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## BOARD OF DIRECTORS MEETING

**Date and Time:** 2:00 PM on Wednesday, August 9, 2017

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

In attendance:

David Ludlam

Craig Springer

John Justman

Chris McAnany

Dusti Reimer

Matt Rosenberg

### Meeting Minutes:

- I. Call to order at 2:00 p.m. by David Ludlam.
- II. General Public Comment.
  - a. No Comment. D. Ludlam closed public comment.
- III. Adoption of the July meeting and workshop minutes.
  - a. C. Springer said Rob Schoeber's name is incorrect.
  - b. C. Springer motion to approve meeting minutes. J. Justman second. Voted. Approved.
- IV. Consent Agenda:
  - a. Chadwick, Steinkirchner, Davis Audit Invoice for \$4,200
  - b. Dufford, Waldeck, Milburn, Krohn Invoice for \$1,055
  - c. Dusti Reimer Invoice for \$2,521.96
  - d. Lightbulb Media Invoice for \$460
  - e. J. Justman motion to approve. C. Springer second. Voted. Approved.
- V. Staff Report.
  - a. D. Reimer said that Scott Olsen would be out for the next few weeks due to the birth of their new baby.
  - b. Media: Stocker Stadium project was briefly mentioned in the news. The turf was vandalized. D. Reimer did take a photo with the MCFMLD signage posted of the new turf and posted it on the social media channels for the District. KREX and The Business Times did pick up the press release about the opening of the Fall Grant Cycle.

- c. The fall grant cycle opened August 1<sup>st</sup>. Applications are due Sept. 8<sup>th</sup> and the next board meeting will also be the presentation meeting for the District.
- d. D. Reimer asked about grant funding and signage-is the District requiring the grant awardee to provide the logo/signage for the District, can they use leftover grant funds for this?
- e. C. McAnany said they have always require the grantee is responsible for the signage, but they have never used grant funding for the signage.
- f. D. Reimer said the GJ Airport was asking. They already have a plaque but wanted to know if they could do something different.
- g. D. Ludlam said they do have marketing and design standards.
- h. D. Reimer said the airport have the plaques, but with the bollards they wanted to do something different than another plaque.
- i. D. Ludlam said that to be consistent that should come from the District's marketing budget, not from grant funds.
- j. C. McAnany said that we do require signage and suggest that it would come from the marketing budget.
- k. D. Ludlam said that if they have a sign idea that deviates from the standard that if they will submit it to us for approval we can then appropriate funds from the marketing budget to pay for the approved signage for the project.
- l. D. Reimer Lightbulb Media will start storyboarding for the video for the District. He has it broken down into three videos: how we help the county, education of funding, and addressing public concerns. D. Reimer advised starting with showing where the money is going to help residents of Mesa County.
- m. D. Ludlam asked if the District has received any phone calls or ideas of grant requests.
- n. D. Reimer said she usually doesn't heard from the grant applicants until mid to end of August.
- o. C. McAnany said he reviewed the insurance policy for the District for the investment policy. C. McAnany recommended to revisit the policy to secure additional coverage. The fiduciary coverage is limited. Also, we might want to increase our limits in the future, based on what we have invested. He suggested considering additional coverage.
- p. D. Ludlam said that they would like staff to consider additional coverage.
- q. C. Springer asked if Home Loan was the insurance agent.
- r. D. Reimer said yes.
- s. C. Springer said that he is recusing himself from the insurance discussion.
- t. D. Ludlam asked the insurance policy discussion to be placed on the next meeting agenda.
- u. C. McAnany said the Board has a \$1 million-dollar policy with a \$5,000 deductible.

- v. D. Ludlam said for the purposes of the minutes that at the last meeting it was inferred during public comment that there was a strong possibility that the board would be liable in case anything would happen with grantees and contracts.
- w. C. McAnany said we operate our contracts on the basis that the grantee is an independent contractor. We do not assume the liabilities of the grantees for the projects and our grant contracts are explicit in saying that. For example, if a grantee causes an injury during the construction of their project, those are issues sorted out by the parties on site. The other helpful thing is that we only give money to government entities. All those entities have some level of governmental immunity. They are immune from most tort claims with limited exceptions. Negligence immunity is very remote. But, this is something I want to make more explicitly during the fall grant contracts. The district does not assume responsibility for errors or omissions or claims at how this money is spent. This is strictly an issue for grantee. All that is a warrant to us is they spend the money how they told us they were spending the money.

VI. Investment Policy Draft Review.

- a. C. Springer introduced Matt Rosenberg from RoseCap Investment Advisors. RoseCap Investments is who Home Loan uses for the 401k, and is a former instructor at Colorado Mesa University and a friend. Matt has been extremely helpful in putting together the draft for investment review and helping with dos and don'ts and ideas. He has been made aware that he would not be compensated for any of this help in drafting and review of the investment policy. However, we also told him that when we get around to sending out the RFP's that if his company wanted to respond that, that would be great. Today he is just here in a roll to help us, in a community service way. C. Springer copied him on the information on the RFP and the draft of the policy that we've all looked at.
- b. C. McAnany said he had an updated red-line version. The only changes he had were about the language that dealt with investment and derivatives. The safest course is to say no borrowing to buy securities and no use of derivatives. I think that is safe and legal and keeps us away from problem areas.
- c. Matt Rosenberg said you should be careful with the use of language. When you talk about the use of derivatives outright I would agree that it's a no brainer, but what happens is you end up investing in securities that has embedded derivatives in those. Leverage not so much, but especially if you have a commodities fund they are employing derivative use.
- d. C. Springer said if they put a hedge on it, then that is legally a derivative. Not the kind that we think about that was exposed ten years ago, today. But to Matt's point, that's a broad word.
- e. M. Rosen said that's where you typically see the limited use of derivatives placed in for wording. I don't think that with the initial size of the fund, there will be commodities.
- f. D. Ludlam said to clarify you're saying direct use of derivatives is not what we would want to use, but you are proposing limited use of derivatives as wording, because all use of the products we would be using for investing would have some type of derivatives.
- g. C. McAnany said the main thing he was concerned with was margin buying. We cannot borrow money to invest. There are significant limits on government entities borrowing

monies to invest. Derivatives, and this is where the investment advisors help is important, I do not pretend to be an expert on what is and isn't a derivative. It is essentially and investment within an investment, correct?

- h. M. Rosenberg said it is essentially a stock option for future swaps. It could be splitting hairs for a non-attorney, but technically there are some swaps in those funds. If you want a strict interpretation of your IPS that says no use of derivatives, then you are going to be using derivatives, because most of the investments have some kind of derivative.
- i. C. Springer said he is uncomfortable with that, but again that's a very broad term.
- j. C. McAnany said if the District were to invest in a broad market mutual fund would that fund likely have derivatives in the holding?
- k. M. Rosenberg said it depends on the asset class. A broad market US stock fund, probably not if you stick to the basic Vanguards. Those are just replicating stock funds, but fixed income you start to see some.
- l. C. Springer said but in their prospectus, they would give themselves the leeway to enter into a hedge or a swap.
- m. M. Rosenberg yes and that might be something you could replace with alternative language. I guess you could also say non-speculative use of derivatives.
- n. D. Ludlam asked if a mutual fund be use a margin to count the same way to count quickly and take positions?
- o. M. Rosenberg said no, mutual funds have huge cash drain. People think if you're investing in a mutual, then you are 100% invested, but the mutual fund keep 5-10% of the cash available.
- p. C. McAnany said maybe we define the use of derivatives.
- q. M. Rosenberg said how about saying use of derivatives is allowed on a limited basis to the extent they are held in underlying funds to create a responsible application.
- r. C. McAnany suggested that we look at the Appendix X- Risk Target in the IPS for review. He suggested that the sentence by the signature line read, "risk targets may be revised by the Board following recommendations by the advisor." This will be a living document and we'll get proposals and recommendations from advisors that say maybe we are being too conservative or not conservative enough and we might need to refine this, depending on the advice you get, which I am not competent to give you.
- s. C. Springer said that's good. We want the flexibility to be able to change that.
- t. M. Rosenberg said he never liked getting an IPS that dictates asset allocation because, actually, I'd love that, because you are taking responsibility upon yourself for the investments. Other institutions in town have done this and I have advised against it, and you're saying here's what we want and you're hiring and advisor to go get those. If you're going to take this approach and you're increasing your insurance coverages, which is smart, you're the one saying if this goes bad, the advisor is going to say you wanted 15% stock, and that's what you got. This maybe overlooking it may or may not have been appropriate for what your goals were. This would be a great example of a

case study because you have listed as a 50/50 which wouldn't typically yield 15% it would be more like 6%.

- u. C. Springer said this was just listed for an example.
- v. M. Rosenberg said ok, I would scratch this.
- w. C. McAnany said maybe we just ask for an allocation recommendation from whatever advisor we accept.
- x. M. Rosenberg said your advisor will tell you why they are doing the asset allocation. There will be discussion there, not just a this is what you're investing in and you should live with it.
- y. C. Springer said here is my question: we have a formal quarterly meeting with the investment advisor and the investment advisor gives us the recommendations/statements/reports where our allocations are and where we are at, and we say we think that's too much risk, can you dial that back a bit. Then we meet three months from now and what we had, or what we thought we had was nothing, because the advisor is making changes we didn't know or about or authorize. There is somewhere between micromanaging and cart blanche. I want to be in between. We don't want to micro manage and we don't want the advisor to saddle up and ride off the ranch either.
- z. M. Rosenberg said right, I think what you did the first paragraph was great.
- aa. C. Springer asked you would handle it with that number there?
- bb. M. Rosenberg said yes, that's good. Now your advisors job is to know what set of security's and assets to invest in risk tolerance for your 15%. They can report to you every quarter. If they took more risk than that there should be an explanation for that. Also, asset classes change from time to time and the risk embedded in the US Stock market is the lowest he's ever seen and the lowest he thinks it's ever been. The volatility there is 9-10% is really low. It's been as high as 30%. That's also what you want to be updated on. The goal of the Board, I would prefer to see, is focus on the goals of the mission of the cause. Because if you can clearly convey that to a good advisor then they should be able to clearly take that and invest to make those goals.
- cc. C. Springer asked if the report would typically show buys and sells?
- dd. M. Rosenberg said they can.
- ee. C. Springer if they didn't how would you guard against window dressing?
- ff. M. Rosenberg asked what that meant.
- gg. C. Springer said it would be like an advisor saying I need to give these guys a statement and so I'm going to move this money over here, even though they've had it setting in another account the whole quarter.
- hh. M. Rosenberg said report performance and not just balances. That would be unethical. It's why you'd want to have some due diligence of a reporting process as part of your RFP. You want to make sure the reports have the information.

- ii. C. Springer said what we want is to end the meeting on a draft to agree on. At some point, we are going to need to enact this Permanent Fund that we've been working on all these years. With the first page any changes?
- jj. M. Rosenberg said on 2a. I would say the Board is the fiduciary.
- kk. C. McAnany said the board will act as fiduciary and will delegate duties to advisor.
- ll. M. Rosenberg said the 1940s act of an advisor says they become the fiduciary responsibility for the assets in compliance with the IPS. That's all I have to do to show I was diligent in the search is hire a 40s act advisor. If it goes south, they have the fiduciary responsibility.
- mm. C. McAnany said the RFP we have has wording like that.
- nn. C. Springer asked if that would be the same as the 40s act advisor?
- oo. C. McAnany said anyone that would respond to the RFP would be a licensed investment advisor. If we say we are looking for a fiduciary, then a broker dealer will say wait a minute I don't do that. Am I right?
- pp. M. Rosenberg said kind of. They'll do both. The word fiduciary gets thrown around in our world so much it's hard to keep track of. That's why I suggest a 1940's Investment Act Advisor, so that way by law they can do it no other way. Broker dealers don't have to accept the full fiduciary responsibilities. It's getting even worse with DOL coming in and saying there are now difference levels of fiduciary. It's like saying you're my second-best friend, or a half fiduciary. You should either be my best friend or you're not. You're either looking out for my best interest or you're not. This will also limit the scope of your firm response. To my knowledge, my firm is the only one that is a 1940s Advisor Act in Mesa County.
- qq. D. Ludlam what would the household names of the broker dealer be?
- rr. M. Rosenberg pretty much every name you've ever heard of-Merrill Lynch, Schwab, Edward Jones, Fidelity. Fidelity can operate as either broker deal or fiduciary. Schwab as well, but you have to define that.
- ss. C. McAnany any other page one changes? Half way down the page on subsection D, I struck through some language about engaging outside experts and managers to implement programs intended to satisfy the strategic objects of the Trust. I didn't want the advisor to subcontract the duties out. I wanted the advisor to be the advisor.
- tt. C. Springer said he thinks that is good. What do you think Matt?
- uu. M. Rosenberg said you just want to be careful that you aren't limited the investment of mutual funds.
- vv. C. McAnany said that it was not his intend to not be allowed to invest in mutual funds.
- ww. M. Rosenberg said you basically wanted to keep someone else from passing the account to someone else and having them split the cost of the fees of the account.
- xx. C. McAnany said correct, he did not mean to have wording limit the investments of the account.
- yy. M. Rosenberg said as accounts grown and get large, its typical to have a subadvisor added to an account. So, our biggest accounts, we'll vet those bigger funds.

- zz. C. McAnany said moving on to any other notes on this page.
- aaa. C. Springer said let's deal with this language, are we going to leave it in there?
- bbb. C. McAnany said his preference would be to strike it. If it becomes a problem later you can always amend your plan. It seems unlikely that you would hire someone, who in turn would hire someone, to manage your assets.
- ccc. C. Springer but like Matt said, the money is put in a mutual fund which is good for diversification, he's technically doing exactly that.
- ddd. C. McAnany do you want to say this shouldn't be interpreted to preclude management of investments in mutual funds.
- eee. D. Ludlam said there are good mutual funds that you would consider investing in, that would technically violate this language?
- fff. M. Rosenberg said yes, but those accounts are \$10 million-dollar accounts. For now, I think it's fine. You're going to meet your investor advisor if they are delegating this out, you're going to find this out.
- ggg. J. Justman said I don't want to find out we're losing or wasting money if that were to happen.
- hhh. M. Rosenberg said about half the investment community uses subadvisors. If this were to happen you'd be able to pick up on it.
- iii. C. McAnany said he just wants to set right line rules on what you want. The legislation was clear they wanted us to be careful and prudent.
- jjj. M. Rosenberg said the policy statement was created from a template from the Charter of Financial Analysts Society which is an institution of investments which is as good as it gets. You want to make sure that you know your fund will be starting from scratch. You might be starting with \$50,000 or maybe, less right? You don't want to scare them all away, right away. The language here in Section E that talks about the asset allocation, we would say that's ok for us. Other people might look at this want to know the account is worth several million.
- kkk. C. Springer asked if Section E was taken care of with the Board agreeing with what our risk limit is? Doesn't all this verbiage go away if the Board just gives a recommendation on risk?
- lll. M. Rosenberg said no. Basically what you are saying is we want a 10% target risk, come in a show us your asset class, capital market expectation, your forecast standard deviations and how it all correlates and how it all hopefully gives us that 10%. That's where I think you'll scare off a lot of advisors, which is ok with me again. I don't know if that's what you want to do. There is not many that would do that.
- mmm. C. McAnany wanted to know if E is asking too much for our small fund? Any thoughts from the Board how to pare down some of those expectations?
- nnn. C. Springer said he understands they are starting with a small amount of money, but this is public money and they are very serious about this. I don't want to have a policy that was written on the back of a napkin and say when we get to \$10 million let's revise this. I want something that is bigger than we are, and that is better than something that is smaller than we are.

- ooo. D. Ludlam said it wasn't that long ago that we were receiving over \$1 million checks for the year. What did we start our first year off with? \$1.9 million
- ppp. C. Springer said yes, \$1.9 million
- qqq. D. Ludlam said it is not unreasonable to think that in 5 years we could be getting \$3 million dollar check again based on production profiles. This fund will build, if future boards don't deviate from the mission.
- rrr. D. Reimer said you are the creators of this-ten years from now when the fund is \$20 million dollars, and there is a new board, who knows how they would set it up. Set it now, the way you want it to be followed.
- sss. D. Ludlam said let's go back to E. Let's leave E. Moving onto Section 3. Dusti, we posted the original draft for a 30-day public review and comment and it was extended with potential feedback from staff and external advice. Based on your postings, we could take action and adopt this today, with changes, because we've had the 30 days.
- ttt. C. McAnany said yes, we could do that. His suggestion is to finish the review and tell him if there are any additional strike throughs or additions you want and he will give you a clean version to look at one last time to approve.
- uuu. D. Ludlam said we would get through the revisions and post these for public and probably have responses for the RFP and actionable items.
- vvv. C. Springer said we cannot post an RFP until we have the ISP approved.
- www. C. McAnany said yes, they go together. The RFP actually references the policy.
- xxx. D. Ludlam asked if the changes were significant enough to have another 30-day review.
- yyy. C. McAnany said no, we are good to go. I will make the changes and get this signed. If there are more changes then let's talk about it.
- zzz. D. Ludlam said he likes it.
- aaaa. D. Ludlam proposed to make the suggested changes and adopt the policy as drafted with the right to make additional changes to the investment policy as needed.
- bbbb. M. Rosenberg said this is good the way that it is.
- cccc. C. Springer asked M. Rosen if it looked ok.
- dddd. M. Rosenberg said the only thing he didn't like was the appendix.
- eeee. C. McAnany said he has that listed to removed.
- ffff. D. Ludlam made a motion based on what Matt said that it was the basic standard template from Charter of Financial Analysts Society.
- gggg. C. Springer said let me understand this. What we are saying is we will add Chris' language, not include any of his strikeouts, but strike out the table in the back.
- hhhh. D. Ludlam said, no, we accept all the changes in word and have a clean document.
- iiii. D. Reimer said that she hasn't received any further comments online, phone or via email from the public while the draft policy has been posted.



jjjj. C. McAnany said you can adopt this as written, accept the changes, or start over from scratch. You can do that today or next meeting, however you want. What I heard David say, was that in the interest of moving this along, he can make these suggested changes and circulate this clean copy to the Board.

kkkk. C. Springer said you don't think we need to post that?

llll. C. McAnany said no, I don't think so. We've already done that. You're making changes. This is like making changes to an ordinance when it's been presented once already by staff.

mmmm. C. Springer said you believe we can adopt this today, because its amended, and authorize the RFP.

nnnn. C. McAnany said yes. If you were to rewrite this today, then you couldn't go ahead with the RFP, but if you're saying you like what's in the document, and you want to authorize staff to implement, and have the Board sign it, then yes you can do that today. I've got as changes. On page one the Board shall act as fiduciary of the advisor, page two the strike through with the footnote that says this does not preclude investment in mutual funds, changes on page three so far, and on four insert verbiages on use of non-speculative use of derivatives and on page six, getting rid of the table, but keeping in the first paragraph dealing with risk tolerance at 15%. That's what I have so far. I do not know if there is anything else the Board has.

oooo. C. Springer asked D. Ludlam if that was what was included in his motion.

pppp. D. Ludlam restated his motion that he would move the MCFMLD Board of Directors adopt the Investment Policy resolution draft dated August 6<sup>th</sup>, to include the staff recommended changes just described by C. McAnany. C. Springer second the motion. Voted. Approved.

## VII. RFP for Investment Advisor Services Review.

- a. C. McAnany circulated an RFP draft for review. I tried to give the bidders a dollar amount to be invested and it was a shot in the dark. I estimated between \$50,000 and \$200,000 annually. It could be lower or more.
- b. C. Springer asked if he wanted the Board to respond with comments as they go through it.
- c. C. McAnany said yes.
- d. C. Springer said speaking for himself, he said this in his last meeting, he is going to score applications differently going forward with a big picture-does this really matter. Every project that comes across I want to make sure that it is worthy of the people of Mesa County. I think that you could add another zero on those ends. It is possible that we could go a whole year without funding any projects and just putting more money into the permanent fund.
- e. C. McAnany said to keep in mind that legislation caps the investment to 50% of funding.
- f. D. Reimer asked along the same lines of scoring, if we can invest up to \$50,000 in a fund, but we go through the application and scoring process and decide you don't want

to score the minis, but want to fund one big project of \$300,000, can we still save the rest of the that funding for the next year?

- g. C. McAnany said yes, we can keep accumulating that money for future projects.
- h. J. Justman said that if we get \$2 million and we put \$1 million in the investment account. Are we going to tell the people that we only have \$1 million to grant out, or are we going to look at the applications first and then decide maybe none of these are worthy? Are we going to do this first before we score?
- i. C. McAnany said what we feel is that we've lowered the bar. Too low. We can make a case for what we did, why we did it, because our interpretation of it was that you couldn't hold money back. So, we always just said we have it sit in a bank drawing zero interest, why not give it to the people of Fruita or whatever. Now that we have raised the bar and we can put some away, I think how we do this is going to be interesting going forward.
- j. J. Justman said even if we invest half of it, and we say we have \$1 million to grant out. If we go through the scoring and see some didn't score high enough, then we are not going to fund it. So, we are going to save \$50,000 or \$100,000. So, it sits in an account that draws very low interest.
- k. C. McAnany said yes, before the bill passed, we could have said we aren't going to fund any of these projects. In fact, Garfield County would and does do that. They let that fund grow in the bank. That's still the low. You can retain money. But, in addition you have the right to invest half the money you receive. If you get projects you don't like, you can invest the money and keep the rest in the bank. When you do your solicitation to grant proposals do you say how much money is available for grant hand out?
- l. D. Reimer said yes, we give an approximate estimation available. This grant cycle it says in bold letters on the front of the application that this time the funds are subject to change due to the Investment Policy.
- m. C. McAnany said we never know what we're going to get.
- n. D. Ludlam said let's hit pause on the philosophical discussion. I agree with Craig that we save the max every time. I might get voted down, but that's my position and that's why we created this. Do you think for an RFP you need to know an estimation of what might be invested?
- o. M. Rosenberg said no you don't need to have that. They might want to know.
- p. D. Ludlam said he's with Craig that we need to raise that amount.
- q. C. McAnany said he will raise it.
- r. J. Justman asked as we invest this money, how long after we start investing, are we going to leave the money?
- s. D. Ludlam asked if we could come back to his question after we get through the RFP.
- t. C. McAnany said he made the requirements proposals from a fiduciary, timely reporting.
- u. M. Rosenberg said change this to reports and not statements.

- v. C. McAnany said timely reporting to the Board including financial reports and advise on investment strategy and revisions to the policy. The list of other requirements included proposed serves and fees, general experience description, references, and contract, evaluation criteria, performance with services managing public funds. I'm open for other evaluation criteria.
- w. D. Reimer asked if the one-year contract term is standard for an investment advisor?
- x. C. McAnany said yes, here's what I Was thinking, we can't encumber future budgets by entering into engagements with other parties. Everything we do will always be on a year to year basis. I'm assuming if you find someone you like, you'll stick with them for several years, but you won't be required to send out another RFP. You can just renew.
- y. D. Ludlam made a motion to approve the RFP.
- z. C. Springer made a motion to approve the RFP as amended. J. Justman second. Voted. Approved.
- aa. D. Ludlam said the RFP and Investment policy would be ready to go with the revisions with the RFP's to be returned by September 30<sup>th</sup>.
- bb. D. Ludlam went back to J. Justman's question on how long to leave monies invested.
- cc. J. Justman said I don't think we would let it sit for ten years.
- dd. D. Ludlam said he would love to invest and save as much as possible for as long as possible. He would like to be kicked off for saving all this money. I would like to see a \$20 million-dollar fund built up for the people of Mesa County.
- ee. C. Springer said he believes people will adapt. He said in the beginning when we had big money, we got big grant requests. But as the money started to grow smaller, the people adjusted. I think the core group has a good handle on what we are capable of what we are doing. Once we demonstrate we are serious about building this fund, they will be ok. We haven't gotten any big pushback. I believe we need to be careful how score things and the funding meetings are going to be even more interesting than they already are.
- ff. D. Ludlam said Commissioner's question is a good one. Should we decide what is available for the permanent fund first? Say you have a million dollars, and we decide we'll put that \$500,000 right off the bat.
- gg. J. Justman said I think we need to decide that first too.
- hh. C. Springer said the only tough part about that is losing flexibility. IF there was this amazing project that came out and we all three really liked it, but we decided it was going to the permanent fund, it might eliminate some flexibility.
- ii. D. Reimer asked if the Board had considered how long the funds need to stay invested before withdrawn. You have written into the language that the funds have to be accessible. Are you going to decide that maybe you put that money away for 5 years and not touch it to let it grow or can you have access to the funds?
- jj. D. Ludlam said that was a question he wanted to bring up under new business. For the next board meeting we would like to have this on the agenda for the next board meeting. I'd like to have staff come up with a cover letter for future boards and other people to understand the philosophy and we created it, it makes it politically harder to

undo it. Here is why MCFMLD Board created this and this is why we believe. Mission statement. This should also help address Dusti's question.

- kk. D. Reimer said she knows that applicants are going to ask that question.
  - ll. D. Ludlam said he agreed and said there will be at least one applicant that comes and says they have a project worthy of draining the permanent fund and we need to have this in place.
- VIII. 2016-FT-03 Western Colorado College Grant Contract Revision.
- a. C. McAnany said he does not have the grant contract finished, but we will have it ready for the next meeting. I will circulate it to CMU ahead of time so they know what to expect.
- IX. Motion to adjourn from C. Springer, second by D. Ludlam. Voted. Approved.
- Adjourned at 3:22 p.m.