

Orient Land Trust Board of Directors Regular Meeting  
Seitz Residence – OLT/Valley View Hot Springs  
**Saturday, January 13, 2007 – 10:00 AM**

**MINUTES**

- I. Record attendance – Chris Miller, Doug Bishop, John Eiseman, Neil Seitz, Terry Seitz, Greg Good and Betsy Miller present. Amy Beatie, Bruce Goforth, Mark Hayes present via conference call. Barb Tidd and Harold Pratt not present.
- II. Meeting call to order – Vice-chair Chris Miller, acting as Chair in Barb Tidd’s absence, called the meeting to order at 10:09 AM.
- III. Changes to Agenda – Chris asked to add item XIIIe concerning a CRC onsite seminar for the Board. Executive Session moves to item XIIIf. Mark asked to move item XIId to the March meeting and the Board agreed.
- IV. Minutes from Nov. 11, 2006 regular meeting and Executive Session (attached.) – John moved to approve the minutes from the Nov. 11, 2006 regular meeting. Doug seconded. No discussion and the motion was adopted: all in favor, none opposed, no abstentions. Doug moved to approve the minutes from the Nov. 11, 2006 Executive Session. John seconded. No discussion and the motion was adopted: all in favor, none opposed, no abstentions.
- V. Questions/comments from guests – Dan Jones, candidate for the Board of Directors, greeted the Board. It was also noted Lea Bonewell in attendance via conference call.
- VI. Executive Director’s report (attached.) – Neil discussed aspects of his report, including the consistent increase in all grants and donations, from \$87,585.83 in 2003 to \$225,070.44 in 2006. Regarding current land projects, Neil noted the application to build a reservoir on the ranch is under review by legal counsel and the Division of Water Resources. Other ranch projects for 2007 will include efforts to restore the native grasslands and improve irrigation practices to protect wildlife habitat. Neil discussed the admissions quota review: 100 overnight adults is the “golden quota.” The day use goal is 35 additional adults, but is flexible and can sometimes go over. The quota numbers do not include children, but that rate is usually 10% of the adult visitors. Neil’s conclusion was that staff is staying fairly close to the goals. John noted that it needs to be up to staff’s discretion to balance admissions with a good quality experience for all visitors. In conclusion, Neil described upgrades to the computer network and backup procedures for data.
- VII. Secretary’s report/Correspondence – Betsy announced there was no correspondence to present and that she is willing to continue as OLT secretary if re-elected in March.
- VIII. Treasurer’s report –
  - a. John presented the latest income statement, balance sheet, and cash flow statement (attached.) He noted that two government grants received late in the year skewed the appearance of the income figures, but that OLT was on budget, with somewhat higher revenues and lower expenses than anticipated. John stated that the combination of good budgeting and management resulted in a good year for OLT.

Doug moved to approve the Treasurer's Report. Mark seconded. There was no discussion and the motion was adopted: all in favor, none opposed, no abstentions.

- b. Chris turned the meeting over to John to present the stats charts (attached) regarding income and admissions. He confirmed that income was up, at some 110% of the previous year, due to full occupancy. Discrepancies between the bookkeeping reports and charts are due to differences between the two systems in tracking forfeits, ranch income and some miscellaneous items. Chris noted that the charts are showing a more linear progression through the year, which is a good thing as it shows income stability, which makes it easier to plan future budgets.
- c. John returned the Chair to Chris to present the capital budget discussion (attached) – John said he and Terry had reviewed what was needed to do to maintain and improve the infrastructure. With over \$1.5 million in identified projects, the Board needs to decide which projects to fund, when to fund them, and how to fund them. Land conservation, while still an OLT priority, is not included in this list. Methods of funding include budgeting items, grants, donations, and borrowing. Repayment of existing debt will provide some additional funds in a few years. Neil noted that there was no priority to the list and that the figures were estimates. John asked that the ED and DD compile a 2007 priority projects list for the March meeting. He also asked that report to include what the cash requirements would be, so the Board can consider how to fund those projects. Doug also asked for a three-year plan. John noted OLT has been building up cash reserves and paying down debt, and it is now time to invest in infrastructure. Chris asked John to initiate an email discussion of 2007 capital improvements.
- d. 2007 Budget (attached.) – Version E as presented by Neil included a proposed budget for 2007, with actual figures for 2006 and audited figures for 2005 included for comparison. The proposed 2007 budget shows a total income of \$742,300.00, with a gross profit of \$730,300.00. Total expenses are budgeted at \$632,720.00. Chris pointed out that it had been discussed at earlier meetings that legal fees should be increased to \$5,000 to allow for costs related to land conservation issues. This would make total expenses \$635,720.00. Neil showed that this budget would spend down some \$114,670.00 of the existing cash assets. John said he believes that the challenge should be to increase revenues rather than trim spending. Chris asked if the revenues weren't increased, if the decrease in assets would be acceptable and John said it would be borderline. He said a mid-year review would be appropriate and could result in revisions to the budget to avoid depleting cash assets. John proposed that Grants and Contributions be increased to \$220,000, Gross Sales increased to \$25,000; and Admissions to \$515,000, which would only be a 5% increase, or some \$35,000 in additional revenues. Additional Cost of Sales would be \$4,000 so total increased revenues would be \$31,000.00. Mark supported the discussion and the concept of a mid-year review with corrections as needed, as did Amy. Amy moved to approve the proposed 2007 budget with John's revisions. Doug seconded. There was no further discussion and the motion was adopted: all in favor, none opposed, no abstentions.

Following a 20 minute break, the meeting resumed at 1 PM.

- IX. Resource Development Committee report – Mark reported his work schedule over the next six months would be heavier than anticipated, and asked if it would be acceptable for Lea to take over as Chair of the committee. The Board agreed that this would be acceptable. Mark said the fund-raising dinner he and Lea have been working to arrange is moving forward and likely would take place in June. Also, planning for the RV Sport, Boat and Travel Show booth (in conjunction with the Division of Wildlife and Colorado Bat Society) is underway. Some 50,000 people are expected to attend the show March 1-4, which will be good exposure for OLT. Volunteers are needed to help host the exhibit.
- X. Board Development Committee report – Neil introduced Dan Jones and Dave Michaelson who were present and have applied to serve on the Board. Keno Menechino and Dave Van de water also have applied. Neil said the committee would be meeting after the Board meeting to recommend a slate of candidates for the March meeting. Amy volunteered to be on the committee. There are four director positions open, with Harold and Amy willing to continue to renew their terms.
- XI. Land Management Plan Committee report – Doug reported that Amy provided the names of three attorneys and he is working on a list of questions to find one to advise on establishing a third-party trust for land conservation. Doug said he hopes to have estimates and other information at the next Board meeting for the Board to make a decision. Neil also reported the process has been initiated to donate 350 acres of land to the OLT, and it should be completed for the Board's acceptance at the June 9, 2007 Board meeting.
- XII. Unfinished business
- a. Investment Policy – John presented the working document with decision points, and will email a final document for consideration at the March meeting.
  - b. Computer off-site back-ups – As Neil reported earlier in his ED Report, the computer back up system will be in place by February, with rotating backups and storage outside the office.
  - c. Charitable solicitations registration – Greg reported on an updated analysis by staff (attached) which shows 75% of OLT donations come from Colorado. At Amy's request this item was moved to Executive Session.
  - d. Chris again passed the Chair to John to comment on the implementation of inventory control system in database – Chris reported that the system has been installed and is functional. The system allows users to add inventory items on hand, while the sales process automatically decrements inventory. A re-order report can be generated by the users as needed.
  - e. Email protocol guidelines (attached.) – Chris presented guidelines reflecting previous Board input. The Board agreed to accept the guidelines and directed staff to include them in the new Board member packets. John returned the Chair to Chris.
  - f. Work Plan for 2007 – Neil discussed the detailed, objective by objective staff work plan (attached,) and noted that it is a fluid document. Items are completed and drop off the list, and new, unexpected items are added, such as the new reservoir project. John said that staff was making good progress on a number of items on the list. Neil

said Board members can email items to him for inclusion on the list. It was agreed that since this is a staff document, it did not require Board approval. It was suggested that a task list update be part of the ED's report at each meeting.

### XIII. New Business

- a. Policy re: permission for publication of photos with visitors and/or volunteers in photos – Neil presented a document (attached) to serve as the Orient Land Trust Photo/Video Release Form. It was agreed that it was appropriate for staff to use the form as applicable with volunteers or visitors.
- b. ED's 2007 goals and communication to Board re: ongoing progress (attached.) – This item was generated from a previous board meeting regarding communications between the Board and ED. The Board was asked to let Neil know their top five priorities, and Chris noted only John had responded. John said his goals were 1.) Maintaining & improving infrastructure at OLT; 2.) Improving fundraising activities; 3.) Accelerating the transfer of activities from ED to DD; 4.) Assuring critical land parcels do not transfer to developers and 5.) Refining and expanding everyone's land conservation knowledge. He said he thought Neil's list reflected these goals. In discussion, it was agreed the top priority was to complete projects already underway, including the garage expansion and electric sauna project. Doug pointed out it would be helpful for the Board to have this information for the ED's yearly evaluation. Mark, Bruce and Amy agreed the summary was a beneficial tool. Chris said he will re-circulate previous emails for Board comment to Neil.
- c. LTA Standards and Practices (2004 revised) – continuation of report from each Board member on OLT's following of guidelines (for information only – 15 min.)
  - LTA S&P 11: Conservation Easement Stewardships – Bruce addressed OLT compliance with the LTA standard (attached,) and also presented a letter (attached) he had written to the Mountain Mail regarding IRS audits of conservation easement appraisals in Colorado. Bruce said he realized that LTA S&P 12 Fee Land Stewardship (attached) is closely aligned with #11, and so he included it in his analysis. He noted OLT has a lot of work to do to comply with the standards. In order to have a good process in place, OLT needs to develop a series of documents to address each practice outlined in the standards. Bruce suggested that LTA and other land trusts could provide documents for OLT to utilize. Doug said he felt #12 was a priority. He said the committee had just been looking at ways land could be transferred to OLT, but that much work had to be done to develop specific documents to be used. Neil pointed out, for instance, that the Board needs a document outlining the criteria for acceptance of fee title land in light of the founders' upcoming donation. Amy noted the federal requirements for a conservation easement differ in degree from the more basic issues involved in a fee simple transfer. Neil recommended two attorneys who have done related work in the past, and suggested the Board contact them for assistance. Amy outlined the two immediate questions to pursue with counsel are 1.) How to allocate costs of the transaction, how to fund it, and 2.) How to accept the donation. John volunteered to sit down

with the lawyer(s) to determine a course of action, working with Doug and Greg, and to provide information to the Board at the next meeting. John moved that the Board authorize the committee to retain an attorney to move forward. Doug seconded. There was no further discussion and the motion was adopted: all in favor, none opposed, no abstentions. Bruce volunteered to work with Greg to develop the documents needed to comply with standard #11.

- d. Presentation on bat natural history - Mark Hayes, Lea Bonewell (for information only - 20 min.) By earlier agreement, due to the nature of the conference call, this item was postponed until the March meeting.
- e. Chris passed the Chair to John and announced he had contacted Jamie Morgan from Community Resource Center. Jamie said she would be available to present the CRC "Building a Better Board" seminar to the Board. It is \$1,000 for a one day seminar, tailored to the OLT specifics, plus \$50/hour travel expenses. It was agreed to pursue this after director elections in March.
- f. Executive Session – Chris resumed the Chair and the regular Board meeting adjourned at 4:15 PM. Following a break, the Board convened in Executive Session at 4:30 PM. Executive Session adjourned at 5:25 PM and the regular session reconvened. John moved to approve a base salary of \$50,000 for the ED effective Jan. 1, 2007 with a review in September and an additional bonus potential of \$5,000 if the revenue stream has met or exceeded budget expectations. Doug seconded. There was no further discussion and the motion was adopted: all in favor, none opposed, no abstentions.

XIV. The next meeting date was confirmed for Saturday, March 10, 2007 at **10 AM** at Seitz residence. It was noted that this will be the **ANNUAL MEETING** with Election of Directors and Officers. There are four Board positions to be filled.

XV. Regular meeting adjourned at 5:30 PM. Doug moved to adjourn, John seconded. There was no discussion and the motion was adopted: all in favor, none opposed, no abstentions.

Submitted by:

Approved by:

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

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

Betsy Miller, Secretary

Date

Chris Miller, Acting Chair

Date

Guests: Dan Jones, Dave Michaelson, and Lea Bonewell