

Huerfano County Federal Mineral Lease District Budget Message 2023

The Huerfano County Federal Mineral Lease District (HCFMLD) Budget is submitted in accordance with the "Local Government Budget Law" of the State of Colorado. This budget sets HCFMLD expenditures and revenues for the period January 1, 2023 through December 31, 2023.

The HCFMLD Budget establishes expenditure limits for operations and projects in the fiscal year 2023. It is more than a compilation of revenue and expenditure projections in that it reflects the goals, priorities and policies established by the HCFMLD Board of Directors in 2023. The expenses incurred are for the purposes of distributing funds to political subdivisions of the State in conformity with the Federal Mineral Lease District Act, C.R.S. § 30-20-1307, and 30 U.S.C. § 191 to mitigate the social or economic impacts of the development, processing, or conversion of fuels and minerals by the energy industry.

Financial Highlights:

In 2022 HCFMLD had two separate payouts for grants, the reason being that the deadline for 2021 grant applications was extended into 2022 due to the COVID epidemic. A grant payout of \$4,277.60 went to The Spanish Peaks Library District for landscaping and for concrete foundations for two large steel sculptures. A grant payout of \$3,500.00 went to the La Veta Cemetery District towards the purchase of a Kubota Zero-Turn Mower. And a grant payout of \$4,878.76 went to the Western Navajo Water District for a backup generator, the second such grant in a project for generator backup for all their wells.

These three grants along with the five grants listed below account for the total grant expenditures in 2022 of \$39,656.36. See Exhibit A below.

The HCFMLD's 2022 check from the Department of Local Affairs was for \$17,342.78. With a balance of \$30,110.74 in November, 2022 the amount \$27,000.00 was offered to HCFMLD's political subdivisions of the State of Colorado in a competitive grant application process. Applications were due on November 30, 2022. With five grant applications submitted, the \$27,000 was split evenly between the applicants:

La Veta Fire Protection District has been awarded \$5,400 towards the purchase of a LUCAS battery powered device carried on the ambulance to perform compressions during CPR when there is a shortage of personnel or for prolonged CPR.

Navajo Western Water District has been awarded \$5,400 towards the purchase of an Emergency Backup Generator for NWWD Resorts, Well #7.

Huerfano County Parks and Recreation District has been awarded \$5,400 towards the purchase of necessary first aid equipment to have on site at the county owned Cuchara Mountain Park, so that it will be available to ski patrol and also to members of the public should first aid need to be immediately provided. This equipment is also necessary to be onsite as required by the Colorado Passenger Tramway Safety Board Rule 3.1.2 and 3.2.1.5.

Huerfano County Water Conservancy District has been awarded \$5,400 to help fund planning of water storage reservoirs in the Cucharas River basin, specifically the 90% engineering design of Bruce Canyon Reservoir in the Cucharas River Basin.

La Veta Regional Library District has been awarded \$5,400 towards the Library's match for an EIAF/DOLA grant for the replacement of the Library's HVAC system.

By statute, the District may make grants only to political subdivisions of the State of Colorado, i.e. local governments. Locally, preference is given to grants specified as requiring matching funds for other grants from outside the County.

Basis of Budgetary Accounting

The HCFMLD 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 when liability is incurred. For those local grants awarded as matching funds for outside grants, the liability is incurred only when the outside grant is made and a request is made by the grantee for the distribution of the matching funds. For local grants which are not matching in nature, the liability is incurred when the grant is made.

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 development cannot be predicted.

Respectfully,

Gerald Cisneros



David Rogers



Joseph Edes



Dated:

01/26 / 2023

Directors HCFMLD

Exhibit A
Four Year Budget Figures

1	Year	2019	2020	2021	2022	Proj 2023
2	Balance Forward	\$21,467.45	\$3,439.21	\$13,102.63	\$25,479.94	\$3,112.83
3	Federal Mineral Lease Payments	\$12,476.56	\$9,647.59	\$12,360.57	\$17,342.78	\$17,000.00
4	Interest	\$20.03	\$15.83	\$16.74	\$21.47	20
5	Refunded Grants	\$8,450.00		0		
6	Grants Paid Out	-\$38,829.15	0	0	-\$39,656.36	-\$17,000.00
7	Administrative Expense	-\$145.68	0	0	-\$75.00	-\$100.00
8	Fund Balance December 21	\$3,439.21	\$13,102.63	\$25,479.94	\$3,112.83	\$3,032.83

RESOLUTION NO. 23-01
BOARD OF DIRECTORS
HUERFANO COUNTY FEDERAL MINERAL LEASE DISTRICT
HUERFANO COUNTY, COLORADO

RESOLUTION REGARDING ADOPTION OF THE BUDGET FOR THE HUERFANO COUNTY
FEDERAL MINERAL LEASE DISTRICT AND APPROPRIATION OF FUNDS FOR THE FISCAL
YEAR 2023

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

WHEREAS, the District Board has prepared a proposed budget; and

WHEREAS, the Notice of Availability of the 2023 Proposed Budget and Public Hearing to Adopt the 2023 Budget was published in accordance with law, and the proposed budget has been continuously available for inspection at the Huerfano County Federal Mineral Lease District web page: <http://hcfmld.colorado.gov/>

WHEREAS, pursuant to C.R.S. § 29-1-106, a public hearing was held on January 25, 2023, 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 C.R.S. § 29-1-108(2), and has thereby ensured the District will operate under a balanced budget for Fiscal Year 2023.

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 Huerfano County Federal Mineral Lease District for Fiscal Year 2023, January 1, 2023 through December 31, 2023.

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

Section 3. A copy of this Resolution shall be delivered to the State of Colorado, Division of Local Government, Department of Local Affairs, as required by law.

DONE THIS 25th day of January, 2023, in Huerfano County, Colorado.

Voting:

Director Cisneros: aye

Director Edes: aye

Director Rogers: aye

**BOARD OF DIRECTORS, HUERFANO COUNTY
FEDERAL MINERAL LEASE DISTRICT**

By: *David La Gorenis*
President

ATTEST: *Joseph R. Elk*
Secretary

Mission Statement

To alleviate social, economic, and public finance impacts from development of natural resources on federal lands within this county, the Huerfano County Federal Mineral Lease District will distribute monies it receives from federal mineral leasing activities to subdivisions of the State of Colorado which represent communities impacted by the development of natural resources for use in (1) planning, (2) construction and maintenance of public facilities, and (3) provision of public services.