Mesa County Federal Mineral Lease District

	2022		2023		2024		2025		2026
	Budget	Estimated Actuals	Budget	Estimated Actuals	Budget	Actuals	Budget	Actuals	Budget
Estimated Beginning Fund Balance	*307,059*	*307,059*	*337,933*	*337,933*	*588,337*	*1,982,781*	*1,998,396*	*1,998,396*	*2,659,516*
Estimated Beginning Permanent Fund Balance	*1,688,560*	*1,688,560*	*1,802,252*	*1,802,252*	*1,915,301*	*2,480,967*	*3,055,711*	*3,055,711*	*3,160,518*
Revenue									
Federal Mineral Lease Receipt	*583,630*	*725,630*	*858,635*	*1,133,116*	*730,458*	*600,083*	*689,065*	*659,974*	*750,000*
Total Revenue	**583,630**	**725,630**	**858,635**	**1,133,116**	**730,458**	**600,083**	**689,065**	**659,974**	**750,000**
Expenditures									
Administrative	*3,000*	*1,078*	*3,000*	*1,061*	*3,000*	*1,416*	*4,000*	*2,720*	*4,000*
Audit	*3,800*	*3,500*	*3,800*	*3,735*	*4,000*	*3,500*	*4,000*	*4,000*	*4,000*
Contract labor	*42,500*	*39,639*	*57,100*	*50,224*	*60,000*	*54,033*	*60,000*	*53,991*	*65,000*
Insurance	*2,500*	*2,539*	*2,500*	*2,692*	*2,900*	*2,855*	*3,500*	*3,025*	*3,500*
Advertising	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*
Contributions to Permanent Fund	*100,000*	*100,000*	*125,000*	*125,000*	*250,000*	*250,000*	*250,000*	*0*	*250,000*
Contract Payment to Mesa County	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*
Contract Payment to Mesa County (Pymnt 2)	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*
Grants	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*
Grants-approved and paid	*200,000*	*200,000*	*350,000*	*0*	*0*	*338,816*	*0*	*0*	*0*
Grants-approved but unpaid	*0*	*350,000*	*0*	*700,000*	*0*	*893,498*	*0*	*0*	*0*
Grants-Unused/Forfeited Grants	*0*	*-2,000*	*0*	*0*	*0*	*0*	*0*	*-64,883*	*0*
Grants-To be awarded next year	*0*	*0*	*350,000*	*0*	*700,000*	*0*	*500,000*	*0*	*701,219*
Total Expenditures (Appropriations)	*351,800*	*694,756*	*891,400*	*882,712*	*1,019,900*	*1,544,117*	*821,500*	*-1,146*	*1,027,719*
Other Income & Expenditures									
Permanent Fund Interest, Dividends, & Capital Gains	*30,000*	*33,775*	*30,000*	*5,729*	*40,000*	*346,274*	*40,000*	*130,173*	*130,000*
Investment Fees	*(14,000)*	*(20,083)*	*(15,000)*	*(17,680)*	*(20,000)*	*(21,529)*	*(21,000)*	*(25,366)*	*(35,000)*
Fund Balance Interest					*-*	*66,151*	*-*	*-*	*-*
Total Other Income & Expenditures	*16,000*	*13,692*	*15,000*	*-11,951*	*20,000*	*390,896*	*19,000*	*104,807*	*95,000*
Estimated Ending Fund Balance	*538,889*	*337,933*	*305,167*	*588,337*	*298,895*	*1,998,396*	*1,865,961*	*2,659,516*	*2,381,797*
Estimated Ending Permanent Fund Balance	*1,804,560*	*1,802,252*	*1,942,252*	*1,915,301*	*2,185,301*	*3,055,711*	*3,324,711*	*3,160,518*	*3,505,518*

Mesa County Federal Mineral Lease District						1852803.33		
Cash Basis								
	2017		2018		2019		2020	
	Budget	Actuals	Budget	Actuals	Budget	Actuals	Budget	Actuals
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
Estimated Beginning Permanent Fund Balance			-	-	1,329,696.00	1,329,696.00	$ 1,461,708.77	1,461,708.77
Revenue								
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
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
Expenditures								
Administrative	2,000.00	3,301.75	3,500.00	2,908.00	3,500.00	2,559.09	3,500.00	3,201.04
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
Contract labor	58,000.00	55,857.80	58,000.00	51,639.00	72,500.00	69,610.49	72,500.00	63,455.62
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
Advertising	200.00	88.58	3,000.00	2,671.00	3,000.00	1,969.00	3,000.00	23.10
Contributions to Permanent Fund		-	350,000.00	1,387,727.00	100,000.00	100,000.00	200,000.00	-
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	-	-	400,000.00
Grants-approved but unpaid	917,129.72		439,513.35	-	208,824.00	189,476.00	-	338,400.00
Grants-Unused/Forfeited Grants						(51,260.25)	-	(1,750.00)
Grants-To be awarded next year	769,338.23		830,881.70	-	513,504.92	-	871,273.66	-
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	809,441.76
Other Income & Expenditures								
Permanent Fund Interest, Dividends, & Capital Gains			-	(52,765.00)	30,000.00	44,020.40	30,000.00	59,437.45
Investment Fees			-	(5,266.00)	(14,000.00)	(12,007.63)	(14,000.00)	(13,619.77)
Fund Balance Interest								
Total Other Income & Expenditures				(58,031.00)	16,000.00	32,012.77	16,000.00	45,817.68
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	$ 865,295.19
Estimated Ending Permanent Fund Balance		$ -	$ 350,000.00	$ 1,329,696.00	$ 1,445,696.00	$ 1,461,708.77	$ 1,677,708.77	$ 1,507,526.45
		Cash expected						

	2021		2022		2023	
	Budget	Actuals	Budget	Estimated Actuals	Budget	Estimated Actuals
Estimated Beginning Fund Balance	**$ 865,295.19**	**$ 865,295.19**	**$ 307,059.22**	**$ 307,059.22**	**$ 337,932.59**	**$ 337,932.59**
Estimated Beginning Permanent Fund Balance	**$ 1,507,526.45**	**$ 1,507,526.45**	**$ 1,688,559.82**	**$ 1,688,559.82**	**$ 1,802,252.25**	**$ 1,802,252.25**
Revenue						
Anvil Points Disbursement	-	-	-	-	-	-
Federal Mineral Lease Receipt	**554,477.00**	**493,224.26**	**583,630.18**	**725,629.82**	**858,634.69**	**1,133,116.23**
Total Revenue	**554,477.00**	**493,224.26**	**583,630.18**	**725,629.82**	**858,634.69**	**1,133,116.23**
Expenditures						
Administrative	**3,000.00**	**1,849.41**	**3,000.00**	**1,078.38**	**3,000.00**	**1,061.44**
Audit	**3,800.00**	**4,000.00**	**3,800.00**	**3,500.00**	**3,800.00**	**3,735.00**
Contract labor	**42,500.00**	**43,009.82**	**42,500.00**	**39,639.07**	**57,100.00**	**50,223.70**
Insurance	**2,500.00**	**2,601.00**	**2,500.00**	**2,539.00**	**2,500.00**	**2,692.00**
Advertising	-	-	-	-	-	-
Contributions to Permanent Fund	**100,000.00**	**100,000.00**	**100,000.00**	**100,000.00**	**125,000.00**	**125,000.00**
Contract Payment to Mesa County	-	-	-	-	-	-
Contract Payment to Mesa County	-	-	-	-	-	-
Grants						
Grants-approved and paid	-	**350,000.00**	**200,000.00**	**200,000.00**	**350,000.00**	-
Grants-approved but unpaid	-	**550,000.00**	-	**350,000.00**	-	**700,000.00**
Grants-Unused/Forfeited Grants	-	-	-	**(2,000.00)**	-	-
Grants-To be awarded next year	**400,000.00**	-	-	-	**350,000.00**	-
Total Expenditures (Appropriations)	**551,800.00**	**1,051,460.23**	**351,800.00**	**694,756.45**	**891,400.00**	**882,712.14**
Other Income & Expenditures						
Permanent Fund Interest, Dividends, & Capital Gains	**30,000.00**	**97,943.17**	**30,000.00**	**33,774.98**	**30,000.00**	**5,728.82**
Investment Fees	(14,000.00)	(16,909.80)	(14,000.00)	(20,082.56)	(15,000.00)	(17,679.85)
Fund Balance Interest						
Total Other Income & Expenditures	**16,000.00**	**81,033.37**	**16,000.00**	**13,692.43**	**15,000.00**	**(11,951.04)**
Estimated Ending Fund Balance	**$ 867,972.19**	**$ 307,059.22**	**$ 538,889.40**	**$ 337,932.59**	**$ 305,167.28**	**$ 588,336.68**
Estimated Ending Permanent Fund Balance	**$ 1,623,526.45**	**$ 1,688,559.82**	**$ 1,804,559.82**	**$ 1,802,252.25**	**$ 1,942,252.25**	**$ 1,915,301.21**

	2024			2025		2026		
	Draft	Estimated Actuals	Actuals (Updated 01.10.25)	Draft	Estimated Actuals	Draft	Estimated Actuals	
Estimated Beginning Fund Balance	**$ 588,336.68**	**$ 1,982,780.55**	**$ 1,982,780.55**	**$ 1,998,395.62**	$ 1,998,395.62	**$ 2,659,516.09**	$ 2,659,516.09	Beginning cash balance
Estimated Beginning Permanent Fund Balance	**$ 1,915,301.21**	**$ 2,480,966.56**	**$ 2,480,966.56**	**$ 3,055,711.07**	$ 3,055,711.07	**$ 3,160,518.15**	$ 3,160,518.15	Beginning cash balance
Revenue								
Anvil Points Disbursement								
Federal Mineral Lease Receipt	**730,457.89**	**600,082.71**	**600,082.71**	**689,064.94**	**659,973.99**	**750,000.00**		
Total Revenue	**730,457.89**	**600,082.71**	**600,082.71**	**689,064.94**	**659,973.99**	**750,000.00**		
Expenditures								
Administrative	**3,000.00**	**1,604.01**	**1,415.57**	**4,000.00**	**2,720.35**	**4,000.00**		
Audit	**4,000.00**	**3,500.00**	**3,500.00**	**4,000.00**	**4,000.00**	**4,000.00**		
Contract labor	**60,000.00**	**56,439.02**	**54,032.50**	**60,000.00**	**53,990.82**	**65,000.00**		
Insurance	**2,900.00**	**2,855.00**	**2,855.00**	**3,500.00**	**3,025.00**	**3,500.00**		
Advertising								
Contributions to Permanent Fund	**250,000.00**	**250,000.00**	**250,000.00**	**250,000.00**		**250,000.00**		
Contract Payment to Mesa County								
Contract Payment to Mesa County								
Grants								
Grants-approved and paid	-	**113,816.00**	**338,816.00**					
Grants-approved but unpaid		**350,000.00**	**893,498.00**					
Grants-Unused/Forfeited Grants					**(64,882.65)**			
Grants-To be awarded next year	**700,000.00**			**500,000.00**		**701,219.00**		
Total Expenditures (Appropriations)	**1,019,900.00**	**778,214.03**	**1,544,117.07**	**821,500.00**	**(1,146.48)**	**1,027,719.00**		
Other Income & Expenditures								
Permanent Fund Interest, Dividends, & Capital Gains	**40,000.00**	**85,672.11**	**346,273.59**	**40,000.00**	**130,173.24**	**130,000.00**		
Investment Fees	(20,000.00)	(20,948.11)	(21,529.08)	(21,000.00)	(25,366.16)	(35,000.00)		
Fund Balance Interest	-	53,589.91	66,151.43	-		-		
Total Other Income & Expenditures	**20,000.00**	**118,313.91**	**390,895.94**	**19,000.00**	**104,807.08**	**95,000.00**		
Estimated Ending Fund Balance	**$ 298,894.57**	**$ 1,858,239.14**	**$ 1,998,395.62**	**$ 1,865,960.56**	**$ 2,659,516.09**	**$ 2,381,797.09**		
Estimated Ending Permanent Fund Balance	**$ 2,185,301.21**	**$ 2,795,690.56**	**$ 3,055,711.07**	**$ 3,324,711.07**	**$ 3,160,518.15**	**$ 3,505,518.15**		

From Eleanor Thomas at Mesa County
For Mesa County in 2024, severance tax forecasted to be

Colorado Legislative Council - economic forecast quarterly
September 2024 report estimates current year
https://leg.colorado.gov/EconomicForecasts

Colorado of State Planning and Budget
Quarterly forecast
https://www.colorado.gov/governor/economics
https://drive.google.com/drive/folders/1qkPwKuNjebu9ZBvSvo4Yro1bOVxqaMAP

Federal Mineral Lease

Federal mineral lease (FML) revenue is projected to decline in FY 2024-25 after a weak first half of the fiscal year was buoyed by stronger collections in the third quarter due to recovering natural gas prices. If revenue trends hold, this will be the second consecutive year of below-average collections, following a weak FY 2023-24. Through the first half of FY 2024-25, Henry Hub prices averaged $2.28 per million BTU compared to the 10-year average of $3.13, leading to revenue weakness early in the fiscal year. However, prices increased over the third quarter of the fiscal year to an average of $4.14 and remained healthy in the final quarter. These price increases led to third quarter collections of $26.4 million, following $13.9 million and $22.4 million in the first and second quarter, respectively. Collections in the final quarter of FY 2024-

25 are estimated at $23.8 million. Royalty revenue from natural gas production on federal leases accounts for half of total FML revenue in a typical year, while oil comprises 20 percent and carbon dioxide and coal make up the remaining 30 percent. This means that natural gas price fluctuations impact FML revenue collections more than severance tax revenue, which is reliant on oil production and price. The U.S. Energy Information Administration forecasts natural gas prices will remain above long-term average levels through 2025 and 2026. Energy price assumptions are discussed in more detail in the energy section of the economic outlook.

FML revenue is estimated to decline by 10.5 percent in FY 2024-25 to $86.7 million, a $3.8 million upward revision after a strong third quarter. In FY 2025-26, FML revenue is estimated to grow by 29.0 percent to $111.8 million with natural gas prices expected to remain above average. This represents a downward revision of $2.0 million from March, based on expected strength in natural gas prices outweighed to some degree by declining oil prices. Finally, revenue is projected to slowly increase by 1.7 percent to $113.7 million in FY 2026-27, reflecting a steady sector from the year prior. Since FY 2016-17, annual FML revenue collections averaged $103.9 million. FML revenue and distribution forecasts are shown in Figure 53 below.

	Change in Revenue for next year
CGA Forecast	0.32996
CODR	29.00%
Average	31.00%

24- '25 Revenue is distributed in late '25 as a general rule

Figure 53. Federal Mineral Lease Forecast Distribution Table

	Actual FY 2023-24	Forecast FY 2024-25	Forecast FY 2025-26	Forecas 202
Total FML Revenue	**$96.9**	**$86.7**	**$111.8**	**$1**
Change	*-44.2%*	*-10.5%*	*29.0%*	
Bonus Payments (portion of total FML revenue)	$0.4	$0.2	$0.4	
Local Government Perm Fund	$0.2	$0.1	$0.2	
Higher Ed FML Revenues Fund	$0.2	$0.1	$0.2	
Non-Bonus FML Revenue	$96.5	$86.5	$111.4	$1
State Public School Fund	$46.6	$41.8	$53.8	$
Colorado Water Conservation Board	$9.6	$8.6	$11.1	$
DOLA Grants	$19.3	$17.3	$22.3	$
DOLA Direct Distribution	$19.3	$17.3	$22.3	$
School Districts	$1.6	$1.5	$1.9	

Table 19
Federal Mineral Lease Revenue Distribution
Dollars in Millions

Item	Actual FY 2023-24	Estimate FY 2024-25	Estimate FY 2025-26	Estimate FY 2026-27
Total FML Revenue	**$96.9**	**$98.8**	**$131.4**	**$145.9**
Bonus Payments (portion of total revenue)	**$0.4**	**$0.3**	**$1.3**	**$1.5**
Local Government Permanent Fund	$0.2	$0.2	$0.7	$0.7
Higher Education FML Revenue Fund	$0.2	$0.2	$0.7	$0.7
Other FML Payments (non-bonus revenue)	**$96.5**	**$98.5**	**$130.1**	**$144.4**
State Public School Fund	$46.6	$47.6	$62.8	$69.8
Colorado Water Conservation Board	$9.6	$9.8	$13.0	$14.4
DOLA Grants	$19.3	$19.7	$26.0	$28.9
DOLA Direct Distribution	$19.3	$19.7	$26.0	$28.9
School Districts	$1.6	$1.7	$2.2	$2.5
Higher Education FML Revenue Fund	$0.2	$0.2	$0.7	$0.7

DOLA = Department of Local Affairs.
Note: The table shows the actual and projected revenue distributions to the various FML recipients. It does not reflect transfers of FML revenue from the recipients and funds to other funds, such as the General Fund, that have occurred.

Sports Betting

Sports betting was legalized after the passage of **Proposition DD** at the November 2019 election. Betting launched on May 1, 2020, and has grown significantly since its inception. Revenue collected from sports betting activity includes licensing fees, an operations fee, and tax revenue, which is set at 10 percent of casinos' net sports betting proceeds. As voter-approved revenue, sports betting tax revenue is not subject to the TABOR limit, but fee revenues are subject to TABOR.

While Proposition DD limited sports betting revenue to $29 million per year, voters approved **Proposition JJ** in the November 2024 election, which allows the state to retain sports betting revenue above $29 million to fund water projects. As sports betting tax revenue totaled $30.4 million in FY 2023-24, the passage of Proposition JJ allows an additional $1.4 million of revenue in FY 2023-24 to be transferred to the Water Plan Implementation Cash Fund. In addition, House Bill 25-1311 decreased the amount of free bets sports betting operators may deduct from their tax owed beginning in FY 2025-26 and disallows free bet deductions in FY 2026-27 onwards. Due to Proposition JJ and HB 25-1311, water projects are expected to receive an additional $6.2 million in FY 2024-25, another $13.4 million in FY 2025-26, and another $26.6 million in FY 2026-27.

TABOR-exempt sports betting revenue, which consists of taxes and interest, grew by 19.5 percent in FY 2023-24, marking four years of double-digit growth since the legalization of sports betting. Growth is expected to remain high yet slower than previous years, estimated at 15.6 percent in FY 2024-25, a $1.3 million upgrade from the March 2025 forecast as recent actuals came in slightly higher than expected. Growth is expected to accelerate to 19.7 percent in FY 2025-26 and 30.8 percent in FY 2026-27, largely attributable to increased revenue from the HB 25-1311 provisions described above.

FY 2024-25	98,800,000.00
FY 2025-26	131,400,000.00
	32,600,000.00
	0.32996

t FY 26-27
13.7
1.7%
$0.4
$0.2
$0.2
13.3
54.7
11.3
22.7
22.7
$1.9