

MESA COUNTY FEDERAL MINERAL LEASE DISTRICT
RESOLUTION NO. 2021-02

A RESOLUTION SETTING A BUDGET FOR THE 2021 BUDGET YEAR

1. The Board of Directors of the Mesa County Federal Mineral Lease District adopted its annual budget in accordance with Colorado Revised Statutes § 29-1-113 at a duly noticed public meeting of the Board held December 29, 2020, as evidenced by the Minutes of the Board, a true and correct copy of which is attached as Exhibit A.

3. Colorado Revised Statutes § 29-1-108 requires an enacting appropriation resolution for the ensuing fiscal year. Therefore, the Board hereby enacts this resolution, which confirms its actions.

4. The Board declares that no expenditures pursuant to this Budget shall exceed the appropriations authorized by the Board, except as may be adjusted by the Board from time to time pursuant to Colorado Revised Statutes § 29-1-109.

5. The Board appropriates the following monies for 2021:

Estimated Beginning Fund Balance: \$1,115,909

Estimated Beginning Permanent Fund Balance: \$1,582,910

Revenue

Federal Mineral Lease Direct Payments

Colorado Department of Local Affairs: \$ 554,477

Expenditures

Administrative: \$ 3,000

Audit: \$ 3,800

Contract Labor, Services: \$ 42,500

Insurance: \$ 2,500

Advertising: \$ 0

Contribution to Permanent Fund: \$ 100,000

Grants-available for award in 2020: \$ 400,000

Total Expenditures (Appropriations): \$ 551,800

Other Income & Expenditures

Dividends & Cap. Gains/Losses: \$ 30,000

Investment Fees: \$ 14,000


Estimated Ending Fund Balance: \$ 1,118,586

Estimated Ending Permanent Fund Balance:

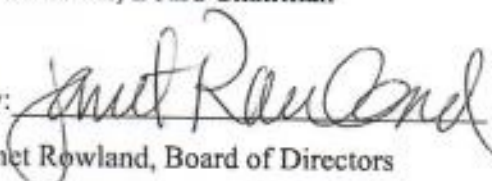
\$1,698,910

The foregoing resolution was passed and adopted by action of the Board at a duly noticed public meeting of the Board at which quorum was present. Approved by the Board this 20 day of January, 2021.

By:


Quint Shear, Board Chairman

By:


Janet Rowland, Board of Directors

Attachment: Exhibit A

Mesa County Federal Mineral Lease District

	2020		2021
	Budget	Actuals	Budget
Estimated Beginning Fund Balance	1,179,181	1,179,181	1,115,909
Estimated Beginning Permanent Fund Balance	1,461,709	1,461,709	1,582,910
<i>Revenue</i>			
Anvil Points Disbursement	0	0	0
Federal Mineral Lease Receipt	971,274	495,556	554,477
Total Revenue	971,274	495,556	554,477
<i>Expenditures</i>			
Administrative	3,500	2,364	3,000
Audit	4,000	3,700	3,800
Contract labor	72,500	60,876	42,500
Insurance	2,500	2,412	2,500
Advertising	3,000	0	0
Contributions to Permanent Fund	200,000	100,000	100,000
Contract Payment to Mesa County	0	0	0
Contract Payment to Mesa County (Pymnt 2)	0	0	0
Grants	0	0	0
Grants-approved and paid	0	189,476	0
Grants-approved but unpaid	0	200,000	0
Grants-Unused/Forfeited Grants	0	0	0
Grants-To be awarded next year	871,274	0	400,000
Total Expenditures (Appropriations)	1,156,774	558,828	551,800
<i>Other Income & Expenditures</i>			
Dividends & Capital Gains/Losses	30,000.00	34,438.49	30,000
Investment Fees	(14,000.00)	(13,237.24)	(14,000)
Total Other Income & Expenditures	16,000.00	21,201.25	16,000
Estimated Ending Fund Balance	993,681	1,115,909	1,118,586
Estimated Ending Permanent Fund Balance	1,677,709	1,582,910	1,698,910

Mesa County Federal Mineral Lease District							1852803.33						
Cash Basis													
	2017		2018		2019		2020		2021				
	Budget	Actuals	Budget	Actuals	Budget	Actuals	Budget	Estimated Actuals	Budget				
Estimated Beginning Fund Balance	\$ 2,254,505.38	\$ 2,417,298.74	\$ 2,013,864.35	\$ 2,013,864.35	\$ 2,276,035.35	\$ 2,276,035.35	\$ 1,179,180.75	\$ 1,179,180.75	\$ 1,115,909.05			Beginning cash balance	
Estimated Beginning Permanent Fund Balance			-	-	1,329,696.00	1,329,696.00	\$ 1,461,708.77	1,461,708.77	\$ 1,582,910.02			Beginning cash balance	
<i>Revenue</i>													
Anvil Points Disbursement			-	1,703,874.00	120,402.20	120,402.20	-	-	-				
Federal Mineral Lease Receipt	769,338.23	796,245.04	830,881.70	737,322.00	937,504.92	925,022.53	971,273.66	495,556.20	554,476.71				
Total Revenue	769,338.23	796,245.04	830,881.70	2,441,196.00	1,057,907.12	1,045,424.73	971,273.66	495,556.20	554,476.71				
<i>Expenditures</i>													
Administrative	2,000.00	3,301.75	3,500.00	2,908.00	3,500.00	2,559.09	3,500.00	2,363.81	3,000.00				
Audit	5,000.00	4,200.00	4,500.00	4,027.00	4,000.00	3,650.00	4,000.00	3,700.00	3,800.00				
Contract labor	58,000.00	55,857.80	58,000.00	51,639.00	72,500.00	69,610.49	72,500.00	60,876.09	42,500.00				
Insurance	2,500.00	2,408.00	2,500.00	2,146.00	2,275.00	2,275.00	2,500.00	2,412.00	2,500.00				
Advertising	200.00	88.58	3,000.00	2,671.00	3,000.00	1,969.00	3,000.00	-	-				
Contributions to Permanent Fund		-	350,000.00	1,387,727.00	100,000.00	100,000.00	200,000.00	100,000.00	100,000.00				
Contract Payment to Mesa County					1,500,000.00	1,500,000.00	-	-	-				
Contract Payment to Mesa County					324,000.00	324,000.00	-	-	-				
Grants													
Grants-approved and paid	1,174,626.28	1,133,823.30	972,851.00	727,907.00	481,120.00	-	-	189,476.00	-				
Grants-approved but unpaid	917,129.72		439,513.35	-	208,824.00	189,476.00	-	200,000.00	-				
Grants-Unused/Forfeited Grants						(51,260.25)	-	-	-				
Grants-To be awarded next year	769,338.23		830,881.70	-	513,504.92	-	871,273.66	-	400,000.00				
Total Expenditures (Appropriations)	2,928,794.23	1,199,679.43	2,664,746.05	2,179,025.00	3,212,723.92	2,142,279.33	1,156,773.66	558,827.90	551,800.00				
<i>Other Income & Expenditures</i>													
Dividends & Capital Gains			-	(52,765.00)	30,000.00	44,020.40	30,000.00	34,438.49	30,000.00				
Investment Fees			-	(5,266.00)	(14,000.00)	(12,007.63)	(14,000.00)	(13,237.24)	(14,000.00)				
Total Other Income & Expenditures				(58,031.00)	16,000.00	32,012.77	16,000.00	21,201.25	16,000.00				
Estimated Ending Fund Balance	\$ 95,049.38	\$ 2,013,864.35	\$ 180,000.00	\$ 2,276,035.35	\$ 121,218.55	\$ 1,179,180.75	\$ 993,680.75	\$ 1,115,909.05	\$ 1,118,585.76				
Estimated Ending Permanent Fund Balance		\$ -	\$ 350,000.00	\$ 1,329,696.00	\$ 1,445,696.00	\$ 1,461,708.77	\$ 1,677,708.77	\$ 1,582,910.02	\$ 1,698,910.02				

MCFMLD
Profit and Loss Detail
 January 1 - September 9, 2020

Ordinary Income/Expenses	Date	Transaction Type	Num	Name	Memo/Description	Split	Amount	Balance	
Expenses									
7000 Grants Awarded									
	05/20/2020	Bill	2020-SM-02	City of Fruita	Railroad Crossing Improvements	2000 Grants Payable	50,000.00	50,000.00	
	05/20/2020	Bill	2020-ST-03	Grand Junction Police Department	Firing Range Improvements	2000 Grants Payable	150,000.00	200,000.00	
Total for 7000 Grants Awarded							\$ 200,000.00		
7100 Outside Services									
7110 Legal Fees									
	02/19/2020	Check	3424	Dufford Waldeck Milburn & Krohn		1000 Fund Balance	220.00	220.00	
	03/11/2020	Check	3428	Dufford Waldeck Milburn & Krohn		1000 Fund Balance	160.00	380.00	
	03/11/2020	Check	3432	Dufford Waldeck Milburn & Krohn	Re-issued check as original March check (Check# 3428) did not clear the bank	1000 Fund Balance	0.00	380.00	
	04/09/2020	Check	3431	Dufford Waldeck Milburn & Krohn		1000 Fund Balance	1,040.00	1,420.00	
	06/16/2020	Check	3437	Dufford Waldeck Milburn & Krohn		1000 Fund Balance	1,060.00	2,480.00	
	07/14/2020	Check	3439	Dufford Waldeck Milburn & Krohn		1000 Fund Balance	852.00	3,332.00	
	08/17/2020	Check	3441	Dufford Waldeck Milburn & Krohn		1000 Fund Balance	1,897.00	5,229.00	
Total for 7110 Legal Fees							\$ 5,229.00		5,229.00
7115 Accounting Fees									
	01/15/2020	Expense	3345	Eide Bailly, LLP		1000 Fund Balance	2,044.50	2,044.50	
	04/09/2020	Check	3430	Eide Bailly, LLP		1000 Fund Balance	1,646.04	3,690.54	
	08/17/2020	Check	3442	Eide Bailly, LLP		1000 Fund Balance	3,896.04	7,586.58	
Total for 7115 Accounting Fees							\$ 7,586.58		7,586.58
7120 Contract Services									
	01/15/2020	Expense	3421	Dusti Reimer		1000 Fund Balance	3,750.00	3,750.00	
	02/19/2020	Check	3423	Dusti Reimer		1000 Fund Balance	3,750.00	7,500.00	
	03/11/2020	Check	3427	Dusti Reimer		1000 Fund Balance	3,750.00	11,250.00	
	04/09/2020	Check	3429	Dusti Reimer		1000 Fund Balance	3,750.00	15,000.00	
	05/20/2020	Check	3433	Dusti Reimer		1000 Fund Balance	3,750.00	18,750.00	
	06/16/2020	Check	3436	Dusti Reimer		1000 Fund Balance	3,750.00	22,500.00	
	07/14/2020	Check	3438	Dusti Reimer		1000 Fund Balance	3,750.00	26,250.00	
	08/17/2020	Check	3440	Dusti Reimer		1000 Fund Balance	3,750.00	30,000.00	
Total for 7120 Contract Services							\$ 30,000.00		45,000.00
Total for 7100 Outside Services							\$ 42,815.58		12 Months
7305 Insurance									
	02/19/2020	Check	3426	Philadelphia Insurance Company		1000 Fund Balance	2,412.00	2,412.00	
Total for 7305 Insurance							\$ 2,412.00		
7400 Administrative Expenses									
7405 Dues/Memberships									
	01/15/2020	Expense	3421	Dusti Reimer	microsoft	1000 Fund Balance	9.99	9.99	
	01/15/2020	Expense	3421	Dusti Reimer	Adobe	1000 Fund Balance	14.99	24.98	
	02/19/2020	Check	3425	Special District Association of Colorado		1000 Fund Balance	999.06	1,024.04	
	02/19/2020	Check	3423	Dusti Reimer	Adobe	1000 Fund Balance	14.99	1,039.03	
	02/19/2020	Check	3423	Dusti Reimer	Microsoft	1000 Fund Balance	9.99	1,049.02	
	03/11/2020	Check	3427	Dusti Reimer	Microsoft	1000 Fund Balance	9.99	1,059.01	
	03/11/2020	Check	3427	Dusti Reimer	Adobe	1000 Fund Balance	14.99	1,074.00	
	03/11/2020	Check	3427	Dusti Reimer	Webroot Internet Security Yearly Subscription	1000 Fund Balance	49.99	1,123.99	
	04/09/2020	Check	3429	Dusti Reimer	Microsoft	1000 Fund Balance	9.99	1,133.98	
	04/09/2020	Check	3429	Dusti Reimer	Adobe	1000 Fund Balance	14.99	1,148.97	
	05/20/2020	Check	3433	Dusti Reimer	Adobe	1000 Fund Balance	14.99	1,163.96	
	05/20/2020	Check	3433	Dusti Reimer	Microsoft	1000 Fund Balance	9.99	1,173.95	
	06/16/2020	Check	3436	Dusti Reimer	Zoom	1000 Fund Balance	14.99	1,188.94	
	06/16/2020	Check	3436	Dusti Reimer	Microsoft	1000 Fund Balance	9.99	1,198.93	
	06/16/2020	Check	3436	Dusti Reimer	Adobe	1000 Fund Balance	14.99	1,213.92	
	07/14/2020	Check	3438	Dusti Reimer	Zoom	1000 Fund Balance	14.99	1,228.91	
	07/14/2020	Check	3438	Dusti Reimer	Microsoft	1000 Fund Balance	9.99	1,238.90	
	07/14/2020	Check	3438	Dusti Reimer	Adobe	1000 Fund Balance	14.99	1,253.89	1,293.86
	08/17/2020	Check	3440	Dusti Reimer	Zoom	1000 Fund Balance	14.99	1,268.88	14.99
	08/17/2020	Check	3440	Dusti Reimer	Microsoft	1000 Fund Balance	9.99	1,278.87	9.99
	08/17/2020	Check	3440	Dusti Reimer	Adobe	1000 Fund Balance	14.99	1,293.86	14.99
Total for 7405 Dues/Memberships							\$ 1,293.86		119.91
7420 Supplies									
	01/15/2020	Expense	3422	Networks Unlimited		1000 Fund Balance	120.00	120.00	
	02/19/2020	Check	3423	Dusti Reimer	Postage Stamps	1000 Fund Balance	1.65	121.65	
	03/11/2020	Check	3427	Dusti Reimer	Office Depot - Binders	1000 Fund Balance	58.55	180.20	
	04/09/2020	Check	3429	Dusti Reimer	Office Depot - Dividers, Toner	1000 Fund Balance	109.56	289.76	
Total for 7420 Supplies							\$ 289.76		289.76
Total for 7400 Administrative Expenses							\$ 1,583.62		20.31
Total for Expenses							\$ 246,811.20		310.07
Net Ordinary Income							-\$ 246,811.20		
Other Income/Expense									
Other Income									
5005 Other Investment Income and Expenses									
5600 Unrealized Gain/Loss in Perm Fund									
	01/31/2020	Journal Entry	47			-Split-	-5,553.14	-5,553.14	
	02/29/2020	Journal Entry	48			-Split-	-68,060.35	-73,613.49	
	03/31/2020	Journal Entry	49			-Split-	-149,947.46	-223,560.95	
	04/30/2020	Journal Entry	50			-Split-	111,720.95	-111,840.00	
	05/31/2020	Journal Entry	51			-Split-	56,255.87	-55,584.13	
	06/30/2020	Journal Entry	52			-Split-	28,175.47	-27,408.66	
	07/31/2020	Journal Entry	53			-Split-	62,789.43	35,380.77	
	08/31/2020	Journal Entry	54			-Split-	61,755.27	97,136.04	
Total for 5600 Unrealized Gain/Loss in Perm Fund							\$ 97,136.04		
5605 Realized Gain/Loss in Perm Fund									
	03/31/2020	Journal Entry	49			-Split-	2,614.38	2,614.38	
	08/31/2020	Journal Entry	54			-Split-	6,391.14	9,005.52	
Total for 5605 Realized Gain/Loss in Perm Fund							\$ 9,005.52		9,005.52
5700 Interest Earned									
	01/31/2020	Journal Entry	47			-Split-	0.07	0.07	
	02/29/2020	Journal Entry	48			-Split-	0.03	0.10	
	03/31/2020	Journal Entry	49			-Split-	0.16	0.26	

	04/30/2020	Journal Entry	50		-Split-	0.04	0.30	
	05/31/2020	Journal Entry	51		-Split-	0.06	0.36	
	06/30/2020	Journal Entry	52		-Split-	0.06	0.42	
	07/31/2020	Journal Entry	53		-Split-	0.09	0.51	
	08/31/2020	Journal Entry	54		-Split-	0.04	0.55	
Total for 5700 Interest Earned								
5705 Dividend Income						<u>\$</u>	<u>0.55</u>	0.83 Annualized
	01/31/2020	Journal Entry	47		-Split-	61.46	61.46	
	02/29/2020	Journal Entry	48		-Split-	1,611.17	1,672.63	
	03/31/2020	Journal Entry	49		-Split-	4,817.04	6,489.67	
	04/30/2020	Journal Entry	50		-Split-	1,644.07	8,133.74	
	05/31/2020	Journal Entry	51		-Split-	1,269.73	9,403.47	
	06/30/2020	Journal Entry	52		-Split-	5,967.27	15,370.74	
	07/31/2020	Journal Entry	53		-Split-	574.87	15,945.61	
	08/31/2020	Journal Entry	54		-Split-	1,009.15	16,954.76	
Total for 5705 Dividend Income						<u>\$</u>	<u>16,954.76</u>	25,432.14 Annualized
7125 Investment Fees								
	01/31/2020	Journal Entry	47		-Split-	-3,330.55	-3,330.55	
	04/30/2020	Journal Entry	50		-Split-	-3,328.42	-6,658.97	
	07/31/2020	Journal Entry	53		-Split-	-3,268.96	-9,927.93	
Total for 7125 Investment Fees						<u>-\$</u>	<u>9,927.93</u>	(13,237.24) Annualized
Total for 5005 Other Investment Income and Expenses						<u>\$</u>	<u>113,168.94</u>	
Total for Other Income						<u>\$</u>	<u>113,168.94</u>	
Net Other Income						<u>\$</u>	<u>113,168.94</u>	
Net Income						<u>-\$</u>	<u>133,642.26</u>	

Wednesday, Sep 09, 2020 09:37:57 PM GMT-7 - Accrual Basis

MCFMLD
Profit and Loss Detail
October - December, 2019

	Date	Transaction Type	Num	Name	Memo/Description	Split	Amount	Balance
Ordinary Income/Expenses								
Expenses								
7000 Grants Awarded								
	11/19/2019	Bill		East Orchard Mesa Fire Protection District	Volunteer Firefighter Safety Gear Upgrades	2000 Grants Payable	14,686.00	14,686.00
	11/19/2019	Bill		East Orchard Mesa Fire Protection District	Volunteer Firefighter Safety Gear Upgrades	2000 Grants Payable	108.35	14,794.35
	11/19/2019	Bill	2016-FT-03	Western Colorado Community College	Electric Lineworker School Building	2000 Grants Payable	289,125.00	303,919.35
Total for 7000 Grants Awarded							\$ 303,919.35	
7005 Unused/Forfeited Grants								
	11/19/2019	Journal Entry	44		Unused portion East Orchard Mesa Fire	-Split-	-108.35	-108.35
Total for 7005 Unused/Forfeited Grants							-\$ 108.35	
Total for 7000 Grants Awarded with sub-accounts							\$ 303,811.00	
7100 Outside Services								
7110 Legal Fees								
	10/22/2019	Check	3334	Dufford Waldeck Milburn & Krohn		1000 Fund Balance	160.00	160.00
	11/19/2019	Check	3341	Dufford Waldeck Milburn & Krohn		1000 Fund Balance	300.00	460.00
	12/17/2019	Check	3344	Dufford Waldeck Milburn & Krohn		1000 Fund Balance	599.00	1,059.00
Total for 7110 Legal Fees							\$ 1,059.00	
7115 Accounting Fees								
	10/22/2019	Check	3336	Eide Bailly, LLP		1000 Fund Balance	2,001.51	2,001.51
Total for 7115 Accounting Fees							\$ 2,001.51	
7120 Contract Services								
	10/22/2019	Check	3335	Dusti Reimer		1000 Fund Balance	3,750.00	3,750.00
	11/19/2019	Check	3342	Dusti Reimer		1000 Fund Balance	3,750.00	7,500.00
	12/17/2019	Check	3343	Dusti Reimer		1000 Fund Balance	3,750.00	11,250.00
Total for 7120 Contract Services							\$ 11,250.00	
Total for 7100 Outside Services							\$ 14,310.51	
7310 Advertising Expenses								
	10/22/2019	Check	3335	Dusti Reimer	Add about proposed budget	1000 Fund Balance	26.25	26.25
Total for 7310 Advertising Expenses							\$ 26.25	
7400 Administrative Expenses								
7405 Dues/Memberships								
	10/22/2019	Check	3335	Dusti Reimer	Office	1000 Fund Balance	9.99	9.99
	10/22/2019	Check	3335	Dusti Reimer	Adobe	1000 Fund Balance	14.99	24.98
	10/22/2019	Check	3337	USPS		1000 Fund Balance	204.00	228.98
	11/19/2019	Check	3342	Dusti Reimer	Office	1000 Fund Balance	9.99	238.97
	11/19/2019	Check	3342	Dusti Reimer	Adobe	1000 Fund Balance	14.99	253.96
	12/17/2019	Check	3343	Dusti Reimer	Microsoft	1000 Fund Balance	9.99	263.95
	12/17/2019	Check	3343	Dusti Reimer	Adobe	1000 Fund Balance	14.99	278.94
Total for 7405 Dues/Memberships							\$ 278.94	
7420 Supplies								
	10/22/2019	Check	3335	Dusti Reimer	Filing Materials from Office Depot	1000 Fund Balance	20.31	20.31
Total for 7420 Supplies							\$ 20.31	
Total for 7400 Administrative Expenses							\$ 299.25	
Total for Expenses							\$ 318,447.01	
Net Ordinary Income							-\$ 318,447.01	
Other Income/Expense								
Other Income								
5005 Other Investment Income and Expenses								
5600 Unrealized Gain/Loss in Perm Fund								
	10/31/2019	Journal Entry	43			-Split-	21,909.87	21,909.87
	11/30/2019	Journal Entry	45			-Split-	24,022.45	45,932.32
	12/31/2019	Journal Entry	46			-Split-	24,365.16	70,297.48
Total for 5600 Unrealized Gain/Loss in Perm Fund							\$ 70,297.48	
5700 Interest Earned								
	10/31/2019	Journal Entry	43			-Split-	0.06	0.06
	11/30/2019	Journal Entry	45			-Split-	0.11	0.17
	12/31/2019	Journal Entry	46			-Split-	0.04	0.21
Total for 5700 Interest Earned							\$ 0.21	
5705 Dividend Income								
	10/31/2019	Journal Entry	43			-Split-	2,031.52	2,031.52
	11/30/2019	Journal Entry	45			-Split-	1,526.85	3,558.37

Total for 5705 Dividend Income	12/31/2019	Journal Entry	46	-Split-	<u>10,915.74</u>	14,474.11
7125 Investment Fees					\$ 14,474.11	
Total for 7125 Investment Fees	10/31/2019	Journal Entry	43	-Split-	<u>-3,129.47</u>	-3,129.47
Total for 5005 Other Investment Income and Expenses					-\$ 3,129.47	
Total for Other Income					\$ 81,642.33	
Net Other Income					\$ 81,642.33	
Net Income					-\$ 236,804.68	

Sunday, Sep 13, 2020 04:19:04 PM GMT-7 - Cash Basis

From Eleanor Thomas at Mesa County
 For Mesa County in 2019, severance tax forecasted to be

Colorado Legislative Council - economic forecast quarterly
 June report estimates current year
<http://leg.colorado.gov/sites/default/files/images/juneforecast2020.pdf>

Colorado of State Planning and Budget
 Quarterly forecast
<https://drive.google.com/file/d/1zE2ZxjqOyc1CbZpVhQ9ppTfJJO5Dt6n/view>

Federal Mineral Lease

Federal Mineral Lease (FML) revenue is expected to decline 43.1 percent to \$64.8 million in FY 2019-20 followed by a marginal year-over-year increase of 5.1 percent in FY 2020-21 to \$68.1 million and a further increase of 28.3 percent in FY 2021-22 to \$87.4 million. These projections

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Colorado Outlook - June 2020

have been revised marginally upwards since the May forecast largely due to a slight but continuous increase in demand for oil and gas and slightly better expectations for the energy industry moving forward.

Fiscal Year	Bonus Payments	Non-Bonus Payments	Total FML	% Change
FY 2018-19 Final	\$2.8	\$111.0	\$113.8	32.1%
FY 2019-20 Projected	\$1.9	\$62.9	\$64.8	-43.1%
FY 2020-21 Projected	\$2.0	\$66.1	\$68.1	5.1%
FY 2021-22 Projected	\$2.6	\$84.8	\$87.4	28.3%

Oil and gas prices on average are anticipated to remain below producer breakeven points throughout FY 2019-20 as well as the first quarter of FY 2020-21 before improving to levels that incentivize increased production activity by energy firms. FML revenues are projected to see a moderate rebound in FY 2021-22 as the market balances and the overall economy recovers. While FML revenue is exempt from TABOR, it is included here because a portion of the money is distributed to the Public School Fund, where it is used for the State's share of K-12 school finance.

	Change in Revenue for next year
CGA Forecast	18.68%
CODR	5.10%
Average	11.89%

19- '20 Revenue is distributed in late '20 as a general rule

Federal Mineral Lease (FML) revenue is the state's portion of the money the federal government collects from mineral production on federal lands. Collections are mostly determined by the value of mineral production on federal land and royalty rates between the federal government and mining companies. Since FML revenue is not deposited into the General Fund and is exempt from TABOR, the forecast is presented separately from other sources of state revenue.

June 2020

Cash Fund Revenue

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FML revenue totaled \$113.8 million in FY 2018-19, a 31.5 percent increase as the state fulfills its obligations for previous payments associated with canceled leases on the Roan Plateau. In FY 2019-20, FML revenue is forecast to decrease 45.4 percent to \$62.1 million. This decrease is attributable to a royalty rate reduction granted by the Bureau of Land Management to the Colowyo coal mine in Routt County, as well as lower oil and natural gas prices and production. This rate reduction was approved for several prior years, causing the Department of Interior to refund revenue from prior years and will reduce distributions to Colorado. Due to the crash in oil prices and subsequent production cuts, oil prices are expected to remain around \$35 per barrel during 2020 and about \$45 per barrel during 2021, resulting in a decrease in royalties collected. Producers are cutting oil production due to lower prices, which causes a drop in natural gas production as well. FML revenue will rebound gradually in the last two years of the forecast to \$73.7 million in FY 2020-21 and \$88.4 million in FY 2021-22.

FY 2019-20	62,100,000.00
FY 2020-21	73,700,000.00
Increase in Revenue	11,600,000.00
	18.68%



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BOARD OF DIRECTORS MEETING

Date and Time: 2:00 PM on Tuesday, December 29, 2020

Location: Zoom Meeting (Replay on our YouTube Channel and our Facebook Page)

Attendees:

Dusti Reimer
John Justman
Quint Shear
Craig Springer
Christine Madsen
Karen Kllanxhja
Matt Rosenberg

Agenda:

- I. Call to Order.
 - a. Quint Shear made a motion to approve the agenda. J. Justman second. Voted. Approved.
- II. General Public Comment.
 - a. None.
- III. Approval of the November Meeting and Special November Meeting Minutes.
 - a. John Justman made a motion to approve the meeting minutes. Q. Shear second. Voted. Approved.
- IV. Staff Report.
 - a. D. Reimer said the postings to our social media channels for the month of November were about our meeting minutes being available, the meeting agenda had been posted, the two meetings were uploaded to YouTube, the 2021 draft budget notice was posted, we live streamed both meetings on Facebook, we posted the new article on the East Orchard Mesa Tender truck and photos of the new tender truck shared by East Orchard Mesa.
 - b. D. Reimer said the media we received this past month was from the Daily Sentinel for the East Orchard Mesa Tender Truck. The grants requesting payment is a final payment request from East Orchard Mesa. They made quick work with their grant. The total requested amount is for \$59,850, which is \$1,750 under budgeted award. Here

are photos of the truck. They even have our logo and sticker on there already. Here are photos of it shooting water and the updated inside that shows it is now an automatic. They said there is a time, when we get back together, they'd like to bring it down to show the board.

c. D. Reimer said invoices for the month of November are for Dufford Waldeck Invoice# 22820 for \$1,654 for services, Dusti Reimer Invoice #153 for \$3,813.07 for services and supplies, and Eide Bailly Invoice #Elo1073301 for \$1,010.52 for Quick Book fees and services. D. Reimer said this is the notice that was published in the Daily Sentinel for the 30-day public notice for the budget. It was posted to our website and online. This notice was posted on our social media as well. We have not received any comments or feedback at all in regard to the budget. As a reminder, the budget we will be dealing with is for \$495,556.20.

d. D. Reimer said for upcoming events, in January we will have a new Commissioner appointed to the board, our January public board meeting is scheduled for January 20th and our budget packet is due to DOLA by January 31st. We will approve it today and we have until the 31st to get the meeting minutes and resolutions to submit it by the 31st.

e. Q. Shear made a motion to approve the staff report. J. Justman second. Voted. Approved.

V. Review of Financials.

a. C. Madsen said we have \$1,107,954.41 under the fund balance. WE have \$1,841,948.77 in the permanent fund. We have \$400,000 in grants payable and \$2,340,898.76 for retained earnings and \$209,004.42 for net income.

b. C. Madsen said for our profit and loss for November, we have legal fees for \$880, accounting fees for \$1,910.52 and contract services for \$3,750, dues and memberships of \$39.97 and unrealized gain/loss in the permanent fund of \$124,160.50 and \$0.05 of interest earned and \$1,208.12 of dividend income. That leaves us with a net income of \$118,788.18.

c. C. Madsen said our A/P Aging Summary we have City of Fruita for \$50,000, CMU for \$88,400, East Orchard Mesa Fire Protection District for \$61,600, Grand Junction Police Department for \$150,000 and Lower Valley Fire Protection District for \$50,000 giving us a total of \$400,000 in grants.

d. C. Madsen said for the budget we're still under the budget for outside services, advertising, auditing, insurance and the rest is the same as last month. That's it for the financials.

e. D. Reimer said I wanted to interject quick, we added a line for leftover funds.

d. C. Madsen said I think it is on the budget.

f. D. Reimer said yes, maybe it's on the budget. I know Quint had asked for that at the last meeting.

g. Q. Shear said I saw it somewhere; I think it's on the budget.

H. Q. Shear made a motion to approve the financials. J. Justman second. Voted. Approved.

VI. Review of the Investment Account.

a. D. Reimer said the statement was sent over. The account is doing well and it's up. The statement is from December 2, 2020. The ending value is \$1,859,655. We're getting close to that \$2 million mark. This has been posted to the website already. The rest I would defer to Matt if you have any questions.

b. Q. Shear made a motion to approve the investment report. J. Justman second. Voted. Approved.

VII. Discussion, Review and Approval of Budget for 2021.

a. D. Reimer said this is the draft budget we posted to the website for review. We have administrative at \$3,000. I'm not sure if that falls under administration with adobe, and Microsoft subscription costs, but I thought it would be better to have that on there, than not. We have the audit listed on there with contract labor and insurance. We have a \$100,000 contribution to the permanent fund and \$400,000 in grants to award for next year. If I remember correctly, if the administration and the audit stay the same, then contract labor will have to come down. I can pull up that spreadsheet. The last discussion we had there would be some conversation with Chadwick Steinkirchner to see if there would be any wiggle room for the audit this next year.

b. Q. Shear said I left a message two weeks ago and I have not heard from them. I got a call back and we've played phone tag ever since. I'm sorry we do not have a final answer with that. I'll try them again this week and I apologize for that.

c. C. Springer said I think the record should reflect the really remarkable flexibility that has been shown to us by our Executive Director and our attorney to make sure we get under this bar to not exceed 10% of our grant income. From the Board I would like to say again, thank you very, very much. It's admirable and remarkable what both of you have done. We have to have you guys, the work that you do. We just can't afford to pay as much as we have been paying for it. That is really not a good place to be and you guys stepped up and at least to me, it demonstrated we have the right people working for the district here. If folks will step up when the bullets are flying you've got the right people. Thank you very much from a grateful Chairman. We would have had a hard time making these two ends of the string come together without you guys. Hopefully, we'll be able to make it up to you down the road. Thank you very much. Fellow board members.

d. J. Justman made a motion to approve the 2021 budget as presented. Q. Shear second. Voted. Approved.

VIII. Unscheduled Business.

a. D. Reimer said Derek Wagner, from CMU, reached out to me yesterday. I forwarded to you guys their update. As a reminder they were awarded the \$88,400 and they have some changes to their grant proposal and medical technologies as things have been unfolding. I'll pull up the letter so everyone can be on the same page. They were awarded a grant with School District 51 for capital equipment necessary for continued COVID-19 testing. There have been rapid developments. They would like permission to modify their original equipment list that would include a lower priced PCR machine which will enable our faculty to purchase a Biosafety cabinet with necessary accessories and other necessary items specified in the updated budget form. The budget form has the original grant award and CMU and D51 budget to match. It is still within the 70/30 allotment. Actually, more like 60/40. The original digital PCR equipment was almost \$100,000. It was about \$95,000 or \$96,000. This one listed is for \$42,283. Then the safety cabinet with supplies for \$16,250, there is a blower, parts for inhouse manufacturing, an ice maker, an ultra-low freezer and some other PPE and equipment like centrifuges that go along with it.

b. Q. Shear said they are just changing the package that comes along with it.

c. D. Reimer said yes, that's the way it sounds. A Cheaper PCR machine and the equipment to go with it. The original grant request was for \$200,000 with a bunch of other things on there, but we could only give them \$88,400.

d. Q. Shear said if anyone cares, I looked up what a PCR machine is. They study genetics-plant, animal and human genetics. That's the primary purpose of it.

e. D. Reimer said I had no idea.

f. C. Springer said the request is essentially is the same scope of work, but jus a different equipment package than originally applied for.

g. D. Reimer said yes.

h. J. Justman said you asked the question I had in mind, so I don't have anything.

i. C. Springer said it is cutting edge what they are doing there. I appreciate that we asked a question and I appreciate that they answered it. I'll entertain a motion to approve the amended grant request from Colorado Mesa University.

j. Q. Shear made the motion. J. Justman second. Voted. Approved.

k. D. Reimer said she would send this over to Chris to draw up a new contract and have it sent over to them for a signature.

l. C. Springer asked if there were any other questions for unscheduled business.

m. Q. Shear asked Dusti who it is we were dealing with at Chadwick Steinkirchner on the audit side.

n. D. Reimer said Lisa Heman has always been our auditor.

o. Q. Shear said we were playing phone tag, so I'm hoping to get an answer from them. Hopefully we can adjust the budget a little bit.

p. J. Justman said I just want to say thanks for putting up with me for the last 3, 4, 7 years or whatever it was. This will be my last meeting and you will be getting a new person in January. I wish you all the luck and I'll have to come up with some kind of a project I can put in for, I guess.

q. Q. Shear said John it's been a pleasure working with you. I've enjoyed seeing you every month.

r. C. Springer said speaking from my standpoint John, it's been a pleasure working with you. We've had some interesting stuff that's come up over the past 7 years. You've been there and always supported the District and the people of Mesa County and we're grateful for your service. Thank you very much.

s. J. Justman said this has been the quickest 8 years of my life. The vast majority of it has been enjoyable. I've met a lot of different commissioners from all over the world. And dealing with Northern California commissioners is just like dealing with our county commissioners. No matter who you talk to from where, many have the same issues in their counties that we do. I never gave it a thought, until then. A lot of the whole United States is people who are ranchers and farmers. I'm certainly glad I did it and I had a good time doing it and I hope I did some good things along the way.

t. C. Springer said thanks for your good work, John. Thanks for your friendship.

u. Q. Shear said thanks for your service, John. We appreciate it.

v. D. Reimer said it's been great working with you John.

w. Q. Shear made a motion to adjourn this meeting. J. Justman second. Voted. Approved. Meeting adjourned at 2:26 pm.