPI), varies from year to year, but the average annual rate between 1995 and 2005 was 2.3 percent.

Total personal income for Butte County rose 67 percent (29 percent when adjusted for inflation) from 1997 to 2007. Between 2000 and 2007, the nominal median household income rose a total of 23 percent, compared to 28 percent statewide. During the same time, the poverty rate in Butte County increased 2 percent, rising from 17.2 percent to 19.2 percent. Across California, the poverty rate decreased 0.1 percent, from 17.2 percent to 17.1 percent. While incomes have improved for some in the county, a growing percentage of the population did not experience income gains sufficient to escape poverty.

Transfer payments made up 23 percent of total personal income in 2007, rising from 20 percent in 1990. Medical payments were the only component of transfer payments with a substantial increase of 13.6 percent during the same time. This increase can most likely be attributed to the rising costs of health care nationwide.

In this section:

Total Personal Income.	44
Components of Total Personal Income	45
Components of Transfer Payments.	47
Per Capita Income.	49
Median Household Income	51
Poverty Rate.	52