

Section I – INTRODUCTION

Economic and Demographic Profile

Location

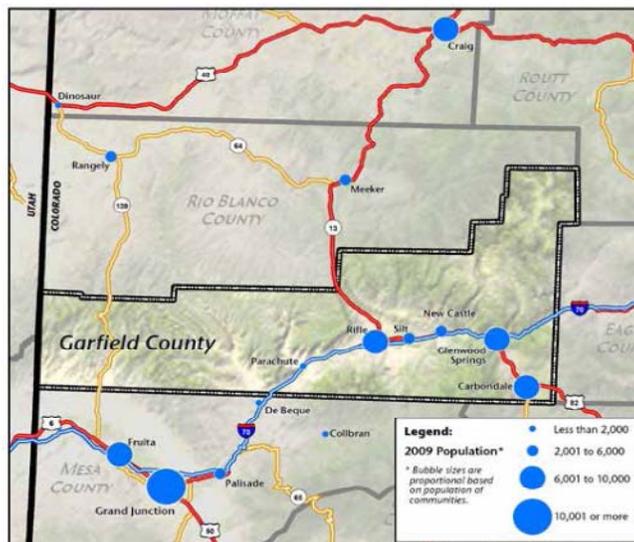
Garfield County is one of the largest counties in Colorado, incorporating nearly 3,000 square miles on the western boundary of the state. The County is situated approximately 150 miles west of Denver and 330 miles southeast of Salt Lake City, Utah. The County is bisected by a 60 mile stretch of I-70, which parallels the Colorado River.

Garfield County, I-70 and the Three-State Rocky Mountain Region



The western portion of the county is a sparsely populated, high desert plateau, while the eastern portion includes the western foothills of the Colorado Rocky Mountains and most of the county's 56,000 residents. Garfield County covers 2,958 square miles or 1,893,120 acres. About sixty percent of all Garfield County lands are federally owned – 1) Bureau of Land Management, 615,973 acres, 2) U.S. Forest Service, 515,865 acres and 3) Bureau of Reclamation, 2,335 acres. There are six towns and cities within Garfield County. They are, in order of incorporation, Glenwood Springs, Carbondale, New Castle, Rifle, Parachute and Silt.

Garfield County, Incorporated Municipalities and the Northwest Colorado Region



Garfield County and its neighbors; Rio Blanco County to the north; Mesa County to the south; and Pitkin County to the southeast, form an integrated economic region. Mesa, Rio Blanco and Garfield counties share a common reliance on natural resource extraction, tourism and ranching. Rio Blanco County is the least populated county in the region, but has considerable natural resource wealth and future development potential. Mesa County's Grand Junction, the largest community in the region, is a shopping, health care and services destination for many residents of western Colorado, as well as for multiple Utah communities to the west.

Pitkin County, and the resort towns of Aspen and Snowmass Village, adjoins Garfield County on its southeastern boundary. During the winter, the only automobile access to these resorts is through the communities of Glenwood Springs and Carbondale along Highway 82 and through the Roaring Fork Valley. As a result, many residents who work in Pitkin County reside in Garfield County.

Glenwood Springs, the largest community in Garfield County, serves as a shopping and service center for a broad regional area. Glenwood Springs garners a significant share of its retail and commercial services from Pitkin County generated demand, and also attracts business from Eagle County to the east, which includes the towns of Eagle and Gypsum. The town of Rifle, about 25 miles west of Glenwood Springs, has grown rapidly in recent years, largely in association with the area's natural gas industry. Rifle is emerging as a second County retail center.

History

Garfield County was founded on February 10, 1883, eight years after Colorado statehood, and named in honor of President James A. Garfield, who was assassinated two years before County formation.

The oldest known human habitation in Garfield County was on Battlement Mesa where an Indian pit house was discovered that dates back approximately 3,000 years. Along the Colorado River and especially along the Roaring Fork River, was the land of the Tabogauche Utes who enjoyed 7,000 square miles of prime hunting ground and the healing waters of the Glenwood Hot Springs. The first white men who visited Garfield County were two Spanish Franciscan Friars, Silvestre Escalante and Francisco Dominguez who came to Colorado in 1776. The top three nationalities that settled in Garfield County were German, Irish and English.

Prospectors from Leadville had reported carbonate deposits in the area as early as 1870. Several parties entered the territory and built Fort Defiance, 3 ½ miles east of the Vapor Caves. Another camp was made on the Flat Tops and named Carbonate City, which later became the first county seat of Garfield County. Carbonate City is now an abandoned mining camp. In August of 1883 by resolution of the County Commissioners Glenwood Springs was named as the county seat. The first election was held on November 6, 1883.

Glenwood Springs, originally called Defiance, is at the confluence of the Roaring Fork and Colorado rivers. In 1887, the Denver and Rio Grande Railroad extended tracks through Glenwood Canyon and into Glenwood Springs, serving Aspen and surrounding mining towns and connecting Garfield County with Denver and points east. Railroad service remains an important economic support of the local economy.

The Glenwood Hot Springs Pool was constructed 1887 and remains a nationally recognized spa and recreation center. The hot springs and pool have been a major visitor attraction for over 120 years. The White River National Forest, which is home to seven of the nation's largest and most recognized ski resorts, was formally instituted 1905 and continues to be a major force influencing the local economy and defining urbanization patterns.

Glenwood Hot Springs Pool



Source: Google Images

Garfield County, particularly the area between Rifle and Parachute, has many producing natural gas wells and large shale gas deposits. Emerging natural gas production technologies, coupled with rising gas prices, produced a notable energy boom between 2002 and 2008 and natural gas production continues to be a major contributor of the Garfield County economy.

Tourism has long been a staple of the Garfield County economy, including the hot springs attractions in Glenwood Springs, overnight accommodations associated with I-70 and a strong hunting and fishing services industry. In recent years, the tourism/second home industry in nearby Pitkin and Eagle counties stimulated significant construction and services employment and residential housing development in Garfield County, particularly in the Carbondale and Glenwood Springs area. Over the past decade, increasing numbers of retirees have relocated to the area for its relatively mild climate, quality of life, recreation opportunities and expansive open space.

Today, the foundations of Garfield County's economy remain very similar to the economic foundations that shaped this area well over 100 years ago: natural resource development, agriculture, regional services and tourism. The County is notable for its concentration of population and urban development in the area's two major river valleys and the counter balancing large expanses of public lands and lightly populated arid plateaus in the remainder of the county.

Garfield County is a service and residential center for a diverse regional economy. As noted previously, the eastern portions of the County are economically intertwined with tourism and second home industries in nearby Eagle and Pitkin counties. Rio Blanco County to the north has large gas and energy reserves but very little housing or support infrastructure. As a result, the Rifle area is home to many Rio Blanco County workers and could be subject to significant growth pressures if oil shale or natural gas activity expands in the future. #

Demographics

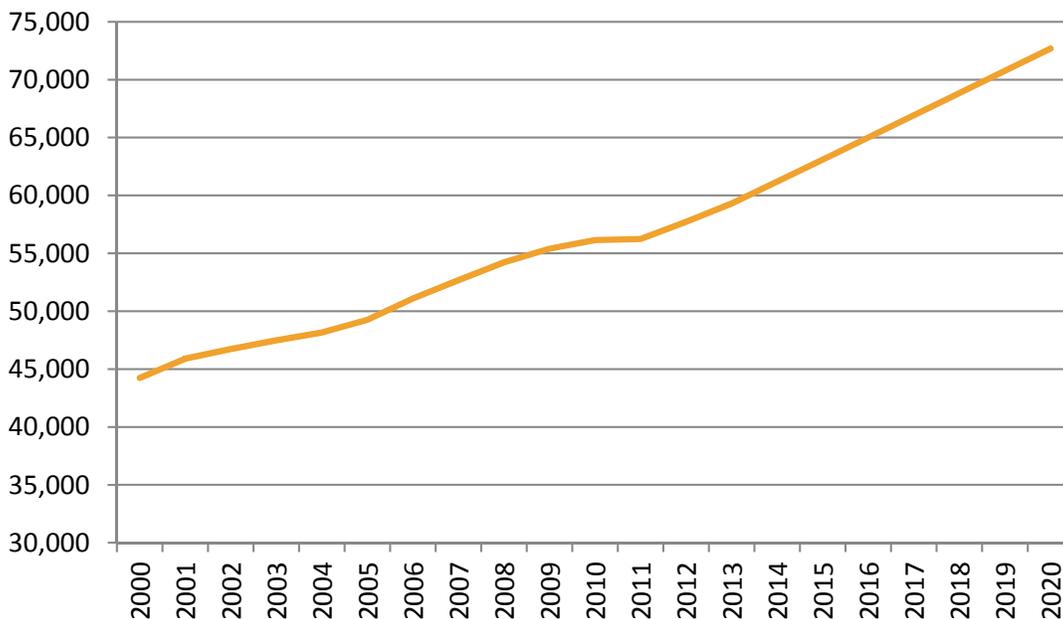
• Population

Generally Garfield County has experienced a steady increase in population over the past few decades but with more rapid growth occurring between 2004 and 2009. This was largely the result of a burgeoning natural gas extraction industry, but also due to an ongoing but slower expansion of tourism, second home development and regional services. During this period, there was a significant in-migration of new workers and families, which fueled housing development, retail expansion and rapid wage growth. At times during this period, Garfield County experienced shortages of labor and a rapidly appreciating housing market.

In 2008, an abundance of new natural gas reserves were uncovered elsewhere around the country and the value of natural gas began a national decline. The national recession also cut spending on travel, tourism and second home development, with predictable declines in all measures of local economic activity.

Due to the national and local recession population remained flat in 2011 and experienced a modest 0.2% growth rate in 2012. Forecasts indicate that the population of Garfield County will resume an upward trend in 2013 with a robust 3.0 percent per year growth rate over the next 20 years. This is largely predicated on continued growth in managing operating gas wells an eventual resurgence in natural gas exploration and development. The tourism industry is also expected to contribute to local economic expansion. The population is estimated at 59,306 for 2013. The US Census Bureau reported a population of 56,389 in 2010.

Actual and Projected Population of Garfield County



Source: Colorado Division of Local Government (DOLA), <https://dola.colorado.gov>

Garfield County has five municipalities that stretch along the Colorado River and the I-70 corridor and one town, Carbondale, which is situated along the Roaring Fork River and closely tied to the economic fortunes of Aspen and Snowmass Village. Glenwood Springs remains the largest local community in the county. In the period 1990 to 2010, the town of Rifle, which is about 25 miles west of Glenwood Springs, absorbed the majority share of the county's new growth—largely because of Rifle's proximity to the most active natural gas development areas. The incorporated municipalities have absorbed most of the County's growth for

many years, a reflection of expanding services and industrial sectors, as well as the slowly diminishing role for agriculture and ranching. Population in unincorporated areas, as a percent of total county residents, shrank from 57 percent of all county residents in 1990 to 40 percent in 2010.

Population of Cities and Towns within Garfield County, 2011

Area	Population
Carbondale	6,406
Glenwood Springs	9,570
New Castle	4,500
Parachute	1,078
Rifle	9,145
Silt	2,921
Unincorporated Area	22,617
Total	56,237

Source: Colorado Division of Local Government (DOLA), <https://dola.colorado.gov>

Like much of western Colorado, Garfield County has a largely Anglo population with a significant Hispanic minority population, which grew rapidly during the mid-2000s energy boom. The county’s proportion of Hispanic and Anglo populations mirrors that of the state as a whole.

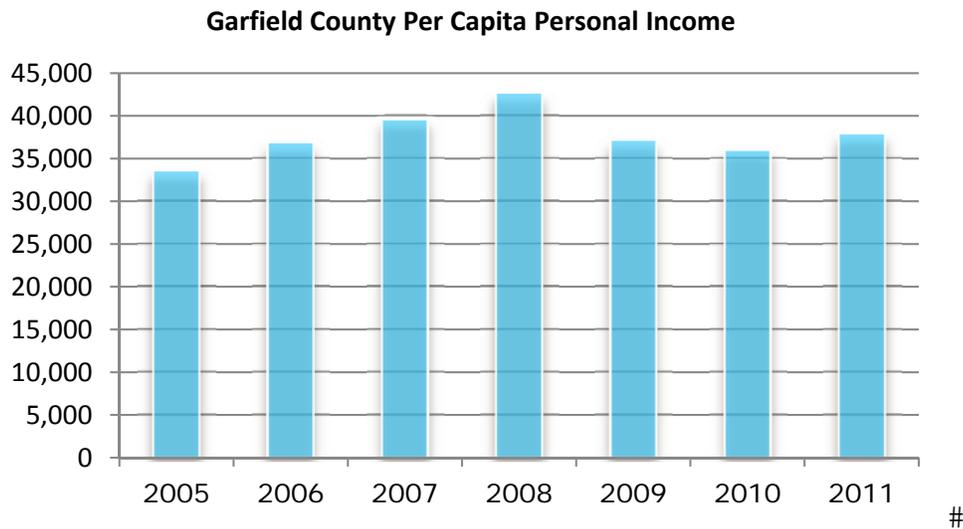
Ethnic Diversity, 2010

Ethnicity or Race	Percent of population
Caucasian or White	82%
Hispanic	13%
Other	5%
Total	100%

Source: Colorado Division of Local Government (DOLA), <https://dola.colorado.gov>

- Income

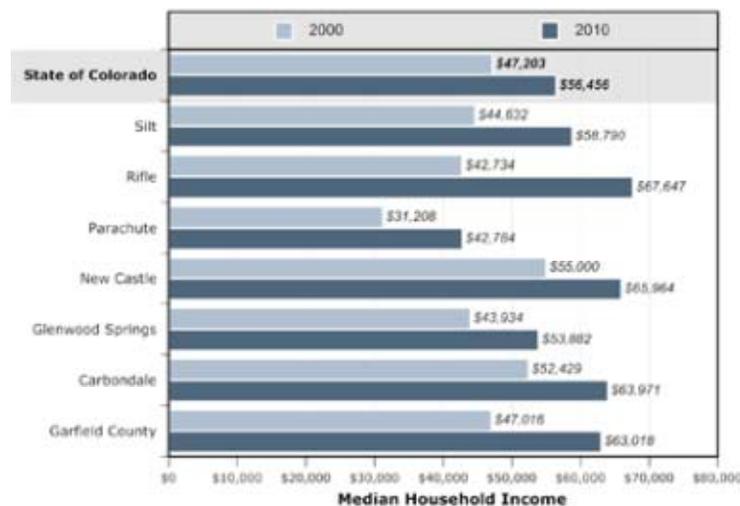
Steady growth in per capita personal incomes took place until 2008 peaking at \$42,666. In 2009 per capita personal income for Garfield County declined by 13% followed by a more moderate drop in 2010. 2011 saw a return to growth.#



Source: U.S. Bureau of Economic Analysis www.bea.gov

During the period 2000-2010, median household income grew significantly. In 2000, county median household income was slightly below the statewide average. By 2010, every community in Garfield County, with the exception of Parachute and Glenwood Springs, reported median household income in excess of the statewide average. The median household income of Garfield County is \$60,456 in 2010 (U.S. Census Bureau), higher than the state median of \$54,411 and the national median of \$50,046.

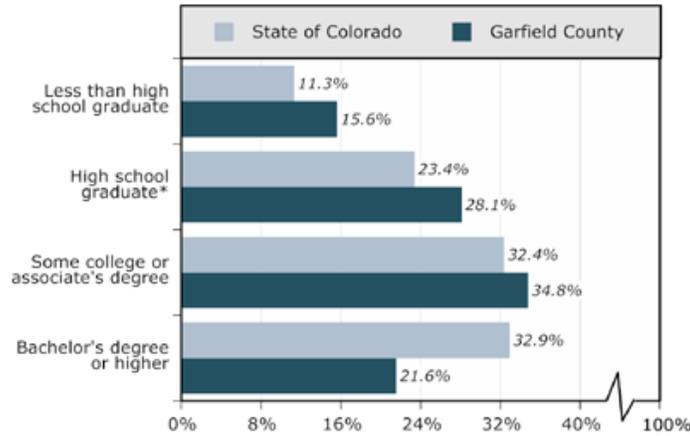
Median Household Income by Municipality, Garfield County, 2000 and 2010



- Educational Attainment and Public School Enrollment

Educational attainment is slightly lower in Garfield County than in the state as a whole.

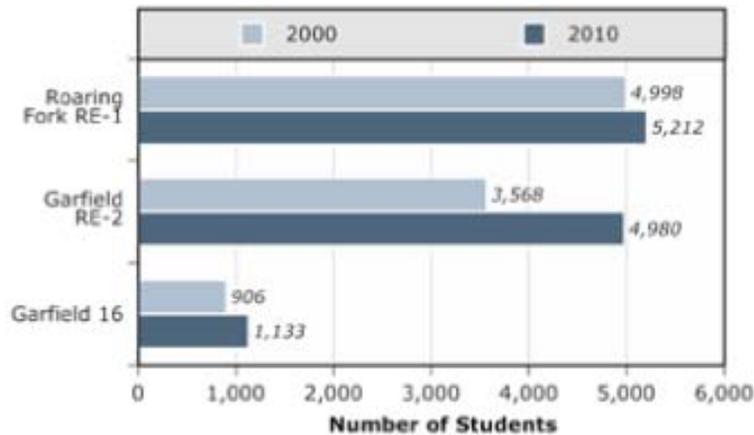
Educational Attainment, Garfield County and Colorado, Residents 18 and older



Source: U.S. Census 2008-2010 3-year estimates

In total, the number of pupils attending public schools in Garfield County grew by 20 percent between 2000 and 2010, faster than state population growth (11%) but slower than overall county population growth. Garfield RE-2 and Garfield 16 school districts, which cover the central part of the County, including the towns of Parachute, Rifle, New Castle and Silt, added the largest number of pupils and grew at the most rapid rates. District RE-1, which serves Carbondale and Glenwood Springs, grew at a much slower pace.

Public School Enrollment Growth, 2000 and 2010



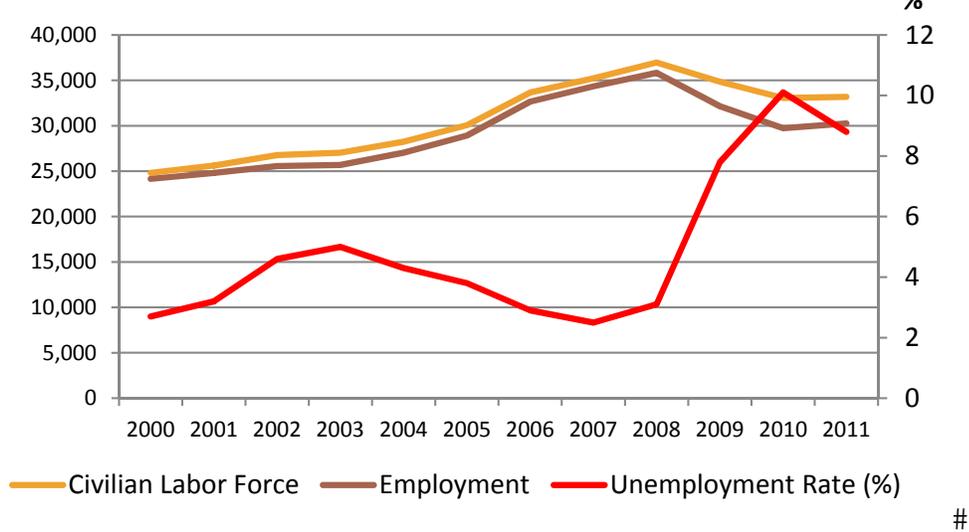
Source: Colorado Department of Education, 2000-2010 Pupil Membership District Level Data.

Economic Conditions

• Labor Force and Employment

Garfield County has seen strong job growth and historically low unemployment rates over the last decade. However, with gas drilling reductions, in combination with the effects of a national economic recession and reduced area tourism and second home development, the County's employment outlook began to change drastically in 2008. There was a significant reduction in both jobs and the available labor force (approximately 14% over a two year period) and the unemployment rate spiked, reaching a peak of 11.7% in March 2010. Since then there has been a steady drop in unemployment and as of November 2012 Garfield County's unemployment rate was 7.3%, lower than both the State and nation at 7.7%. It is expected this rate will continue to decline albeit at a slow pace.

Garfield County Labor Force, Employment and Unemployment



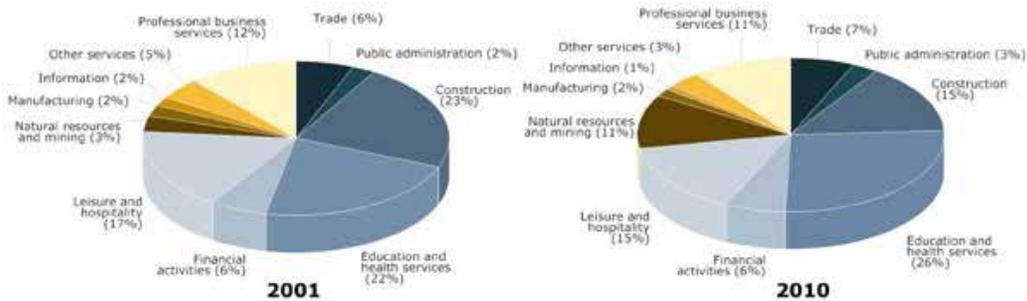
Source: Colorado Department of Labor and Employment (CDLE)

At the end of the 4th quarter, 2011 the estimated average annual wage in Garfield County was \$46,696, 92% of the Colorado average hourly wage. Garfield County ranks as the 9th highest wage in the state.

- Industry Sector Overview**

As mentioned above, between 2000 and 2010, Garfield County employment experienced strong growth, increasing by 9,000 jobs, or about 4.5 percent per year. During this same period of rapid economic expansion, there was a significant shift in employment patterns.

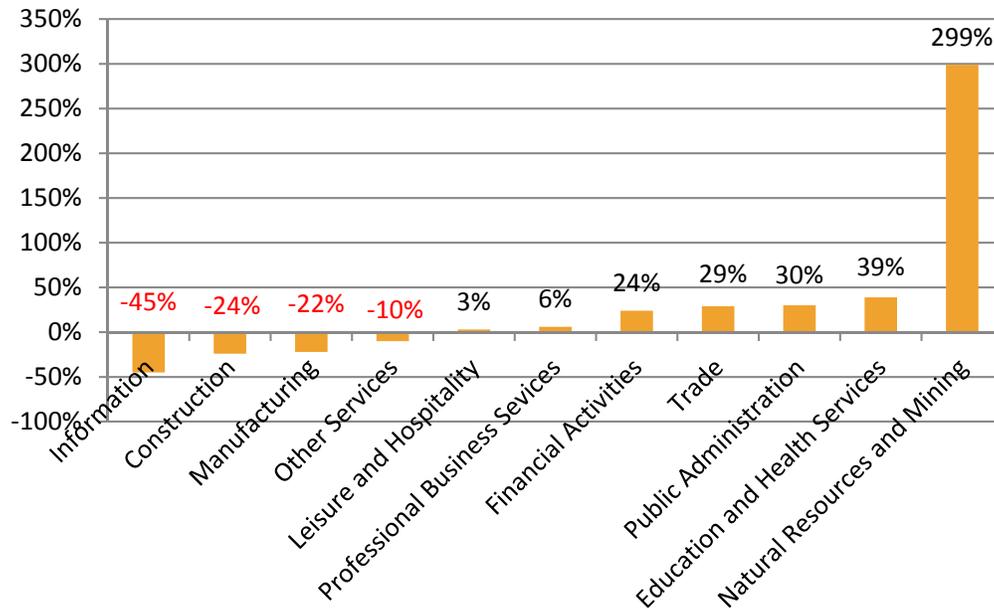
NAICS Industry Average Employment, Garfield County, 2000 and 2010



Source: Colorado Department of Labor and Employment, QCEW annual totals. Data includes all Federal, State, Local and privately owned firms

The largest increase in employment share by category occurred in the mining and natural resources industry, which includes oil and gas production activities. It should also be noted that many natural resource extraction-related jobs occur in other employment categories, such as construction and transportation. The local construction industry lost a significant share of county employment. The downturn in resort-related real estate construction, beginning in about 2008, had a major impact on Garfield County, which was home to a large share of contractors, fabricators and suppliers that support the second home industry in both Eagle and Pitkin counties. The average change of all industries was 16% increase from 2001 to 2010.

Employment Change by Industry Sector 2001 to 2010



Source: Department of Labor and Employment (CDLE), <http://lmigateway.coworkforce.com>

Top Employers in Garfield County, 2011

Employer	Rank	Type of Business	Number of Employees	Percentage of Total
Valley View Hospital	1	Healthcare	902	3.09%
Roaring Fork School District RE-1	2	Schools	750	2.57%
Garfield County School District RE-2	3	Schools	737	2.53%
Colorado Mountain College	4	College	523	1.79%
Garfield County	5	Government	481	1.65%
Wal-Mart	6	Retail	423	1.45%
City Market	7	Retail	348	1.19%
Grand River Hospital & Medical Center	8	Medical	344	1.18%
City of Glenwood Springs	9	Government	337	1.16%
Garfield County School District 16	10	Schools	163	0.56%
Total employed by principal employers			4,106	14.07%
Employed by other employers			26,155	85.9258%
Total employed in Garfield County			30,261	100%

Source: Garfield County Finance Department

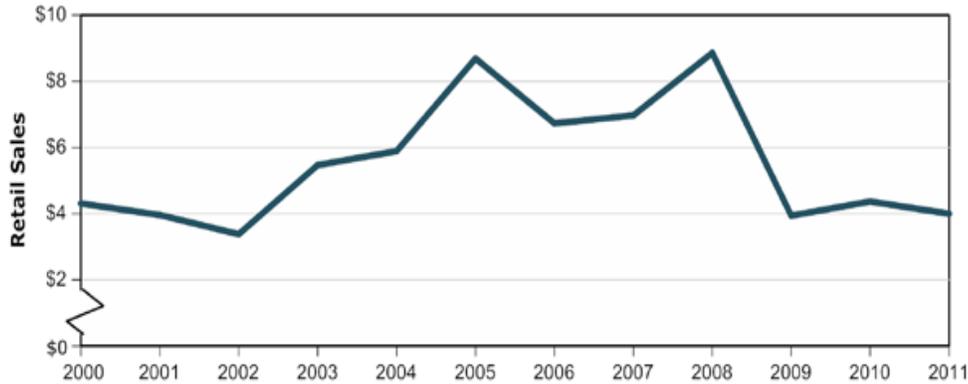
- Energy and Natural Resource Industry**

Natural Resource development, specifically natural gas and prospectively oil shale, has had the most dramatic economic influence on Garfield County over the last decade. As of 2008, nearly one-third of all mining industry employment for the State of Colorado was located in Garfield and the neighboring Mesa and Rio Blanco counties. Between 2004 and 2005, Garfield County experienced a rapid increase in its share of statewide mining employees, which then leveled off and modestly declined between 2006 and 2009. The industry slowed in 2008 as gas prices fell and operators began pulling drilling rigs to pursue emerging gas field

prospects elsewhere in the U.S. Currently approximately 9.5 percent of Colorado mining employment is within Garfield County.

The natural gas boom, which spurred Garfield County’s economy in the 2000s, was driven in part by a rapid escalation in gas prices.

Henry Hub Natural Gas Spot Prices per 1,000 Cubic Feet, 2000 to 2011



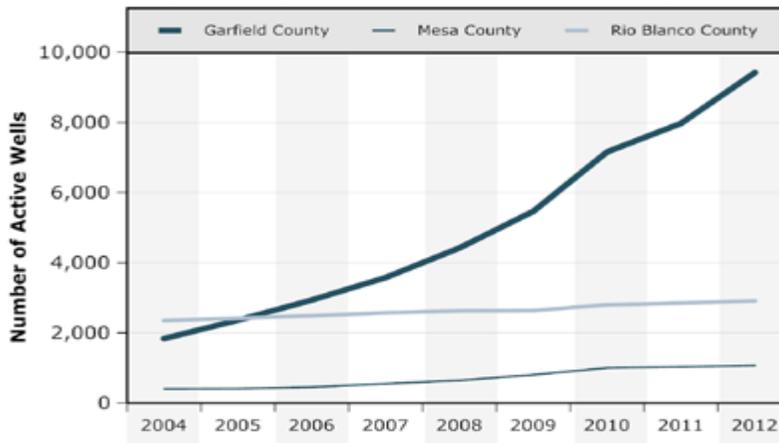
Note: Prices are annual averages of the Henry Hub spot prices for natural gas

Source: U.S. Energy Information Agency, Independent Statistics and Analysis, Natural Gas Wellhead Prices

Natural Gas Liquids (NGLs), which are often a byproduct of gas well production, are used to produce lower grade liquid fuels and NGL values typically follow crude oil prices. As the price of natural gas has declined the value of NGL products have become a more important element of the overall economics of well drilling and production. The price of NGLs mirrors the price of crude oil which, although experiences price fluctuations, currently remains at high levels, and boosting the value of gas production within Garfield County.

Garfield County has evolved from a new exploratory play to a large gas producing county. Although natural gas prices have declined, overall Garfield County gas production continues to rise as new wells come on-line, and Garfield County continues to dominate regional gas production. During the last eight years, Garfield County has had a rapid increase in active oil and gas wells.

Total Active Wells, Garfield, Mesa and Rio Blanco Counties, 2004 to 2012

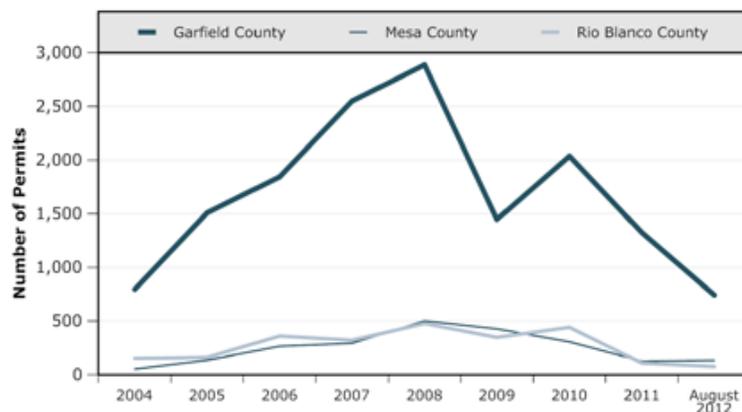


Note: Each year reports active wells at midyear.

Source: Colorado Oil and Gas Conservation Commission (COGCC), Colorado Oil and Gas Information System Production by Colorado County.

Prospects for future growth in northwest Colorado gas drilling have been bolstered by the completion of the \$6.7 billion Rockies Express pipeline, which has alleviated some well to market shipping constraints that had previously restricted local natural gas distributions. Although the growth in production has been notable, the decline in drilling activity, as shown below, has been even more pronounced.

Annual Drilling Permits



Source: Colorado Oil and Gas Conservation Commission (COGCC)

As of January 2, 2013, there are 9 active drilling rigs in Garfield County, all of which are natural gas rigs. The number in Garfield County has dropped from 20 rigs in January 2012 but increased since the fall of 2012.

Estimated U.S. natural gas reserves have expanded 30% in the past two years, but other reserves in new fields, in places like New York, Pennsylvania, Illinois and Texas, have been found to be developable at lower costs than the relatively difficult and expensive drilling in northwestern Colorado. Large operators (Exxon, Total, Noble) have recently purchased significant positions in U.S. shale gas reserves, ensuring financial resources and development capability. New collection pipeline construction is underway throughout the U.S. and Canada ensuring improved connections between production and demand, although connection to very large reserves in Canada may dampen prices—particularly in a prolonged economic slump.

Nationally, gas reserves will likely grow faster than gas demand for a number of years; prices are likely to remain soft until demand, particularly from electric generation facilities, can respond and pipelines are completed. National gas prices are very sensitive to economic conditions, weather and international stability.

Over a longer period, natural gas has significant environmental advantages over coal and the abundance of gas reserves will likely overcome historic power utility reluctance to make long-term gas-contract commitments. Demand should rise quickly with economic recovery.

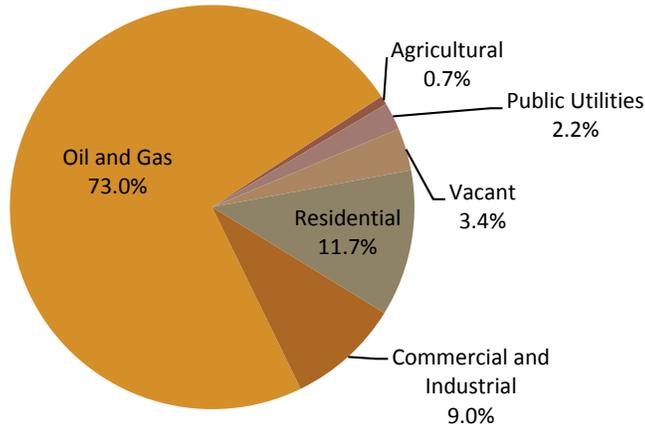
Local gas-related employment consists of two distinct subgroups: well development employment and gas production employment. Well development includes drilling crews and associated support workers that build well pads, drill for gas and complete wells. Gas production workers oversee the operations and maintenance of gas wells in production. Most gas wells in Garfield County have a projected 20-30 year lifespan and gas production workers will be necessary as long as wells are in production.

Well development employment is more volatile and mobile drilling related employment requires approximately 30 workers per well, although numbers fluctuate as efficient newer rigs replace older rigs and as more wells are drilled off a single pad. Maintenance related employment, including work over crews,

pumpers and manpower for the gas plants, is estimated to require about one worker per six completed wells. As a result, the long-term transition from exploration and development to operations suggests far fewer jobs.

In addition to the local economy, the natural resources industry also has a significant impact on Garfield County taxes and revenues. In 2012, 73% of total property tax assessed values were accounted for by the oil and gas industry and of that 74.4% came from natural gas production.

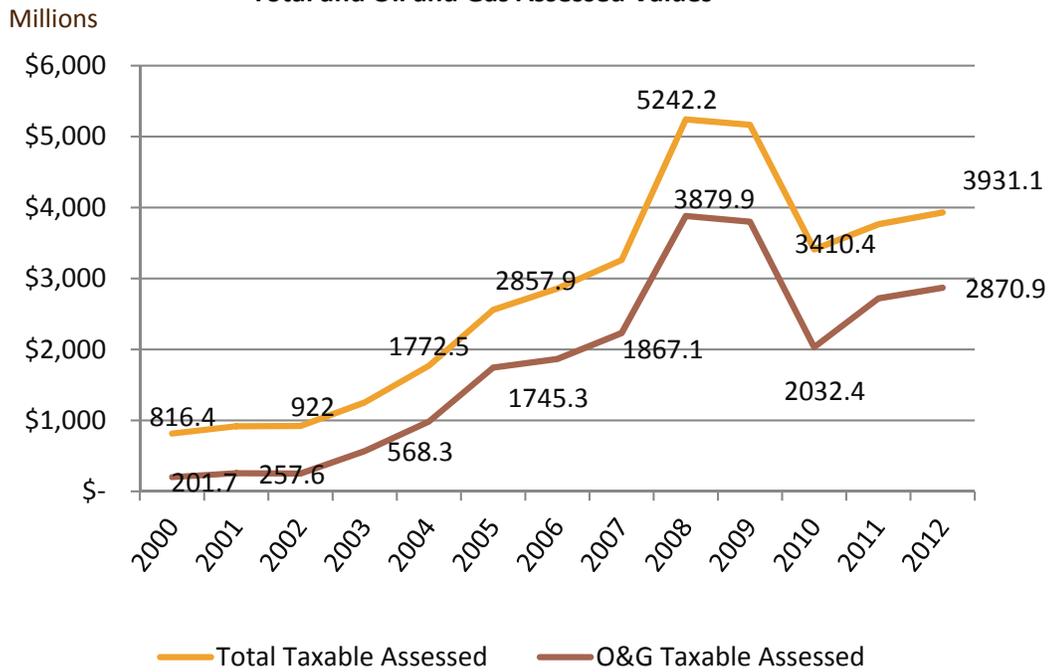
2012 Assessed Value Distribution



Source: Garfield County Assessor

After a substantial drop in value between 2010 and 2011, assessed values increased in 2011 and 2012.

Total and Oil and Gas Assessed Values



Source: Garfield County Assessor

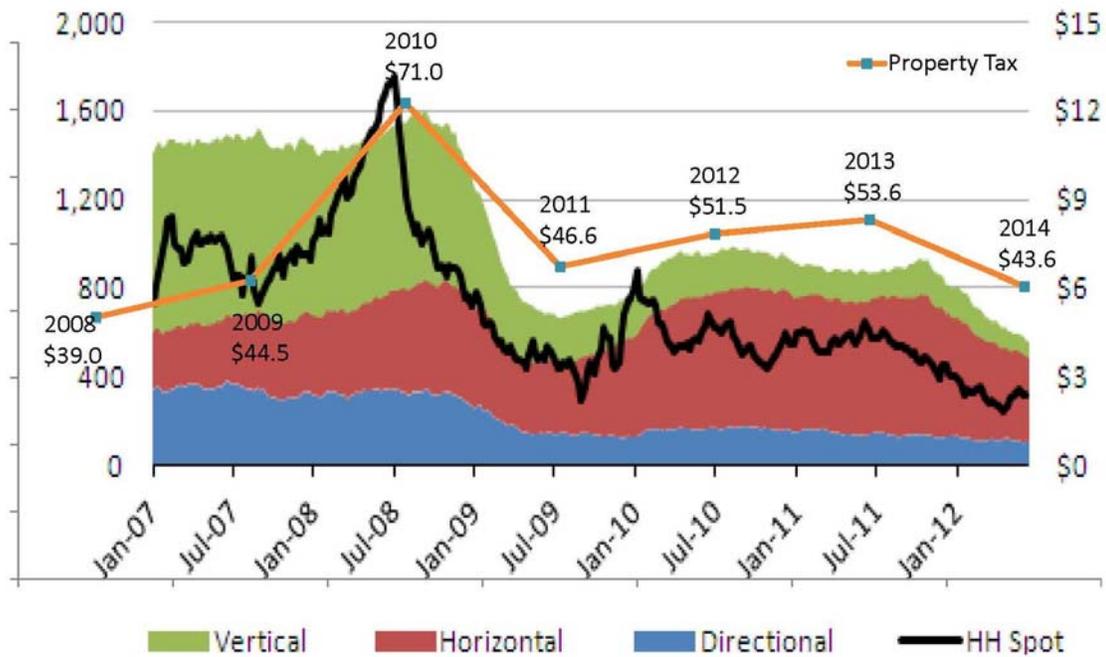
The County's top taxpayers are in the oil and gas industry.

Company	2012 Assessed Value
WPX Energy Rocky Mountain, LLC	\$894,786,370
Encana Oil & Gas (USA) Inc	\$469,538,300
Bill Barrett Corporation	\$318,725,580
Oxy USA	\$133,424,460
Bargath, Inc	\$82,581,170
Grand River Gathering, LLC	\$66,504,600
Enterprise Gas Processing, LLC	\$59,149,420
Antero Resources	\$57,079,170
Chevron	\$36,397,790

Source: Garfield County Assessor

When Garfield County property tax revenues are overlaid the number of drilling rigs operating nationally and the price of natural gas at the Henry Hub the historical correlation is apparent.

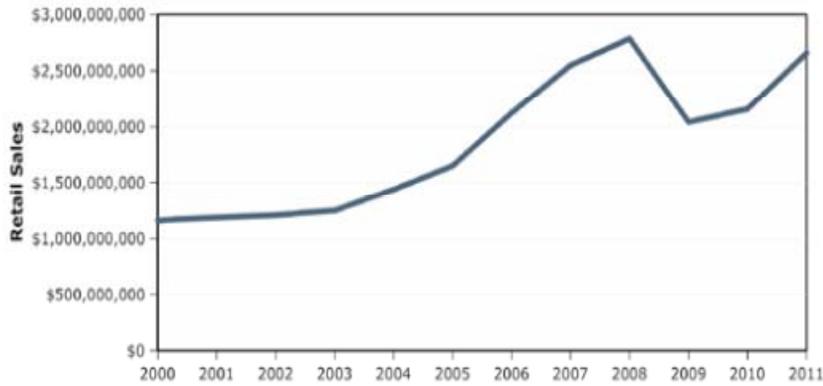
Natural Gas Price, Number of Drilling Rigs and Garfield County Property Tax



• **Retail and Tourism**

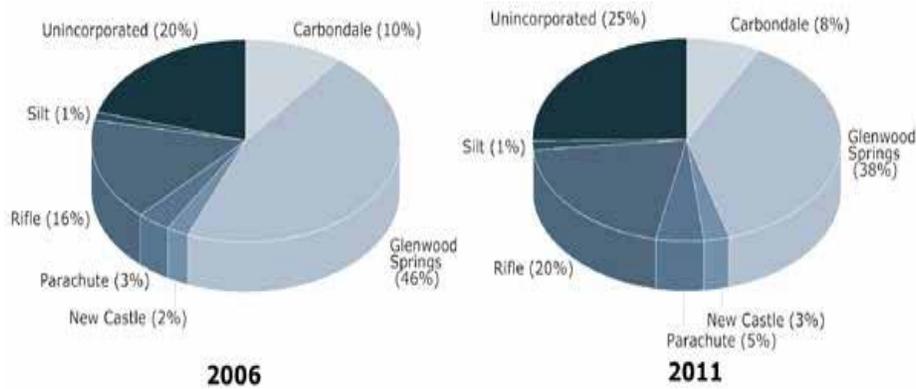
In addition to the natural resources industry, retail and tourism are an important part of the Garfield County economy. The previously noted “boom” period 2002 to 2008 is evident in retail sales trends, as is the sharp economic decline beginning in 2008. Some retail recovery in 2011 and 2012 is evidence suggesting a return to improved economic conditions.

Garfield County Retail Sales, 2000 to 2011



It is also noteworthy to document the shift in location of sales, as Rifle, Parachute and the unincorporated county have all significantly increased retail activity, in part at the expense of Glenwood Springs.

Share of Garfield County Retail Sales by Municipality, 2006 and 2011



Source: Colorado Department of Revenue, State Sales Tax Collected in Colorado Counties and Selected Cities and Related Statistics

The figure below shows the annual pace of growth by community for the period 2006 to 2010. The recent rebound in sales for all communities is noteworthy.

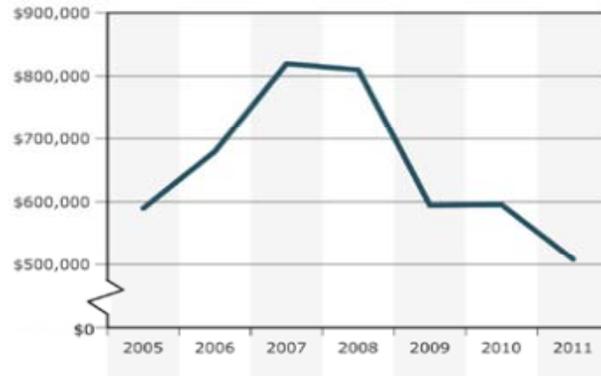
Retail Sales Percent Growth from Previous year, Major Retail Centers, 2007 to 2010



Source: Colorado Department of Revenue, State Sales Tax Collected in Colorado Counties and Selected Cities and Related Statistics

Not all municipalities collect or report accommodation or lodging tax trends, although these data are one reflection of travel and tourism activity, which otherwise offers few standard statistical measures. Glenwood Springs hosts the majority of hotel rooms and most directly benefits from overnight tourism stays. Glenwood Springs' annual accommodation data are shown below.

Glenwood Springs Accommodation Tax Revenues, 2005 to 2011

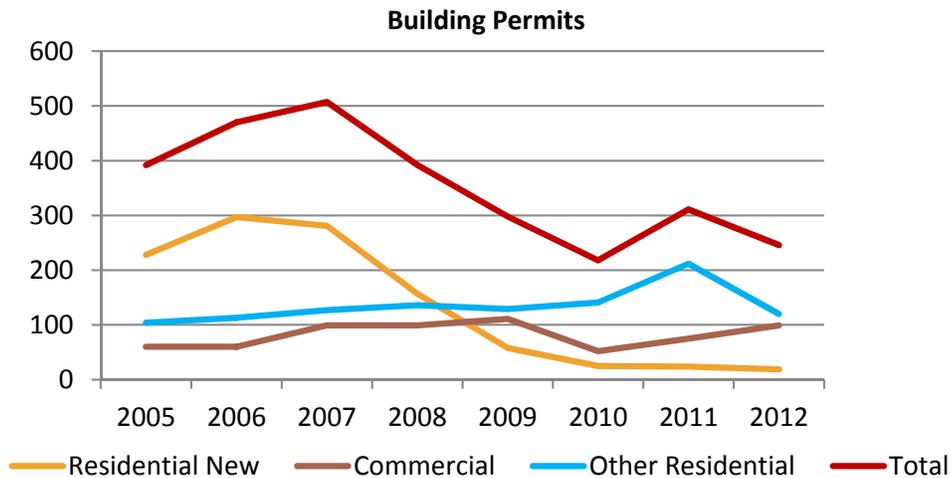


Source: City of Glenwood Springs, Financial Statements 2006 to 2011

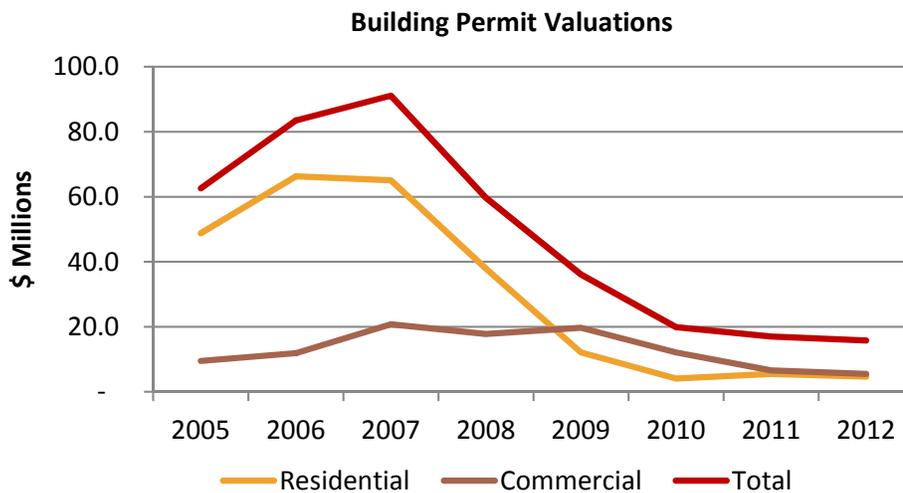
From 2005 to 2008, many hotel rooms were rented as temporary lodging during the gas boom and the loss of this steady business probably exaggerates the apparent downturn in overnight tourism shown from 2009 to 2011. Anecdotally, tourism and lodging activity have picked up throughout the region, although rentals during the 2011-12 ski season was hurt by poor snowfall.

- **Construction**

One of the best indicators of construction activity is the number of building permits and the value thereof, issued by the Garfield County Community Development Department. These have declined significantly in recent years though 2011 saw a temporary improvement in the number of building permits issued. 2012 also shows a decline once again in residential permits but an increase in commercial activity. It is expected that 2013 will not see much change from 2012. Valuations also remain stagnant.



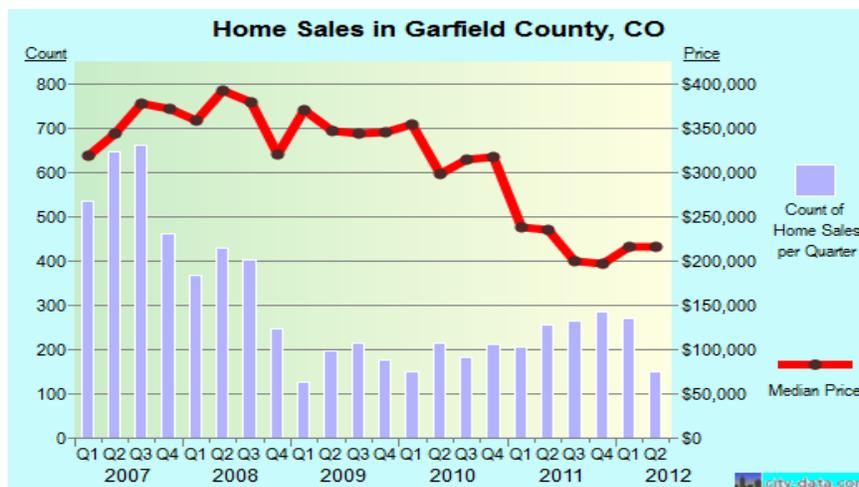
Source: Garfield County Community Development Department



Source: Garfield County Community Development Department

- Real Estate**

As noted previously, housing values grew rapidly during the energy expansion from 2002 to 2008, concurrent with national trends. Both activity and prices have declined from their 2008 highs but have shown improvement since late 2011. According to the monthly transactions report for Garfield County prepared by Land Title Guarantee Co. of Glenwood Springs, through November 2012 there were 1,112 transactions for a 34 percent increase year-to-date over 2011. Total dollars from countywide sales for the 11-month period was just over \$348 million, for an increase of 35 percent compared to the same period in 2011. Although, at time of writing, numbers were not yet available through December, it is believed the trend appeared to be holding through the final month of the year. Real estate activity in the county, including dollar volume and transaction totals, surpassed totals for each of the previous three years as of the end of October.



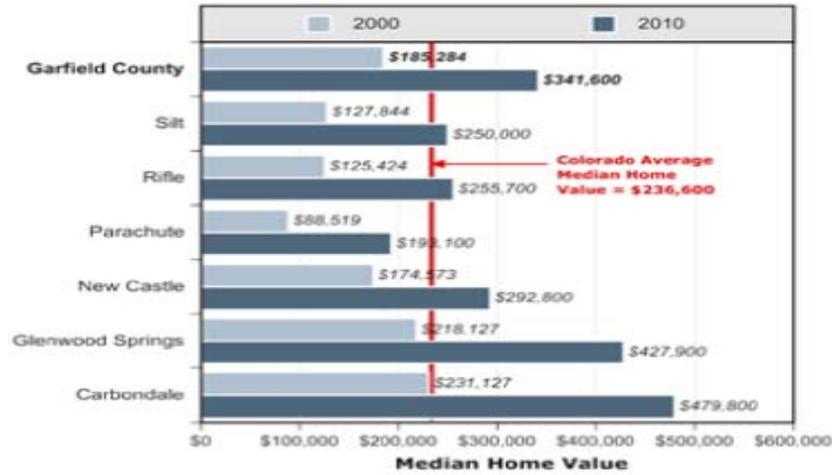
Source: City-data.com

According to the United States Census, Garfield County has not experienced the dramatic decline in values witnessed in many areas around the country. County housing values grew about 30 percent between 2000 and 2010 and remain above the current statewide median home value.

The County's housing stock is comprised largely of single family homes, which in part explains the high property values compared with statewide figures. More notably, Carbondale and Glenwood Springs are

significantly influenced by second home ownership, which explains their far higher median home values and influences the countywide averages.

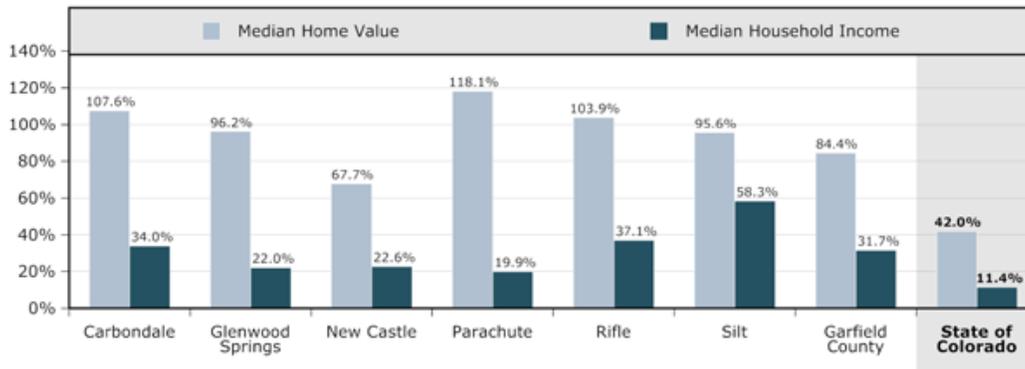
Median Home Value by Municipality, Garfield County, 2000 and 2010



Source: 2010 Census 5-year estimates, Claritas, 2000

The disparity between median household incomes and median home value is an indication of how affordable a community is to new residents. At least through 2010, Garfield County home values have grown faster than median household income.

Percent Change of Median Income and Median Home Value by City, 2000 to 2010



Source: Claritas, 2000, 2010 5-year census

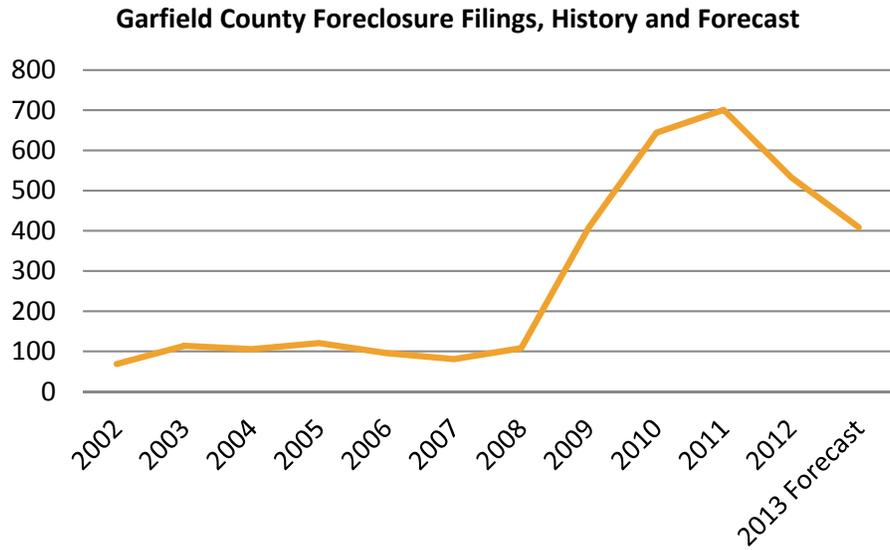
Home values increased more than median income in all Garfield County markets. The small town of Parachute had the greatest disparity between the growth rates of local income and growth in household value. In 2010, Parachute had many residents in the natural gas development industry. Carbondale and Glenwood Springs home prices also increased dramatically in this period, probably the result of a sizeable second home community.

Household income and valuation data are reported in 2010 based on the prior year's information and thus do not capture the most recent trends. Anecdotal information suggests that housing values, particularly in the I-70 corridor communities, have declined further and affordability has risen dramatically.

- **Foreclosures**

A spike in home foreclosures was one consequence of the most recent economic recession. As the housing market recovers, the nation and Colorado are experiencing a drop in the number of foreclosures. In 2012 the number of foreclosures dropped for the first time since 2007 with a significant decrease of 23%. Preliminary

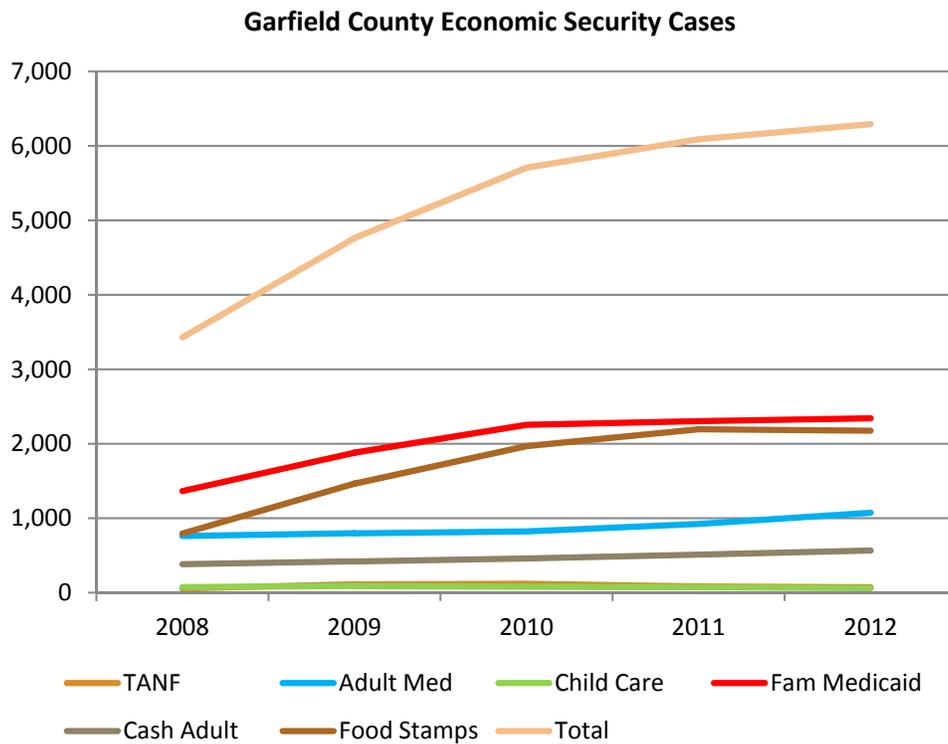
numbers report 534 in 2012 down from a high of 701 in 2011. The drop is expected to continue in 2013 with a forecast 409 foreclosures – approximately the same level as reported in 2009.



Source: Garfield County Public Trustee

- **Human Services**

The demand for economic security support has progressively increased since 2008 as this chart of the caseloads in the Garfield County Department of Human Services demonstrates:



Operating Indicators

Garfield County, Colorado Operating Indicators By Function/Program Last Ten Fiscal Years

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
General Government										
Number of Employees	124	134	132	123	111	104	100	Information not available prior to 2005		
Building(s) Sq. footage	33,471	31,211	31,385	31,385	25,965	30,106	27,882	Information not available prior to 2005		
Service Level										
Tax notices	29,350	29,316	30,289	51,471	50,586	51,252	50,173	48,947	47,603	46,343
Documents recorded	16,026	16,584	19,085	20,562	26,039	24,946	23,498	22,263	26,083	23,152
Number of active voters	21,081	24,047	23,851	22,955	19,501	18,130	16,752	15,798	13,953	13,134
Parcels assessed	31,468	30,289	51,471	50,586	51,252	50,173	48,947	47,603	46,343	44,438
Building permits issued	311	218	293	401	525	498	408	392	365	376
Public Safety										
Number of Employees	171	171	169	168	155	131	123	Information not available prior to 2005		
Building(s) Sq. footage	99,768	99,768	81,010	74,091	80,620	70,948	56,964	Information not available prior to 2005		
Service Level										
Calls for Law Enforcement Service	90,754	93,276	92,203	83,624	84,948*	101,530*	100,808	97,971	95,645	88,437
Jail bookings	2,717	2,515	2,899	3,231	3,721	3,799	3,270	3,420	2,735	2,458
Useful Public Service Clients Sentenced	1,156	1,087	1,183	1,674	1,896	1,730	1,779	1,625	1,488	1,429
Public Works										
Number of Employees	55	53	54	49	46	50	47	Information not available prior to 2005		
Building(s) Sq. footage	51,875	51,875	51,875	51,875	Information not available prior to 2008					
Service Level										
Miles of road maintained	942	941	937	926	927	933	938	943	939	953
Health and Welfare										
Number of Employees	115	122	122	119	110	102	95	Information not available prior to 2005		
Building(s) Sq. footage	43,396	43,396	35,251	35,251	35,251	41,896	41,896	Information not available prior to 2005		
Service Level										
Immunizations	12,660	12,349	14,801	9,213	10,293	15,259	15,629	Information not available prior to 2005		
Birth Certificates	816	866	964	992	991	945	816	803	871	855
Death Certificates	296	281	292	261	277	289	268	271	310	279
Human Services Caseload	8,427	5,331	4,359	3,344	3,014	3,334	Information not available prior to 2006			
Culture and Recreation										
Number of Employees	3	3	3	3	3	2	2	Information not available prior to 2005		
Building(s) Sq. footage	39,500	39,500	39,500	39,500	Information not available prior to 2008					
Service Level										
Fairground service days	365	365	365	365	365	365	365	365	365	365
County Fair attendance (estimate)	4,000	4,000	4,000	3,000	5,000	6,000	8,000	10,000	Information not available prior to	
Business-type Activities										
Number of Employees	9	14	12	11	7	7	7	Information not available prior to 2005		
Building(s) Sq. footage	4,821	4,821	4,821	4,821	Information not available prior to 2008					
Service Level										
Cubic yds of landfill space consumed	72,589	77,127	53,800	87,106	89,252	60,040	55,771	56,053	40,780	33,608
Intergovernmental										
Number of Employees	4	4	4	4	2	2	2	Information not available prior to 2005		
Building(s) Sq. footage	Information not available									
Library										
Number of Employees	**	**	**	**	**	46	46	Information not available prior to 2005		
Building(s) Sq. footage	**	**	**	**	**	46,745	46,745	Information not available prior to 2005		

Source:

Garfield County departments and documents

Colorado Department of Public Health & Environment - Birth and Death Certificates for 2011 are considered "provisional" and could change.

*Numbers are projected for year based on seven months of data for current year.

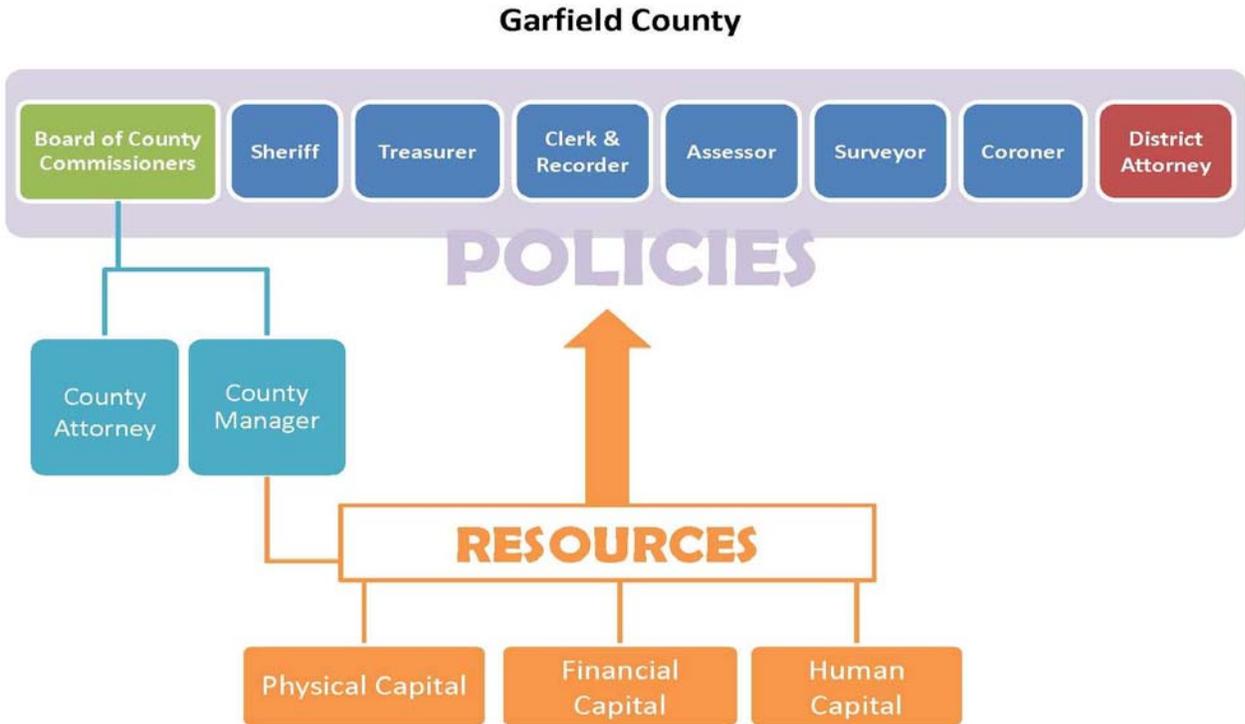
**Library became separate entity after 2006.

Economic Summary and Budget Forecast

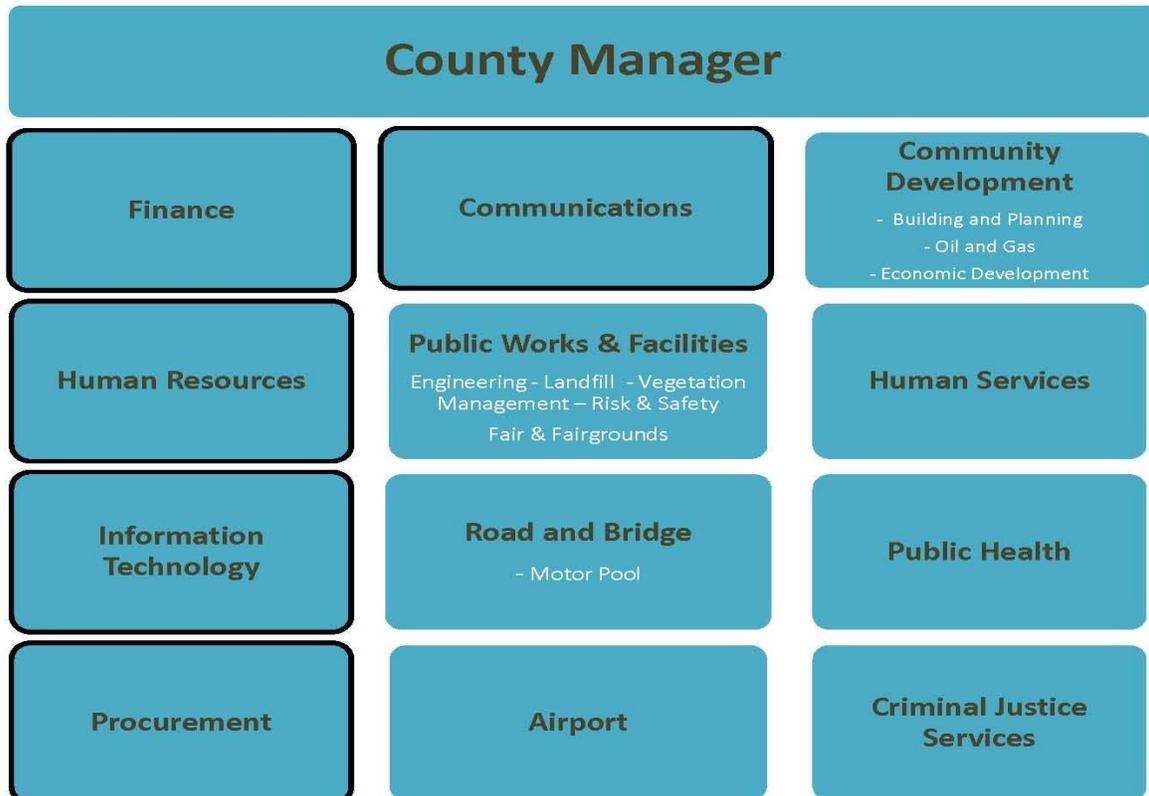
As discussed above, the Garfield County economy has, for the most part, shown signs of improvement in 2012. It is expected that this trend will continue in 2013 albeit at a slow pace. With upturns in the housing and job markets, incomes are expected to rise and with it an increase in retail and tourism and correspondingly sales tax revenues. Assessed values and property tax revenues will also increase in the short-term. However the outlook for 2014 and beyond is bleak as the price of natural gas has halved in 2012, the year in which assessments are made for 2014 revenues. At the time of writing it is estimated there will be a 20% decline in assessed values which translates to a \$10 million decrease in property tax revenues for the county. While preparing the 2013 budget recognition of this fact was included and drove decisions both in the short-term and with long term impacts.

At the same time the county continues to experience high demand for many of its services, especially Road and Bridge and Human Services. With careful and prudent management and efficient use of funds and resources it is expected that the county will be continue to provide quality services while maintaining operating expenditures at similar levels in 2013 and beyond.

Organizational Chart



County Administration



**Departments with black outline are internal services departments, those without are public service departments*