



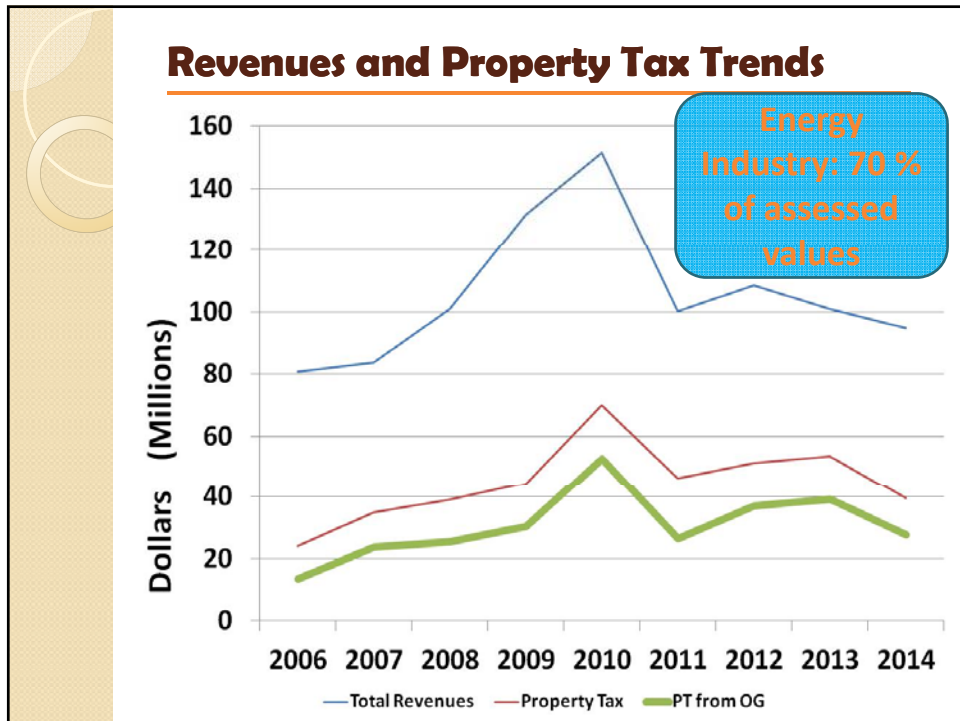
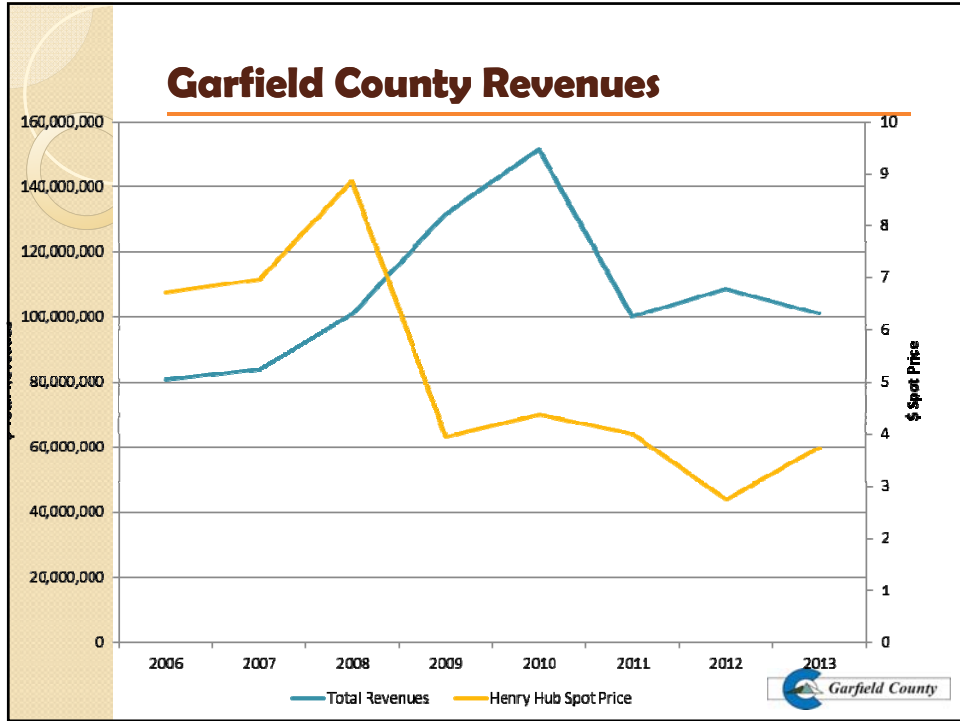
• **The ENERGY INDUSTRY and the Garfield County, Colorado ECONOMY**

Working with oil and gas operators in Western Colorado

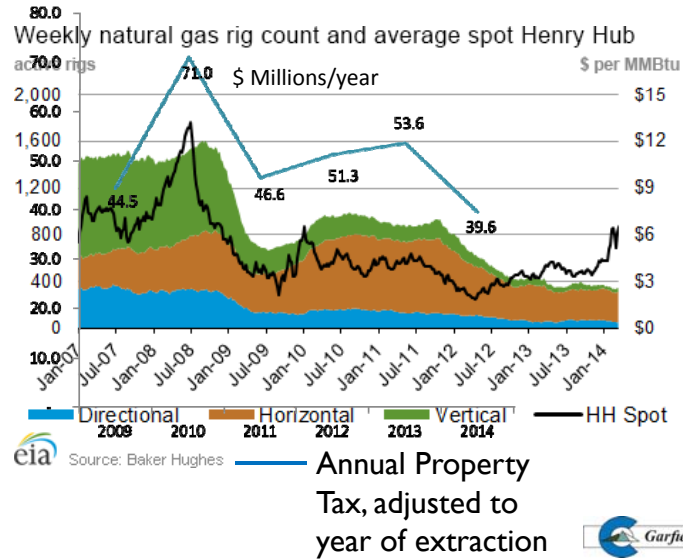


- **Kirby Wynn, Oil and Gas Liaison**
- Assisted by **Ann Driggers**, Finance Director, and **Jim Yellico**, Assessor, Garfield County





HH Spot Price, #Drilling Rigs, Garco PT



Importance of gas production to revenues

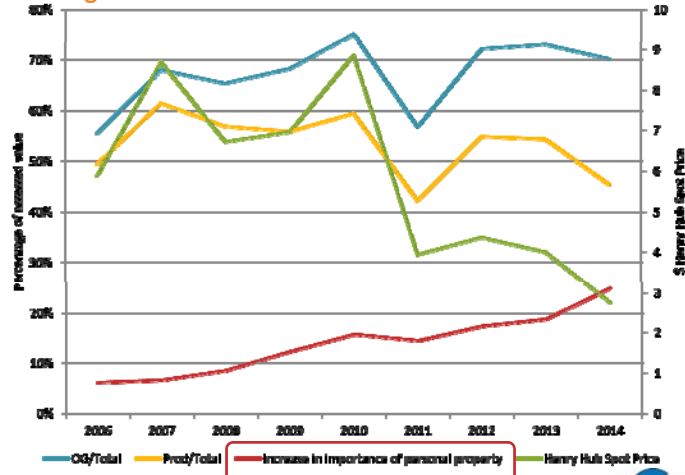
Revenues	Total Revenue %	Budget 2014
Total	100%	\$101,193,908
Property tax	39%	\$39,600,163
O&G personal & production tax	27%	\$27,720,114
O&G production tax	18%	\$18,018,074

27% of all Garfield County revenues are derived from property taxes on oil and gas industry

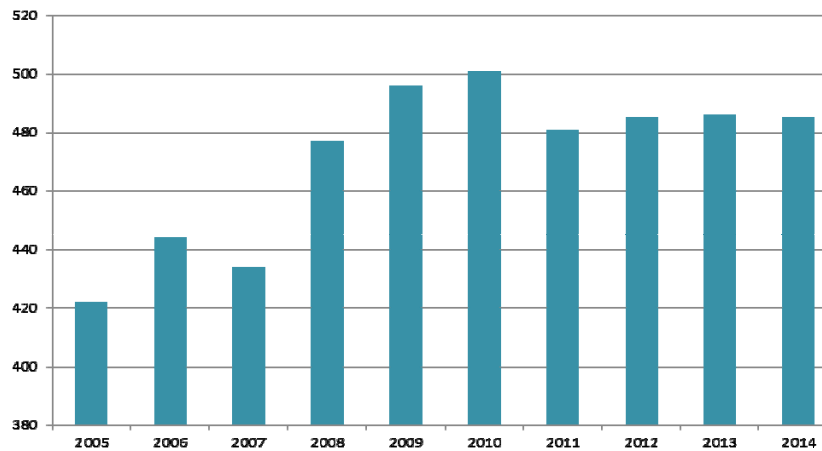
18% of all Garfield County revenues are derived from property taxes on oil and gas production

Importance of Production has Decreased

Personal Property tax, as a percentage of the total property tax derived from Oil and Gas, is increasingly important as the price of natural gas decreases



Garfield County Employee Headcount



Increased Service Demands/Costs

New programs to address socioeconomic and other impacts

- Environmental and health impact monitoring and assessments
- Community education and outreach
- Expanded human services and public safety
- New construction of County buildings/facilities



Increased Service Demands/Costs

- Human Services, Road and Bridge maintenance and construction, public safety, and general government such as Clerk & Recorder
- Demand/Costs uniquely tied to energy industry hard to quantify as overall economy growing at same time... But no doubt energy industry played a huge part



Working with Industry to Address New Service Demands/Costs

- Relationship building is the first step
 - Energy Advisory Board
 - Open communications
 - Social license to operate
 - Voluntary compliance for preferred haul routes
- Informal agreements to share costs
 - \$20MM industry funding for county road upgrade
 - Continuous funding/material influx to maintain roads
 - Industry support for public safety programs



Positive Net Fiscal impacts (So far so good...)

- Retired all County debt
- Purchased or built many new facilities
- Own all facilities/buildings
- Provide **more** services with no tax increase
- Large fund balance



Net Fiscal Impacts

