

ATTACHMENT 2:
DETAILED REVIEW OF SOCIO-ECONOMIC TRENDS AND PROJECTIONS,
2006 DEMOGRAPHIC PROFILE

I. 2006 DEMOGRAPHIC PROFILE

Population:

2005	9,275 (Nevada State Demographer)
2004	8,968
2003	8,842
2000	9,181 (U.S. Census)

School Enrollment:

2005-06	1,446
2004-05	1,450
2003-04	1,389

White Pine County School District

Workforce (May, 2006):

Total Labor Force:	4,270
Unemployed	147
Unemployment Rate	3.4 %
Total Employed	4,123

Nevada Department of Employment Security

Workforce by Industry (2005):

Mining	628	14.5 %
Government	1,474	34.0 %
Construction	152	3.5 %
Services	1,379	32.0 %
Trade	567	13.0 %
Manufacturing	30	.7 %
Finance/Insurance/Real Estate	90	2.3 %
	<u>4,320</u>	<u>100.0 %</u>

Nevada Department of Employment Security

Income:

	<u>White Pine</u>	<u>Nevada</u>
Average Monthly Wage:	\$ 2,950	\$ 3,328
Median Household Income, 2005	\$50,000	\$59,550
Per Capita Income, 2005	\$30,306	\$35,883

Nevada Department of Employment Security

Housing Units:

Number of Housing Units:		New Housing Starts
2006	4,381	
2005	4,310	18
2004	4,256	12
2000	4,200	8

Housing Costs (Single Family Home, Ely):

2006 \$133,675 Mean Housing Cost, Range, \$23,625 to \$243,000,
\$130,000 Median Housing Cost

2005 \$ 82,200 Mean Housing Cost, Range, \$25,000 to \$238,000
\$ 75,000 Median Housing Cost

(White Pine County Assessor, White Pine County Regional Planning Commission, Building Inspector)

Land Divisions:

200095	
2003	44
2002	80
2001	25

(White Pine County Regional Planning Commission)

Tax Revenue:

Assessed Valuation		Taxable Sales	
2006-07	230,740,743		
2005-06	132,852,000	2005-06	\$ 145,288,821 (April, YTD)
2004-05	120,300,000	2004-05	127,928,232
2003-04	126,300,000	2003-04	81,263,598

(Nevada Department of Taxation)

Agricultural Production (2002):

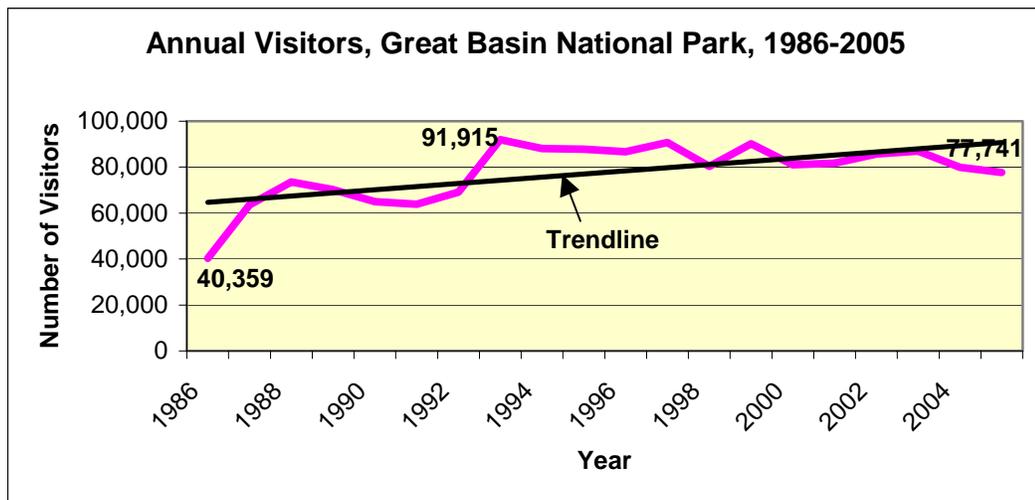
Irrigated Crop Land	29,487 acres
Crop Land	34,181 acres
Total, Alfalfa, Other Hay Sales	\$ 6,935,200
Livestock, Cattle, Total Sales	\$ 6,939,263
Sheep, Total Sales	390,240
Total Agricultural Sales	\$14,264,704
Total Acres Agriculture	247, 446
Number of Farms/Ranches	115

(2002 Census of Agriculture)

II. DETAILED ANALYSIS OF TRAVEL AND TOURISM ECONOMIC CONTRIBUTIONS:

Great Basin National Park

Great Basin National Park was established in 1986. The park encompasses the former Lehman Caves National Monument and surrounding portions of the Snake Range including Wheeler Peak and its bristlecone pine grove. Visitation to the national park in 1986 was 40,359 visitors. Park visitation reached a high of 91,915 in 1993. Visitation in 2005 was 77,741 people. While visitation has fluctuated over the years since the park was established, as the trend line in the graph below shows, the overall trend of visitation has been upward. Based on the National Park Service's analysis, in 2003, the Park accounted for \$3.83 million in total spending in White Pine County, a total direct and indirect economic impact of \$4.12 million, and supported 104 jobs.

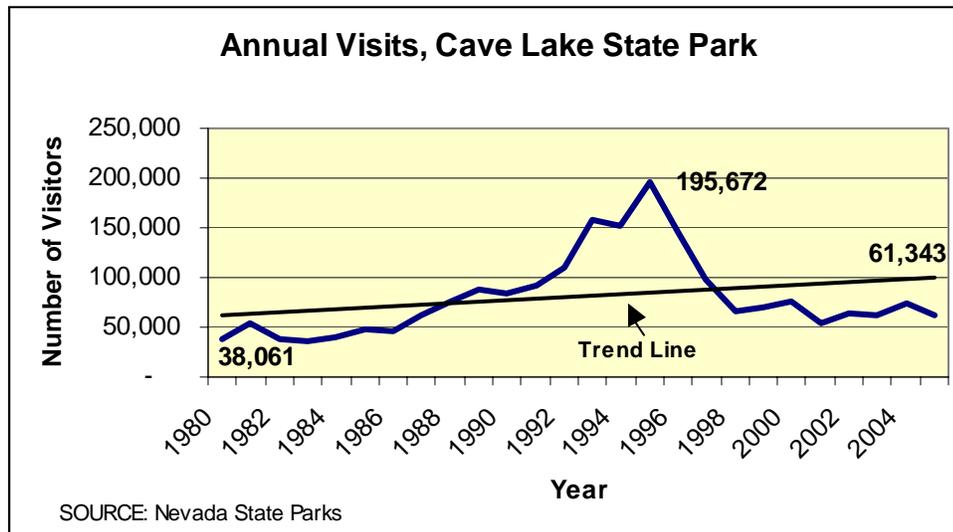


SOURCE: National Park Service

Cave Lake State Park:

Cave Lake State Park is located 15 miles southeast of Ely via U.S. 50/6/93 and Success Summit Road. The park is open year round. The 320-acre reservoir at Cave Lake State Park is popular for trout fishing, crawdadding, boating, hiking, picnicking and camping. Perched in the middle of the Schell Creek Range, adjacent to the Humboldt National Forest at an elevation of 7,300 feet, the park offers outstanding scenic views and opportunities for nature study and photography. Facilities include campgrounds, picnic areas, hiking trails and a boat launch. Visitation to the park increased 61 percent between 1980 and 2005, with a large spike in visitation in 1995.

In 1987 Los Angeles Department of Water and Power purchase the Nevada Northern Railroad from the Kennecott Copper Corporation and donated the historic rail yards, 28 miles of track, and and historic rolling stock to the City of Ely. The City formed a non-profit foundation, the White Pine Historical Railroad Foundation, which operates the East Ely yards and historic rolling stock as a heritage railway. Visitors can ride in restored cars and even operate the steam and diesel powered historic locomotives, including the railway's flagship Engine #40, dubbed The Ghost Train of Old Ely. In April 2006, Nevada's National Historic Landmarks Committee granted unanimous support to nominating Nevada Northern as a National Historic Landmark. The nomination now moves to the National Park System Advisory Board.

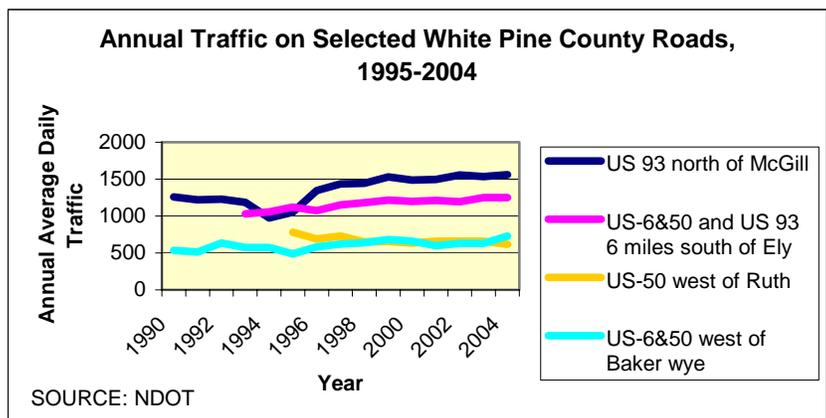


Outdoor Recreation, Hunting and Fishing:

White Pine County hosts the state’s largest elk herd, second largest mule deer herd, and third largest antelope herd. Cave Lake and Comins Lake on the Steptoe Valley Wildlife Management area are becoming increasingly popular trout fisheries attracting visitors from southern Nevada and out of state. Nevada Department of Wildlife reports over 60,000 angler days in the County and based on its records of hunter days, big game hunting added almost \$5.4 million to the County’s economy.

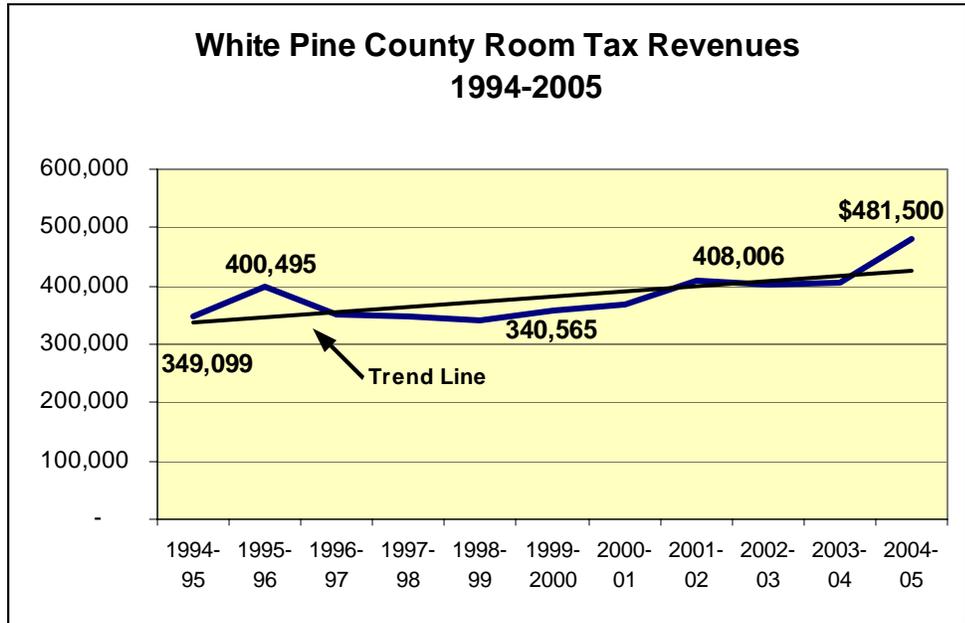
Travel:

Another indicator of economic activity and potential economic activity in White Pine County is average daily traffic on state highways. The line graph below shows average daily traffic at selected traffic count stations on state highways in the county. Traffic on US-50 west of Ruth diminished by 21 percent between the years 1991-2004, while traffic on US-6&50 west of Baker, US-93 north of McGill, and US 6&50 and 93 south of Ely increased 51 percent, 49 percent, and 12 percent respectively. This increased traffic might be due to increased population in western cities such as Las Vegas, Boise, Reno, and Salt Lake City, all of which can be accessed by Nevada state highways in White Pine County. This increased traffic leads to increased opportunities to serve travelers with hotels and motels, service stations, restaurants, and convenience stores, further diversifying the White Pine County economy.

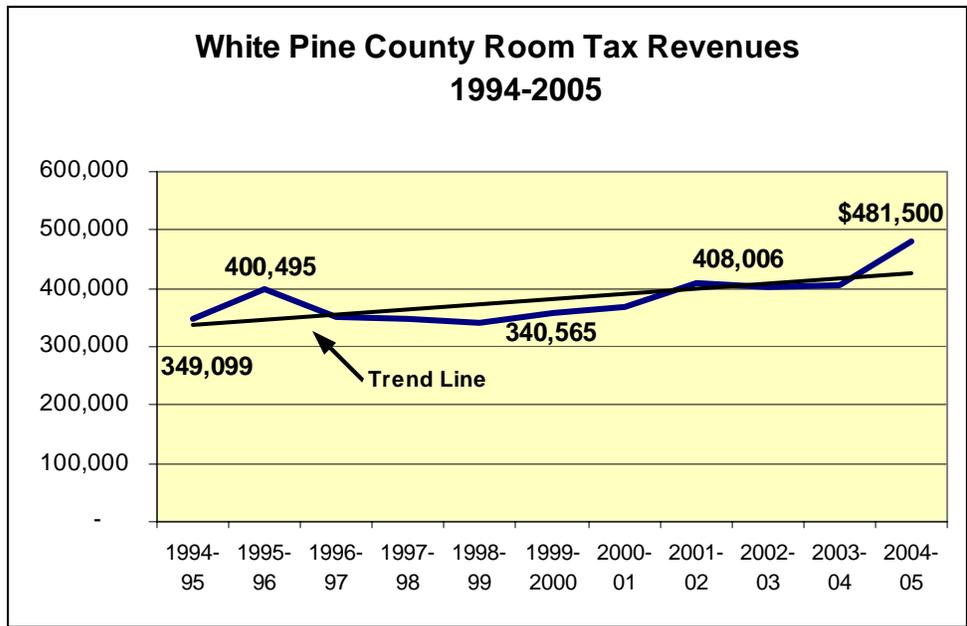


Room Tax Revenue:

Another measure of travel and tourism in White Pine County is room tax receipts. The following chart shows White Pine County room tax receipts between 1994 and 2005. As both the graph line and trend line show, room tax revenues have increased over the period. White Pine County economic development officials report that existing hotels and motels in White Pine County are frequently full, indicating a need for additional motel rooms.



SOURCE: White Pine County



III. SOCIOECONOMIC TRENDS:

Industry and Mix of Industries in White Pine County, 1975-2006

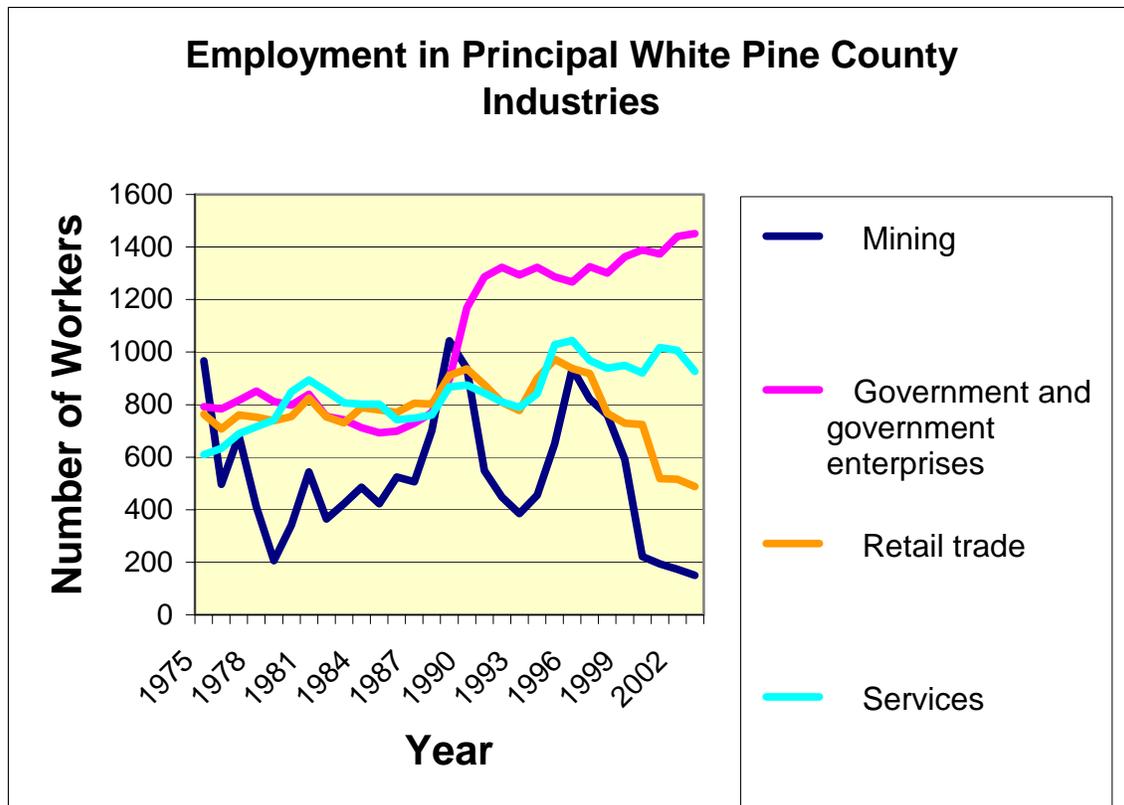
The following line graphs, developed using statistics from the U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System, show a local economy in transition from reliance upon a single industry to one that is becoming more diverse. As the line graph below shows, total employment in White Pine County in 1975 was 4,245 jobs; in 2003, 4,022 jobs, a drop of -5.0 percent over the period. This was not a steady drop however: as the line graph shows, overall county employment fluctuated significantly during the period, reaching a high of 5,326 jobs in

1995. This was a combination of a spike in construction jobs, upward-trending government jobs, a spike in retail, and a climb in mining jobs. In a pattern typical to mining areas, mining employment fluctuated greatly with the opening and closing of individual mines. Mining employment dropped from 967 jobs in 1975 to a low of 206 jobs in 1979. The highest number of mining jobs in the county during the 28-year period was 1,043 jobs in 1989. This fell back to a low of 150 jobs in 2003. Note how the shape of the line showing overall employment mimics the shape of the line showing mining employment – this is a graphic depiction of the continued importance of mining to the County economy during the period.

White Pine County has never maintained a manufacturing sector independent of mining. Reflecting the closing of Kennecott operations, between 1981 and 1984 manufacturing employment in White Pine County dropped from 372 to 42 jobs. By 2003 there were still only 46 manufacturing jobs in the county. By 2006, manufacturing jobs began to increase due to new small industrial firms locating the area.

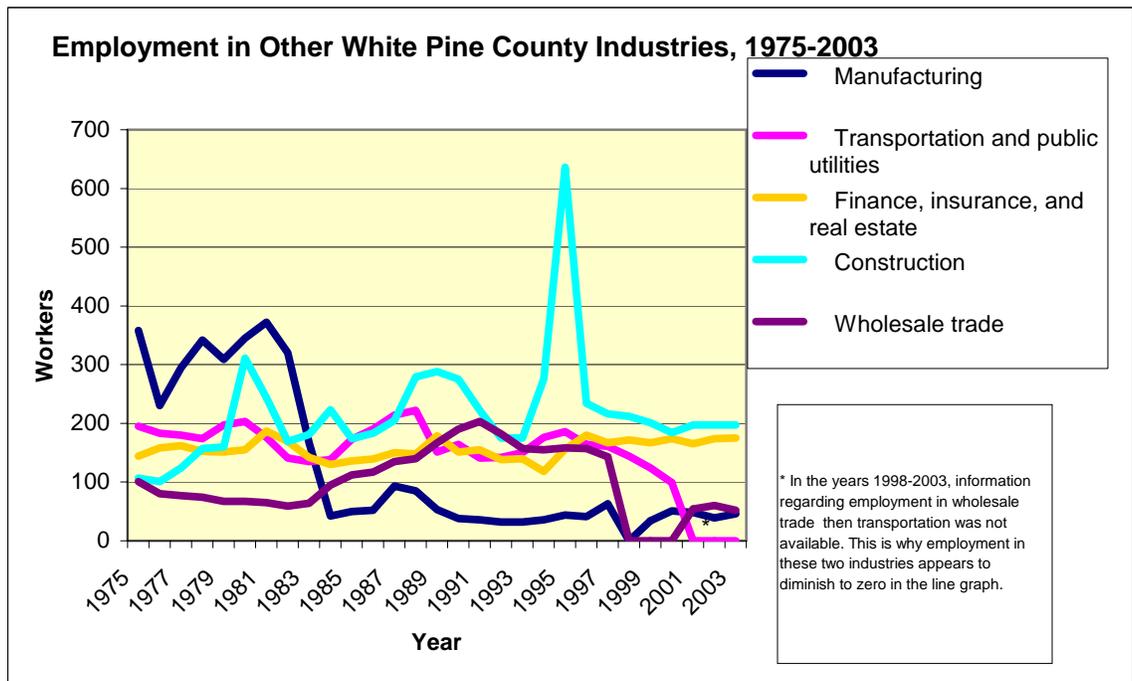
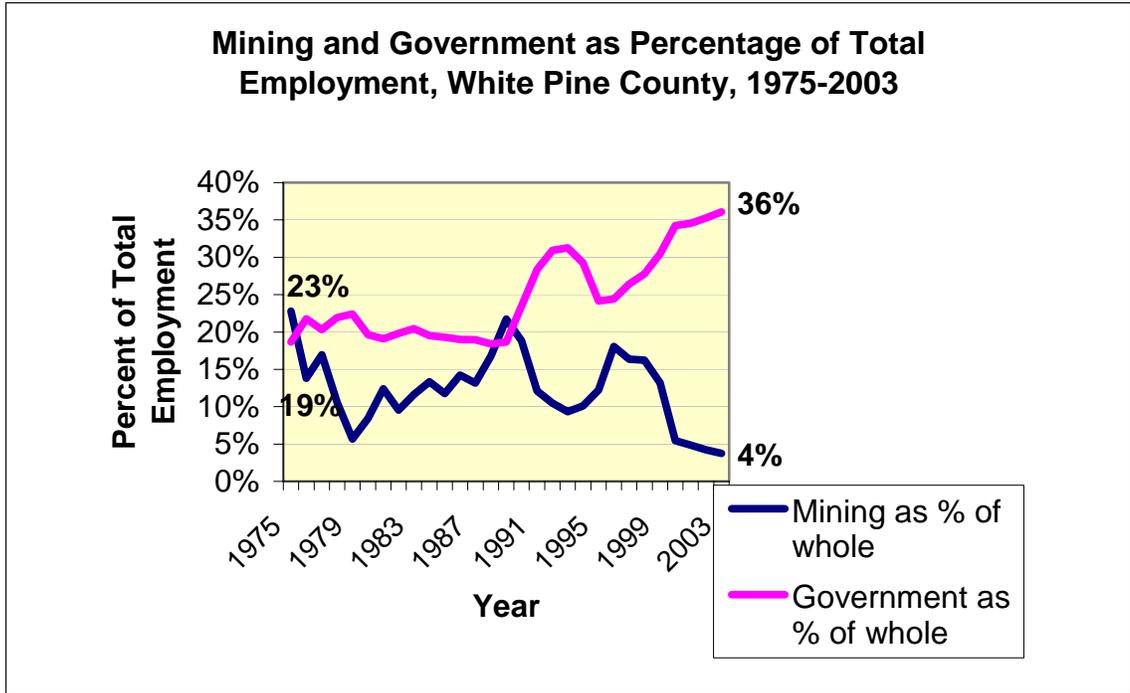
Construction employment in the county sharply peaked at 636 jobs in 1995, with local business expansion and renovation, as well as construction of the mill and housing construction that was undertaken when Magma Copper purchased and reopened the East Robinson copper mine near Ruth. By 2003 construction employment was back down to 197 jobs – only 90 more than in 1975.

Employment in retail trade appears to somewhat mirror fluctuations in mining and other primary industries such as construction, reaching highs for the 28-year period of 825 jobs in 1981, 936 jobs in 1990, and 972 jobs in 1995.

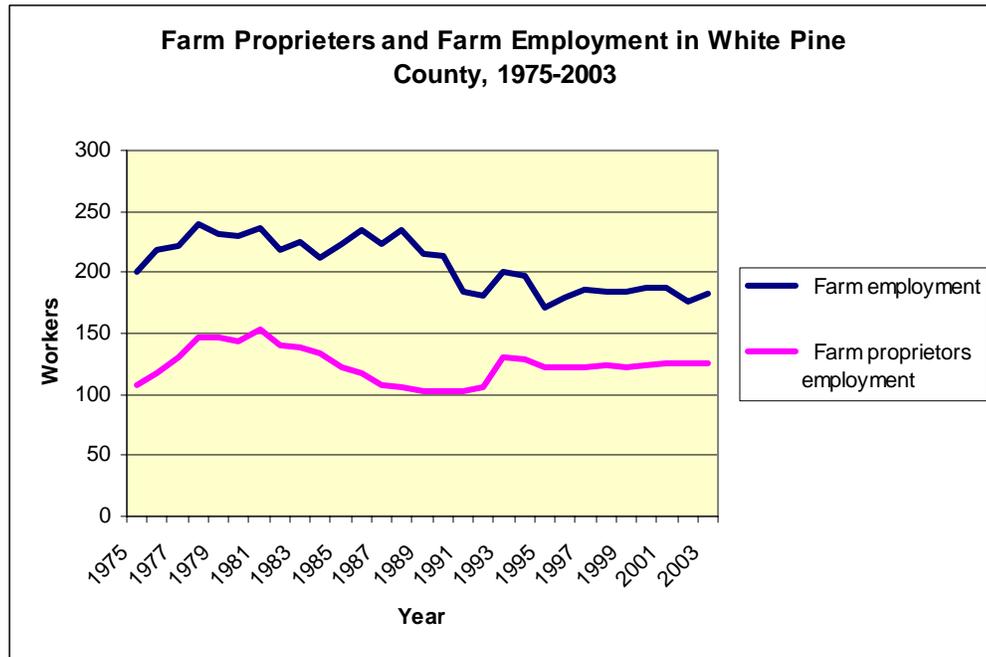


During the 28-year period mining and government switched places as top employers in White Pine County. Government employment increased steadily throughout the period, with a significant increase in government employment after the 1989 opening of the Ely State Prison. Overall, the number of government jobs almost doubled between 1975 and 2003, from 792 jobs in 1975 to 1451 jobs in 2003. Service employment also climbed during the period, from 609 jobs in 1975 to 926 jobs in 2003, a 52 percent increase in service jobs.

The following two line graphs illustrate the most significant change that took place in the White Pine County economy. During the 28-year period government enterprise became the principal White Pine County employer.

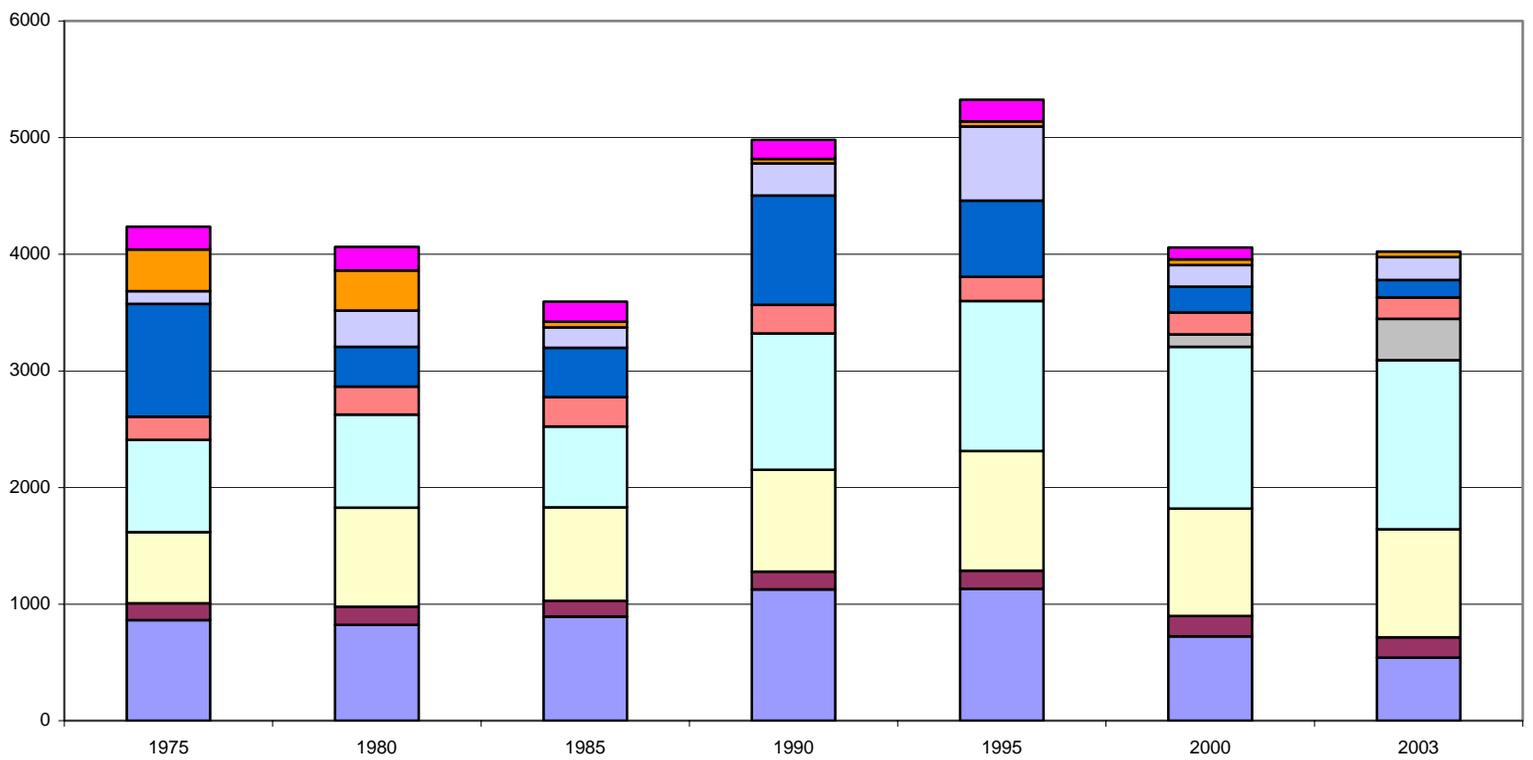


Farm employment – both self-employment by proprietors and wage employment – was at its highest point in the 28-year period in 1980, with a total of 346 jobs. By 2003, there were almost exactly the same number of self-employed farm proprietors and farm employees as in 1975. The 2002 Agricultural census shows 121 farms in White Pine County with a total of 203,106 acres, and an average farm size of 1,679 acres. This represents a slight decline in the number of farms with irrigated acres from 104 farms in 1997 to 76 in 2002. There was also a slight decline in the number of cattle from 25,109 to 24,940.



These employment trends show a change in the overall mix of economic activity taking place in the county. The bar graph on the following page illustrates this. This graph shows the mix of employment in the county in the years 1975, 1980, 1985, 1990, 1995, 2000, and 2003. Over the period government and services became a larger part of the economy. Mining and manufacturing shrunk in importance, but fluctuations in mining and construction employment still have great influence on overall employment. Employment in retail and wholesale trade fluctuated somewhat with construction and mining. Finance, insurance and real estate, as well as agricultural activities, remained fairly steady through the period, although both contribute a relatively small number of jobs.

BHP's Robinson Mine property was purchased by Quadra Mining and reinstatement of copper mining activity began in July, 2004. Distribution of the White Pine County workforce among the industrial sectors shifted due to employment at the reopened mine. Government employment dropped from 47 percent of the total labor force to 40 percent. Mining increased to 13 percent of the labor force, services and trade accounted for 40 percent, construction increased to 6 percent, and manufacturing remained at 1 percent.



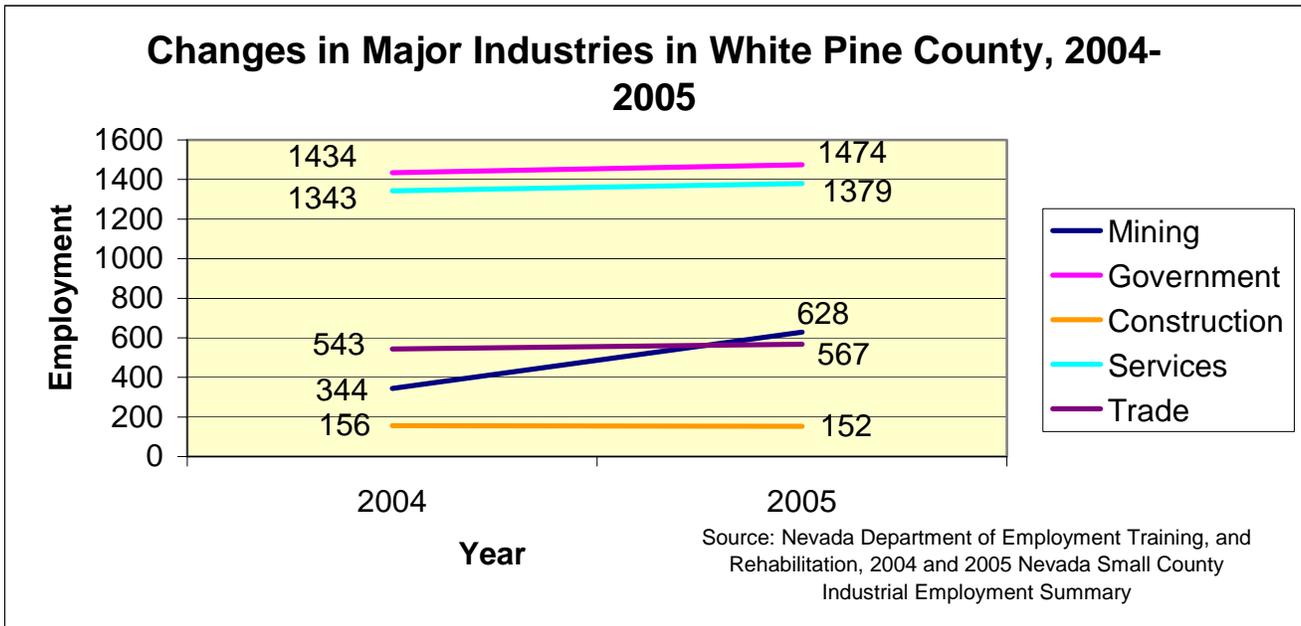
NOTE: Due to a change in 2000 in the method used by the BEA to classify industries, employment in a number of industry sub-sectors in White Pine County was not measured. This segment of employment is shown in the bar graph in gray as “unknown.”

Changes in Employment by Industrial Sector, 2004-2005:

Employment figures:

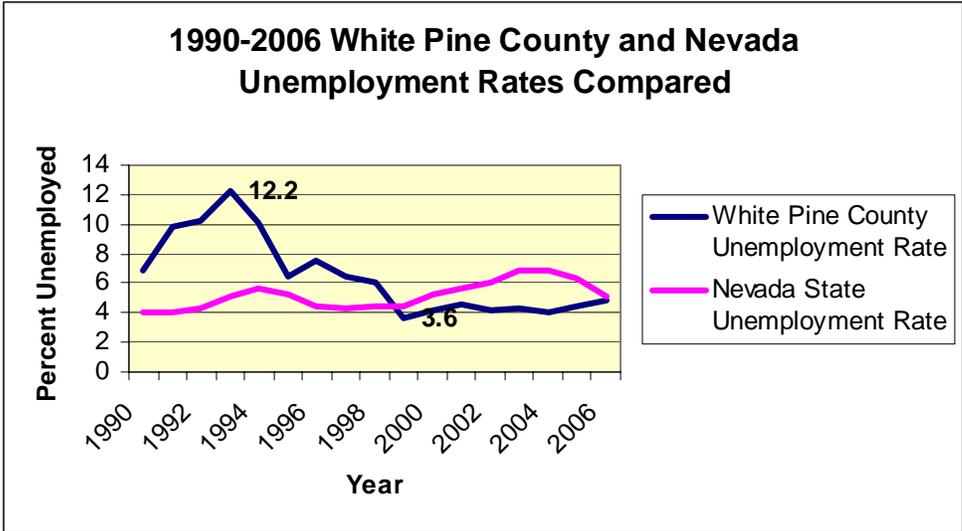
	Total Employed	Mining	Government	Construction	Services	Trade	Manufacturing	FIRE	Trade/TPU
2002	3,655	133	1,416	110	1,298	543			
2003	3,530	171	1,425	109	1,241	511			
2004	3,795	344	1,434	156	1,343	543	30	90	
2005	4,120	628	1,474	152	1,379	567	30	90	
2006	4,049								

	2002	2003	2004	2005
Mining	133	171	344	628
Government	1416	1425	1434	1474
Construction	110	109	156	152
Services	1298	1241	1343	1379
Trade	543	511	543	567
Total	3655	3530	3795	4120



Labor Force and Unemployment

In the period 1990-2006, unemployment in White Pine County spiked to a high of 12.2 percent in 1993 – over twice the unemployment rate for the state of Nevada as a whole. By 1999, however, unemployment in White Pine County had fallen below that of the state as a whole, continuing to be lower than the state level through 2006.



SOURCE: Nevada DETR

Population Characteristics

U.S. Census 2000 data on population characteristics show that the percentage of male and female residents remained roughly the same as in the 1990 Census with 43.8 percent female and 56.2 percent male. Racial composition was the same as in the 1990 Census, with 88.4 percent Caucasian, 4.1 percent black, 3.3 percent Native American, 6 percent Asian, 3.1 percent other, and 2.1 percent two or more races. The total Hispanic population for all races is 11 percent. Median age increased from 33.8 years in 990 to 37.7 years in 2000, reflecting statewide (33.3 to 35 years) and national (32.9 to 35.5 years) trends, as well as the increase in adult male population due to inmates housed at the Ely State Prison.

Wages and income for White Pine County residents are approximately 80 percent of those statewide: average weekly wages in Nevada are \$614, while they are \$564 in White Pine County. The median household income in White Pine County is \$31,004, seventy percent of the Nevada statewide median family income, and 76 percent of the national median income. Per capita income in White Pine County is \$30,068, which places White Pine fourteenth in per capita income of the seventeen Nevada counties.

The 2000 Census shows the average household size in White Pine County as 2.42 persons. Of occupied housing units in White Pine County, the 2000 Census shows that 76.6 percent were owner occupied, and 23.4 percent were renter-occupied.

2006 WHITE PINE COUNTY WATER RESOURCE PLAN
ATTACHMENT 2, RESOURCES

1. Jeff Hardcastle, Nevada State Demographer, telephone call re: Population Estimates and Projections, Methodology, April, 2006.
2. Nevada State Demographer, "Population Estimates of Nevada's Counties and Cities and Unincorporated Towns from July 1986 to July 2005,"
(<http://www.nsbdc.org/demographer/pubs/Images>, Nvpopul05.pdf.)
3. Nevada Department of Employment, Training, and Rehabilitation, Nevada Workplace Informer, Labor Force/Unemployment/Data Analysis Tool/Labor Force and Unemployment, Nevada and White Pine County (<http://www.nevada.workforce.com/>)
- 4.
5. Karen Rajala, White Pine County Economic Diversification Council Coordinator, RE: White Pine County population, employment, and economic trends, March-July, 2006.
6. U.S. Department of Commerce, Bureau of Economic Analysis Regional Local Area Annual Estimates, Interactive Tables, CA 25, SIC, CA 25, NAICS, Total Employment by Industry, White Pine County 1975-2003 (<http://www.bea.gov>)
7. White Pine County, Comprehensive Economic Development Strategy, 2005.