BRIDGER-TETON REGION, COUNTY PROFILE SERIES

Sublette County, Wyoming: A Socio-Economic Profile

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INTRODUCTION

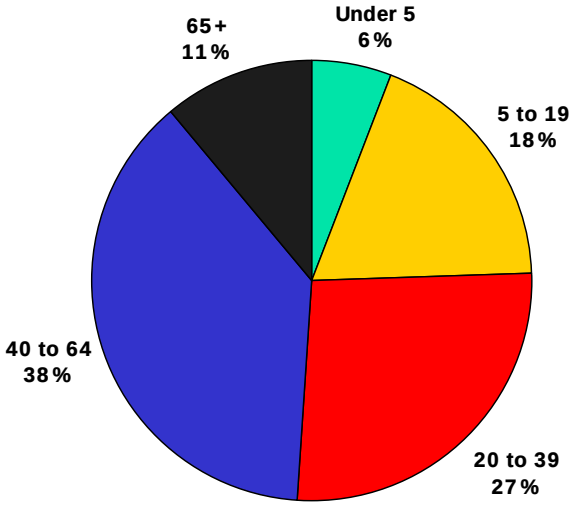
In a rapidly changing world, timely and accurate information is essential to good decision making. Federal agencies, local and state officials, and the general public need information on the structure and trends within the local economies in order to more effectively direct and participate in the public policy decision making process. Information describing local economic conditions can aid in the public policy decision making process by providing a perspective on economic changes over time. In addition, the identification of long-term trends can help residents, local and state officials, and Federal agencies plan for the future. This report has been developed as part of the Bridger-Teton Region, County Profiles series to provide baseline information on the structure and trends of the Sublette County economy. This effort was funded by a supplemental grant from the U.S. Forest Service as part of the Bridger-Teton National Forest planning process.

Four types of information are discussed in this report, including: 1) Population, 2) Employment, 3) Personal Income, and 4) Local Government Finances. Population is an important variable because the ability to attract and retain individuals to live, work, play, and retire is critical to the survival of a community and its economy. Closely associated with population growth is employment growth. Providing jobs for residents is one of the primary functions of the local economy. While we have traditionally considered population growth to be a result of employment growth, in some cases, such as amenity migration, population growth may in fact be the cause rather than the effect of employment growth. Personal income is important because it represents the dollars that residents live on. While we tend to think of personal income primarily as labor earnings (wage, salaries, and proprietor income), it also includes investment income (dividends, interest, and rent), as well as government transfer payments (Social Security, Medicare, Medicaid, etc.). Finally, local government finances are an important aspect of the local economy because it determines local government's ability to meet the needs of residents in terms of public services and public infrastructure. Because of the availability of data, the focus of this section is on assessed valuation, sales tax revenue, county government revenues and costs, and county school revenues and costs.

Each type of information is discussed separately in the report. To put Sublette County's information in perspective, it is compared to corresponding data for Wyoming and the United States. The primary source of data for the population sections was the U.S. Bureau of Census website. The primary source of data for the employment and personal income sections was the U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System (REIS). Finally, the primary source of county government information was various reports from the State of Wyoming. The most current data available from these data sources was used in the report. All time series data involving dollars were adjusted for inflation to 2000 dollars.

SECTION 1: POPULATION

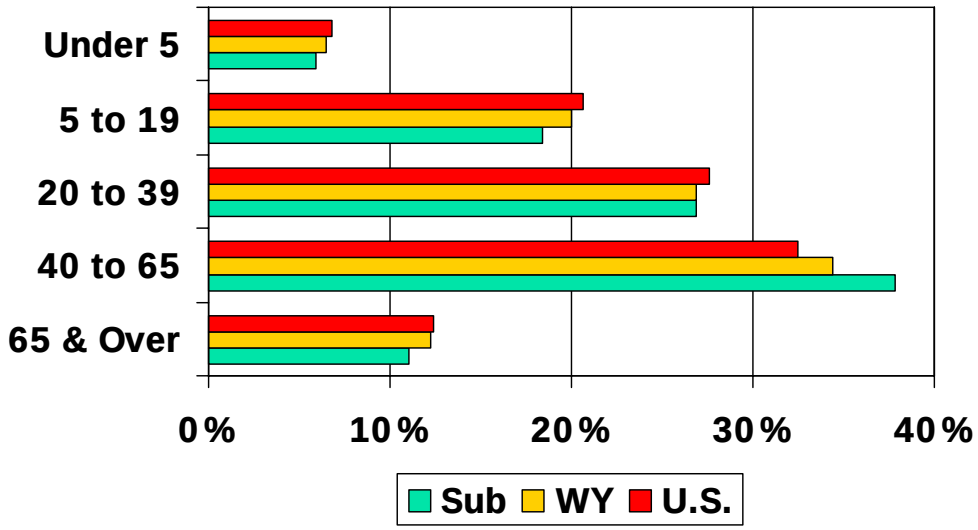
Figure 1.
Age of Population in Sublette County, 2006



Key Points:

- The largest age category in Sublette County was the 40 to 64 age group. This category represented 38 percent of the total population in the County.
- Following the 40 to 64 age group in order of size was the 20 to 39 age group, the 5 to 19 age group, the 65 and over age group, and the under 5 age group.
- Nearly two-thirds of the county's population was working age adults (20 to 64).
- Slightly less than one-quarter of the county's population was under 20 year old.
- Slightly more than 10 percent of the county's population was retirement age (65 or more).
- The high proportion of residents in the 40 to 64 age group suggests that the percentage of the population that is retirement age (65 or more) will be increasing in the county in the future.

Figure 2.
Comparison of Age of Population, 2006



Key Points:

- Sublette County had proportionately less residents in the age groups under 20 than either the U.S. or Wyoming. The proportion of residents in the Under 5 age group was 13 percent below the national average. The proportion of residents in the 5 to 19 age group was 11 percent below the national average.

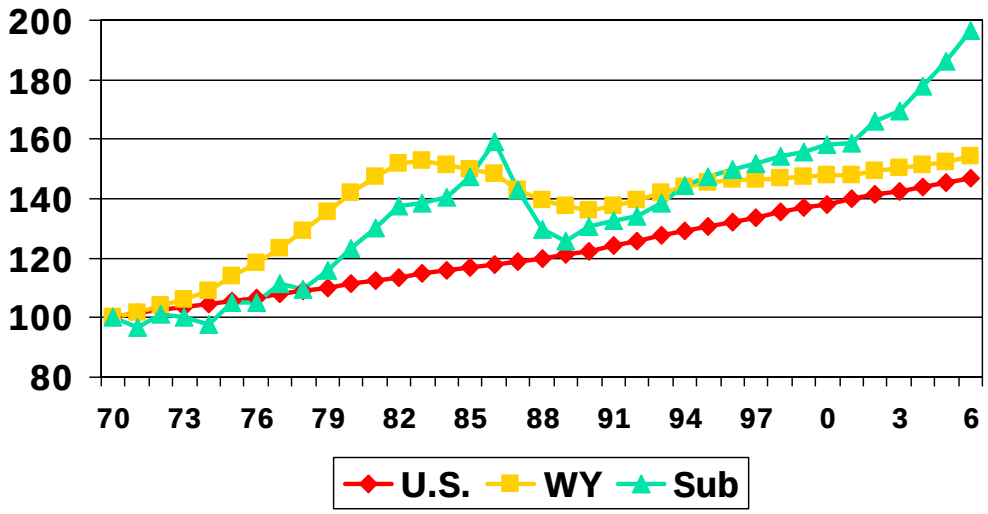
- The proportion of county residents in the 20 to 39 age group was the same as Wyoming and comparable to the national average.

- The proportion of county residents in the 40 to 65 age group was higher than either the U.S. or Wyoming. The proportion of residents in this age group was 16 percent above the national average.

- The proportion of county residents in the 65 and over age group was lower than either the U.S. or Wyoming. The proportion of resident in this age group was 11 percent below the national average.

- Overall, the median age for the county's population (38.9) was slightly older than either the U.S. (36.4) or Wyoming (37.1). This was primarily a reflection of the large percent of the county population in the 40 to 65 age group.

Figure 3.
Population Growth Index, 1970-2006
(1970 = 100)



Key Points:

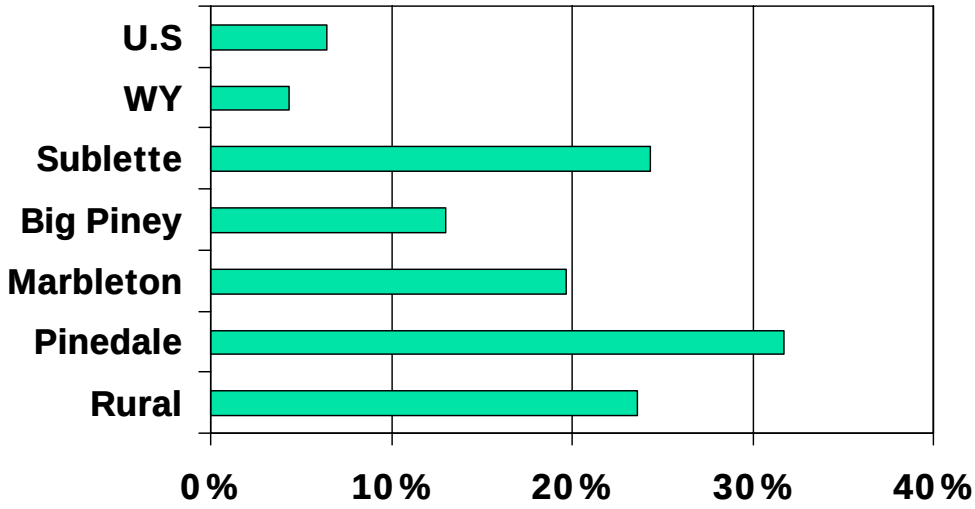
- In 2006 the population of Sublette County was nearly twice as large as it was in 1970 (3,744 vs. 7,359). During the same time period the population of the U.S. increased by 47 percent and the population of Wyoming increased by 54 percent.

- The county's population has fluctuated over time. After peaking at 5,959 in 1986 it declined by over 20 percent between 1986 and 1989 to 4,714. By 2006 the county's population was 23 percent above the 1986 peak.

- Since 1990 the county population growth rate has exceeded the rates for both the U.S. and Wyoming. Between 1990 and 2000 the county's population grew at a rate of 1.9 percent per year. This compares with a national growth rate of 1.2 percent per year and a state growth rate of 0.9 percent during the same time period. Between 2000 and 2006 the county's population growth rate has accelerated to 3.7 percent per year. This compares with a nation growth rate of 1.0 percent and a state growth rate of 0.7 percent during the same time period.

- Between 2000 and 2006 the population of the county was growing at nearly 4 times the national growth rate.

Figure 4.
Comparison of Population Growth, 2000-2006



Key Points:

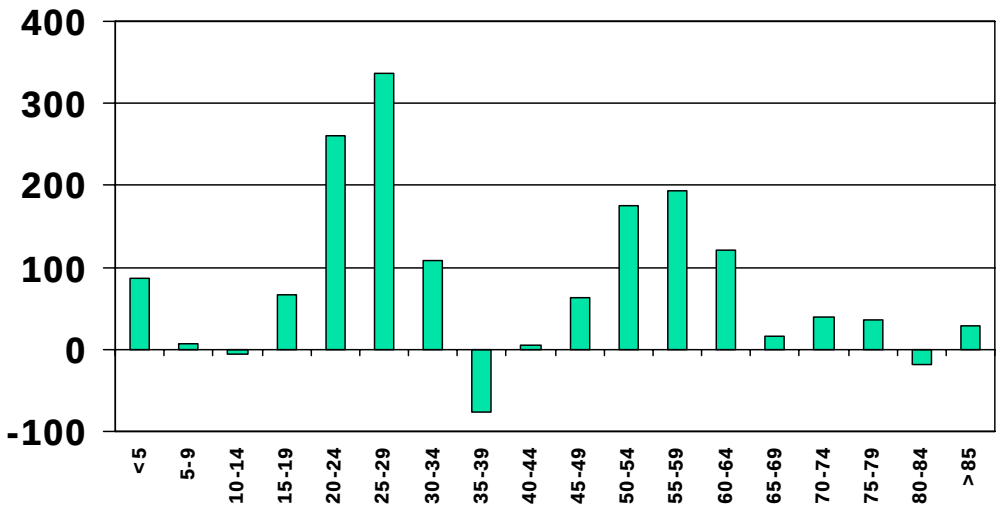
- Between 2000 and 2006 the Sublette County population increased by 24 percent. During this same time period the U.S. population increased by 6 percent and the Wyoming population increased by 4 percent.

- Pinedale was the fastest growing part of the county increasing by 32 percent between 2000 and 2006. Rural parts of the county were the second fastest growing part of the county increasing by 24 percent between 2000 and 2006.

- Big Piney was the slowest growing part of the county increasing by 13 percent between 2000 and 2006. Marbleton was the second slowest growing part of the county increasing by 20 percent between 2000 and 2006. Still the population in these two communities increased by 2 to 3 times the national average between 2000 and 2006.

- With population growth of 24 percent between 2000 and 2006 Sublette County was one of the fastest growing counties in the nation. If it had grown by 25 percent or more it would have been considered as one of the 100 fastest growing counties in the nation.

Figure 5.
Population Change by Age Group for Sublette County, 2000-2006



Key Points:

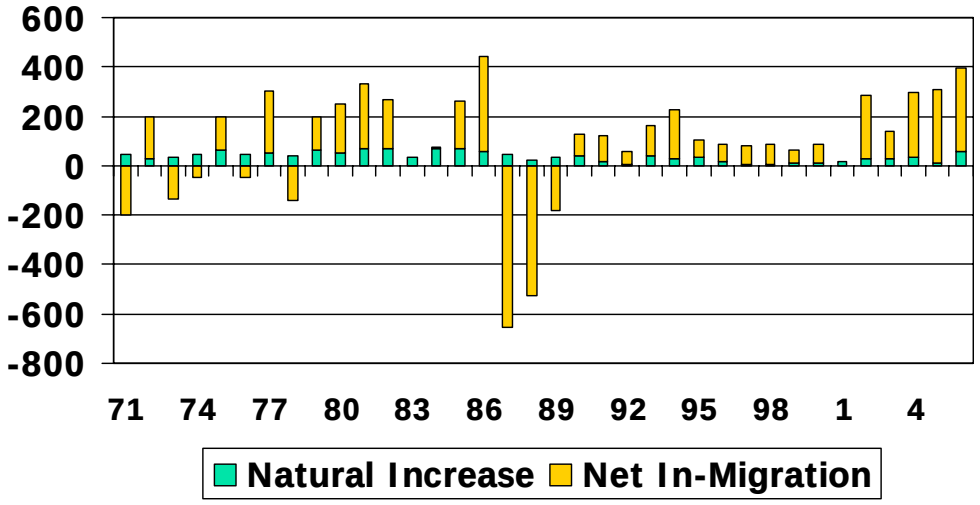
- The largest increase in age groups for Sublette County was in the 20-24, 25-29, and 30-34 age categories. Combined these age categories increased by 704 residents between 2000 and 2006. Some of these individuals probably represented families with young children since the less than 5 age group increased by 86 residents between 2000 and 2006.

- Another large increase in age groups occurred in the 45-49, 50-54, 55-59, and 60-64 age categories. Combined these age groups increased by 552 residents between 2000 and 2006.

- The only age groups that declined between 2000 and 2006 were the 35-39 age group (-77), the 80-84 age group (-18), and the 10 to 14 age group (-6). The combined decline for these age groups was 101 residents between 2000 and 2006.

- Unlike many counties in Wyoming, Sublette had a substantial increase in its population of young adults (age 20- 34) between 2000 and 2006. The increase in the less than 5 age category maybe important for the county's schools in the future.

Figure 6.
Sources of Population Change for Sublette County, 1971-2006



Key Points:

- Population growth comes from one of two sources: 1) natural increase (more births than deaths) or 2) net in-migration (more people moving in than moving out). Figure 6 summarizes both type of population change for Sublette County between 1971 and 2006.

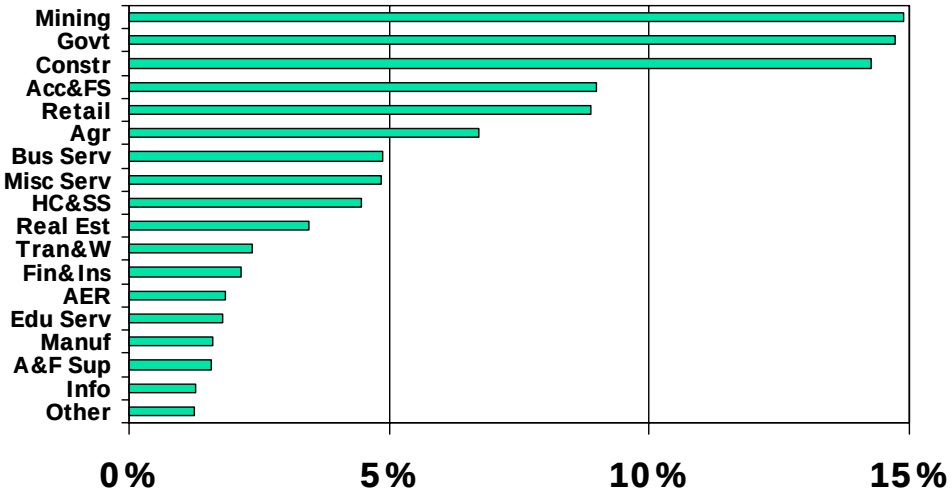
- Most of the population change for the county has been the result of changes in net in-migration. Between 1971 and 1986 the county experienced mostly positive in-migration. However, between 1987 and 1989, the county experienced significant negative in-migration (out-migration). Since 1990 the county has returned to positive net in-migration. Up until 2001 the level of in-migration was lower than that seen between 1971 and 1986. However, since 2001 the level of in-migration has increased substantially.

- Natural increase has become relatively less important over time in terms of population change in the county. Since 2001, natural increase has represented on averaged only 11 percent of the population growth in the county.

- Overall, changes in net in-migration have been the primary driver of population change in the county over the last 35 years.

SECTION 2: EMPLOYMENT

Figure 7.
Employment by Sector for Sublette County, 2005



Key Points:

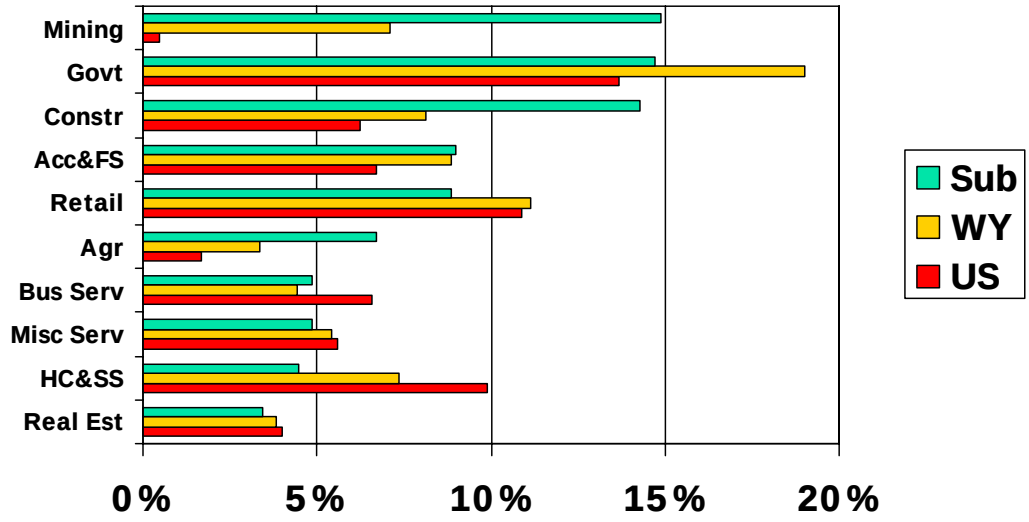
- In 2005 there were a total of 5,703 jobs in Sublette County. Three sectors, Mining (849), Government (840), and Construction (814) accounted for 44 percent of the total jobs in the county.

- Three other sectors, Accommodations & Food Service (512); Retail (506), and Agriculture (383) accounted for another 25 percent of the total jobs in the county.

- The remaining 14 sectors account for 31 percent of the total jobs in the county. The largest of these sectors were Business Services (278), Miscellaneous Services (277), Health Care & Social Services (255) and Real Estate (197).

- With over 40 percent of total employment in Mining, Government, and Construction, the county's economy is highly dependent on the continued economic activity in these three sectors.

Figure 8A.
Comparison of Employment by Sector, 2005



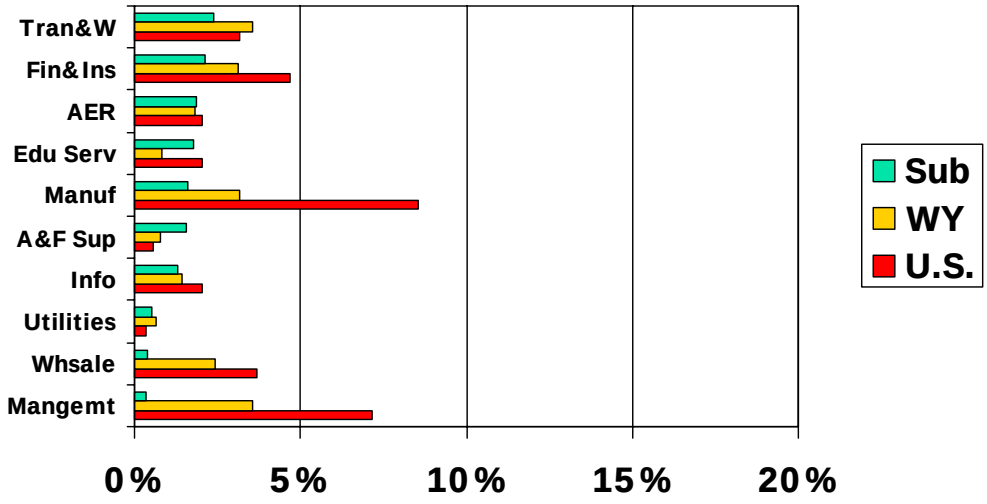
Key Points:

- Based on the percent of total employment relative to the national economy, the Sublette County economy is specialized in the following sectors (specialization is defined as a Location Quotient of greater than 1.25):
    - Mining (county employment is 31.6 times the national average)
    - Agriculture (county employment is 4.0 times the national average)
    - Construction (county employment is 2.3 times the national average)
    - Accommodations and Food Service (county employment is 1.3 times the national average).

- Compared to Wyoming, the percent of employment in Mining (2.1 times), Agriculture (2.0 times), and Construction (1.8 times) are relatively larger in Sublette County. The percent of employment in Accommodations and Food Service is comparable between Sublette County and Wyoming.

- Compared to the national economy, the Sublette County economy is noticeably lacking in terms of Health Care & Social Service and Business Service employment.

Figure 8B.
Comparison of Employment by Sector, 2005 (Continued)



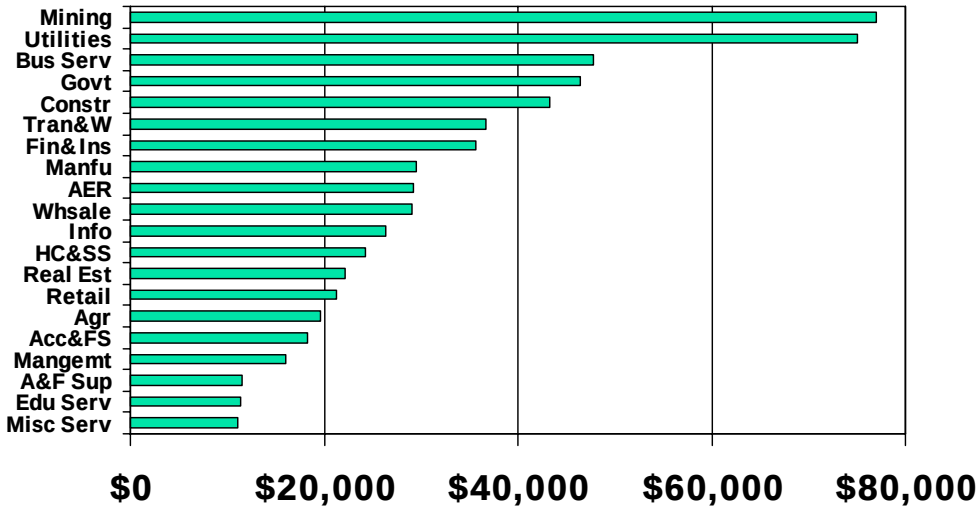
Key Points:

- Among smaller sectors, the Sublette County economy is specialized in Agriculture and Forestry Support Services (county employment is 2.7 times the national average) and Utilities (county employment is 1.5 times the national average).

- Compared to Wyoming, the percent of employment in Agricultural and Forestry Support Services is twice the Wyoming average while the percent of employment in Utilities is only 80 percent of the Wyoming average.

- Compared to the national economy, the Sublette County economy is noticeably lacking in terms of Manufacturing, Management Service, Finance and Insurance and Wholesale sector employment.

Figure 9.
Average Earnings Per Job for Sublette County, 2005



Key Points:

- The average earnings per job for Sublette County in 2005 were $37,977. However, there was substantial variation in the average earnings by industry ranging from a low of $11,116 for the Miscellaneous Service sector to a high of $77,047 per job for the Mining sector.

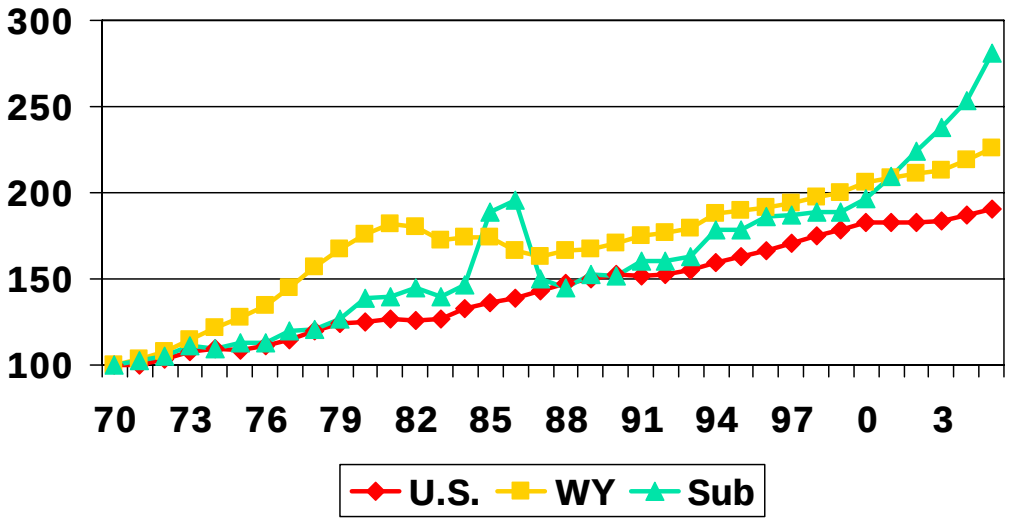
- Both Mining ($77,047) and Utilities ($75,067) had average earnings per job greater than $70,000 per year. Three sectors, Business Services ($47,730), Government ($46,430), and Construction ($43,328) had average earnings per job greater than $40,000.

- The average earnings per job for the Transportation & Warehousing ($36,733) and Finance & Insurance ($35,689) sectors were close to the county average.

- However, 46 percent of the jobs in the county are in sectors where the average earnings per job were more than 20 percent below the county average.

- The Wyoming Department of Workforce Services estimates that the self-sufficiency wage for a family of four in Sublette County is $34,359. Self-sufficiency is defined as being able to live without public or private assistance or subsidies.

Figure 10.
Employment Growth Index, 1970-2005



Key Points:

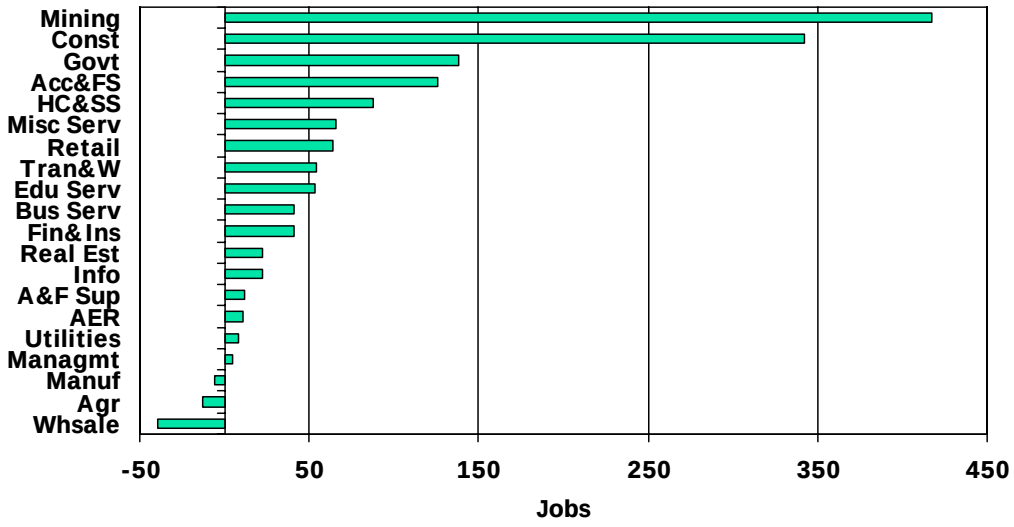
- Employment in Sublette County increased by 2.8 times between 1970 and 2005 (2,027 jobs to 5,703 jobs). During the same time period, employment in the U.S. increased by 1.9 times and employment in Wyoming increased by 2.3 times.

- Since 1990 the employment growth rate in the county has exceeded the rate for both the U.S. and Wyoming. Between 1990 and 2000 the average annual employment growth rate for the county was 2.6 percent. During the same time period the average annual employment growth rate for the U.S. was 1.8 percent and for Wyoming was 1.9 percent.

- Between 2000 and 2005 the average annual employment growth rate for the county increased to 7.5 percent per year. During the same time period the average annual employment growth rate for the U.S. was 0.9 percent and for Wyoming was 1.9 percent.

- Between 2000 and 2005 the county's employment was growing at more than 8 times the national average.

Figure 11.
Change in Employment for Sublette County, 2001 to 2005

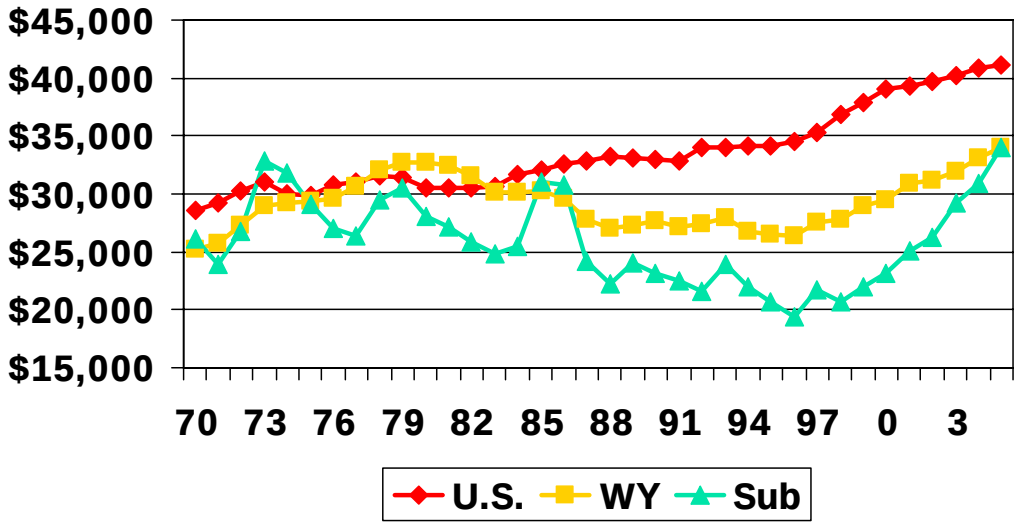


Key Points:

- Employment in Sublette County increased by 1,452 jobs between 2001 and 2005 (+34.2 %). More than one half of this increase (52.3%) was in the Mining (+417) and Construction sectors (+342). Mining employment nearly doubled between 2001 and 2005. Construction employment increased by nearly 75 percent.

- Government (+138), Accommodations & Food Service (+126), and Health Care & Social Services (+88) represented 24 percent of the increase in total employment between 2001 and 2005. Miscellaneous Services, Retail Trade, Transportation & Warehousing, and Educational Services all experienced an increase of more than 5002 Tc-00.0001 t

Figure 12.
Comparison of Average Earnings Per Job, 1970-2005 (Adjusted for Inflation)



Key Points:

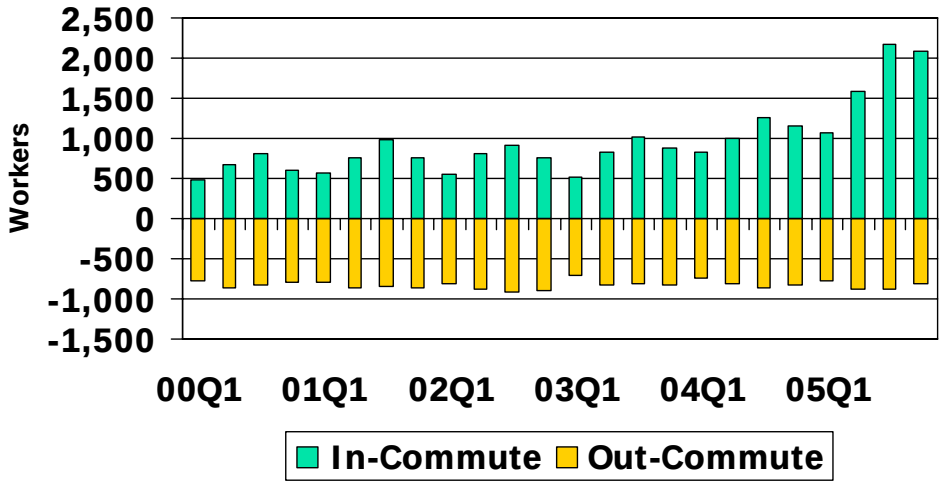
- In 1970, average earning per job in Sublette County ($26,138) were 8 percent below the U.S. average ($28,543) and 4 percent above the Wyoming average ($25,159).

- Between 1970 and 2005 average earning per job in the county increased by 30 percent from $26,138 to $34,033. In 2005 average earning per job in the county were 17 percent below the U.S. average ($41,059) and approximately the same as the Wyoming average ($34,024).

- After a generally decline starting in 1979, the average earnings per job in the county bottom out at less than $20,000 in 1996. Since 1996 the average earnings per job in the county has increased by 75 percent.

- In 2000, average earnings per job in the county were 78 percent of the Wyoming average while the cost-of-living in the second quarter was 106 percent of the Wyoming average. In 2005, average earnings per job in the county were 100 percent of the Wyoming average while the cost-of-living in the second quarter was 112 percent of the Wyoming average.

Figure 13.
In-Commuting and Out-Commuting Workers for Sublette County, 2000Q1 – 2005Q4



Key Points:

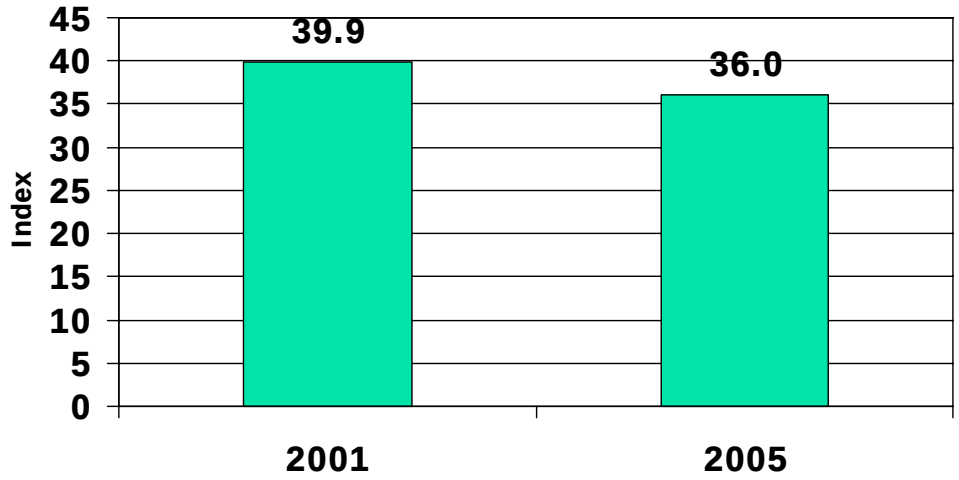
- This information is based on a Wyoming Department of Employment study of Wyoming Workers Commuting Patterns for the Wyoming Workforce Development Council (Doug Leonard, 2007).

- In the first quarter of 2000 there were less than 500 workers in-commuting into Sublette County. By the fourth quarter of 2005 the number of in-commuting workers had increased by more than four times to 2,080. This estimate understates the total amount of in-commuting in the county because the place of employment is reported based on the location of the employer rather than the location of the job site.

- The study results also indicate that 44 percent of the total in-county workers in the fourth quarter of 2005 were in-commuters and that 63 percent of growth in employment between the first quarter of 2000 and the fourth quarter of 2005 were in-commuters.

- While in-commuting has been increasing exponentially in Sublette County since 2000, the number of workers out-commuting has remained fairly constant at about 800 workers. As a result Sublette County has gone from being a net exporter to being a net importer of labor.

Figure 14.
Sublette County Employment Diversity Index



Key Points:

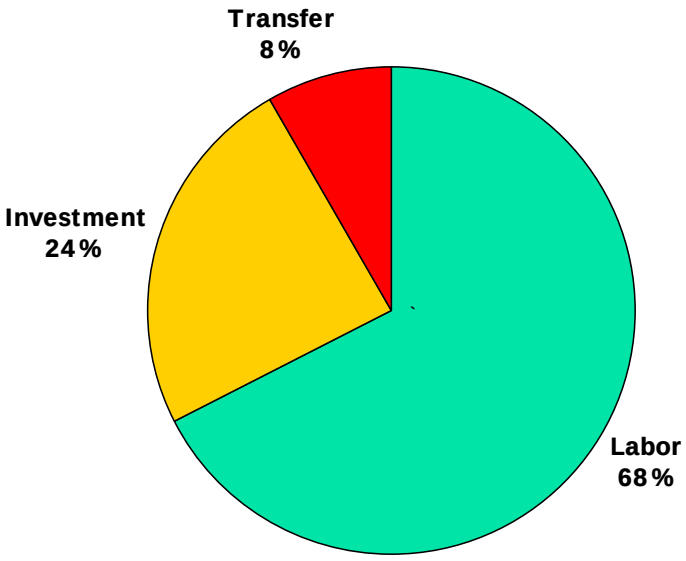
- In 2005, the employment diversity index for the Sublette County economy was approximately one-third (36.0) the index for the U.S. economy (100.0). In addition, the county's employment diversity index was only 60 percent of the Wyoming index (62.3), which had the lowest diversity index of any state in the nation. This represents a low level of economic diversity in the county economy.

- Between 2001 and 2005 the county's diversity index declined by 10 percent from 39.9 to 36.0. This decline was primarily due to the increased employment in the mining sector.

- The county's low employment diversity index was primarily due to relative high employment in the Mining and Construction sectors relative to the U.S. economy. However, the low index was also due to relative low employment in the Manufacturing, Management Services, and Health Services sectors in the county.

SECTION 3: PERSONAL INCOME

Figure 15.
Sources of Personal Income for Sublette County, 2005



Key Points:

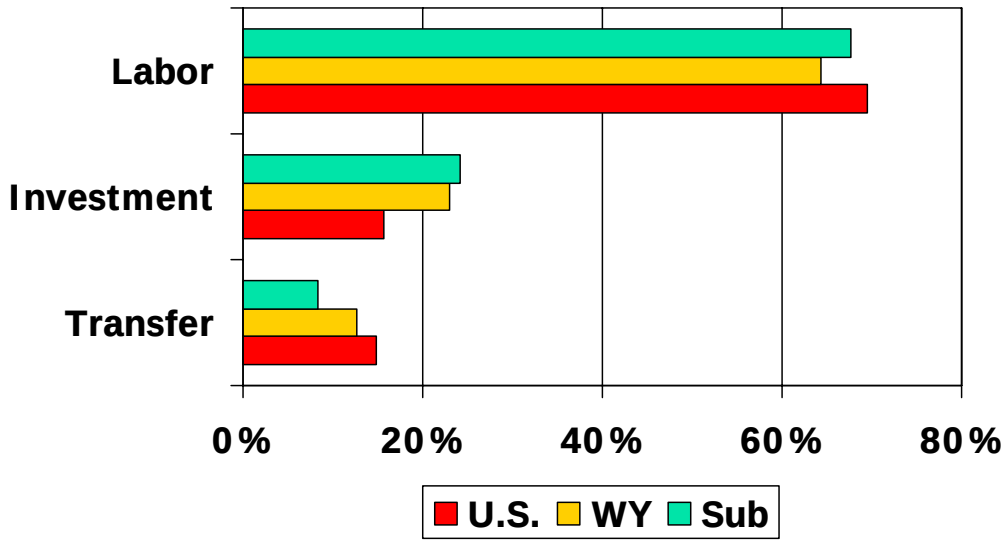
- In 2005, total personal income for Sublette County residents was $293.8 million. Of this total the largest source was labor earnings (68%). Labor earnings include wages, salaries, and proprietor (self-employed) income.

- The second largest source of personal income for county residents in 2005 was investment income (24%). Investment income represents property income in the form of dividends, interests, and rents.

- The smallest source of personal income for county residents in 2005 was transfer payments (8%). Transfer payments represent payments from the government to individuals. They are primarily payments such as Social Security, Medicare, and Medicaid. They also include various welfare program payments.

- Overall, more than two-thirds of the personal income in Sublette County was work related with approximately one-third being non-work related.

Figure 16.
Comparison of Sources of Personal Income, 2005



Key Points:

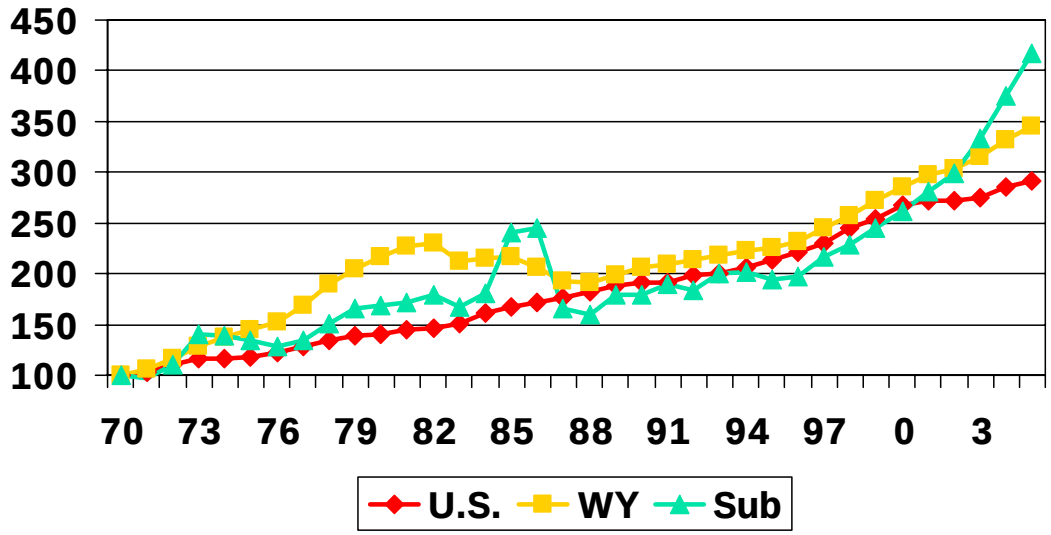
- The percent of personal income from labor earnings for Sublette County residents (68%) was slightly lower than for the U.S. (70%) but slightly higher than for Wyoming (64%).

- The percent of personal income from investment income for Sublette County residents (24%) was 1.5 times greater than for the U.S. (16%) but comparable to Wyoming (23%).

- The percent of personal income from government transfer payments for Sublette County residents (8%) was only 56 percent of that for the U.S. (15%) and only two-thirds of that for Wyoming (13%).

- Overall, the percent of county income from labor earnings is comparable to both the U.S. and Wyoming but the percent from investment is higher and the percent from transfer payments in lower.

Figure 17.
Personal Income Growth Index, 1970-2005
(Adjusted for Inflation)



Key Points:

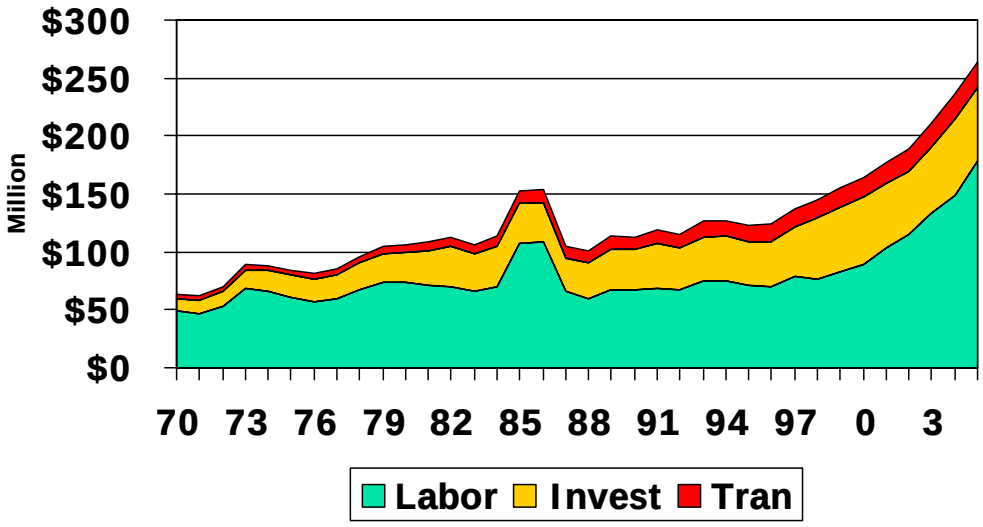
- Between 1970 and 2005 personal income in Sublette County increased by more than 4 times from $63.1 million to $263.3 million. During this same time period personal income in the United States increased by slightly less than 3.0 times and Wyoming increased by about 3.5 times.

- Since 1996 the income growth rate for the county has exceeded the rate for both the U.S. and Wyoming. Between 1996 and 2000 the average annual income growth rate for the county was 7.2 percent. During the same time period the average annual income growth rate for the U.S. was 4.9 percent and for Wyoming was 5.3 percent.

- Between 2000 and 2005 the average annual income growth rate for the county increased to 9.8 percent per year. During the same time period the average annual income growth rate for the U.S. was 1.7 percent and for Wyoming was 3.9 percent.

- Between 2000 and 2005 the personal income in the county was growing at nearly 6 times the national average.

Figure 18.
Change in Sources of Personal Income for Sublette County, 1970-2005



Key Points:

- In 1970 labor earnings accounted for 78 percent of total personal income in Sublette County. In that year investment income represented 17 percent and transfer payments representing 5 percent of county total personal income.

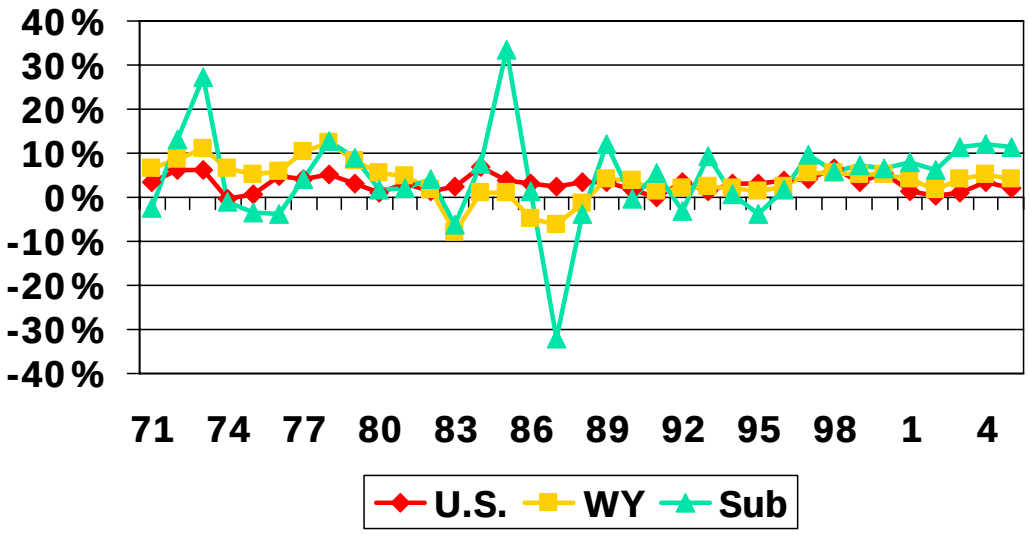
- By 2000 the sources of personal income had changed with labor earnings accounting for 54 percent, investment income representing 35 percent, and transfer payments representing 11. This shift was the result of rapid growth in investment income between 1970 and 2000

- By 2005 the sources of personal income had again changed with labor earnings accounting for 68 percent of personal income, investment income representing 24 percent, and transfer payments representing 8 percent. Labor earnings represented 90 percent of the rapid increase in county personal income between 2000 and 2005.

- While investment income became a more important source of personal income in the county between 1970 and 2000, that trend has shifted since 2000 with the rapid growth in labor earnings.

Figure 19.
Comparison of Per Capita Income, 1970-2005
(Adjusted for Inflation)

Figure 20.
Comparison of Annual Percent Change in Total Personal Income, 1970-2005



Key Points:

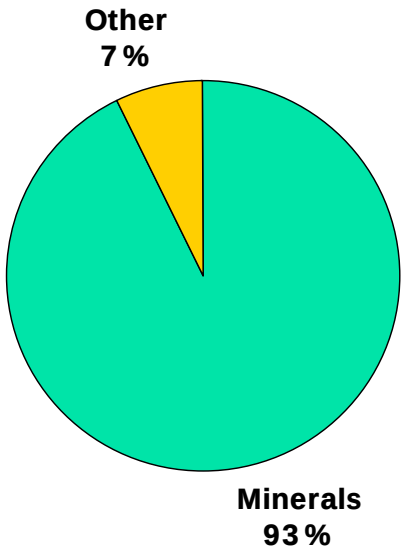
- A comparison of the annual percent change in total personal income illustrates the variability of the Sublette County economy. On several occasions since 1970 the annual percent change in income for the county has approached or exceeded 30 percent. Annual percent changes of 10 percent or more were also common during the time period. By comparison, the largest annual percent change during the time period for the U.S. economy was 6.4 percent and for the Wyoming economy was 12.3 percent.

- Overall, income variability in the county between 1970 and 2005 was nearly 6 times the variability for the U.S. economy and 2.4 times the variability for the Wyoming economy.

- Much of the income variability in the county's economy occurred prior to 1990. Since 1990 the income variability of the county's economy has declined by one-half. Still between 1990 and 2005 the county's income variability was nearly 3 times the national rate.

SECTION 4: LOCAL GOVERNMENT FINANCES

Figure 21.
Assessed Valuation for Sublette County, 2007



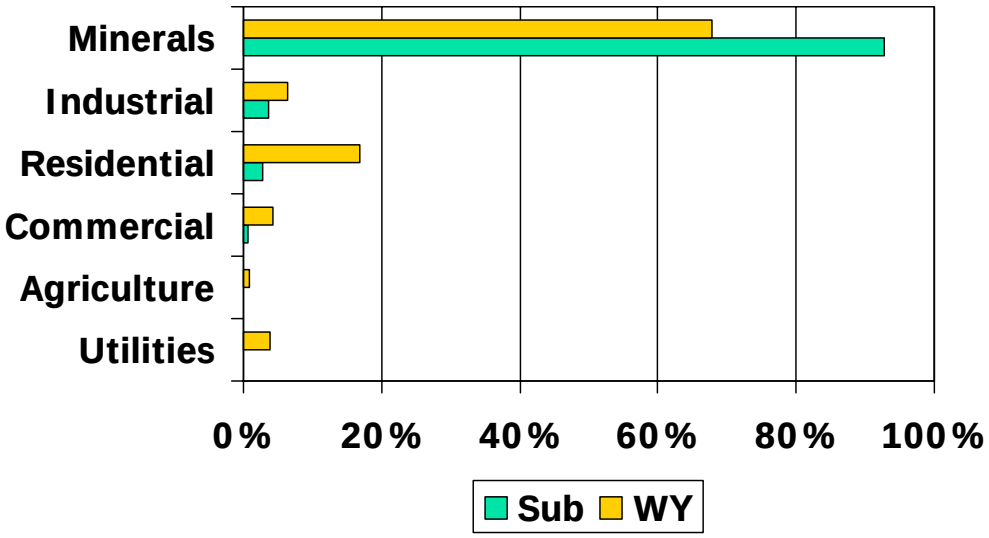
Key Points:

- In 2007 the assessed valuation of Sublette County was $4.1 billion. This valuation represented nearly 20 percent of the total assessed valuation for the state and was the second highest valuation of any county in Wyoming, following only Campbell ($4.5 billion).

- Over 90 percent of the county's assessed valuation was from minerals with oil and gas representing almost all the minerals valuation in the county. Most of the remaining valuation was from industrial property (3.5 percent) and residential property (2.8 percent). Commercial property represented 0.6 percent of the total assessed valuation with Agriculture property at 0.2 percent and utilities representing 0.1 percent.

- If the assessed valuation of oil and gas extraction facilities and equipment is considered in addition to the assessed valuation of mineral production, the oil and gas industry accounts for more than 96 percent of the assessed valuation in the county.

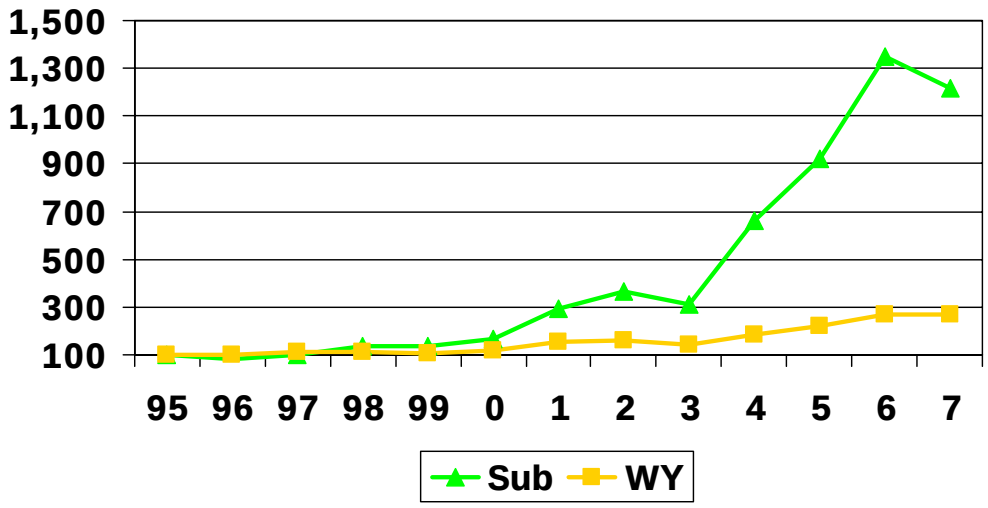
Figure 22.
Comparison of Assessed Valuation, 2005



Key Points:

- The proportion of Sublette County's tax base from minerals was 1.4 times the overall percentage for Wyoming (92.8 percent vs. 67.9 percent).
- The proportion of the county's tax base from industrial property was only 56 percent of the overall percentage for Wyoming (3.5 percent vs. 6.3 percent).
- The proportion of the county's tax base from residential property was only 17 percent of the overall percentage for Wyoming (2.8 percent vs. 16.8%).
- The proportion of the county's tax base from commercial property was only 14 percent of the overall percentage for Wyoming (0.6 percent vs. 4.3 percent).
- The proportion of the county's tax base from agricultural property was only 22 percent of the overall percentage for Wyoming (0.2 percent vs. 0.9 percent). The proportion of the county's tax base from utilities was 3 percent of the overall percentage for Wyoming (0.1 percent vs. 3.8 percent).
- Although minerals are a major part of Wyoming's tax base, Sublette County is even more dependent on minerals as a source of tax revenue.

Figure 23.
Assessed Valuation Growth Index, 1995-2007
(Adjusted for Inflation)



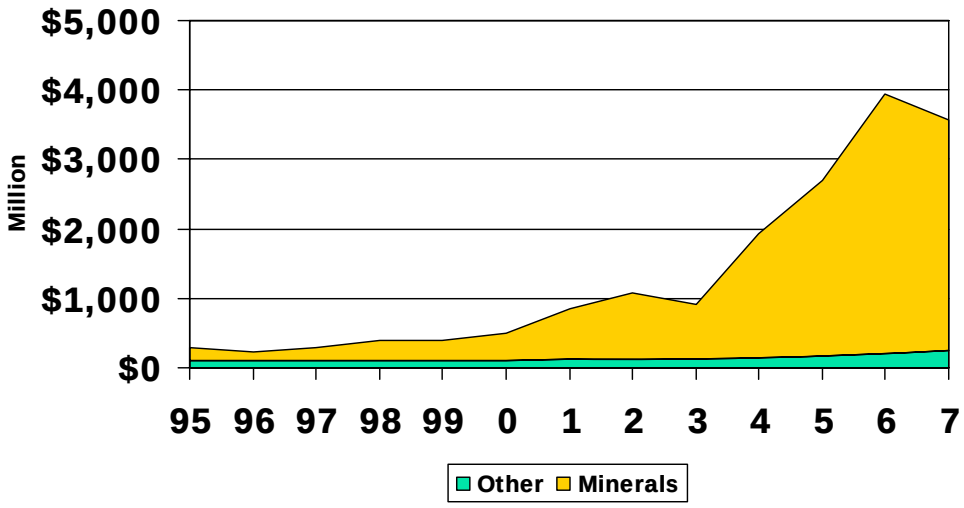
Key Points:

- In 2007 the inflation- adjusted assessed valuation for Sublette County was more than 12 times larger than it was in 1995 ($292.6 million vs. $3.563 million). During the same time period the assessed valuation for Wyoming increased by less than 3 times.

- Between 2003 and 2006 the assessed valuation for the county increased at an average rate of 63 percent per year. In comparison, the statewide assessed valuation increase at an average rate of 23 percent per year during this time period.

- In 2007, the assessed valuation for the county declined by 10 percent from the 2006 level ($3,944 million to $3,563 million). The large fluctuations in the county's assessed valuation in recent years reflects the variability in the county' assessed valuation.

Figure 24.
Change in Assessed Valuation for Sublette County, 1995-2007 (Adjusted for Inflation)

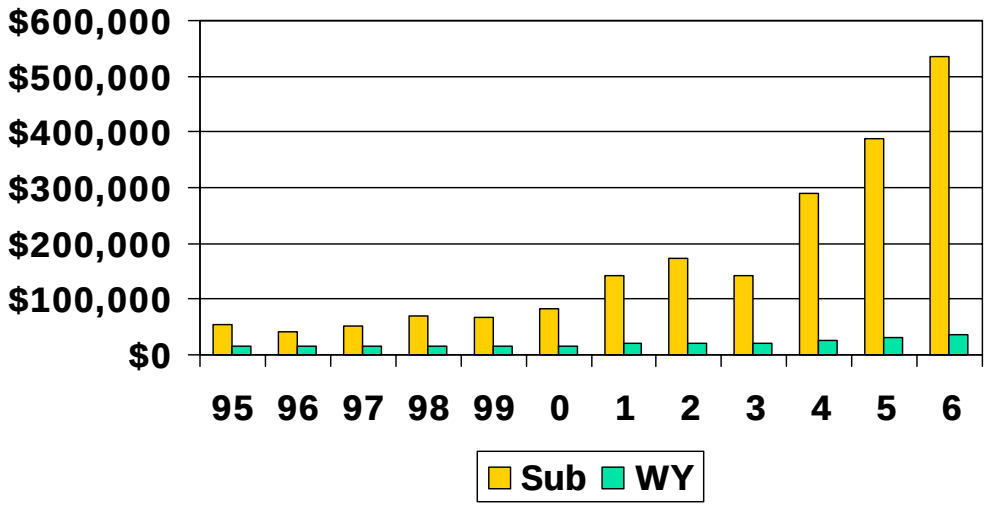


Key Points:

- Minerals, primarily natural gas, accounted for 95 percent of the increase in assessed valuation for Sublette County from 1995 to 2007. The assessed valuation for minerals increased by more than 16 times during this time period. As a result minerals went from representing about two-thirds of the county's total assessed valuation in 1995 to representing more than 90 percent in 2007.

- In 1995, the county was produced 177.2 billion cubic feet of natural gas (20 percent of the state's total taxable production) and the gas had an assessed value of $1.02 per thousand cubic feet in inflation-adjusted dollars. By 2007, the county was producing 888.5 billion cubic feet (44 percent of the state's total taxable production) and the gas had an assessed valuation of $4.34 per thousand cubic feet in inflation-adjusted dollars. As a result the assessed valuation for natural gas increased from $180.6 million to $3,025.8 million. Seventy five percent of this increase was due higher prices and 25 percent was due to increased production. The high proportion of the increase in assessed valuation that is the result of higher prices indicates the price sensitivity county's assessed valuation to natural gas prices. Based on the decline in assessed valuation in 2007, a $0.10 decrease in natural gas prices decreases county assessed valuation by $88.8 million.

Figure 25.
Per Capita Assessed Valuation, 1995-2006 (Adjusted for Inflation)



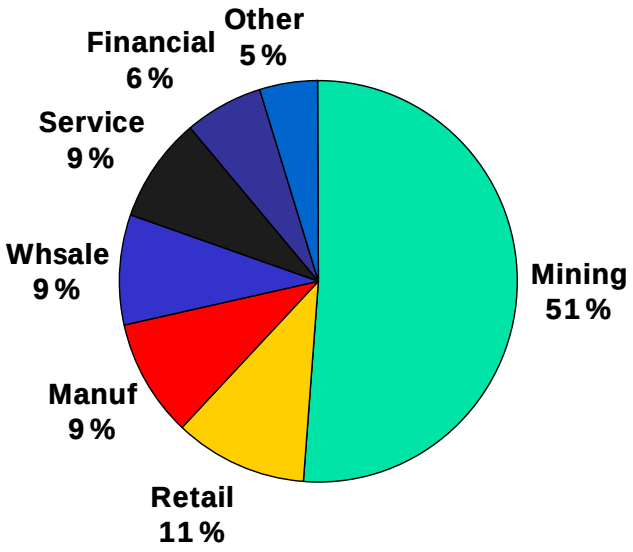
Key Points:

- Between 1995 and 2006 the per capita assessed valuation for Sublette County increased by more than 10 times from $53,060 in 1995 to $536,014 in 2006. During this same time period the overall per capita assessed valuation for Wyoming increased by more than 2.5 times from $14,327 in 1995 to $36,505 in 2006.

- As a result of this increase, the county's per capita assessed valuation increased from 3.7 times ($53,060 vs. $14,327) to nearly 15 times the state's average per capita assessed valuation ($536,014 vs. $36,505).

- Because population estimates are not yet available for 2007, it was not possible to estimate per capita assessed valuation for 2007. However, the county's per capita assessed valuation probably decreased due to declines in natural gas prices in 2007 (Figure 23).

Figure 26.
Sales Tax Revenue for Sublette County, 2007



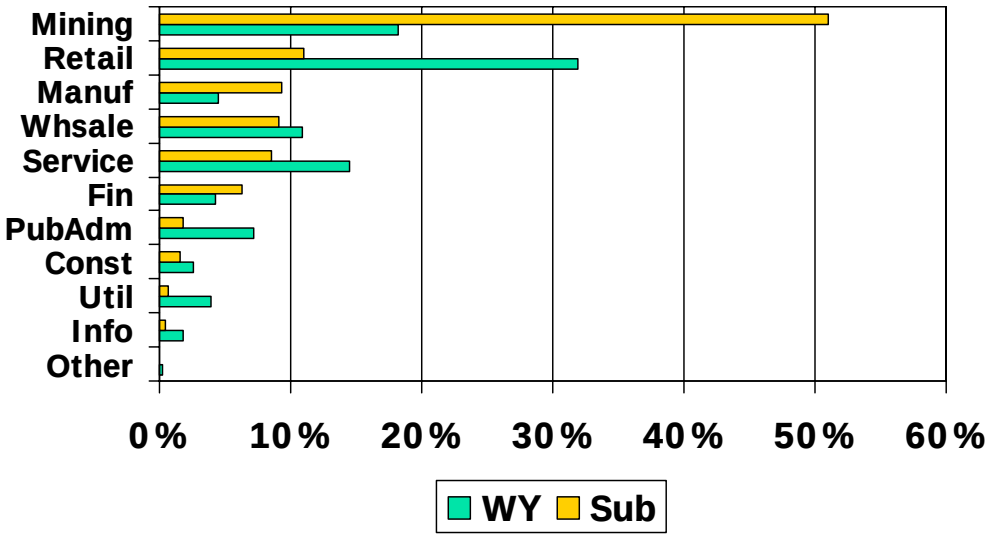
Key Points:

- In 2007 sales tax revenue from Sublette County was $68.6 million. This revenue was nearly 9 percent of the total sales tax revenue for the state and was the fifth highest revenue of any county in Wyoming, following only Campbell ($137.8 million), Sweetwater ($111.4 million), Natrona ($93.4 million), and Laramie ($79.1 million). Sublette County was the only one of these counties whose sales tax rate was at state rate of 4.0 percent with no local options. In addition, Sublette County has a substantially smaller population base than these counties.

- More than one-half of this revenue was from the Mining sector (51 percent). Following Mining was Retail (11 percent), Manufacturing (9 percent), Wholesale (9 percent), and Services (9 percent). These five sectors represent nearly 90 percent of the total sales tax revenue for the county. The other 12 sectors represent slightly more than 10 percent of total sales tax revenue.

- In 2007, the State of Wyoming retained 69 percent of the sales tax revenue from the county ($47.3 million) and returned 31 percent to local governments in the county ($21.2 million). Of the total returned, 57 percent went to Sublette County, 7 percent went to Big Piney, 24 percent went to Pinedale, and 12 percent went to Marbleton.

Figure 27.
Comparison of Sales Tax Revenues, 2007



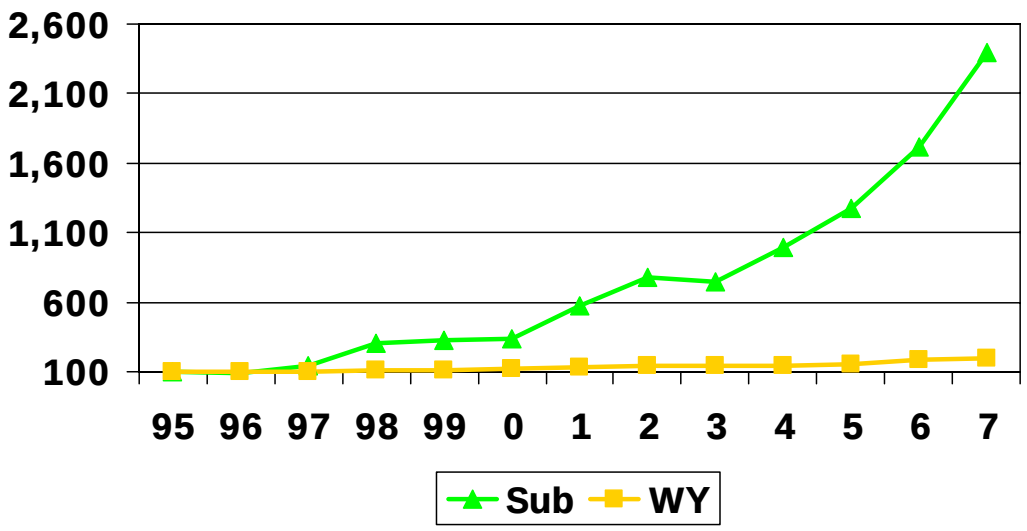
Key Points:

- The proportion of sales tax revenue from Mining in Sublette County was 2.8 times the proportion from Mining for the state as a whole (51 percent vs. 18 percent). The proportion from Manufacturing was also two times higher than that for the state as a whole (9 percent vs. 5 percent).

- Conversely, the proportion of sales tax revenue from Retail sales in the county was about one-third of the proportion from Retail sales for the state as a whole (11 percent vs. 32 percent). The proportions from all the other sectors were also all below those for the state as a whole.

- In addition to assessed valuation, Mining is also the dominate source of sales tax revenue for the county. This is substantially different from the state were the dominate sources of sales tax revenue is Retail sales.

Figure 28. Sales Tax Revenue Growth Index, 1995-2007 (Adjusted for Inflation)



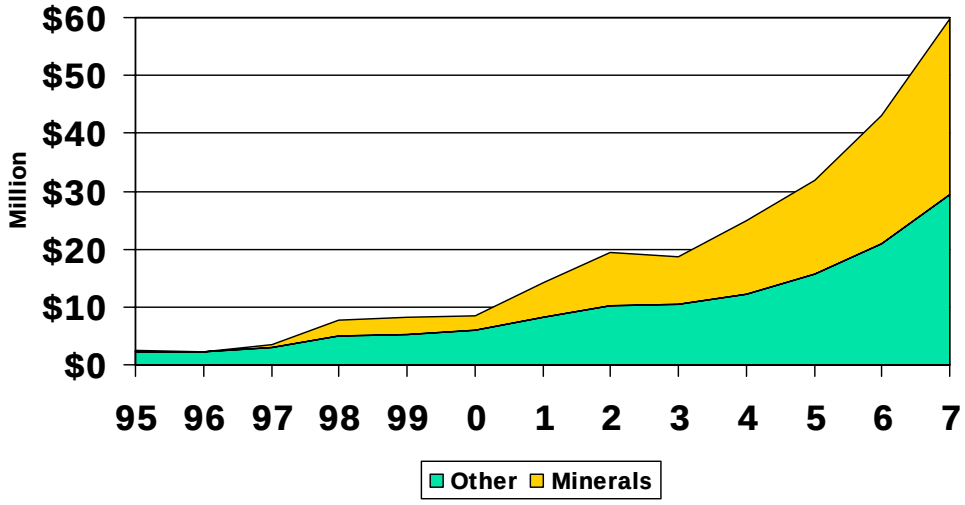
Key Points:

- In 2007 the inflation-adjusted sales tax revenue for Sublette County was nearly 24 times larger than it was in 1995 ($2.5 million vs. $59.8 million). During this time period sales tax revenue for the entire state nearly doubled.

- Between 2003 and 2007 the sales tax revenue for the county increased at an average annual rate of 34 percent per year. In comparison, statewide sales tax revenue increased at an average annual rate of 9 percent per year during this time period.

- Despite the decline in natural gas prices, sales tax revenue has continued to increase in the county. From 2006 to 2007, the county sales tax revenue increased by nearly 40 percent ($43.0 million to $59.8 million). This reflects the continued level of energy development in the county.

Figure 29.
Change in Sales Tax Revenue for Sublette County, 1995-2007 (Adjusted for Inflation)



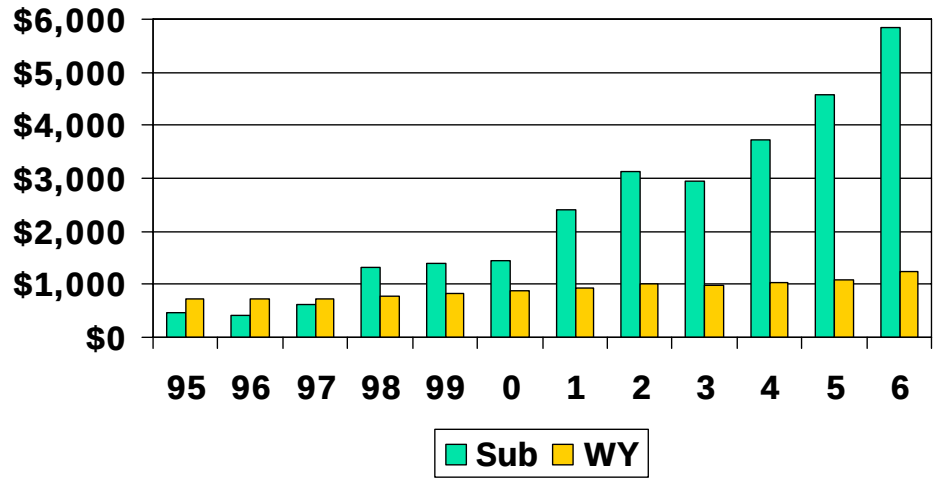
Key Points:

- Sales tax revenues from Mining accounted for more than 50 percent of the increase in sales tax revenue in Sublette County from 1995 to 2007. The sales tax revenue from mining increased by more than 140 times during this time period ($0.2 million to $30.5 million). As a result mining went from representing 9 percent of the county's total sales tax revenue in 1995 to representing 51 percent in 2007.

- Between 2003, the sales tax revenue from mining for the county increased at an average annual rate of nearly 40 percent per year. During the same time period, the county's sales tax revenue from other sectors, excluding mining, increased by an average rate of nearly 30 percent per year.

- Since 1995, most of the growth in county sales tax revenues has been in the mining sector. However, sales tax revenue from the other sectors of the county's economy has also been increasing.

Figure 30.
Per Capita Sales Tax Revenues for Sublette County, 1995-2006 (Adjusted for Inflation)



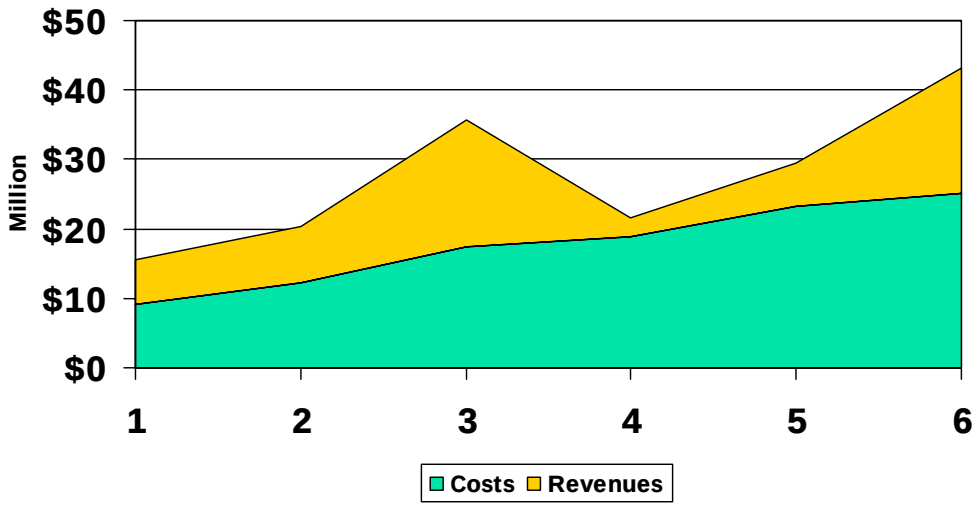
Key Points:

- Between 1995 and 2006 per capita sales tax revenue for Sublette County increased by nearly 13 times from $453 in 1995 to $5,838 in 2006. During this time period the per capita sales tax revenue for Wyoming increased by 1.7 times from $726 in 1995 to $1,251 in 2006.

- As a result of this increase, the county's per capita sales tax revenue increased from 62 percent of the state average in 1995 to nearly 5 times the state average in 2006.

- Because population estimates are not yet available for 2007, it was not possible to estimate per capita sales tax revenue for 2007. However, the county's per capita sales tax revenue probably increased given the large growth in sales tax revenue between 2006 and 2007 (see Figure 28).

Figure 31.
Sublette County Revenue and Cost, 2001-2006 (Adjusted for Inflation)



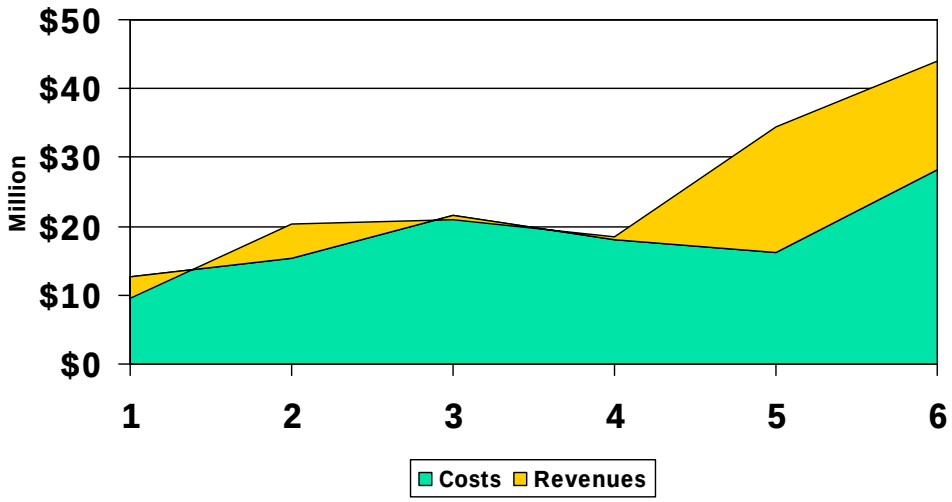
Key Points:

- This information is based on data from the Wyoming Department of Audit. From 2001 to 2006 total revenue for Sublette County government increased by more than $27.7 million from $15.5 million in 2001 to $43.2 million in 2006. More than 70 percent of this growth was from increased tax revenue (primarily property taxes), with 25 percent coming from additional state aid (primarily sales tax revenue returned to the county). As a result per capita revenue for the county increased from $2,615 in 2001 to $5,872 in 2006.

- From 2001 to 2006 total cost for Sublette County government increased by $15.8 million from $9.2 million in 2001 to $25.0 million in 2006. The majority of this growth came from increased expenditures for construction (+31 percent), road & bridge (+13 percent), equipment/land/buildings (+12 percent), county sheriff (+7 percent), parks & recreation (+6 percent), and county administration (+6 percent). These six cost categories combined accounted for nearly three-fourth of the increase in county costs between 2001 and 2006. As a result per capita cost for the county increased from $1,553 in 2001 to $3,399 in 2006.

- While county government has experienced substantial increases in revenue from 2001 to 2006, there has also been a substantial increase in costs during this time period.

Figure 32.
Sublette School Revenue and Cost, 2001-2006 (Adjusted for Inflation)



Key Points:

- This information is based on data from the Wyoming Department of Education. From 2001 to 2006 total revenue for Sublette County Schools increased by nearly $32.3 million from $9.6 in 2001 to $41.9 million in 2006. Almost all this increase was generated from local tax revenue with only about 6 percent coming from state or federal sources. As a result of this increase average daily membership revenue increased from $7,881 in 2001 to $30,878 in 2006.

- From 2001 to 2006 total cost for Sublette County Schools increased by $15.5 million from $12.6 million in 2001 to $28.2 million in 2006. The majority of this growth came from increased spending for capital projects (+40 percent), salaries and benefits (+32 percent), and capital outlays (+15 percent). As a result of this increase average daily membership costs increased from $10,350 in 2001 to $20,761 in 2006.

- While county schools have experienced substantial increase in revenue from 2001 to 2006, there has also been substantial increase in costs during this time period. Recent changes in the recapture provision for school revenues in Wyoming will limit the growth of the county school revenue in the future. Between 2001 and 2006 average daily membership in the county schools increased by 11 percent, October 1 student enrollment increased by 15 percent, and staff FTE's increased by 14 percent.

SUMMARY

Population:

- The high proportion of residents in the 40 to 64 age group suggests that the percentage of the population that is retirement age (65 or more) will be increasing in the county in the future.

- Overall, the median age for the county's population (38.9) was slightly older than either the U.S. (36.4) or Wyoming (37.1). This was primarily a reflection of the large percent of the county population in the 40 to 65 age group.

- Between 2000 and 2006 the population of the county was growing at nearly 4 times the national growth rate. With population growth of 24 percent between 2000 and 2006 Sublette County was one of the fastest growing counties in the nation. If it had grown by 25 percent or more it would have been considered as one of the 100 fastest growing counties in the nation.

- Unlike many counties in Wyoming, Sublette had a substantial increase in its population of young adults (age 20- 34) between 2000 and 2006. An increase in the less than 5 age category was important for the county's schools.

- Population growth comes from one of two sources: 1) natural increase (more births than deaths) or 2) net in-migration (more people moving in than moving out). Overall, changes in net in-migration have been the primary driver of population change in the county over the last 35 years.

Employment

- With over 40 percent of total employment in Mining, Government, and Construction, the county's economy is highly dependent on the continued economic activity in these three sectors.

- Based on the percent of total employment relative to the national economy, the Sublette County economy is specialized in the following sectors (specialization is defined as a Location Quotient of greater than 1.25):

    - Mining (county employment is 31.6 times the national average)
    - Agriculture (county employment is 4.0 times the national average)
    - Construction (county employment is 2.3 times the national average)
    - Accommodations and Food Service (county employment is 1.3 times the national average).

- The average earnings per job for Sublette County in 2005 were $37,977. However, there was substantial variation in the average earnings by industry ranging from a low

of $11,116 for the Miscellaneous Service sector to a high of $77,047 per job for the Mining sector.

- Between 2000 and 2005 the county's employment was growing at more than 8 times the national average.

- Employment in Sublette County increased by 1,452 jobs between 2001 and 2005 (+34.2 %). More than one half of this increase (52.3%) was in the Mining (+417) and Construction sectors (+342). Mining employment nearly doubled between 2001 and 2005. Construction employment increased by nearly 75 percent.

- Between 1970 and 2005 average earning per job in the county increased by 30 percent from $26,138 to $34,033. In 2005 average earning per job in the county were 17 percent below the U.S. average ($41,059) and approximately the same as the Wyoming average ($34,024).

- In the first quarter of 2000 there were less than 500 workers in-commuting into Sublette County. By the fourth quarter of 2005 the number of in-commuting workers had increased by more than four times to 2,080. This estimate understates the total amount of in-commuting in the county because the place of employment is reported based on the location of the employer rather than the location of the job site.

- In 2005, the employment diversity index for the Sublette County economy was approximately one-third (36.0) the index for the U.S. economy (100.0). In addition, the county's employment diversity index was only 60 percent of the Wyoming index (62.3), which had the lowest diversity index of any state in the nation. This represents a very low level of economic diversity in the county economy.

Personal Income:

- Overall, more than two-thirds of the personal income in Sublette County was work related with approximately one-third being non-work related.

- Overall, the percent of county income from labor earnings is comparable to both the U.S. and Wyoming but the percent from investment is higher and the percent from transfer payments in lower.

- Between 2000 and 2005 the personal income in the county was growing at nearly 6 times the national average.

- While investment income became a more important source of personal income in the county between 1970 and 2000, that trend has shifted since 2000 with the rapid growth in labor earnings.

- In 2005 per capita income in the county ($37,801) had increased by 2.2 times from the 1970 level. In 2005 per capita income in the county was 122 percent of the U.S. average ($30,891) and 113 percent of the Wyoming average ($33,431).

- A comparison of the annual percent change in total personal income illustrates the variability of the Sublette County economy. On several occasions since 1970 the annual percent change in income for the county has approached or exceeded 30 percent. Annual percent changes of 10 percent or more were also common during the time period. By comparison, the largest annual percent change during the time period for the U.S. economy was 6.4 percent and for the Wyoming economy was 12.3 percent. Overall, income variability in the county between 1970 and 2005 was nearly 6 times the variability for the U.S. economy and 2.4 times the variability for the Wyoming economy.

Local Government Finances:

- In 2007 the assessed valuation of Sublette County was $4.1 billion. This valuation represented nearly 20 percent of the total assessed valuation for the state and was the second highest valuation of any county in Wyoming, following only Campbell ($4.5 billion).

- If the assessed valuation of oil and gas extraction facilities and equipment is considered in addition to the assessed valuation of mineral production, the oil and gas industry accounts for more than 96 percent of the assessed valuation in the county.

- In 2007 the inflation- adjusted assessed valuation for Sublette County was more than 12 times larger than it was in 1995 ($292.6 million vs. $3.563 million). During the same time period the assessed valuation for Wyoming increased by less than 3 times.

- Minerals, primarily natural gas, accounted for 95 percent of the increase in assessed valuation for Sublette County from 1995 to 2007. The assessed valuation for minerals increased by more than 16 times during this time period. As a result minerals went from representing about two-thirds of the county's total assessed valuation in 1995 to representing more than 90 percent in 2007.

- Between 1995 and 2006 the per capita assessed valuation for Sublette County increased by more than 10 times from $53,060 in 1995 to $536,014 in 2006. During this same time period the overall per capita assessed valuation for Wyoming increased by more than 2.5 times from $14,327 in 1995 to $36,505 in 2006.

- In 2007 sales tax revenue from Sublette County was $68.6 million. This revenue was nearly 9 percent of the total sales tax revenue for the state and was the fifth highest revenue of any county in Wyoming, following only Campbell ($137.8 million), Sweetwater ($111.4 million), Natrona ($93.4 million), and Laramie ($79.1 million). Sublette County was the only one of these counties whose sales tax rate was at state

rate of 4.0 percent with no local options. In addition, Sublette County has a substantially smaller population base than these counties.

- In addition to assessed valuation, Mining is also the dominate source of sales tax revenue for the county. This is substantially different from the state were the dominate sources of sales tax revenue is Retail sales.

- In 2007 the inflation-adjusted sales tax revenue for Sublette County was nearly 24 times larger than it was in 1995 ($2.5 million vs. $59.8 million). During this time period sales tax revenue for the entire state nearly doubled.

- Sales tax revenues from Mining accounted for more than 50 percent of the increase in sales tax revenue in Sublette County from 1995 to 2007. The sales tax revenue from mining increased by more than 140 times during this time period ($0.2 million to $30.5 million). As a result mining went from representing 9 percent of the county's total sales tax revenue in 1995 to representing 51 percent in 2007.

- Between 1995 and 2006 per capita sales tax revenue for Sublette County increased by nearly 13 times from $453 in 1995 to $5,838 in 2006. During this time period the per capita sales tax revenue for Wyoming increased by 1.7 times from $726 in 1995 to $1,251 in 2006.

- While county government has experienced substantial increases in revenue from 2001 to 2006, there has also been a substantial increase in costs during this time period. From 2001 to 2006 total revenue for Sublette County government increased by more than $27.7 million from $15.5 million in 2001 to $43.2 million in 2006. From 2001 to 2006 total cost for Sublette County government increased by $15.8 million from $9.2 million in 2001 to $25.0 million in 2006.

- While county schools have experienced substantial increase in revenue from 2001 to 2006, there has also been substantial increase in costs during this time period. From 2001 to 2006 total revenue for Sublette County Schools increased by nearly $32.3 million from $9.6 in 2001 to $41.9 million in 2006. From 2001 to 2006, total cost for Sublette County Schools increased by $15.5 million from $12.6 million in 2001 to $28.2 million in 2006.

- Recent changes in the recapture provision for school revenues in Wyoming will limit the growth of the county school revenue in the future. Between 2001 and 2006 average daily membership in the county schools increased by 11 percent, October 1 student enrollment increased by 15 percent, and staff FTE's increased by 14 percent.

DISCUSSION

Sublette County is undergoing a period of rapid growth and change. This is obvious to anyone who has been through the county or studied the statistics in this report. What may not be so obvious is that this has happened before. Prior to 1970, Sublette County was primarily an agricultural based economy, though some mineral exploration had occurred. The gas boom of the 1970s and early 1980s was localized in the western and southwestern part of the county (though exploration was county-wide). The eastern portion of the county was relatively lightly affected. After the collapse of the last boom in the mid-1980s, substantial out-migration of population occurred. The economy of Sublette County suffered from the loss of jobs and income. The local economy shifted back toward agriculture and tourism. Starting in the early 1990s, in-migration of amenity seeking residents can start to be seen in the statistics as population and aggregate income levels started rising. Amenity seeking residents tend to be older, more educated and wealthier than their neighbors. These residents tended to settle in the higher amenity areas the northern and eastern parts of the county, areas that are now being affected by gas exploration and production.

This latest boom is affecting virtually the entire county. Beginning in earnest in 2000, increases in jobs, income and population to the county can be seen. Pinedale, which saw only moderate growth in the early 1980s has seen significant growth in the past 7 years. With the Pinedale Anticline Production Area (PAPA) virtually on its backdoor, Pinedale is now at the center of growth and change in the county.

Mineral development brings both positive and negative consequences. Increases in jobs and income are usually welcomed, but population increases of a fairly narrow population cohort are often not. So while other counties in Wyoming are struggling to retain young adults, Sublette County has seen a growing number in that age cohort. The problem is that the growth is rapid and uneven, outstripping available services in the community and concentrated in a few sectors (mining—which includes natural gas and construction). Economic diversity is decreased as mining related sectors and issues appear to dominate many aspects of the economy and community. Long-time residents, new amenity home builders/buyers may see a mixed bag from mineral development and the social changes that it brings. Additionally, different groups of people may have different outlooks with regards to the costs and benefits of mineral development. Small business owners, for example, may see increased business and income and therefore find the costs of mineral development acceptable. Yet these same business owners may have difficulty hiring new employees and paying them competitive wages. Amenity seekers may view the same situation differently as the costs involve a change in character of the town and adverse changes in land use, negatively impacting the lifestyle they chose when they moved to the area. Due to the mineral development county and school revenues have increased substantially, but so have the costs.

One thing that appears to be emerging from the data is that there is difference with this boom. The workforce of minerals workers appears to be more transient. That is, more so than in the past, workers have homes in other parts of the country and come to Sublette County to work on a temporary basis. This can be inferred from the numbers of workers that in-commute to Sublette County and to relatively lower numbers of school aged children enrolled in local schools compared to growth in employment.