

**BIG SKY RESORT AREA DISTRICT OPEN BOARD MEETING
SEPTEMBER 15, 2004**

Present: Renae Schumacher-Secretary-Treasurer Carol Collins, Chairperson
 Jim Muscat-Vice Chairperson Al Malinowski-Director
 Sarah Ouellette-Admin. Officer Lance Child-Director
 Public: Terry O'Neill Mona Jamison, Attorney
 Pat Davis, LPL

Public Comment: Terry O'Neill was present and voiced his concern with the inequity of tax collections on rentals less than 30 days. He said this was a lot of tax to collect particularly on top of the State Tax. He said he was finding himself in a non-competitive market because he felt there were others out there not collecting the tax. He would like the District to place an ad regarding taxation of rentals on a quarterly basis in the local papers. He suggested we contact all of the associations in Big Sky & inform them of this and presented us with the State of MT's web site as a means of obtaining the names of businesses paying into the State for the bed-tax. Overall, his concern was that all potential renters were collecting and paying the resort tax across the board.

Meeting was called to order by Chairperson, Carol Collins at 11:20 am.

- 1) Minutes of June 9, 2004: Jim made a motion to approve with noted changes on number 1, 5, 6, 7, 16, 22, 23, 24, & 25, Lance 2nd. All in favor.
- 2) Web-Site: Items to be published on Web Site were discussed, Renae said remittance coupon should be available & also wanted me to look into electronic payments. Board chose to have only their names & titles published on it. Board agreed that the Admin. Officer should have option to access Web page to make changes/additions as needed. Board also said it was OK to have Pete Bolane with NetWave perform the additions as needed if necessary. Board wants approved allocations included, as well as a brief history of the resort tax.
- 3) Copier: Two bids were provided from both Terrells and Davis Office Equipment. Both were well over the \$5000.00 that was budgeted for a copier. Board gave Administrative. Officer the approval to purchase which ever one she felt was the best. They did not think it was necessary to get one that had a "printer option." It was agreed that the District would donate the old one, considering there was virtually no "trade in value" from the two bidders.
- 4) Softball/BSOA request: A \$740.00 request for payment was submitted by BSOA for construction work on the retaining wall at the park by Andesite Construction. The board agreed that this amount should not be paid because this request was not part of their application request. Sarah clarified that their application only requested funding for Lights and their installation and field resurfacing work. A copy of their application was provided for the board
- 5) Compliance Audit Position: The board suggested that we advertise more before making a decision on who will perform these.

Approved 10/7/04 X



- 6) Events/Exemption Form: Board discussed changes and suggested we title it as an Exemption Form. The Administrative Officer is to make changes accordingly and bring to next meeting for approval before we make available to public.
- 7) Financials for June, July & August of 2004: Lance made a motion to approve all including "Checking Transaction Report", AI 2nd, all in favor.
- 8) Lance made a motion to adjourn.

MINUTES OF THE BIG SKY RESORT AREA DISTRICT OPEN BOARD MEETING
OCTOBER 6, 2004

Present: Carol Collins, Chairperson
Renae Schumacher, Secretary-Treasurer
Sarah Ouellette, Administrative Officer

Jim Muscat, Vice-Chairperson
Mona Jamison, Attorney

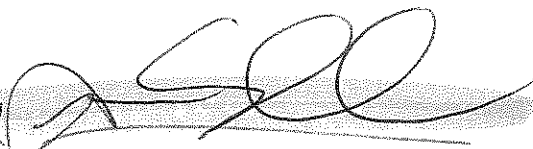
1. Minutes of September 15, 2004 Open Board Meeting: Renae made a motion to approve, Jim 2nd. All in favor. Passed.
2. Meeting called to order at 11:10

NEW BUSINESS

3. Electronic Payments: Bill Dutton was present from Big Sky Western Bank to explain how this works. Basically, any merchant that wants the electronic payment service provided by the District would have to authorize the District to debit their account each month for their resort tax payment. A fee of \$35.00 per month would be charged to the District for this service. The cash management end of it would be performed by the District each month. Bill explained that "on line" banking was available to the merchants as well. This option provides for the merchant to debit their own account each month and have a physical check sent to the District for payment. The board did not take any action at this time.
4. Certificate of Deposits: Bill Dutton from BSWB was here and summarized the CD's that are maturing within the next week at BSWB. Bill said he would give the District a rate of 2.75% on a 24 month CD, or a 1.5% on a six- month CD, or 2% on a one year term CD. Sarah said that currently the STIP fund with the State of Mt. has approximately \$680,000 in it at an interest rate of 1.75% and that she was considering moving some of that money into a CD. Sarah also said that American Bank has posted rates of 1.60% for a 12-month CD and 2.35% for a 24-month CD. Board suggested that Sarah call American Bank to see what rates they were willing to give us. Bill Dutton asked that we call him with those rates before we made a decision on where we were going to invest the money at. Board authorized Administrative Officer make the final decision

OLD BUSINESS

5. Compliance Auditor: Administrative Officer said no one had responded to the ad placed in the Bozeman Chronicle or the Butte Standard for this position. Board suggested that we continue to advertise. Admin. Officer said she would, once again, emphasize the importance of confidentiality, etc with our current auditor, Jack Judd; should it become necessary for him to conduct the upcoming compliance audits after all. It was discussed whether or not the auditor currently signs any type of acknowledgment regarding confidentiality and nondisclosure regarding our taxpayers/collectors. Sarah said that the District does have a "Nondisclosure and Confidentiality" form that the auditor, the District and the taxpayer/collector all sign prior to the audit. Sarah said she would get a copy to the board and attorney for their reference.

Approved 11/10/04 

6. Resort Tax Exemption Form: Board and attorney, Mona Jamison made changes and asked Sarah to put on next month's agenda for final approval.
7. Rentals Follow up: Sarah informed board that she had sent a letter to Terry O'Neill, (prior to his attending last month's board meeting), addressing his concerns to assure him that the District was taking measures to inform prospective tax collectors of the resort tax requirements. Sarah also said she would look into the State web-site, as Terry suggested, seeking out prospective tax collectors.
8. Copier: The board suggested that Sarah advertise in the local papers that the District has a copier to donate to a volunteer or non-profit entity within the district. If more than one person responds, we'll take a name from a hat to choose who gets it.
9. Financials: Jim made a motion to approve the reports, which include the list of checks written for the month of September. Renae 2nd, all were in favor.
10. Meeting adjourned at 12:20

Approved 10/18/04
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MINUTES OF THE BIG SKY RESORT AREA DISTRICT OPEN BOARD MEETING
NOVEMBER 10, 2004

Present: Carol Collins, Chairperson
Renae Schumacher, Secretary-Treasurer
Sarah Ouellette, Administrative Officer
Al Malinowski-Director
Mona Jamison, Attorney
Lance Child-Director

1. Minutes of October 6, 2004 Open Board Meeting: Lance made a motion to approve, Renae 2nd. All in favor. Motion Passed.

NEW BUSINESS

2. Election of Officers: Al made a motion to maintain the current officers' titles. (Carol Collins, Chairperson, Jim Muscat, Vice-Chair, Renae Schumacher, Secretary- Treasurer & Al Malinowski and Lance Child as Directors.) Lance 2nd, All in favor. Motion Passed
3. Audit for FYE 06/2004: Board reviewed preliminary draft, requested that Sarah bring Final draft to next month's board meeting.
4. Lobbying: There is potential legislation on the table proposing to eliminate Resort Tax Districts in addition to State Sales Tax issues and the resort tax itself. Board discussed contracting Jamison Law Firm to represent the District on these issues. Al suggested that Carol or Sarah discuss fees with Mona before making any decisions.
5. Resort Tax Application: Board discussed and made changes with regards to budgets. Sarah is to call Bucks T4 to schedule meetings. Board will review again next month.
6. Ski sale by Professional Ski Instructors of American (PSIA): Renae spoke with the Director of the PSIA, Neil Hetherington and he said the number of ski reps attending the sale this year has decreased due to the requirement of the resort tax. Sarah said she mailed a resort tax information packet directly to Neil and informed him that he was welcome to attend this meeting with concerns.
7. Country Market: Lance said the owner of the Country Market, Lynne Anderson, mailed the District a letter requesting an audit to assist her in identifying specific tax items. No action has been taken for an audit; however, Sarah said that she'd help Lynne with identifying tax items.

OLD BUSINESS

8. Auditor Position: Sarah informed the board that no one had applied for the position after much advertising, and requested to continue to contract Judd Accounting Services to perform compliance audits. Board agreed.
9. Exemption Form: Board finalized, ready to place on our Web-Site and make available for public.
10. Financials for Oct. 2004: Al and Lance were concerned with the balance of Fixed Assets in October's reports. Sarah to provide them with Holmes and Turner's (Financial Auditor) email address so they can contact Rosalie Brandt directly about this issue. Al made a motion to approve the Financial reports for October 2004, including the written checks report, Renae 2nd, All in favor. Motion Passed.
11. Meeting adjourned at 12:45

Approved 1/12/05 

MINUTES OF THE BIG SKY RESORT AREA DISTRICT OPEN BOARD MEETING
DECEMBER 8, 2004

Present: Carol Collins, Chairperson Al Malinowski-Director
 Jim Muscat, Vice Chair
 Sarah Ouellette, Administrative Officer Lance Child-Director
 Marne Hayes-Chamber of Comm. Director Mark Roemer-Chamber Pres.
 Terry and Carolyn O'Neill

* Renae Schumacher, Secretary-Treasurer arrived at agenda #5

Meeting called to order at 11:10 AM

1. Minutes of November 10, 2004 Open Board Meeting: There are two corrections: change "current legislation" to "potential legislation" and on paragraph six delete "at this time." With changes, Al made a motion to approve minutes. Lance 2nd, All in favor.
2. Chamber of Commerce update: Mark Roemer and Marne Hayes were present. Mark stated that eight years ago the Chamber had only a \$12,000 budget to work with but now it is over \$300,000. The Chamber board attended a retreat to discuss their goals. They would like a new office location in the near future along with a business resource center/information center. They asked the BSRAD board to begin thinking about the Chamber's role in Big Sky. There are 350 Chamber members. Marne said they are looking to work with developers to negotiate a building location, as the Chamber would be a positive draw to the area it is located. Realistically they are looking to expand in approximately three years.
3. Terry and Carolyn O'Neill were present to discuss short term rentals and the collection of resort tax. They provided a handout to suggest ways to inform the public about the 3% resort tax on short term rentals. i.e.; Quarterly ads and sending notices to Home Owner Associations and Real Estate Companies. Administrator and Board said they will consider their suggestions. Sarah said she had already begun working on this.
4. Al was informed by Ophir School Athletic Director that the school has some wrestling mats that were possibly purchased by resort tax funds; however, they don't have a need for them now and are asking what they can do with them? Do they have to give the money back to the BSRAD district if they sell them, etc.? Sarah will look into.
5. Capital Improvement: Carol suggested to the board that they start thinking about placing funds aside for this. Lance stated that it could open up a lot of questions. No action taken.
6. Application: Board reviewed, Administrator to make changes and bring to Jan. meeting.
7. Lobbying: The board is considering hiring Jamison Law Firm to lobby on their behalf in the upcoming legislation session on any resort tax or related issues. Mona Jamison's fee is \$15,000. Board asked Administrator to approach and discuss Mona regarding fee. There was discussion and concern about whether or not there were any bills being

presented related to the resort tax or the district. Sarah informed the board that there definitely was potential legislation with regards to resort tax in the upcoming session according to Mona. The board was interested to know from Mona exactly what this \$15000.00 would cover. Carol said she would call Senator Hargrove to find out what his lobbying fee is. Al was concerned that Mona had possibly lost credibility with some of the congressman and senators during last years' session. Carol suggested Al call ~~Mike~~ ^{Bill} Tash to see if this was the case. She also mentioned that someone could call Sen. Bill Wheat if they were interested. Carol said she would also call Whitefish and West Yellowstone to find out what their lobbying concerns are, if any.

8. Financials: Al made a motion to accept the reports including "Transactions by Detail" Jim 2nd. All in favor.
9. Meeting adjourned at 1:05