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## BOARD OF DIRECTORS MEETING

**Date and Time:** 3:00 PM on Wednesday, November, 2021

**Location:** Home Loan Building, 205 N. 4th Street, Grand Junction, CO 81501, in the Community Room on the Basement level

In attendance:  
Matt Rosenberg  
Craig Springer  
Quint Shear  
Dusti Reimer  
Chris McAnany

- I. **Meeting Minutes:**
- II. Call to order at 3:10 p.m.
- III. General Public Comment.
  - a. None.
- IV. Approval of October Meeting Minutes.
  - a. Q. Shear made a motion to approve the minutes. C. Springer second. Voted. Approved.
- V. Staff Report.
  - a. D. Reimer said the posts for our social media were for November meeting agenda being posted, posted notice our budget was available on the website, posted who the grant awards winners were, shared the media stories from the grant award winners, and thanked our Veterans for their Service. The October meeting was livestreamed on Facebook and uploaded to the YouTube channel.
  - b. D. Reimer said the media stories we had were from KREX-Collbran Builds Partnership to Bring Broadband to Plateau Valley, KKCO- Collbran Builds Partnership to Bring Broadband to Plateau Valley, Daily Sentinel-Grants Awarded for Plateau Valley Broadband and East Orchard Mesa Fire District and an Op Ed was written in the Daily Sentinel referencing the new grant we had just awarded for a Ballot Measure.

- c. D. Reimer said there were no grants requesting payment at this time. We receive \$493,224.26 for the 2022 year. We will be dealing with the budget today.
- d. D. Reimer said invoices from October were for Dusti Reimer Invoice #165 for services and supplies for \$2,974.98, Eide Bailly Invoice # Elo1220828 for services for \$1,484.85, Dufford Waldeck Invoice #2874 for services for \$1,339.50, and ACS Invoice #268254 for hosting services for \$29.90. D. Reimer said the post office check wasn't signed when she got it back, and to avoid late fees, I paid the invoice on my card and submitted it for reimbursement. We have the check and didn't need to do a stop check.
- e. D. Reimer said the 2022 Budget approval is due by December 31, our next board meeting will be January 19<sup>th</sup> at 2pm and then April 20<sup>th</sup> Board meeting at 2pm. I sent out calendar appointments for all the new dates and times and checked with Linda and booked the room for the next year. We are all set. We will go to quarterly meetings and pick up again in the fall of next year.
- f. Q. Shear asked how far behind our payments are?
- g. C. McAnany said they're about a year.
- h. Q. Shear said the prices went up in February but have gone up and hit consistently \$5 gas prices for 2-3 months now. We should see a significant bump next year.
- i. C. McAnany said yes, it was \$2 gas for awhile.
- j. C. Springer made a motion to approve the staff report. Q. Shear second. Voted. Approved.

VI. Review of Financials.

- a. D. Reimer said the fund balance is \$1,253,511.55. The ending balance in permanent fund as of October 31, 2021, was \$2,215,742.00. Our grants payable are still the same at \$200,000, and the grants approved will be put in. You'll sign the contracts today. We'll add the \$300,000 for Town of Collbran and East Orchard Mesa for \$50,000. The checks written last month were cashed, except the post office. Legal fees of \$370.50, contract services for \$2,666.00, dues and memberships for \$24.98, supplies for \$33.79 and operations for \$29.90. The investment fund had unrealized gain/loss of \$73,799.98, dividend income of \$1,253.48, Investment fees of \$4,517.13 and interest earned of \$0.05. D. Reimer presented the budget to actuals.
- b. Q. Shear asked if we were under the 10%?
- c. C. McAnany said yes you're within in the 10%.

- d. Q. Shear asked about the investment fees/investment fund?
- e. C. Springer said I don't think they are part of the administration fees.
- f. C. McAnany said they don't count as part of your expense.
- g. C. Springer asked if interest and dividend counts as revenue?
- h. C. McAnany said yes, that would count as revenue. The 10% rule applies to the money that comes from the state allocation. For accounting purposes, it is revenue, but it doesn't come from the state. I wouldn't count that gain/loss until we take that gain. We have \$493,224, and our budgeted expenditures are \$42,939. It looks like we're ok with 2 months to go.
- i. Q. Shear asked if there were any questions. There were none.
- j. C. Springer made a motion to approve the financials for October. Q. Shear second. Voted. Approved.

#### VII. Review of Investment Account.

- a. M. Rosenberg said that is the statement at the end of October, but the current balance is actually at \$2.25 million. Market was down a little today. It's a gain of \$650,000 since inception. We are about 12.3%. Most important thing is we rebalanced and got to that 65% max equity allocation. We have some leeway. It does feel good to pull back again. Across the board we've adjusted allocations back. Two months ago we set that target back to 59%. Its saying valuations are high that increased returns going forward are lower. People are closer to their goals. WE've had incredible returns the last three years.
- b. C. McAnany said you have to worry about inflation.
- c. M. Rosenberg said yes that's the headline right now. It's not expected inflation, it's the unexpected inflation. We haven't seen that in 34 years. Over time, equities are your hedge for inflation. Bonds get hit during inflation. Money market, short duration is better than saving cash.
- d. Q. Shear asked about the different types of equitirs being pushed with inflation?
- e. M. Rosenber said tech gets hit the most and the hardest. If you think, equity is just ownership in a company. In simple terms if they have assets you don't have to go buy them. Like an oil company, those rigs are set. You have elasticity of the supply and buying. If you need it, you'll pass through inflation no problem. People have to have it,

so people need it. When the price of hamburger goes up, people can substitute with chicken. You can position some of these sectors a little. People know it's there. For what we are doing, keeping your equity allocation close to the max is good, but if we pull back 5% it gives us balance.

- f. M. Rosenberg said the last time gas was \$3.55 a gallon, oil was \$125 a barrel, but it's \$75 a barrel. The cost of getting things to market are so much more.
- g. Q. Shear said the cost of getting things to market is a problem. All the markets are going through that.
- h. M. Rosenberg said in the 1970's there wasn't jobs. Now there are so many jobs, and they have a tough time. People are applying just to keep the unemployment. They will apply just to say they have applied.
- i. C. Springer said the supply chains are different too. They had no ability in the 70/s and 80s to source where they were going to make something. If China doesn't want to make the chair, we now have a list of countries that we can go to. Technology has made things so much more efficient. We'll figure it out.
- j. Q. Shear asked if they have heard when people will go back to work?
- k. M. Rosenberg said no.
- l. C. Springer said he spent the last week at bank meetings and had sat in on a panel with economists and higher up people, most of whom have been on tv. They said don't make any bets on where we are right now. They come along everyone 100 years and making an assumption that behavior has changed permanently is a bad bet. We're going to go back to doing what we did before and who we were before. That question was asked directly about the employment situation and not a single one said they knew. There were 2 million people that retired. There is a big question mark out there- can those people actually afford to retire, or will 5-6 years from now have to re-enter the workforce?
- m. Q. Shear said we have seen that happen before.
- n. M. Rosenberg said that the world changes so fast you'll be obsolete two years out of the workforce.
- o. Q. Shear said working aged men is a big factor. Only 60% of working age men are employed. That's an all-time low.
- p. D. Reimer asked what the average would be?

- q. Q. Shear said the last time he paid attention it was in the high 70's.
- r. Q. Shear asked if there were any more questions. There were none.

VIII. Review and Approval of 2022 Budget.

- a. D. Reimer said this budget was estimating another \$100,000 contribution to the permanent fund. It followed through with what we have had the previous year with expenses.
- b. Q. Shear asked if we were ok on the audit? I knew we had some additional expenses. I got the impression that increase was going to happen, because they were going to have to spend some extra time on the audit. Kathy will need to review our numbers on a more frequent basis. I think we needed to check that and make sure our audit might be more than what we budgeted. To meet those certain qualifications, Kathy needed to review the numbers more than quarterly.
- c. D. Reimer said that would be for Eide Bailly.
- d. Q. Shear said that's correct. We would still need to look at that.
- e. D. Reimer wondered if we were going to quarterly meetings, if that would balance out with less meetings and work.
- f. Q. Shear said you're on a fixed number aren't you, Chris?
- g. C. McAnany said it's based on whatever you need. If you have less money, you have less need for me.
- h. Q. Shear said the insurance is up?
- i. D. Reimer said yes, the insurance is up. That's the one that will need to be bumped up.
- j. Q. Shear said we have room in our budget to bump it up.
- k. D. Reimer said to \$2,700?
- l. Q. Shear said yes.
- m. C. Springer said the Anvil Points row should be taken off.
- n. Q. Shear said we can approve it with those changes, can't we?
- o. C. McAnany said yes.

- p. D. Reimer said we are increasing insurance to \$2,700, taking off the Anvil Points. And \$350,000 for grants? Same as last year.
- q. C. Springer said I don't see how we could do anything different.
- r. D. Reimer said I should add for the record, this was posted in the newspaper, the budget was posted online and we did not receive any public comments.
- s. C. McAnany said most special districts don't receive public comment.
- t. C. Springer asked if we had ever gotten any negative comments on the permanent fund?
- u. D. Reimer said no.
- v. Q. Shear said early on maybe we had early on.
- w. D. Reimer said I think it was maybe Janice Johnson, but since then, we haven't heard any negative comments.
- x. C. Springer asked if it was Quint's third year?
- y. Q. Shear said yes.
- z. C. Springer said you might want to reach out to them and get them on.
- aa. D. Reimer said she would look up the dates online. D. Reimer said you're on until 2024 and C. Springer is on until 2023.
- bb. Q. Shear asked if he filled out someone's term?
- cc. D. Reimer said yes, you took David's term. You and Janet came on the same time this year.
- dd. Q. Shear said back to the budget. Can we approve with the changes?
- ee. C. McAnany said you can.
- ff. D. Reimer said here are the changes-update the insurance to \$2,700, take off the Anvil Points line, and increase the grant awards to \$350,000.
- gg. C. Springer made a motion to approve the proposed 2022 budget with the staff suggested changes. Q. Shear second. Voted. Approved.

IX. Finalize Fall 2021 Grant Award Contracts.

- a. D. Reimer said the contracts and budget were all sent over in the packet. They have both been signed on their ends. If you are ok with the contracts on your end, we will have you sign them after you approve them.
  - b. C. Springer made a motion to approve the contracts. Q. Shear second. Voted. Approved.
- X. Unscheduled Business.
- a. None.
- XI. Adjourn.
- a. C. Springer made a motion to adjourn. Q. Shear second. Voted. Approved. Adjourned at 4:00 pm