

**MESA COUNTY FEDERAL MINERAL LEASE DISTRICT**

**RESOLUTION NO. 2026-01**

**A RESOLUTION SETTING A BUDGET FOR THE 2026 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 on November 19, 2025. The budget was duly published and public comment was solicited at a public hearing prior to adoption.
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 the adoption of the 2026 budget and related information, appended as **Exhibit 1**.
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.

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.

Dated this 21 day of January, 2026.

**Mesa County Federal Mineral Lease District**

By: 

Quintin Shear, Board President

By: 

Bobbie Daniel, Secretary

Attachment: **Exhibit 1**



P.O. Box 3039 • Grand Junction, CO 81502  
E-Mail: [info@mesaFML.org](mailto:info@mesaFML.org) Web: [www.mesaFML.org](http://www.mesaFML.org)

## BOARD OF DIRECTORS' MEETING

**Date and Time:** 2:00 PM on Wednesday, November 19, 2025

**Location:** Home Loan State Bank Community Room

In attendance:

Quint Shear  
Dusti Reimer  
Craig Springer  
Matt Rosenberg

### Meeting Minutes

- I. Call to Order at 2:07 pm.
- II. General Public Comment.
  - a. None.
- III. Approval of the October Meeting Minutes.
  - a. C. Springer made a motion to approve. Q. Shear second. Voted. Approved.
- IV. Staff Report.
  - a. D. Reimer said we posted the budget for public comments and uploaded the October meeting video to YouTube and Facebook. We shared the news stories we received on the Fall grant awards from KREX and The Business Times and posted the meeting agenda.
  - b. D. Reimer shared the affidavit from the Daily Sentinel for the Public Budget Notice.
  - c. D. Reimer said we had no grants requesting payment at this time.
  - d. D. Reimer said October invoices for payment are for Dusti Reimer invoice #214 for October for \$3,932.71 and Dufford Waldeck invoice #57925 for October services for \$828.00.
  - e. D. Reimer said the meetings for 2026 have been set, and a calendar invite went out to all the board members. Our dates are January 21, April 15, July 15, September 16, October 21, and November 18<sup>th</sup>.

- f. D. Reimer shared that on January 21 our board meeting would include the election of officers for the year and that our Audit process should begin in January/February.
  - g. C. Springer made a motion to approve the staff report. Q. Shear second. Voted. Approved.
- V. Review and Approval of Fall 2025 Grant Contracts.
  - a. D. Reimer said all the grant contracts have all gone out. We are just waiting for Town of Palisade and the Town of De Beque, but all others have been signed. If the board is ok with the contracts reviewed, we can approve them.
  - b. C. Springer made a motion to approve the five contracts that were sent over. Q. Shear second. Voted. Approved.
- VI. Review of Financials.
  - a. D. Reimer said we have \$2,060,077.63 in the bank account. We had contract services of \$3,750 and dues and memberships for \$393.66 and Supplies for \$291.89. We had \$50,035.64 in unrealized gain/loss in the permanent fund; we have interest earned of \$7,114.03 and Dividend Income of \$7,743.51 and investment fees of \$6,894.63.
  - b. D. Reimer said all the grants were entered into the budget from the fall; we have a total of \$827,327.00 in grant awards.
  - c. C. Springer made a motion for the approval of financials as presented. Q. Shear second. Voted. Approved.
- VII. Review of Permanent Fund Investment Account.
  - a. M. Rosenberg said the investment account is in a good spot. We are under our equity threshold and we have \$3,784,192. The account is sitting good.
  - b. M. Rosenberg said there are some updates going on in the industry, so if we haven't updated it yet, we might want to wait. Our current agreement is valid, but there are updates about AI, Cryptocurrencies and other things that are taking place in the industry. These are things we should probably talk about. We aren't in a rush, so this could be a good time to talk about this.
  - c. Q. Shear said yesterday we had some market corrections, how has that handled?
  - d. M. Rosenberg said they closed with the market up. Crypto is something to watch closely, and there is going to be a winner in that asset class. I think it makes sense to have them in portfolios.
  - e. C. McAnany said it's not legal in our enabling legislation. The second question is whether it's wise to invest in Ether.
  - f. Q. Shear said you'd have to drag me kicking and screaming.

- g. M. Rosenberg said that's ok, that's why we talk about this.
- h. C. McAnany said we might want to update the IPS to make that declaration for the policy.
- i. The board had no other questions.

VIII. Review and Approval of Investment Advisory Agreement.

- a. C. McAnany said we had some changes to the investment agreement, and I haven't reviewed the addendum, and if there are other changes that are coming from your firm, we can postpone until next meeting.
- b. M. Rosenberg said there aren't any changes, it's the same.
- c. C. McAnany said move to continue to next meeting.
- d. Q. Shear said we can move to the next meeting, unless Matt has anything specific and soon to add.
- e. M. Rosenberg said no, nothing specific, just things that are coming.
- f. Q. Shear said should we add that crypto language?
- g. C. McAnany said we can do the advisory agreement first and the IPS later.
- h. M. Rosenberg said blockchain is the way of the future. It's just early, and we aren't trying to speculate, but digital assets that are emerging for digital assets and financial institutions, it's responsible to have a basket of multiple, but it's early.
- i. C. McAnany asked if brokerages allow for trades or custody in crypto?
- j. M. Rosenberg said Fidelity does, Schwab will probably broker cryptos next year. There is also Robinhood's and stuff. The viability and staying power is what we want to make sure we have a handle on, before we add \$5. A stock is a living breathing company. Some of the bonds generate cash. We don't want to invest in something we hope goes up or disappears overnight. But the technology is a game changer and can change the banking industry. Which one of the coins will win with the assets.

IX. Review and Approval of Draft 2026 Budget.

- a. D. Reimer the budget was posted, we had no public comments. There have been no changes from the last meeting. We dropped estimated revenues to \$750,000. We have labor at \$65,000, \$250,000 to the permanent fund and a \$700,000 grant cycle next year.
- b. Q. Shear asked if there were any comments from Bobbie?
- c. D. Reimer said no comments.
- d. C. Springer made a motion to approve the budget as presented. Q. Shear second. Voted. Approved.

- X. Review Grant Application Questions and Grant Scoring Questions.
- a. D. Reimer provided paper copies of the grant application and the scoring applications. The mini grant scoring, item four, under funding availability. The question that matches up is on page seven of the application for the mini grant. D. Reimer said before when we updated it before, the thought process is we have to be the last person we ask for money. Also, after looking at this and going through the grant scoring, we said this was supposed to be a zero or ten for scoring. Either we take this out and let it not be ten or zero. We get some requests from mini grants that are larger than \$50,000, but they're asking for funds from us. This would be a good question for both, but how do we word this for you guys.
  - b. Q. Shear said it should still be in there, but on the mini grant, we need to be able to score it with more than a zero or ten.
  - c. C. Springer said he agreed. I don't think a mini grant should be pass fail. So many of them don't have the plans or funds if they don't get the money. Our risk is way greater than the traditional grants. I would say, when I was scoring the last round of applications, we didn't get a straight answer from them. That would make that a zero. I think we need to eliminate pass fail for number four. I was going to advocate to move that verbiage to number four for the traditional. The existing four is a different question than this question. I think we need to add an additional question to the traditional grant.
  - d. D. Reimer said they added the language to the traditional grant, so the traditional grant has seven questions now, instead of six. Mini grant no longer has a zero or ten on the mini grant question. On the traditional, I will add that same question as the number four, and you still want that one to be pass fail-it scores either a zero or a ten.
  - e. Q. Shear said he had no additional additions.
  - f. C. Springer said the more I do this and the more I think about it, I worry about us funding everything, no matter what you score. I disagree with funding everything, because we have the money. There are times when that means the scoring doesn't matter. The score needs to matter. I'm advocating for consideration that we come up with some kind of a number, if your score falls below that number, you aren't getting funding. I'm proud of the fact of how serious everyone who is a part of this process takes it.
  - g. C. McAnany asked if there were large disparities in scoring?
  - h. D. Reimer said I can show you.
  - i. C. Springer said at the end of the day, there isn't anything wrong with holding money back.
  - j. D. Reimer said Chipeta Elementary scored the lowest with 64%. Everyone else was 72% or higher.

- k. C. Springer said if I want a minimum score to fund, I don't have that number. I don't know what the right number is.
- l. C. McAnany said it assumes all board members are scoring in good faith.
- m. M. Rosenberg asked if you take the last few years of scores.
- n. D. Reimer said if you take that 64% it would be a D score. We said before, when we looked at the percentage, that we didn't want to score anything lower than 70%.
- o. Q. Shear asked if you could give us the last three years' scoring sheets.
- p. C. Springer said Chris has a good point, we can refine this, but if the three of us don't take it to heart, it doesn't matter.
- q. C. McAnany said I can't say past board members have acted in bad faith. There have been a few people that either really liked their project or didn't like the organization. DOLA has a lot of trouble scoring grants, and they use a lot of qualitative stuff-like saying they aren't doing sidewalks this year. It's an inexact science.
- r. C. Springer said the main question we have to ask ourselves is not funding grant applications an acceptable outcome. I've come to terms that it is.
- s. C. McAnany said I agree with you. I have seen applications that just seem like they had to get something in and didn't seem to be all that necessary or thought out.
- t. C. Springer said I'm not advocated not giving money out all the time.
- u. C. McAnany said Garfield County has skipped grant cycles.
- v. D. Reimer asked if you want the last three years scoring cycles?
- w. Q. Shear said let's do five and have Bobbie here when we review it. We want everyone here.
- x. D. Reimer said if we make this publicly known, and they're here when we reveal the scores, they shouldn't be shocked if they don't get scores.
- y. Q. Shear said we should look at a different minimum score for mini grants than Traditional. Those scores tend to be a little lower.
- z. C. McAnany said as a past chairman said, these molecules come out of the ground once and converted to money and we have one shot to spend it.
- aa. Q. Shear said maybe the year after next, we might have some new drills in Mesa County. That could be good. They're doing long horizontal wells. This could be significant. These two wells could produce as much as 12 wells, so that could make a big difference.

XI. Unscheduled Business.

- a. None.
- b. C. Springer moved to adjourn. Q. Shear second. Voted. Approved.
  - i. Meeting adjourned at 3:00 pm.

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
<i>Revenue</i>									
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
<i>Expenditures</i>									
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
<i>Other Income &amp; Expenditures</i>									
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								
Cash Basis								
	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
<i>Revenue</i>								
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		
<i>Expenditures</i>								
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		
<i>Other Income &amp; Expenditures</i>								
Permanent Fund Interest, Dividends, & Capital Gain	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-

70

#### 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

OSPB Colorado Economic & Revenue Outlook- June 2025

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.

Figure 53. Federal Mineral Lease Forecast Distribution Table

	Actual FY 2023-24	Forecast FY 2024-25	Forecast FY 2025-26	Forecast FY 2026-27
<b>Total FML Revenue</b>	<b>\$96.9</b>	<b>\$86.7</b>	<b>\$111.8</b>	<b>\$113.7</b>
<i>Change</i>	<i>-44.2%</i>	<i>-10.5%</i>	<i>29.0%</i>	<i>1.7%</i>
<b>Bonus Payments (portion of total FML revenue)</b>	<b>\$0.4</b>	<b>\$0.2</b>	<b>\$0.4</b>	<b>\$0.4</b>
Local Government Perm Fund	\$0.2	\$0.1	\$0.2	\$0.2
Higher Ed FML Revenues Fund	\$0.2	\$0.1	\$0.2	\$0.2
<b>Non-Bonus FML Revenue</b>	<b>\$96.5</b>	<b>\$86.5</b>	<b>\$111.4</b>	<b>\$113.3</b>
State Public School Fund	\$46.6	\$41.8	\$53.8	\$54.7
Colorado Water Conservation Board	\$9.6	\$8.6	\$11.1	\$11.3
DOLA Grants	\$19.3	\$17.3	\$22.3	\$22.7
DOLA Direct Distribution	\$19.3	\$17.3	\$22.3	\$22.7
School Districts	\$1.6	\$1.5	\$1.9	\$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
<b>Total FML Revenue</b>	<b>\$96.9</b>	<b>\$86.8</b>	<b>\$111.4</b>	<b>\$145.9</b>
<b>Bonus Payments</b> (portion of total revenue)	<b>\$0.4</b>	<b>\$0.3</b>	<b>\$1.3</b>	<b>\$1.5</b>
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
<b>Other FML Payments</b> (non-bonus revenue)	<b>\$96.5</b>	<b>\$86.5</b>	<b>\$130.1</b>	<b>\$144.4</b>
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.

June 2025 Cash Fund Revenue Page 53

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