

Good Evening, members of the Craig Chamber board, elected officials, and community members.

We are a community that depends on energy, recreation, agriculture and tourism which support our local economy and our quality way of life. The commissioners are fully supportive of our new branding effort; **Colorado's great Northwest!!!**

Moffat County is the second largest county in the State of Colorado in land mass which consists of 60% federal and 40% private. That represents a Total Area of; 4,734 sq miles consisting of 1,700 miles of county roads. In perspective, that would be like driving from Craig to Charlotte North Carolina.

The total 2018 assessed value of Moffat County was \$401.1 million. 61% of this assessed value comes directly from our counties top ten tax payers which are all energy and or natural resourced based entities. These same taxpayers are projected to generate 58% of the estimated \$26.3 million in taxes to be collected this year. Additionally, 53% of this \$401 million assessed value comes from our state assessed properties, which includes the power plant, public utilities and interstate pipelines. 19% is from our oil and gas and the remaining 28% is derived from our residential, commercial, vacant lands, agriculture and industrial properties.

The Moffat County budget for 2019 is \$38.2 million and this is without the Memorial Regional Hospital which is a component of the overall budget. The hospital is a legally separate organization, not operated by the Board of County Commissioners that makes up more than half of the total budget.

Now I want to address some of the issues facing the county, where we are presently and what is ahead. First and foremost the county is legally mandated to provide certain services and we could not provide those services without the personnel, department heads

and county elected officials we have in place currently. While we have seen a decrease of 18.3 full time equivalents since 2016, our personnel will continue to be our greatest asset. It is the goal of this current Board of Commissioners to bring the budget into a position where we can reinstate the cost of living in order to compensate our dedicated and hardworking employees.

Speaking of our employees, staff in public works and finance drafted the Capital Improvement Policy that is now in place to identify future large capital expenses associated with the cost of doing business for the county through our budget process. With the current budget approach our capital reserve is created through the sale of assets in a prior year and placed in the capital reserve for future use in the fund that transactions occurred. Having said that, we are continually looking to reduce assets and get them back on the tax roll such as the case with the Shadow Mt. Club House, and adjacent lots. We also auctioned off seven lots in the Lloyd subdivision down by Hamilton and sold the Lutruel barn to a group of our local citizens. We also own a few lots in Shadow Mt. Village due to tax liens that will go to auction this spring to the highest bidder.

The county operating reserve policy changes were made to utilize cash flow to provide services to the citizens and our operating reserves were reduced from 90 days to 60 days. The staff and county commissioners continually look for cost savings and other sources of revenue. For example; we increased the County landfill and the Maybell Sanitation rates to cover costs incurred by those utilizing the services.

Earlier I mentioned looking for other revenue sources and we have done that and will continue to do so. The county is committed to working with the city and looking for ways to collaborate and combine personnel and/or services saving the community and local government's money. One example was when we, through an IGA combined our building inspector

position with the city and that has been working well both for the city and the county for the last two years. We also jointly fund our local Craig - Moffat County Airport which is a great asset to all of us. The Airport Advisory board just completed a ten year airport master plan at the cost of 260, 000 which was funded primarily from the Division of Aeronautics and approved by the Colorado Aeronautical board. The state provided 95% of the cost and the county and city split the remaining 5%. The Airport Master Plan is recognized by the State and the FAA for current and future capital needs and is necessary for granting opportunities and proving beneficial for any and all our past maintenance to the runway and tarmac, as well as the new terminal building that was put in place in 2008.

The commissioners, staff and advisory board in partnership with the BLM built two Helipads that will help accommodate helicopter traffic for fire fighting in the future. Our airport is recognized as a hub for fighting regional wild land fires. Speaking of fires, Colorado witnessed the worse fire season since 2002 collectively across the state. Most of those fires here in Moffat County impacted vegetation on both public and private lands with little impact to human life and structures. Of the total 23,225 ac 5,700 was on state lands. Thanks to the Sheriff and his employees for their due diligence along and in partnership with our County Road and Bridge department.

The county is always looking for ways to leverage tax dollars with grants available through the Colorado Department of Transportation (CDOT) Federal Highway Administration, Department of Local Affairs (DOLA), Colorado Division of Housing, Colorado Parks and Wildlife (CPW) the State Land Board and the U.S. Fish and Wildlife. Example of such opportunities provided for the reconstruction of the Swinging Bridge a 1.9 million dollar project. The Seven County Coalition out of Utah also contributed to the cost of the bridge lending support and knowing it provided critical access for them as well. As county

commissioners you cannot say we support public lands without supporting access to those lands and not only did it provide access it provided travel into Utah and access to wild land fires as well.

I would like to take a little time to address some of the hurdles we are facing coming from our state legislators. We are seeing a record number of unprecedented bills that will cripple our economy and impact rural Colorado and Moffat County. The most recent of which is SB - 181, the re-write of the COGCC that would have a huge negative impact for the oil and gas industry. We already have the most stringent rules and regulations in the nation as it is and it provides for one set of standards no matter where the industry wants to drill. This bill will have unintended consequences for the whole state.

Then there is HB – 1037 which ultimately is a bill that encourages and incentivizes the acceleration of closing down coal fired power plants by offering cheap bonds and will supposedly help train current employees for other well-paying jobs, Really and where do you think those jobs are, not here and that leaves local government with a much less tax base. We met with to the bill sponsor (Representative Hansen) to encourage him to take a time out and do an in-depth economic impact study first and yes you guessed it, he was not willing to do so. The bill is going back to the Senate Ag Committee to review the amendments.

The National Popular vote bill (SB-042). The founding fathers wanted the states to elect the President so they established the Electoral College whereby avoiding heavily populated states such as California and New York that would automatically decide the course for the entire county. Both AGNC and CLUB 20 sent letters on behalf of the membership opposing this bill and our executive director testified as well. The Governor has signed this bill and when 270 electoral votes are supported nationally it will change the constitution as we know it today and your vote won't count.

Next is the Red Flag Bill that impacts our second amendment rights, a right of the American People provided us through the US Constitution? Moffat County Commissioners adopted a resolution stating we will not support any legislation that further restricts our second amendment rights. 31 other counties in Colorado including the Craig City Council have adopted similar resolutions. I just found out today that the bill is headed to the Governor's desk waiting to be signed into law.

I would be remised if I didn't mention that infamous bird called the Greater Sage Grouse that seems to be looming over us and the impact this bird can have on our public and private lands with any potential opportunities for conducting business such as motorized recreation, oil and gas production and exploration. We have been and will continue to represent Moffat County engaging with the Secretary of the Interior and State BLM Director on these issues. Moffat County has actively participated in any and all discussions knowing that we will be impacted more than any county in the state.

We also know that there is a desire from several interest groups wanting to see wolves reintroduced into Colorado, which will be another attack on Western Slope counties. The commissioners working with our Land Use Advisory Board introduced the first resolution in 2018 opposing such act and we will continue to watch for ballot initiatives that may appear in 2020 or sooner.

There are two multi-year BLM Travel Management Plans occurring in the White River and Little Snake BLM field offices. The Moffat County Land Use Board has been representing you and participating in every phase of the new Travel Management Plans proposed by BLM which ultimately decide which roads are open and or closed on federal lands in Moffat County.

I would like to end on a positive note and as most of you know Trans-West is going to build a 500 KV-DC transmission line

through NW Moffat County consisting of 91 miles and a total of 296 structures. This is a total of 730 miles from Wyoming to Nevada and estimated at 3,000 megawatt capacity with construction scheduled to begin in 2020 and be completed sometime in 2022. Revenues won't be seen until the line is completed and energized, but we do expect Trans West to be in the top 3 taxpayers in Moffat County.

The county in partnership with Tri-state applied for a grant through the Department of Local Affairs to help bring CR 17 and 51 up to standards which will aid the mine in the hauling of coal. This is for 3.1 miles of asphalt overlay and primarily to access Colowyo's new Collom Pit. The total cost of the project is estimated to be \$975,000 with TS agreeing to provide \$480,000 in match for that grant. Moffat County Road and Bridge will be contributing up to 15,000 in-kind for the project. We just received confirmation from DOLA this afternoon saying the grant has been approved!!! **April 1, 2019**

As county commissioners our goal is to leave the county better than we found it and set up future county commissioners for success. In conclusion and I know I speak for all three of the County Commissioners when I say it truly is an honor to serve you and the rest of the citizens in Moffat County.

Thank you - Ray Beck

Don Cook and Donald Broom