Board of Trustees Meeting Minutes

02-17-2020

Present: Jim Gilbert, Larry Gilbert, Heather Bacci, Matt Kretchmer

1. John Gilbert Resignation

-On January 31, 2020 John Gilbert sent a letter resigning as a trustee from the EKN Trust

-We will need to hold another election to replace John

-Jim suggested waiting on the election until we get the bonding issue resolved so we will know if there will be a bonding requirement for the replacement trustee

-Per the trust language, there is no time limit on when we must hold the election. As long as three trustees are serving, the board can manage

-Heather asked that all board members be considering how to run the next election, i.e. still restrict one family member per family, perhaps have an alternate trustee elected in the event of a resignation, have voting results valid for a period of perhaps 2-3 years. We can revisit discussions about this during our next meeting.

-Any suggested amendments to the election process could be put before the Judge so we can amend the trust language for future elections.

1. Bonding

-Heather and Jim explained that we are having a difficult time getting bonded since the Judge has not specifically ordered the bond. The insurance companies will only issue the bond if the Judge has ordered it.

-Jennifer Forsythe has recommended that we put a motion before the Judge asking that the Judge either allow for the bonding language to be removed entirely or if the Judge is not comfortable with that, that the Judge actually order the bond so that the insurance company will issue it.

-Heather presented the following motion;

I, Heather Bacci, a trustee of the above Trust, move the Board of Trustees vote to have our legal counsel, Jennifer Forsythe of Hi-Law petition the Court to modify the Trust Document Article Three, Section 3.0.2, (f) Bond Required

Any individual serving as a Trustee of the Board shall be bonded for an amount not less than $250,000. The cost of the bond shall be an administrative expense of the Trust.

This document was approved on August 10, 2018 by the Court. This section remained unaltered in the Settlement Memorandum agreement reached in November 30, 2018.

We have not been successful in securing the Bonds after trying with multiple companies due to their requirement that the Bond requirement needs to be directly ordered by the Judge verses how the Trust Document is written currently and the existing orders that are part of the implementation.

The options are:

The Judge directly order the Bond requirement

The Judge approves the elimination of the bonding requirement language

The intent is to have Jennifer discuss with the Judge to find out their preference and do the appropriate filings needed to get it approved. It is estimated that this process will cost $1,200.

SECOND TO THE MOTION: Jim Gilbert

REASONS FOR MOTION: To fulfill our obligation under the Trust

Vote of the Board:

Yay Nay

Matt

Jim

Heather

Larry

Motion passes. Heather will contact Jennifer Forsythe about working on the motion.

1. Grant Proposals

-Jim shared DAD’s projection that we will have $51,000 available for grants in 2020.

-We currently have 11 pending applications totaling $23,807. Five of these are catch-up grant applications from prior years.

-We need to have a system to allow for funds to be available to those applying in the latter part of the calendar year.

- Jim proposed dividing the funds quarterly and deferring any grants that cannot be covered by that quarter’s allocation to the following quarter and to continue doing so until we complete the calendar years grant awards.

-Larry agrees that we should do the grants on a quarterly basis.

-it was decided that we will pay the catch-up grants from the principal of prior years and not use the current year’s allocation to pay for those.

-We will have another meeting on Monday, February 24th at 7:00MT to review the pending applications.

1. Taxes

-Wipfli will be preparing the taxes under the package agreement from when we retained them.

-Heather has a call into Darcy Reum regarding a billing issue so will discuss the tax prep, 1099’s, year-end report and itemization of expenses with her when she hears back from Darcy.