

Board of Directors Regular Meeting  
Seitz Residence - Valley View Hot Springs  
Saturday, November 13, 2004

MINUTES

- I. Record Attendance: Rob, Neil, Mia, Doug, Chris, Laura, Harold, Barb, and Ewan attending. Jim McCalpin's absence was excused.
- II. Meeting called to order at 12:05 P.M.
- III. Changes to agenda were made. Two resignations of board members were added to new business. Chris added OLT statistics under unfinished business.
- IV. Approve minutes from September 11, 2004 meeting. No changes to minutes. Doug moved to approve minutes and Mia seconded. All in favor, none opposed, no abstentions.
- V. Introductions, questions and comments from guests: Guests introduced themselves.
- VI. Correspondence and PFD Report ([Attachment A](#)): Laura presented several items of correspondence - 2003 OLT board retreat copies, an extra copy of Carver Guide 2, the full Carver Guide series available for check out, naturalist trail guide to the top spring, and revised LTA Standards and Practices. The board discussed conducting a self-assessment to make sure we are in compliance with the new Standards and Practices by December 2005. It was suggested that the Vice-Chair head such an effort to be on the March or later agenda. Laura answered questions regarding her PDF report which was emailed in advance of the board meeting. Doug asked about specific donation amounts received to date in response to the fall newsletter. Neil gave a general overview. Mia asked Laura to expand on the outreach activities mentioned in her report. Chris expressed an interest in the ability to quantify our successes in future, pointing specifically to the Blue Moon Silent Auction and wondering if it was, indeed, a profitable endeavor based on paid staff time spent on the event. Discussion ensued.
- VII. Treasurer's Report ([Attachment B](#)). Ewan presented the Treasurer's Report which highlighted the income statement, balance sheet, and cash flow statement. Ewan stated that he and Terry had spent several hours going through the financials. He is familiarizing himself with the chart of accounts and processes. They have conducted one bank reconciliation. Ewan has researched the Financial Accounting Standards Board (FASB) and reporting for nonprofits. Based on that research, he has instated a few changes to OLT's financial management policies. He has introduced the cash flow statement which is required by FASB. Ewan reviewed the balance sheet and explained various line items, answering questions on the document. The income statement was reviewed and discussed. Some items under supplies, such as computer equipment, are in the process of being converted to depreciated assets. A timeline of the end of calendar year 2004 (end of OLT's fiscal year) was set to have accounts transferred over to the new format, allowing for an audit to take place in 2005. The cash flow statement, a new document, was discussed. A 12-month cash flow projection is in the process of being created by Terry and Ewan. Neil asked the board chair to move New Business Item C - 2005 Budget to the next order of business, since the financial were fresh in everyone's minds. Barb moved to accept the Treasurer's Report as presented. Harold seconded. All in favor, none opposed, no abstentions.

(New Business - C.) 2005 Budget Process. Neil presented the draft version of the 2005 budget. He highlighted payroll expenses and the desire to match employee's flexible spending accounts (FSAs) in 2005 on a one-to-one basis. Neil stated that Laura had researched, for 2005, new health saving accounts (HSAs) which are combined with a catastrophic health insurance plan. The premiums are currently cost prohibitive. In addition to matched FSAs, Neil would like to have money in the budget to offer hourly employees some paid time off. These two benefits would add an additional \$25,000 to the payroll expenses line item in the budget. Discussion regarding Unfinished Business item B – Update on employee health insurance took place. Employee vacancies, raises and benefits were further discussed. In regard to the 2005 draft budget, Barb requested an additional \$1,500 to \$2,000 for strategic long-range planning. It was decided that an audit in 2005 was important and that the line item

accounting fees should be increased to reflect the cost of an audit. Neil asked the board to consider a minimum contingency amount of cash to have in the bank and the possibility of investing net income into interest-earning vehicles. Ewan stated that it would be prudent to delay further budgetary discussion until the financial formatting is consistent across financial management documents. Discussion ensued. The board discussed the need to view a 3-5 year budget. Neil agreed to make suggested revisions to draft 2005 budget presented, looking ahead to the January meeting for approval of the 2005 budget. The board expressed a need to be educated on financial document formatting and understanding how the numbers look over time. Through budget discussion, it was determined that the board needs to define their goals and Neil and Ewan will work out the mechanism for achieving those goals financially. Examples of potential goals were discussed. The board expressed an interest in viewing various financial scenarios and seeing a 5-year budget. Neil agreed to create a 5-year budget addressing the assumptions inherent in each year. Discussion ensued. The board agreed to discuss, amongst themselves, their goals to direct budgeting.

The Board took a break at 3:00 PM and was back in session at 3:15 PM.

## VIII. Unfinished Business

A. Cottonwood Peak (Everson) Ranch. Neil stated that OLT closed on the purchase of the Everson Ranch and that the next step is to re-write a lease between OLT and the Wheelers. Neil suggested starting with a 3-year lease, beginning November 1, with terms similar to those between the Cottonwood Peak Ranch Company and the Wheelers. Neil discussed the work that staff has been doing on the ranch in terms of researching baseline conditions. The board expressed an interest in defining goals for the ranch beyond the three year lease period. Laura outlined the natural resource management plan for the Everson Ranch that she is working on to fulfill the thesis requirement for her Master's degree in Rangeland Ecology from Colorado State University. The major components of the plan include: an introductory section with general background of the property and background on the issue (the West, ranching, changing economies and demographics, development pressure, work of land trusts and specifically OLT and the purchase of the Everson Ranch), the purpose of the plan (to guide responsible land stewardship on the property and as a basis for project-based funding), the approach (inventory, strategic thinking, implementation, and evaluation), goals and objectives of the plan, and methods for collecting data; an existing resources section with natural resources including geologic resources and soils, hydrologic resources, cultural resources, vegetation resources, agricultural resources and land use, and wildlife resources, and structural resources with property infrastructure and facilities; a management and monitoring section with management actions (specific projects to be implemented to achieve objectives) and monitoring (information needed to determine if management actions bring us closer to goals); literature cited; and appendices with maps. Laura estimated that the plan would be completed by December 2005.

B. Update on Employee Health Insurance. This section was discussed during the 2005 budget item.

C. Nominating Committee Update. Barb stated that the nominating committee had its first meeting that morning. It was decided to expand the committee to include three non-board members. The nominating committee discussed and recommended to the board that the 2 recently vacated positions not be filled until March 2005 to have adequate time to assess prospects. Barb discussed the nominating committee's interview process. Barb moved that current members whose terms expire must submit a letter of interest and resume to the nominating committee by January 1 of the year in which their term expires. Harold seconded. Discussion ensued. All in favor, none opposed, Mia abstained. Barb added that the nominating committee will prepare a packet of information to orient new board members.

D. Fundraising Committee Update. Barb stated that she contacted those volunteers who had expressed an interest in fundraising to serve on the committee. She is in the process of scheduling an initial conference call to have members discuss their interests and potential projects.

E. Inappropriate Behavior Policy Update (Attachment D). Barb pointed to the draft respect and responsibility policy that Neil compiled. The document was discussed. Neil stated that employees may be given the opportunity to ask inappropriate visitors to leave immediately, empowering the staff to act and exercise their judgment if they

choose to do so. Discussion ensued. The board expressed an interest in adding language to the document that an incident report is filed prior to any visitor being asked to leave; need documentation to back up action. Reservation was expressed by the board that all employees may have the authority to forever ban inappropriate visitors. Discussion ensued.

F. OLT Statistics. Chris expressed willingness to generate quarterly statistics for board members, if they are interested in reviewing those. The format would be similar to those presented by Chris to the admissions committee in 2004. Discussion regarding the value of various statistics ensued. An interest in reviewing year-end statistics was expressed. The board stated they would think about the value of certain statistics and revisit the issues at the January meeting.

IX. New Business

A. Discussion of the Lease Amendment. Barb stated an understanding that Neil and Terry were willing to sign the lease amendment (Amendment to Commercial Lease for Valley View Hot Springs) and that she had not received any feedback from the board on the issue. Barb moved that the lease amendment, as presented, be approved by the board. Chris seconded. All in favor, none opposed, no abstentions.

B. Handicap Access to Pools. Rob requested an update on handicap access to pools. Neil discussed potential modifications to current pool access including placing a blue handicap parking sign at the site nearest the hot tub pool and enhancing level trail access to the soaking pond. Bob Carlsen, a guest, expressed his interest in handrails at the soaking pond.

C. 2005 Budget Process. This section was discussed earlier in the meeting (see minutes above).

D. Board Resignations. Harold moved that the board accept the resignation letters of Carolyn Caplan and Fred Mais, recognizing their service and wishing them well. Barb seconded.

X. Regular meeting adjourned at 4:50 PM. At this time the Board convened Executive Session to discuss local land transfer of ownership.

XI. Next meeting date was confirmed for Saturday, January 8<sup>th</sup> with a brunch provided at 11:00 AM and the board meeting at 12:00 P.M.

XII. Regular meeting adjourned at 5:08 PM.

Submitted by:

Approved by:

\_\_\_\_\_ / \_\_\_\_\_

\_\_\_\_\_ / \_\_\_\_\_

Laura O'Leary, Secretary      Date

Rob Zabrecky, Chairperson      Date

Guests: Beth and Bob Carlsen, Don Geddes, Sarah Halliday and Betsy Miller.

## Program and Fundraising Director's Report to Orient Land Trust Board of Directors

November 13, 2004

### **Fundraising**

- The Fall Contribution Drive and Newsletter were mailed in October to nearly 6,000 households at the nonprofit rate of \$0.153 to \$0.165 per piece. Savings topped \$1,000 as compared to first class mail.
- All Blue Moon Silent Auction items have been sold, including the antique Persian rug and a week in Harold's Summit County condo, bringing the total for the event to over \$8,900.
- In September, OLT received a \$250 grant for the Everson Ranch acquisition from the San Luis Valley Bank in Alamosa.
- In October, OLT received a \$200 grant from the Colorado Bat Society (CBS) for OLT's Bat Program. In addition, CBS announced the grant in their latest newsletter and asked their members to contribute as well.
- The Gill Foundation is granting OLT \$2,500. Richard Skorman, board member with the Gill Foundation, initiated the grant from discretionary funds he can distribute as a board member.
- OLT received \$405 from the Kroger Cares Program for the third quarter of 2004. This brings the total to date to \$746 (Q1 – \$84, Q2 – \$257, Q3 – \$405)
- Several requests for funding were submitted over the last 2 months to various funders. Several rejection letters have been received.
- Contributors can now make donations online through our web site. As of November 8, we had received \$1,653 including some recurring donations.
- I have drafted planned giving materials for OLT. They will be legally reviewed and sent to a list of interested people (currently 4).

### **Outreach**

- Laura attended a one-day workshop in Carrizo, New Mexico on Saturday, September 18 entitled Sight Reading the Landscape. It included a tour of the nearly 3,000 acre Carrizo Valley Ranch and discussion of land management practices on the property.
- On November 13, Kate Caldwell, Medano-Zapata Outreach Manager for The Nature Conservancy and her intern Jen Walters visited OLT for the first time. Laura spent a few hours giving them information on the property and programs. They provided an update on their activities and we discussed possibilities for collaboration.
- On October 21, Marcia Darnell, journalist for Colorado Central Magazine, visited OLT and interviewed Laura and Neil for a story on OLT and closing on the Everson Ranch. The story should be published by the end of the year.

### **Programs**

- OLT was selected for a site visit by Volunteers for Outdoor Colorado. After reviewing our proposal, the Project Selection Committee sent a lead scout out on Saturday, November 18 to rank the site and feasibility of the project. Although access to the hot springs was seen as an asset to the project, the clothing-optional atmosphere was a concern. It turns out that OLT's project was not selected this year, partly due to competition with 7 USFS projects celebrating their 100<sup>th</sup> anniversary. We can submit again next year.
- OLT closed on the purchase of the Everson Ranch on September 17, 2004. Neil will discuss later in agenda.
- On September 25, Ken Balleweg, who conducted his Ph. D. research on the geology of the Orient Mine, led a US Geological Survey field trip around the mine property. Neil attended and took photographs.
- On September 22, Kirk Navo led a Colorado College bat netting course up at the Orient Mine.
- On September 27, Ed Self, Executive Director of Wildlands Restoration Volunteers (WRV), and the majority of WRV's Project Selection Committee, came for a site visit to discuss a potential volunteer project working on weed control and wildfire mitigation. Robert Mathis, CSU Cooperative Extension Agent, joined the meeting to discuss the best timing and control methods for various species. After WRV's board meeting, it was determined that OLT's project would not be selected. An informal group of WRV volunteers have pledged to come down and work regardless.
- A second draft of the bat interpretive signs has been reviewed. They are looking good with all original watercolor artwork and text. The two signs should be up at the mine by "bat season" next year.
- October 2 & 3 we had a poorly attended Trails Work Weekend led by Neil and Ches Hortenstine. We had hoped to advertise the event in the fall newsletter, but missed the deadline. We will do a better job of getting the word out next year.
- Chris and I discussed the structure for capturing volunteer data in the database. He is designing a system to track potential volunteers and their interests, as well as hours worked by project.
- Scott Woodall, NRCS Range Specialist, spent the day on the ranch with Laura on November 12 doing preliminary work on site identification and assessment.
- OLT volunteer Lauren Bond spent the week of October 18 here developing a naturalist trail guide for the top spring trail. Copies are available in the Welcome Center.
- We liked Lauren's work so much that we hired her for a two-week contract position to help us develop our Welcome Center educational displays for visitors. She is busy designing posters to be printed in color, laminated and dry mounted for wall-mounted displays in the reading room.
- The Colorado Division of Wildlife's Wildlife Watch workshop on October 23<sup>rd</sup> was cancelled due poor registration. We were hoping to get the newsletter out earlier to publicize the event better.
- Terry, Laura and Lauren spent the day on November 2<sup>nd</sup> in Pueblo sifting through the Colorado Fuel and Iron (CF&I) archives at the Bessemer Historical Society. CF&I, who owned the Orient Mine until the 1980's when Neil and Terry purchased it. We found several interesting photographs and articles that are being used in the visitor center educational displays.
- In light of controversies surrounding last year's Nature Conservancy land deals and others, Land Trust Alliance has revised its Standards and Practices. We should consider revisiting these to make sure we are still in compliance.
- We are working on an employee handbook which includes employment policies, compensation and benefits, job

descriptions and work procedures. The goal is to have a draft ready for the December staff meeting for review and discussion.

- Interest in land conservation tools for local landowners is heating up. Many parcels in the northern part of the valley are on the market. Neil met Bill Blankenship on the USGS tour at the Orient Mine (above). Bill and his business partner own 640 acres of undeveloped land surrounding the junction of highways 17 and 285 at County Road GG. This is prime pronghorn habitat, not to mention a critical view corridor. Bill expressed interest in alternatives to development. We sent Bill a packet which included information on what land trusts do, OLT specifically, and land conservation options such as conservation easements and charitable remainder trusts. We will be following up with Bill this month.

**Board of Directors Regular Meeting  
November 13, 2004**

**Financial Reports**

**Balance Sheet**

October 31, 2004

November 12, 2004  
Cash Basis

	<b>Oct 31, 04</b>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
Cash	167,279
<b>Total Checking/Savings</b>	167,279
<b>Total Current Assets</b>	167,279
<b>Fixed Assets</b>	
Fixed assets	852,000
<b>Total Fixed Assets</b>	852,000
<b>TOTAL ASSETS</b>	<b>1,019,279</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Credit Cards</b>	
CapitalOne MilesOne	876
Sam's Club	707
<b>Total Credit Cards</b>	1,583
<b>Other Current Liabilities</b>	
Payroll Liabilities	-376
<b>Total Other Current Liabilities</b>	-376
<b>Total Current Liabilities</b>	1,207
<b>Long Term Liabilities</b>	
Everson Ranch	722,708
<b>Total Long Term Liabilities</b>	722,708
<b>Total Liabilities</b>	723,915
<b>Equity</b>	
Donated Fixed Assets	2,000
Retained Earnings	104,004
Unrestricted net assets	-135
Net Income	189,495
<b>Total Equity</b>	295,364

TOTAL LIABILITIES &amp; EQUITY

1,019,279**Income and Expense Actual versus Budget**

January through October 2004

November 12, 2004

Cash Basis

	<u>Jan - Oct 04</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
<b>Contributions, Gifts,     Grants</b>	100,299	116,667	-16,368	86%
<b>Gross Sales of Inventory</b>	14,910	12,500	2,410	119%
<b>Program Revenue</b>	408,139	361,167	46,972	113%
<b>Total Income</b>	<u>523,348</u>	<u>490,334</u>	<u>33,014</u>	<u>107%</u>
<b>Cost of Goods Sold</b>				
<b>Cost of goods sold</b>	<u>9,896</u>	<u>8,333</u>	<u>1,563</u>	<u>119%</u>
<b>Total COGS</b>	<u>9,896</u>	<u>8,333</u>	<u>1,563</u>	<u>119%</u>
<b>Gross Profit</b>	513,452	482,001	31,451	107%
<b>Expense</b>				
<b>Employee Expenses</b>	234,683	240,833	-6,150	97%
<b>Board &amp; staff     development</b>	1,369	2,500	-1,131	55%
<b>Association dues</b>	490			
<b>Financial Fees</b>	6,731	6,667	64	101%
<b>Grants &amp; Allocations</b>	350	1,667	-1,317	21%
<b>Interest on loans</b>	239	5,000	-4,761	5%
<b>Licenses and Permits</b>	487			
<b>Maintenance</b>	7,016	11,667	-4,651	60%
<b>Occupancy expenses</b>	13,274	12,750	524	104%
<b>Postage and Delivery</b>	4,532	7,500	-2,968	60%
<b>Printing &amp; publications</b>	1,899	4,167	-2,268	46%
<b>Professional fees</b>	15,789	12,500	3,289	126%
<b>Returned - Redeposited</b>	0			
<b>Supplies</b>	25,562	13,333	12,229	192%
<b>Tax, Business</b>	3,431	4,167	-736	82%
<b>Telecommunications</b>	4,742	6,667	-1,925	71%
<b>Travel</b>	814	2,500	-1,686	33%
<b>Vehicles</b>	2,519	1,667	852	151%
<b>Volunteers</b>	32			
<b>Total Expense</b>	<u>323,959</u>	<u>333,585</u>	<u>-9,626</u>	<u>97%</u>
<b>Net Ordinary Income</b>	<u>189,493</u>	<u>148,416</u>	<u>41,077</u>	<u>128%</u>
<b>Net Income</b>	<u><u>189,493</u></u>	<u><u>148,416</u></u>	<u><u>41,077</u></u>	<u><u>128%</u></u>



## Statement of Cash Flows

October 31, 2004

November 12, 2004

	<b>Jan - Oct 04</b>
<b>OPERATING ACTIVITIES</b>	
Net Income	189,745
Adjustments to reconcile Net Income to net cash provided by operations:	
Accounts receivable	-250
CapitalOne MilesOne	876
Citibank Premium Business	-555
Sam's Club	707
Payroll Liabilities:Colorado Unemployment	30
Payroll Liabilities:Colorado Withholding	364
Payroll Liabilities:Flexible Spending Accounts:FSA - Medical Care	-46
Payroll Liabilities:Flexible Spending Accounts:FSA - Premium Only	-724
Net cash provided by Operating Activities	190,147
<b>INVESTING ACTIVITIES</b>	
Fixed assets:Land:Everson Land	-850,000
Fixed assets:Vehicles	-2,000
Net cash provided by Investing Activities	-852,000
<b>FINANCING ACTIVITIES</b>	
Everson Ranch:Cottonwood Ranch Company	450,000
Everson Ranch:SCCU - Everson Ranch loan	272,708
Donated Fixed Assets	2,000
Net cash provided by Financing Activities	724,708
 Net cash increase for period	 62,855
 Cash at beginning of period	 104,423
Cash at end of period	167,278