

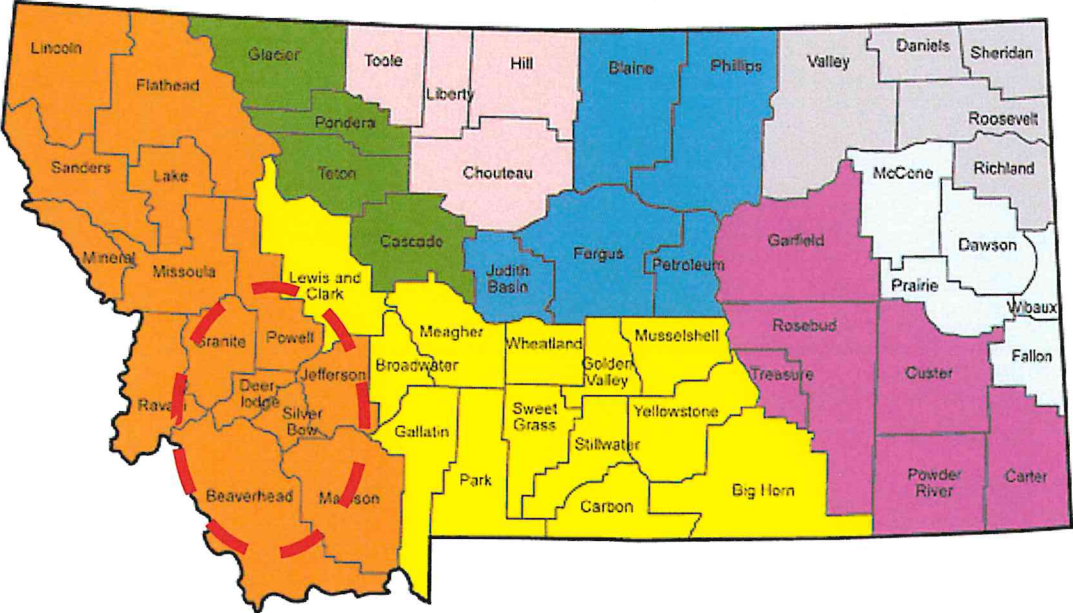
SOUTHWEST MONTANA AND SILVER BOW COUNTY

Recent Performance and Economic Outlook

Our People, Jobs, and Earnings

Economy Review

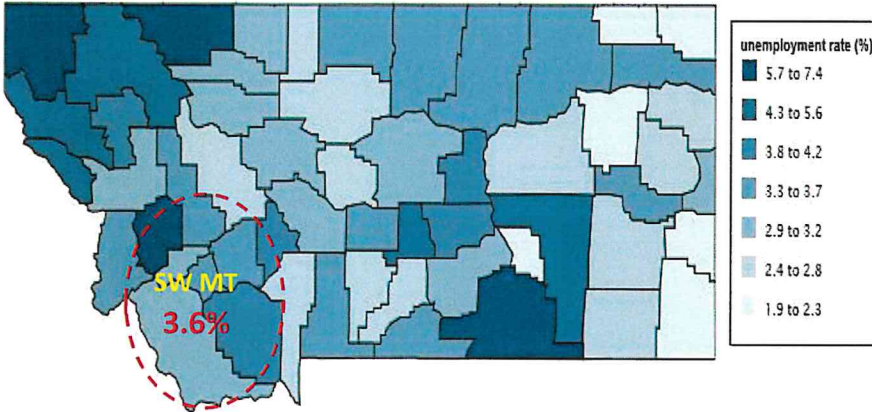
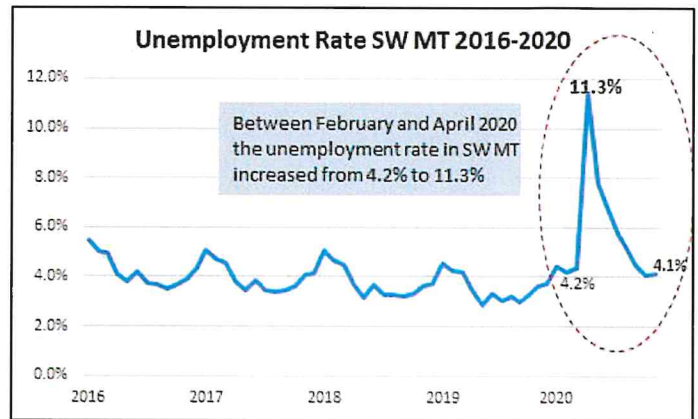
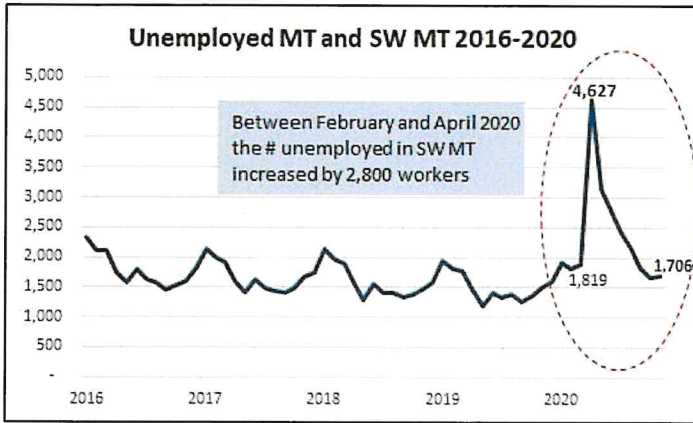
February 2021



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COVID-19 Impact to Jobs – Southwest Montana

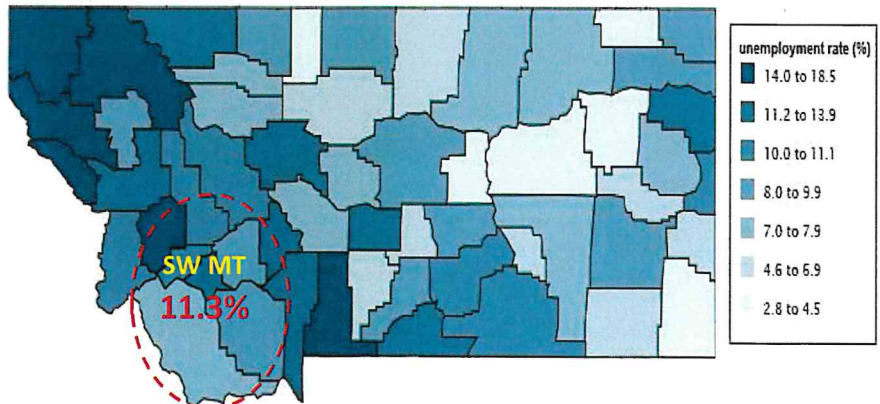
- COVID-19 pandemic shut-downs beginning in late March saw the number of unemployed in SW MT increase from 1,819 in February to 4,627 in April. This was a 154% increase in the number of unemployed in a 2 month time-period. The retail, services and leisure/hospitality industries were hit hardest. Fiscal stimulus in 2020 helped.
- The unemployment rate increased from 4.2% in February to 11.3% in April at its peak. It declined each month since April and ended November at 4.1%. The current 4.1% November unemployment rate is up from the 3.6% rate in November 2019, with 200 more workers unemployed.



In **November 2019**, we were seeing **all-time low** unemployment rates and tight labor markets. SW MT's unemployment rate was **3.6%**, similar to the overall MT average. **Unemployed in SW MT totaled 1,514.**

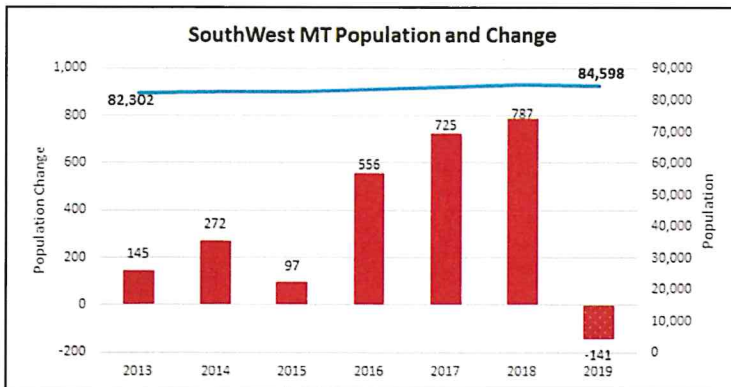


In **April 2020**, we were seeing **all-time high** unemployment rates with COVID-19 shutdowns. SW MT's unemployment rate was **11.3%**, better than the MT average of 11.9%. **Unemployed in SW MT totaled 4,627.**



Population and Demographics – Southwest Montana

U.S. Census Bureau - Quick Facts	SouthWest MT Counties							SW MT	Montana	U.S.
	Beaverhead	Deer Lodge	Granite	Jefferson	Madison	Powell	Silver Bow			
Population										
Population estimates, July 1, 2019 estimate	9,453	9,140	3,379	12,221	8,600	6,890	34,915	84,598	1,068,778	328,239,523
Population, Census, April 1, 2010	9,246	9,298	3,074	11,406	7,691	7,027	34,200	81,942	989,415	308,745,538
Population, percent change - 2010 - 2019 estimate	2.2%	-1.7%	9.9%	7.1%	11.8%	-1.9%	2.1%	3.2%	8.0%	6.3%
Age and Sex										
Persons under 5 years, percent	4.3%	3.5%	3.5%	4.7%	3.5%	4.1%	5.6%	4.7%	5.7%	6.0%
Persons under 18 years, percent	17.4%	13.7%	14.6%	20.4%	15.3%	14.5%	20.2%	18.0%	21.4%	22.3%
Persons 65 years and over, percent	22.3%	24.5%	31.6%	22.2%	29.5%	21.2%	19.5%	22.4%	19.3%	16.5%
Female persons, percent	48.8%	46.4%	48.8%	49.0%	47.4%	37.1%	49.7%	47.8%	49.7%	50.8%
Housing										
Housing units, July 1, 2019	5,363	5,232	2,836	5,119	7,004	3,287	17,466	46,307	519,935	139,684,244
Owner-occupied housing unit rate, 2015-2019	67.8%	67.8%	79.1%	84.3%	77.0%	67.1%	68.9%	72.1%	68.1%	64.0%
Median value of owner-occupied housing units	\$215,400	\$131,300	\$224,000	\$282,700	\$276,500	\$143,100	\$149,800	\$193,230	\$230,600	\$217,500
Families & Living Arrangements										
Households, 2015-2019	3,992	3,903	1,308	4,484	3,570	2,426	14,960	34,643	427,871	120,756,048
Persons per household, 2015-2019	2.22	2.08	2.47	2.60	2.24	2.16	2.24	2.26	2.39	2.62
Computer and Internet Use										
Households with computer, percent, 2015-2019	88.8%	83.7%	83.2%	90.3%	87.5%	88.6%	84.1%	86.0%	88.9%	90.3%
Households with broadband Internet, %	76.0%	74.1%	74.7%	81.1%	73.4%	73.7%	76.3%	76.1%	80.7%	82.7%
Education										
High school grad or higher, % of persons 25 years+	95.1%	91.1%	92.2%	94.3%	95.4%	89.4%	92.5%	92.9%	93.2%	88.0%
Bachelor's degree or higher, % of persons 25 years+	35.4%	20.4%	28.9%	35.0%	31.2%	20.4%	27.2%	28.4%	32.0%	32.1%
Health										
With a disability, under age 65 years, %, 2015-2019	11.8%	17.5%	13.7%	9.6%	8.3%	11.3%	14.6%	13.0%	9.2%	8.6%
Persons without health insurance, under 65 years, %	11.8%	9.6%	13.4%	8.7%	13.4%	10.9%	9.4%	10.2%	10.2%	9.5%
Income & Poverty										
Per-Capita Income - BEA (2019)	\$48,424	\$41,454	\$44,717	\$49,780	\$53,567	\$44,111	\$49,285	\$48,246	\$49,747	\$56,490
% Above/(Below) State Average	-2.7%	-16.7%	-10.1%	0.1%	7.7%	-11.3%	-0.9%	-3.0%	-11.9%	
Persons in poverty, percent 2019	14.5%	15.9%	12.5%	8.0%	9.7%	16.3%	15.3%	13.6%	12.6%	10.5%



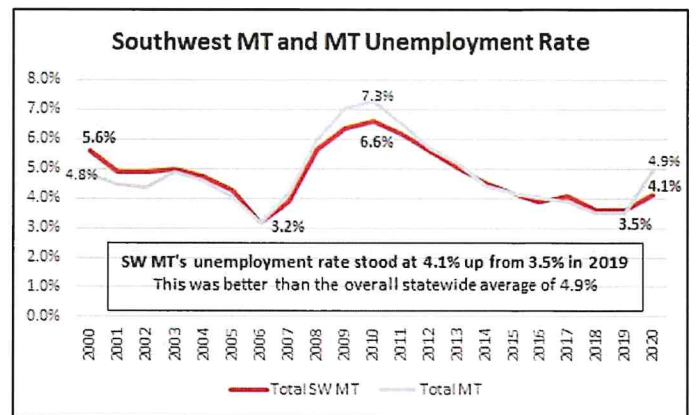
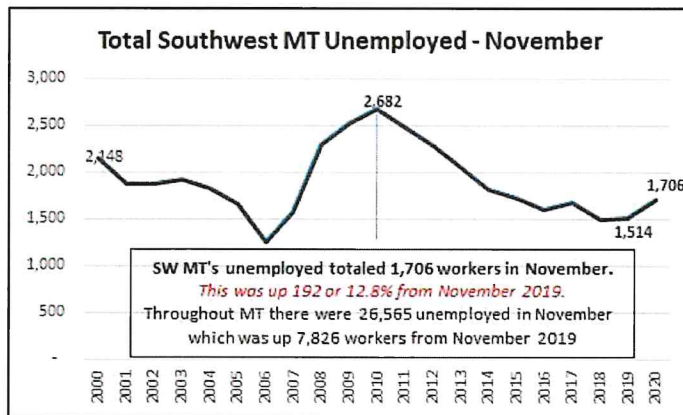
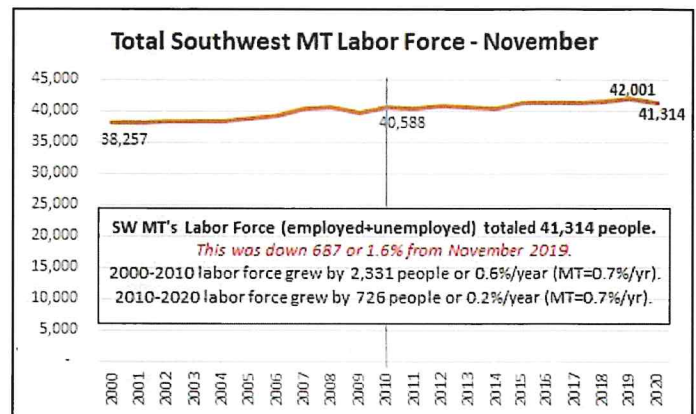
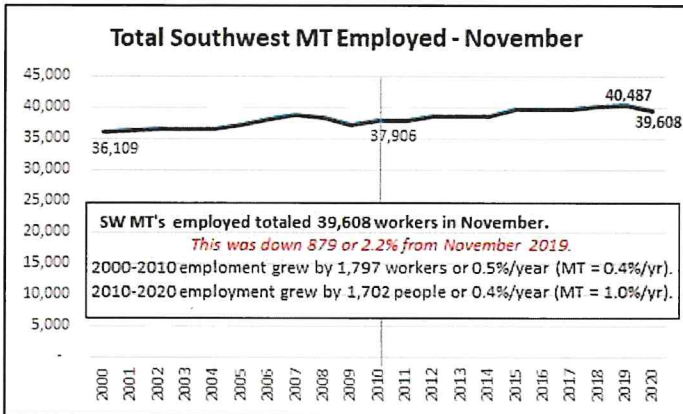
Population and Change					
	2019 Pop	2010-19 %	2010-19 #	2018-19 %	2018-19 #
Silver Bow	34,915	2.1%	715	-0.2%	(78)
Jefferson	12,221	7.1%	815	1.0%	124
Beaverhead	9,453	2.2%	207	0.5%	49
Deer Lodge	9,140	-1.7%	(158)	0.1%	9
Madison	8,600	11.8%	909	-1.9%	(168)
Powell	6,890	-1.9%	(137)	-1.1%	(78)
Granite	3,379	9.7%	300	0.0%	1
SW MT Population	84,598	3.2%	2,651	-0.2%	-141
MT Population	1,062,305	8.0%	79,363	0.6%	6,473

- SW MT's population totaled 84,598 from the 2019 census estimate. The population has increased 3.2% or 2,656 people since 2010. SW MT growth has been slower than the overall statewide increase of 8.0% since 2010.
- Growth in SW MT accelerated between 2016 and 2018, averaging 0.9% increase per year. 2019 saw an estimated decline of 141 people, or -0.2%.
- The median age of the population in 2019 was 44.0 years. SW MT has an older population than the overall statewide average.

Median Age of the Population				County Rank
	2000	2010	2019E	
Granite	42.8	52.1	55.7	1
Madison	43.4	49.8	52.5	9
Deer Lodge	42.3	46.0	49.0	18
Jefferson	40.2	46.2	47.6	23
Powell	39.7	45.1	45.7	29
Beaverhead	37.6	42.0	41.9	39
Silver Bow	38.9	41.3	40.2	44
SW MT	39.8	43.8	44.0	
Montana	37.5	39.8	40.5	9
United States	35.3	37.2	38.4	

Labor Force – Southwest Montana

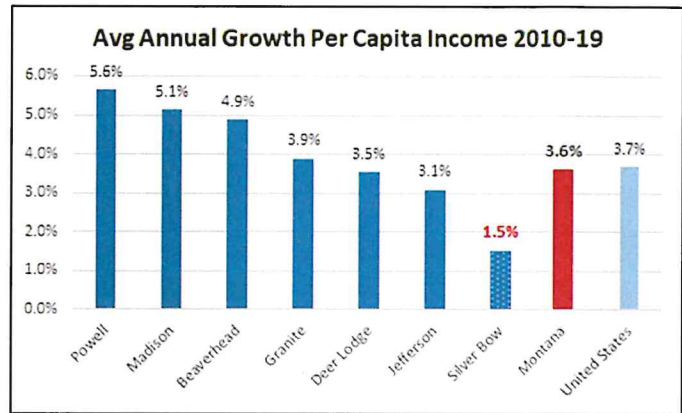
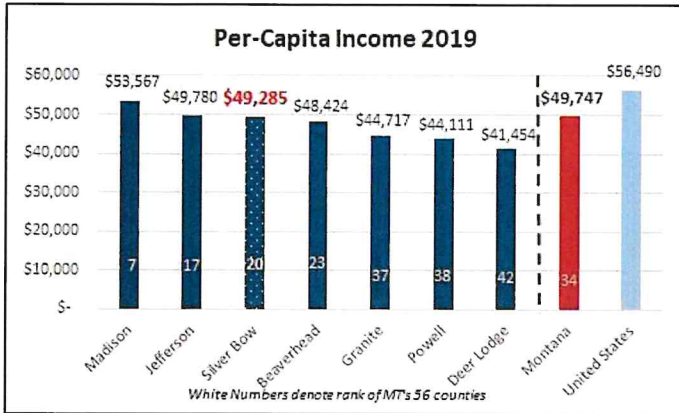
- SW MT's labor force (employed + unemployed) totaled 41,314 workers in November 2020. Silver Bow County accounts for approximately 41% of the SW MT labor force.
- Between 2019 and 2020, SW MT's labor force fell by 687 workers or 1.6% due to a reduction of 879 employed workers or 2.2%, offset by an increase of 192 unemployed workers.
- Employment reductions were seen in all counties with the exception of Beaverhead.
- SW MT's unemployment rate at 4.1% is better than the overall statewide average of 4.9%.



County	November 2020				2019-2020	
	Labor Force	Employed	Unemployed	UE Rate	Emp Chg	% Emp Chg
Beaverhead	5,094	4,935	159	3.1%	10	0.2%
Deer Lodge	4,881	4,695	186	3.8%	-109	-2.3%
Granite	1,544	1,462	82	5.3%	-39	-2.6%
Jefferson	5,650	5,440	210	3.7%	-76	-1.4%
Madison	4,369	4,177	192	4.4%	-64	-1.5%
Powell	2,895	2,804	91	3.1%	-126	-4.3%
Silver Bow	16,881	16,095	786	4.7%	-475	-2.9%
SW MT	41,314	39,608	1,706	4.1%	(879)	-2.2%
Montana	537,406	510,841	26,565	4.9%	(6,243)	-1.2%

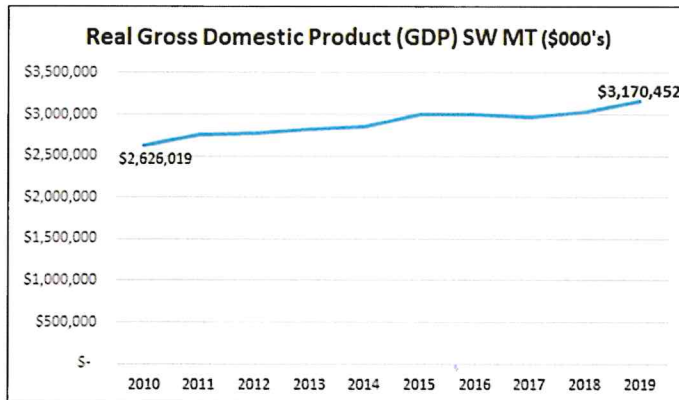
Income and Production – Southwest Montana

Per-Capita Income - BEA



- Per-Capita Income averaged \$49,747 in MT in 2019. This was approximately 12% below the U.S average. MT ranked 34th of the 50 states in terms of per-capita income.
- Madison County had SW MT's highest per-capita income at \$53,567 and ranked 7th highest in MT. Silver Bow at \$49,285 was similar to the statewide average and ranked 20th of MT's 56 counties. Granite, Powell, and Deer Lodge counties fell well below the overall statewide average.
- Between 2010 and 2019, Powell grew an average of 5.6% per year the fastest in SW MT. Silver Bow grew an average of 1.5% per year which was the slowest growth in SW MT.

Real Gross Domestic Product - BEA

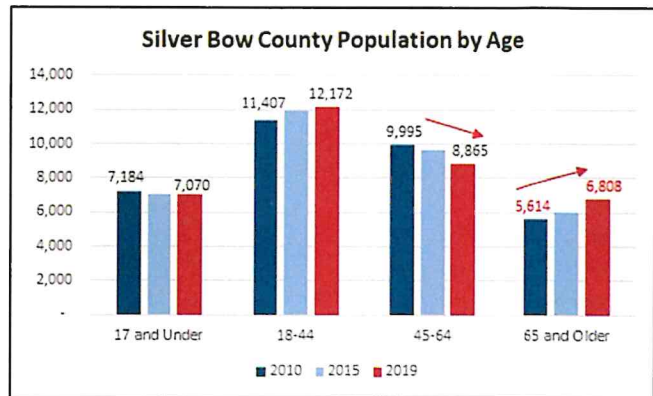
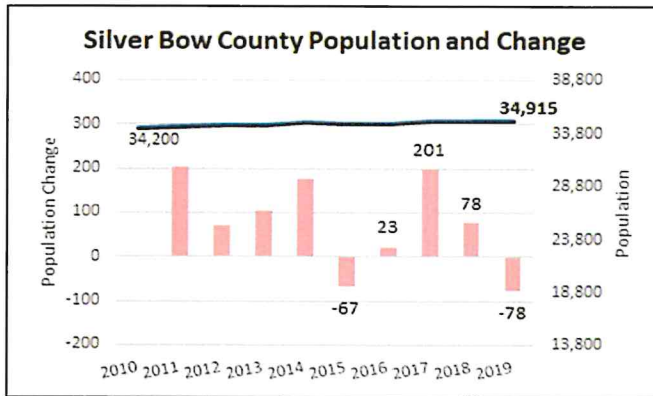


	Real GDP - Dollars in Thousands (BEA)		2010-19	2019
	2010	2019	Ann Growth	GDP/Person
Granite	66,307	92,319	3.7%	\$ 27,321
Powell	179,326	223,885	2.5%	\$ 32,494
Deer Lodge	224,026	258,034	1.6%	\$ 28,231
Jefferson	237,701	264,319	1.2%	\$ 21,628
Beaverhead	294,080	450,242	4.7%	\$ 47,630
Madison	279,879	454,009	5.4%	\$ 52,792
Silver Bow	1,344,700	1,427,644	0.7%	\$ 40,889
SW MT	2,626,019	3,170,452	2.1%	\$ 37,477
Montana	40,595,054	47,916,340	1.8%	\$ 44,833

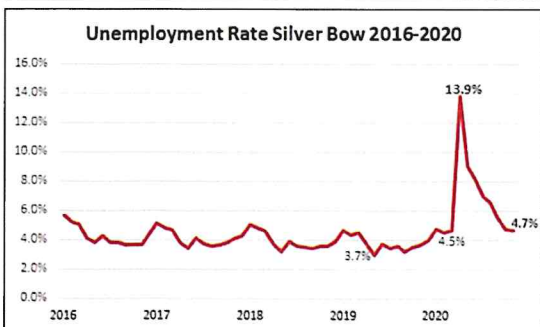
- Real GDP, which measures final goods and services produced and spending totaled \$3.17 billion in SW MT in 2019. This was an increase of 2.1% per year on average since 2010, and exceeded the statewide annual average increase of 1.8% per year. Madison and Beaverhead counties showed the fastest SW MT counties increase in production since 2010 at 5.4% and 4.7% per year respectively.
- Production and spending in Silver Bow County totaled \$1.43 billion in 2019, which accounted for approximately 45% of the overall SW MT total. Growth since 2010 in Silver Bow County was the slowest of the 7 counties, averaging 0.7% per year.

Silver Bow County Snap-Shot

- Silver Bow County had a 2019 census estimated population of nearly 34,915 people, and is the 8th largest of MT's 56 counties. Since 2010, SBC's population increased 715 people or 2.1%, which ranked 28th of MT's 56 counties. MT's population increased 79,363 people or 8.0% since 2010 and was the 16th fastest growing state.
- Between 2010 and 2019, the growth in SBC population occurred in those 65 years and older (+1,194 people or 21.3% increase), and those 18-44 (+765 people or 6.7% increase), offset by those age 45-64 (-1,130 or -11.3%), and those under age 17 (-114 people or -1.6%).



- Silver Bow Counties total employed peaked in 2007 prior to the Great Recession at 16,954 workers. By 2011, employment had fallen 1,052 to 15,902 workers. Between 2011 and 2019 employment grew an average of 0.5% per year, adding 668 workers and ending 2019 at 16,570. With COVID impacting 2020, the number employed in November was 16,095, which was down 475 workers from the November 2019 level. Very slow but steady growth had been occurring in Silver Bow County.
- In terms of private covered employment by industry, in 2020 Silver Bow County saw a reduction of 408 workers between 2019 and 2020. The majority of the job losses were in the accommodation and food services industry, and the retail trade industry.



	2019	2020	2019-20	Average Annual Wage
Agriculture, Forestry, Fishing and Hunting	25	23	(2)	\$ 33,768
Mining, Quarrying, and Oil and Gas Extraction	272	270	(2)	\$ 89,320
Utilities	579	575	(4)	\$ 90,160
Construction	540	555	15	\$ 53,312
Manufacturing	695	689	(6)	\$ 58,072
Wholesale Trade	380	385	5	\$ 51,520
Retail Trade	1,916	1,766	(150) -7.8%	\$ 36,288
Transportation and Warehousing	414	424	10	\$ 59,136
Information	99	103	4	\$ 46,480
Finance and Insurance	320	305	(15)	\$ 58,968
Real Estate and Rental and Leasing	160	162	2	\$ 38,192
Professional and Technical Services	590	577	(13)	\$ 72,240
Management of Companies and Enterprises	238	241	3	\$ 78,904
Administrative and Waste Services	450	454	4	\$ 32,704
Educational Services	96	98	2	\$ 22,568
Health Care and Social Assistance	2,730	2,756	26	\$ 47,600
Arts, Entertainment, and Recreation	240	256	16	\$ 19,824
Accommodation and Food Services	2,044	1,754	(290) -14.2%	\$ 18,536
Other Services, Except Public Administration	440	427	(13)	\$ 31,416
Other	153	153	-	\$ 43,884
Total Covered Private Employment	12,381	11,973	(408) -3.3%	\$ 45,416

Discussion and Outlook

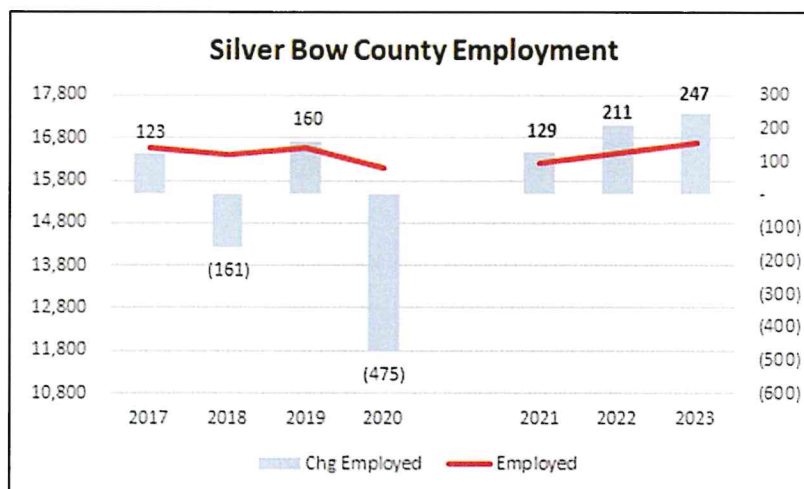
- 2020 was a year that impacted everyone, changed how many do business, and negatively impacted the overall economy. Continued short-term drag as vaccine roll-out continues is anticipated through the first half of 2021. Continued improvement in the second half of 2021, followed by stronger growth in 2022 and 2023 is anticipated.
- Employment is anticipated to grow 0.8% in 2021, 1.3% in 2022, and 1.5% in 2023. By 2023 the unemployment rate is anticipated to be less than 4%.
- The housing market in Silver Bow County, as with other areas of the state, has become tight. Between 2019 and 2020 prices increased 14% and sales volume increased 9%. The current average list price as of December 2020 was \$220,000.
 - 2019 285 homes sold with an average sales price of \$177,000
 - 2020 313 homes sold with an average sales price of \$205,000

Drivers Going Forward Silver Bow County:

1. Cryptowatt Bitcoin ramping back up after shut-down in 2020
2. Wausau is opening a new distribution center in Montana Connections Business Park
3. Murdoch's is opening a new distribution center in the Montana Connections Business Park
4. Nova Health new urgent care center on Harrison Avenue
5. St. James new medical offices just off Harrison Avenue
6. Rocky Mountain Eye Care new surgery center off Elizabeth Warren
7. Completion of the SW MT Veterans home and Veteran's clinic
8. Praxis development in uptown Butte continues to move forward
9. New residential sub division, uptown investments, and construction
9. Stability from major employers NWE, St. James, Town Pump, MT Tech, MRI, REC, CCCS
10. Additional fiscal stimulus in 2021, continuing low interest rates and inflation

Other Areas:

1. New \$10M hotel and convention center in Anaconda
2. Looking at feasibility of meat processing facility in Whitehall
3. Sun Mountain Lumber in Deer Lodge is ramping up



Data Sources: MT Dept. Labor and Industry; U.S. Bureau Labor Statistics; U.S. Census Bureau; U.S. Department of Commerce - Bureau of Economic Analysis