

Orient Land Trust Board of Directors Regular Meeting  
Seitz Residence - Valley View Hot Springs  
**Saturday, September 13, 2008**

**MINUTES**

- I. Record attendance – Dan Jones, Doug Bishop, John Eiseman, Neil Seitz, and Barbara Tidd present. Harold Pratt and Kai-Uwe Allen were unable to attend. Their absences were excused.
- II. Meeting call to order – Dan called the meeting to order at 9:14 AM.
- III. Changes to Agenda – There were no changes to the Agenda.
- IV. Minutes from June 14, 2008 regular meeting and June 14, 2008 Executive Session – Doug moved to approve these minutes. John seconded. There was no discussion, and the motion was adopted: all in favor, none opposed, no abstentions.
- V. Questions/comments from guests – Dan welcomed guests Paul Zoric, Radar Baker, and Terry Seitz. Radar reported that the Astronomy program was 100% staffed this summer and was very well received. People love it. Radar is looking for a larger 20” telescope (2.5 times bigger than the 8” that we have) and believes he could raise about one-third of the funds for it. He estimates a cost of about \$15,000 for this type of telescope. A flat slab site near the campsites, just under campsite H, is being considered as a permanent location for a telescope(s). The specifics of the structure for the telescope were discussed, about 3 ft. high with a weatherproof box in which the telescope may be stored. John stated that it certainly enhances the visitor experience. Radar thinks he could have a proposal together for this by Spring 2009. Dan suggested it may be in time to unveil the project at the 2009 Member Appreciation weekend.
- VI. Board member candidates – The Board recommended seating Paul to fill an unexpired term ending July 2009. Doug, based on the recommendation of the Board Development Committee, moved to seat Paul Zoric as a new Board member for the unexpired term ending July 2009. John seconded. There was no discussion, and the motion was adopted: all in favor, none opposed, no abstentions.
- VII. Executive Director’s report – Neil discussed his report (attached). Raffle tickets are lower than last year. It is so busy during June, July and August that volunteers don’t have much time to sell raffle tickets. We are about \$5,000 to the good at this point. We now have our first endowment. The grant from New Belgium was discussed. We are starting this fall on the history grant from the Colorado Historical Society for a walking tour of the buildings at the mine: 3 large interpretive signs, smaller ones, and numbered posts to go with a brochure. The fall newsletter will be going out. Many people came to see the bats. For example, Salida Recreation posted notice for its own tour. We can take or allow others to drive handicapped people to the base of the trail. At the Ranch, we built ½ mi. fence that will be matched by NRCS to separate the cattle from the sprinkler area. OLT may end up paying 60-65% for this project because of increased costs. The sprinkler will be operating by next spring. The hay crop was small, and Wheelers be short this winter. We had volunteers for pulling weeds, trail

maintenance, and building fence. It's unclear how much our insurance policy covers volunteers. We have a liability policy that covers volunteers. Neil will probably be on crutches past October. Neil is officially on payroll four hours per day, and workers comp. pays four hours per day. Recycling is working well. Re: water protection plan – CDPHE wants better mapping. Neil has contracted with Pete McGee, a GPS mapper, to do the mapping to locate everything, including buildings and water and sewer lines, within a meter or less. Cost will be about \$1,100. CDPHE wants procedures and where pipelines cross. We've spent \$9,000 on legal fees thus far on this action with the CDPHE. We're still having problems with computers. Dan encouraged Neil to alert WSB immediately when there are problems. Neil feels that WSB needs to be on site at some point. They are not charging OLT any additional fees at this point. WSB has not responded to Neil's request for the costs of a monthly contract. WSB could remotely access OLT computers if needed to troubleshoot.

We had the Kool Kids program for several weeks. We will reanalyze the program for 2009. Many good ideas for curriculum came up. Re: fireworks – A meeting with ATF is scheduled for Sept. 16.

VIII. Secretary's report/Correspondence – There was no correspondence from the Secretary. The Secretary reported that she compared OLT's bank statements to the Treasurer's report and found no discrepancies.

IX. Treasurer's report – John

a. John presented the Income Statements, Balance Sheet, and Cash Flow Statement which are through August 31, 2008 (attached). We are on budget, a little ahead of 2007. We're doing quite well. Revenues are 6% under budget but better than last year. Contributions, gifts, and grants are 8% under. Program revenue is about 4% under budget, but about where we were last year. Neil said that we're getting ready to install the restroom at the mine. We'll contract out for the concrete block work. It's been a typical summer in some ways. Doug thinks it's been a tough year nationally, and OLT is doing well nonetheless. Doug thinks the bat outreach brings new people. John said we offer a variety of experiences for visitors. Terry said that robes are very popular and probably contribute to the high cost of goods sold. New T-shirts are in stock. Neil said that insurance costs went up several thousand dollars.

We're almost a \$2 million company on the balance sheet. By year-end including the last \$88,000 ranch payment, we'll have about \$450,000 in the bank, including the Endowment Fund. The board needs to determine how it wants to use this through a revised Strategic Plan. OLT will assume an \$8,000 per year payment on the Sussman property beginning 12/6/2010. By this time next year, the Credit Union will be paid off (at \$5,000 per month). John envisions that Neil as Project Manager will set out some projects, such as a new sewage treatment plant and commons building.

Neil reported that CDPHE has said that it will reinstate the disinfection waiver so long as OLT meets their conditions. Some of the \$450,000 will be used to service debt. Some will be expensed for a new staff position. Dan indicated it's a matter of sorting out the priorities.

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

- b. Reforecast of 2008 budget (quarterly) – [divert some funds to capital improvement fund? – from 6/14/08 meeting] John and Terry will discuss this later.

Neil discussed the Restricted Funds and Cash Investments breakdown. Neil mentioned that the payoff of the Everson Ranch loan to Cottonwood Peak RC (sellers) will occur on either Sept. 24 or 25 at the Saguache County Courthouse, depending on when sellers can fly out here. The Credit Union note remains, but it is not collateralized with the Everson Ranch.

- c. Stats Charts (attached) – The stats charts reflected total income for June down and about the same for July and August. Year-to-date admissions income is also slightly down from 2007, particularly March, April, June and August. Year-to-date donation income, excluding government, is up from the past two years as are individual donations.

X. Committee reports – Each Chair if there is cause

- a. Board Development Committee – Ed Self and Scott Rodwin are both interested in becoming board members, however, probably in 2009. Doug inquired about prospective board members serving on a committee first. Dan indicated it wasn't a formal policy. Scott Rodwin will likely be present at the December meeting for the visioning session.

- b. Resource Development Committee – Paul agreed to Chair the committee. Barb and Paul will discuss the committee during break.

- c. Land Management Plan Committee

- 1. General Report – Doug has not received any more feedback about the mission statement. Doug got very little response about the proposed timeline for the hot springs property donation process. Dan asked Kai to flush out the BDR aspect. Doug thinks OLT should engage an attorney up front to assist with the process and that OLT should have an appraisal done for the land and business, so we know the value of the donation. Neil and Terry do not feel they need an appraisal. Doug thinks the new Land Conservation person could head up the BDR process. Kai's concern is that the photos and a large part of the BDR needs to be done during good weather. Doug indicated we do need to document where we are in 2008-09, though it needn't be comprehensive. An appraisal is an expensive process. This will not be a charitable deduction for Neil and Terry. Doug will run the timeline by Greg Powell. John will speak with our current auditor regarding possibly getting a net present value in order to determine a value for the books. Barb will contact LTA regarding best practices for determining a value of a donation of a business and real property where donators are not taking a tax credit. Neil said we need some outside help.

Neil is okay with the Board's timeline of moving toward the goal of completing the hot springs property donation by October 2009.

2. Fire management plan – This was moved to the December meeting. Neil distributed the new Campfire Policy. Staff has been proactive in promoting the new policy.
3. Orient Mine Donation Resolution – Doug's understanding is that this was an LTA recommendation. Doug indicated that Barb's draft was based on the committee's reasoning. Neil stated that he feels like the resolution shifts the burden from OLT to him and Terry. John sees the resolution as stating that we're in sync with our mission with respect to why this donation was accepted. We're restating the rationale at the time of the acceptance. John suggested that we modify the resolution to more accurately reflect OLT's point of view rather than shift any onus on Seitz. The resolution was revised through discussion.

Doug moved that the Board approve the resolution as revised. John seconded. There was no further discussion, and the motion was adopted: all in favor, none opposed, no abstentions.

- d. Land Action Committee, including Strategic Conservation Plan – Moved to the December meeting.
- e. Investment Committee  
The Endowment Agreement was finalized. The Endowment Fund was initially funded with \$20,000 from OLT, then augmented with an additional \$10,000 from the Estate of Lisa Forest. In early August, OLT purchased a new \$50,000 6-month CD. OLT seems well diversified, but perhaps too much is in money market accounts that could be invested into CDs. Rates are in the low to mid 4% range for CDs. The Investment Committee is ready to meet as needed. Committee members are covered by OLT's D&O policy.
- f. Visitor Experience Committee - Dan talked about such items as cigarette butts. John stated that, based on complaints received, dogs are a big issue. The committee members still aren't sure what their role is. They discussed and universally approved John L.'s new pricing structure. The committee is feeling like it has no power and no value. John feels the committee's responsibility is to articulate what would enhance the visitor's experience and bring recommendations to the board. The board would then consider policies that would help accomplish those. Some committee members are frustrated. Doug asked if perhaps a role of the committee would be to bring visitor feedback to the board. The committee determined a survey would not be done based on a cross-section of committee members having a sense of a range of opinions within the committee. Dan thinks going into 2009, once projects can be accomplished (e.g., commons building), the committee could have input into those projects. John thinks policy changes should be a melding of staff and the committee. Neil stated that dogs can be a problem, but he thinks we have a good system in place with the deposit

procedure and that we are okay with the current policy. Neil thinks we could look at a policy concerning children being unsupervised bringing more awareness about supervising children. Dan suggested to Neil that if staff is going to weigh in on a policy or issue, to ask the Visitor Experience Committee for its input.

- g. Oil & Gas Drilling-Baca Nat'l. Wildlife Refuge update – In Kai's absence, no one had anything to report on this.

#### XI. Unfinished Business

- a. ED Work Plan: Report on work plan split into administration and improvements with “functional absolutes” to be tied to the ED Performance Review. Neil updated the work plan since the last meeting. Things are slowly changing from the last strategic plan. With new job descriptions, some objectives may have changed over the years. It would be good to have a roundtable discussion to reconstruct the work plan. John thinks with a new Project Manager, it will work out better.
- b. Report of progress made on the Objectives and Tasks in Operating Plan submitted to Board (from ED Evaluation Process-previously due at Nov. Board meeting) – Dan stated that we're looking at a new structure. We will look at these in the context of the new structure. John suggested this be wrapped into a discussion item of migrating into the new structure. These are more burdens on the board. The December session may be strategic planning session, which will tie in with the Sunday visioning session.

Questions/comments from guests – Radar thinks dogs are a real problem. Sid reported on recycling efforts, which are going well. He brings recycling to town when he is already making a trip. Pack it in/pack it out suggestion seems to lessen the amount of recycling. Sid will give input for an article for the newsletter about recycling. Sid would like to have more permanent signage.

- c. VVHS 2009 pricing structure
  1. Proposal to alter pricing for single vs. double occupancy in larger accommodations - Dan reported that John L. had a proposal to alter pricing for single vs. double occupancy in larger accommodations. While the Visitor Experience Comm. unanimously was in favor of it, Dan understood then that staff was not in favor of changing the pricing structure. Doug moved that OLT keep the pricing structure the same as it is currently. John seconded. There was no further discussion, and the motion was adopted: all in favor, none opposed, no abstentions.
  2. Across-the-board price increase – Neil stated that price increases are sometimes three or four years apart. Staff is discussing possibly charging more for vehicle site reservations. Chris is building the ORS so that it can do anything in the future, e.g., charging for vehicle sites. John feels visitors are getting taxed a lot now. We don't have a specific program for which additional revenue is to be earmarked. John thinks we should hold the line now and let the membership know that. Paul suggested that if we have a price increase, hold prices for members while non-members pay the price increase. Neil said we're trying to figure out how to implement *specific* vehicle site reservations. He strongly feels that the ORS should be up and running first. The board agrees that successful ORS implementation

should come first. There will be an increase in prices for everyone because in 2009 sales and lodging tax will be charged on top of the current lodging fees rather than included in the current fees. With the ORS, visitors will make a non-refundable deposit that can be applied to an admission or that will be forfeited if there is a cancellation within 72 hours of the reservation date. A blurb in the newsletter about new pricing structure would be good.

- d. Online Reservation System-status – Dan, on behalf of Chris, reported that the system is designed to do anything, including photos. It will have the ability to accommodate people signing up for tours. Chris is looking at Beta testing in December. Chris will be at OLT in December.
- e. Investment Policy, amended and restated [per 6/14/08 approved motion to bring in line with Investment Policy Statement re: Endowment Funds] – John reported that we restated the original Investment Policy to loosen the guidelines on Endowment Funds so that the policy would be more in line with policies that Charles Ready and other endowment advisors work with. Doug moved to approve the Amended and Restated OLT Investment Policy as presented (attached). Paul seconded. There was no further discussion, and the motion was adopted: all in favor, none opposed, no abstentions.
- f. Ranch Lease with Wheelers: renewal – Neil reported that the lease has been signed. One minor change will be made changing the date of the payment by one month so that the payment is due after the Wheelers have sold their cattle. The change will be handwritten on the lease and initialed by the Wheelers and Neil. John moved to approve the Ranch Lease with Wheelers as presented with that change (attached). Doug seconded. It was not discussed with them that the payment may go up after three years. There was no further discussion, and the motion was adopted: all in favor, none opposed, no abstentions.

## XII. New Business

- a. Retention of auditor for 2008 “review” – John reported that we’ve used Taylor & Associates for the past four years. John feels that we should seek to retain them for the 2008 review. John thinks that we would incur additional time and expense with this next audit because of our request to them for the net present value of the hot springs business and property donation. Terry stated that she thinks OLT is more complicated than many other non-profits with whom Taylor & Associates works. Terry is okay with their working relationship. Doug moved that we keep the same auditor for the 2008 review. Paul seconded. John thinks it’s important to keep the same auditors for consistency for now because of the upcoming donation. There was no further discussion, and the motion was adopted: all in favor, none opposed, no abstentions.
- b. Permanent campground by reservoir for youth programs – John stated that because of the current relationship with OLT’s neighbor, he suggests this be tabled until the April meeting.

- c. Trail to Bat Cave – name Bonewell-Hayes Trail; signage? – John feels like Bonewell and Hayes did a lot of work and outreach on behalf of OLT. Paul suggested that if we do this, we involve the media and/or the Colorado Bat Society. Neil said we have named benches for donors. John thinks it is setting a good precedent. The Resource Development Committee will be responsible for how to leverage this. Staff will contact Bonewell-Hayes for their consent and the exact wording of the sign.

It was suggested that a bench be named in memory of Lisa Forest.

- d. Committee composition - (Bylaws Sec. 3.11) to include: number of board members, chairs limited to board members?, voting rights of staff, mission statement – John reported that we've tried to submit missions and membership guidelines for each committee. We need them finalized for Board Development, Resource Development, Land Management Plan, and Land Action Plan committees. This will be discussed again at the December 2008 meeting.
- e. Valley View Village donation: present timeline to meet completion of donation for final acceptance by Board at 10/10/09 meeting – Doug feels like we're in limbo until we have a Land Conservation person on staff. However, a timeline can be done. Doug will speak with Greg Powell to retain him as our legal counsel. There is a 4-point draft timeline that the committee created: 1) contact attorney; 2) prepare deed; 3) obtain appraisal; and 4) prepare baseline documentation report.
- f. Policy and procedure for complaints received about Board members and officers (#21 on Board Action Items list) - John felt it was good to set down a policy for all. John moved that we accept the new policy and procedure for visitor complaints as revised to include complaints about staff and volunteers (attached). Paul seconded. There was no further discussion, and the motion was adopted: all in favor, none opposed, no abstentions.
- g. Policy and procedure for complaints received about anyone/anything *other than* about Board members or officers-Doug – See f. above.
- h. Credit card encryption and security/ID theft issues in OLT office; Terry to report findings from bank communications about this (attached) –Terry reported that there are procedures we need to do to come into compliance. Each point has several subpoints under it. PAI Secure International sent us a solicitation for credit card security. They charge \$7 per month. While this company's package may not cover all of what we need, it would help bring us into compliance. Dan reported that Chris indicated he is more than happy to do the work but will not in any way be responsible for the security issues in connection with the database. Businesses and organizations can fail audits because credit card numbers are not encrypted. We are in compliance with much of what is required. Terry said that the deadline to be in compliance she believes is October. Chris is working on a new version of the database to help bring us into compliance. Terry will do more research on PAI before deciding if we will sign on with them.

- i. Maintain \$40,000 minimum in operating acct? (review annually – was done in March unnecessarily; keep in fall mtg. for budgeting purposes)- John has confirmed every 6 months that we maintain this minimum \$40,000 in the operating account. John moved to require staff to maintain a minimum \$40,000 balance at Pueblo Bank & Trust checking operating account for emergency purposes and review annually at the October meeting. Doug seconded. This is in addition to the winter reserve. There was no further discussion, and the motion was adopted: all in favor, none opposed, no abstentions.
- j. Switch funds previously allocated for the Ranch payments into a capital reserve fund (from 6/14 meeting)- Neil said we've been adding \$3,000 per month to our capital reserve account. We've been paying \$11,000 per month toward the Ranch. The last payment to the Credit Union will be June or July 2009. We could start putting \$11,000 per month into the capital reserve fund beginning when the Credit Union loan is paid off, all other debts being the same. John said the Board could decide to take this amount out of restricted funds and put it into unrestricted funds. Discussion ensued about how OLT might use these funds. Neil said that at this point staff is looking for a monthly figure to be put into the capital reserve fund. Neil's recommendation is to up that amount to \$5,000 to \$6,000 per month until next summer; then, look at it again. We have too much money in American Funds right now and should look at how we want to invest some of those funds. John would like to see \$6,000 in our unrestricted balance. Doug moved that we change the amount that we put into the capital reserve fund from \$3,000 to \$6,000 beginning Oct. 1, 2009. John seconded. There was no further discussion, and the motion was adopted: all in favor, none opposed, no abstentions.
- k. Personal liability umbrella insurance for volunteers through their individual policies – John did not get to researching this. Terry initiated discussion wanting more information about what was being suggested with this. D&O insurance covers staff and volunteers on the job for liability, not injury. Terry will research whether our workers compensation policy covers injuries of volunteers. At this point, the Board determined no further action was needed on this.
- l. Bylaws changes – housekeeping: change annual meeting date from March to July-Doug moved to accept the change to the Bylaws as proposed (attached), changing the meeting date from March to July. Paul seconded the motion. There was no further discussion, and the motion was adopted: all in favor, none opposed, no abstentions. The December meeting beginning in 2009 may be a work session rather than a regular meeting. John indicated that there will at least be an informal meeting on budgets every December.
- m. Confirm Sun., Dec. 14 visioning session with Scott Rodwin – Dan said Scott will do this free of charge. This will focus on the appearance of the Village, and whether we want branding, for instance. As an outgrowth when OLT tackles the commons building, Scott would like to be considered for that project. Neil has marked out the largest size possible for this building. Neil thinks it will be at least a \$500,000 project.

The visioning session will be Sunday, Dec. 14 from 10 am to 4 pm. Scott is also a board candidate. John Scorsine, another board candidate, was discussed. Dan will follow-up with Scorsine and suggest he join the Land Management Plan Committee.

- n. Comments from Rick Williams – Rick said leaving OLT was one of the hardest things he’s ever done, especially because of Neil. He supports what OLT is doing 110%. He said if we ever need his help, to give him a call. Rick has taken several contributors to see the Ranch, and they have really enjoyed seeing what is being done there.

XIII. Executive Session - The regular Board meeting adjourned at 2:30 PM and, following a break, the Board convened in Executive Session at 3:19 PM.

- a. Report on meeting(s) with landowner(s) about possible land conservation actions - Neil
- b. Possible BLM land sales of property adjacent to OLT-Neil
- c. Two land projects – Neil
- d. Update on Boundary discussions with neighbor – Dan

Executive session adjourned at 4:15 PM, and the regular board meeting reconvened.

XIV. Announcements

- a. LTA 2008 National Conference 9/18-21/2008-Pittsburgh - Kai was not able to attend.
- b. Next meeting date of Saturday, Dec. 13, 2008 at 9:00 AM at the Seitz residence was confirmed.

The regular Board meeting adjourned at 4:21 PM, and the Board convened in Executive Session. Executive session adjourned at 4:22 PM, and the regular meeting reconvened.

- c. John is looking at mid-October for seeing draft job descriptions for the new structure.

The meeting was adjourned at 4:23 PM.

Submitted by:

Approved by:

\_\_\_\_\_/\_\_\_\_\_  
Barbara Tidd, Secretary      Date

\_\_\_\_\_/\_\_\_\_\_  
Dan Jones, Chairperson      Date

Guests: Paul Zoric, Robin (Radar) Baker, Terry Seitz, and Lisa Gershkoff.