

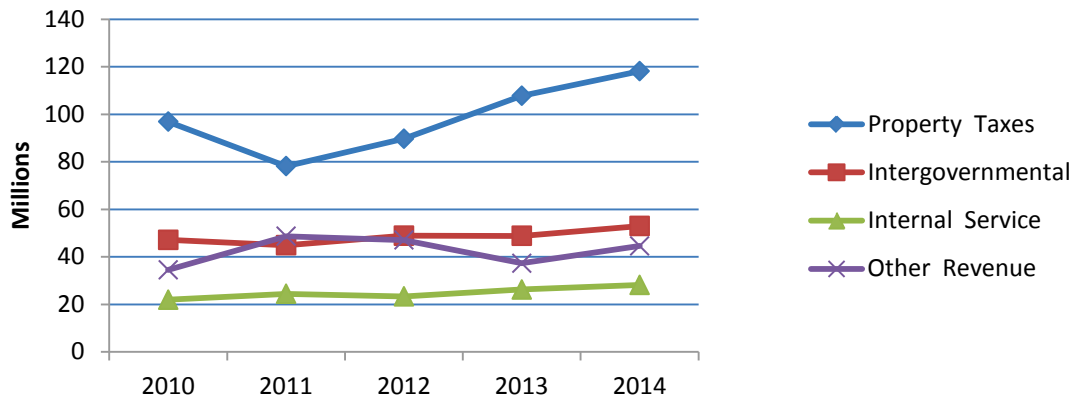
## MAJOR REVENUE HISTORICAL TRENDS AND ANALYSIS

<i>DESCRIPTION</i>	<i>2010</i>	<i>2011</i>	<i>2012</i>	<i>2013</i>	<i>2014</i>
Property Taxes	\$ 96,940,646	\$ 78,195,961	\$ 89,713,452	\$ 107,816,616	\$ 117,873,505
Other Taxes	8,030,000	7,613,371	9,934,961	8,310,000	9,450,000
Fees	7,412,000	9,445,288	9,389,307	8,777,422	9,975,250
Intergovernmental	47,121,030	44,888,187	48,878,851	48,851,520	52,977,866
Licenses/Permits	1,860,400	2,093,316	2,968,095	2,866,875	3,450,225
Charges for Services	5,131,355	6,899,382	7,741,896	5,800,931	8,242,560
Internal Services	21,939,772	24,439,880	23,341,642	26,221,780	28,166,292
Paramedic Fees	5,791,647	6,803,592	1,667,980	0	0
Miscellaneous	6,285,729	15,838,807	15,369,437	11,518,124	13,450,439
<b>TOTAL REVENUES</b>	<b><u>\$ 200,512,579</u></b>	<b><u>\$ 196,217,784</u></b>	<b><u>\$ 209,005,621</u></b>	<b><u>\$ 220,163,268</u></b>	<b><u>\$ 243,586,137</u></b>

### TREND ANALYSIS

*Where appropriate, the local economic conditions and forward-looking economic indicators have been noted and taken into account in forecasting revenue trends.*

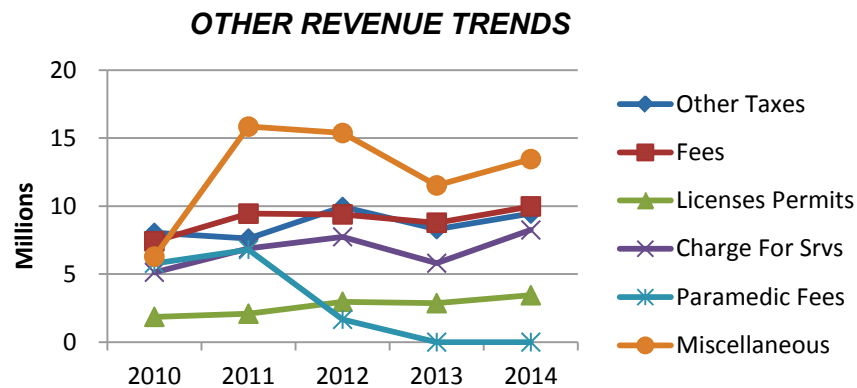
*MAJOR REVENUE TRENDS*



**Property Tax:** Increases will track with the Home Rule Charter and TABOR tax limitations, which are growth in actual property value, plus cost-of-living. Although little increase in assessed value growth is anticipated due to the slow recovery in construction activity, the assessed value is anticipated to grow significantly due to increased energy prices and new exploration in Weld County. Oil and gas values accounts for over half of the county’s assessed valuation and the changes in commodity prices contributes to the big fluctuations in property taxes from year to year. Excitement related to exploration of the Niobrara shale formation in northern Weld County remains high, driving several significant job-creating projects in Weld County and more energy production that will add to the county’s assessed valuation in future years.

**Intergovernmental:** State and federal revenues have grown little the last five years with state funded programs impacted by the state budget reductions due to the recovering economy and the federal budget cuts due to sequestration and deficit reduction measures. In 2010 revenues dropped 21.6 percent due to lower Human Services funding levels and the relinquishment of Head Start programs. The drop in 2012 is due to transferring the Supplemental Foods program to the Weld Food Bank, and the end of the five year Building Healthy Marriages Grant. The 2013 revenue was stable due the increased Child Welfare allocation and the return of State of Colorado Energy Impact Assistance grants. At the federal level the focus is on deficit reduction through spending cuts. Some deficit reductions occurred automatically in 2013 with the federal sequestration to ensure \$1.2 trillion in deficit reductions over the next ten years. We can anticipate moderation in non-defense discretionary spending and some spending cuts in entitlements as we look forward.

**Internal Services:** Predictable revenue based on stable usage. Health insurance costs in the self-insured fund will drive increases in this area over the next five years.



**Other Taxes:** Primarily, specific ownership taxes that track car registrations and severance tax. Increase trend is due to new formula for the direct distribution of severance tax to cities and counties from the state. Severance tax revenues follow the price of oil and gas, since that is where they are derived.

**Fees:** Fees have been increased and new fees added. New legislation increased 2011 Clerk and Recorder fees. Increased oil and gas recording activity in the county is resulting in higher projected revenues in this area over the next few years. Fees from vehicle registration should increase as vehicle sales are projected to continue to increase as the economy improves. Planning fees are starting to improve as the economy recovers and some construction activity returns.

**Licenses/Permits:** As cited in the *Revenue Assumption* section earlier, some recovery of construction is beginning to be seen. Despite the low activity in residential building in the unincorporated part of the County some factors pointing towards an uptick in activity as rental vacancy rates are low and housing listing inventories are low. The investment in the oil and gas infrastructure is anticipated to continue for the next few years. The combination of all activities point to higher inspection and permit fee revenues in the near future. The trend for the next five years should be a gradual increase only.

**Charges for Services:** Revenue is predictable based on contracts for service and reimbursable projects.

**Paramedic Fees:** Effective May 7, 2012, Weld County transferred the operational and financial responsibility to NCMC, Inc. and Banner Health. Therefore, this operation's revenue will not be in future budgets.

**Miscellaneous:** Revenue predictable, even though some variation in specific years. Interest revenue is found in this category. Public Works contracts are up due to reimbursable road projects in 2014. Fines from traffic violations remain down, which follows a national trend. Oil and gas royalty payments were up substantially the last three years, but should moderate in the coming five years as bonus amounts drop. The policy decision to charge Social Services the full amount of indirect costs raised this category over \$1 million in 2013, and will continue in future years.