

Board of Directors
April 16, 2019 Regular Meeting
Board Packet

Blue Mountain Translator District 1

Table of Contents

Table of Contents	1
Board of Directors Regular Meeting	2
April 16, 2019	2
5.a. Expenditures	3
5.b. Legislative Update	4
5.c. Bylaws Amendments and Officer Election	5
5.d. Budget Overview	6
5.d. USFS Special Use Permit	8
5.e. Lease Agreement	9

Blue Mountain Translator District 2

Regular Meeting at 12:00
Umpqua Bank, Meeting Room
1215 Adams Avenue
La Grande, OR 97850

Board of Directors Regular Meeting April 16, 2019

1. Call to Order and Roll Call Vote - 1:00
2. Declaration of Conflict of Interest - 1:00
3. Reports
 - a. Director Reports - 5:00
 - b. Staff Report - 5:00
4. Old Business
 - a. Safety - 1:00
5. New Business
 - a. Expenditures - 5:00
 - b. Legislative Update - 10:00
 - c. Bylaws Amendments & Officer Election - 10:00
 - d. Budget Overview - 10:00
 - e. USFS Special Use Permit - 10:00
 - f. Lease Agreement - 10:00
6. Public Comment - 5:00
7. Scheduling of Next Meeting and Adjournment - 1:00

Blue Mountain Translator District 3

5.a. Expenditures

Payee	Description	Line Item	Amount
Alex McHaddad	Pendleton Equipment Delivery	Travel & Education	\$52.50
Baker City Herald	Budget Notices	Advertising	\$52.50
Baum Smith	Legal Research & Opinion	Professional Services	\$450.00
La Grande Observer	Budget Notices	Advertising	\$72.00
RS Technology	Beaver Mtn. Maintenance	Technicians	\$2527.50
Union County Assessor	Annual Records Update	Professional Services	\$570.00
US Postal Service	PO Box Renewal	Rent Expense	\$112.00

Blue Mountain Translator District 4

5.b. Legislative Update

Legislative Progress

On February 26, Senate Bill 393 received a Do-Pass recommendation from the Senate Committee on Business & General Government following the adoption of an amendment exempting state properties from translator district service charges. 4 out of 5 Senators voted in favor of the Do-Pass recommendation. This bill was referred to the Senate Committee on Finance and Revenue, where it received a public hearing on March 19. The Committee will hold a work session on the bill on April 9, along with SB 901. An additional amendment being considered by the Committee prevents BMTD from holding an annexation election until 2021.

Senate Bill 394 received a Do-Pass recommendation from the Committee. On March 4, the Senate passed this bill by a unanimous vote of all 25 present Senators. This bill's first reading in the House of Representatives took place on March 5 and was referred to the House Committee on Veterans & Emergency Preparedness. Staff to Committee Chair Rep. Paul Evans have informed the District that the bill will receive a public hearing.

Senate Bill 901 was originally drafted as Legislative Concept 837. This bill permits BMTD voters to authorize a property tax levy, as well as allow BMTD to sign agreements with cities to inspect properties for antennas and collect service charges. Two amendments were introduced, one that requires property tax ballot measures to occur during Presidential elections, and another that makes a city's finder's fee for inspecting properties negotiable. Senator Bill Hansell will support the bill, and Representative Lynn Findely will co-sponsor the bill in the House of Representatives. Representative Greg Barreto is considering his position on the bill. The bill received a public hearing on March 26 and will be considered during a work session on April 9. Union County Commissioners support the provision of the bill authorizing voters to consider a property tax levy.

Blue Mountain Translator District 5

5.c. Bylaws Amendments and Officer Election

Second Reading, BMTD Bylaws

Section IV. **PRESIDENT AND VICE PRESIDENT** - The President shall preside at all meetings of the corporation. ~~He/she shall have a vote only when a tie exists on a matter under consideration.~~ **The Vice President shall preside at meetings when the President is not available.** When the President **and Vice President are** ~~is~~ unable to chair the meeting, the attending Directors shall elect a "chair Pro-Tem" to conduct the meeting.

SECRETARY/TREASURER - He/she shall have charge of the corporation records; keep minutes of all board meetings; be responsible for publication of official notices for board meetings and budget committee meetings; shall have charge of the corporation books of account; shall prepare the corporate income tax return; prepare and send out billings and information to customers; prepare monthly and quarterly reports; prepare records for yearly audit by accountant; prepare the budget document for yearly budget meeting; will be responsible for accounting of all fiscal activities; will be responsible for administrative duties for the District. The functions of the Secretary/Treasurer shall be fulfilled by a paid staff person. Such person shall be bonded in an amount determined by the Board of Directors. The official title of the office may be stylized at the discretion of the Board of Directors.

First Reading, BMTD Bylaws

The Board of Directors consists of five members. Terms of office shall be on a staggered basis **of two classes. Class A shall include three Directors elected in the year succeeding a midterm election. Class B shall include two Directors elected in the year succeeding a Presidential election.** Directors are to serve terms of 4 years. Elections shall be held every 2 years. The Board of Directors are elected by the people within the boundaries of the Blue Mountain Translator District (Baker and Union Counties).

Blue Mountain Translator District 6

5.d. Budget Overview

Introduction

Oregon Revised Statutes require translator districts to approve annual or biennial budgets during a process that extends from May-June. BMTD staff are required to project revenue and expenditures, categorizing both on forms provided by the Department of Revenue.

Budget Officer Work

Unless a local government's governing documents designate a budget officer, an individual must be appointed in the month of January preceding the drafting of a budget. The Bylaws of BMTD designate the Secretary/Treasurer as the budget officer. Historically, the Secretary/Treasurer, Board President, and another Director meet with the District's accountant to discuss likely revenue and expenditures. Following this meeting, the Secretary/Treasurer drafts the budget between April and May.

Budget Committee Work

The Board of Directors must appoint a Budget Committee to examine the proposed budget. By law, this Committee is composed of all 5 Directors and 5 at-large BMTD electors. At a minimum, 6 of these seats must be filled for the Committee to conduct business. At-large Committee members are appointed by the Board at a regular meeting immediately preceding the Budget Committee hearing.

During the Budget Committee hearing, the Budget Officer introduces a budget based on revenue and expenditure projections. The largest revenue source in the District's general fund revenue includes the sum of projected service charge payments and 90% of property tax liens collected by Baker and Union Counties. Other revenue includes the lease and sublease of various district properties.

Budget Forms & Resolutions

The Budget Committee examines the following forms prepared by the Budget Officer:

- LB-1: Notice of Budget Hearing
- LB-11: Reserve Fund Resource & Requirements (2)
- LB-20: Resources (General Fund)
- LB-30: Requirements Summary
- LB-31: Detailed Requirements:
- LB-50: Notice of Property Tax and Certification of Intent to Impose a Tax, Fee, Assessment or Charge on Property

The Budget is authorized by Resolutions passed by the Board of Directors:

Blue Mountain Translator District 7

- Resolution Adopting Budget
- Resolution Making Appropriations
- Resolution Imposing Delinquent Fees in Baker County
- Resolution Imposing Delinquent Fees in Union County

Board Work

The Board of Directors meets in June to consider adopting the budget resolutions. Because service charge exemptions can be requested until May 31, the Budget Officer must revise revenue projections and modify the budget accordingly. For the 2018-2019 fiscal year, the original budget was drafted to include a surplus that absorbed a decrease in funds following the revision of projected revenue. The Board is permitted to authorize alternative modifications to expenditures in order to incorporate revised revenue changes.

Potential Revenue

The Budget Officer projects 500 service charge payments, equaling \$50,000.00. 90% of property tax liens valued at approximately \$61,000.00 equals \$55,000.00.

The regular lease and sublease of certain district properties will result in the collection of approximately \$11,800.00 in income.

The District also leases access to a powerline on Mt. Fanny to 8 lessees for an annual cost of \$1,000.00, resulting in income of \$8,000.00. This income is placed in a restricted account, governed as the Mt. Fanny Powerline Reserve Fund. Average annual interest is approximately \$11.00.

At our Mt. Fanny site, three other entities reimburse BMTD for power purchased from Oregon Trail Electric Cooperative Corporation. This amount averages \$20,200.00 per year.

BMTD will begin receiving monthly payments of \$83 per year from 2 different subleases beginning in July 2019, resulting in the payment of \$1,992.

BMTD maintains a money market account governed as the Money Market Reserve Fund. Average annual interest is approximately \$25.00.

Total BMTD revenue is currently projected at \$145,000, an increase of approximately \$20,000 from the previous year.

Budget Perspective

BMTD's budget projected \$125,000 in revenue, but \$130,000 in revenue has been collected. As of April 1, BMTD's expenditures have not exceeded \$81,000.00. Staff project a beginning general fund balance of \$130,000.00.

Blue Mountain Translator District 8

5.d. USFS Special Use Permit

Introduction

BMTD has leased property on Mt. Fanny from the US Forest Service since the 1970's. BMTD's most recent special use permit, filed in 1997, expired December 31, 2016, and BMTD did not renew the permit. Staff will file the appropriate Application for Transportation and Utility Systems and Facilities on Federal Lands. This application requires lessees to describe the use of property, and provide documentation regarding operations. The USFS asks that the application be adopted by resolution of the Board of Directors.

Resolution 2019-1

Whereas Blue Mountain Translator District previously held a lease from the US Forest Service for a property on Mt. Fanny,

Whereas the lease expired in December 2016,

Whereas the district must renew the lease for continued use from the US Forest Service,

Resolved, the Board of Directors approves the APPLICATION FOR TRANSPORTATION AND UTILITY SYSTEMS AND FACILITIES ON FEDERAL LANDS.

Blue Mountain Translator District 9

5.e. Lease Agreement

Introduction

BMTD has provided use of facilities to First Baptist Church/Grande Ronde Christian Radio without collecting a fee. During negotiations with KOLU to lease space on Mt. Harris for a translator, Directors asked that both entities begin paying a fee of \$83.00 per month, allocating this income to the Repairs & Maintenance line item in BMTD's budget. The contract below is a duplicate of the agreement with KOLU, modified to reference FBC/GRCR.

Site Lease Agreement

Blue Mountain Translator District (BMTD) and La Grande First Baptist Church/Grande Ronde Christian Radio or assigns, enter into this Site Lease Agreement ("Lease") this 1 day of July, 2019.

For the sum of \$83.00 per month, BMTD agrees to provide La Grande First Baptist Church space on its tower and in the building located on the peak of Mt. Fanny, Union County, Oregon, for the purposes of operating radio transmission and receive frequencies in the operation of its broadcasting in the Grande Ronde Valley, OR area. Revenue from these payments shall be allocated to the Materials & Services - Repairs & Maintenance line item in the Engineering Program of BMTD's General Fund.

The term of this Agreement shall be for a period of three (3) years and the parties shall have the option to renew this Agreement for three (3) additional and consecutive three (3) year periods. Each additional term will automatically renew if neither party provides notice 90 days before each renewal period of intent not to renew. If no notice is given, then each additional period will automatically renew. BMTD and La Grande First Baptist Church both have the right to terminate the contract for whatever reason with 90 days' written notice to the other party at least 90 days prior to any renewal period.

This Lease shall become effective and the first payment due upon La Grande First Baptist Church receiving all necessary permits and authorization from the FCC and commencement of installation of its transmission and reception equipment.

The Rent shall increase by 10% on each of the three (3) year renewal periods on the anniversary date of each three (3) year period during the term of this Agreement.

Blue Mountain Translator District 10

BMTD is providing keyed entry and access to its building and hereby consents to reasonable access to the building as necessary for the installation, operation and maintenance of The Station.

La Grande First Baptist Church agrees to provide Liability Insurance of not less than \$1,000,000.00 at all times during the Lease. La Grande First Baptist Church further agrees to carry fire insurance. La Grande First Baptist Church will add BMTD to both policies as an additional insured.

Any equipment or fixtures installed by La Grande may be removed by La Grande First Baptist Church if doing so does not cause damage to the existing structure. If the equipment or fixture cannot be removed without damaging the structure, the equipment or fixtures shall become property of BMTD.

Transfer of this Lease shall be allowed by written consent by BMTD to La Grande First Baptist Church upon its acquiring the Assets of the Station. BMTD agrees not to unreasonably withhold any such consent if La Grande First Baptist Church were to transfer or sell The Station to any other party.

Specifications of the facility as planned which may be altered as needed so long as La Grande First Baptist Church's equipment fits within the tower specified and the equipment rack within the building:

ERP:
Antenna:
Transmitter:
Coax:
Rx Antenna:
Rx. Coax:
Frequencies:
Telemetry:

This agreement shall be governed by the laws of the State of Oregon, Union County.

If First Baptist Church, upon physical inspection of the Site, determines the purposes for which First Baptist Church entered into this Agreement are not feasible, the parties agree to mutually terminate this Agreement at no cost to either party.

Blue Mountain Translator District 11

Entered into this 1 day of July, 2019.

BLUE MOUNTAIN TRANSLATOR DISTRICT

Tim Wallender, Board President
Blue Mountain Translator District
P.O. Box 901
La Grande, OR 97850
Phone: 541-963-0196

Mark Claudson, Pastor
La Grande First Baptist Church
1110 Spring Ave.
La Grande, OR 97850
Phone: 541-963-3911

Cash Flow - 07/01/2018 to 06/30/2019

Selected Accounts

- [Assets](#)
- [Assets:Current Assets](#) and selected subaccounts
- [Imbalance-USD](#)
- [Orphan-USD](#)

Money into selected accounts comes from

Equity:Checking Opening Balance	\$115,809.33
Equity:Money Market Opening Balance	\$49,168.09
Equity:Mt. Fanny Opening Balance	\$25,801.41
Expenses:Engineering:GF Equipment	\$25.00
Income:Interest Income:MF Interest	\$10.41
Income:Interest Income:MM Interest	\$16.37
Income:Lease Income	\$10,797.40
Income:Other	\$2,930.25
Income:Power Reimbursement	\$12,708.38
Income:Powerline Leases	\$8,000.00
Income:Property Taxes	\$43,128.80
Income:Service Charges	\$52,409.00
Money In	\$320,804.44

Money out of selected accounts goes to

Expenses:Advertising	\$2,781.94
Expenses:Consultant	\$3,142.40
Expenses:Election Cost	\$1,132.77
Expenses:Engineering:GF Equipment	\$13,146.00
Expenses:Engineering:GF Technicians	\$9,642.50
Expenses:Fees	\$921.02
Expenses:Insurance:Liability	\$2,664.00
Expenses:Insurance:Worker's Comp.	\$564.90
Expenses:Leases	\$3,487.27
Expenses:Membership Dues	\$1,043.04
Expenses:Office Supplies	\$74.22
Expenses:Payroll Expenses	\$8,706.87
Expenses:Postage	\$1,905.63
Expenses:Professional Services	\$3,253.33
Expenses:Refunds	\$400.00
Expenses:Rent Expense	\$1,791.84

<u>Expenses:Taxes</u>	\$3,481.81
<u>Expenses:Travel & Education</u>	\$842.56
<u>Expenses:Utilities:Phone & Internet</u>	\$747.36
<u>Expenses:Utilities:Power</u>	\$20,353.49
Money Out	\$80,082.95

Difference **\$240,721.49**

Profit & Loss For Period Covering 07/01/2018 to 06/30/2019

Revenues

<u>Income</u>	\$0.00
<u>Antenna Sale</u>	\$0.00
<u>Interest Income</u>	\$0.00
<u>MF Interest</u>	\$10.41
<u>MM Interest</u>	\$16.37
<u>Lease Income</u>	\$10,797.40
<u>Other</u>	\$2,930.25
<u>Power Reimbursement</u>	\$12,708.38
<u>Powerline Leases</u>	\$8,000.00
<u>Property Taxes</u>	\$43,128.80
<u>Service Charges</u>	\$52,409.00

Total Revenue **\$130,000.61**

Expenses

<u>Expenses</u>	\$0.00
<u>Advertising</u>	\$2,781.94
<u>Antenna Cost</u>	\$0.00
<u>Consultant</u>	\$3,142.40
<u>Election Cost</u>	\$1,132.77
<u>Engineering</u>	\$0.00
<u>GF Equipment</u>	\$13,121.00
<u>GF Repairs & Maintenance</u>	\$0.00
<u>GF Technicians</u>	\$9,642.50
<u>MF Powerline Maintenance</u>	\$0.00
<u>MM Equipment</u>	\$0.00
<u>Fees</u>	\$921.02
<u>Insurance</u>	\$0.00
<u>Liability</u>	\$2,664.00
<u>Worker's Comp.</u>	\$564.90
<u>Leases</u>	\$3,487.27
<u>Membership Dues</u>	\$1,043.04
<u>Office Supplies</u>	\$74.22
<u>Payroll Expenses</u>	\$8,706.87
<u>Postage</u>	\$1,905.63
<u>Professional Services</u>	\$3,253.33

<u>Professional Services</u>		\$5,255.00	
<u>Refunds</u>		\$400.00	
<u>Rent Expense</u>		\$1,791.84	
<u>Taxes</u>		\$3,481.81	
<u>Travel & Education</u>		\$842.56	
<u>Unknown Expenses</u>		\$0.00	
<u>Utilities</u>	\$0.00		
<u>Phone & Internet</u>	\$747.36		
<u>Power</u>	\$20,353.49		
Total Expenses			\$80,057.95
Net income for Period			\$49,942.66