



**GARFIELD COUNTY
FEDERAL MINERAL LEASE DISTRICT
2023 ADOPTED BUDGET**

**ADOPTED DECEMBER 14, 2022
BY THE GCFMLD BOARD OF DIRECTORS:**

**GREGG RIPPY, PRESIDENT
MIKE SAMSON, DIRECTOR
STEVE RIPPY, SECRETARY**

Garfield County Federal Mineral Lease District
817 Colorado Ave., Suite 201 | Glenwood Springs, CO 81601
(970) 945-1347 | <https://gcfmld.colorado.gov>

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2023 BUDGET MESSAGE

The Board of Directors of the Garfield County Federal Mineral Lease District (“District”) is pleased to submit the 2023 Adopted Budget 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, 2023 through December 31, 2023.

The budget sets expenditure limits well below revenue and available General Fund balance for the District’s two main expense categories, Projects and Administrative Expenditures (operations), for fiscal year 2023. The budget reflects the policy priorities and goals of the Board of Directors for 2023. The expenses incurred are in furtherance of the District’s statutory purposes, namely, the distribution of funds to political subdivisions of the State through competitive grant programs in conformity with the Federal Mineral Lease District Act § 30-20-1307, C.R.S. (2022) and 30 U.S.C. § 191. District grants mitigate the social or economic impacts of the development and processing of minerals by the energy industry on federal lands within Garfield County. Grants may be used for (1) planning, (2) construction or maintenance of public facilities, or (3) provision of public services.

Financial Highlights

The 2023 Budget authorizes and allocates total expenditures of \$2,138,810: \$2,010,000 for grants, \$128,810 for administration. The District received its annual allocation from the Colorado Department of Local Affairs on August 31, 2022, in the amount of \$4,192,072.59, an increase of \$1,645,915 over the 2021 distribution of \$2,546,158. Administrative expenses have increased by 27.27% (\$27,599) compared to the 2022 Amended Budget. Over 90% of this increase (\$25,000) will fund website upgrades in compliance with HB 21-1110, which mandates website accessibility by July 1, 2024. The rest of the increase includes market adjustments in salaries and wages, and other *de minimus* increases. At year-end, total unrestricted funds were \$5,203,642, with total cash balances of \$8,656,178.

Basis of Budgetary Accounting

The District uses the modified accrual basis of accounting for its General Fund. 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

The Directors cannot predict market forces or the impact that federal or state government regulations may have on the natural gas industry, which in turn would impact District revenues. The District, however, has maintained a strong financial position since its inception, and the 2023 Adopted Budget continues this tradition. The Board of Directors continues to exercise sound business judgment and fiscal conservatism in furtherance of its statutory mission.

Respectfully,


Gregg Rippy
President



MISSION STATEMENT

The Garfield County Federal Mineral Lease District, expeditiously and through sound financial practices,

alleviates the social, economic, and public finance impacts resulting from the development of natural resources on federal lands within Garfield County;

distributes the financial resources it receives from federal mineral leasing activities through grants to communities impacted by the development of natural resources; and

serves the Citizens of Garfield County by providing the greatest use of these financial resources for the greatest number of Citizens.

District History and Background

The Board of County Commissioners of Garfield County created the Garfield County Federal Mineral Lease District (“District”) on June 13, 2011. The county commissioners finalized the appointment of the District’s inaugural Board of Directors, Gregg Rippey, Mike Samson, and Eric Schmela, on July 11, 2011, and the District Board held its first organizational meeting on August 10, 2011.

The District operates under state statute, specifically, under the Federal Mineral Lease District Act, C.R.S., § 30-20-1301 *et seq* (2022). It is a unit of a state government, an independent public body, whose essential public function is to help alleviate the social, economic, and public finance impacts resulting from federal mineral leasing activities within Garfield County. The statute directs and empowers the District to distribute funds it receives each year from the Colorado Department of Local Affairs (federal mineral lease payments) to assist communities impacted by the development of natural resources on federal lands within Garfield County.

The District’s goal is to provide the greatest use of the financial resources it receives for the greatest number of Citizens, and to do so expeditiously and using sound financial principles. The District does not have the power to levy or collect taxes, nor does it have the power of eminent domain.

Federal and state law limit the use of funds distributed to the District in two ways. Funds may only be used by the state, or its political subdivisions, and may only be used for (1) planning, (2) construction and maintenance of public facilities, or (3) provision of public services. See 30 U.S.C. §191.

To ensure funds are distributed fairly, the District utilizes two competitive grant cycles each year, a Spring Cycle and a Fall Cycle. Within each cycle, the District operates two grant programs: a Traditional Grant Program and a Mini Grant Program. The District Board also names a Grantee of the Year each year and grants \$10,000 to the winner.

Colorado statutes regarding open and public meetings and records, budgets, and audits all apply to the District. The budgets and audited financial statements dating to 2011, as well as a complete record of all Board resolutions and meeting minutes for those years, are available for inspection at the District’s offices, which are located at 817 Colorado Ave., Suite 201, Glenwood Springs, CO 81601. The District Board holds its regular monthly meetings on the second Wednesday of the month at 9:00 a.m. in the District Office and encourages members of the public to attend in person or via Zoom videoconference.

For more information, please visit our website: <https://gcfmld.colorado.gov>.



RESOLUTION NO. 22-02

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

RESOLUTION REGARDING ADOPTION OF THE FIRST AMENDED 2022 BUDGET FOR THE GARFIELD COUNTY FEDERAL MINERAL LEASE DISTRICT AND APPROPRIATION OF FUNDS FOR THE FISCAL YEAR 2022

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. (2022) (hereinafter the “Act”) and conducts its affairs through its board of directors (hereinafter “District Board”), § 30-20-1307, C.R.S. (2022); and

WHEREAS, the District is funded exclusively by the direct distribution of moneys from the local government mineral impact fund, said distribution made to the District annually by the State of Colorado, Division of Local Government, Department of Local Affairs; and

WHEREAS, the District received distributions totaling \$4,192,072.59 (hereinafter “the Distributions”) after adoption of the 2022 Budget; and

WHEREAS, the Local Government Budget Law requires the District to recognize the Distributions, amend its 2022 Budget, and appropriate the additional sums to Fiscal Year 2022; and

WHEREAS, the District Board authorized staff to prepare and submit the proposed First Amended 2022 Budget to the District Board at the proper time; and

WHEREAS, staff submitted the proposed First Amended 2022 Budget to the District Board at its regular meeting on October 12, 2022; and

WHEREAS, the Public Notice of the 2022 Amended Budget and of the public hearing was published in accordance with the law, and the proposed First Amended 2022 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 (2022), a public hearing was held on November 9, 2022, where interested taxpayers were given the opportunity to file or register any objections to the First Amended 2022 Budget; and

WHEREAS, the District Board conducted a thorough review of the proposed First Amended 2022 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 (2022), and has thereby ensured the District will operate under a balanced budget for Fiscal Year 2022.

NOW, THEREFORE, BE IT RESOLVED THAT

Section 1. The First Amended 2022 Budget as submitted, summarized, and attached hereto as Exhibit A is hereby approved and adopted as the First Amended 2022 Budget of the Garfield County Federal Mineral Lease District for Fiscal Year 2022, January 1, 2022 through December 31, 2022.

Section 2. The District Board hereby appropriates the Distributions of \$4,192,072.59 as set forth in the First Amended 2022, 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 December, 2022, at Glenwood Springs,
Colorado.

Voting:

Director G. Rippy: aye

Director Samson: aye

Director S. Rippy: aye

BOARD OF DIRECTORS, GARFIELD COUNTY
FEDERAL MINERAL LEASE DISTRICT

By: _____

President

ATTEST: _____

Secretary

Garfield County Federal Mineral Lease Act District
Garfield County, Colorado
2022 AMENDED BUDGET 2023 ADOPTED BUDGET

EXHIBIT A	2021 Actual Expenses	2022 Adopted Budget	2022 Amended Budget	2023 Adopted Budget
Fund Balance - January 1	\$ 3,969,121	\$ 3,721,578	\$ 3,721,578	\$ 5,155,078
Revenue				
4000 Federal Mineral Lease Payments	2,546,158	2,000,000	4,192,073	2,000,000
4055 Other Income	-	-	-	-
4050 Interest Income (Banks)	68	65	156	200
4075 Interest Income (ColoTrust)	5,462	11,000	99,000	75,000
4110 Forfeited Grants	58,614	50,000	25,047	50,000
Other Current Assets				
1150 Prepaid Expenses	-	-	-	-
<i>Total Revenue</i>	<u>2,610,302</u>	<u>2,061,065</u>	<u>4,316,276</u>	<u>2,125,200</u>
<i>Total Funds Available</i>	<u>\$ 6,579,423</u>	<u>\$ 5,782,643</u>	<u>\$ 8,037,854</u>	<u>\$ 7,280,278</u>
Project Expenditures				
Spring Cycle	165,369	1,000,000	1,280,123	1,000,000
Fall Cycle	161,294	1,000,000	1,442,878	1,000,000
Joint Cycle	-	-	-	-
Grantee of the Year	10,000	10,000	10,000	10,000
<i>Total Project Expense</i>	<u>\$ 336,663</u>	<u>\$ 2,010,000</u>	<u>\$ 2,733,001</u>	<u>\$ 2,010,000</u>
Administrative Expenditures				
5001 Bank Fees	67	42	60	60
5002 Depreciation Expense	-	-	-	-
5011 Accounting	7,665	7,815	8,163	8,500
5013 Outside Contract Services	747	800	800	800
5014 Website	1,880	2,000	2,000	2,500
5015 Bookkeeping	2,502	-	5,000	5,000
5016 Website Accessibility	-	-	-	25,000
5023 Equipment Rental and Maintenance	2,685	2,800	2,800	3,000
5025 Rent Parking Utilities	15,632	15,740	17,000	18,500
5032 Marketing/Advertising	96	5,500	5,500	5,500
5033 Memberships	1,500	2,800	2,800	3,000
5034 Postage, Mailing service	264	450	450	450
5036 Office Supplies	135	200	550	500
5037 Telephone, Telecommunications	1,794	1,800	1,800	2,000
5038 Software	1,929	2,200	3,500	3,500
5039 Computer	70	-	-	-
5041 Insurance - Liability, D and O	3,109	3,130	3,148	3,200
5043 Miscellaneous	66	-	-	-
5071 Business Meals	136	150	150	200
5072 Conference, conventions, and meetings	110	360	360	500
5074 Travel and Mileage	-	-	-	-
5101 Education & Training	-	-	-	-
5103 Payroll Expenses/Taxes	3,454	3,550	3,550	3,600
5104 Professional Registration	1,000	375	375	500
5105 Salaries	42,049	42,700	42,700	42,000
5106 Workman's Comp	496	490	505	500
<i>Total Administration Expenses</i>	<u>\$ 87,386</u>	<u>\$ 92,902</u>	<u>\$ 101,211</u>	<u>\$ 128,810</u>
Capital Expenditures				
<i>Total Expenditures</i>	<u>\$ 424,049</u>	<u>\$ 2,102,902</u>	<u>\$ 2,834,212</u>	<u>\$ 2,138,810</u>
Net Revenue Over (Under) Expenditures	2,186,253	(41,837)	1,482,064	(13,610)
<i>Fund Balance December 31</i>	<u>\$ 6,155,481</u>	<u>\$ 3,679,741</u>	<u>\$ 5,203,642</u>	<u>\$ 5,141,468</u>
Project Account Balance December 31	2,341	2,000	2,000	2,000
Investment Account Balance December 31	6,556,833	5,425,659	8,000,000	5,500,000
Administrative Account Balance December 31	358,319	262,036	650,000	500,000
Petty Cash Account Balance December 31	6,875	4,178	4,178	4,000
TOTAL CASH ACCOUNTS	<u>\$ 6,924,368</u>	<u>\$ 5,693,873</u>	<u>\$ 8,656,178</u>	<u>\$ 6,006,000</u>
Rounding Correction				
Current Liabilities (QB acct#2000;2150)	1,546	1,100	1,100	1,500
Grants Not Distributed (QB acct#2010)	3,201,244	2,010,000	3,500,000	3,000,000
<i>Fund Balance December 31</i>	<u>\$ 3,721,578</u>	<u>\$ 3,682,773</u>	<u>\$ 5,155,078</u>	<u>\$ 3,004,500</u>

Garfield County Federal Mineral Lease Act District
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