



2019 DISTRICT BUDGET

DIRECTORS

Gregg Rippy Mike Samson
Eric Schmela

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YEAR 2019 BUDGET MESSAGE

The Garfield County Federal Mineral Lease District (the "District") Budget is submitted in accordance with the "Local Government Budget Law" of the State of Colorado. This budget sets expenditures and revenues for District projects, for the period January 1, 2019 through December 31, 2019.

The District's Budget establishes expenditure limits for the District's operations and projects in the fiscal year 2019. It is more than a compilation of revenue and expenditure projections in that it reflects the goals, priorities, and policies established by the Board of Directors for the District in 2019. The expenses incurred are for the purpose of distributing funds to political subdivisions of the State in conformity with the Federal Mineral Lease District Act § 30-20-1307, C.R.S. (2018) and 30 U.S.C. § 191, to mitigate the social or economic impacts of the development and processing of minerals by the energy industry.

Financial Highlights

As noted in the 2019 Budget, the Budget authorizes and allocates a total of \$3,917,410.00. Of this amount, \$3,810,000.00 is for planned projects, \$5,000.00 is for capital expenditures, and the remaining \$102,410.00 is for operations. The District is budgeting an increase of 50% in federal mineral lease payments from the prior year's projected balance: .05% increase in operations and capital expenditures and 49.95% increase in planned projects.

Basis of Budgetary Accounting

The District's General Fund is accounted for using the modified accrual basis of accounting. Revenues are recognized and accounted for when they become available and measurable. Expenditures are generally recognized under the modified accrual bases of accounting, when the related liability is incurred.

Summary

In summary, the Board of Directors continues to address the ongoing economic climate in a prudent and fiscally responsible manner, but acknowledges that the direction of future natural resource exploration and mining cannot be predicted.

Respectfully,

Gregg Rippy
President



Garfield County
**Federal Mineral
Lease District**

Established 2011

MISSION STATEMENT

In order to alleviate social, economic, and public finance impacts resulting from the development of natural resources on federal lands within Garfield County, the Garfield County Federal Mineral Lease District will, expeditiously and through sound financial practices, ensure that the financial resources it receives from federal mineral leasing activities are distributed to communities impacted by the development of natural resources, as allowed by law;

deliver services to communities impacted by the development of natural resources, as allowed by law;

and provide the greatest use of these financial resources for the greatest number of Citizens.

RESOLUTION NO. 18-05

BOARD OF DIRECTORS
GARFIELD COUNTY FEDERAL MINERAL LEASE DISTRICT
GARFIELD COUNTY, COLORADO

RESOLUTION REGARDING ADOPTION OF THE BUDGET FOR THE GARFIELD COUNTY FEDERAL MINERAL LEASE DISTRICT AND APPROPRIATION OF FUNDS FOR THE FISCAL YEAR 2019

WHEREAS, the Garfield County Federal Mineral Lease District (hereinafter "the District") is a federal mineral lease district duly created pursuant to the Federal Mineral Lease District Act, § 30-20-1301, *et seq.*, C.R.S. (2018) (hereinafter the "Act") and conducts its affairs through its board of directors (hereinafter "District Board"), § 30-20-1307, C.R.S. (2018); and

WHEREAS, the District Board authorized staff to prepare and submit a proposed budget to the District Board at the proper time; and

WHEREAS, staff submitted the 2019 Proposed Budget to the District Board at its regular meeting on October 3, 2018; and

WHEREAS, the Notice of Availability of the 2019 Proposed Budget and Public Hearing to Adopt the 2019 Budget was published in accordance with law, and the proposed budget has been continuously available for inspection at the District Office, 817 Colorado Ave., Suite 201, Glenwood Springs, CO; and

WHEREAS, pursuant to § 29-1-106, C.R.S. as amended (2018), a public hearing was held on November 11, 2018, where interested taxpayers were given the opportunity to file or register any objections to the proposed budget; and

WHEREAS, the District Board conducted a thorough review of the proposed budget and has ensured that the amounts appropriated do not exceed the specified expenditures as required by § 29-1-108(2), C.R.S. as amended (2018), and has thereby ensured the District will operate under a balanced budget for Fiscal Year 2019.

NOW, THEREFORE, BE IT RESOLVED THAT

Section 1. The budget as submitted, summarized, and attached hereto as Exhibit A is hereby approved and adopted as the budget of the Garfield County Federal Mineral Lease District for Fiscal Year 2019, January 1, 2019 through December 31, 2019.

Section 2. The District Board hereby appropriates funds consistent with the budget to allow the District to carry out its statutory purposes.

Section 3. District staff is hereby directed to ensure a copy of this Resolution is delivered to the State of Colorado, Division of Local Government, Department of Local Affairs as required by law.

DONE THIS 14th day of November, 2018, at Glenwood Springs, Colorado.

Voting:

Director Rippy: aye
Director Samson: Excused
Director Schmela: aye

BOARD OF DIRECTORS, GARFIELD COUNTY
FEDERAL MINERAL LEASE DISTRICT

By: _____

President

ATTEST: _____

Secretary

11.14.18

Garfield County Federal Mineral Lease Act District
Garfield County, Colorado
2019 Adopted Budget

EXHIBIT A		2017 Actual Expenses	2018 Adopted Budget	2018 Adopted Amended Budget	2019 Adopted Budget
Fund Balance - January 1		\$ 4,104,744	\$ 4,047,432	\$ 3,768,207	\$ 10,322,405
Revenue					
4000	Federal Mineral Lease Payments	1,979,767	2,500,000	8,741,008	1,900,000
4055	Other Income	10	-	-	-
4075	Interest Income	15,358	15,000	115,375	145,000
4100	Forfeited Grants	97,967	75,000	300,000	100,000
	<i>Total Revenue</i>	<u>2,093,102</u>	<u>2,590,000</u>	<u>9,156,383</u>	<u>2,145,000</u>
	<i>Total Funds Available</i>	<u>\$ 6,197,846</u>	<u>\$ 6,637,432</u>	<u>\$ 12,924,590</u>	<u>\$ 12,467,405</u>
Project Expenditures					
	Spring Cycle	\$ 1,028,916	\$ 1,100,000	\$ 1,301,850	\$ 1,400,000
	Fall Cycle	1,314,044	1,100,000	1,188,940	\$ 1,400,000
	Joint Cycle	-	-	-	1,000,000
	Grantee of the Year	10,000	10,000	10,000	10,000
	<i>Total Project Expense</i>	<u>2,352,960</u>	<u>2,210,000</u>	<u>2,500,790</u>	<u>3,810,000</u>
Administrative Expenditures					
5001	Bank Fees	57	40	100	100
5002	Depreciation Expense	-	-	-	-
5011	Accounting	7,075	7,960	7,850	8,090
5012	Legal	-	-	-	-
5013	Outside Contract Services	-	540	375	390
5014	Website	2,130	2,390	2,850	2,940
5023	Equipment Rental and maintenance	2,293	2,060	3,500	3,610
5025	Rent Parking Utilities	14,157	19,920	16,780	17,280
5031	Books, Subscriptions, References	-	-	75	80
5032	Marketing/Advertising	4,659	5,300	5,500	5,670
5033	Memberships	2,847	210	2,088	2,150
5034	Postage, Mailing service	310	210	250	260
5035	Printing and Copying	-	-	-	-
5036	Office Supplies	2,154	1,420	2,000	2,060
5037	Telephone, Telecommunications	1,792	1,440	1,700	1,750
5038	Software	-	-	1,600	500
5039	Computer	-	-	1,950	2,000
5041	Insurance - Liability, D and O	3,032	3,120	3,086	3,180
5042	Insurance - Office Space	-	590	-	-
5043	Miscellaneous	10	5,150	50	50
5071	Business Meals	104	100	100	100
5072	Conference, conventions, and meetings	50	50	3,500	4,000
5073 / 5074	Travel and Mileage	568	620	575	590
5101	Education & Training	-	530	530	750
5102	Liability Insurance	-	1,600	3,086	3,180
5103	Payroll Expenses/Taxes	2,607	2,320	2,900	2,990
5104	Professional Registration	615	630	850	880
5105	Salaries	31,841	34,170	38,250	39,400
5106	Workman's Comp	378	410	400	410
	<i>Total Administration Expenses</i>	<u>76,679</u>	<u>90,780</u>	<u>99,945</u>	<u>102,410</u>
Capital Expenditures		-	-	1,450	5,000
	<i>Total Expenditures</i>	<u>2,429,639</u>	<u>2,300,780</u>	<u>2,602,185</u>	<u>3,917,410</u>
Net Revenue Over (Under) Expenditures		(336,537)	289,220	6,554,199	(1,772,410)
Fund Balance December 31		<u>\$ 3,768,207</u>	<u>\$ 4,336,652</u>	<u>\$ 10,322,405</u>	<u>\$ 8,549,995</u>
Project Account Balance December 31		\$ 2,366,412	-	\$ 4,759,000	\$ 2,990,510
Investment Account Balance December 31		\$ 5,049,433	-	\$ 9,150,000	\$ 9,295,000
Administrative Account Balance December 31		\$ 407,183	-	\$ 305,775	\$ 215,000
Petty Cash Account Balance December 31		\$ 5,494	-	\$ 3,000	\$ 5,000
TOTAL FMLD FUNDS		<u>\$ 7,828,522</u>	<u>\$ -</u>	<u>\$ 14,217,775</u>	<u>\$ 12,505,510</u>
Current Liabilities (QB acct#2000;2150)		(\$2,147)	-	(\$2,197)	(\$2,500)
Grants Not Distributed (QB acct#2010)		\$4,062,462	-	\$3,897,567	\$ 3,958,015
Fund Balance December 31		<u>\$3,768,207</u>	<u>\$0</u>	<u>\$10,322,405</u>	<u>\$8,549,995</u>