

This Scenario Increases Revenue Growth Rates Over Base Case Growth Rates By 1% (so a 25% rate increase if the base case growth rate was 4%) and Increases Inflation Rates by 0.75%

OPTION 0: MODERATE GROWTH NO RECESSIONS. 45% O&G VALUATION DROP IN 2017. NO NEW TAXES. GEN FUND & R&B FACE OPERATING & CAPITAL DEFICITS > \$80mm General Fund Freezes Sales Tax Allocations to R&B at 2013 Levels. Revenue Growth Rates Boosted + 1.0% (25% higher) Over base Case. Inflation + 0.75% Higher Gen Fund Generates Modest Operating Surplus But Cannot Fund Capital Needs or Support R&B. R&B Implodes: Operating Deficits and Capital Shortfalls Exhaust All Reserves by 2018																	
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	15 Year Sum
GENERAL FUND																	
New General Fund Property Tax Revs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Operating Revenues: GF	4,265,373	7,373,348	5,139,086	5,263,260	6,019,745	6,771,633	8,219,432	10,010,208	11,515,587	13,536,865	15,213,255	16,669,607	17,065,348	18,046,095	19,463,783	18,533,914	226,426,541
Total Operating Expenses: GF	2,092,882	3,587,005	4,450,955	4,075,730	4,520,115	5,701,659	6,924,801	8,191,057	9,502,004	10,859,276	12,264,570	13,400,904	13,605,048	14,787,115	16,004,727	17,600,419	227,568,266
GF Operating Surplus/(Deficit)	2,172,492	3,786,343	688,131	1,187,530	1,499,630	1,069,973	1,294,631	1,819,151	2,013,584	2,677,590	2,948,685	3,268,704	3,460,301	3,258,980	3,459,056	4,253,496	38,858,275
GENERAL FUND CAPITAL ACCOUNT																	
One Time Grant Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Gen Fund Capital & Main. Expenditures	3,301,700	3,827,750	3,530,000	1,946,024	3,505,950	3,846,750	3,028,550	3,202,250	3,339,985	3,440,918	3,598,750	3,347,500	3,347,500	3,347,500	3,347,500	3,347,500	4,283,377
GF Net Operating & Capital Surplus/(Deficit)	-3,129,208	958,593	335,131	-10,758,494	-6,320	-12,776,777	266,081	998,901	1,373,599	1,936,672	1,349,935	2,533,954	2,725,551	2,524,230	2,724,306	3,518,746	-5,425,102
ROAD & BRIDGE																	
New R&B Prop Tax Revs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sharing Prop Tax with Cities (50% Levy)	-199,585	-213,456	-226,263	-235,314	-237,667	-232,914	-237,572	-251,826	-256,863	-274,843	-280,340	-294,357	-298,772	-297,278	-303,224	-324,450	-4,164,724
Total Operating Revenues: R&B	8,919,950	7,475,496	7,371,924	7,495,538	7,529,406	7,627,394	7,787,000	7,942,034	8,119,800	8,326,425	8,512,351	8,703,894	8,863,906	9,000,437	9,162,826	9,394,482	117,232,864
Total Operating Expenses: R&B	7,636,276	7,141,129	7,349,965	7,339,657	7,520,090	7,810,210	7,110,365	7,420,909	7,742,210	8,074,648	8,418,617	8,689,181	8,704,989	8,984,386	9,127,569	9,658,276	113,872,476
Net Operating Surplus/(Deficit): R&B	1,283,674	334,367	21,959	155,881	9,316	-182,817	-323,365	-478,875	-622,409	-748,223	-906,265	-985,287	-841,083	-983,948	-1,108,743	-1,263,794	-6,639,612
R&B Grant Funding (25% of Project Cost)	2,097,150	1,822,500	1,090,000	1,532,500	2,170,000	1,838,000	1,283,500	1,430,750	1,832,500	1,395,000	1,351,714	1,388,886	1,385,414	1,423,513	1,462,659	1,517,509	25,021,595
R&B Maintenance & Capital Expenditures	1,194,300	2,290,000	2,360,000	2,130,000	2,680,000	3,352,000	3,134,000	3,723,000	4,330,000	5,580,000	6,406,856	6,555,544	6,541,656	6,694,051	6,850,637	6,070,036	55,892,081
NET R&B Capital & Main. Expenditures	-2,097,150	-5,467,500	-3,270,000	-4,597,500	-6,510,000	-5,514,000	-3,850,500	-4,292,250	-5,497,500	-4,185,000	-4,055,142	-4,166,658	-4,156,242	-4,270,538	-4,387,978	-4,552,527	-70,870,485
Net R&B Oper. & Capital Surplus/(Deficit)	-813,476	-5,133,133	-3,248,041	-4,441,619	-6,500,684	-5,696,817	-4,173,865	-4,771,125	-6,119,909	-4,933,223	-4,961,407	-5,151,946	-4,997,325	-5,254,487	-5,496,721	-5,816,321	-77,510,098
Total GF R&B Oper. & Cap Surplus/(Deficit)	-3,942,684	-4,174,540	-2,912,909	-15,200,113	-6,507,004	-18,473,593	-3,907,784	-3,772,224	-4,746,311	-2,996,551	-3,611,473	-2,617,992	-2,271,774	-2,730,257	-2,772,415	-2,297,575	-82,935,200
Alloc. to R&B from Cap Improvement Res.	0	5,133,133	3,248,041	4,441,619	6,500,684	5,696,817	4,173,865	4,771,125	6,119,909	4,933,223	4,961,407	5,151,946	4,997,325	5,254,487	5,496,721	5,816,321	76,696,622
Cap Purchase & Improve Res (\$26mm)	20,473,000	16,626,210	14,066,300	-437,788	-6,278,843	-24,105,686	-26,984,920	-29,936,894	-34,043,220	-36,298,853	-39,175,576	-41,058,818	-42,595,842	-44,591,349	-46,629,013	-48,191,839	

Assumption Summary:

Moderate Growth, NO RECESSIONS. Assumes Oil & Gas Valuations Drop 45% in 2015 (Fact) then O&G Prices Stabilize with Modest Falling Production Levels. ALL REVENUE GROWTH RATES 1 POINT HIGHER THAN BASE CASE. THIS IMPLIES REVENUE GROWTH RATES 25% HIGHER THAN BASE CASE. NEW HIGHER PROJECTED GROWTH RATES RAISE GEN FUND REVS BY \$40 MILLION OVER 15 YEARS. NEW INFLATION RATE IS 0.75% HIGHER GROWTH RATE. AS A RESULT GEN FUND EXPENSES ARE \$27 MILLION HIGHER OVER THE 15 YEARS

Tax Funding: No New Taxes & O&G Tax Revenues Continue to Fall and are not offset by general economic growth until 2019. GF and R&B still cannot meet maintenance and capital needs.

Reserve Funding: All county relevant reserves are exhausted by 2018.

Grant Funding: Assumes R&B raises 25% of its Capital Plan Needs via Grants (\$23mm) and assumes the GF raises 25% of its Capital Plan Needs via Grants

Assumes the \$26mm Capital Purchase and Improvement Reserves is used as the financing vehicle to bridge timing gaps in funding and expenditures. The Reserves are exhausted by 2018. No Debt Financing Possible in this scenario.

NOTE: THE \$44 MILLION CAPITAL FACILITIES PLAN FOR THE GENERAL FUND INCLUDES APPROX \$11 MILLION FOR MAINTENANCE COSTS OF EXISTING FACILITIES.

Note: R&B Operating Account only includes basic service (snow removal, grading, mag cholride, etc). Repairs, improvements, resurfacing, chip seal, bridge repair are in R&B Capital Acct.

NOTE: ONE MILLION INCREASE FOR R&B RAISES \$33.8M GROSS OVER 15 YEARS COMPARED TO \$30M IN THE BASE CASE. \$10M IS SHARED WITH LA PLATA CITIES FOR A NET \$24M REVENUE RAISE FOR EACH MILLION INCREASE TO R&B.

NOTE: ONE MILLION PROP TAX FOR THE GENERAL FUND RAISES GROSS AND NET REVENUE OF \$3.38 MILLION OVER 15 YEARS. AN AVERAGE OF \$2.38 MILLION PER YEAR GROSS & NET

This Scenario Increases Revenue Growth Rates Over Base Case Growth Rates By 1% (so a 25% rate increase if the base case growth rate was 4%) and Increases Inflation Rates by 0.75%

Option 1: ROAD & BRIDGE: Moderate Growth - NO RECESSIONS - 45% Drop in 2017 D&G Valuations - Gen Fund Sales Tax Allocation Freeze - Operating Deficits, Implosion R&B Generates Operating Deficits of \$5 Million and Cannot Fund Capital Projects: Total Shortfall of \$75 Million Over the 15 Year Period.

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	16 Yr Sums
Revenues:																	
Property Tax	\$1,423,207	\$1,571,449	\$1,359,038	\$1,403,477	\$1,420,852	\$1,402,657	\$1,435,873	\$1,504,215	\$1,548,690	\$1,634,218	\$1,682,308	\$1,750,093	\$1,794,900	\$1,792,482	\$1,819,502	\$1,920,380	
Highway Users Tax	2,989,760	3,073,473	2,165,677	2,238,488	2,228,773	2,303,034	2,395,519	2,456,443	2,553,223	2,649,160	2,747,687	2,845,127	2,941,255	2,935,845	2,913,706	2,921,891	
Sales Tax	2,445,000	2,770,000	2,770,000	2,770,000	2,770,000	2,770,000	2,770,000	2,770,000	2,770,000	2,770,000	2,770,000	2,770,000	2,770,000	2,770,000	2,770,000	2,770,000	
New Property Tax for R&B																	
Less Prop Tax Transfer to Cities @ 50% Levy	(181,225)	(213,456)	(226,263)	(235,314)	(237,667)	(232,914)	(237,572)	(251,826)	(256,863)	(274,843)	(280,340)	(294,357)	(298,772)	(297,278)	(303,224)	(324,450)	(4,146,364)
Specific Ownership Tax	42,526	51,078	60,142	69,751	79,936	90,732	102,176	114,306	127,165	140,795	155,242	170,557	186,790	203,998	222,237	241,572	
Charges for Service	51,009	58,289	64,746	65,011	70,576	79,505	88,729	98,257	108,099	118,266	128,769	139,988	151,662	164,104	177,575	191,464	
Road Impact Fees	64,284	66,927	69,596	72,292	75,015	77,765	80,543	83,348	86,182	89,044	91,934	94,853	97,802	100,780	103,788	106,826	
Intergovernmental Rev	43,629	46,065	48,526	51,011	53,521	56,057	58,617	61,203	63,815	66,453	69,118	71,809	74,527	77,273	80,045	82,846	
Miscellaneous	41,759	51,671	60,462	60,823	68,400	80,557	93,116	106,088	119,489	133,332	147,632	162,583	178,159	194,371	211,155	228,515	
Total Revenues	9,919,950	10,475,496	8,371,924	8,495,538	8,529,406	8,627,394	8,787,000	8,942,034	9,119,800	9,326,425	9,512,351	9,703,894	9,863,906	10,000,437	10,162,826	10,394,482	147,232,864
Expenditures:																	
Personnel	1,169,276	1,266,129	1,354,309	1,366,481	1,446,207	1,565,084	1,688,216	1,815,763	1,947,889	2,084,769	2,226,580	2,373,891	2,527,376	2,687,496	2,853,623	3,027,850	
Operations	1,467,000	1,875,000	1,995,656	1,973,176	2,073,883	2,245,126	2,422,149	2,605,147	2,794,320	2,989,879	3,192,037	3,404,290	3,631,013	3,872,706	4,129,648	4,403,656	
Total Operating Expenses	2,636,276	3,141,129	3,349,965	3,339,657	3,520,090	3,810,210	4,110,365	4,420,909	4,742,210	5,074,648	5,418,617	5,778,181	6,158,389	6,550,202	6,983,271	7,431,506	153,872,476
Net Operating Surplus/ (Deficit)	1,283,674	334,367	21,959	155,881	9,316	-182,817	-323,365	-478,875	-622,409	-748,223	-906,265	-985,287	-841,083	-983,948	-1,108,743	-1,263,794	-6,639,612
R&B Capital Plan Revs & Expenses																	
One Time Grant Revenues @ 25% of Project	1,097,150	1,822,500	1,090,000	1,532,500	1,170,000	1,838,000	1,283,500	1,430,750	1,832,500	1,395,000	1,351,714	1,388,886	1,385,414	1,423,513	1,462,659	1,517,509	25,021,595
Capital Project Expenses	1,194,300	1,290,000	1,360,000	1,130,000	1,680,000	1,352,000	1,134,000	1,723,000	1,330,000	1,580,000	1,406,856	1,555,544	1,541,656	1,694,051	1,850,637	1,970,036	5,892,081
Excess/ (Deficit) R&B Capital Plan	-2,097,150	-5,467,500	-3,270,000	-4,597,500	-6,510,000	-5,514,000	-3,850,500	-4,292,250	-5,497,500	-4,185,000	-4,055,142	-4,166,658	-4,156,242	-4,270,538	-4,387,978	-4,552,527	-70,870,485
Total R&B Operating & Capital Grant Revs	1,017,100	1,029,796	946,192	1,028,038	1,069,406	1,046,594	1,070,500	1,037,784	1,052,300	1,021,425	1,064,065	1,092,780	1,124,319	1,142,395	1,162,486	1,191,991	172,254,459
Total R&B Operating & Capital Expenditures	11,830,576	15,431,129	12,709,965	14,469,657	17,200,090	16,162,210	14,244,365	15,143,909	17,072,210	15,654,648	15,825,472	16,244,726	16,246,644	16,678,437	17,122,207	17,728,312	249,764,556
Net R&B Surplus/ (Deficit)	-813,476	-5,133,133	-3,248,041	-4,441,619	-6,500,684	-5,696,817	-4,173,865	-4,771,125	-6,119,909	-4,933,223	-4,961,407	-5,151,946	-4,997,325	-5,254,487	-5,496,721	-5,816,321	-77,510,098
Allocation for Cap Improvement Reserve		5,133,133	3,248,041	4,441,619	6,500,684	5,696,817	4,173,865	4,771,125	6,119,909	4,933,223	4,961,407	5,151,946	4,997,325	5,254,487	5,496,721	5,816,321	45,018,416

Assumptions:
 Shortfalls in R&B Capital Funding are financed by allocations from the GFC Capital Purchases & Improvements Reserve, which is exhausted by 2018
 45% Drop in D&G Valuations in 2017 increases Operating Deficits. Optimistic Assumption of Moderate Growth with Mild Recessions over 15 years - Stable D&G Post 2020
 Assumes New Grant Revenue of 25% of Future Road Projects is Raised @ \$23mm, Reducing County Funding of the R&B Capital Plan to \$70mm.
 No New Tax Revenue Causes All Applicable Reserves (R&B and Capital Improvement Fund) to be Exhausted by 2018.
 NOTE: HIGHER REVENUE GROWTH RATE ASSUMPTIONS RAISE ADDITIONAL \$7.4M REVENUE FOR R&B AND HIGHER EXPENSES OF \$5.5M. NOT ENOUGH TO BUDGE THE SHORTFALL
 NOTE: ONE MILL INCREASE FOR %B RAISES \$3.8M GROSS OVER 15 YEARS (COMPARED TO \$30M IN THE BASE CASE). \$10M IS SHARED WITH LA PLATA CITIES FOR A NET \$24M REVENUE RAISE FOR EACH MILL INCREASE TO R&B.

This Scenario Increases Revenue Growth Rates Over Base Case Growth Rates By 1% (so a 25% rate increase if the base case growth rate was 4%) and Increases Inflation Rates by 0.75%

OPTION 1: GENERAL FUND: Growth - No Recession - No New Taxes - D&G Property Valuations Drop 4.5% in 2017 - GF Freezes Sales Tax Allocations to R&B at 2013 Levels
Economic Growth Rate 25% Higher Than Base Case Generates Sales & Prop Tax Revenue Increases to Overcome 0% GF Tax Drop by 2021 - Gen Fund Cannot Meet Capital Needs Nor Support R&B Deficits

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	16 Year Sum
Operating Revenues:																	
NON OIL & GAS PROP TAX REVENUE	\$9,466,433	\$10,124,351	\$10,731,812	\$11,161,084	\$11,272,695	\$11,047,241	\$11,268,186	\$11,944,277	\$12,183,163	\$13,035,984	\$13,296,704	\$13,961,539	\$14,170,962	\$14,100,107	\$14,382,109	\$15,388,857	
OIL & GAS PROPERTY TAX REVENUE	387,033	276,270	451,949	486,468	556,197	591,759	717,471	754,646	979,924	1,019,724	1,260,907	1,303,516	1,561,727	1,607,344	1,607,344	1,653,418	
Sales Tax	842,003	194,223	493,329	1,064,112	1,359,965	1,966,463	2,730,651	3,439,435	4,149,907	5,288,443	6,660,404	8,071,164	9,902,752	12,456,326	15,341,236	19,292,076	
NEW PROPERTY TAX REV NON OIL/GAS																	
NEW PROPERTY TAX REV OIL & GAS																	
Specific Ownership Tax	344,006	381,853	402,580	346,477	379,667	422,938	467,125	512,182	558,314	605,205	653,229	693,080	693,080	732,718	772,885	822,366	
Severance Tax	1,000,000	1,060,000	1,376,000	1,505,344	1,785,130	2,177,853	2,706,685	3,475,392	4,480,146	5,948,948	7,989,797	10,946,695	14,999,642	20,639,639	28,096,685	38,147,822	
PILT	1,000,000	1,020,000	1,040,400	1,061,208	1,082,432	1,104,081	1,126,162	1,148,686	1,171,659	1,195,093	1,218,994	1,243,374	1,268,242	1,293,607	1,319,479	1,345,868	
Intergovernmental Rev	811,336	867,563	924,914	983,412	1,043,080	1,103,942	1,166,021	1,229,341	1,293,928	1,359,807	1,427,003	1,495,543	1,565,454	1,636,763	1,709,498	1,783,688	
Charges For Services	75,134	177,012	156,127	260,030	421,911	598,788	773,542	964,484	1,113,418	1,317,955	1,530,673	1,696,593	1,696,593	1,867,491	1,943,516	2,224,821	
Miscellaneous Revenues	339,428	372,076	400,375	395,124	418,667	458,567	499,589	541,765	585,127	629,709	675,544	710,102	706,896	742,101	778,031	828,039	
Total Revenues	4,265,373	7,373,348	5,139,086	5,263,260	6,019,745	6,771,633	8,219,432	10,010,208	11,515,587	13,536,865	15,213,255	16,669,607	17,065,348	18,046,095	19,463,783	21,853,914	666,426,541
Operating Expenditures:																	
Personnel	2,257,577	2,885,641	2,146,483	2,156,401	2,092,794	2,286,705	2,366,602	2,490,550	2,534,656	2,628,073	2,719,998	2,793,106	2,815,404	2,896,901	2,979,833	3,056,600	
Operations	1,835,305	2,701,364	2,990,472	2,507,330	2,427,321	2,837,954	3,262,199	3,700,507	4,153,348	4,621,203	5,104,572	5,470,798	5,449,644	5,824,214	6,207,894	6,743,819	
Total Operating Expenditures	2,092,882	3,587,005	4,450,955	4,075,730	4,520,115	5,124,659	5,628,801	6,191,057	6,688,004	7,249,276	7,824,570	8,263,904	8,265,048	8,721,115	9,187,727	9,800,419	627,568,266
Operating Surplus/(Deficit)	2,172,492	3,786,343	688,131	1,187,530	1,499,630	1,646,974	2,590,631	3,819,151	4,826,583	6,287,589	7,388,685	8,405,703	8,800,301	9,324,980	10,276,056	12,053,496	38,858,275
Capital Account																	
One Time Grant Revenues: 0% of Plan																	
Capital Maintenance Exps	26,700	27,750	53,000	96,024	165,950	146,750	102,550	20,250	39,985	40,918	34,750	34,750	34,750	34,750	34,750	34,750	1,154,377
Capital Plan Facilities Exps	475,000	2,500,000		1,250,000	840,000	3,200,000					64,000						3,129,000
Net Capital & Main. Expenditures	5,301,700	2,527,750	53,000	1,946,024	1,055,950	3,846,750	1,028,550	20,250	63,985	40,918	1,598,750	34,750	34,750	34,750	34,750	34,750	4,283,377
Total Operating & Capital Expenditures	7,394,582	6,414,755	4,803,955	6,021,754	6,026,065	9,548,409	7,953,351	9,011,307	10,141,989	11,600,194	13,863,320	14,135,654	14,339,798	15,521,865	16,739,477	18,835,169	998,916,361
Net Operating & Capital Surplus/(Deficit)	-3,129,208	958,593	335,131	-10,758,494	-6,320	-12,776,777	266,081	998,901	1,373,599	1,936,672	1,349,935	2,533,954	2,725,551	2,524,230	2,724,306	3,518,746	-5,425,102
Capital Purchases & Improvement Res.	20,473,000	16,626,210	14,066,300	-437,788	-6,278,843	-24,105,686	-26,984,920	-29,936,894	-34,043,220	-36,298,853	-39,175,576	-41,058,818	-42,595,842	-44,591,349	-46,629,013	-48,191,839	
Out of Capital Improvement Res to R&B	0	5,133,133	3,248,041	4,441,619	6,500,684	5,696,817	4,173,865	4,771,125	6,119,909	4,933,223							45,018,416

ASSUMPTIONS: ALL GF Capital Facilities Investments Take Place As Scheduled & The Capital Purchases & Improvements Reserve Is Dedicated To Finance Gen Fund and R&B Timing Shortfalls

Non Oil & Gas Property Tax Valuations 10% in 2015, 6.0% in 2016, Growth Drops in 2018, then @ 2 years to accumulate inflation 2% over time.

Sales Tax Revs: \$675k Allocation to R&B reversed in 2016. Retail Sales as forecasted by Gov's office 2015/16 then growing at 2.5% faster than inflation. Post 2015, all Sales Tax Rev growth accrues to the Gen Fund

Oil & Gas Prop Valuations Decrease 5% in 2017 then growing approximately 2.5% faster than the Base Case

SOT, PILT, IFS & MISC Revs to increase at rates = inflation (approximately 0% of the inflation rate and population increase) 29% in 2015 and then 5% to 9% of inflation

Op Exps Salary, Wages & benefits increase 29% in 2015 and then 5% to 9% of inflation

Op Exps Medical Insurance increase 9% in 2015, then at 5%

Op Exps Operating expenses and District Atty expenses increase at 5% to 9% of inflation rate

Reserves Assumptions R&B and General Fund Capital Improvement Shortfalls are financed from GF Capital Purchases & Improvement Reserve. No New GF Taxes to Replenish Reserve Exhausted in 2018.

COUNTY FREEZES ALLOCATION OF SALES TAX REVENUES TO R&B @ 2013 LEVELS (\$2.8mm). GEN FUND CAN GENERATE MODEST OPERATING SURPLUSES BUT FALLS \$20 MILLION SHORT OF CAPITAL NEEDS OVER THE 15 YEARS.

Grant Revenues Equal 25% of R&B Capital Expenditures, 0 Grants for General Fund Capital Projects

NOTE: REVENUE GROWTH RATES AT 1% POINT HIGHER (A RATE 25% HIGHER THAN THE BASE CASE GROWTH RATES) GENERATES \$40 MILLION HIGHER REVENUES OVER 15 YEARS (\$2.6M PER YEAR). OP EXPENSES INCREASE \$27M OVER 15 YEARS (\$1.8M PER YEAR).