

2-27-25

GSMS BOD Public Meeting Minutes

DATE: 2-27-25



LOCATION: Videoconference

BOARD MEMBERS

1. Karen Kissinger - remote
2. Britni Beck - remote
3. Paul Flores - remote
4. Bailey Walker – remote

Also in attendance:

1. David Tam - remote
2. Sara Santo - remote
3. Kathy Gregory-remote
4. Peter Gregory – remote

*The GSMS BOD meeting was called to order by Vice-Chair, Britni Beck 10:04am CST

Absent: Chairman Fee

***Prior Meeting Minutes:**

- Karen made a motion to approve the submitted minutes from the last meeting (1-23-25). Britni seconded. No discussion. All in favor. Motion carried.

***Meeting of the General Council on 5-3:**

- The discussion began with an overview of the upcoming quarterly meeting scheduled for May 3rd, which will focus on financial matters and the Grey Snow Construction audit. Kathy is set to provide insights on the audit, while Kathy and Sara are collaborating with the auditor, Julie Bauman. Discussions, focusing on the ROI analysis for the Grey Snow establishment, which estimated a significant return on investment and raised concerns about effectively communicating this value to the General Council.

Along with financial reports, David initiated a discussion about an upcoming meeting with Robert Hullman and Tony Fee, addressing concerns about the timeline for audit reports in the near term and the current auditor completing tasks within the timelines. The board considered the implications of potentially switching auditors and agreed to further assess the situation.

David Tam suggested Peter Gregory join the meeting to present an analysis regarding Grey Snow's value. The meeting addressed the ROI for the establishment of Grey Snow, emphasizing the importance of understanding the Tribe's assets, including those from SolarTAC and ITKN. A preliminary valuation suggested a low range of \$5 million to a high range \$20 million valuation, with a calculated ROI of \$10.8 million on a \$4 million investment.

The discussion also touched on the need for clear communication to tribal members regarding the long-term value of these investments. Communication strategies for conveying the value of investments to tribal members and newly incoming members of council with benchmarks and upcoming projection were discussed.

Kathy pointed out the need to shift the mindset from viewing the funding as a loan to recognizing it as a perpetual investment, which offers ongoing distributions. David reinforced this by explaining that the funding from ARPA is strictly an investment and cannot be treated as a loan without risking an audit and potential financial penalties. He also mentioned the importance of communicating this perspective to the Tribe to ensure understanding of the value of their investment.

***FTZ, Conference, Energy finance Conference, RES Conference:**

- David Tam reported on his attendance at the FTZ conference in Washington, D.C., where he made valuable connections. He anticipates that the FTZ driveway will be completed by the end of March, coinciding with the expected agreement. David will also be attending the Energy Finance Expo in Phoenix to help leverage funds for energy projects and potential upcoming funding freezes from the federal government. David and select members from Grey Snow Subsidiaries will be in attendance for RES 2026. Board members Britni Beck and Dr. Karen Kissinger will be in attendance in different capacities but will still participate in Grey Snow awareness.

***Board Member positions open:**

- David Tam discussed the current vacancies on the board, highlighting the secretary position. Dr. Karen M. Kissinger noted existing confusion about the appointment process, while Britni Beck suggested that the Executive Council may not be familiar with the appointment process in the Grey Snow operating agreement. The board agreed on the importance of filling the secretary position and considered appointing Paul Flores as interim secretary. After brief discussion on officer appointments the board agreed to appoint Paul Flores as interim secretary until rules of appointments can be verified.

Motioned by Dr. Karen M Kissinger Second by Britni Beck. All in Favor. Motion carried.

***The Mission:**

- Grey Snow has started paying (sponsoring the membership) for the Starlink for the Mission in honor of Lance. The actual Starlink is w/ Job and he is working w/ Alan to get it set up at the Mission.

David Tam reported on the status of the United Tribes building - significant construction issues have led to leaks and damage, necessitating repairs that could cost between one to seven thousand dollars. The board has decided to seek alternative contractors for the repairs.

***Grant Management and Strategic Communication:**

David Tam provided an update on grant management, mentioning a court ruling that allows for the indefinite funding of grants. He stressed the importance of being diligent in fund drawdowns and acknowledged the support from agencies. Tam also pointed out that staff cuts are hindering progress and discussed the need to adapt communication strategies, particularly in framing agricultural projects as related to national security.

***White Cloud Project and Grant Updates:**

David Tam outlined the progress of the White Cloud project, which is set for a live activation event on April 31st, with only a 300-foot aerial section remaining. He noted ongoing challenges with the Kickapoo project related to financial audits and shared insights on a partnership with a native-owned 8A company for IT projects. Additionally, he addressed issues surrounding grant funding and the need for the tribe to expedite the drawdown process. Revisited discussion on the need for increased ACH limits for high-volume projects.

***Financial Updates and Project Discussions:**

David Tam addressed the financial difficulties GS3 is experiencing due to federal funding freezes, emphasizing the need to protect ongoing projects. He mentioned the partnership with GE and the submission of the Metro Project application, which is intended to resolve bonding challenges. Financial projections for 2025 were presented, indicating a conservative estimate of \$290,000 in profit and cash from GS3. The speaker noted that the communications segment's \$10 million revenue includes a one-off construction project, which may not be repeated annually. Additionally, green energy was highlighted for its strong profit margins despite smaller numbers, contributing positively to overall business valuation.

***Discussion on Fiscal Policy:**

Dr. Karen M. Kissinger raised the issue of drafting a fiscal policy in light of upcoming meetings, while David Tam pointed out the significant administrative challenges involved. Paul Flores also included that during his experience with tribal

subsidiaries that a 9 month standard is best practice in the event of a zero cash flow scenario. The board discussed the importance of having a fiscal plan in place. Kathy did concur that 9 months is the standard timeline for enduring operating costs.

The board discussed a document from Misty concerning distribution management and operating reserves, with David proposing that they compile comments to send to the board for approval. Britni highlighted the importance of involving business representatives in the review process. Dr. Karen expressed support for Kathy to work on a financial policy that defines these issues, as the organization currently lacks such a document. Kathy will work on drafting a financial policy regarding profit allocation and reserves.

A motion was made by Paul Flores and seconded by Dr. Karen Kissinger to draft a financial policy for profit allocation. All in favor, motion carries.

Motion to adjourn by Paul Flores at 12:19 CST Second Bailey walker, Unanimous.