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BOARD OF DIRECTORS MEETING

Date and Time: 3:00 PM on Wednesday, September 16, 2020

Location: Zoom Meeting (Replay on our YouTube Channel and our Facebook Page)

Attendees:

Dusti Reimer
John Justman
Quint Shear
Christine Madsen
Craig Springer
Dan Van Loon
Derek Wagner
Benita Phillips
Tim Foster
John Marshall
Frank Cavaliere

Agenda:

- I. Call to Order by Craig Springer at 3pm.
 - a. J. Justman made a motion to approve the agenda. Q. Shear second. Voted. Approved.
- II. General Public Comment.
 - a. Benita Phillips said she has concerns that there isn't going to be a lot of money coming into the mineral lease district in the next few years and she would like the commissioners to look at what the laws will allow them to have access too, or maybe make a change in the mineral lease district law, so the district can do something else beside collect severance from mineral leases. Especially now in light of the fact that we have with KBR withdrawing from oil and gas entirely and Exxon being sued. A lot of these oil and gas companies and of course our oil and gas situation here is collapsing. I would like to see this district continue, but I don't think that's possible if a move is not made to ensure its financial viability.
 - b. J. Justman said we are called the federal mineral leasing district, not the wind and solar tax industry that we're going to get money from.
 - c. B. Phillips said there has got to be a way John, or it's going to die. This is a really good process and so you have to think outside the box. It's called the mineral lease district, I understand that. I don't have to just be mineral lease, it can be other things, but we have to move to make it something else.
 - d. J. Justman said maybe we can tax electric cars and bring that into the district.

- e. B. Phillips said I have never been against that. Electric car owners do not pay taxes for roads. Grin all you want, John, but electric car owners are getting a free ride.
 - f. C. Springer said thank you Benita for your public comments.
- III. Adoption of the August Minutes.
- a. Q. Shear made a motion to approve minutes. J. Justman second. Voted. Approved.
- IV. Staff Report.
- a. D. Reimer said our social media this last month we have our YouTube, Facebook, Twitter pages. We posted about our minute minutes being posted, the meeting agenda posted, we live stream our meetings on Facebook, we uploaded our meeting videos on YouTube, we posted about our grant cycle due dates, we gave updates on our website being down and our website being up, and the details and dates for our Zoom meeting for September and our grant presentations.
 - b. D. Reimer said we had no media at this time and no grant requesting payments. D. Reimer said August Invoices are for Dusti Reimer Invoice #150 for \$3,789.97, Dufford Waldeck Invoice #21617 for \$185, Chadwick, Steinkirchner, & Davis Invoice #58772 for \$3,700, and Alpine Computer Solutions Invoice #69722 for \$600 for our website issues. That came from an update that we did, and we do updates regularly, that interfered with some of the code that was written. It crashed the computer back end, we brought it back up, they went to re-establish it and take off all the comments, there was a comment section put on the back end of the computer that was filled with spam comments, they were cleaning all of those out and we got hacked in the process. They had to remove the hacked code, and then re-establish and back it up and re-install the templates that were there. He also said that the template we have for our website is almost six years old and that we may start to run into problems with it, because after a certain point, kind of like phones, we maybe have to do an update.
 - c. D. Reimer said we received our DOLA disbursement for \$495,556.20. It was significantly smaller than what we were expecting. We were projecting to receive a small increase over the check we received last year which was \$920,000. This is about a 50% decrease in that.
 - d. D. Reimer said our upcoming events are grant scores are due October 16, Board Meeting with Grant Awards will take place on October 21, and we will need to begin our budgeting in October. We need to have a 30-day notice placed in the newspaper with any proposed budget we have. Our budget will be due in December for 2021.
 - e. Q. Shear made a motion to approve the staff report. J. Justman second. Voted. Approved.
- V. Review of Investment Account for August.
- a. D. Reimer said Matt is unable to join us, but his update that he did send over is that we are at 60.4% equities which is right at the threshold. The review from the end of the month, is actually up again, which is fantastic. The ending value at the very end of August was \$1,785,858. We're maintaining nicely and it's going back up.
 - b. J. Justman made a motion to approve the investment report. Q. Shear second. Voted. Approved.

VI. Review of Financials for August.

- a. C. Madsen said the balance sheet has \$631,901.18 under fund balance. WE also have \$1,775,355.32 under the permanent fund. Under the grants payable account, we have a balance \$200,000. WE are showing a net loss of \$133,642.26.
- b. C. Madsen said under the profit and loss statement for August we have \$1,897 for legal fees, \$3,896.04 for accounting fees, \$3,750 for contract services and \$39.97 for dues and memberships and unrealized gain/loss from the permanent fund of \$61,755.27 and realized gain/loss of \$6,391.14, interest earned is \$0.04 and dividend income of \$1,009.15, which brings our net income to \$59,572.59.
- c. C. Madsen said for our AP aging summary we have \$50,000 for City of Fruita and \$150,000 for the Grand Junction Police Department. For the budget to actual we are still under the budget for outside services by \$29,684.42, under auditing services as of August, but that will change, and under budget for insurance expenses, advertising expenses and administrative expenses. That is, it for financials.
- d. Q. Shear made a motion to approve financials. J. Justman second. Voted. Approved.

VII. Discussion of Budget for 2021.

- a. D. Reimer said Christine started the budget and we have some rough numbers. We estimated and put estimates in there and we sent over a draft budget. We estimated putting \$100,000 in the spring and fall cycle and we estimated putting \$75,000 into the investment account. This is just to get discussion started and it's a rough budget. I'm going to turn it over to Christine to walk you through it.
- b. C. Madsen said the \$554,477 for the 2021 budget is based off percentages provided by two sources that we've used in the past. I took the 18.68% that the Colorado Legislative Council provided and the 5.1% provided by the Colorado State Planning and Budget and got an average of those sources and got to 11.89% increase in revenue that brought us to that \$554,477 for 2021. For the administrative expense we increased that by \$1,500 because we reduced the advertising expense by the same amount and just moved it up to administrative expenses. For audit, contract labor and insurance we kept it at the same amount and then the same for dividends and capital gains we left it at \$30,000 and \$14,000 for investment fees. We also allocated \$200,000 for grants to be awarded for 2021, so there would be \$100,000 for each grant cycle and the \$75,000 for contributions for the permanent fund for 2021. That's it. Any questions?
- c. C. Springer asked if the board members had questions or comments.
- d. J. Justman said no questions.
- e. Q. Shear said it is, what is it, Craig.
- f. C. Springer said I guess the philosophical question are the contributions to the permanent fund. If the income was that low-that's the philosophical question we have to talk about. This is preliminary and we have plenty of time to consider it. We appreciate the submittal and we will keep that on the ensuing agendas and meetings for changes and approval ultimately in December, correct?
- g. D. Reimer said yes.

VIII. Review and Approval of Bylaws.

- a. D. Reimer said everyone has a copy of the bylaws and they were tabled from last meeting to this meeting, so all three board members were present and in case you had any additional comments or insights to add.
- b. Q. Shear said I think we have those bylaws where we wanted them, we just wanted to make sure you had an additional opportunity Craig, to make any additional comments.
- c. C. Springer said thank you, I'm good with them.
- d. Q. Shear made a motion to accept the resolution 2020-01 for update of bylaws as written. J. Justman second. Voted. Approved.

IX. Unscheduled Business.

- a. C. Springer said that the management of Home Loan will be opening the Lobby on October 5th. I will leave that at the boards pleasure if we would like to meet in the basement. We will be fully opening the building then, but we will be adhering to all the requirements, rules and regulations that go a long with opening. We don't have to make a decision right now, but it's something for all of us to think about and comment on as we move forward.
- b. Q. Shear said I think the big thing there will be what you are limited to capacity there. I think we have plenty of room, but that will determine it won't it.
- c. C. Springer said Dusti will you look into that?
- d. D. Reimer said my understanding is 500 people or 75% of capacity, I think. I know it won't hold 500, but we'll look at it.
- e. J. Justman said there could be a lot that changes in a month.
- f. C. Springer said I know these zoom meetings are working, but I'm ok either way. I'll leave that with you Dusti, to go ahead and poll the board and we can move forward either way.
- g. C. Springer asked for any other unscheduled business.
- h. There was nothing more to add.

X. Adjournment.

- a. J. Justman made motion to adjourn. Q. Shear second. Voted. Approved. At 3:22 pm.