



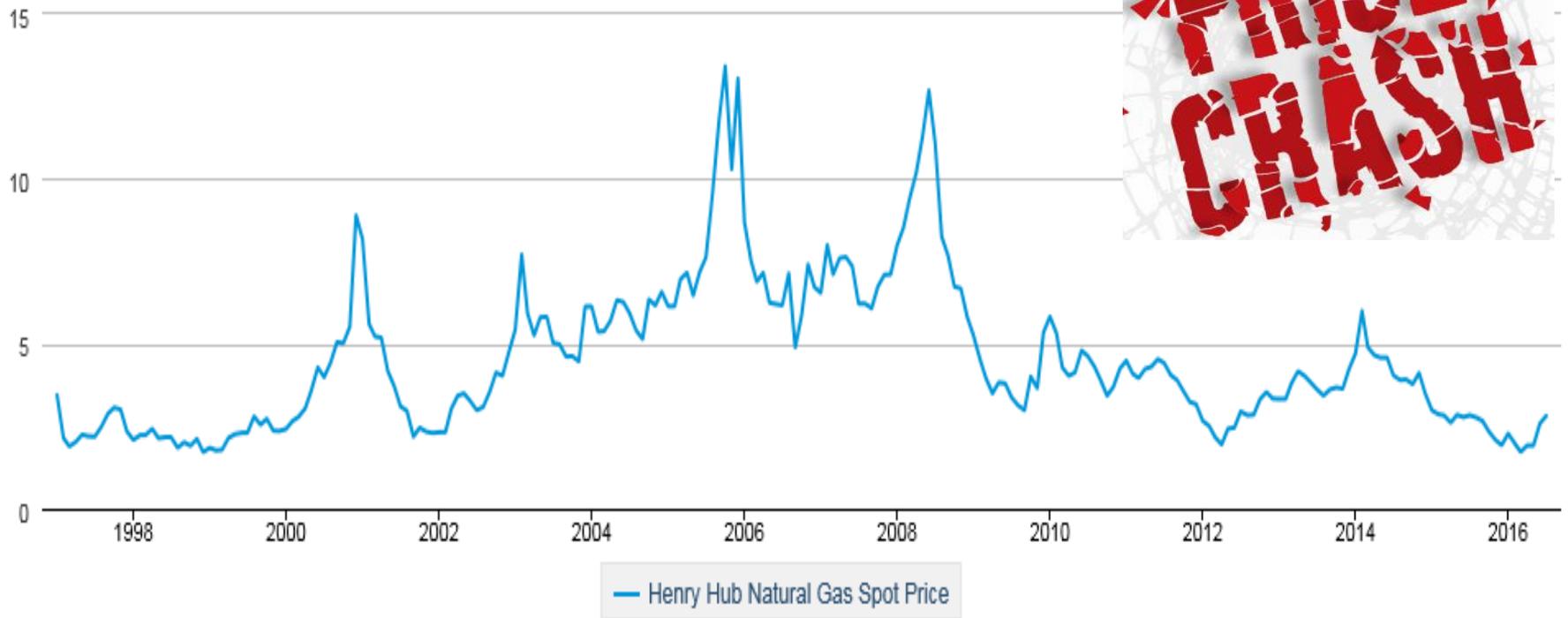
After the boom: the economic aftermath of falling natural gas prices

ENERGY ADVISORY BOARD

SEPTEMBER 1, 2016

Henry Hub Natural Gas Spot Price

Dollars per Million Btu



Economic impact of reduced prices

Lower prices create an economic boost

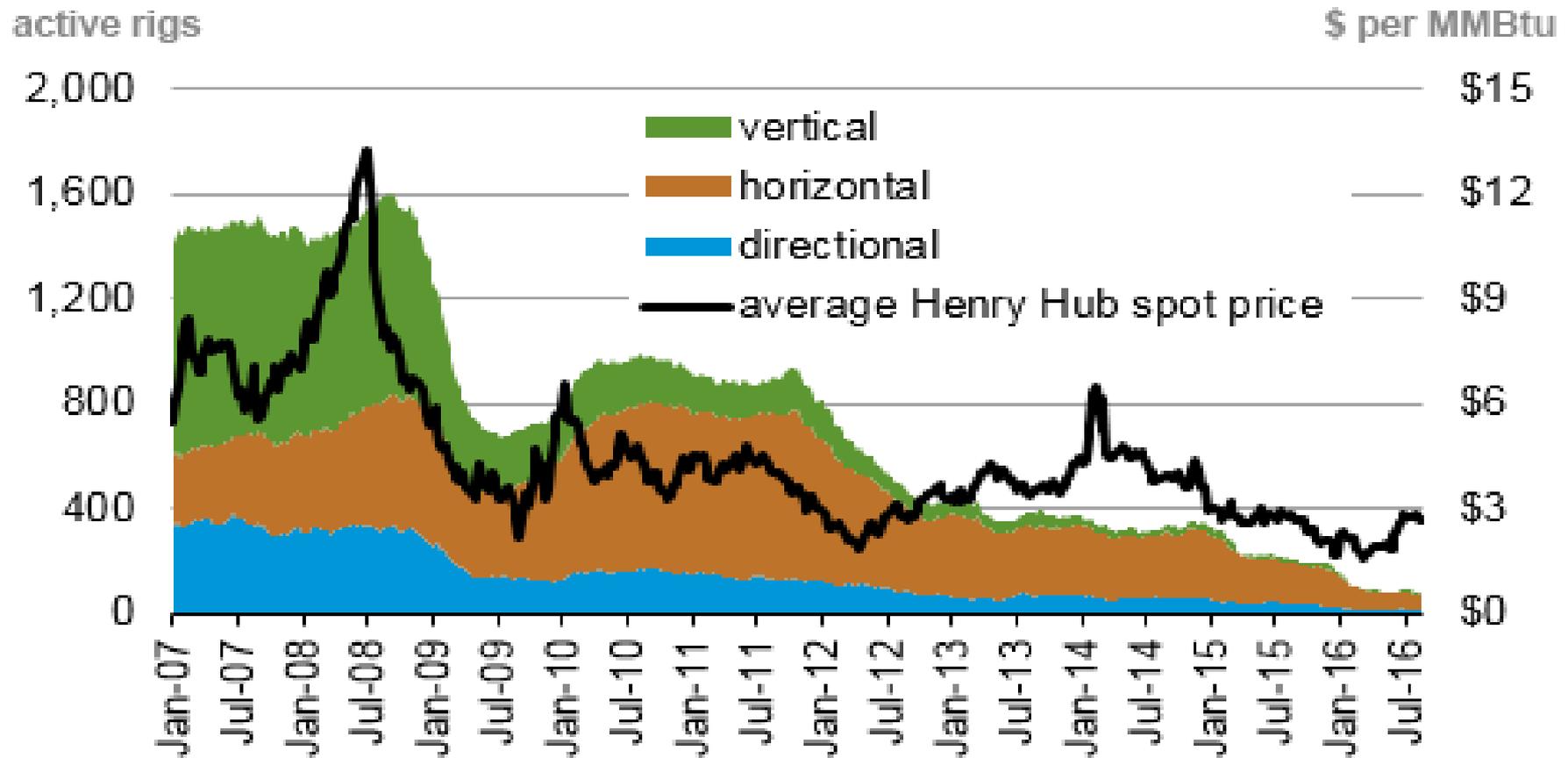
Reduced costs for businesses and consumers > more disposable income

Generally seen as a broad economic gain but...

“there will be pockets that experience pain”

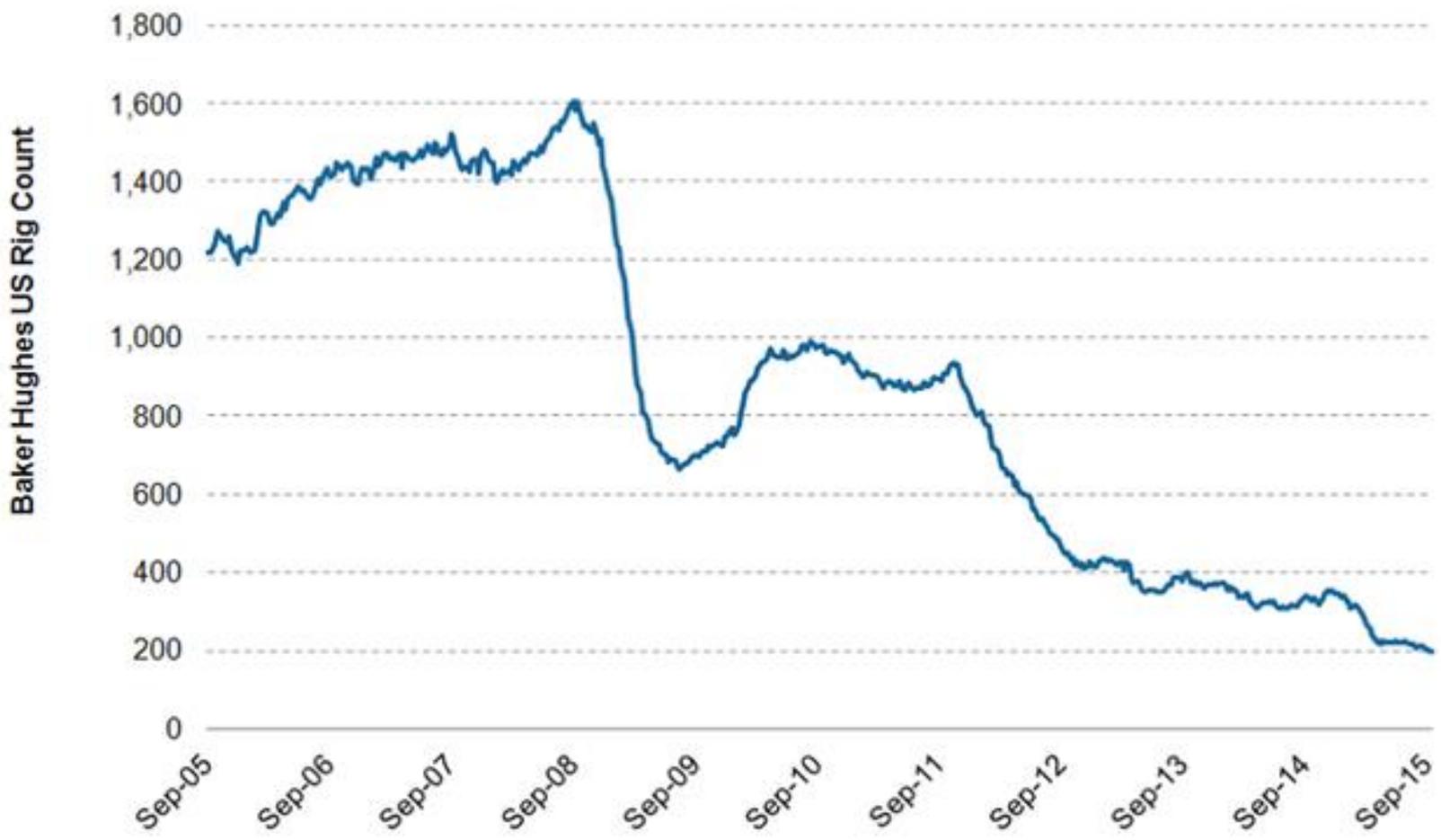
Depends upon whether an area is a net energy importer or exporter

Weekly natural gas rig count and average spot Henry Hub

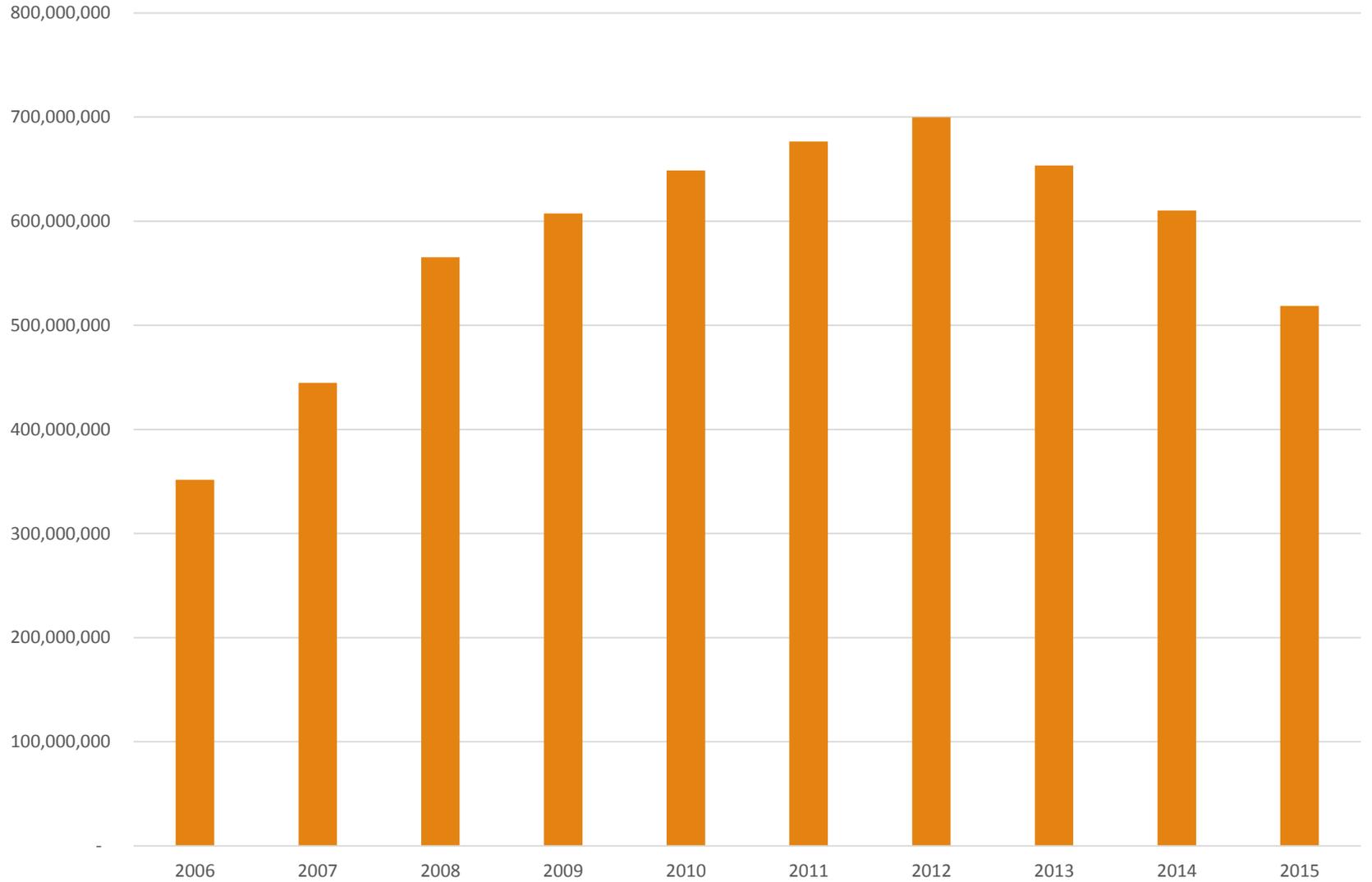


Source: Baker Hughes

US NG Rig Count



Natural Gas Production Garfield County



Impacts to local economy

Reduced jobs both direct and indirect

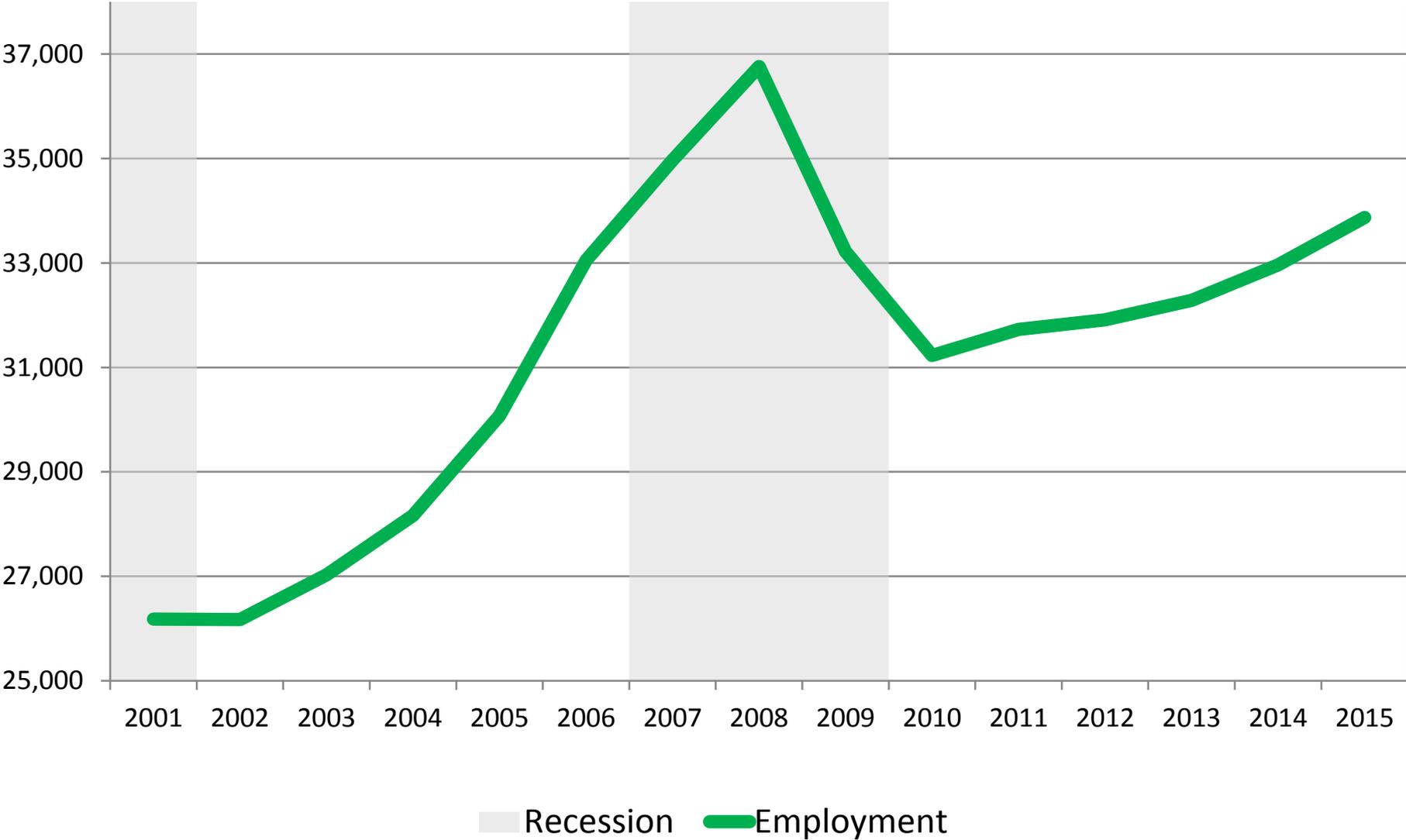
Less higher paying jobs

Reduced capital investment

Reduced work for local suppliers and energy support services

Garfield County Total Estimated Jobs

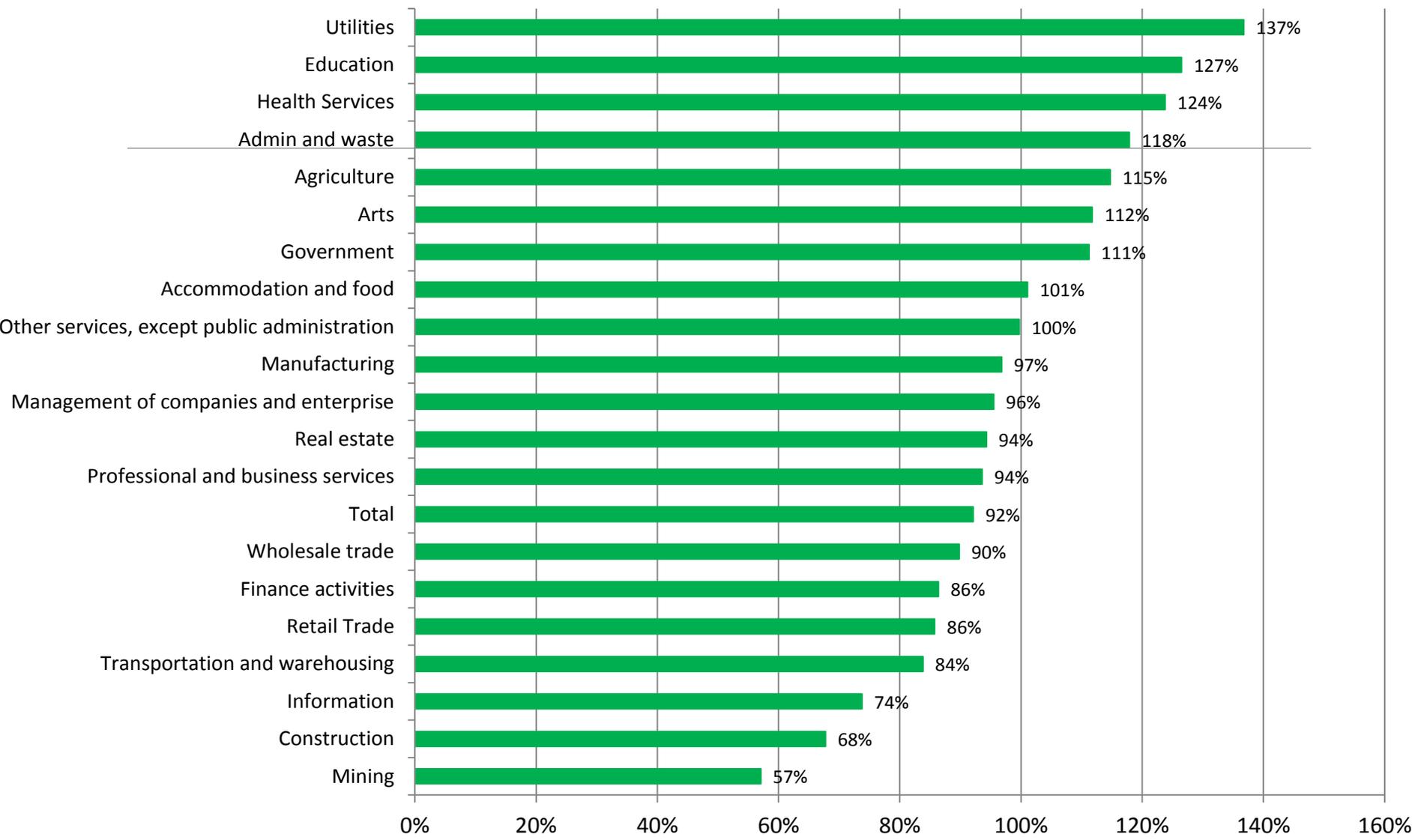
Source: State Demographer



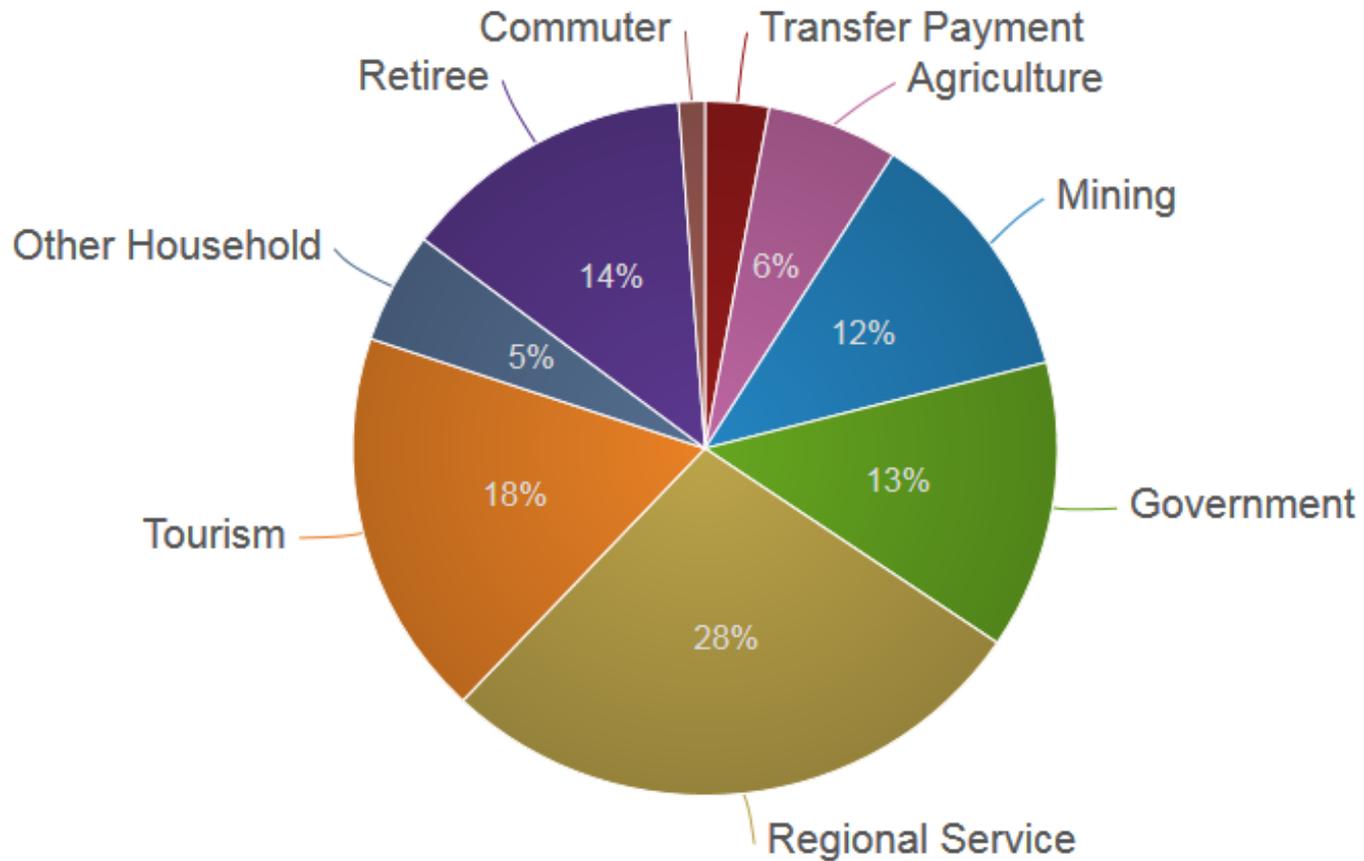
Garfield Employment in 2015 as a % of 2008 Employment

Source: SDO Total Estimated Jobs Series

Source: State Demographer



Garfield Base Industries, 2014

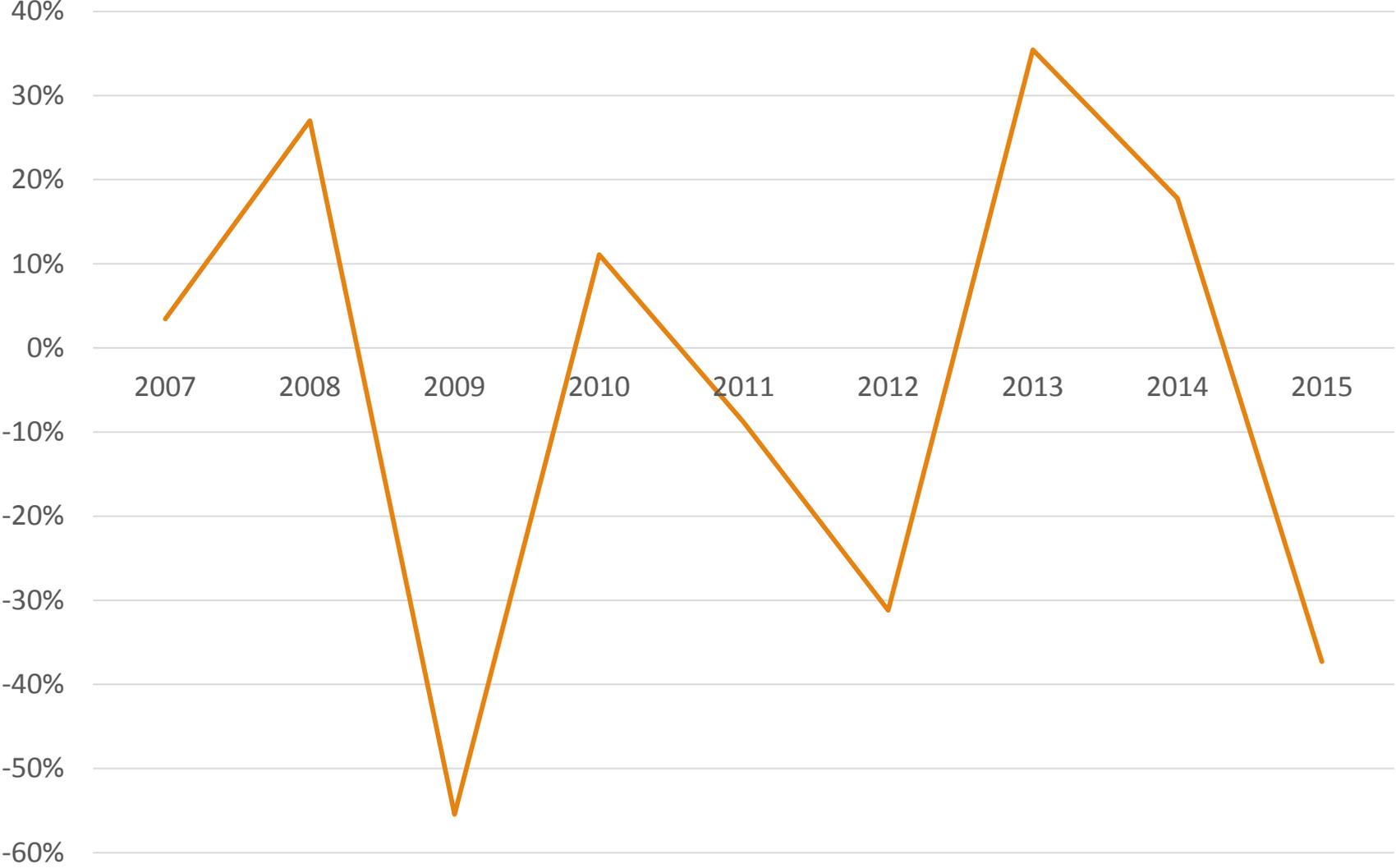


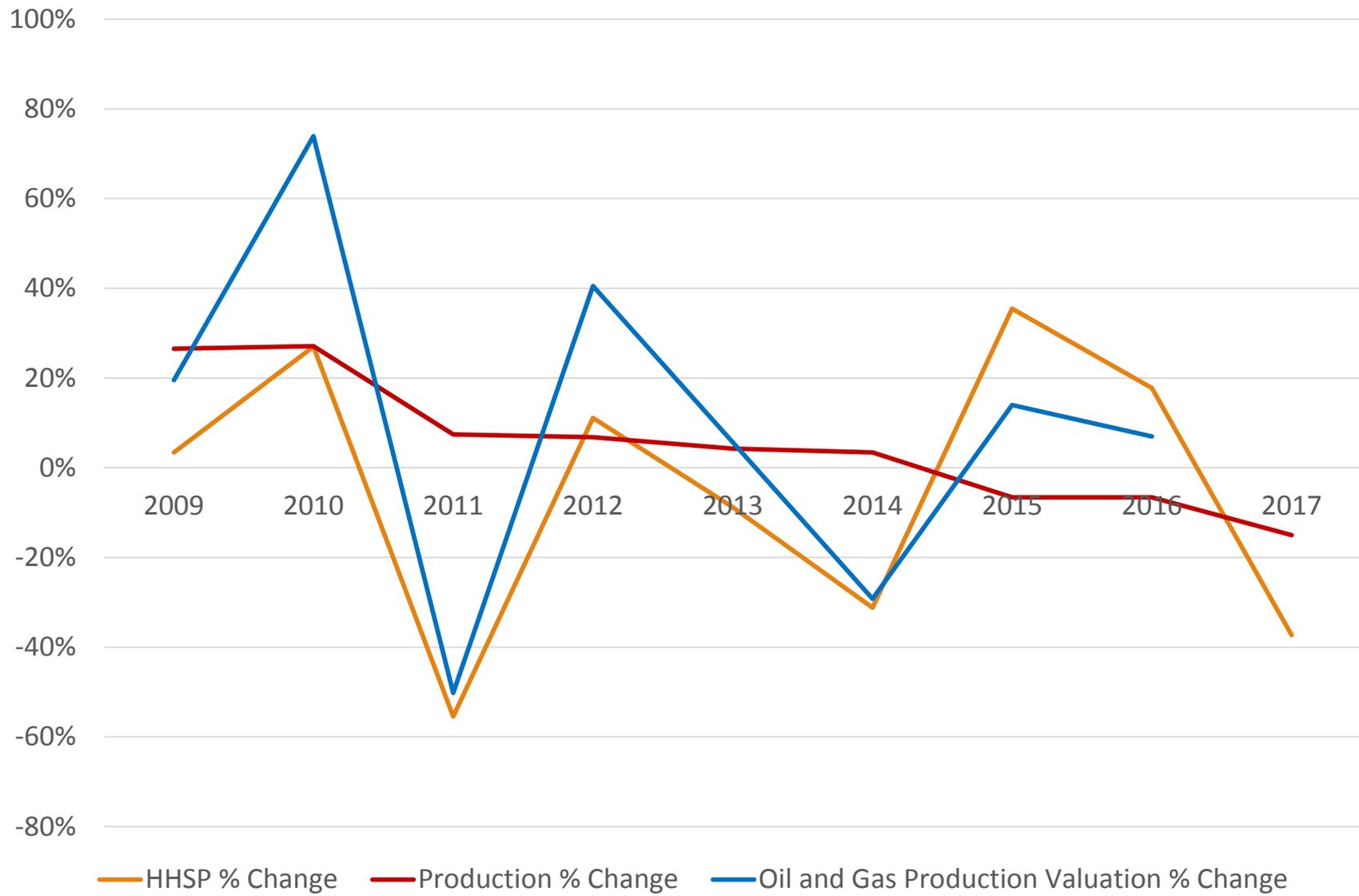
Source: State Demographer

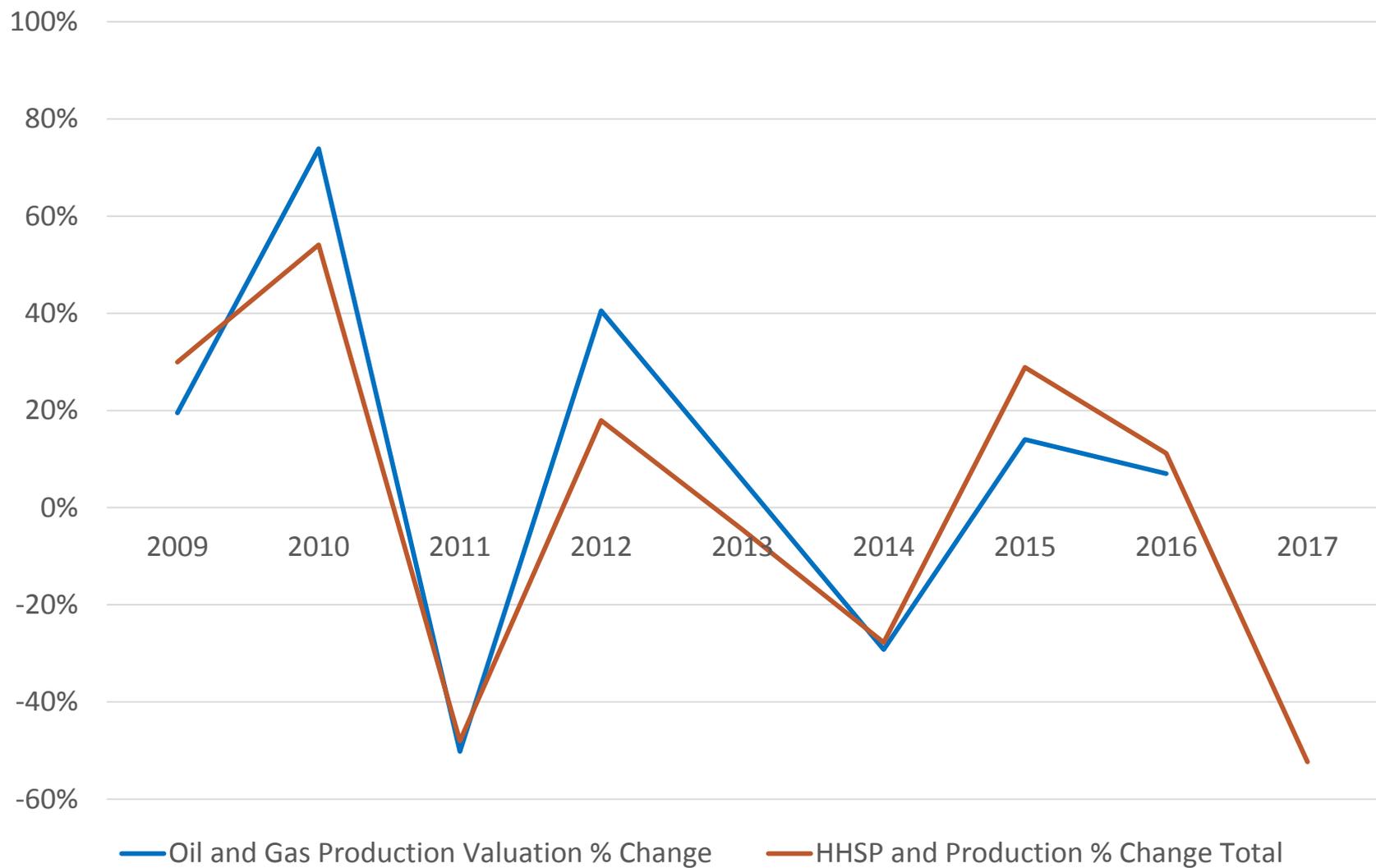
Assessed Valuations by Type

Property Tax Revenue Distribution by District

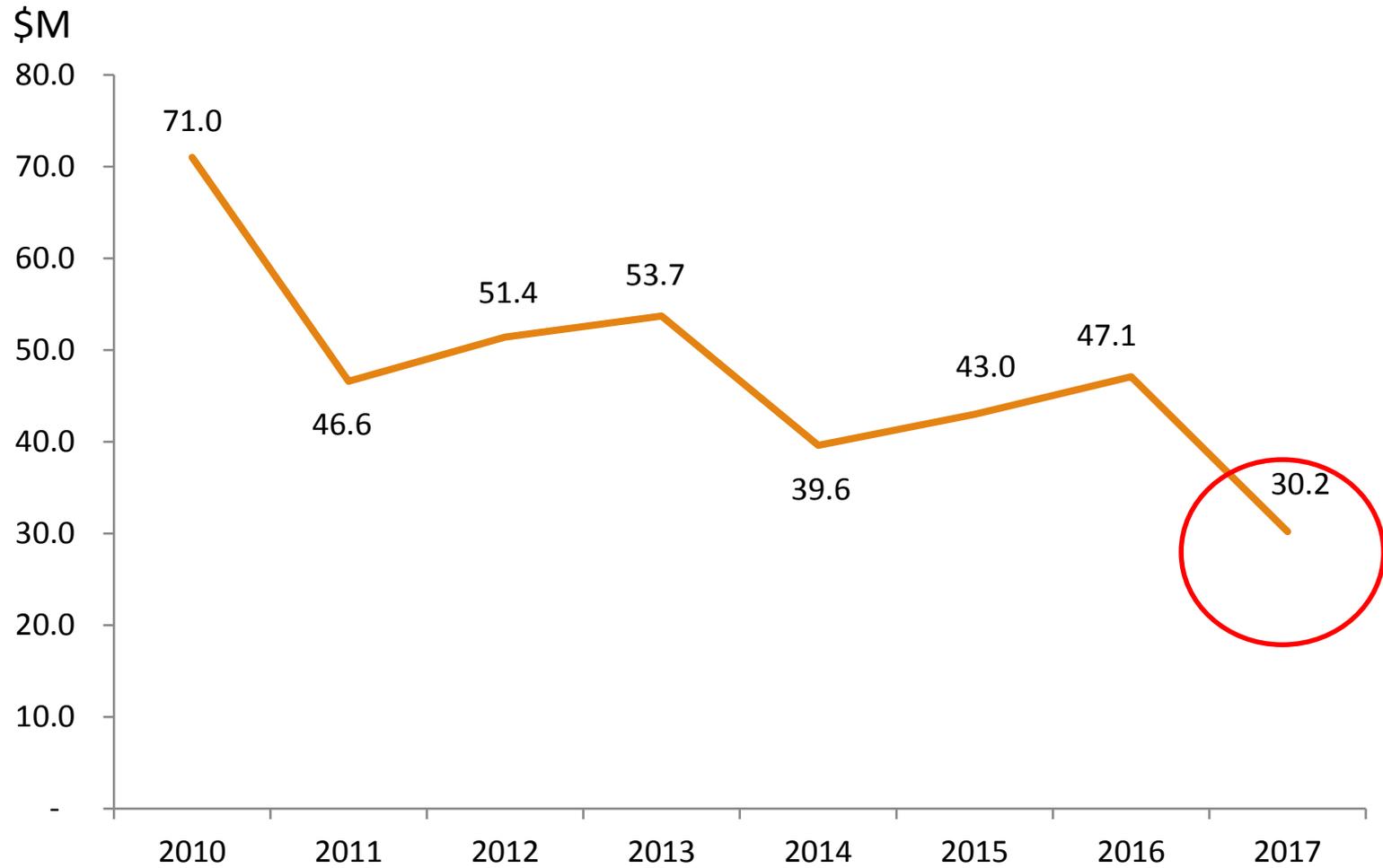
HHSP % Change







PROPERTY TAX REVENUE



COUNTY REVENUES

[Garfield County Revenues](#)

PRELIMINARY REVENUE FORECAST

Primary Revenue Sources	2017 compared to 2016	2018
Property tax	Significant decrease	Flat
Sales tax	No change	Moderate increase as economy continues to improve
Human Services	Flat or slight decrease	Flat or slight decrease
Mineral Severance	Flat or slight decrease	Flat or slight decrease
PILT, HUTF	No forecast available - same	Same
Summary	Significant Decrease	Flat

2017 BUDGET

BOCC Direction:

- Operating budget must be balanced
- Capital and discretionary expenditures will be closely examined
- Reduction in Road and Bridge