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BOARD OF DIRECTORS MEETING

Date and Time: 2:00 PM on Tuesday, November 7, 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

Scott Olsen

Chance Ballegeer

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 October meeting minutes.
 - a. C. Springer motion to approve meeting minutes. D. Ludlam second. Voted. Approved.
- IV. Consent Agenda:
 - a. Dufford, Waldeck, Milburn, Krohn Invoice
 - b. Dusti Reimer Invoice
 - c. Buds Signs Invoice
 - d. C. Springer motion to approve. D. Ludlam second. Voted. Approved.
- V. Staff Report.
 - a. D. Reimer said she posted to the Districts our social media pages (Facebook & Twitter) about the Board Meeting, Fall Grant Winners, Media Coverage. Posted about the Investment (We Sponsored this as an ad post for \$50)
 - i. 2,513 Impressions
 - ii. 1,584 People Reached
 - iii. 128 Post Engagements

- iv. Women between 35-65 were the most engaged group
- v. Gained 6 additional followers on Facebook
- b. D. Reimer said the MCFMLD was in the Media several times this past month. Once in The Business Times for Fall Grant Awards, twice in the Daily Sentinel for the Investment in the Permanent Fund and the Fall Grant Awards, and two stories ran on KJCT News 8 for the Fall Grant Awards.
- c. D. Reimer said that the Grand Junction Regional Airport Authority is requested a grant extension because they are waiting on final signage for the grant report. The Board approved the invoice for Bud's Signs which will allow them to finish the report.
- d. D. Reimer said the invoices this month are for: Bud's Signs Invoice for the GJRAA Final Signage for \$160.00; Dufford, Waldeck, Milburn & Krohn, LLC Invoice for \$2,395 for services in October 2017; Dusti Reimer Invoice #116 for \$2,725.99 for services, advertising and supplies.
- e. D. Reimer said the upcoming events are the Board Meeting in December where the budget will be approved, the submittal of the approved budget to DOLA by Jan. 31, 2018 and the January meeting for the Mesa County Federal Mineral Lease District is cancelled. The first Board meeting for the new year will be on February 14, 2018.

VI. 2018 Proposed Budget Draft.

- a. S. Olsen made a line item for the contributions for the permanent fund for the new proposed budget draft. For 2018 we have the permanent fund balance, the balance of the cash account and most of the balances are just rolled forward based on what we paid this year. At some point, we will need to talk with Matt Rosenberg on how we move forward with the investment account budgeting. We have \$350,000 set to be contributed to 2018 that would be about 50% of the budget. This isn't set in stone, this is just the highest estimation to start working with the budget.
- b. D. Ludlam asked about the contribution of the 2018 permanent fund.
- c. C. Springer asked what happens if our budget is off.
- d. C. McAnany said any Board can open their budget back up to make revisions and resubmit.
- e. C. Springer said if they set out today to put in \$350,000 for the fund, and we get a grant that is worth, we can re-open the budget and give that back out.
- f. C. McAnany said you have the ability to do that at any time. You only get in trouble when you have turn in a final budget that is considerably off what you had projected. But, I would advise that you come up with something now that is realistic, so that you don't have to keep changing it.
- g. C. Springer said we received \$796,000 from DOLA for this next year, and if we put \$350,000 into the permanent fund, that would leave us with roughly \$400,000 for grants for the next year.
- h. D. Ludlam said that he wanted to start with the maximum amount, and the Board could discuss moving that amount lower.

- i. J. Justman said he likes the permanent fund, but he is not sure he likes it that much to invest half the funds.
 - j. S. Olsen said we need to post this for comment and in the newspaper. Any revisions should be made up until the December meeting when it will need to be adopted.
 - k. S. Olsen said he had one question about the 2017 budget-since we never made an allocation for the investment fund, because it hadn't been created yet. Do we need to revisit that budget?
 - l. C. McAnany said yes, that's a good point.
 - m. S. Olsen said he can make a call to see if we need to resubmit it or if they will just allow it as is.
 - n. C. McAnany said we should probably reopen it and adopt a resolution so that everything measures up.
 - o. S. Olsen so should we wait until the December meeting to write the check for the \$100,000 and have the Board approval.
 - p. D. Ludlam said let's approve that now. We are just modifying one line in the budget. Also, we already approved this amount for funding. D. Ludlam asked for help in wording the motion for board approval.
 - q. C. McAnany said you need to would need to say that you make an amendment to the 2017 budget to include a contribution to the permanent fund in the amount of \$100,000 to RoseCap Investment Advisors pursuant to the past resolution of the Board.
 - r. D. Ludlam he proposed to make an amendment to the 2017 budget to include the contribution of \$100,000 to RoseCap Investment Advisors to the permanent fund, pursuant to the past resolutions of the Board.
 - s. C. Springer made a motion. J. Justman second. Voted. Approved.
 - t. C. McAnany said he would prepare something in writing to that affect.
- VII. 2016-FT-03 Western Colorado College Grant Contract Revision.
- a. D. Ludlam said that the university has accepted the modifications that were presented by the board.
 - b. C. McAnany said he went back and revised the contract and submitted it to CMU. After discussion back and forth, President Foster found the agreement acceptable and signed the contract. He said there was a separate number on the resolution with the fall grant contracts that approve this.
 - c. D. Ludlam asked for a motion to approve the grant contract revision presented by counsel.
 - d. C. Springer made a motion. J. Justman second. Voted. Approved.
- VIII. 2016-FM-02 Grand Junction Regional Airport Grant Extension.
- a. D. Reimer said in order to do the final signage for the project, they needed to the Board to pay for the signage. The Board just received the invoice and approved payment. They are asking for a 60-day extension to now get the signs and put them up for the final report.

b. C. Springer made motion. J. Justman second. Voted. Approved.

IX. Fall Grant Contracts.

a. C. McAnany prepared a resolution for the Board to approve and sign for all the fall grant contract awards. C. McAnany said that the City of Grand Junction was the only one who had any comments or adjustments to the standard grant contracts. All the agreements have been sent to the organizations. We are awaiting signatures on all contracts, except the Town of De Beque.

b. C. Springer said he moved for the approval of a resolution that would approve the grants and their respective amounts to City of Grand Junction for \$50,000; Town of Collbran for \$50,000; Town of De Beque for \$50,000; Caprock Academy for \$18,662 and Clifton Fire Protection District for \$135,064. This resolution also includes the approval of the Western Colorado Community College grant contract revision for \$289,125.

c. J. Justman second. Voted. Approved.

X. Investment Advisor/Investment Policy.

a. D. Ludlam welcomed Matt Rosenberg.

b. M. Rosenberg said the check should be made out to TD Ameritrade. They work with them. He said moving forward, we could set up an ACH for the account instead of having to continually sending checks for transfers back and forth for deposits or withdrawals. He also said based on board discussion if you are looking at the possibility of needing to have liquidity needs, he would need to know that in building the portfolio.

c. D. Ludlam said that it would take a significant grant for us to want to pull out money. We have established, as a board and for future boards, that this money needs to put in with the vision for the future.

d. C. Springer said this does bring up a good question and discussion about this. How much and when do we make these deposits for the fund? I do not think that leaving all this money in a non-interest bearing checking account for 9-10 months out of the year does the District any good. IT makes that budget assumption of the investment of the \$350,000 a better discussion. This doesn't make any sense to me to have this sit around for 10 months as a non earning asset.

e. M. Rosenberg said the projected yield on the account for \$350,000 would be about 2.6%. So its about \$8,000 – give or take.

f. C. Springer asked J. Justman about how he felt investing the full \$350,000.

g. D. Reimer said that left an estimated \$410,000 for a full year of grants.

h. C. Springer said he was alright with that investment of \$350,000.

i. D. Ludlam said he was alright with that investment of \$350,000 also.

j. J. Justman said he was ok with.

k. C. Springer asked if he was ok with investing that amount at the first of the year.

l. D. Ludlam said he feels he's done a good job with working with the public and grant applicants. That they are on solid footing for doing the right thing.

- m. J. Justman said that this might help deter people from applying if they do not have a real program.
- n. D. Ludlam asked if we could consider cancelling the Spring cycle.
- o. D. Reimer said for public comment that if the Board would make the decision right up front that it would make it easier for the grant applicants to know the set amount that is available.
- p. C. McAnany said for checks and balances that you would want a Board member to be on the account and then a staff member to review the accounts moving forward.
- q. D. Reimer suggested S. Olsen to be the staff member.
- r. D. Ludlam suggested that C. Springer be the Board member.
- s. M. Rosenberg said that he wanted to let the Board know that the account will be really restricted based on the Colorado revised statutes. They were looking to maybe get to about 4% return.
- t. D. Ludlam said that we look forward to our first quarterly investment update from M. Rosenberg.

XI. Unscheduled business.

- a. D. Ludlam said that during the monthly staff call he had asked each of us present at the next meeting the anticipated scope of work for the year. What the scope of work would change, upcoming pay, and anything that would affect the budget for the next year. We would appreciate a 3-5 minute presentation for the public and meeting minutes for the following year. Asked that all three would be on staff calls and are connecting and communicating clearly, especially as the district is now diving into the investments.
- b. D. Ludlam said that for D. Reimer that the Board would like to see more outreach and educating the community on what the District. He feels that more people do not know what they do. He would like to see presentations to service clubs to show people what they do. Also, creativity on working with the applicants on signange-15 plaques in a lobby doesn't help, but maybe doing a letter to the editor on how the District's grants has helped would be more beneficial. He said he would also like to see in yours as well that you include the purposes of the Investment Plan. Either creating a scope of work for the year that's tied to a retainer, or going hourly. This is what we pay you for with an hourly invoice, or this is what you're accomplishing with an hourly invoice.
- c. C. Springer said just to add to what David said for Dusti, is that the goal with this permanent fund, is that is a permanent fund. We, as board members, will not be on this forever. We want the education out there to be so important that we want it to live for a long time to what we have envisioned it would do. All it would take is a 2 out of 3 votes on this board to completely collapse what we have worked to do.
- d. D. Ludlam said that he absolutely agrees with that.
- e. J. Justman asked David if he thought no one would touch it for 5-10 years?
- f. D. Ludlam said he would like to see grants funded off the interest that comes off the investments.

- g. C. Springer said to David's point is that these royalties will not flow forever, and when those royalties stop, we will still be able to keep this money flowing, because we created what no one else in this state would do-is a permanent fund.
 - h. S. Olsen said that as D. Reimer goes through the budget for 2018, let me know if you need more money for advertising to try and get the word out about what we are doing.
 - i. D. Ludlam said he would like to see some detail-what groups are you specifically meeting with? How are we improving communication?
 - j. D. Reimer said that she felt it was a good year in improving outreach. Since she started a year ago, if you were to google the District now, verses a year ago, you would see numerous stories and information on the District that hadn't been there before.
 - k. D. Ludlam agreed and said even the presentation of where the District has given awards to was very beneficial an instrumental to helping to educate our community.
- XII. Motion to adjourn from C. Springer, second by J. Justman. Voted. Approved.
- Adjourned at 2:58 p.m.