

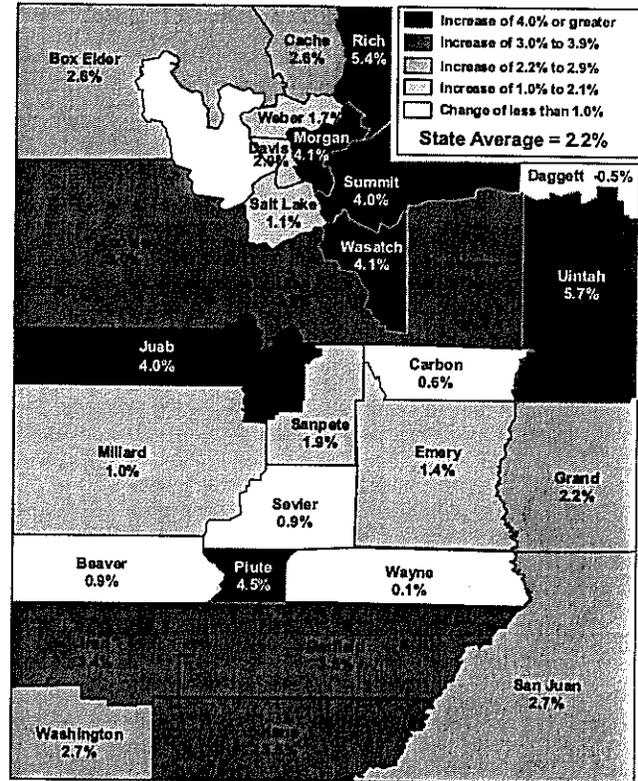
**EXHIBIT DTG-5: 2009 Economic Report to the Governor (Excerpts Summary)**



## Demographics

- Population**—The State's official July 1, 2008 population was estimated to be 2.76 million, an increase of 2.2% or 58,225 people from 2007. This is lower than the growth Utah experienced in 2007. Utah's unique characteristics of a high fertility rate and low mortality rate consistently contribute to strong natural increase, the difference between births and deaths. In 2008, record births of 55,357 led to a record natural increase of 41,577. This natural increase accounted for about 71% of total population growth.
- Rate of Growth**—According to the U.S. Census Bureau, Utah ranked first among states with a population growth rate of 2.5% from 2007 to 2008. The U.S. rate of growth was 0.9%.
- Median Age**—Utah ranked as the youngest state in the nation with a 2007 median age of 28.5, compared to the national average of 36.6.
- Long-Term Projections**—The State's population is projected to be 2.9 million in 2010, 3.6 million in 2020, 4.4 million in 2030, 5.2 million in 2040, 6.0 million in 2050, and reach 6.8 million in 2060. The growth rate, which will exceed that of the nation, will be sustained by a rapid rate of natural increase.

Population Growth Rates: 2007-2008



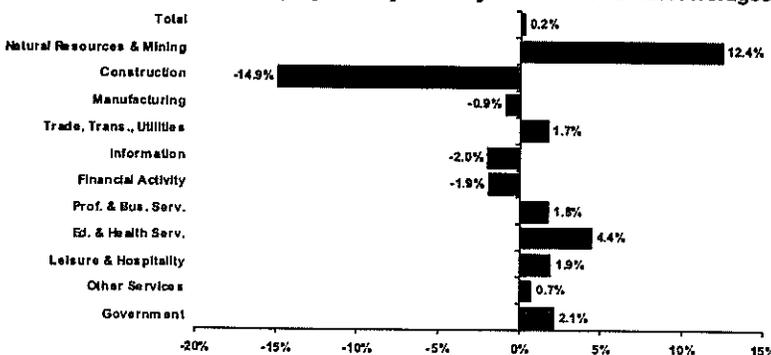
Source: Utah Population Estimates Committee

2008 Utah Population Estimate	2,757,779
2007-2008 Percent Change	2.2%
2008 Net Migration	16,648
2008 Natural Increase	41,577
2008 Fiscal Year Births	55,357
2008 Fiscal Year Deaths	13,780

## Employment and Wages

- Job Growth**—Job growth rebounded from 0.0% in 2003 to 2.8% in 2004, 4.0% in 2005, and peaked at 4.8% in 2006. The 2007 job growth rate was estimated at 4.0% and was estimated to flatten to 0.2% in 2008.
- Industry Focus**—Natural resources and mining and education and health services experienced job growth much higher than the state average of 0.2%. Seven other sectors experienced positive job growth from 2007 to 2008. Construction experienced the largest decline of 14.9%.
- Unemployment**—Utah's 2008 unemployment rate was 3.7%, up from 2.7% in 2007. In 2008, there were an average 52,148 unemployed Utahns.
- Average Wage**—In 2008, Utah's average annual nonagricultural wage was \$37,563, an increase of 2.8% from 2007.

Percent Change in Utah Employment by Industry: 2007-2008 Annual Averages



<b>Total Nonagricultural Employment (2008e)</b>	1,253,900
Increase (2007-2008)	2,618
Percent Change (2007-2008)	0.2%
Unemployment (2008)	3.7%
<b>Total Nonagricultural Wages (2008e)</b>	\$47.1 billion
Percent Change (2007-2008)	3.0%
<b>Average Annual Wage (2008e)</b>	\$37,563
Percent Change (2007-2008)	2.8%
<b>Total Personal Income (2008e)</b>	\$83.2 billion
Percent Change (2007-2008)	4.5%
<b>Per Capita Personal Income (2008e)</b>	\$31,425
Percent Change (2007-2008)	4.4%

Note: e=estimate

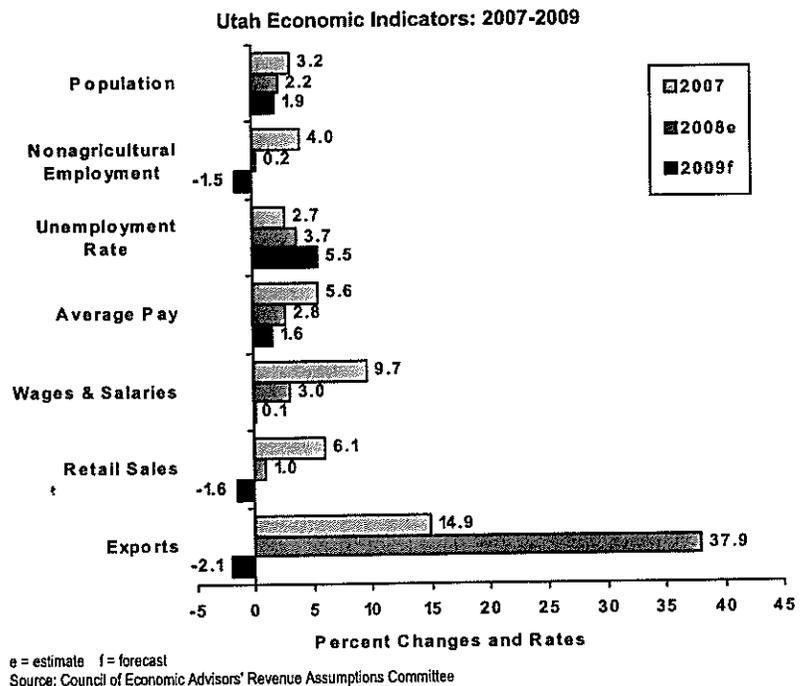
Source: Department of Workforce Services

## Industry Focus

- Construction**—The value of permit authorized construction in Utah in 2008 was \$4.8 billion, the lowest value since 2003. In the past twelve months, the value of permit authorized construction has fallen 31.4% from \$7.0 billion. In inflation-adjusted dollars, the value of permit authorized construction is at the lowest level since 1993. This sharp decline in value has been led by the severe contraction in residential construction, which has fallen from \$4.0 billion in 2007 to \$2.0 billion in 2008, a 50.0% decline. In terms of units, residential construction has dropped from 20,500 units in 2007 to 11,000 units in 2008, a decline of 46.4%.
- Tourism**—Utah's travel and tourism sector saw improvements in leading indicators in 2008. Each of the five major tourism sectors experienced gains. For the fifth consecutive year, the Utah ski industry enjoyed a record-breaking number of skier visits. The outlook for 2009 is cautiously optimistic for the second half of the year, as it is expected that business and leisure travel should increase. There are still concerns about the housing crisis, stock market decline, transportation weakness, and financial instability.
- Exports**—Utah's exports increased 37.9%, from \$7.8 billion in 2007 to an estimated \$10.8 billion in 2008. Final processing in Utah of gold ore mined out of state appears to account for approximately 41.5% of Utah exports. Exports of computers and electronics have increased significantly over the past few quarters. However, with the global economic downturn, Utah's exports should decline 2.1% during 2009.
- Energy and Minerals**—In 2008, the estimated value of energy and mineral production in Utah was a record \$9.4 billion, about \$1.8 billion more than the record high of \$7.6 billion in 2006. The 2008 value is mostly due to increased precious metal and industrial mineral values and increased crude oil and natural gas prices and production. The decline of oil, gas, and nonfuel mineral prices that began in mid-2008 will have a significant negative impact on total mineral values in 2009.
- Agriculture**—With the general downturn in the economy, agriculture is not expected to experience as severe of a decline in economic activity. Some sectors such as dairy are experiencing decline in profitability and others such as grain producers are experiencing growth. Total cash receipts totaled \$1.3 billion in 2007, \$950.8 million from livestock and \$338.9 million from crops.

## Major Findings

- Overview of the Economy**—Utah's economy slowed during 2008 and is expected to weaken in 2009. Employment growth fell from 4.0% in 2007 to 0.2% in 2008 and is forecast to contract 1.5% during 2009. Further, the unemployment rate was a post-World War II low of 2.7% in 2007; it rose to 3.7% in 2008 and is expected to rise to 5.5% in 2009. Construction was the hardest hit sector in 2008, with an employment decline of 14.9%, and is forecast to have an additional employment decline of 16.6% in 2009.
- Education**—In 2008, there were an estimated 551,013 students in Utah's public education system, a 2.5% increase over 2007. Enrollment in 2008 increased by 13,360 students. These students are becoming increasingly diverse and score respectably with their national peers. Utah System of Higher Education enrollment for 2008 was 152,228, a large increase from 2007 when enrollment was 140,397.
- Mountain States**—Comparing October 2007 with October 2008, mountain state employment declined 0.6%, slightly less than national decline of 0.9%. Half of the mountain states experienced negative employment change during this period, with only Wyoming, Montana, Colorado, and New Mexico experiencing positive annual percent changes.



## Rankings

Demographic	State Rank	Value	Year	Economic	State Rank	Value	Year
Population Growth Rate	1st	2.5%	2007-2008	Rate of Job Growth	21st	0.0%	Oct. 2008
Fertility Rate	1st	2.47	2005	Unemployment Rate	4th	3.5%	Oct. 2008
Life Expectancy	3rd	78.6 years	2000	Urban Status	9th	88.3%	2000
Median Age	1st	28.5 years	2007	Median Household Income	12th	\$55,974	2005-2007
Household Size	1st	3.11 persons	2007	Average Annual Pay	35th	\$37,054	2007
<b>Social Indicators</b>				Per Capita Personal Income	49th	\$30,090	2007
Violent Crime	6th	234.8 per 100,000 people	2007				
Poverty Rate	9th	9.7%	2007				
Educational Attainment	6th	90.2% of persons 25+ w/ high school degree	2007				

Notes: 1. Rankings are based on the most current national data available for all states, and may differ from other data.  
2. Rank is most favorable to least favorable.