

The Economy

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EUREKA COUNTY EMPLOYMENT

Mining jobs continue to surpass all other Eureka County jobs combined, with 3,734 of the total 4,489 jobs in the county in 2000 (the last year for which employment figures broken out by industry are currently available). Mining jobs in the county over the eight-year period climbed 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, with a total of 229 jobs in 2000. Of these, local government is the largest employer, with 220 out of 259 total government jobs in 1998 (the last year in which employment figures are broken out by government level)

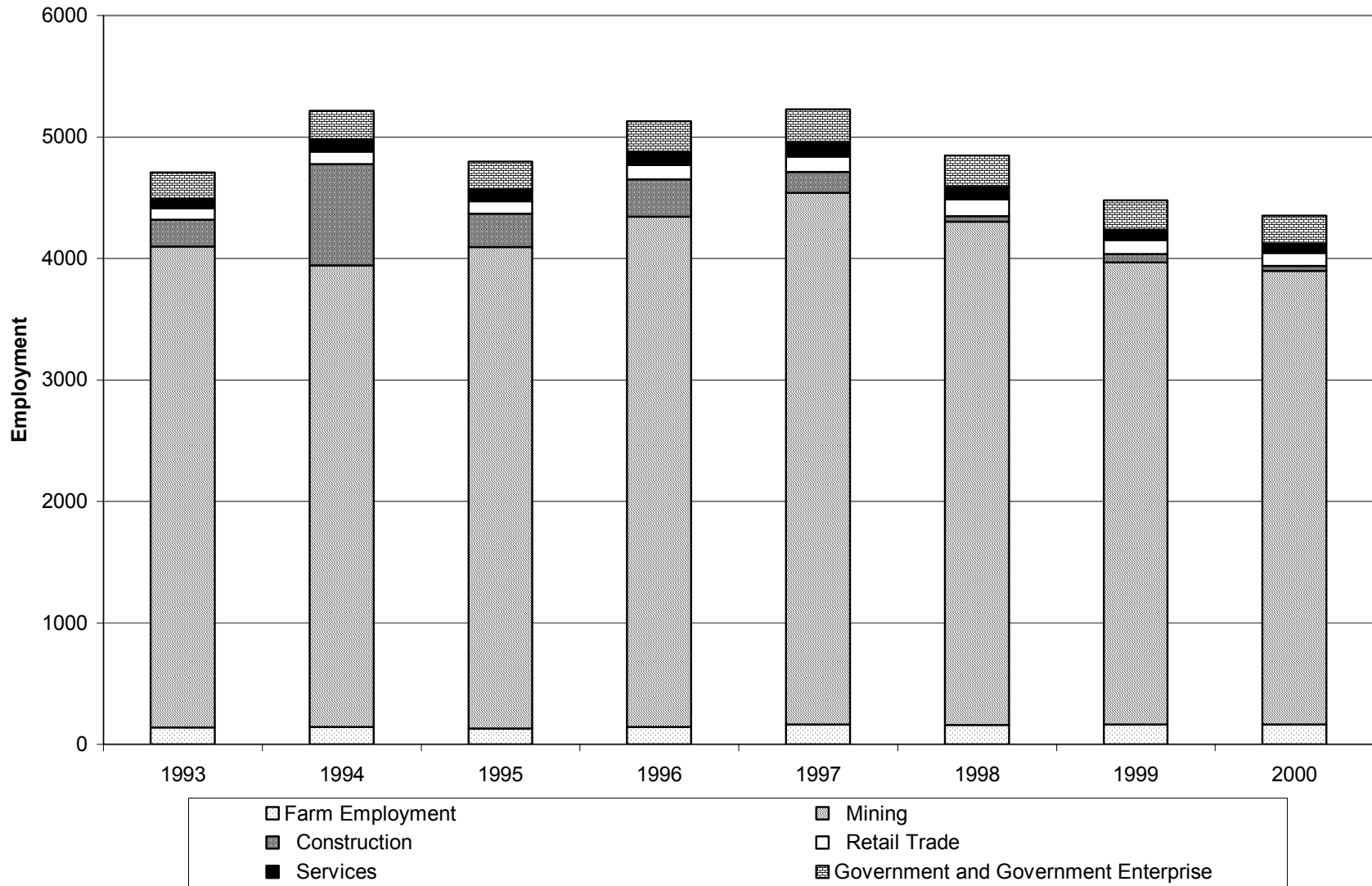
The construction employment sector shows growth in the period preceding the 1997 high in mining jobs, and then diminishes rapidly as mining jobs also decline in the later years of the decade, showing the link between these two industrial sectors in Eureka County.

The agricultural sector, although not the county's biggest source of employment, held steady over the period, increasing slightly from 138 jobs in 1993 to 164 jobs in 2000.

Finally, retail trade and services employment also appear to follow mining employment levels, reaching high points in the county in 1997 and 1998, the two years following the greatest mining employment. Over the entire period 1993 to 2000, retail trade grew by 15 jobs, services fell by 4.

Over the period 1993 to 2001, total employment in all sectors fell from 4,772 to 4,308, a loss of 9.7%.

Mining Continues to Provide Most Eureka County Employment

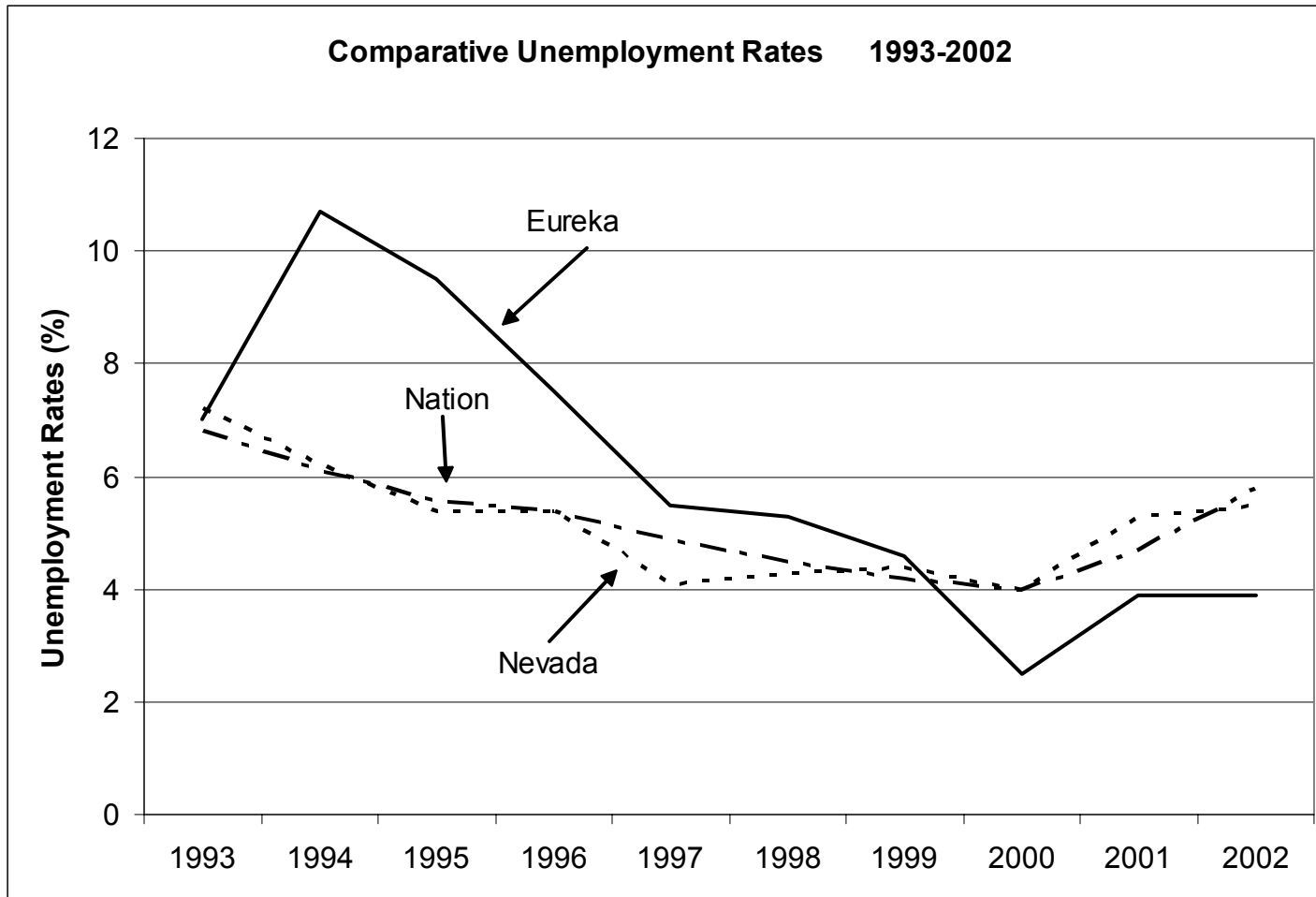


Eureka County Employment, 1993 - 2001

	1993	1994	1995	1996	1997	1998	1999	2000	2001
Total Employment	4772	5295	4885	5217	5324	4945	4602	4,489	4,308
Farm Employment	138	144	130	145	164	161	163	164	(N)
Non-farm Employment	4,634	5,151	4,755	5,072	5,160	4,784	4,439	4,325	(N)
Private Employment	4,419	4,918	4,527	4,819	4,886	4,525	4,201	4,096	(N)
Ag. Services, Forestry, Fishing and other	32	42	46	41	43	(D)	(D)	(D)	(N)
Mining	3,960	3,800	3,965	4,200	4,374	4,143	3,805	3,734	(N)
Construction	219	833	272	305	175	44	67	39	(N)
Manufacturing	(L)	(L)	(L)	10	10	10	11	11	(N)
Transportation and Public Utilities	(L)	(L)	(L)	(L)	(L)	(D)	17	15	(N)
Wholesale Trade	(D)	(D)	(D)	(D)	(D)	25	(D)	(D)	(N)
Retail Trade	95	103	105	120	126	140	115	110	(N)
Finance, insurance, and real Estate	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(N)
Services	80	101	96	107	115	100	89	76	(N)
Government and Government Enterprise	215	233	228	253	274	259	238	229	(N)
Federal, Civilian	(L)	(L)	(L)	(L)	(L)	(L)	(L)	(L)	(N)
Military	(L)	(L)	(L)	(L)	(L)	(L)	(L)	(L)	(N)
State and Local	206	226	221	244	264	248	228	218	(N)
State	30	28	28	29	29	28	(D)	(D)	(N)
Local	176	198	193	215	235	220	(D)	(D)	(N)
NOTES:	(L) Less than 10 jobs, but estimates for item included in totals								
	(D) Not shown to avoid disclosure of confidential information								
	(N) Data not yet available for this year								

SOURCE: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Accounts, *Total Full-Time and Part-time Employment by Industry, Eureka, NV*

Eureka County Unemployment Rate Peaks in 1994 Then Falls Below State and National Rate



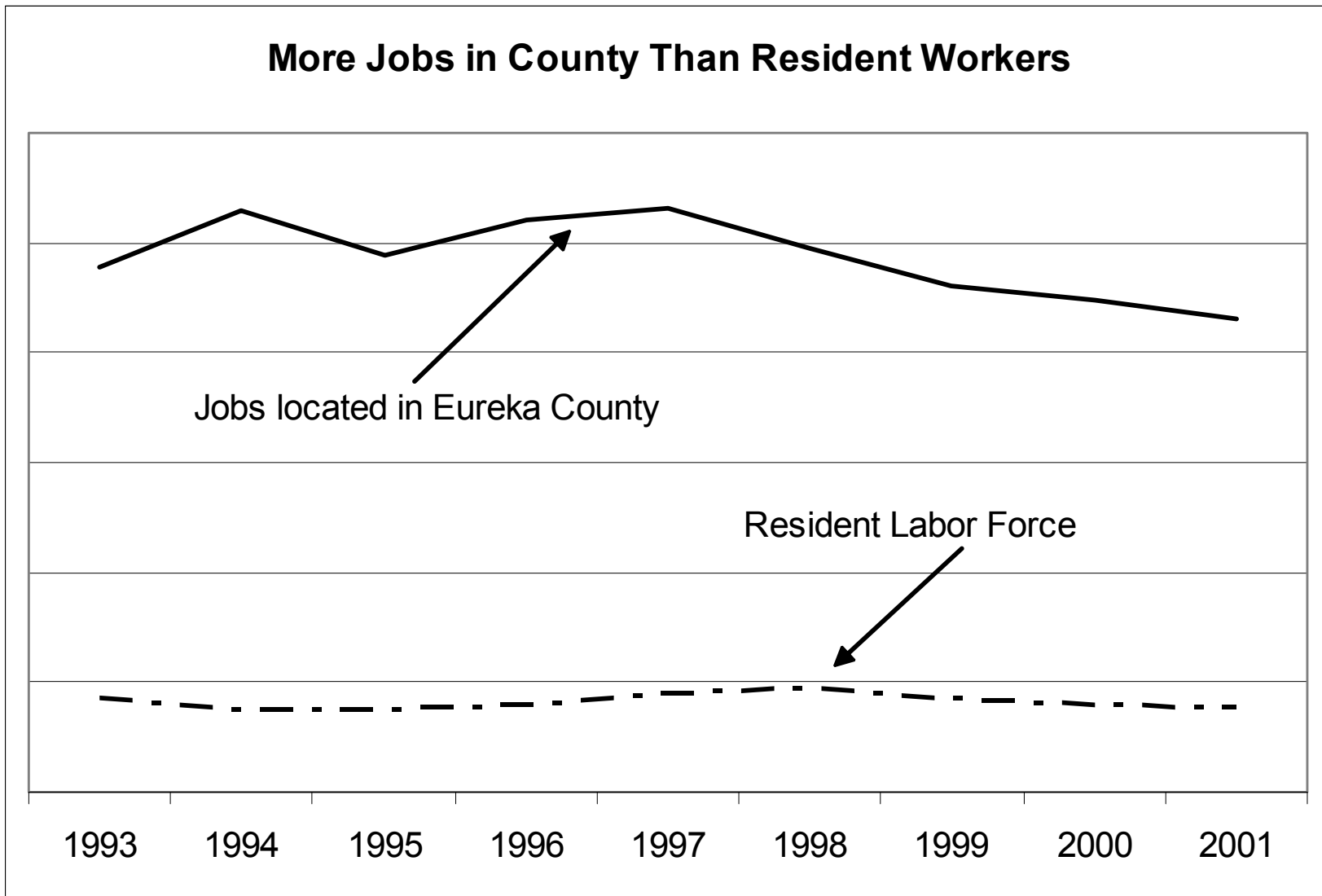
In the 8-year period, the unemployment rate in Eureka County peaked at 10.7 % in 1994, well above state and national unemployment rates. In subsequent years, however, the unemployment rate fell to a low of 2.5% in 2000, then rose slightly to 3.9 % in 2002, making Eureka County's unemployment

Labor Force Data, 1993 - 2000					
	Eureka County			Nevada Unemployment Rate (%)	National Unemployment Rate (%)
	Employment (number)	Unemployment (number)	Unemployment Rate (%)		
1993	800	60	7	7.2	6.8
1994	670	80	10.7	6.2	6.1
1995	670	70	9.5	5.4	5.6
1996	740	60	7.5	5.4	5.4
1997	860	50	5.5	4.1	4.9
1998	900	50	5.3	4.3	4.5
1999	820	40	4.6	4.4	4.2
2000	780	20	2.5	4.0	4.0
2001	740	30	3.9	5.3	4.7
2002	730	30	3.9	5.5	5.8

SOURCE: Nevada Department of Employment, Training, and Rehabilitation, Information Development and Processing Division, Research and Analysis Bureau, "Unemployment Rates and Labor Force"

rate lower than state and national rates. The mining sector appears to affect not only the unemployment rate in the county, but also the size of the labor force itself. The years 1996-1998 were the three biggest years in the county for mining employment, also services and trade employment. Unemployment rates reflect these jobs, falling from the 1994 high of 10.7% to 5.3% in 1998, while during the same period the overall size of the labor force grew from 750 in 1994 to 950 in 1998. 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. This decline in the overall size of the labor force, then, contributed to a continued drop in the county unemployment rate. Fewer jobs were available, yet there were also fewer workers seeking jobs.

More Jobs in County Than Resident Workers



Resident Labor Force vs. Jobs in Eureka County, 1993 to 2001

	Resident Labor Force	Jobs Located in Eureka County
1993	860	4772
1994	750	5295
1995	740	4885
1996	800	5217
1997	910	5324
1998	950	4945
1999	860	4602
2000	800	4,489
2001	770	4,308
SOURCES:	U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Accounts, "Total Full-Time and Part-time Employment by Industry, Eureka, NV"	
	Nevada Department of Employment, Training, and Rehabilitation, Information Development and Processing Division, Research and Analysis Bureau, "Unemployment Rates and Labor Force"	

Eureka County has more jobs than workers. This is a result of the location of the county's biggest employers, Newmont Mining Company's Carlin Operations, and Barrick Goldstrike's Goldstrike Mine. Both these operations are in the far northern end of the county, closer to the Lander County and Elko County population centers of Battle Mountain, Elko and Carlin than to Eureka County's population centers of Crescent Valley and Eureka. The mines are headquartered in Elko County, and workers are transported to the mine sites from those towns. The table to the left and the graph above illustrate this imbalance of jobs vs. resident labor force in Eureka County.

Commuting Patterns in Eureka County, 2000

Area of Residence	Area of workplace	Number of workers
Elko County , NV	Eureka County , NV	1,488
Eureka County , NV	Eureka County , NV	630
Lander County , NV	Eureka County , NV	54
Eureka County , NV	Elko County , NV	50
White Pine County , NV	Eureka County , NV	36
Washoe County , NV	Eureka County , NV	23
Eureka County , NV	Lander County , NV	9* see note
Clark County , NV	Eureka County , NV	6
Eureka County , NV	Salt Lake County , UT	5
Eureka County , NV	White Pine County , NV	5
Pershing County , NV	Eureka County , NV	4
Eureka County , NV	Churchill County , NV	3
Eureka County , NV	Nye County , NV	3
Eureka County , NV	San Diego County , CA	3
Eureka County , NV	Douglas County , NV	2
Eureka County , NV	San Mateo County , CA	2
Montrose County , CO	Eureka County , NV	2

SOURCE: Nevada Department of Employment, Training & Rehabilitation, Research & Analysis Bureau, U.S. Census 2000 County-to-county worker flow files

questionnaire results were tabulated.

- Since the Cortez Mine, while located in Lander County, is close to the county boundary and has a mailing address in Eureka County, some respondents might have mistakenly placed the location of the workplace in Eureka County.

The chart at left shows commuting patterns in Eureka County. By far the most common commute pattern is into Eureka County from Elko County – this reflects commutes to the two large mines in northern Eureka County by workers residing in Elko County. Although overall numbers are smaller, there also are many long-distance, out-of-county or even out-of-state commutes, to and from communities as far away as San Diego, California and Montrose in western Colorado.

* On reviewing a draft of this report, reviewer Susan Fye of Crescent Valley noted that the number given in this chart of nine (9) people commuting from Eureka County to Lander County in 2000 seemed very low, given that many Crescent Valley residents commute from the town of Crescent Valley in Eureka County to work at the Cortez Mine which is located in Lander County. A 1/9/04 telephone interview with Celia Boertlein in the Migration Statistics Branch of the U.S. Census Bureau indicated the following possible reasons for this low number:

- The question on workplace location was Question #22 in the “long form” Census questionnaire, which was only mailed to a portion of the population. In Eureka County, the portion of the population that filled out the long form was 41.9% of the total population. Therefore, the number of nine commuters to Lander County was based upon only three or four sample cases. The recipients of the long form questionnaire were not selected based upon occupation, so those working in the mining industry could have been “undersampled” in the count.
- The wording of Question #22 may also have led to the low count. In the question, respondents were asked to identify the location of their workplace by street address, name of city, town, or post office, name of county, and zip code. The mailing address and the zip code of the Cortez Mine are in Crescent Valley, so if respondents did not know, or did not fill out the “name of county” box, then the zip code, post office, or town information would have placed the location of the Cortez Mine workplace in Eureka County when the

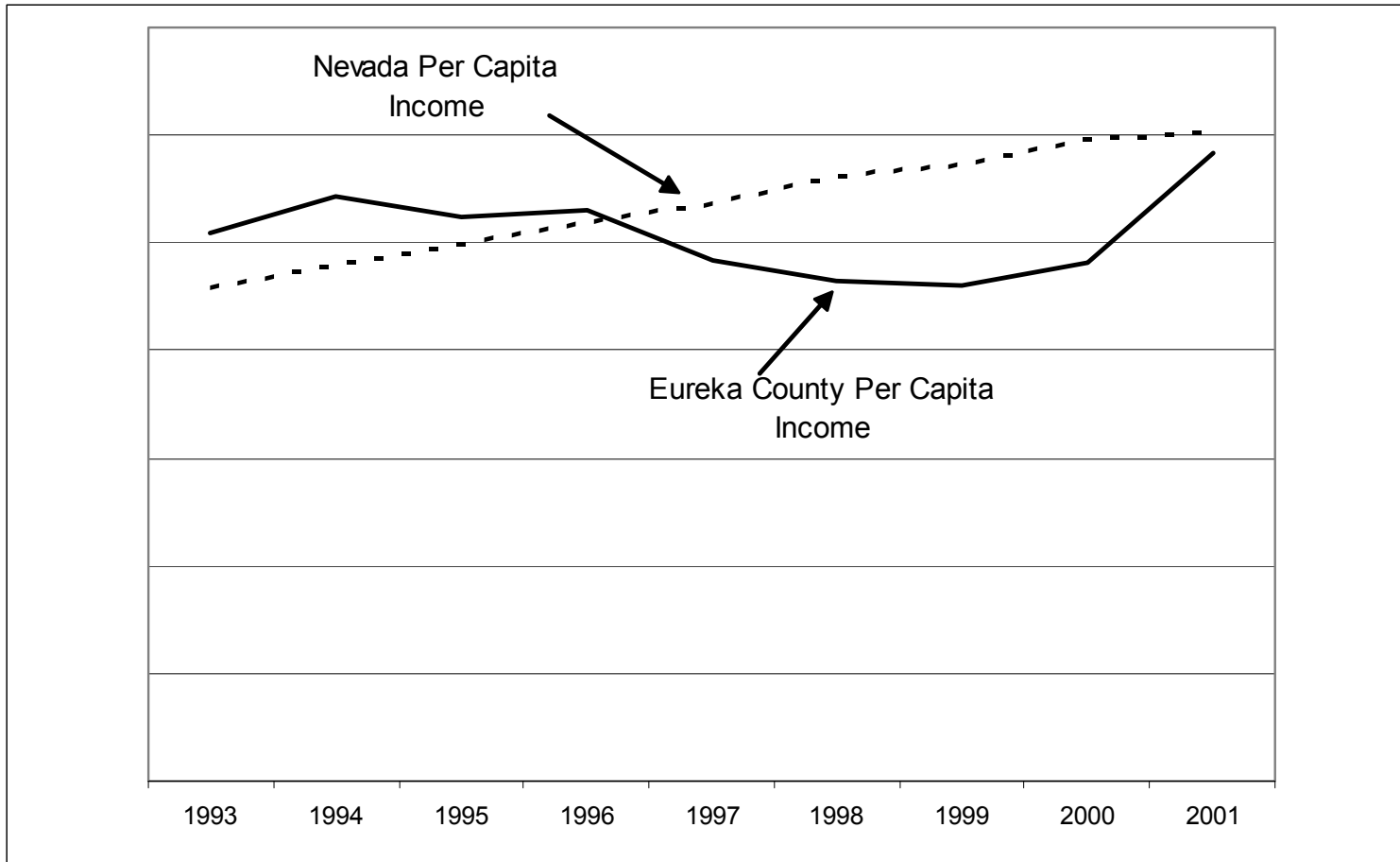
Eureka County Components of Personal Income 1993-2001 (In thousands of dollars unless otherwise noted)

	1993	1994	1995	1996	1997	1998	1999	2000	2001
Earnings by place of work	231,224	266,899	253,510	279,693	274,062	268,960	253,020	258,994	262,841
Less personal contribution for social security	13,355	15,875	15,021	16,840	16,410	15,823	14,881	14,858	14,980
Less: adjustment for residence	188,803	222,895	212,132	234,590	227,163	222,104	210,656	216,649	212,684
Equals: Net earnings by place of residence	29,066	28,129	26,357	28,263	30,489	31,033	27,483	27,487	35,177
Plus: Dividends, interest, and rent	3,991	4,235	5,538	6,258	6,929	6,923	6,781	7,201	7,271
Plus: Transfer payments*	2,855	3,410	3,631	3,994	4,352	4,703	4,750	4,737	5,257
Equals: Personal Income	35,912	35,774	35,526	38,515	41,770	42,659	39,014	39,425	47,705
County Population (persons)	1,412	1,320	1,356	1,454	1,731	1,840	1,697	1,638	1,638
Per capita personal income (dollars)	25,433	27,102	26,199	26,489	24,131	23,184	22,990	24,069	29,124

SOURCE: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Accounts, "Personal Income by Major Source and Earnings by Industry"

As with other economic indicators in Eureka County, per capita personal income is tied to earnings in the mining industry, but it also clearly is influenced by other factors. The third line in the above chart, "Less: adjustment for residence" reflects the fact that most mining income is earned by workers residing outside of Eureka County. While net county resident earnings were high during the years 1996-1998, when mining employment was high, **(text continued p. 36)**

Eureka County Per Capita Income Falls Below State in 1997, Then Rises Again



county income did not drop sharply when mining employment fell. It appears that other factors help to “smooth out” the fluctuations in per capita income, which might be expected in the reliance on mining employment. For example, line 5 shows that earnings from dividends, interest and rent increased by 82% during the 9-year period, and Line 6 shows that transfer payments * increased by 84% during the period. Both total and per capita personal income in Eureka County in 2001 were up sharply from the previous year.

The table below shows Eureka County and Nevada per capita income:

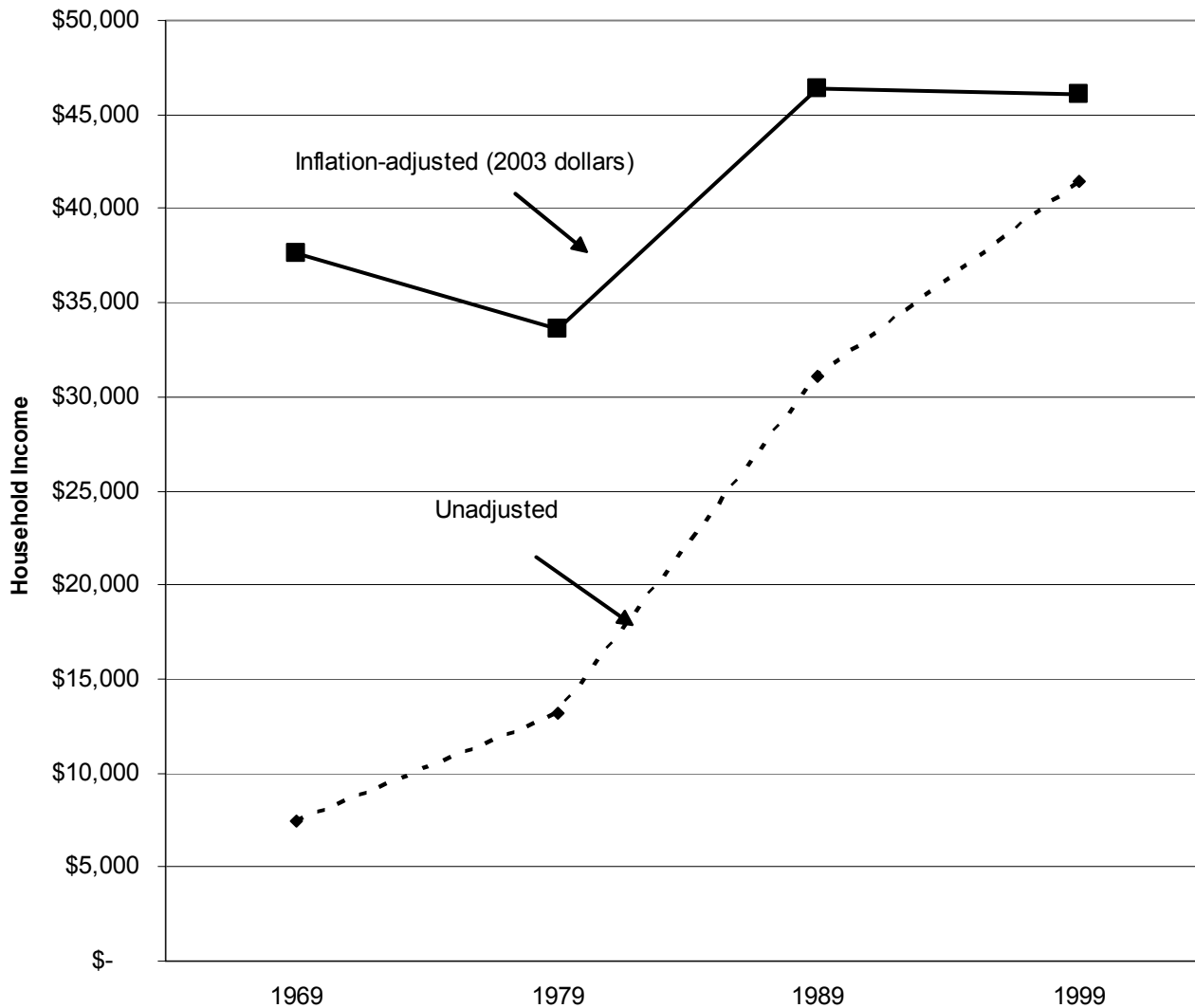
Per Capita Income, 1993 - 2001 (Not adjusted for inflation)									
	1993	1994	1995	1996	1997	1998	1999	2000	2001
Eureka County	25,433	27,102	26,199	26,489	24,131	23,184	22,990	24,069	29,124
Nevada	22,949	23,930	24,897	26,004	26,789	28,069	28,655	29,794	30,128
SOURCE:	U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Accounts, "Personal Income by Major Source and Earnings by Industry"								

Eureka County per capita income was higher than that of the state overall through 1996, then subsequently fell below in subsequent years as the line graph above illustrates.

* (Government transfer payments to individuals includes retirement and disability insurance benefits, medical payments, income maintenance benefits, unemployment insurance benefits, veterans benefits, and Federal grants and loans to students. Government transfer payments to nonprofit institutions excludes payments by the Federal Government for work under research and development contracts. Business transfer payments to persons consists primarily of liability payments for personal injury and of corporate gifts to nonprofit institutions.)

Household Income Steady Over Last Decade

Eureka County Median Household Income, 1969-1999



Eureka County Median Household Income

	Unadjusted	Inflation-adjusted, 2003 dollars
1969	\$ 7,455	\$ 37,620
1979	\$ 13,187	\$ 33,640
1989	\$ 31,047	\$ 46,370
1999	\$ 41,417	\$ 46,041
SOURCE:	DeNavas-Walt, Carmen, and Robert Cleveland, U.S. Census Bureau, <i>Current Population Reports, P60-218, Money Income in the United States</i>	
	U.S. Department of Labor, Bureau of Labor Statistics, <i>Inflation Calculator</i>	

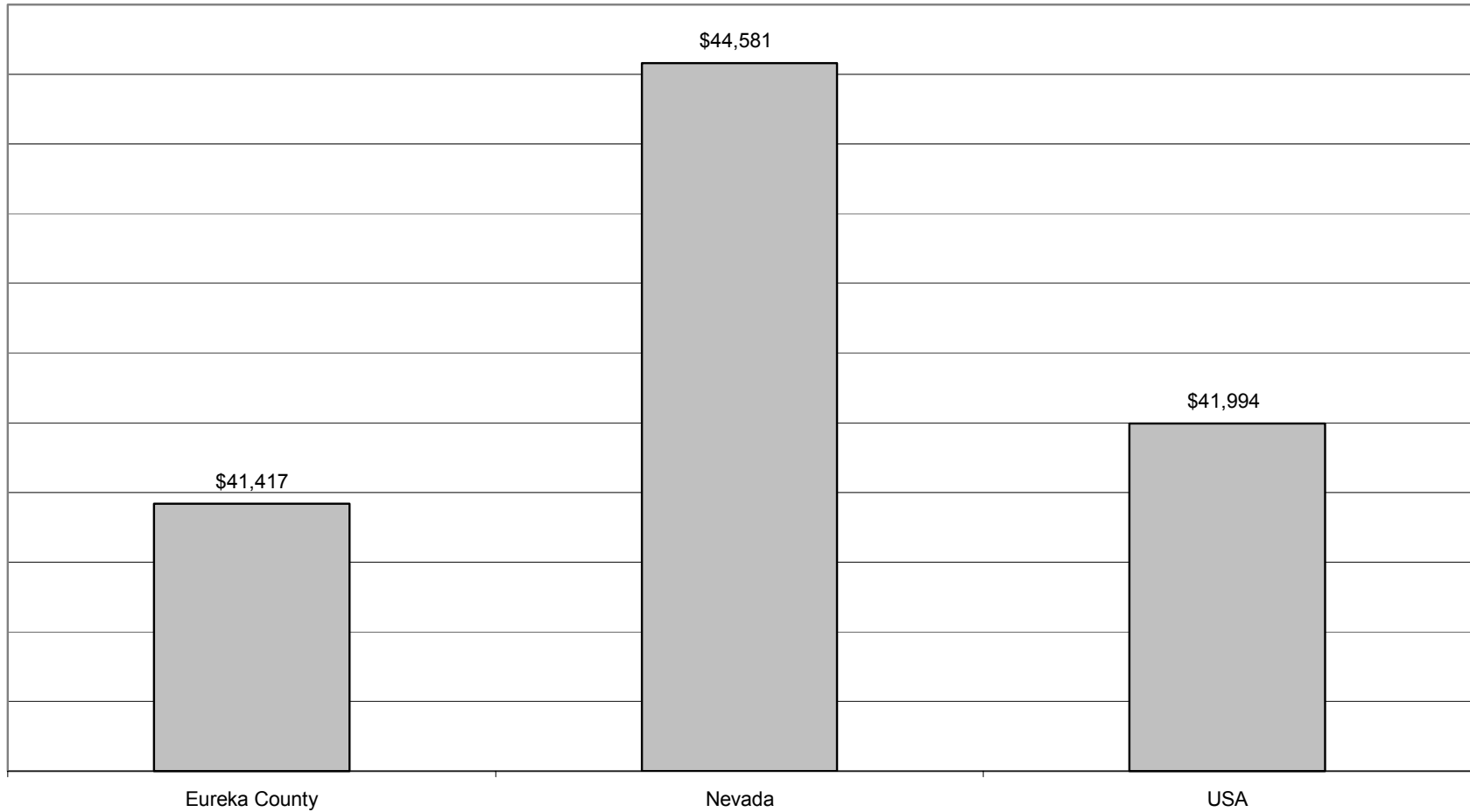
The chart to the left and the line graph above show median household income for Eureka County over a 30-year period, both adjusted for inflation (2003 dollars) and unadjusted. A household is defined as all people who occupy a housing unit, whether related or not, and this income measurement usually is lower than family income since households often consist of just one individual. Real, inflation-adjusted income rose to its highest point in 1989, then fell slightly over the ensuing ten years. The bar graph on page 39 shows a comparison of median household income in Nevada, Eureka County, and nationwide. While median household income in Nevada is significantly higher than in Eureka County, the county's median income is very close to that of the nation as a whole.

graph on page 41 shows a comparison of different income measurements for Eureka County and Nevada as a whole, based on U.S. Census 2000 data. This chart shows that *family* median 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. U.S. Census 2000 shows the overall poverty rate for families in Eureka County at 8.9%, for individuals at 12.6%. Corresponding figures for Nevada as a whole are 7.5% for families and 10.5% for individuals.

The bar graph on page 40 shows median household income categories for Eureka County, and the

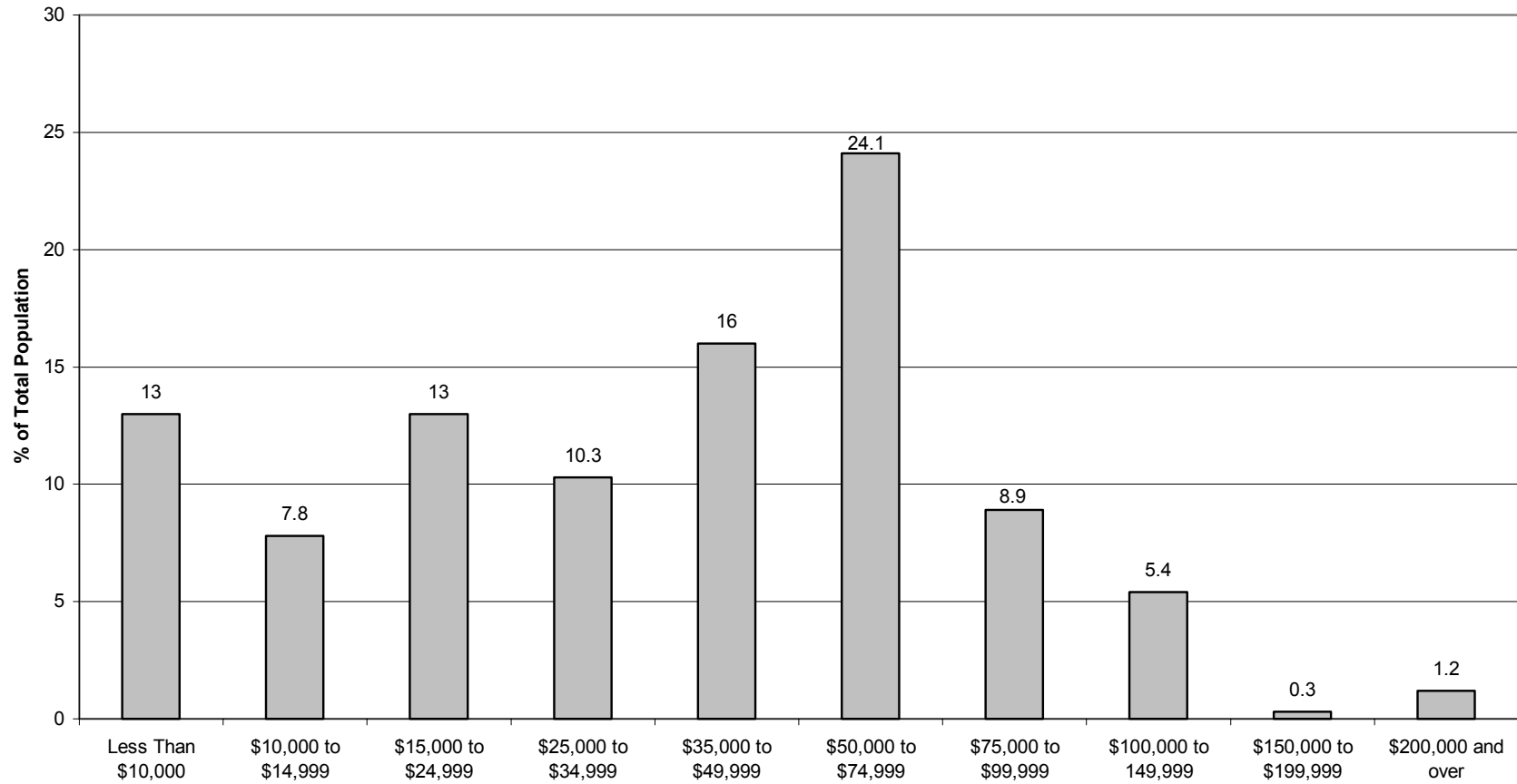
County Household Income Close to National Level

Median Household Income Comparison, 1999



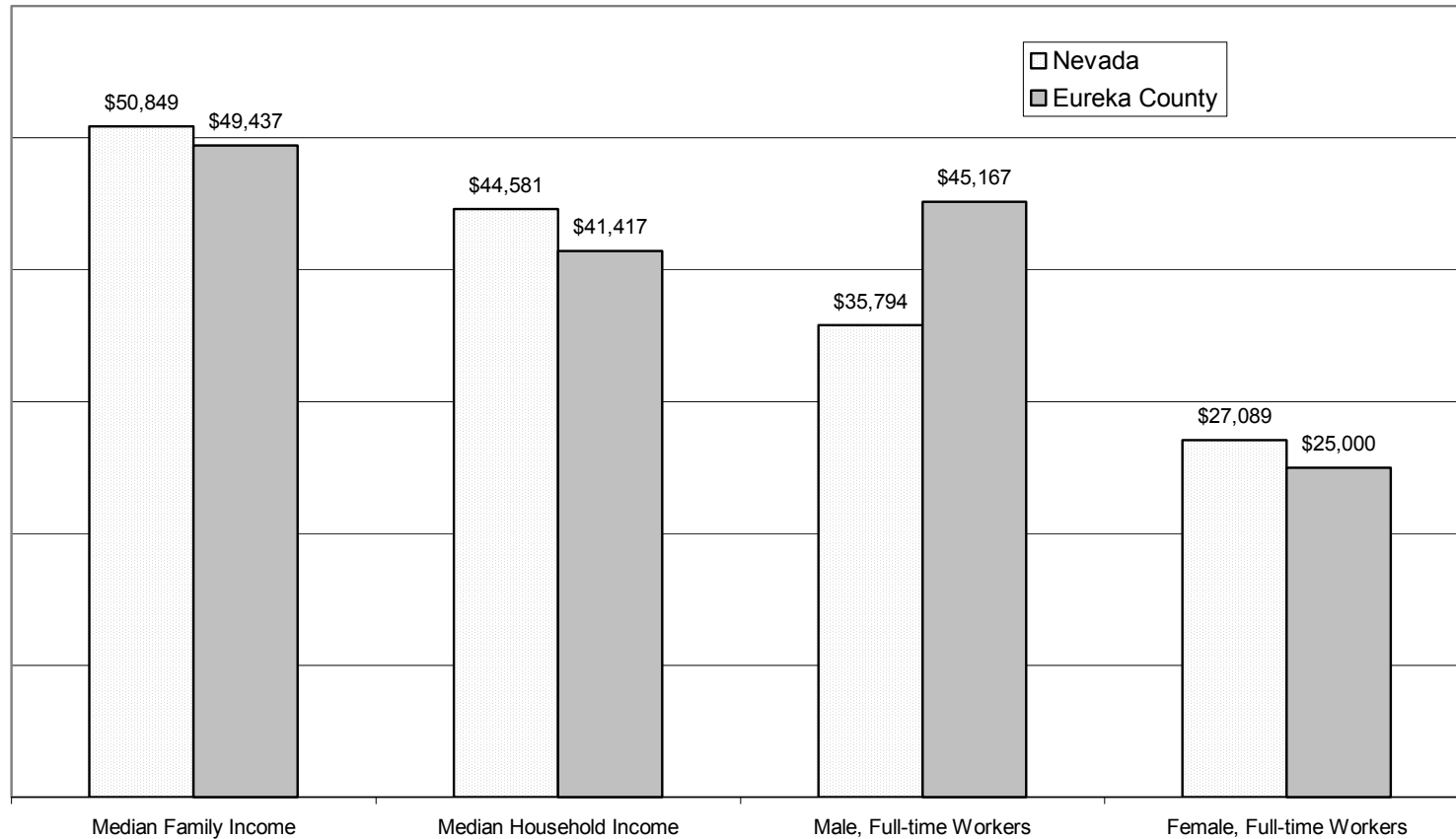
SOURCE: U.S. Census Bureau, Census 2000, *Profile of Selected Economic Characteristics: 2000, Eureka County, Nevada* and *Nevada QuikFacts*

Eureka County Median Household Income Distribution, 1999



SOURCE: U.S. Census Bureau, Census 2000, Profile of Selected Economic Characteristics: 2000, Eureka County, Nevada

Income Comparisons, Nevada and Eureka County, 2000



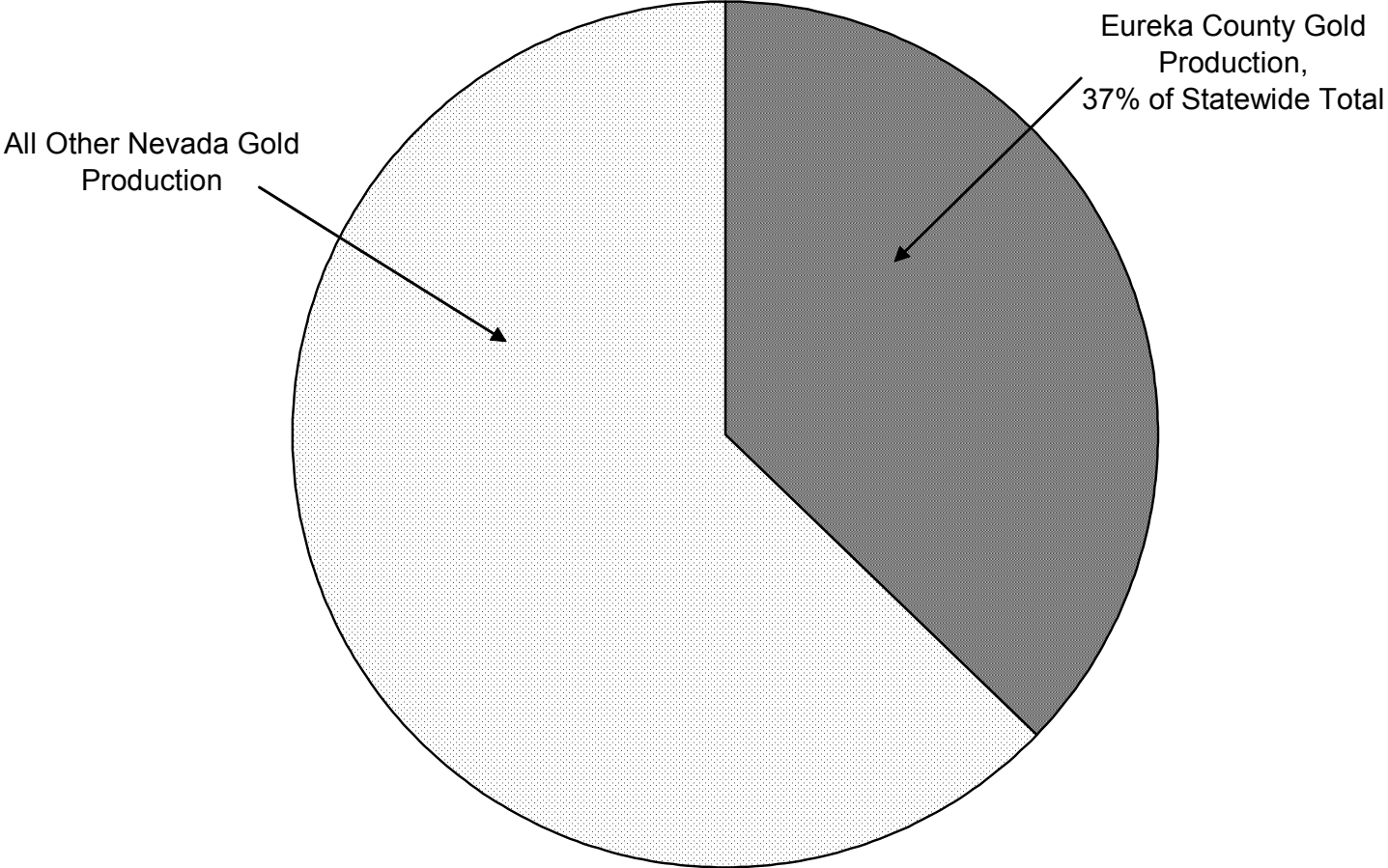
SOURCE: U.S. Census Bureau, Census 2000, Profile of Selected Economic Characteristics: 2000, Eureka County, Nevada, and Nevada

Eureka County Gold and Silver Mining Profile, 1997-2002							
	Operations	Employees	Ounces Gold Produced	Ounces Silver Produced	Gross Proceeds	Net proceeds	County Tax Due
1997	3	3,615	3,441,551	183,716	1,081,390,284	263,248,542	\$ 4,468,117.50
1998	3	3,321	3,190,574	216,836	946,588,326	185,631,362	\$ 3,150,721.11
1999	3	2,794	2,619,801	295,582	731,861,772	117,763,439	\$ 1,998,798.85
2000	3	3,056	3,480,498	152,154	971,904,129	185,654,627	\$ 3,151,115.98
2001	3	2,668	3,095,696	375,426	865,375,239	81,252,216	\$ 1,383,156.47
2002	3	2,678	2,880,734	414,460	984,713,544	76,095,179	\$ 1,337,220.58
SOURCE:	Nevada Department of Taxation, <i>Net Proceeds of Minerals Bulletin</i>						
	Eureka County Assessor						
	Nevada Bureau of Mines and Geology, Division of Minerals, Major <i>Mines of Nevada</i>						

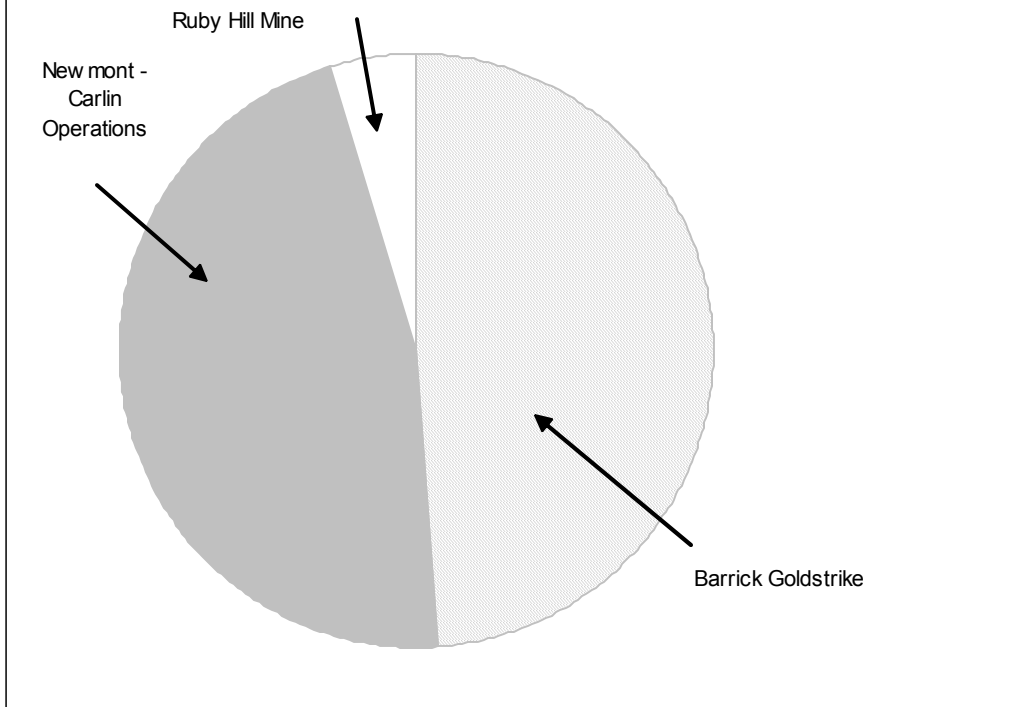
Gold Mining Profile

Gold mining continues as the principal economic engine of Eureka County, as can be seen in the sections of this report detailing sources of employment and tax revenues. Over the period 1993 – 2002 there were four producing gold mines in the county operating at different times. Barrick Gold Corporation’s Betze-Post Mine (also known as the Goldstrike Mine) in northern Eureka County, and the Newmont Mining Corporation’s 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 Barrick Gold Corporation’s Ruby Hill Mine (acquired by Barrick in a 2001 merger with the Homestake Mining Company) near the town of Eureka came into production in 1997. In 2002 Eureka County produced 37% of all gold produced in Nevada. Placer Dome and Kennecott Exploration’s Cortez Joint Venture mining complex, while not within Eureka County, is situated in Lander County close to the border with Eureka County, and many Cortez employees reside in Crescent Valley. **(Text continued page 44)**

37% of 2002 Nevada Gold Production is from Eureka County Mines



Gold Mining Output in Eureka County, 2002

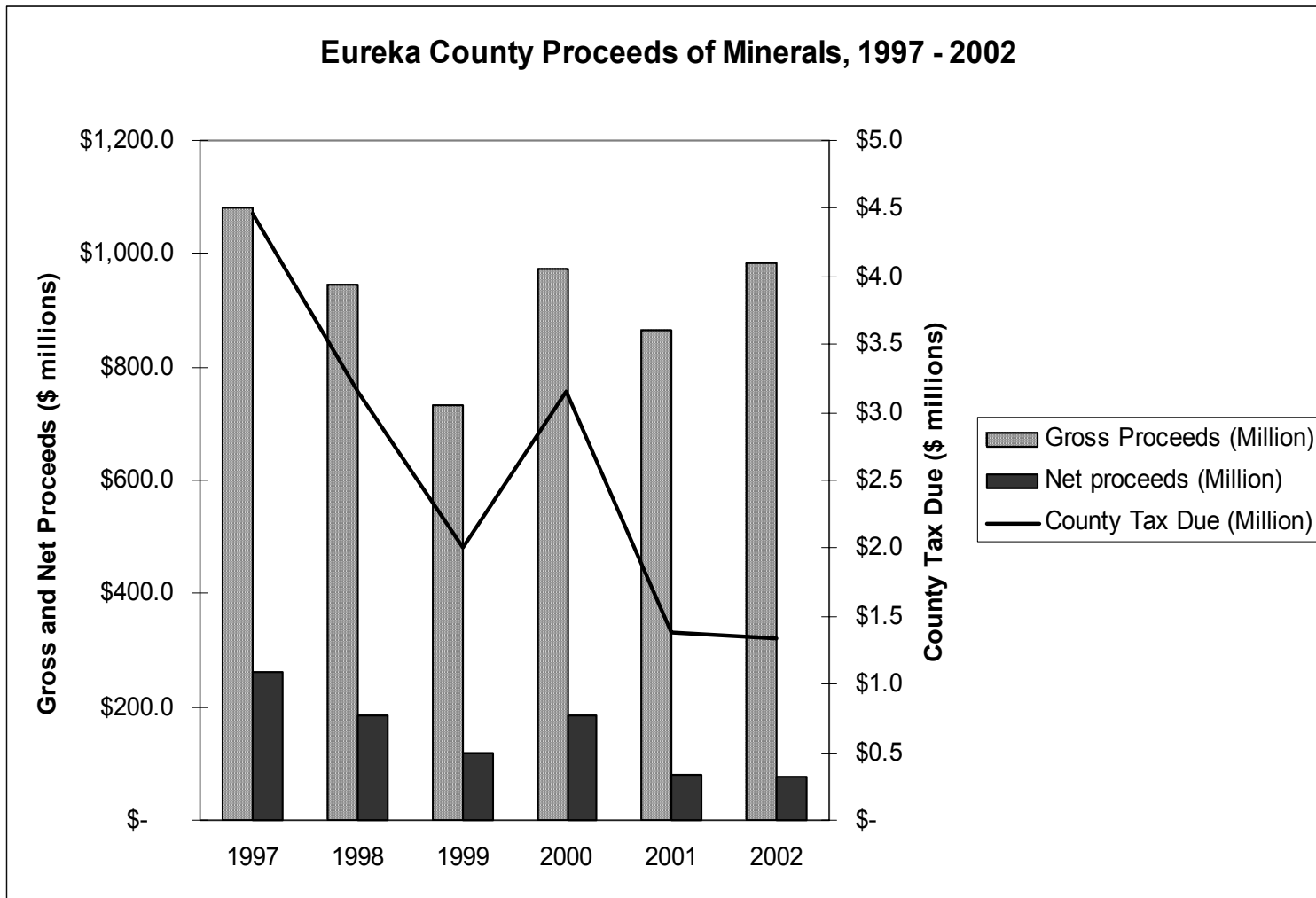


The two mine complexes in northern Eureka County continue to be some of the most productive mines in Nevada and indeed in the entire country, with Newmont's Carlin Trend mines producing over 1.3 million ounces of gold in 2002, and Barrick's Betze-Post Mine producing over 1.4 million ounces in that year. Barrick closed the Ruby Hill Mine at the end of 2002.

During the late 1990's lower gold prices caused many Nevada mines to scale back exploration and to scale back or temporarily close some operations. The price of gold is now back to over \$300 per ounce however, in 2002 averaging \$310 per ounce, and at an average of \$350 per ounce in the first half of 2003. Partly as a result of these higher gold prices, several Nevada gold mining operations are in the permitting phase for expansion of facilities, including an application by Newmont to expand operations at the Gold Quarry Mine in Eureka County. Cortez Joint Venture also is

seeking permits to expand the Pipeline operations in Lander County close to Crescent Valley. Looking to the future, Barrick Gold Corporation estimates 16.051 million ounces of reserves at the Betze-Post mine. Newmont Gold Corporation estimates that the new Gold Quarry South Layback Mine will begin operations by the end of 2003, with reserves totaling 3.9 million ounces. Current plans envisage a minimum six-year mine life for the mine. Placer Dome reports reserves of 7.9 million ounces at the Cortez Mine, with a projected mine life of ten years (from 2002). Finally, in an annual report to the Nevada Mining Association, *Economic Overview of the Nevada Mining Industry 2002*, John L Dobra, Ph.D. reports that exploration expenditures are now up, reversing a four-year downward trend by increasing from \$51.2 million in 2001 to \$64.6 million in 2002. Dobra reports that this increase in exploration spending, along with higher gold prices, make it likely that Nevada's reserve base will increase in the future.

Gold Production Remains High, But Net Proceeds Down 71%



Net Proceeds Down

The net proceeds of minerals tax is annually determined by the Nevada Department of Taxation based on the actual production of minerals from all operating mines, oil and gas wells, as well as geothermal operations in Nevada. Mine operators are required to file a statement showing the gross yield and claimed net proceeds from each geographically separate operation. The Department of Taxation determines the net proceeds of minerals tax due based on the information filed by the taxpayer, as well as from all obtainable data, evidence and reports available. The net proceeds are determined by subtracting from the gross yield certain deductions for costs incurred during the calendar year immediately preceding the reporting year. Costs that can be deducted are determined by state law. The tax rate applied to the net proceeds is based on a sliding scale between 2% and 5%, depending on the ratio of net proceeds to gross proceeds. The local portion of the overall tax liability is based on the local rate where the mine is located, and the balance is the state portion of the tax.

While net proceeds from gold and silver mining operations in Eureka County in 2002 were \$76 million, resulting in county tax due of \$1.3 million, this is down substantially from net proceeds in 1997 of \$263 million, with county tax due of \$4.67 million. A large part of this decline is due to the fact that Barrick reported no net proceeds in 2001 and 2002 on the Betze-Post (Goldstrike) Mine, resulting in no net proceeds of minerals tax liability to the county (although property taxes on the real property and improvements of the mine operation were collected in that year, as well as sales tax on commodities sold).

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Oil Production in Eureka County (barrels)

Field (year Discovered)	1993	1994	1995	1996	1997	1998	1999	2000	2001	Total*
Blackburn (1982)	599,857	576,853	435,975	239,934	151,151	112,008	89,400	78,136	68,899	4,928,699
Tomera Ranch (1987)	2,140	1,970	1,405	387	659	574	398	488	-	22,466
North Willow Creek (1988)	3,928	3,736	6,419	3,619	1,478	1,502	123	146	144	44,613
Three Bar (1990)	1,961	229	-	-	-	-	-	-	-	23,837

* Includes pre-1993 production

SOURCE: Nevada Bureau of Mines and Geology Special Publication MI-2001, *The Nevada Mineral Industry 2001*

According to the Nevada Division of Minerals, Nevada's net oil production in 2001 was 571,252 barrels (0.03% of total U.S. production) from 69 actively producing wells (including one new one) in 12 fields in Nye and Eureka Counties, 8% less than in 2000. The average net wellhead price for Nevada crude oil decreased 24.5% to \$17.13 per barrel in 2001, and the sales volume decreased 30.6% to \$9,781,230.

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.

As the table at left shows, principal agricultural commodities produced in Eureka County are cattle and hay, with the market value of these products about evenly divided in the county. Other crops and livestock raised in the county include, in 1997, sheep and lambs, and layers and pullets. Some hogs were raised in 1992, but none were reported in the 1997 census. Some barley was grown in 1997, and wheat and potatoes were grown in 1992.

<i>Item</i>	1997	1992	1987
Farms (number)	84	79	85
Land in farms (acres)	214,966	235,826	202,363
Land in farms - average size of farm (acres)	2,559	2,985	2,381
Estimated market value of land and buildings, average per farm (dollars)	881,263	694,213	455,800
Estimated market value of all machinery/equipment, average per farm (dollars)	117,875	92,671	81,250
Farms less than 500 acres	46	40	48
Farms more than 500 acres	38	39	37
Total cropland, harvested cropland (acres)	26,807	21,410	27,566
Irrigated land (acres)	48,530	23,917	28,606
Market value of agricultural products sold (\$1,000)	13,133	8,198	8,603
Market value of agricultural products sold, average per farm (dollars)	156,344	103,774	101,210
Market value of crops sold (\$1,000)	6,932	4,869	4,099
Market value of livestock sold (\$1,000)	6,201	3,329	4,504
Farms by value of sales: less than \$100,000	48	52	59
Farms by value of sales: \$100,000 or more	36	27	26
Total farm production expenses (\$1,000)	8,590	6,656	6,967
Total farm production expenses, average per farm (dollars)	102,263	84,251	81,971
Net cash return from agricultural sales (\$1,000)	4,543	1,542	1,635
Net cash return from agricultural sales, average per farm (dollars)	54,080	19,522	19,239
Operators by principal occupation: Farming	56	66	70
Operators by principal occupation: Other	28	13	15

The total number of 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.

The 1997 data, though now somewhat outdated, are the latest available. A 2002 Census of Agriculture was completed in 2003, but the data will not be released until the spring of 2004.

Eureka County Taxable Sales, FY 95-96 To FY 01-02

Business Type	FY 95-96	FY 96-97	FY 97-98	FY 98-99	FY 99-00	FY 00-01	FY 01-02
Metal Mining	\$85,511,692	\$64,614,795	\$48,930,545	\$74,496,753	\$91,902,036	\$55,137,775	\$61,461,040
Wholesale Trade - Durable Goods	\$36,885,364	\$18,769,939	\$19,289,599	\$14,482,585	\$18,047,973	\$18,257,141	\$17,596,262
Chemicals and Allied Products	\$3,963,302	\$19,365,675	\$19,648,118	\$19,454,045	\$11,003,693	\$16,008,036	\$12,683,497
Industrial and Commercial Mach	\$25,149,161	\$12,348,925	\$18,000,789	\$15,670,744	\$13,315,468	\$13,285,705	\$10,194,785
Automotive Dealers & Gasoline	\$10,735,205	\$9,043,774	\$10,723,175	\$9,241,698	\$8,101,038	\$6,777,865	\$6,328,185
Business Services	\$3,213,763	\$21,721,905	\$12,573,024	\$5,294,046	\$6,188,480	\$9,395,322	\$6,103,620
Miscellaneous Retail	\$16,384,486	\$25,518,104	\$12,812,009	\$5,876,978	\$3,883,621	\$4,095,608	\$5,285,564
Construction - Special Trade con	\$4,494,770	\$7,506,851	\$8,288,771	\$8,214,398	\$6,489,735	\$3,926,941	\$4,569,610
Building Materials, Hardware,	\$21,540,034	\$13,707,865	\$3,442,955	\$2,095,468	\$2,313,976	\$2,520,017	\$3,117,492
Miscellaneous Repair Services	\$113,133	\$351,233	\$710,213	\$549,812	\$1,103,575	\$1,369,776	\$2,179,802
Electric, Gas & Sanitary Services	\$1,699,515	\$2,127,322	\$2,235,096	\$2,295,609	\$2,867,566	\$2,421,445	\$2,022,271
Fabricated Metal Products	\$148,635	\$1,947,517	\$183,168	\$8,818,764	\$12,763,132	\$789,836	\$1,389,743
Automotive Repair, Services	\$166,896	\$128,361	\$257,412	\$285,746	\$373,614	\$1,695,640	\$1,204,405
Wholesale Trade - Nondurable Goods	\$18,447,000	\$5,058,414	\$1,871,116	\$1,762,029	\$1,238,710	\$763,112	\$1,009,823
Food Stores	\$629,061	\$1,029,442	\$1,055,756	\$757,061	\$782,425	\$857,795	\$780,644
Eating and Drinking Places	\$819,837	\$1,053,020	\$621,657	\$630,670	\$671,483	\$772,444	\$700,846
Heavy Construction other than	\$504,837	\$1,429,320	\$123,916	\$54,343	\$131,266	\$93,691	\$608,621
Amusement and Recreation Services	\$443,884	\$450,524	\$501,719	\$531,950	\$521,231	\$437,167	\$479,179
Petroleum Refining and Related	\$252,329	\$926,932	\$814,632	\$555,326	\$215,052	\$472,425	\$395,515
Oil and Gas Extraction	\$3,574,394	\$2,792,250	\$1,103,542	\$410,205	\$392,556	\$302,675	\$354,010
Home Furniture, Furnishings &	\$519,460	\$772,293	\$1,384,243	\$1,214,191	\$345,309	\$218,206	\$283,919
Nondepository Credit Institutions	\$170,901	\$913,639	\$548,287	\$136,621	\$170,244	\$553,535	\$248,959
Building Construction - Gen Cont.	\$1,992,057	\$2,375,734	\$1,029,392	\$159,858	\$5,120,998	\$482,253	\$243,570
Stone, Clay, Glass and Concrct	\$111,485	\$520,967	\$58,174	\$48,812	\$53,322	\$10,086	\$206,817

	\$32,517	\$267	\$39,378	\$130,372	\$187,709	\$422,472	\$198,645
Communications	\$14,674	\$159,031	\$29,214	\$521,097	\$318,100	\$548,550	\$165,510
General Merchandise Stores	\$127,511	\$127,971	\$574,091	\$101,110	\$111,265	\$105,832	\$116,837
Personal Services	\$35,738	\$25,976	\$26,098	\$64,114	\$154,655	\$93,501	\$106,642
All Others	\$2,269,520	\$7,940,931	\$11,314,683	\$6,599,629	\$3,186,794	\$986,731	\$318,391
TOTAL	\$239,951,161	\$222,728,984	\$178,190,772	\$180,454,034	\$191,955,026	\$142,801,582	\$140,354,204
Source:	Nevada Department of Taxation, Combined Sales/Use Tax Statistical Reports						

Eureka County Taxable Sales

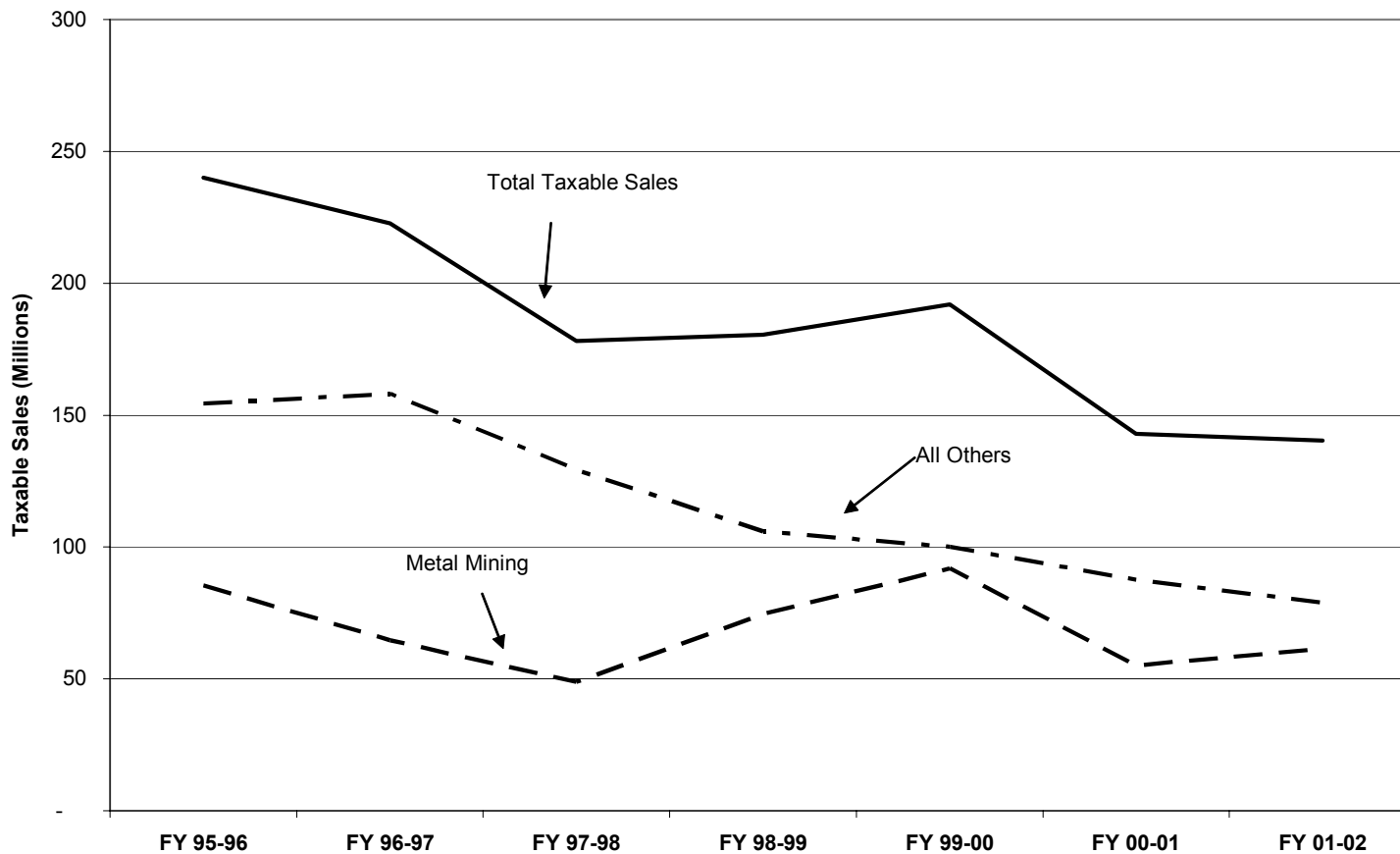
Total taxable sales in Eureka County *declined by 42%* over the seven-year period between fiscal year 1995-96 and fiscal year 2001-02. Taxable sales on metal mining remain the county's largest sector of taxable sales: these declined by 28%, from \$85,511,692 in FY 95-96 to \$61,461,040 in FY 01-02. Despite the decline, 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.

Of the largest generators of taxable sales in Eureka County, those with an overall increase in taxable sales over the seven-year period were chemicals and allied products, business services, construction/special trades, miscellaneous repair services, electricity, gas and sanitary services, fabricated metal products, and automotive repair and services.

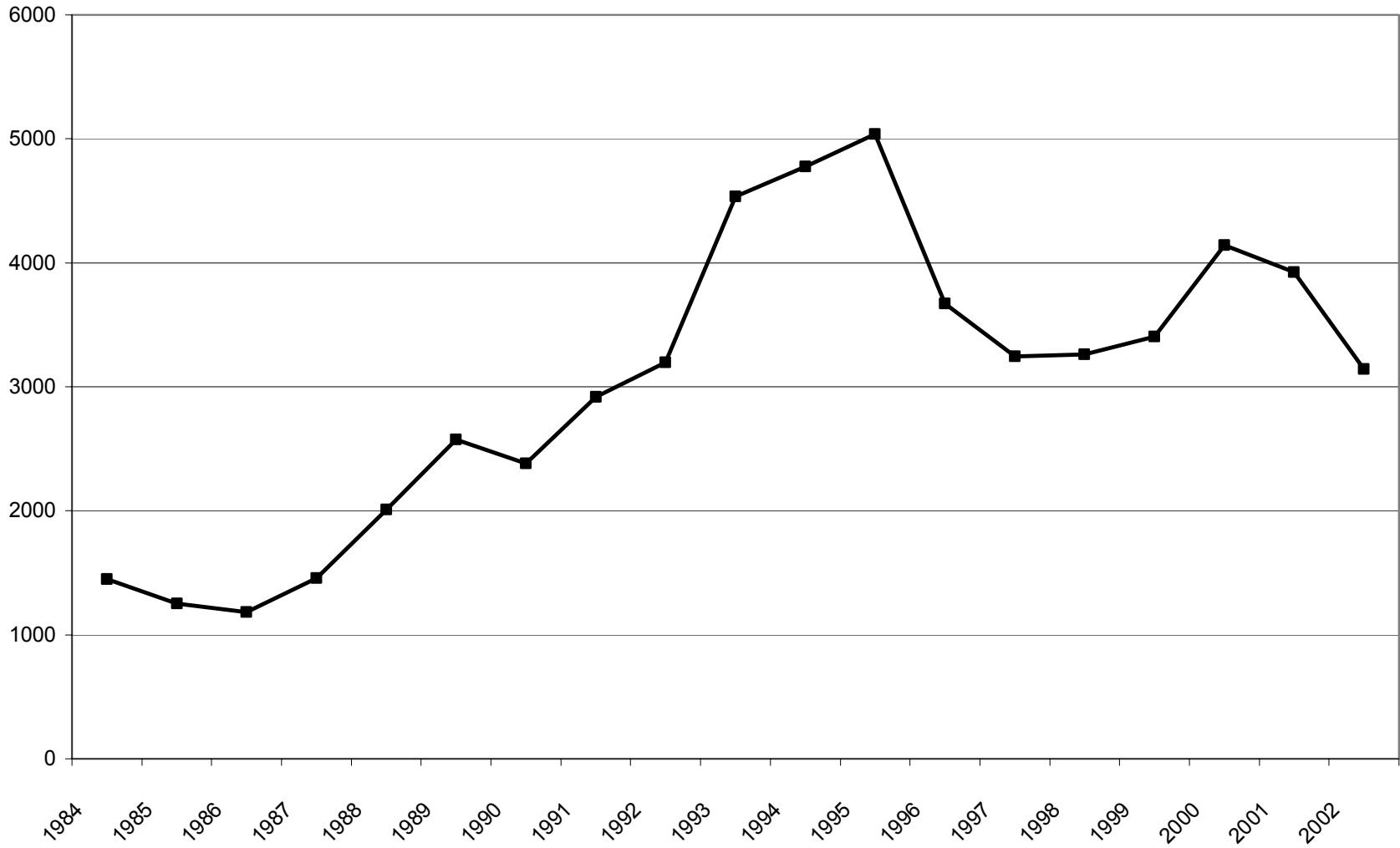
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Taxable Sales Down Overall; Metal Mining Still Accounts for 44% of County Taxable Sales

Eureka County Taxable Sales, FY 95-96 to FY 01-02



Visitors to Eureka Sentinel Museum, 1984-2002



Eureka Sentinel Museum Visitors,
1984 - 2003

Year	Visitors	Year	Visitors
1984	1447	1994	4776
1985	1252	1995	5038
1986	1183	1996	3670
1987	1457	1997	3244
1988	2009	1998	3261
1989	2574	1999	3405
1990	2380	2000	4140
1991	2918	2001	3923
1992	3198	2002	3145
1993	4536	2003 to date Jan –Sep.24	3283
SOURCE: Colleen Nielsen, Director, Eureka Sentinel Museum			

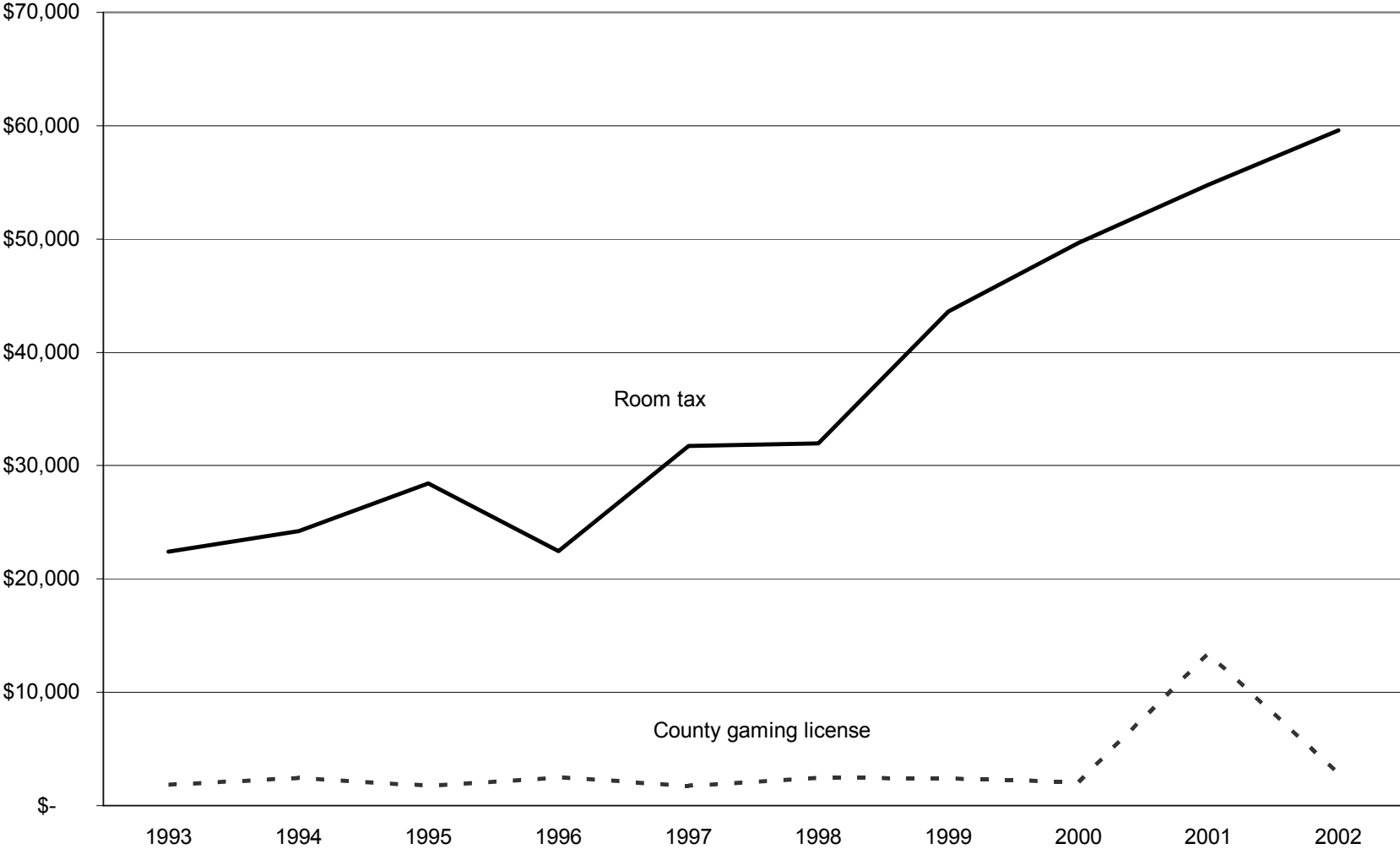
Tourism and Economic Development

The Eureka Sentinel Museum is located in the 1879 Eureka Sentinel Newspaper Building, site of the town's longest running newspaper. The museum displays artifacts from Eureka's 1870s mining era and contains a complete nineteenth century pressroom. The ground floor of the building was made into a county historical museum in 1982, and in the year 2000 the museum expanded to include both floors of the building. The museum is open seven days a week from May through October. Visitation to the 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, and then declined in subsequent years.

The museum is an important part of Eureka's historical and architectural heritage, and as such serves as an indicator of the potential for the development of historical tourism in the region. Visitation to the museum also is a rough indicator of the current level of tourism in the town. The museum is within the Eureka Historic District, designated in 1973. Also in the historic district is the Eureka Opera House, built in 1880 and restored in 1994.

Eureka County continues to pursue diversified economic development. In Eureka County's 2002 *Comprehensive Annual Report* this effort is summarized as follows: "The County continues to look to other industries such as tourism and additional agricultural activities for possible economic development. With the preservation of many historic buildings, the county hopes the tourism industry will continue to be enhanced. The County is still providing the community with Internet access and a county web page is available at www.co.eureka.nv.us."

Eureka County Room Tax and Gaming License Collections, 1993-2002



Selected Real Estate Listings, Eureka County, November 2003

Property	Asking Price
Manufactured home, Diamond Valley	\$ 70,000
Manufactured home, Diamond Valley	\$ 69,000
Double-wide Mobile home, Eureka	\$ 65,000
Double-wide mobile home 4 mi. w. of Eureka	\$ 54,900
Home and business, Crescent valley	\$ 49,999
Single-family home in Eureka	\$ 45,000
Mobile home, 5 mi. w. of Eureka	\$ 29,000
Acreage: 80 acres on edge of Shoshone Mtns between Beowawe and Crescent Valley*	\$ 4,050

SOURCE: Eureka County Economic development Office, "Properties in Eureka County, For Sale by Owner" November, 2003

* highest bid on item listed on Ebay® website, 12/29/03

The charts at left and below show three other measures of County economic activity: room tax, gaming license collections, and real estate asking prices. Room tax collections have climbed over the ten-year period, while gaming license collections have remained steady, albeit with a large jump in collections in 2001. In the *Comprehensive Annual Financial Report for the County of Eureka*, Eureka County is reported to have 88 motel rooms, 8 eating establishments, 5 gaming and entertainment establishments, and 3 RV parks.

Eureka County Room Tax Collections, 1993-2002

1993	\$ 22,411
1994	\$ 24,219
1995	\$ 28,450
1996	\$ 22,450
1997	\$ 31,744
1998	\$ 31,946
1999	\$ 43,608
2000	\$ 49,688
2001	\$ 54,795
2002	\$ 59,600

SOURCE: County of Eureka Comprehensive Annual Financial Report, 2002

Eureka County Gaming License Collections, 1993-2002

1993	\$ 1,875
1994	\$ 2,461
1995	\$ 1,755
1996	\$ 2,470
1997	\$ 1,785
1998	\$ 2,467
1999	\$ 2,422
2000	\$ 2,077
2001	\$ 13,424
2002	\$ 2,835

SOURCE: County of Eureka Comprehensive Annual Financial Report, 2002

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Annual Average Daily Traffic (AADT) Counts on Selected Eureka County Roads

	U.S. 50 Rural (1)	U.S. 50 Eureka Town (2)	State Route 278, Eureka-Carlin Road (3)	Interstate 80 (4)	State Route 306 - Gold Acres Road (5)
1993	690	1,645	365	5,435	305
1994	700	1,890	450	5,660	365
1995	775	1,760	360	5,745	445
1996	750	1,810	425	6,005	860
1997	750	1,810	590	5,955	575
1998	790	2,150	590	6,020	480
1999	750	2,250	520	6,790	440
2000	720	1,900	570	6,770	450
2001	870	1,900	650	6,550	450
2002	740	2,150	490	6,610	470

(1) Short-term count location 110038, on U.S. Highway 50, 1.2 miles west of SR-278

(2) Location 110047, on U.S. Highway 50, 0.2 miles east of Ruby Hill Rd.

(3) Location 110040, on State Route 27, 0.1 mile north of US-50

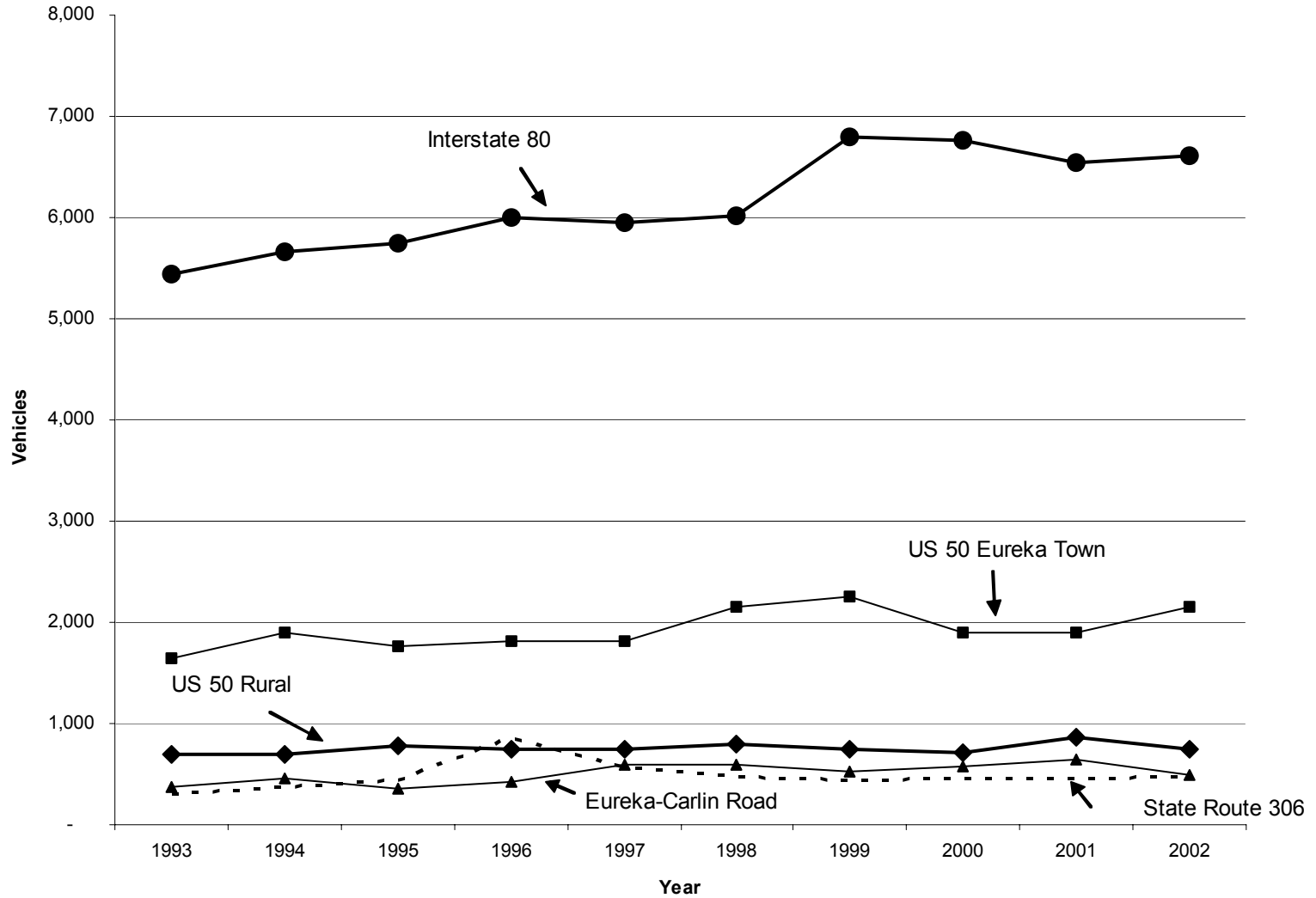
(4) Location 11009, on Interstate 80, 0.2 miles east of the Dunphy Interchange

(5) Location 110011, on SR-30, 0.3 mi. south of Interstate 80

SOURCE: Nevada Department of Transportation, *2002 Annual Traffic Report* (1997 figures corrected by Randy Travis, NDOT short-term count manager)

U.S. Highway 50 serves central and southern Eureka County, accommodating not only local traffic, but also long-distance travel through central Nevada. State Route 278, the Eureka-Carlin Road, serves as a link between northern and southern Eureka County, as well as access to Interstate Highway 80 and the town of Elko. State Route 306 provides access to Crescent Valley. Interstate 80, in the northern section of the county, is one of the nation's principle interstate highways. Average daily traffic on U.S. Highway 50 increased annually until 1999, decreased in 2000, then increased again in subsequent years. Traffic on SR 278 increased to 2001, then decreased by 160 vehicles per day in 2002. Average daily traffic on Interstate 80 has continued to grow. U.S. Highway 50 receives locally generated traffic in Eureka town, with average daily traffic counts over twice the amount as that measured at the traffic **(text continued page 62)**

Average Daily Traffic, 1993-2002



recorder located on the more rural segment of the highway to the west of the town. The traffic counts on the rural section of the highway therefore more closely represent through traffic on U.S. Highway 50. Since this traffic count would include recreationists, tourists, and other travelers, this traffic count is a measure both of any success in previous economic development efforts targeting out-of-area visitors, as well as one estimate of the size of market for any potential visitor-or-tourism-related economic development efforts.

In comparison to other rural principal arterials in Nevada, U.S. Highway 50 in the Eureka vicinity receives a mid-range of traffic. The chart below shows traffic counts on selected sections of other rural Nevada arterials.

Traffic Counts on Selected Rural Nevada Arterials	
Location	2002 Average Annual Daily Traffic
US 93, White Pine County south of U.S. 6&50	430
U.S. 6, Nye County by Tonopah Test Site	310
<u>US 50, Eureka County</u>	<u>740</u>
US 93, Humboldt County south of McDermitt	1550
US 95, Mineral County north of Schurz	2170
SOURCE: Nevada Department of Transportation, <i>2002 Annual Traffic Report</i>	

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