


Approved 2/11/04 

January 14, 2004 Big Sky Resort Area District Open Board Meeting Minutes

Present: Lance Child, Director Al Malinowski, Director
Carol Collins, Chair Jim Muscat, Vice-Chair
Rena Schumacher-Sec. Treas. Mona Jamison-Attorney
Sarah Ouellette-Administrative Officer

1. 12:15 Called meeting to order.
2. Public Comment: None
3. December 10, 2003 open meeting minutes: remove Lance's name, as he was not present. Rena made a motion to pass with the change, Al 2nd. All in favor.
4. Annual Audit: After board review Al brought it to the board's attention that it contained information that we cannot disclose to the public. The audit named a taxpayer. Also, the audit contains information that says we can put a lien on someone's property if they default on their taxes. When, in fact, the board would have to file a law suit and get a court order for a lien. Sarah mentioned that it already had been sent to the State Dept. and would therefore have to be amended by our accountant. Carol will call accountant/auditor to discuss changes. Audit also recommended that the board begin reviewing checks written each month. Sarah pointed out that the board does at each monthly meeting receive a report which contains this information. Board decided that from now on they would formally approve this report. Audit also recommended that the board review the bank statements prior to the administrator reconciling. It was decided that Lance would review each month prior to reconciliation. Jim made a motion to implement the above procedures, Al 2nd, all in favor.
5. Resort Tax Application: After some discussion, it was placed on next month's agenda.
6. Ordinance 98-01-Mona gave an overview of the changes she had made per the board at a previous meeting. Lance suggested we keep the changes under 9G and 9J that Mona had done, but thought we should remove language in 10R. Board also wants "office supplies" under 10R now. Mona to make changes and bring to next meeting.
7. Collections Procedures: Handout was given to bd. members, after reviewing Jim reiterated the administrator should be consistent and follow up on agreement. Jim would like copy of collection letters.
8. Emergency Fund: Board reviewed, Mona pointed out again that the ordinance says it takes a unanimous vote to spend funds from emergency fund, but, it only takes a majority to change the ordinance. Mona said that currently the board can change the amount in the fund because it is not a statue. Although, to cover the board, she said the board could amend the ordinance. Subject was tabled.
9. Allocations: Was mentioned that the board needs to discuss allocation dates, etc.
10. Financial Reports: Al made a motion to accept and approve the checking transactions detail by account report, Lance 2nd, All were in favor.
11. Meeting adjourned at 2:05

February 11, 2004 Big Sky Resort Area District Open Board Meeting Minutes


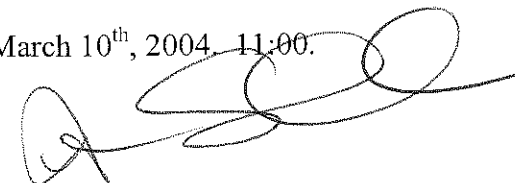
Present: Lance Child, Director
Carol Collins, Chair
Mona Jamison, Attorney
Sarah Ouellette, Admin. Officer
Walter Ainsworth, Big Sky Chapel

Al Malinowski, Director
Rena Schumacher, Sec.-Treas.
Marlene Fontana, Friends of Library
Marylou Cook-Friends of Library

1. 12:05 Called meeting to order.
2. January 14, 2004 open meeting minutes: Rena Schumacher made a motion to approve with spelling corrections on #8 and on #4 amend "Carol is supposed to..." to read "Carol will call...", and change "business supplies" to "office supplies" in Sect. 10 r on proposed changes to Ordinance 98-01. Al 2nd. All in favor.
3. First Reading to Ordinance 98-01: Carol Collins read the proposed changes, which were in Sect. 1 b, Sect. 9g, h, i, j, k, l and Sect. 10 r.

Public Comment to Ordinance 98-01: Marylou Cook asked that the words "Substantially Commercial" in 9J be clarified. Carol and Mona both summarized the statute. Mona said there is no statutory right for non-profits to be exempted from collecting resort tax. Mona also stated that it is the *items* that are taxed, not entities. Marne Hayes asked if the vendors at the country fair should collect tax. She was told they should collect as they are commercial vendors. Walter asked if the Gallatin Canyon Women's Club should then collect on their cook books. Mona said if it is a needed item, then no it is not taxed, but if it's a luxury item, then yes it is taxed. After much discussion the board decided to change 9J to read "fundraising that is substantially commercial in character." Lance made a motion to approve this new language, Rena Schumacher 2nd, Carol was in favor; Lance, Rena Schumacher and Al were opposed. Motion failed. Rena Schumacher made a motion for 9J to read "Fundraising activities, or parts thereof that are substantially commercial in character." Al 2nd., All in favor.

4. Legal Opinion #55-tabled
5. Resort Tax Application: Al made a motion to approve the final draft/changes on the application along with the dates set forth for the public meetings regarding allocations. Rena Schumacher 2nd. All were in favor.
6. Audit for FYE 03: Lance made a motion to approve the audit with the amendments that were made by auditor Holmes and Turner which were recommended by the board at the previous board meeting. Rena Schumacher 2nd., all were in favor.
7. Financials: Al made a motion to approve, Lance 2nd. All were in favor.
8. Meeting adjourned at 2:05, Next meeting scheduled for March 10th, 2004 11:00.

 Approved 2/12/04 

Approved 4/12/04

X A S O O


March 10, 2004 Big Sky Resort Area District Open Board Meeting Minutes

Present: Lance Child, Director
Carol Collins, Chair
Sarah Ouellette, Admin. Officer
Diane Lundsten, Big Sky Chapel
Jim Muscat, Vice Chair

Al Malinowski, Director
Rena Schumacher, Sec.-Treas.
Marne Hayes, BS Chamber
Mindy Nowakowski, BS Assn. Arts
Beth Leady, BS Assn. Arts

- 1) Meeting called to order at 12:10 P.M.
- 2) Public Comment: M. Nowakowski asked that "substantially commercial in nature" be clarified. She went on to say that it would be helpful if BSRAD had a form to complete each time they had an event in question regarding resort tax. She also said she did not understand why religious organizations did not have to collect the resort tax. She asked how the rental of Art's pavilion verses rental of a church was different. Lance explained that if for example, the Assn. for Arts rented out their pavilion for a wedding, they would need to collect the tax. He also clarified that they (the Arts) would *collect and submit* the tax, they did not simply pay the tax. However, if a religious organization rented their church for a service, they were not required to collect the tax because they are exempt. Carol said that any rental for less than 30 days is subject to resort tax, unless it's exempt. Carol said the board would discuss this issue later.
- 3) February 11, 2004 open meeting minutes: Rena Schumacher made a motion to approve minutes with the following corrections: On #3 insert the word "is" after "Mona said if it..." Carol said to change the words "motion died" to "motion failed" in reference to voting on language in Ordinance 98-01. Al 2nd motion. All were in favor.
- 4) Ordinance 98-01-2nd Reading to proposed changes: Jim made a motion to approve this second reading, Al 2nd motion. All were in favor. Carol explained to the public that the ordinance is a working document and it can be changed, etc.
- 5) Public Comment: Mindy N. expressed that she thought the Arts Madrigal Dinner would be an example of a "substantially commercial" event to be taxed, and that the Arts Chili Cook-off, in which "donations" instead of a fee would be accepted, would not be taxed. Board concurred.
- 6) Emergency Fund: It was stated that the balance that was currently in the fund was from a previous board's approval. Board discussed possibly moving some of the monies out of this fund back to the general fund. Carol said that according to Mona it only requires a majority vote to do this. However, to allocate "emergency funding", a unanimous vote is required by the board. No action was taken.
- 7) Proposed Budget 04/05: Discussed changes, make appropriate changes on noted budget, bring back to board.
- 8) Opinion #55 regarding board members refraining from voting, etc.: Board discussed. It was noted that if a members refrains, then they should give a reason. No action was taken.

- 9) State Audit Reply: Handouts were provided and reviewed, board said they were OK.
- 10) New Business: Carol asked that the Administrator or a board member attend the next Gallatin Building Assn. meeting and keep board abreast. Sarah said she would look into.
- 11) Financials: Renae made a motion to approve the "Transaction by Detail" financial report, Al 2nd, All were in favor. Renae made a motion to approve all financial reports in board packet, Al 2nd, All were in favor.
- 12) Next meeting is scheduled for Monday, April 12, 2004 at 11:00 AM

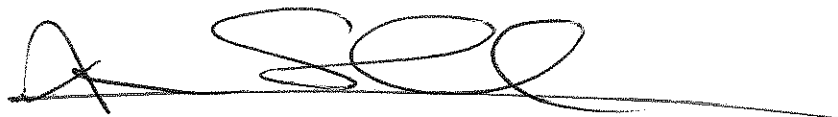
Approved 5/19/04 

**BIG SKY RESORT AREA DISTRICT OPEN BOARD MEETING
APRIL 12, 2004**

Present: Renae Schumacher-Secretary-Treasurer Carol Collins, Chairperson
 Jim Muscat-Vice Chairperson Al Malinowski-Director
 Sarah Ouellette-Admin. Officer Lance Child-Director
 Public: Mindy Nowakowski

- 1) Public Comment: None
- 2) Minutes of March 10, 2004: Al made a motion to approve, Lance 2nd All in favor.
- 3) At 12:10 meeting was called to order by Carol Collins.
- 4) Adoption of Ordinance 98-01: Lance made a motion to adopt Ord. 98-01 with approved changes from the two previous board meetings, 2nd by Renae, All in favor.
- 5) BSOA Emergency Allocation: BSOA submitted a request for \$2340.00 for reimbursement of TV translator expenses. Renae did not see this as an "emergency" request, the board concurred. After discussion, Lance made a motion to deny as an emergency request, Renae 2nd, all were in favor. Board recommends that BSOA submit as regular application for the upcoming allocation period. This request may serve as their application per the board.
- 6) Questionnaire: Carol asked Sarah to present board with an example form that BSRAD could make available to public to determine if a certain event would be required to collect the resort tax or not. Issue was tabled previously.
- 7) Budget: Al suggested we budget \$5000 for a web-site and asked Sarah to contact Pete Bolaine for estimate, etc. Carol suggested we increase wages to \$25,000 due to hiring a temporary employee and training this summer.
- 8) Emergency Fund: Put on May agenda.
- 9) Auditor Position-Place ad for one after tax season.
- 10) Financials for March 2004: Al made a motion to accept, Renae 2nd, all in favor.
- 11) Legal Opinion-Summary: Carol presented board with a legal summary on maternity leave .
- 12) Lance made a motion to adjourn.

Approved 6/9/04



**BIG SKY RESORT AREA DISTRICT OPEN BOARD MEETING
May 19, 2004**

Present: Renae Schumacher-Secretary-Treasurer Carol Collins, Chairperson
Jim Muscat-Vice Chairperson Al Malinowski-Director
Sarah Ouellette-Admin. Officer Lance Child-Director
Mona Jamison-Attorney

Public Comment: The following people voiced their support for the respective applicants: Deborah Dietz, BSOA Playground Equip and Chamber Airline Marketing, Barbara Gillespie, Big Sky Library, Transportation request, Post Office request and the BSOA Park Land, Krista Boersma, BSOA Playground Equip and Water Quality Monitoring through BSCWSD #363, Dee Rothschilder, BSOA Playground Equip., Kate Wilson, Fire Dept., Chamber of Commerce requests and Transportation Dist., Barbara Rowley, BSOA Playground Equip and BS Library, Dave Connors, Chamber requests & Transp. District., Jackie Robin, BSOA Playground Equip., Trails, BS Library and Arts Assn., Devon White, Chamber, Transportation District and BS Library, Caroline Henley, BSOA Playground Equip., Quality Water Monitoring and the BS Library.

Question and Answer Forum for applicants

1) BS County Water & Sewer, Ron Edwards and Katie Alvin: a) Water Quality Monitoring is in C/O Blue Water Task Force-requesting \$9918.00. Katie stated that all the advantages from this program are in Big Sky. Currently they have no money on hand or an operating budget. They are a brand new entity that was previously run through MSU. Said the money is for their bare essentials. Are working on their non-profit status. Their data is posted on a web site. J. Muscat asked what their long term goals were. Katie clarified that they were not an enforcement group and that their original concern was if the BSCWSD began to use their discharge river permit and what it would do to the river. Also, their data is used to get base-lines set on water quality; it's basically used to inform public. They have a site on the Yellowstone Park line and 6 others in the Big Sky area.

b) Debt Service, Ron Edwards: Requesting \$200,000 for Water tank in Meadow Village for tax relief to tax payers in the District. Lance asked how they had come up with that particular amount. Ron said it was the amount their board discussed and agreed upon.

2) Post Office, LLC, Jerry Scott: Requesting \$20,000 to fund operating indebtedness. Jerry stated that it serves the entire community. In 2001 a survey was done and more hours were requested. Jerry said they received 60% of their funding in their postal increase request. Gallatin Associates only manages the Post Office LLC. C. Collins asked Jerry what "labor burden" represented in their budget. Jerry said it excludes wages and that it was for payroll taxes and Health Ins. premiums. Gallatin Associates is one of the three members of the PO LLC. A board member asked what the \$15,000 in their budget was for. \$7200 is for the P.O. property taxes; they are on a net lease and it is their proportionate share. Carol stated that Jerry "knew" going into it what it was

going to cost to operate and that he most likely did it for the “draw” to his real estate business. Jerry said it helps the draw but they originally thought they could run the post office at breakeven. Mona Jamison clarified that by case law, this request is legal to fund even if it’s a “for-profit” business. Lance requested a P&L from last year. Jerry reiterated that the request is only to cover the deficit-it’s not to make a profit. Al Malinowski said that “awards” are identified in the budget as raises for the employees. Al said that up until now, there was no need to be a “non-profit” business when asked why the PO LLC wasn’t set up that way initially. Jerry mentioned that they have a great relationship with the USPS and are continually asking that a USPS station be located in Big Sky.

3) Gallatin County Sheriff’s Office, Frank Calvin: Request is for \$95,849.00 to fund a full time deputy in Big Sky. Currently the other two deputies are funded by Madison County. West Yellowstone has 2 additional deputies living there which are funded by Gallatin County. James Cashell is currently working on getting funding from the Gallatin County for another deputy here as well. This request includes money for training. They will find out in June from the County Commissioners if they will approve these deputies. C. Collins stated that our contract with the county says that the resort tax board (if funding is approved) will disperse funds if the county approves the other 3 deputies for Big Sky in their budget.

4) Friends of the Big Sky Library, Kathy House & Marlene Fontana: Request is for \$41,246.00. They have recently extended their hours and that’s why they’ve increased their request. They have issued 1050 library cards. They currently are doing some fund raising. 76% of their budget is requested from resort tax. DSL cost is split with 3 other entities. Lance asked if they could apply for grants. Kathy said they do apply for at least two; however, they are limited this way because they are not considered a “legal” library.

5) Fire Department, Jason Revisky: Request is for \$338,100 for equipment. Most of it is for a 3rd ambulance with a defibulator at \$190,000. \$80,000 is for a Fire Sprinkler System for the meadow fire station and \$40,000 is for roof repairs. Other equipment requested for funding: Pump for truck for wildfires, a Thermal Imaging unit which provides images of heat, fire fighters and pinpoints fires and accident victims, new radios which they will ask for federal funds for too, which are very expensive, portable tanks used where there are no hydrants while tenors are gathering more water & updated hoses. Al asked why they chose this particular ambulance. Jason said for one they are trying to avoid “payments” and a lease and that the Fire Bd. left it up to the Fire Dept. to get bids on ambulances. They want one that will last 8-10 years. Renae asked about the radios and how many the \$28,000 will pay for. Jason responded 10. Jason mentioned that generally the Fire Dept. is turned down for federal funds. Jason clarified that on the budget presented that the first line represents last year’s budget, the second line represents the “actual” and the third line is their new budget. Renae questioned their “maintenance” budget. Carol said it was under “contingencies.” Lance asked why the resort tax request for maintenance was \$80,000, but their budget showed only \$20,000. It was pointed out that basically there are inconsistencies in budget vs their request. Jason will get clarified for board.

6) Early Childhood Enrichment Fund, Nettie Quackenbush: She asked that their application be removed from consideration.

- 7) Chamber of Commerce, Mark Roemer and Marne Hayes, Meg O'Leary: a) Operating-General application is for \$65,375 for publicity campaign, a study, printing pieces and operations. The Publicity Campaign is supplemented by the Lodging Group and the C.V.B. Economic Impact study-They hired a company to do a survey and gather information. The rest is for a Travel Planner and Map-two print pieces. Renae asked how the study would be beneficial. Marne responded that many people calling in ask statistical questions regarding real estate sales, economics and population, etc. b) Fire Works Show: Requesting \$5000 for fireworks show for July 4 celebration. c) Airline Marketing-Basically the flights are pre-bought with the Airline, and if they are not actually sold by the end of the year then Big Sky Resort or whoever contracts with the airline pays for it. If funded, the money would be used only for marketing, not as a part of the guaranteed payment to the airline. Al asked Marne if there had been a previous marketing plan in place. She said it was mainly through Big Sky Resort. Lance asked if Big Sky Resort would continue to do marketing. Meg O'Leary said yes, a significant amount. Al asked Meg if a schedule of the flights had been made yet. Meg said within the next couple of weeks there would be one-in June.
- 8) Buckridge Snowmobile Trl. Grooming, G.V.S.A., Devon White-Request is for \$14,500.00. The Gallatin Valley Snowmobile Assn. grooms twice a week and the resort tax pays for one of these (if funded). Fish Wildlife and Parks pays for the other time. Devon noted that the cost of fuel and maintenance has gone up.
- 9) BSOA TV Translators, Dee Rothschiller: Request is for \$2340 to cover budget overage in current years' budget for unforeseen maintenance.
- 10)BSOA Softball Field, Carol Pranka: Request is for \$45,000 for the purchase and the installation of lights, and some field resurface work. Carol mentioned that the softball league has gotten these lights at a fraction of the cost and that the league is putting in a lot of volunteer work. She said this would be an addition to many of the evening activities and that light pollution should not be an issue because there will be a "cutoff" time for the lights. Resort tax funds would be 75% of the total cost to perform this. The rest is volunteer labor or coming from existing funds.
- 11)BSOA Signage, Dee Rothschiller: Request is to rollover \$9868.62 from last year's allocation. For remaining signs and maintenance. This amount should complete the whole project.
- 12)BSOA Public Service, Dee Rothschiller: Request is \$10,500 for maintaining intersection lights and TV translators. Provides service to Big Sky as a whole.
- 13)BSOA Playground Equipment, Nettie Quackenbush: Request is for \$84,347. Serves many age groups, up to approximately 14 years old. Site is by bathrooms and covered tables. (Fencing is not included in request, but said they are installing.) Jim asked if there was a master plan for the park. Dee R. said after the playground equipment, the size of the park would be maxed out. She said the BSOA representatives are confident about the area they have chosen to put it in. Nettie said they walked the area with Bill Olson and the equipment installers.
- 14)BSOA Park Land Purchase, Mitch Fur: Request is for \$200,000 to go toward the purchase of additional park land. She said they are currently fundraising for this as well. They are also applying for matching grants from the Open Lands Board, but are allowed to apply for only 30% of the total. She said the anticipated amount of request changed due to the potential availability of funds from the Open Lands.

- 15)BSOA Ousel Fall Trail, Mitch Fur: Request is for \$3700 to finish parking lot by installing culverts and to revegetate the old trail.
- 16)BSOA Crail Ranch Trl, Mitch Fur: Requested \$11,000 to reroute the trail due to Spanish Peaks Club being built right over the trail. She said an easement is in place. Trail will tie into BSCWSD trail that goes into their facility. Mitch said this trail is a little more expensive to make per ft. because it's wider than the typical trail.
- 17)BSOA Beehive Trail Extension, Mitch Fur: Request is for \$15,200 to connect the current Beehive Trail to the Summit View Trail. Bill Olson is working on this with Madison County. This trail would allow someone to hike a loop instead of going directly up, then back down. Board asked if there was an easement in place. Mitch said that the Summit View Owners Assn. currently controls their trail and that there is not an easement in place, but it is currently open to the public. She said there could be a license in place though, because many trails are operated in this fashion. It was noted that the trail does enter part of the Summit View conservancy. Carol requested a map from Mitch.
- 18)BSOA 191 Trail Repair, Dee Rothschilder: Request is to rollover \$827.65 from 1st years allocation to do maintenance on trail. Dee said she sent out 28 letters to businesses along the trail and received 4 contributions toward the trail.
- 19)BSOA Spur Rd. Eng Study, Mitch Fur: Requesting \$12,925 for expenses they went over on in the development of the trail. Mitch said they have received partial funding for a bridge they need to install. The trail is supposed to connect to the West Fork and Canyon trails. She said the study and engineering is the first necessary step. Most of the proposed trail is in the transportation district's right of way as far as easements. Basically this is a cost over run.
- 20) Big Sky Transportation Dist, Meg O'Leary: Requesting \$330,950. Meg presented board with last year's study they performed. Meg said their ridership was at 43,450 riders last winter. Al stated that their ridership had steadily decreased but that their cost has increased. Meg said the additional bus was the added cost. As far as their ridership, she said some of the decrease was possibly due to public image and because of frequent service to certain areas that are basically "transfers," such as canyon-to-meadow riders. Therefore, she said, if you take transfers out of the ridership then the number of riders would basically be the same for the last couple of years. Al asked how many employees ride the buses. Meg said 30% of the people surveyed were workers. In reference to service, Meg said that a stop every 30 minutes is ideal and every 60 minutes is the minimal amount of service expected per their study. Lance asked about grants available. Meg said if they receive resort tax funding, then they will pursue the (study of grants.)
- 21)Big Sky Ski Education, Mike Meyer and Rick Graetz: Requesting \$15,200 for equipment. Program is for kids and adults. They put on the Masters, disabled programs, races, etc. Equipment requested is two up-to-date timers and a computer. Said program has grown tremendously due to a growing community and the quality of the program. A lot of their work is done by volunteers. Renae stated that there is net profit of about \$15,000 showing on their budget. Mike stated that they currently have a \$12,000 outstanding receivable which may or may not be collectible and may be used for unforeseen expenses, such as last year's broken cable. They said they are trying to host the "Masters National" and this equipment is needed. Carol stated that on last

years budget their “actual” was way over what was budgeted. Mike said sometimes income comes in higher than budgeted because they put on “last minute” races that were perhaps cancelled somewhere else. Carol asked if the money in their budget for “teachers” was for the academy teacher and what “rent” was for. Rick answered yes, the money was for the academy’s teacher and rent was to pay for the academy space at Ophir School. When asked if anyone could attend the academy, Rick responded no, the academy is not for the “average kid” it is only available to those who could afford it.

22) Big Sky Search and Rescue, Operation, Jason Frounfelker and Ken Birkfeld: Requesting \$10,780.00 for equipment and operating expenses. Jason said they are a non-profit volunteer group. Carol asked about the line item “high angle” equipment in their budget and whether or not this was something they had to replace each year. Jason said these are mainly ropes and helmets and due to stress, wear and the possibility of loss, yes they need replaced. Carol asked if it was a possibility to ask for payments/reimbursements from those they rescue. Jason said it is frowned upon by the Gallatin County Sheriffs Dept. Jason said payment is not asked for or expected, but they do get some donations. Said they have 23 volunteer members.

23) Assn. for the Arts, Mindy Nowakowski & Amy Sand: Requesting \$30,000 for additional lighting, fencing, stage improvements and supplemental funds for putting on concerts. Lance stated that their budget didn’t “add up,” and that “income” was actually \$68,000.00 more than budgeted according to all their figures. He questioned how much money they actually made last year. Lance asked why they budgeted less in “income” this year from last year’s budget, especially when last year they brought more in than expected. They said they believe their draw will be less this year. Amy said she will look into budget numbers and that it came directly from Quickbooks. Carol also asked why they had an expense for “resort tax.” Amy said it was because they are not adding it to their ticket price, rather paying it based on sales. It was also asked what “support” expense represented in the budget. It is for expenses for performers, such as buying them dinners, etc. It was also asked what “Venue Fee” pays for. Mindy said the Park fee and Madrigal dinner at Bucks. They said the toilets are sometimes donated and sometimes they simply get them at a discount. A board member asked about their attendance expectations. They said 4500 without the 4th of July show, Chili Cook off and the Shakespeare performance.


PUBLIC COMMENT: Mindy Nowakowski stated she supports the Blue Water Task Force and the Ambulance for the Fire Dept., Jason Revisky supports the Search and Rescue.

BUSINESS OF REGULAR OPEN BOARD MEETING

- 1) Minutes of April 12, 2004 open board meeting: Renae made a motion to approve, All 2nd, All were in favor.
- 2) Legal Summary: This was enclosed from Jamison Law Firm regarding allocating funds for reimbursements (items/services already paid for). The summary stated the board has the authority to do so, but it’s at their discretion.

- 3) Contracts: Mona is going to email each board member a copy of our current contract with applicants to see if they have any recommended changes. It was noted that Sarah has some recommended changes.
- 4) Budget: Lance asked how Sarah came up with the income amount. It was based on the 3 previous years' "collection by county" report, our current income and new trends. Jim made a motion to approve the proposed budget (with operating expenses at \$90,214.00.) All 2nd, All were in favor.
- 5) Amount to allocate: Sarah provided board with spread sheet, explaining the amount available after operating budget, sewer bond, liabilities, etc. The amount was \$1,494,902.33. The board did not decide on or approve a specific amount to make available for allocations.
- 6) Emergency Fund: After much discussion, Renae made a motion to reduce the fund by \$338,439.27 thus bringing it to a balance of \$100,000.00. The \$338,439.27 will be added to the general fund. Jim 2nd the motion, Lance and All were opposed; Carol, Renae and Jim were in favor. Motion passed.
- 7) May 2004 Financials: Lance made a motion to approve these reports enclosed, which includes the checking transaction report for May 2004. 2nd by Jim, All in favor. Passed
- 8) Meeting adjourned approximately 5:00 pm

Approved on 9/15/04 X



**BIG SKY RESORT AREA DISTRICT OPEN MEETING FOR
JUNE 9, 2004 – ALLOCATIONS MEETING**

Attending: Carol Collins, Chairperson Jim Muscat, Vice Chairperson
Lance Child, Director Renae Schumacher, Secretary Treasurer
Al Malinowski, Director Sarah Ouellette, Administrative Officer
Mona Jamison, Attorney

Public Comment: Jason Revisky, Fire Chief, voiced his support for the BSOA Playground. Carol Collins informed the public that the Early Childhood Enrichment Fund has asked the board to be put back on the list of allocations, even though they had withdrawn their application during the question and answer forum. Mona stated that the request for scholarship funding was not legal to fund regardless because it would benefit only a small group of people, pointing out that not just anyone could attend. Mona recommended that the board did not consider this application because they did not go through the whole application process-such as, the question and answer forum.

1. Association for the Arts Request was \$30,000: Al made a motion to approve this request Lance 2nd. Discussion - Lance asked if there has been a review of their financials. Mindy Nowakowski said yes, a review was done. Lance requested this in the future. Renae mentioned that she is abstaining from voting as some of the monies they are requesting would go directly to her business, "Men at Work" for work on the stage. Jim was concerned about the reserves in their balance sheets. Mindy stated that it is used to negotiate contracts with artists. Lance also brought up the topic of insurance that covers cancellations of concerts. Mindy said currently if a concert is cancelled, that they still have to pay for it, but this type of ins. was something they could look into. Lance also stated that their balance sheet still doesn't balance. Vote: **Al substituted his motion to approve the request with the stipulation that their financial review be included if funded.** Lance 2nd, Renae abstained from voting, the other members were in favor. Motion passed.

2. Big Sky County Water and Sewer Debt Service request for \$200,000: Renae made a motion to approve this request, Jim 2nd. Discussion – Carol said she doesn't support necessarily because it's a lot of money. Lance said he supports because this way the tourists help pay for this and it gives tax relief. Jim said this is a classic use of resort tax dollars for tax relief. Vote: All were in favor. Motion passed.

3. Big Sky County Water and Sewer Water Monitoring request for \$9918: Renae made a motion to approve this request, Al 2nd. Discussion – Carol said she thinks it's a great thing to fund. Vote: All were in favor. Motion passed.

4. Big Sky Search and Rescue Request for \$10,780: Jim made a motion to approve, Renae 2nd. Vote: All were in favor. Motion passed.

5. Big Sky Ski Education Request for \$15,200: Lance made a motion to approve this request, Al 2nd. Discussion - Carol explained that if this was funded, then the amount they've budgeted

for expenses for their ski academy would have to be deducted from the request because the academy only benefits a small group of people-according to our attorney Mona Jamison. Marjorie Knaub, who was representing the BSSEF said that they are not asking for funds for the academy and that each student paid \$5800 per year for their tuition. Jim asked if the Ski Academy was a separate entity from the Race team. Marjorie said it is one 501 (c-3) non-profit corp., but it has two separate funding structures. She explained that the tutor for the ski academy is paid for out of the “wages” in the budget. Marjorie clarified that the money requested is strictly for computers and timing equipment and is NOT for the academy. She went on to say that if they are funded, that it would not reduce the academy’s tuition for the students. Vote: All were in favor. Motion passed.

6. Big Sky Transportation Request for \$330,950: Jim made a motion to approve this request, Renae 2nd. Discussion - Lance **requested that if they are funded, that the study regarding grants mentioned in the request be completed. Meg O’Leary said that the first step would be to see if they meet the requirements for federal funding.** Renae mentioned that rider ship has continuously declined and asked if they saw a point in the decline where they believe this (transportation district) is not worth having. Meg said they have not even entertained that. Al voiced his concern about the inefficiency of the transportation system and asked if they could possibly do more with less in light of the decrease in ridership. He said right now it is costing about \$15.00 per rider per round trip. Meg said they have cut service due to low rider ship, but from the community standpoint that doesn’t work. Meg said they are working on their schedule again to work toward efficiency. Jim mentioned that he supports this and so does the public, but thinks there should be a level at which they consider “if it (transportation district) doesn’t work-then it doesn’t work.” Carol said that probably anywhere it’s most likely not cost effective. Vote: All in favor. Motion passed.

7. BSOA Spur Road Trail Engineer Study request for \$12925: Al made a motion to approve this request, Renae 2nd. Discussion – Jim said that the BSRAD funded this last year, but they went over their B.S.R.A.D. allocation budget by \$12,000. Lance asked what would happen if they didn’t receive funding. Bill Olson said that the engineering company would “eat it.” Vote: All in favor. Motion passed.

8. BSOA 191 Trail Repair Rollover Request for \$827.65: Al made a motion to approve this request, Jim 2nd, Vote: All in favor. Motion passed.

9. BSOA Beehive Creek Trail request for \$15,200.00: Renae made a motion to approve, Lance 2nd. Discussion – Bill Olson, representing BSOA, said that the main part of the trail was built by the Summit View developers. BSOA just wants to extend it and Summit View developers have allowed. Bill said either a license or an easement should be in place first and that this could be a contingency for BSOA receiving the funds. He also said the rest of the easements to extend it are not in place either, but the agreements are. He said this request was presented to the Summit View Home Owners Assn. at their last meeting, but nothing formal has been agreed upon. **Renae made a substitute motion to approve with the stipulation that requires BSOA to get a permanent easement in place prior to funding.** Lance 2nd. Vote: All in favor. Motion passed.

10. BSOA Crail Ranch Trail request for \$11,000: Renae made a motion to approve this request, Al 2nd. Bill Olson said he has an easement for this. Vote: All in favor. Motion passed.

11. BSOA Ousel Falls Trail request for \$3700: Renae made a motion to approve this request, Jim 2nd. Vote: All in favor. Motion passed.

12. BSOA Park Land Purchase request for \$200,000: Jim made a motion to approve this request with a stipulation, Renae 2nd. The stipulation states that if they come back and ask for more money, that they present a master plan of this said property. Discussion - Al asked where other funding is coming from. Mitch Fur said from the Open Lands organization. **Carol said that the money will not be allocated unless they get full funding for the land. (Same as last years' allocation)** Vote: All in favor. Motion passed.

13. BSOA Playground Equipment request for \$84,347.00: Renae made a motion to approve this request, Lance 2nd. Discussion – Renae asked if they would consider locating it in a different place in the park. Nettie Quackenbush, representing this request, said she wasn't sure if this was possible because they've already gone through the BSOA Architectural Committee's and BSOA's approval. Jim mentioned again that BSOA needed some professional assistance with the direction/plan of the park. Vote: All in favor. Motion passed.

14. BSOA Public Services request for \$10,500: Al made a motion to approve request, Jim 2nd, Vote: All in favor. Motion passed.

15. BSOA Signage Rollover request for \$9868.62: Renae made a motion to approve request, Lance 2nd. Vote: All in favor. Motion passed.

16. BSOA Softball Lights, Etc. request for \$45,000: Lance made a motion to approve request **which includes the request to have the ability to shift around the money within the line items of their request.** Al 2nd. Discussion – Al asked if there were any zoning issue with respect to the lights. Dee Rothschilder of BSOA said no. Vote: All in favor. Motion passed.

17. BSOA TV Translators Overrun of 03-04 request for \$2340.00: Al made a motion to approve this request, Jim 2nd. Vote: All in favor. Motion passed.

18. Buckridge Snowmobile Trail Grooming request for \$14,500: Jim made a motion to approve this request, Renae 2nd. Vote: All in favor. Motion passed.

19. Chamber of Commerce Operating request for \$65,375.00: Renae made a motion to approve this request, Lance 2nd. Vote: All in favor. Motion passed.

20. Chamber of Commerce Airline Marketing Campaign for \$30,000: Renae made a motion to approve this request, Al 2nd. Vote: All in favor. Motion passed.

21. Chamber of Commerce Fireworks Show request for \$5000: Jim made a motion to approve this request, Renae 2nd. Discussion – **It was mentioned that this would be for the 3rd and 4th of July show.** Vote: All in favor. Motion passed.

22. Fire Dept. G.C.C.R.F.D request for \$338,100: Renae made a motion to approve the request, Jim 2nd. Discussion: Lance had concern with the budget, as far as ambulance impact fees- who decides on this amount. Jason Revisky, the Fire Chief was not sure it is the accountants decision or not, but mentioned that at times the ambulance fees are not collectable. Al asked if the Fire Board had put together a long term capital investment budget. Jason said yes, the District is working on, and said this information should be available next year. Jim asked if they did build a new building, how the Fire District would pay for it. Jason said that there are various options with bonds and mentioned that the Fire board is sensitive as to what the BSRAD board is looking for in an application request. Jason said they have the lowest mill rate in Gallatin County. Vote: All in favor. Motion passed.

23. Friends of the Big Sky Comm. Library request for \$41,246.00: Jim made a motion to approve the request. Renae 2nd. Vote: All in favor. Motion passed.

24. Gallatin County Sheriff Request for \$95,849: Lance made a motion to approve **\$93,295.00 with the contingency that Gallatin and Madison counties agree to fund the four other deputies.** Renae 2nd. Discussion: Carol said Sheriff Cashell recently informed her that his County Commissioner Board tentatively approved the four other deputies in their budget, 2 from Gallatin County and 2 from Madison County. Frank Calvin, who represented the Sheriff's Dept., said "the numbers" do warrant this service needed and there will still be areas not fully covered, but you will have more deputies on at more times of the day. He said their resources are stretched. Lance stated that their request is not really broken down within the budget as the other applications are. He pointed out that their "actuals" in their last budget are lower than what they are requesting this year. Al's concern was that Big Sky would only end up with three deputies. Renae's concern was that the amount approved was less than their amount requested. Vote: Jim, Lance and Carol voted in favor, Renae and Al were opposed. Motion passed.

25. Post Office Request for \$20,000: Jim made a motion to approve this request, Lance 2nd. Discussion: Al said he would abstain from voting because he is an Officer of Gallatin Associates, and he didn't think it would be ethical to vote on. Carol interjected and said since this doesn't directly benefit him, and because he is an elected official he should vote. Mona said she thinks Al should vote because he is an elected official. Al stated he would continue to abstain from voting. Jim said he thinks governmental subsidy is appropriate for funding this and that we are simply providing a service. Lance concurs and stated this fits within our ordinance. Lance suggested that next year if they request money that maybe they (Gall. Assoc.) should consider giving the Post Office LLC a concession on the rent. Carol asked about their fiscal year. Al said it's the same as the calendar year; however, they prepared their budget to coincide with BSRAD's for the purpose of the application. **Jim made a substitute motion to fund this request contingent upon the Post Office LLC making only two requests for funds throughout the fiscal year. One in July and one in January for accounting periods ending in June and December.** Lance 2nd. **Vote: Lance, Jim and Renae in favor, Al abstained, and Carol was opposed. Motion passed.** Carol said she was not in favor because it's a for-profit business. She doesn't think it was an appropriate use of public funds. Mona clarified that this was legal to fund, but did support the Chairperson, Carol, and suggested that the Post Office LLC look into a "non-profit" status. Jerry Scott said that is already underway.

BUSINESS OF THE REGULAR OPEN BOARD MEETING FOR JUNE 9, 2004

- 1) Minutes of May 19, 2004 Open Mtg- Question and answer forum meeting: Jim made a motion to approve with noted changes. Renae 2nd. All in favor. Motion passed.
- 2) Contracts: After some discussion Mona was going to make noted changes of template.
- 3) FDIC: Carol asked if the District was covered beyond what the banks will insure. Sarah said yes, through Federal Home Loan Bank securities.
- 4) Financials: Al made a motion to approve reports in packet, which include the “checking transaction report”, Jim 2nd. All in Favor. Motion passed.
- 5) Meeting adjourned at 4:40 pm