

Introduction

As a part of efforts to assess the potential impacts upon Eureka County of construction and operation of a Nuclear Waste Repository at Yucca Mountain, Eureka County wishes to develop and maintain baseline data representing an accurate picture of existing socioeconomic conditions and trends in the county. A previous Socioeconomic Conditions and Trends Report was completed in 1994 using, among other information sources, data from the 1990 U.S. Census. This is an update to that report, using data from the 2000 census and other more current information developed by federal, state, and local agencies. Both reports are divided into five sections: Population and Housing, The Economy; Local Government Fiscal Conditions, Education, and Social Indicators. Together, the two documents present a wide range of information that shows socioeconomic conditions and trends in Eureka County for a period approaching twenty years. The five sections of the report are summarized below, with more detailed information offered in the body of the report.

Population and Housing

Over the period 1993 – 2002 Eureka County's average annual rate of population growth has been negative, at minus 1.1%. Population fell sharply in 1994, increased to a high of an estimated 1,895 persons in 1998, then declined again in subsequent years. While the average annual growth rate of the state of Nevada was 5.12% over those years, three other rural counties - Lander, Mineral, and White Pine - also lost population during the period.

Eureka County has a very low population density – only 0.4 persons per square mile, as compared to 18.2 persons per square mile for Nevada as a whole, and 79.6 persons per square mile nationwide. The county's population is relatively young -- 30% of the county population, or 495 people, are under the age of 20, while 52% of the population, or 951 people, are between age 20 and 64. 85.9% of the 2002 population of Eureka County, as estimated by the U.S. Census, is white. People of Hispanic or Latino origin make up 9.8% of the County's population, in comparison to 20% statewide. American Indians make up 1% of the County's population. All other races account for 3.2% of the estimated 2002 population.

Housing units in Eureka County increased from 801 units in 1993 to 880 in 2003. Mobile homes remained the dominant housing type, accounting for 69% of county housing in 2003.

The Economy

Gold mining continues as the principal economic engine of Eureka County. Over the period 1993 – 2002 there were four producing gold mines operating in the county at different times. The Betze-Post Mine (also known as the Goldstrike Mine) in northern Eureka County, and the Carlin operations, also in the northern end of the county, operated throughout the period. The Gold Bar Mine in the Antelope mining district in southwestern Eureka County closed in 1995, while the Ruby Hill Mine near the town of Eureka came into production in 1997. In 2002 Eureka County produced 37% of all gold produced in Nevada. The two mines in northern Eureka County continue to be some of the most productive mines in Nevada and indeed in the entire country, while the Ruby Hill Mine was closed in 2002. While low gold prices in the mid-to-late 1990's caused many Nevada mines to close or curtail operations and to suspend exploratory activities, higher gold prices in 2002 and 2003 have led to increased exploration and mining activity. Gold mines in or near Eureka County have estimated reserves to allow mining for six to ten years, and recent exploratory activities may increase the estimate of overall reserves.

In other minerals activity in the county, Eureka County's most productive oil field, the Blackburn Field, averaged 183 barrels of oil a day in 2001, and accounted for 11.7% of Nevada's oil production in that year.

While the agricultural sector is not the county's biggest source of employment, employment in agriculture slightly increased over the period. Principal agricultural commodities produced in Eureka County are cattle and hay, with the market value of these products about evenly divided in the county. The total number of farming and ranching operations remained steady over the ten-year period. The majority of operators are full-time, although many work off the ranch at least some days of the year.

Mining jobs continue to surpass all other Eureka County jobs combined, climbing to a high of 4,374 in 1997 before dropping back to 3,734 in 2000. Government and government enterprise is the second-largest employment category in the county. The construction employment sector, retail trade and services employment appear linked to mining employment levels. The unemployment rate in Eureka County peaked at 10.7 % in 1994, well above state and national unemployment rates. In subsequent years, however, the unemployment rate fell to a low of 2.5% in 2000, then rose slightly to 3.9 % in 2002, making Eureka County's recent unemployment rate lower than state and national rates.

Eureka County has more jobs than workers. The two large, still-producing mines are in the far northern end of the county, closer to Lander and Elko County population centers of Battle Mountain, Elko, and Carlin than to Eureka County's population centers of Crescent Valley and Eureka, so most workers commute to the mines from outside Eureka County. Some Crescent Valley residents, however, commute to work at the Cortez Complex Mine, which is within Lander County.

The mining sector appears to affect not only the unemployment rate in the county, but also the size of the labor force itself. Subsequent to 1998, when mining employment began to decline, the overall size of the labor force declined, from the 1998 high of 950 to 760 in 2002.

Various income measurement for Eureka County show a mixed picture. Eureka County *per capita income* was higher than that of the state overall through 1996, then fell below the state average in subsequent years. *Median household income* is lower than in Nevada as a whole, but very close to that of the nation as a whole. *Median family income* in Eureka County is closer to the Nevada median than household income. The earnings of male, full-time, year-round workers are significantly higher in Eureka County than in Nevada as a whole, reflecting the relatively high wages in the mining industry, while female, full-time workers earn less than in Nevada as a whole.

Total taxable sales in Eureka County declined by 42% over the seven-year period between fiscal year 1995-96 and fiscal year 2001-02. While taxable sales on metal mining declined by 28% in the period, metal mining still accounts for 44% of all Eureka County taxable sales. Other top sectors in the county including wholesale trade/durable goods, industrial and commercial machinery, and automotive dealers and gasoline also declined. Some sectors saw an overall increase of taxable sales in the period, however, including chemicals, business services, construction/special trades, repair services, electricity, gas and sanitary services, fabricated metal products, and automotive repair and services.

In the tourism sector, visitation to the Eureka Sentinel museum has been increasing over the two decades since its opening, but not steadily. Visitation to the museum reached a high of 5,083 visitors in 1995, then declined in subsequent years. Room tax collections have climbed over the ten-year period, while gaming license collections have remained steady. Eureka County continues to pursue diversified economic development including tourism.

Local Government Fiscal Conditions

The Eureka County government provides a full range of services including police and volunteer fire protection, the construction and maintenance of sanitation, water and sewer facilities, recreational facilities including parks, swimming pool, museum, opera house, and fair and rodeo grounds, judicial services, economic development, medical facilities, road construction and maintenance, television services, Diamond Valley weed and rodent control, and senior citizen facilities. The unincorporated towns of Eureka and Crescent Valley are blended component units of the County government.

Ad valorem taxes and intergovernmental revenues continue to be the two main sources of Eureka County revenues, with ad valorem taxes accounting for 39.1% and intergovernmental revenues accounting for 43.6% of total 2002 revenues.

Ad valorem tax revenues have declined due to the slowdown in gold mining. In 2002 several gold mining properties were revalued leading to a drop in overall assessed valuation. Also, Barrick Goldstrike reported no net proceeds from the Betze-Post Mine in 2001 and 2002, resulting in no net proceeds of minerals tax to Eureka County from the mine in those years. The average overall ad valorem tax rate in the county was increased by 3.4% between FY 2001 and FY 2002, so as a consequence, projected tax revenues have decreased only 35% despite the revaluations. Even with the increase in property tax rate, however, Eureka County still has Nevada's lowest average countywide tax rates, at \$1.7677 per every \$100 of assessed valuation.

In 2002 the county expended a total of \$8,331,184, a decrease in spending of 6.9% from 1999. The General Government and Public Safety functions within the County's General Fund, together with the Road Fund are the largest County expenditure categories. General Fund expenditures make up 31% of County expenditures.

Eureka County has several fiscal policies in place designed to cushion the impacts of slowdowns or changes in the major industry. The County has a policy of retaining large ending balances and building up reserve funds. There are two reserve funds, a Future Reserve Fund and a Building Operation and Maintenance Reserve Fund, that at the end of fiscal year 2002, had balances of \$5,274,501, and \$6,026,781. Budget-cutting measures were instituted in 1999, with total county expenditures dropping from \$8.9 million in 1999 to \$8.3 million in 2002. Also, at the end of the 2002 fiscal year the county had no bonded debt.

Education

The Eureka County School District is one of the smallest districts in the state. The district operates the Eureka Elementary School and the Eureka County Junior-Senior High School in Eureka, the former with a capacity of 240 students and the latter with a capacity also of 240 students; and the Crescent Valley Elementary School in Crescent Valley, with a capacity of 180 students. High school students from Crescent Valley and Beowawe attend Battle Mountain High School. Pine Valley high school students go to Carlin High School. There are no private schools in Eureka County.

Overall student enrollment in district schools reached a high of 137 students in 1997-1999, then declined to an enrollment of 90 students in 2003. In 2003 there were also 23 homeschooled students in the county. As a consequence of the drop in student enrollment, staffing levels are also down.

Local sources make up 97% of school district revenue, with the largest category being ad valorem taxes, which make up 83% of total local support. Both revenues and expenditures were down over the 1995-2003 period, revenues by approximately 41% and expenditures by approximately 15%. On the expenditure side, spending for educational programs

remains approximately 53% of overall expenditures, with the balance being spent for administration, transportation, food service, operation and maintenance of facilities, and facilities acquisition.

Social Indicators

Eureka County covers 4,182 square miles. Geography is typical basin and range topography, with long, mostly north-south trending, alluvium-filled valleys separated by mountain ranges. Elevations range from a high of around 10,461 feet at the Summit Mountains in the Monitor Range to about 4,000 feet elevation on the floors of several of the lower basins.

Principal communities are the town of Eureka, which is the county seat, in the southern end of the county, and the towns of Crescent Valley and Beowawe in the north. The Humboldt River winds through the northern part of the county. This is a major transportation corridor both historically and in the present. The corridor holds Interstate Highway 80, as well as dual tracks of the Union Pacific Railroad. U.S. Highway 50 provides access east-west through the county and to the county seat.

Eureka County towns are relatively isolated, but county and city governments, as well as private businesses, provide a range of services to residents and visitors including three branch libraries, a historic opera house used as a cultural/convention center, a swimming pool, rodeo ground and parks, and two senior citizens centers. Nevada Health Centers, Inc. operates two clinics in Eureka County, one in the town of Eureka and one in Crescent Valley. For acute care, Eureka County residents visit hospitals in nearby counties.

Voter turnout in Eureka County is very high. Turnout in the last three general elections averaged 86%, while in Nevada as a whole the percentage of registered voters who voted averaged only 59%. Eureka County has a crime rate of 24.57 per thousand population, just over half the size of the crime rate for the state of Nevada as a whole. There were 119 traffic crashes in Eureka County in 2001. The principal causes of the crashes were "speed too fast for conditions" and "inattentive driving" -- this is consistent with the causative factors in other rural Nevada counties.

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