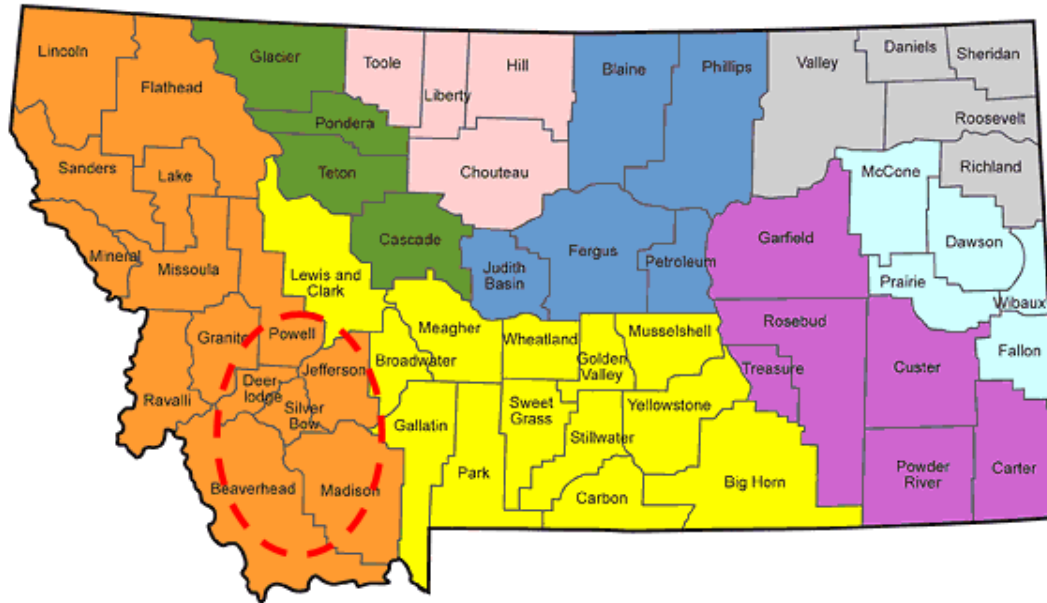




# Southwest MT and Silver Bow County



## *Recent Performance and Outlook Our People, Jobs, and Earnings*

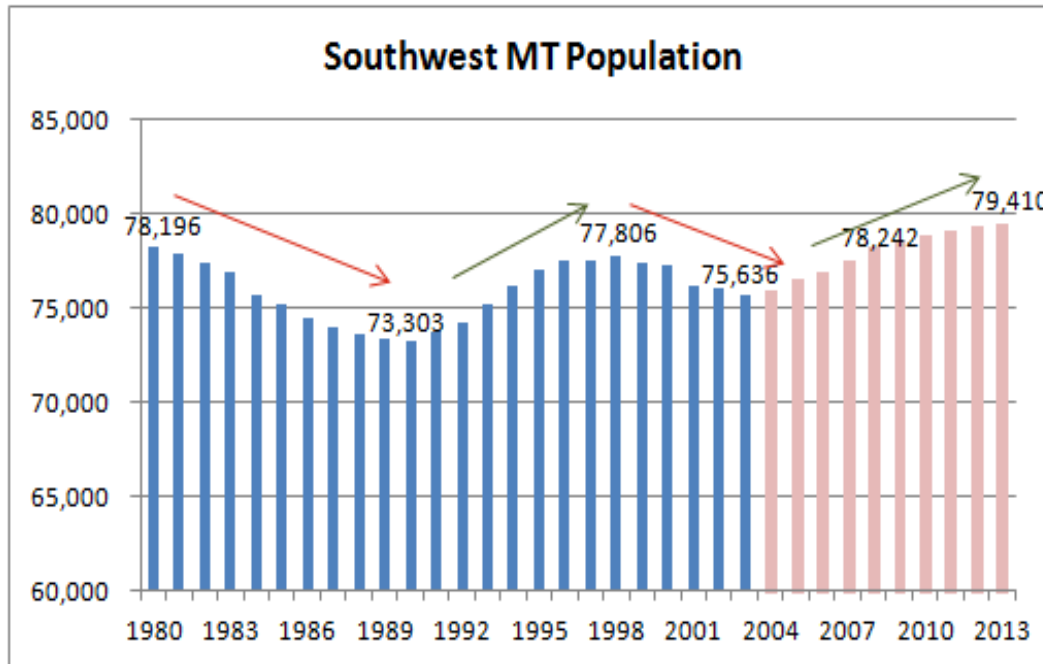
*Outlook Seminar – February 5, 2015*

John Kasperick - Economist – Director FP&A  
NorthWestern Energy

# Our People: Census Population and Demographics

2013 Census Estimate Data - U.S. Census Bureau								
	Beaverhead	Deer Lodge	Jefferson	Madison	Powell	Silver Bow	SW MT	MT
Population, 2013 estimate	9,341	9,329	11,512	7,712	6,993	34,523	79,410	1,015,165
Population, 2010 census	9,246	9,298	11,406	7,691	7,027	34,200	78,868	989,417
Population, 2000 census	9,202	9,417	10,049	6,851	7,180	34,606	77,305	902,195
Population, percent change, 2010 to 2013	1.0%	0.3%	0.9%	0.3%	-0.5%	0.9%	0.7%	2.6%
Population, percent change, 2000 to 2010	0.5%	-1.3%	13.5%	12.3%	-2.1%	-1.2%	2.0%	9.7%
Persons under 18 years, percent, 2013	18.3%	17.1%	21.4%	16.2%	16.0%	20.7%	19.2%	22.1%
Persons 65 years and over, percent, 2013	19.4%	20.0%	17.7%	24.7%	17.9%	17.0%	18.6%	16.2%
Female persons, percent, 2013	48.8%	46.4%	49.1%	48.2%	38.4%	49.2%	47.8%	49.8%
Sex Ratio (M:F # males per 100 females)	104.9	115.5	103.7	107.5	160.4	103.3	109.4	100.8
Median Age 2000	37.6	42.3	40.2	43.4	39.7	38.9	39.8	37.5
Median Age 2011	44.0	46.2	46.8	50.0	45.4	41.7	44.3	39.9
White persons, percent, 2013	94.9%	93.2%	95.3%	96.9%	92.4%	94.6%	94.6%	89.5%
American Indian and Alaska Native, percent	1.8%	3.5%	1.6%	0.6%	4.6%	2.1%	2.2%	6.5%
High school graduates, percent age 25+	93.1%	89.1%	94.3%	94.8%	90.3%	90.9%	91.8%	92.1%
Bachelor's degree or higher, pct age 25+	27.2%	18.1%	33.5%	32.7%	17.8%	22.2%	24.6%	28.7%
Homeownership rate, 2009-2013	64.1%	72.7%	85.9%	76.1%	71.5%	65.5%	70.9%	68.3%
Median value of owner-occupied housing	\$173,400	\$117,800	\$230,100	\$239,600	\$120,900	\$121,900	\$159,966	\$184,200
Persons below poverty level, percent	15.1%	20.5%	7.8%	8.7%	15.3%	19.1%	15.8%	15.2%
Persons per household, 2009-2013	2.11	2.17	2.46	2.10	2.31	2.21	2.26	2.39
Per-Capita Personal Income (BEA 2013)	\$ 36,620	\$ 33,298	\$ 44,121	\$ 40,757	\$ 31,124	\$ 45,047	\$ 40,899	\$ 39,366
People Per Square Mile	1.7	12.6	6.9	2.1	3.0	47.6	5.4	6.8

# Our People: Census Population and Demographics

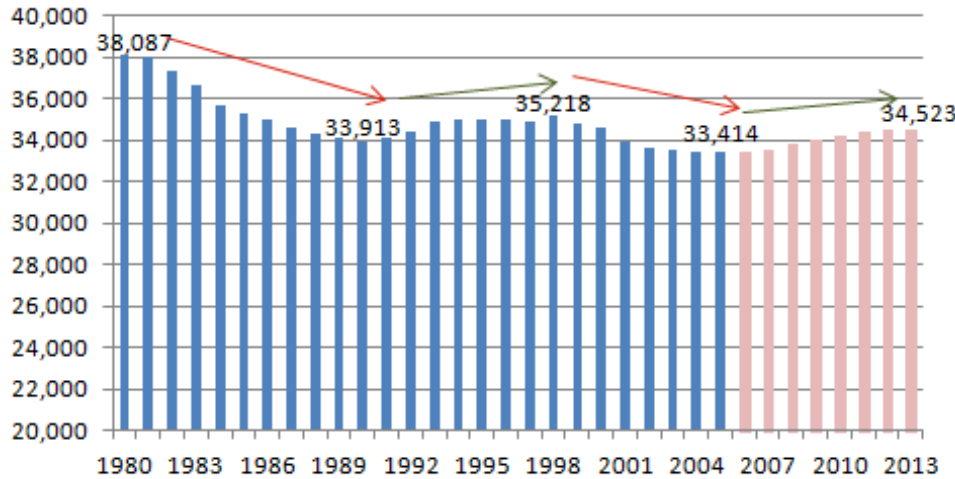


- 10 consecutive years of slow population growth in Southwest MT.
- Between 2003 and 2013 added 3,774 people or 0.5% increase per year.
- Population levels in 2013 remain above pre Anaconda Company closure.

Population Estimates - US Bureau of Census								% Growth	Increase
	2007	2008	2009	2010	2011	2012	2013	2007-13	2007-13
Powell	7,117	7,036	7,093	7,017	7,075	7,082	6,993	-1.7%	(124)
Madison	7,560	7,674	7,674	7,685	7,693	7,745	7,712	2.0%	152
Deer Lodge	9,264	9,351	9,260	9,300	9,279	9,257	9,329	0.7%	65
Beaverhead	9,028	9,166	9,200	9,250	9,222	9,375	9,341	3.5%	313
Jefferson	11,040	11,203	11,364	11,409	11,455	11,431	11,512	4.3%	472
<b>Silver Bow</b>	<b>33,489</b>	<b>33,812</b>	<b>34,008</b>	<b>34,233</b>	<b>34,380</b>	<b>34,468</b>	<b>34,523</b>	<b>3.1%</b>	<b>1,034</b>
<b>SW MT</b>	<b>77,498</b>	<b>78,242</b>	<b>78,599</b>	<b>78,894</b>	<b>79,104</b>	<b>79,358</b>	<b>79,410</b>	<b>2.5%</b>	<b>1,912</b>
<b>Montana</b>	<b>964,706</b>	<b>976,415</b>	<b>983,982</b>	<b>990,527</b>	<b>997,600</b>	<b>1,005,494</b>	<b>1,015,165</b>	<b>5.2%</b>	<b>50,459</b>

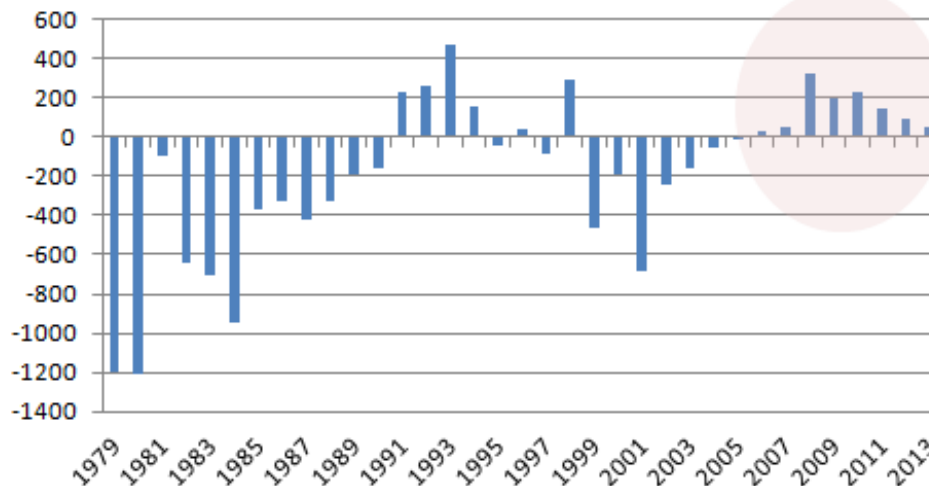
# Our People: Census Population and Demographics

## Silver Bow Population



- 8 consecutive years of population growth in Silver Bow County.
- Since 2005 added 1,109 people, with average growth of 0.4% per year
- Growth continuing but slowed significantly. In 2013 added 55 people or 0.16% over 2012 level.

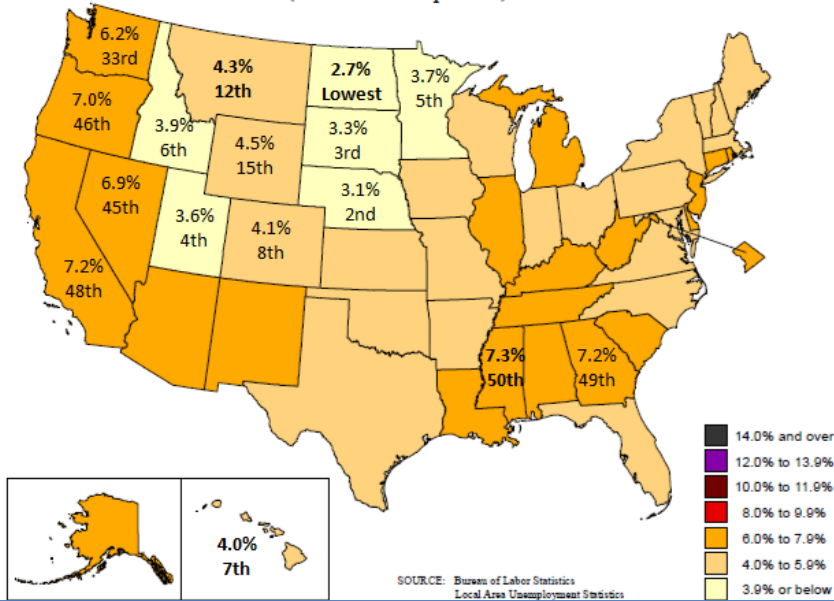
## Silver Bow County Population Change



# Our Jobs: Labor Force, Employment, Unemployment

## Unemployment rates by state, seasonally adjusted, November 2014

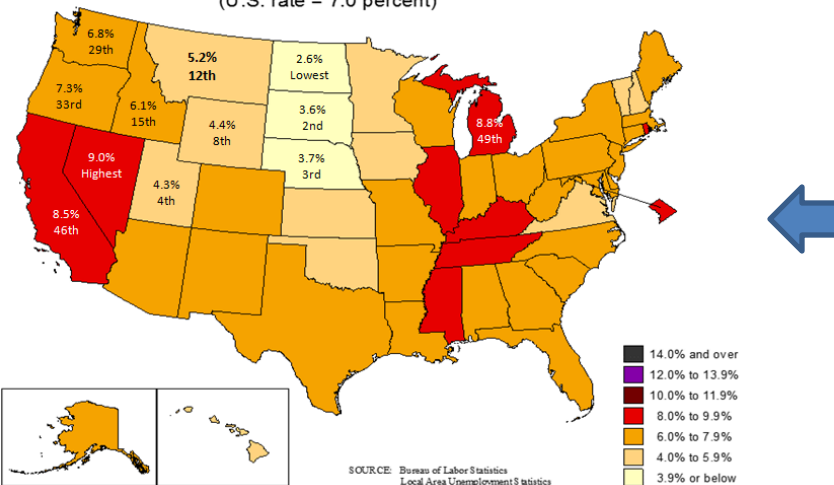
(U.S. rate = 5.8 percent)



- MT's unemployment rate at 4.3% of the labor force ranked 12<sup>th</sup> lowest of the 50 states, and well below U.S. Average of 5.8%
- All states continued to see improvement as recovery continues.

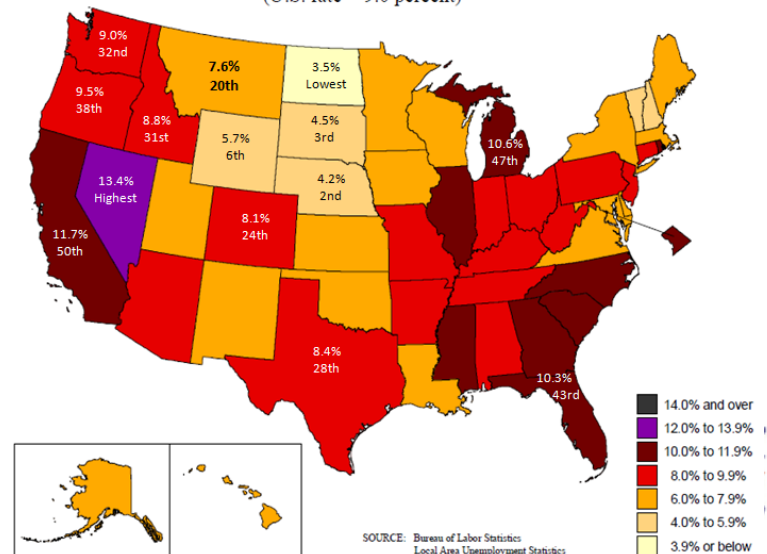
## Unemployment rates by state, seasonally adjusted, November 2013

(U.S. rate = 7.0 percent)



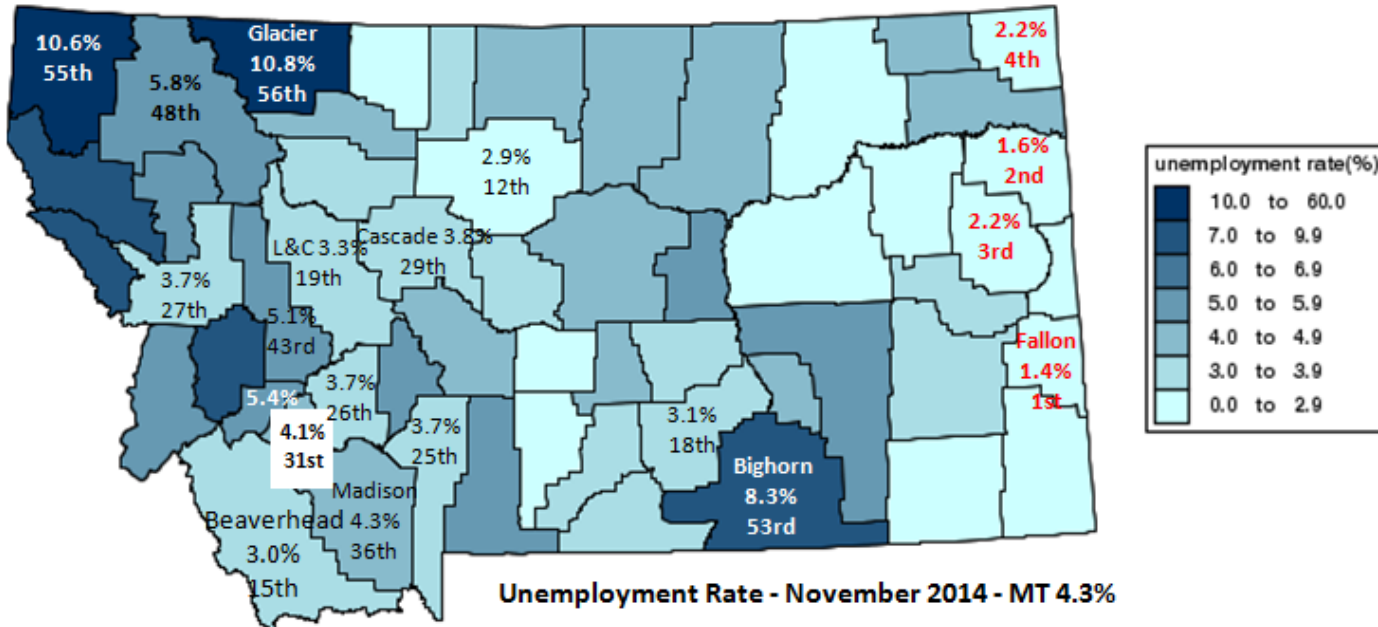
## Unemployment rates by state, seasonally adjusted, October 2011

(U.S. rate = 9.0 percent)

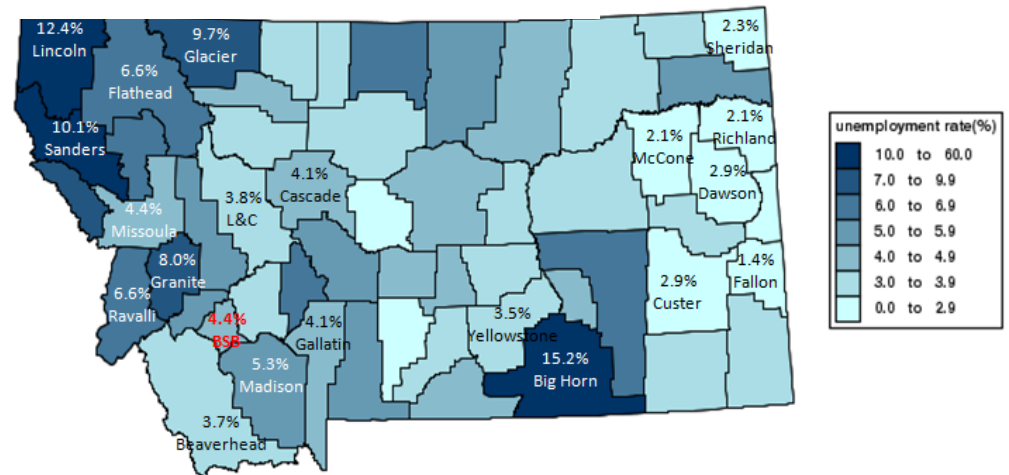




# Our Jobs: Labor Force, Employment, Unemployment

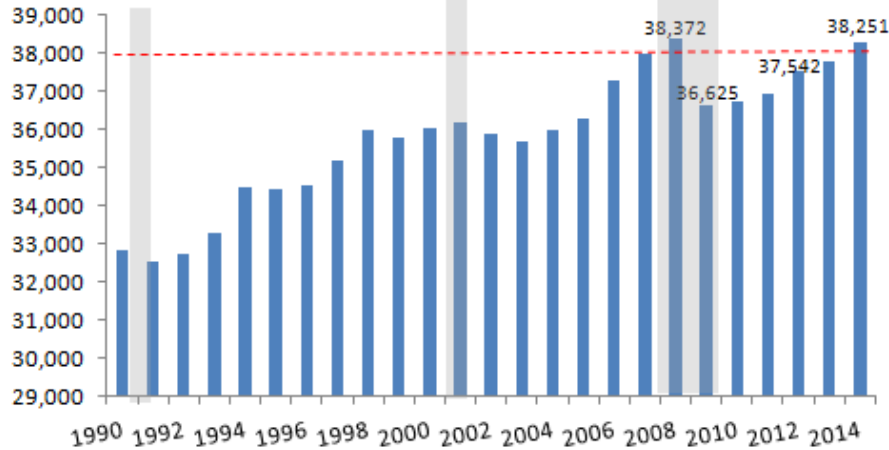


2014 MT = 4.3%

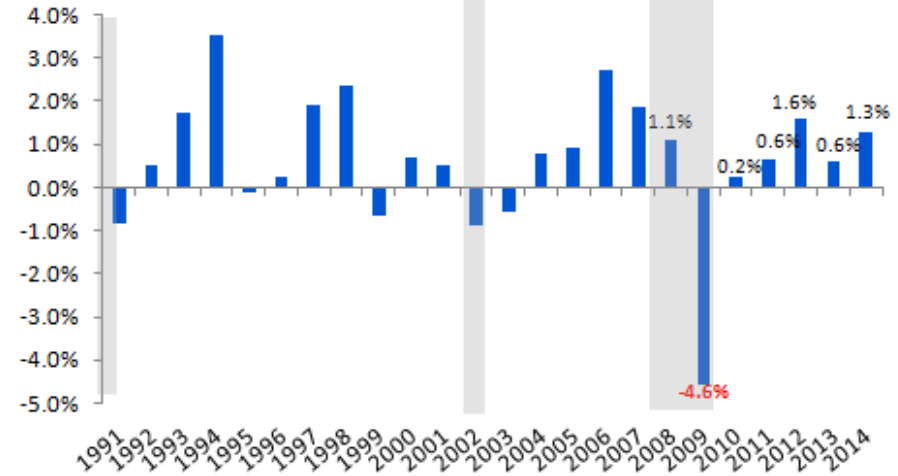


# Our Jobs: SW MT Labor Force, Employment, Unemployment

## SW MT Average Annual Employment



## SW MT Average Annual Employment Growth



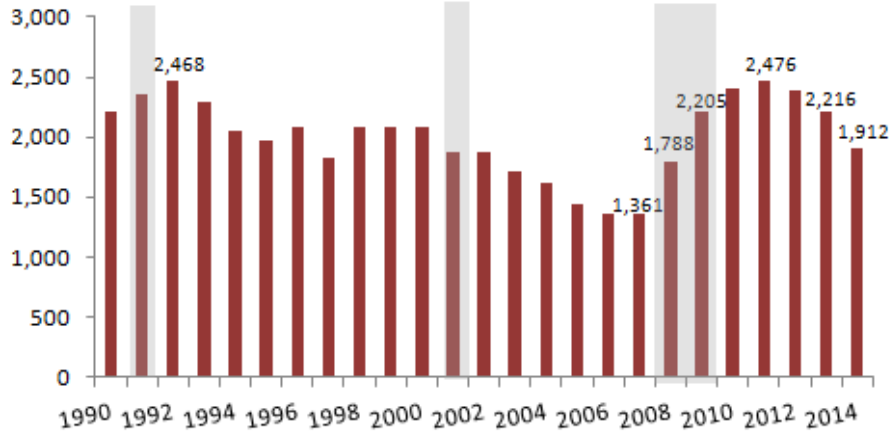
### SW MT Labor Force - Source MT Dept Labor and Industry

Average Annual Employment (note: 2014 annual average through November)

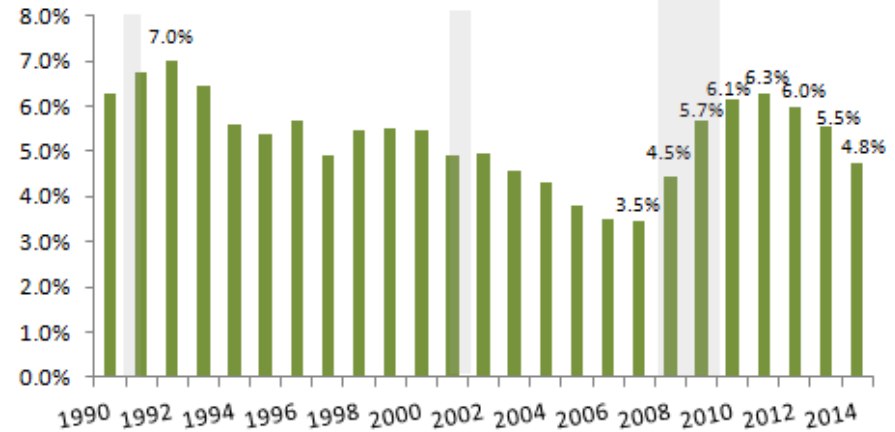
	Beaverhead	Deer Lodge	Jefferson	Madison	Powell	Silver Bow	SW MT	MT
2007	4,906	3,725	5,683	4,330	2,509	16,811	37,963	485,552
2008	4,953	3,618	5,760	4,388	2,563	17,090	38,372	486,551
2009	4,885	3,624	5,631	3,926	2,461	16,098	36,625	465,763
2010	4,825	3,730	5,487	3,674	2,507	16,487	36,710	462,904
2011	4,832	3,736	5,468	3,795	2,559	16,557	36,947	466,705
2012	4,829	3,794	5,570	3,790	2,600	16,959	37,542	476,922
2013	4,994	3,780	5,529	4,000	2,596	16,866	37,765	484,638
<b>2014</b>	<b>4,967</b>	<b>3,859</b>	<b>5,621</b>	<b>4,137</b>	<b>2,652</b>	<b>17,016</b>	<b>38,251</b>	<b>494,505</b>
2007-12	-1.6%	1.9%	-2.0%	-12.5%	3.6%	0.9%	-1.1%	-1.8%
2012-13	3.4%	-0.4%	-0.7%	5.5%	-0.2%	-0.6%	0.6%	1.6%
2013-14	-0.5%	2.1%	1.7%	3.4%	2.2%	0.9%	1.3%	2.0%
<b>2007-14</b>	<b>1.3%</b>	<b>3.6%</b>	<b>-1.1%</b>	<b>-4.5%</b>	<b>5.7%</b>	<b>1.2%</b>	<b>0.8%</b>	<b>1.8%</b>

# Our Jobs: SW MT Labor Force, Employment, Unemployment

### SW MT Average Annual Unemployed

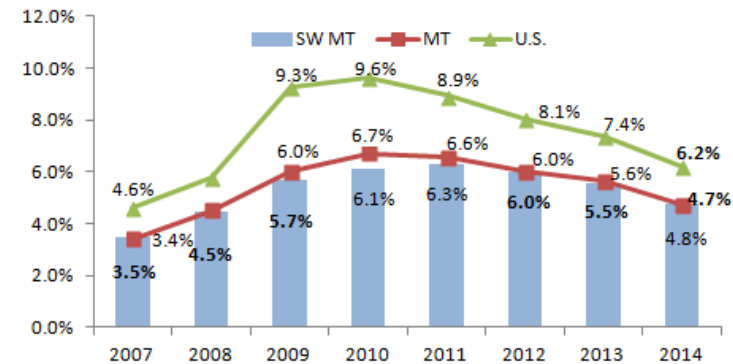


### SW MT Average Annual Unemployment Rate



### Average Annual Unemployment

	Beaverhead	Deer Lodge	Jefferson	Madison	Powell	Silver Bow	SW MT	MT
2007	135	180	177	123	137	608	1,361	17,186
2008	186	228	246	171	188	769	1,788	23,024
2009	224	259	334	231	214	943	2,205	29,827
2010	270	297	316	272	225	1,021	2,402	33,341
2011	284	309	319	271	235	1,058	2,476	32,739
2012	264	305	304	244	220	1,048	2,385	30,653
2013	236	280	296	226	198	980	2,216	28,931
2014	182	245	268	185	174	857	1,912	24,599
2007-14 Chg.	47	65	91	62	37	249	551	7,413

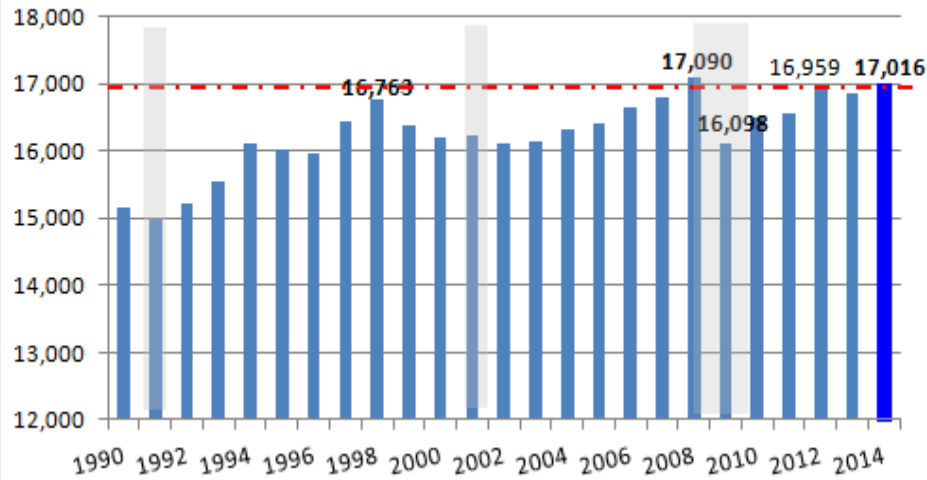




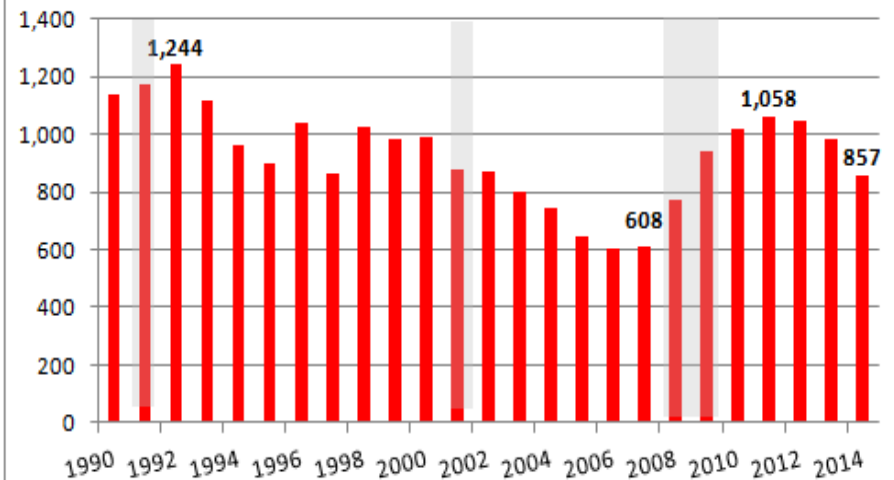


# Our Jobs: SBC Labor Force, Employment, Unemployment

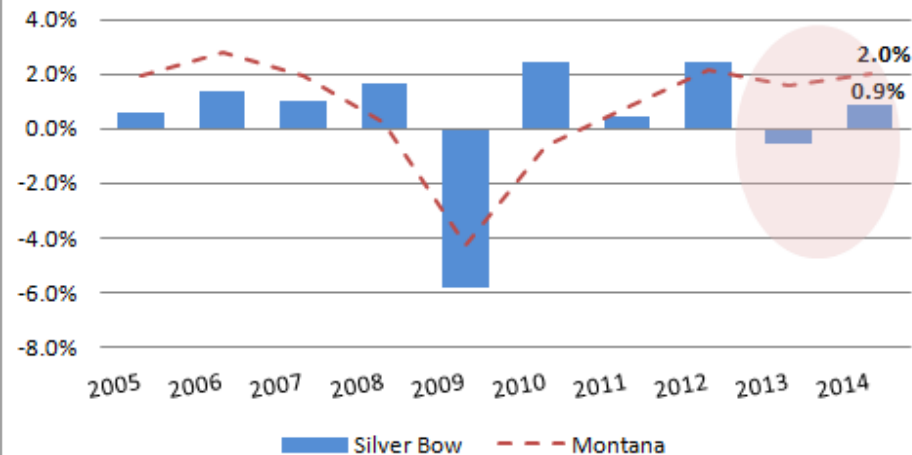
### Silver Bow Annual Average Employment



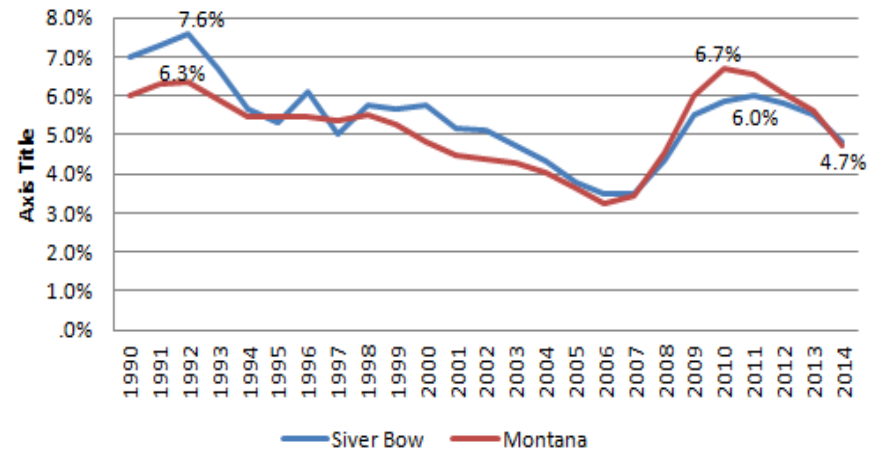
### Silver Bow Average Annual Unemployment



### Silver Bow v MT Employment Growth



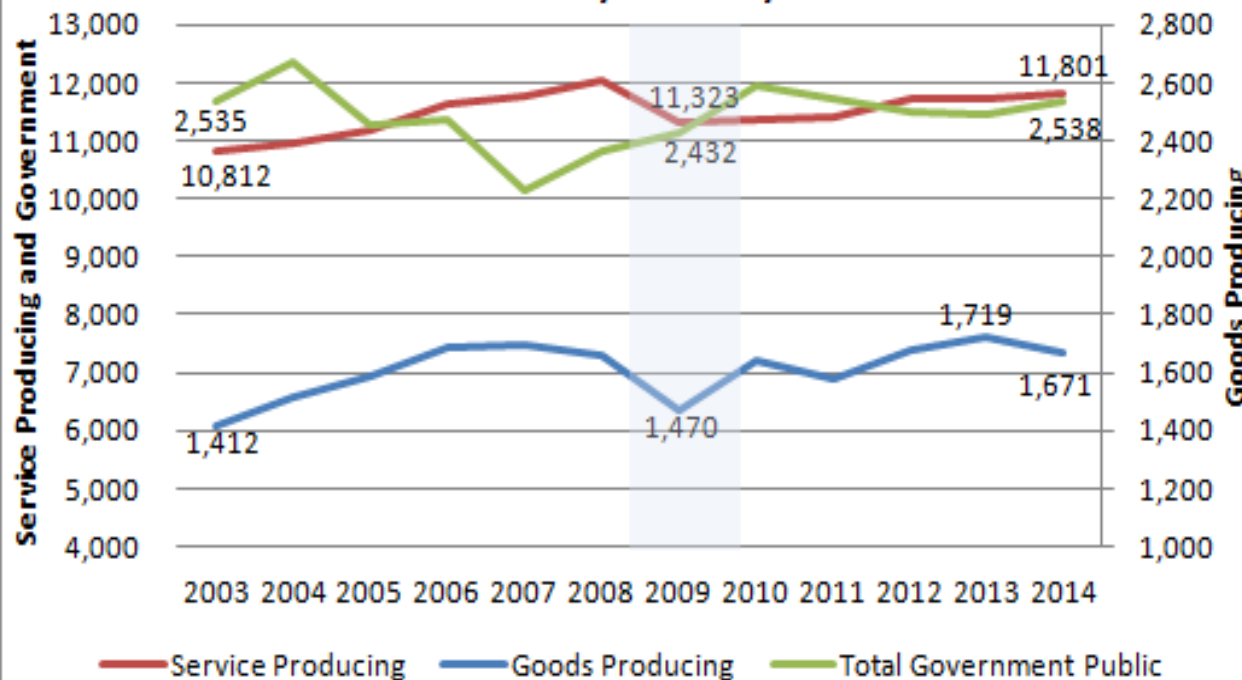
### Silver Bow v MT Avg Annual Unemployment Rate





# Our Jobs: SBC Labor Force, Employment, Unemployment

## Silver Bow Employment Industry Summary

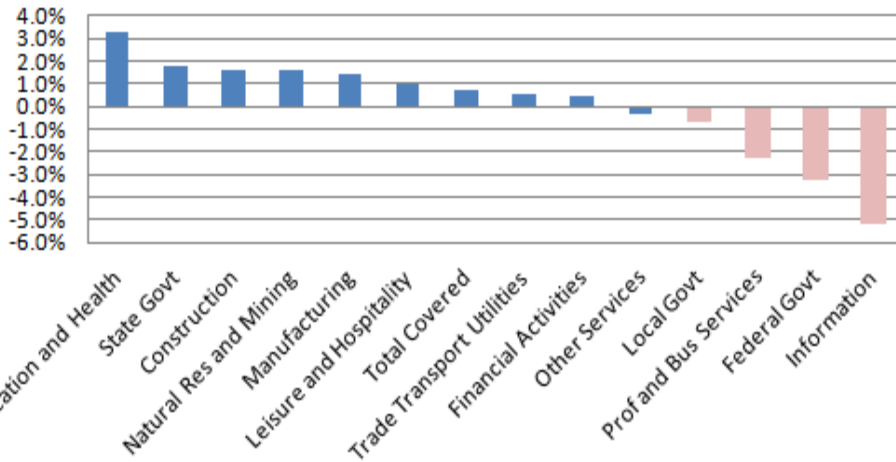


- **Added 1,251 covered workers since 2003.**
- **Goods Producing** accounts for 10% of total employment. Growth 259 workers since 2003 in mining, construction, and manufacturing.
- **Service Producing** accounts for 74% of total workers. Growth of 978 workers since 2003 in utilities, education and health, and leisure/hospitality, offset by reductions in professional services and information.
- **Government** accounts for 16% of total. Flat since 2003. Growth in state offset federal reductions.

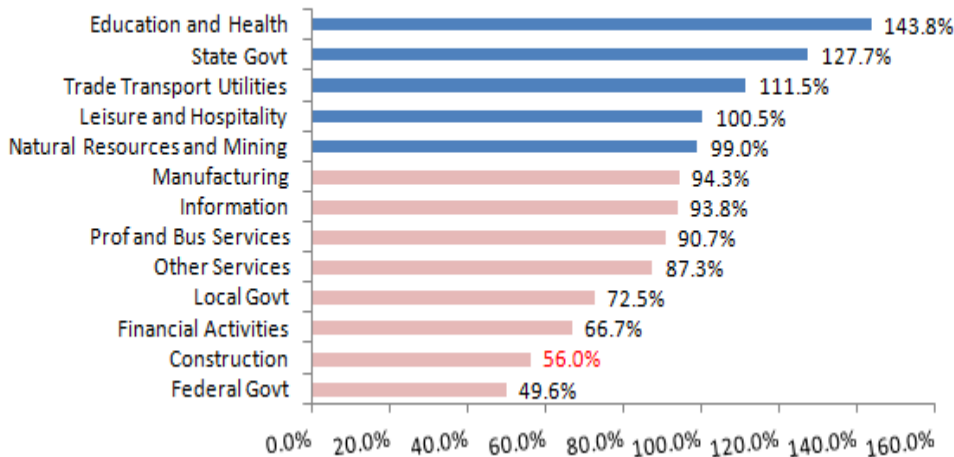


# Our Jobs: SBC Labor Force, Employment, Unemployment

### 2003-14 SBC Avg Annual Employment %



### Silver Bow 2014 Location Quotient



### Strong Base-Derivative Employment and Earnings:

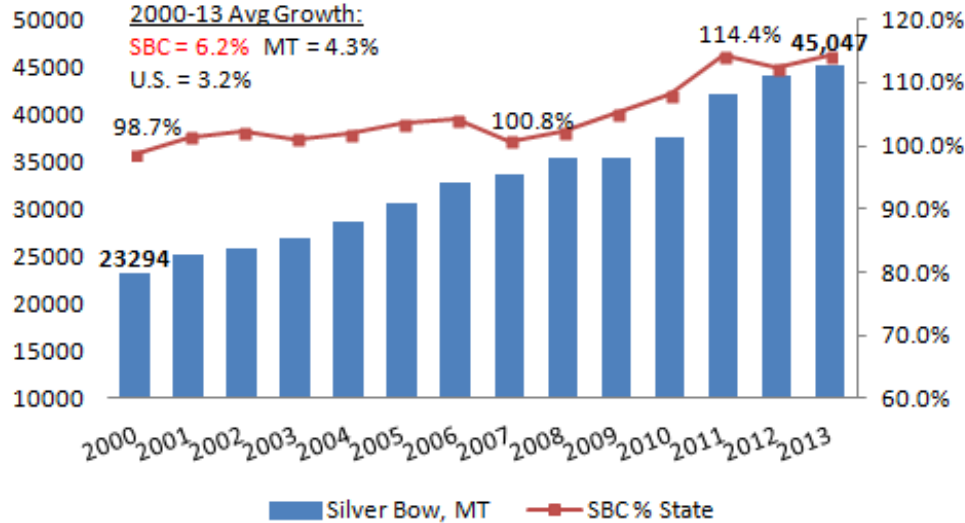
- **MT Tech:** nearly 90 new FTE's between 2009-14; approaching over 500 employees. (state govt.)
- **NorthWestern Energy:** 93 new employees in Butte between 2005-14. 582 total employees with annual wage at over \$70k and significant contract employees. \$26M in Butte Division utility capital upgrades in 2015, and nearly \$27M investment in new G.O. adding part-time and full-time jobs (trade/utilities).
- **Montana Resources:** 300 base mining industries job remains stable goods producing mainstay of economy. Highest paying industry with profit sharing.
- **SeaCast:** Completed joint venture – growing and now approximately 100 employees. **REC** down, but still over 200 employees. Overall stable. (manufacturing)
- **St James and HealthCare:** Largest employer in county. Overall industry has seen largest growth in employment since 2003. (education and health)
- **Town Pump and CCCS:** headquarters remain stable and major employers. CCCS stable and Town Pump over 440 employees. (trade and services).
- **Acadia** headquartered in Butte and **Wal-Mart** remains stable solid employers (trade and services).

Location Quotient shows the % of employment in SBC as compared to the state average



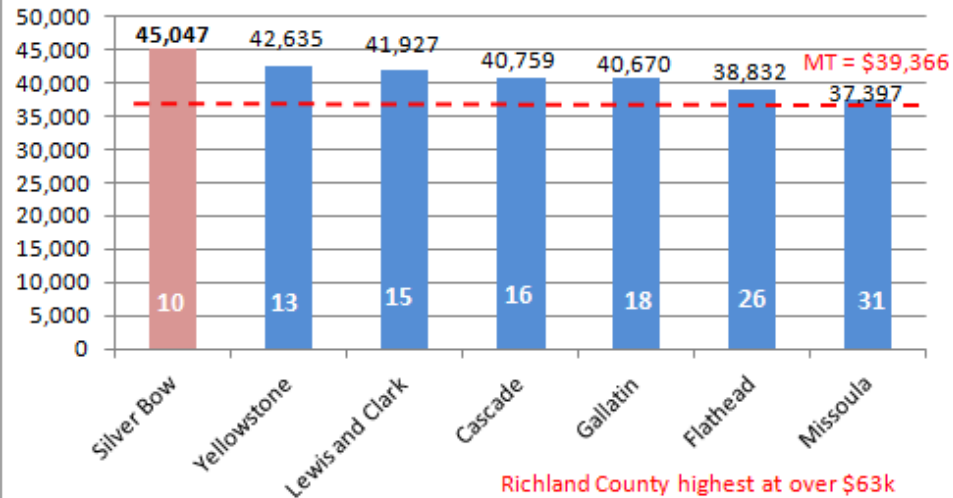
# Our Earnings: Income and Wages

### Silver Bow Per Capita Income - source BEA



- Per Capita Income strong in Silver Bow County. Slower recent increases. Commodity prices will impact mining and manufacturing earnings,

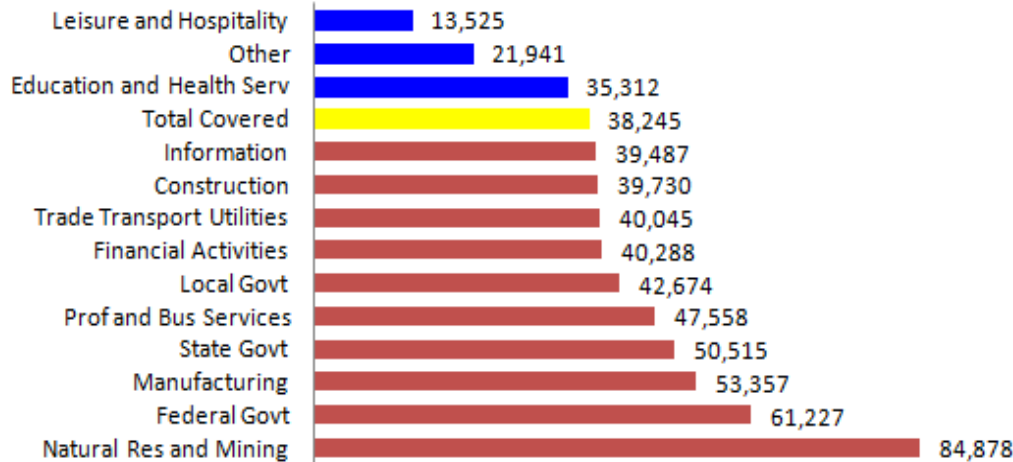
### 2013 Major County Per Capita Income





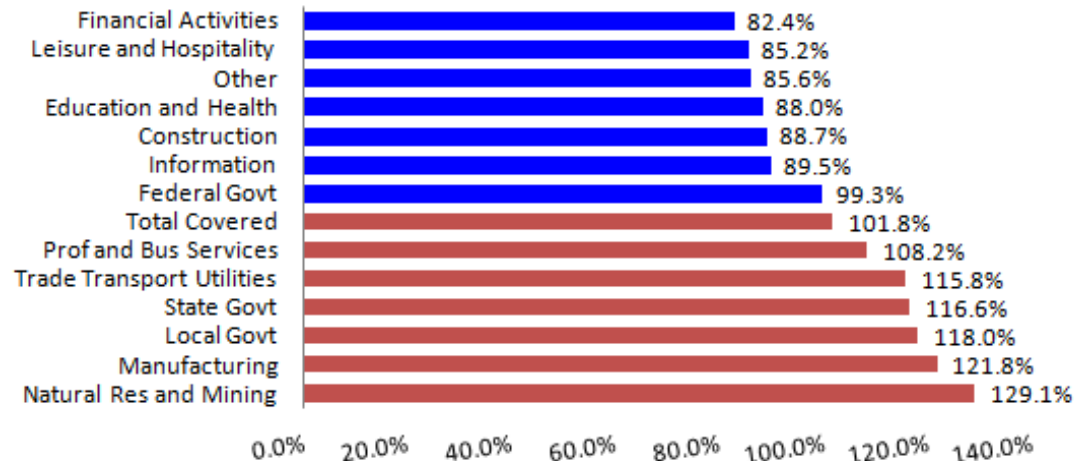
# Our Earnings: Income and Wages

## 2013 June - SBC Avg Annual Wage



- Average wage in SBC about 2% higher than statewide average.
- Mining, manufacturing, government, utilities, and professional/business services wages above state average.

## 2013 June - SBC Avg Annual Wage % MT

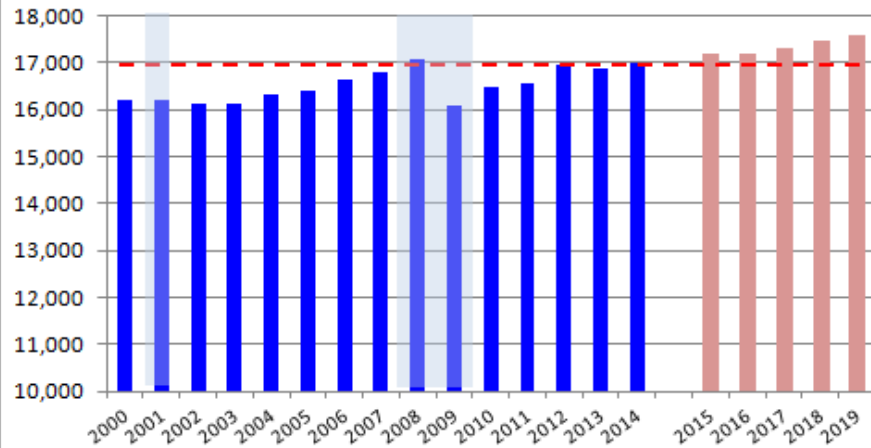


# Our Outlook: Slow Growth Continues

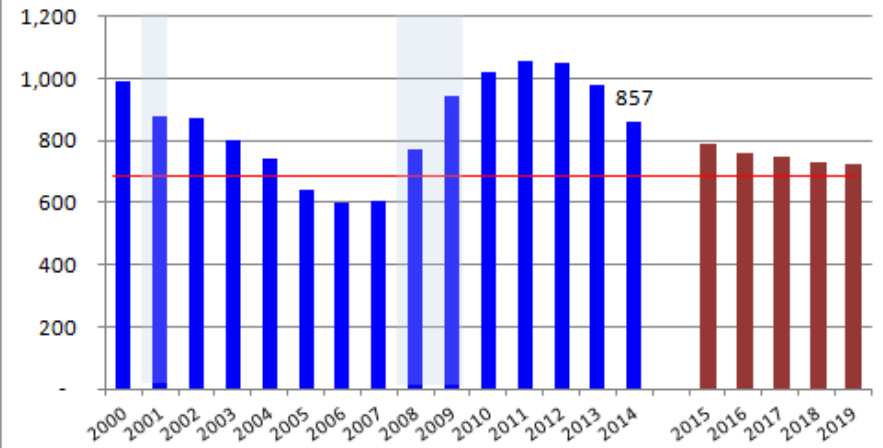
## Silver Bow County Outlook - Annual Averages

	Historic Actuals							Outlook				
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total Employment	17,090	16,098	16,487	16,557	16,959	16,866	17,016	17,236	17,236	17,357	17,496	17,635
Employment Growth	1.7%	-5.8%	2.4%	0.4%	2.4%	-0.6%	0.9%	1.3%	0.0%	0.7%	0.8%	0.8%
Job Change	280	(992)	389	71	402	(93)	150	220	-	121	139	140
Unemployment	769	943	1,021	1,058	1,048	980	857	770	760	760	750	750
Unemployment Rate	4.3%	5.5%	5.8%	6.0%	5.8%	5.5%	4.8%	4.3%	4.2%	4.2%	4.1%	4.1%
Unemployed Change	161	174	78	37	(10)	(68)	(122)	(87)	(10)	-	(10)	-
Annual Wage	\$34,506	\$35,564	\$35,722	\$36,880	\$37,759	\$38,245	\$39,048	\$39,907	\$40,825	\$41,846	\$43,017	\$44,308
Wage Growth	3.2%	3.1%	0.4%	3.2%	2.4%	1.3%	2.1%	2.2%	2.3%	2.5%	2.8%	3.0%

### Silver Bow County Total Employment



### Silver Bow County Total Unemployed



Construction in uptown of the \$25 million NWE general office, MT Tech additions, Highland Gold mine, commodity prices rebound some, growth in trade and utilities, stability in other sectors. Construction impacts short-term growth. Flat 2016 after temporary construction jobs complete. Slow after!