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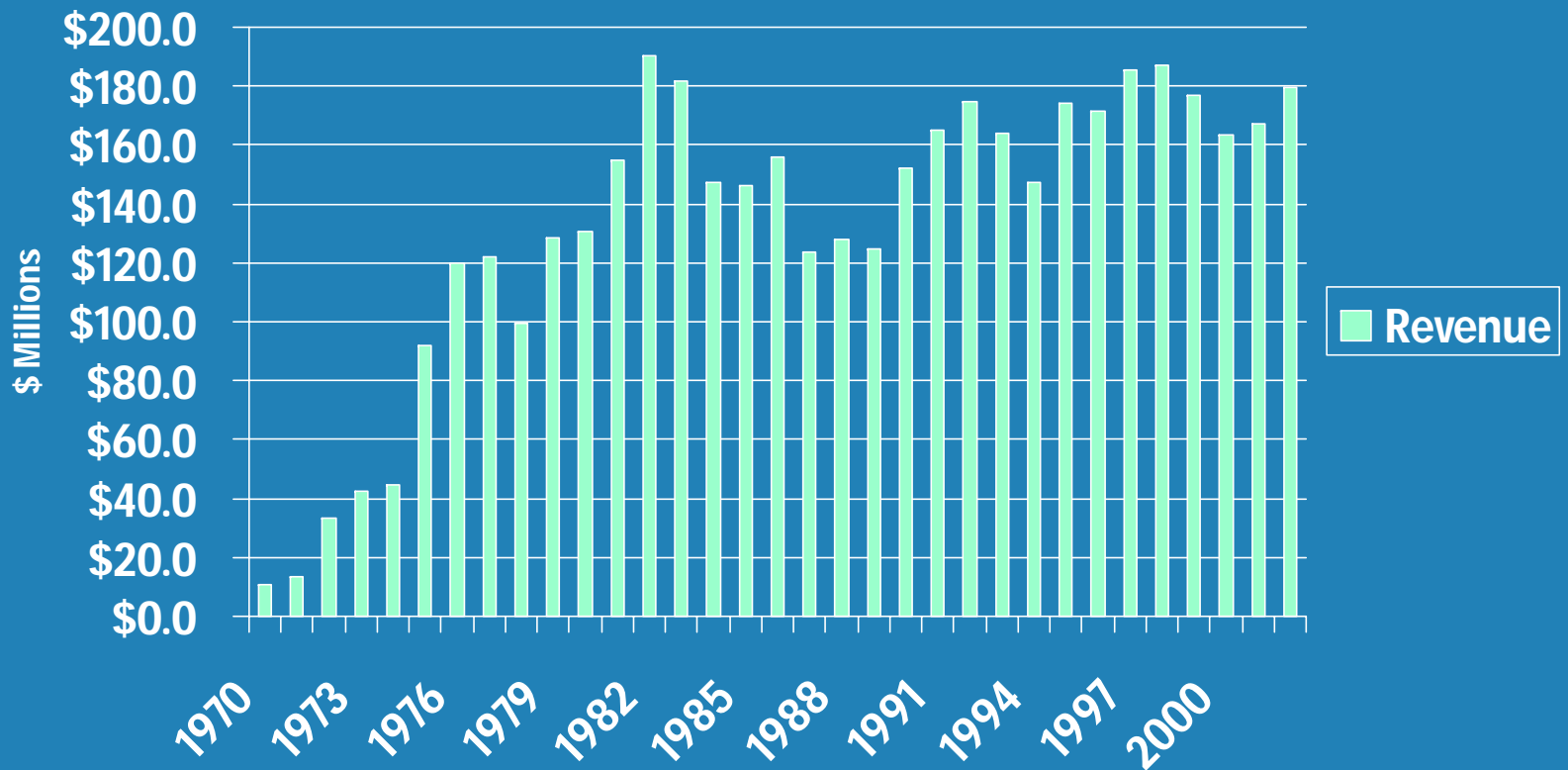
Presented by Mark Muchow, at the West Virginia Energy Infrastructure Workshop on July 22, 2004 at Clarion Conference Center in Shepherdstown, WV. This meeting was a part of the Energy Roadmap Workshop Series commissioned by West Virginia Governor Bob Wise.



Fiscal Impact of Coal Industry

**Energy Roadmap Workshop
Shepherdstown, West Virginia
July 22, 2004**

Coal Severance Tax Revenue



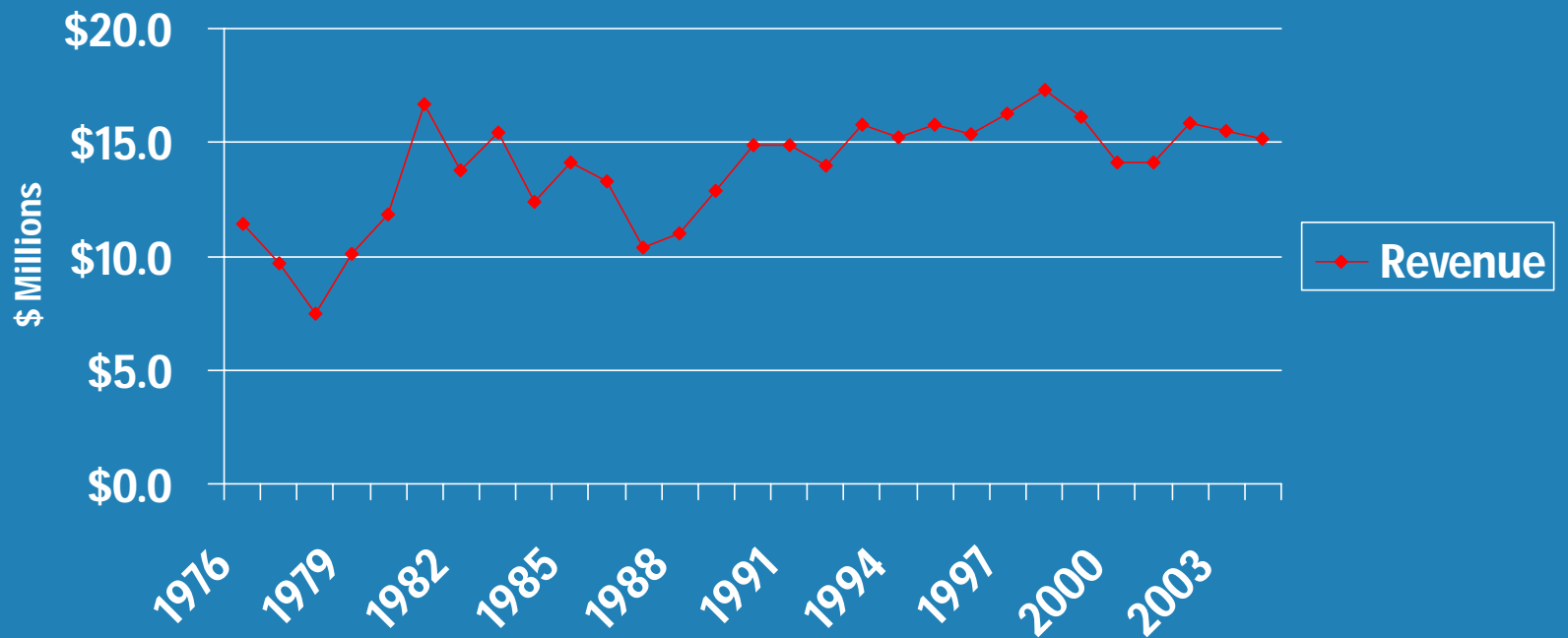
Eastern Panhandle Benefits

Coal Severance Tax Expenditures

- ∞ Local Finance: \$250,000-\$300,000
- ∞ General Revenue: \$145.0 million – 5.0%+
- ∞ Infrastructure: \$ 21.5 million

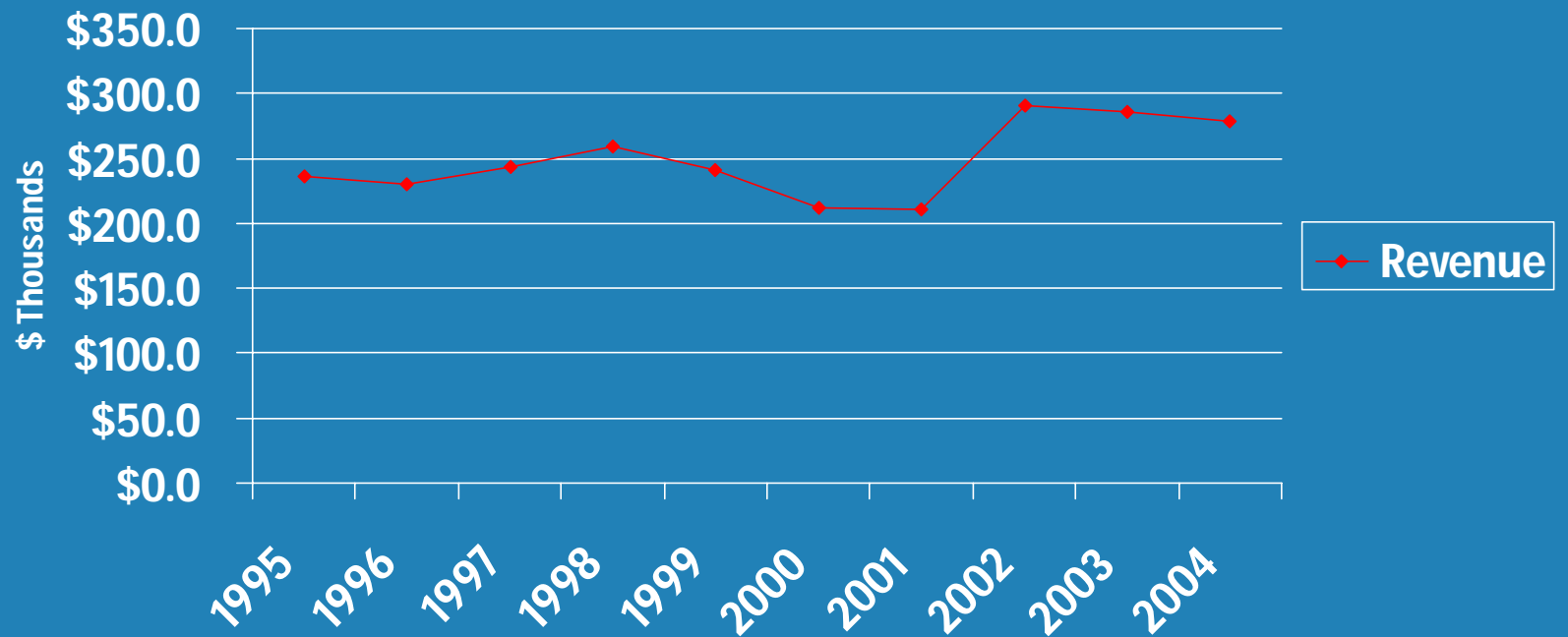
Local Coal Severance Tax

All WV Counties & Municipalities



Local Tax-Eastern Panhandle

Berkeley, Jefferson & Morgan Counties



Local Government Revenue-FY04

Ω **Berkeley County:** \$127,097

- **Martinsburg:** \$ 31,352

Ω **Jefferson County:** \$ 71,570

- **Charles Town:** \$ 6,087

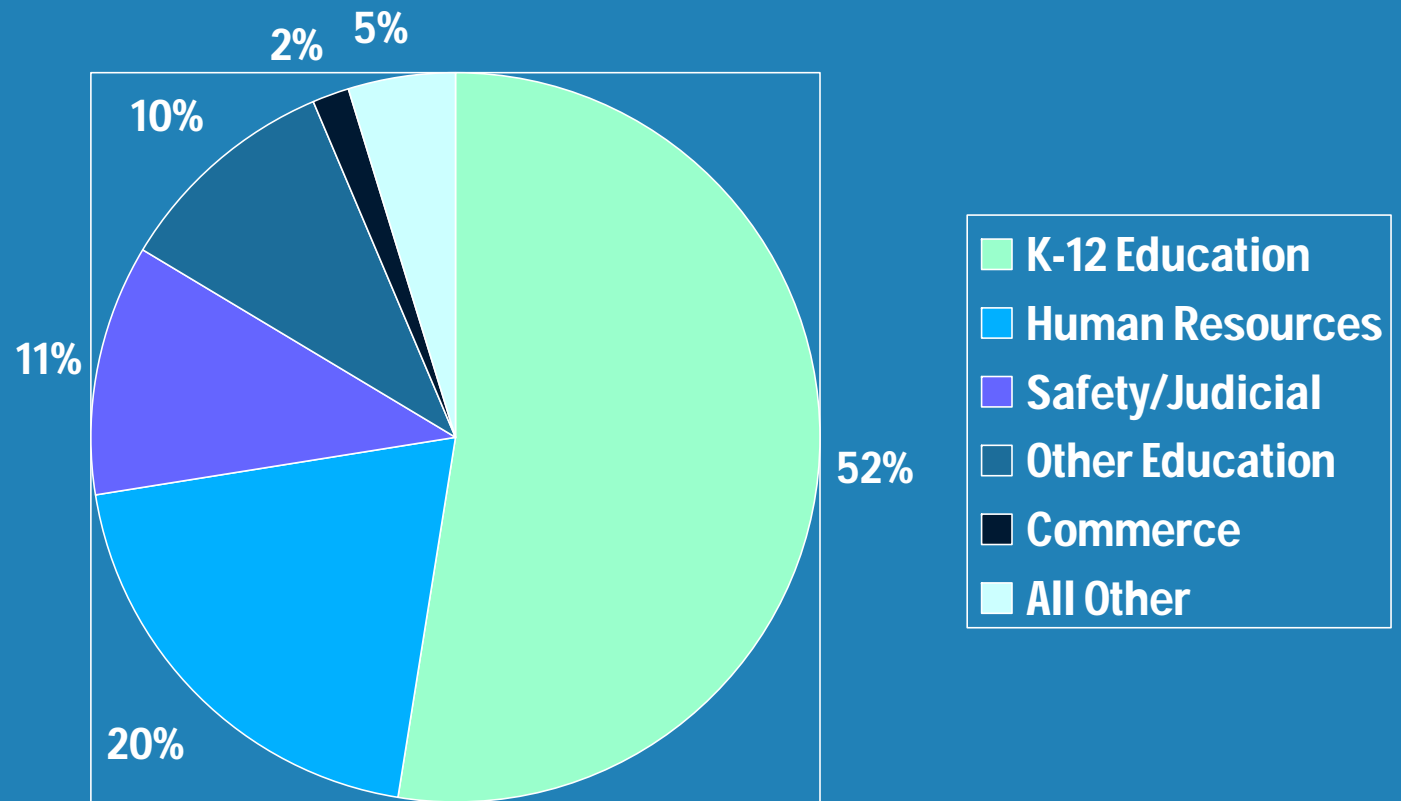
- **Ranson:** \$ 6,179

- **Shepherdstown:** \$ 1,681

Ω **Morgan County:** \$ 28,806

Coal Severance Tax Benefits GRF

FY2005 General Revenue Fund Appropriations





Coal Funds Infrastructure Bonds

- Ω **\$300 million bond issue : Water & Sewer Projects 80% & Economic Development 20%**
- Ω **Finance Source: \$24 million in annual severance tax collections – 90% coal**
- Ω **\$216 million between FY1996 and FY2005**



Eastern Panhandle Infrastructure

Bond Funds & Other Matching Funds

∞ \$135.3 million – water & sewer projects

∞ \$7.6 million - economic development

∞ \$4.5 million in pending projects