

Board of Directors Regular Meeting
Seitz Residence - Valley View Hot Springs
Saturday, January 8, 2005

MINUTES

- I. Record attendance: Rob, Mia, Doug, Chris, Jim, Neil, and Terry were in attendance. Harold and Barb's absences were excused.
- II. Meeting called to order at 12:03 PM.
- III. Changes to the agenda were made. Chris suggested that items C and D under Unfinished Business be moved to items A and B, with the remaining items following in order. Chris also added onsite vendor policy to New Business. Terry suggested adding the value of gift certificates to the agenda. It was added to Unfinished Business. Doug moved to approve changes to the agenda, Mia seconded. All in favor, none opposed, no abstentions.
- IV. Approve minutes from November 13, 2004 meeting. Jim suggested that the draft document Respect and Responsibility (Unfinished Business Item E.) not be designated an attachment as it is neither published nor complete. The board requested that only those documents that are published on the web site be listed as attachments in the minutes. Chris motioned to approve minutes as amended, Mia seconded. All in favor, none opposed, no abstentions.
- V. Questions/comments from guests. There were no questions or comments from guests beyond a thank you to the board of directors.
- VI. Correspondence & PFD report ([Attachment A](#)). Terry presented a letter from the State Land Board approving the transfer of the agricultural lease from Neil and Terry Seitz to Orient Land Trust effective 12/10/2004. Discussion ensued. Terry also presented a letter from a CPA in Denver offering to do an audit for \$4,600 based on the size of OLT's budget. This was presented to the board as a rough indication of cost for an audit. Board requested that Terry establish the firm's credentials before contracting with them. Neil asked if there were any questions on the PFD's report in Laura's absence. Chris would like to see more of what didn't work in the PFD report, not just what worked. Discussion ensued.
- VII. Treasurer's report ([Attachment B](#)). Terry presented the Treasurer's report in Ewan's absence. An income statement, balance sheet and cash flow statement were presented. Neil stated that computers, furniture, furnishings, and a vehicle purchase were moved from expenses to fixed assets for depreciation purposes. Discussion ensued. Board members had questions on what specific financial document line items contain. Chris motioned to accept the Treasurer's report as presented by Terry, Doug seconded. All in favor, none opposed, no abstentions.
- VIII. Unfinished business
 - a. 2005 budget. Neil presented the 2005 budget as compared to the 2004 actual numbers. Neil highlighted two corrections in the 2005 budget column: change Cottonwood Peak Ranch interest from \$9,000 to \$23,000 and change CPRC Seller Principle from \$90,000 to \$76,000. The totals remain the same. Neil stated that he used the 2004 actual numbers to determine the 2005 budget. Neil clarified that the payroll expenses will be more in 2005 due to replacement of 2 positions (one cleaning and one front desk), 1:1 matching on employee flexible spending plans, raises and paid days off for hourly employees. Neil explained the difference between fixed assets and expenses and how those are accounted for in the budgeting process. Chris suggested that the board and staff development be separated, as discussed during the last board meeting. Don Geddes suggested that the board consider Debbie Downs as a facilitator for board planning. Chris asked that 2004 monthly donation figures be used in the 2005 budget planning and cash flow projection. Neil went on to

discuss notes to the 2005 budget. After employee flexible spending accounts were calculated for 2005, payroll expenses were \$5,000 less than anticipated. Neil proposed using that \$5,000 to set up an endowment. He discussed endowments as a way to diversify income into the future. In addition to creating an endowment, Neil recommended setting up an interest-bearing capital reserve. Discussion ensued. Doug moved that the board direct the Executive Director to set up a capital reserve account at the Executive Director's discretion with a goal of \$12,000 to be deposited in 2005 with a vote of the majority of the board required to authorize withdrawal any funds from the capital reserve account. The Executive Director and the Treasurer will jointly manage the capital reserve account. Chris seconded the motion. All in favor, none opposed, Jim abstained. Neil also circulated an informational handout on annual budgets and endowments. Neil recommended setting a minimum unrestricted cash asset balance of \$60,000 in OLT's checking account. Discussion ensued and it was decided to revisit this item again at the next board meeting.

The board took a break at 2:30 PM and was back in session at 2:45 PM.

- b. OLT statistics. Chris presented OLT visitation and income statistics. He pointed out that OLT had more visitors in 2004 than in previous years, partly due to the fact that minors weren't counted the previous year and there were more day visitors in 2004. Chris recommended a quarterly review of relevant OLT statistics.
- c. Nominating Committee update. Neil stated that one new candidate had submitted a letter of interest to join the board in March. He will make a few personal phone calls to recruit potential board members. Chris, Mia and Doug have submitted letters expressing an interest in continuing to serve on the board.
- d. Fundraising Committee update. Neil stated that the group had its first conference call in November and communicated by email in December. Soliciting donated items for the 2005 silent auction will be a task for the group. A second conference call will be held in January. Chris would like to see everyone's time tracked on special events.
- e. Bishop property. Doug stated that he is now the sole owner of the 10 acres adjacent to Valley View Hot Springs. Sue will be out by the end of January. Doug is looking to rent the house for \$750 per month and would like to make an arrangement with OLT on an annual basis. Neil stated that he would have to analyze the house with housekeeping staff and others to accurately determine the true cost. Chris reiterated an interest in OLT having the first opportunity to be involved in the property.
- f. Value of gift certificates to nonprofits. Terry stated that OLT gave numerous gift certificates to local nonprofits in 2004. Each has an expiration date and none have been redeemed. Depending on the season they are redeemed, the highest value of all outstanding gift certificates would be \$420 and the lowest value would be \$160. Chris would encourage OLT to give more gift certificates for public relations purposes.

IX. New Business

- a. OLT email lists. Chris intends to improve electronic communications between board members and staff in 2005. He would like to have all distribution lists published and sent to all board members. Chris suggested that Neil discuss with Ewan updating lists and distributing them. Chris also suggested that email users reply to all instead of replying to an individual, stick to the topic at hand and have a clear subject line. Chris also brought up the idea of having bounced email directed to someone other than Neil. Discussion ensued about email communication regarding board business and the possibility of electronic voting on issues. Neil will research email policies of other boards.
- b. Property and liability insurance. Neil stated that in November 2004 OLT received a cancellation notice from current insurance provider, effective December 31, 2004. OLT's agent researched approximately 20 companies. The cost is expected to more than double due to a variety of factors.

Discussion regarding possible factors ensued. Neil proposed several options and suggested getting more information. The board suggested getting 3 months of liability and property insurance coverage at \$1,000,000 with the diving board in place.

- c. Clarification of OLT purchasing procedure. Rob, on Harold’s behalf, presented a statement saying that “the board of directors of OLT is aware that the Executive Director did not follow the OLT policy in the recent purchase of the truck. This is unacceptable to the board and the Executive Director is directed to adhere to the policy of the trust in all transactions and decisions in the future.” The board discussed an uncertainty in terms of understanding which OLT policy Harold is referring to and the need for an OLT policy handbook. Jim expressed a lack of access to motions passed. Chris made the following motion “the board of directors of OLT is aware that the Executive Director did not follow the OLT policy in the recent purchase of the truck. This is unacceptable to the board and the Executive Director is directed to adhere to the policy of the trust in all transactions and decisions in the future.” No board member seconded the motion. The board directed staff to create an index of motions to use as a basis for creating an OLT policy handbook.
- d. Onsite vendor policy. Chris stated a concern regarding visitors offering services onsite, specifically massage, and the potential liability risk. He would like staff to develop a policy to address this issue. Discussion ensued regarding a possible signed disclaimer by those receiving services and/or hold harmless agreement signed by vendors.

X. Next meeting date (Annual Board Meeting) was confirmed for noon, Saturday, March 12, 2005 at the Seitz residence. The need for accommodations for March and May meetings was discussed.

XI. Regular meeting adjourned at 4:55 PM.

Submitted by:

Approved by:

_____ / _____

_____ / _____

Laura O’Leary, Secretary Date

Rob Zabrecky, Chairperson Date

Guests in attendance: Don and Kathy Geddes

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

January 8, 2005

Fundraising

- The Fall Contribution Drive was quite successful, raising \$90,920 between October 1 and the end of the year. Didn't Chris Miller agree to match any funds raised in excess of \$40,000? ☺
- To date we have received support from 1,745 donors representing 1,684 households in 48 states! WOW – this is absolutely amazing for a new nonprofit!
- We are developing a direct mail calendar for 2005 to follow up on previous contributors who did not renew as well as those who have visited but have not contributed.
- In December, the Gill Foundation granted OLT \$2,500 in general operating support awarded upon the direction of board member Richard Skorman.
- In December, OLT received a \$250 grant from Pueblo Bank and Trust in Salida for educational displays.
- In November, OLT received a \$250 grant from Horizon Organic Dairy for educational displays.
- Laura sent 22 requests for funding to support the Everson Ranch purchase to high schools throughout Colorado through El Pomar Foundation's Youth in Community Service Program. Last year we received a total of \$1,288 from 3 local schools. Individual schools are only allowed to give to a specific nonprofit every other year.
- Laura is in the process of updating the funding calendar for 2005, detailing month by month specific funders to approach.
- The IRS has changed the allowable deduction for donating vehicles to charities in 2005. Donors will now only be able to deduct the value that the charity receives for their vehicle, as opposed to the fair market value allowable in 2004. This will likely stifle if not halt the donation of vehicles to charities.
- We have purchased online access for one year to the Colorado Grants Guide, a service of the Community Resource Center. The guide details information on Colorado foundations and funders, including contact data, mission, areas of interest, geographic focus, etc.
- The Fundraising Committee had its first conference call on November 18. A report will be given during the board meeting.

Outreach

- December 7 and 8 OLT staff held a two-day meeting to discuss OLT organization, review 2004, discuss 2005 and overall staff interaction and procedures. The sessions were productive.
- In 2005 the Gill Foundation will no longer offer training events. Instead, they will publicize other nonprofit training sessions. See <http://www.gillfoundation.org/tata/> for a current list of opportunities.

- The white, 3-ring binders in each accommodation and public space are currently being updated for 2005.

Programs

- On November 18, USFS Hydrologist Frank Jackson walked the Hot Springs Creek with Neil and Laura, analyzing and offering suggestions for land management approaches along the riparian area for the Everson Ranch Natural Resource Management Plan.
- Lauren Bond was here December 5-7 working on OLT's educational displays. Staff is in the final editing stages and posters will be printed by Jay Sims. Lauren will assist staff in hanging posters and organizing hands on displays.
- Chris has developed a section of the database to track volunteer interests and time. This will be quite useful in terms of identifying potential volunteers for specific jobs and tracking projects. We are in the process of entering 2004 volunteer application data and time worked.
- We are in the final review stages of the bat signs for the glory hole. The next step is to have the signs printed and then install them once the ground thaws in spring.
- Land Trust Alliance is in the process of developing a system to assist land trusts in implementing LTA's revised Standards and Practices. They are considering a credentialing approach to help offset some of the negative press that land trusts have been receiving based on the shady dealings of a few rouge land trusts and developers.

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Financial Reports

**Balance Sheet
December 31, 2004**

January 7, 2005
Cash Basis

	Dec 31, 04
ASSETS	
Current Assets	
Checking/Savings	
Cash	142,973
Total Checking/Savings	142,973
Accounts Receivable	
Accounts receivable	-25
Total Accounts Receivable	-25
Total Current Assets	142,948
Fixed Assets	
Accumulated depreciation	-1,639
Fixed assets	891,078
Total Fixed Assets	889,439
TOTAL ASSETS	1,032,387
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Credit Cards	
CapitalOne MilesOne	43
Citibank Premium Business	411
Sam's Club	167
Total Credit Cards	621
Other Current Liabilities	
Payroll Liabilities	1,157
Total Other Current Liabilities	1,157
Total Current Liabilities	1,778
Long Term Liabilities	
Everson Ranch	708,872
Total Long Term Liabilities	708,872
Total Liabilities	710,650
Equity	
Donated Fixed Assets	2,000

Retained Earnings	104,004
Unrestricted net assets	-135
Net Income	<u>215,869</u>
Total Equity	<u>321,738</u>
TOTAL LIABILITIES & EQUITY	<u>1,032,388</u>

Income and Expense Actual versus Budget

January through December 2004

January 5, 2005
Cash Basis

	<u>Jan - Dec 04</u>	<u>Budget</u>	<u>\$ Over Budget</u>
Ordinary Income/Expense			
Income			
Contributions, Gifts, Grants	153,526	140,000	13,526
Gross Sales of Inventory	15,900	15,000	900
Program Revenue	436,835	380,000	56,835
Total Income	<u>606,261</u>	<u>535,000</u>	<u>71,261</u>
Cost of Goods Sold			
Cost of goods sold	10,144	10,000	144
Total COGS	<u>10,144</u>	<u>10,000</u>	<u>144</u>
Gross Profit	596,117	525,000	71,117
Expense			
Employee Expenses	284,303	289,000	-4,697
Board & staff development	1,811	3,000	-1,189
Association dues	490		
Depreciation expense	1,639		
Financial Fees	7,920	8,000	-80
Grants & Allocations	350	2,000	-1,650
Interest on loans	1,463	6,000	-4,537
Licenses and Permits	503		
Maintenance	7,813	14,000	-6,187
Occupancy expenses	13,903	15,000	-1,097
Postage and Delivery	4,928	9,000	-4,072
Printing & publications	1,977	5,000	-3,023
Professional fees	18,555	15,000	3,555
Returned - Redeposited	0		
Supplies	20,673	16,000	4,673
Tax, Business	4,112	5,000	-888
Telecommunications	5,336	8,000	-2,664
Travel	960	3,000	-2,040
Vehicles	3,405	2,000	1,405
Volunteers	107		
Total Expense	<u>380,248</u>	<u>400,000</u>	<u>-19,752</u>
Net Ordinary Income	<u>215,869</u>	<u>125,000</u>	<u>90,869</u>

Other Cash Out

Transfer to Fixed Assets	180,207	125,000	55,207
Net Income	35,662	0	35,662