



FINAL MINUTES OF THE BIG SKY RESORT AREA DISTRICT OPEN BOARD MEETING

August 14, 2013

Present: Les, Loble, Chairperson
Ginna Hermann, Secretary/Treasurer
Mike Scholz, Director
Jeff Strickler, Director
Mona Jamison, Attorney
Whitney Brunner, Administrative Officer

Chairperson Les Loble called the open meeting to order at 8:57 a.m.

Secretary/Treasurer Ginna Hermann attended via telephone call.

I. Open Meeting

A. Public Comment

Nancy Radick Butler of Gourmet Gals stated four and a half years ago she started her business. At that time she attended a Resort Tax Board meeting and the board was made up of different members. Ms. Radick Butler stated 90% of her business is catering and is billed out for payment. She stated she often does not receive payment two weeks to two months from the date of service. Ms. Radick Butler stated she was told initially to pay resort tax at the time of service, which as a small business, created a hardship because she had to pay in advance of payment, out of pocket.

The current board stated she is not to pay in advance of receiving payment. The board stated that when a business bills out and the bill is not paid, it is a bad debt and resort tax cannot be remitted. A business is to remit the tax paid, not the tax billed. Ms. Radick Butler stated that goes against what she's been doing all these years and what she recalls was said in court. She stated she has been told many different things over the years.

The board stated she was in court because she had not been remitting resort tax at all. The board asked if she went a year or more without being paid. Ms. Radick Butler stated no.

The board clarified that Ms. Radick Butler does not pay the tax. Ms. Radick Butler remits the tax that is paid to her by the public.

Ms. Jamison stated that the payment schedule currently in place is Court Ordered and what is contained in the Order must be remitted. Ms. Radick Butler stated she is not at the meeting to discuss the Court Ordered Payment Schedule.

The board asked Ms. Radick Butler what she is here to discuss. Ms. Radick Butler stated she would like to know what she should do. The board stated that when she collects the tax she is obligated to remit it. Ms. Radick Butler stated that goes against what was said in court. She asked if she will be penalized. The board stated if she remits the tax late; yes, she will be penalized.

Ms. Radick Butler stated past boards have given her bad information. She stated the state and federal agencies do not penalize to the degree resort tax penalizes and, although her business will go on, she has been in danger of

going out of business because of resort tax. She stated she wants to go on record that she feels venerable because the Resort Tax Board could put her out of business.

The board stated there has been a misunderstanding and the board is telling her what is expected going forward. The board stated Ms. Radick Butler does not need to be afraid because what the board is telling her is the way the resort tax governing documents are written. The board stated 373 of 374 Big Sky businesses have no problem remitting the resort tax collected.

The board asked if Ms. Radick Butler has remitted any taxes that have not been paid to date. Ms. Radick Butler stated yes. The board suggested she examine her books to see what collected tax remains to be remitted.

Ms. Radick Butler stated Ms. Brunner came into her business in June to relay the board's response to Ms. Radick Butler's letter and that Ms. Brunner stated she would look into receiving a transcript from the court and that she had not heard from Ms. Brunner. Ms. Jamison stated what is in the transcript does not matter. It is the Court Order issued and signed by Judge that controls the payment schedule. Ms. Brunner stated that since there was a difference of understanding regarding what was communicated in court, a transcript would settle the discrepancy. Ms. Brunner learned a transcript would be a cost to the board and that she is not to act as legal counsel nor make decisions for the board. Ms. Brunner apologized to Ms. Radick Butler for not communicating that she would not be requesting a transcript and, that if a transcript was of interest to Ms. Radick Butler, it was up to her to obtain the record.

Ms. Radick Butler asked for an apology for the hardships her business has endured by having to remit the tax in advance of receiving the payment. The board stated it apologizes that a previous resort tax employee provided incorrect information. The board stated all businesses are held to the same standard and her business was penalized because she did not remit the taxes collected.

Ms. Radick Butler expressed disappointment that the board would not admit that maybe, out of the 374 business that collect and remit resort tax, her business was caught in an error within how resort tax operates.

Ms. Jamison suggested the board provide the final, approved minutes to Ms. Radick Butler as a record of the conversation. The board agreed.

Ms. Radick Butler left the resort tax office.

The board clarified it did not penalize Ms. Radick Butler; the Judge penalized her for not remitting taxes. It is up to the tax collector to follow the law. The board stated Ms. Brunner did the right thing.

B. New Business

1. **Noxious Weeds** – Jen Mohler provided an update on the program and reviewed events held by the Noxious Weeds Committee. The board requested clarity on the weeds along Highway 191. Ms. Mohler stated many of the weeds along highway 191 are not certified noxious weeds and the state may not have to legally treat them; however, she will investigate the weed growth in the locations mentioned by the board and see if she can file a report with the state.

The board suggested the owners of the small lots in the meadow may benefit if a smaller herbicide kit was available at the local hardware store. Ms. Mohler stated herbicide can only be sold in certain size packets. She stated she would work on a takeaway cheat sheet to help local homeowners identify noxious weeds common in their area to be available at the hardware store.

2. **Liability Insurance** – Motion by Mr. Scholz to approve liability insurance contract. Second by Dr. Strickler. All in favor. Motion passes.
3. **Holmes and Turner Audit Contract** – Motion by Ms. Hermann to approve the three-year audit contract. Second by Dr. Strickler. All in favor. Motion passes.

Furniture and Taxability –Ms. Jamison stated the way the ordinance is structured now, with lists of specific luxuries and exemptions, is confusing; if an item is not listed in the ordinance, it is taxable. She stated the inclusion of “luxury” enabled resort tax to include items sold outside the destination resorts. Resort tax is a general sales tax that exempts necessities of life.

The board discussed the philosophy of resort tax versus a general sales tax. Mr. Scholz suggested the board begin thinking about resort tax as a tax on what tourists (and the public) buy. He stated collections are increased, not by broadening the tax, but by investing collections into growing the community. Mr. Loble stated concern that resort tax should not feel oppressive to the tax collectors. Positive support for resort tax by collectors should remain a goal for the board.

Motion by Dr. Strickler to direct Ms. Jamison to clean up and draft a revised ordinance (in layout and structure) by amending Sections 8, 9 and 10. A committee of Mr. Scholz and Mr. Kabisch will review and edit the draft before presentation to the board. Second by Mr. Scholz. All in favor. Motion passes.

5. **Resort Area District Population Limit** – Ms. Jamison reviewed her written opinion and stated that even if the population expands, the district still exists.
6. **Procedure for Choosing Among Investment Alternatives** – Motion by Dr. Strickler to adopt the following procedure:

At the six month meetings (July and January), Ms. Brunner is to place “Investment Discussion” on the agenda. The board will discuss whether a change in the district’s investments is of interest to the board. At the direction of the board, Ms. Brunner is to solicit rate proposals from local banks. At the time of solicitation, Ms. Brunner is to provide the banks with an estimate of the total funds to be placed in the account (CD or Money Market). Rate proposals will be requested once and decisions will be made on the proposals received. The Treasurer will review the proposals prior to the board meeting and make a recommendation to the board at the meeting.

Second by Ms. Hermann. All in favor. Motion passes.

7. **Establish Resort Tax Fiscal Year 2014 Meeting Dates** – Motion by Mr. Scholz to accept the calendar as amended. Second by Ms. Hermann. All in favor. Motion passes.

Sept 11	9a	Monthly Meeting
Oct 9	9a	Monthly Meeting
Nov 13	9a	Monthly Meeting (New Board of Directors)
Dec 11	9a	Monthly Meeting
Jan 8	9a	Monthly Meeting
Jan 13	6-9p	Town Hall Meeting I (TBD)
Feb 10	6-9p	Town Hall Meeting II (TBD)
Feb 12	9a	Monthly Meeting
Mar 12	9a	Monthly Meeting
Apr 9	9a	Monthly Meeting
Apr 14	3p	Applications Due
May 14	1p	Question & Answer Session
Jun 11	1p	Final Appropriations

8. **Big Sky Institute** – The school acquired the land previously set aside for the Big Sky Institute. A bond was passed for the construction of the school.

Motion by Dr. Strickler to formally request Big Sky Institute refund the resort tax funding. Second by Mr. Loble.

Discussion: Ms. Jamison stated the entity was required to submit receipts for all funds before requesting payment.

Dr. Strickler withdrew the motion and requested Big Sky Institute be placed on the agenda for the next board meeting. The board directed Ms. Brunner provide a report of the funds appropriated and spent by Big Sky Institute.

9. **Sheriff's Department County Matched Funds** – The board directed Ms. Brunner to write a letter to the counties asking for an explanation why they reduced funding when adding a deputy. The board approved the Sheriff's request at the June appropriation meeting because it believes the community needs the deputy now.

The board directed Ms. Jamison to review the Interlocal Agreement to see if it is now in breach.

Secretary/Treasurer Ginna Hermann left the meeting at 10:54 a.m.

C. Old Business

1. **Sinking Fund** – The board discussed the need for an ordinance if the sinking fund is to be used during another time of the year outside of appropriations. Ms. Jamison reminded the board that rollover funding is available if a project is unable to complete its task in the fiscal year. The board expressed concern that if funding was appropriated during a second time of year, the first appropriation cycle may not be as vigorous.

The board discussed changing the definition of the Emergency Fund to encompass "unforeseen events". Ms. Jamison advised against the change. She suggested if an entity requires funding, but the project is not developed completely to receive funding at appropriations, a condition may be written into the contract that funds were appropriated, but will not be released until the entity meets certain criteria. Likewise, she suggested the condition could draw the funds from the emergency fund.

2. **Bonding Ordinance** – The board decided to work back from the date of April 14 (FY 2015 application deadline) and begin a calendar of the requirements needed to execute a bond. Items needed include voting period regulations, D.A. Davidson's involvement, a community education period, board preliminary approval and board final approval before public vote.

The board directed Ms. Brunner to reach out to Bridget Ekstrom with D.A. Davidson. The board directed Ms. Jamison to reach out to Charlotte Mills of the Gallatin County Election Office.

3. **Bidding** – Resort tax is not an agency, it is a government entity and is to adopt state bidding procedures. The entities receiving resort tax funds have no bidding restrictions. The board directed Ms. Brunner to add the following to the appropriation application:

Project line items that exceed \$50,000 are required to get two bids. If the lowest bidder is not accepted, the entity is to provide a written explanation to the resort tax board.

4. **Administrative Officer Report** – The board decided Ms. Brunner's request for Flex Thursdays was not a good idea for an hourly employee.
 5. **2-Month Timeframe for Decision Making** – The board discussed that any action taken by the board would only be allowed during Old Business. This would allow for the board to reflect before a vote is taken. The board decided this would slow down the process. The board will continue with action items being allowed in New Business.
 6. **Better Together** – The board directed Ms. Brunner to request an estimate for the board to copyright "Better Together".
- D. **Minutes** – Motion by Ms. Hermann to approve the April 10, May 8 and June 12 open minutes. Second by Mr.Scholz. All in favor. Motion passes.

- E. Financial and Tax Collection Reports – Motion by Dr. Strickler to accept the financial and collection reports. Second by Mr. Scholz. All in favor. Motion passes.

Chairperson Les Loble adjourned the open meeting at 12:08 p.m.

Respectfully Submitted,


Ginna Hermann, Secretary/Treasurer



DRAFT MINUTES OF THE BIG SKY RESORT AREA DISTRICT OPEN BOARD MEETING

September 11, 2013

Present: Jamey Kabisch, Vice Chairperson
Ginna Hermann, Secretary/Treasurer
Mike Scholz, Director

Jeff Strickler, Director
Whitney Brunner, Administrative Officer

Vice Chairperson Jamey Kabisch called the open meeting to order at 8:59 a.m.

A moment of silence was taken in remembrance of the September 11, 2011 events.

I. Open Meeting

A. Public Comment

Hans Williamson and Bob Shanks introduced themselves as candidates on the ballot for the November 5, 2013 Resort Tax Board election.

B. New Business

1. **Big Sky Institute** – The board discussed the concepts of fraud and breach of contract as it pertains to resort tax appropriations. The board stated the 2008 computers, furniture, etc. are not items the Resort Tax Board has interest in taking back. The board stated the report prepared (outlining the funds spent in categories per fiscal year) provides the due diligence necessary for the Resort Tax Board to satisfactorily move on and not request Big Sky Institute return funding.

The board directed Ms. Brunner to put together a status report comparing the entities contractual agreement and their results for board review in May.

2. **Orientation Manual** – The board directed Ms. Brunner to make the following additions to the manual: 1) when the ordinance is revised, update the history, 2) remove the name from the Notice of Non Payment Letter, 3) add a bonding overview and the bonding legislation, 4) add a bidding explanation, 5) on page 13 change \$2 million to \$3 million, and 6) on page 14 reference Mona's opinion for the Conflict of Interest statement.
3. **Gift for the Chairman** – The board approved Ms. Brunner's suggestion for the Chairman's gift.
4. **Agenda Item Time Limits** – Per Ms. Jamison, the board may limit the total time for public comment and it may limit time per individual; just so long as reasonable opportunity is provided. The board expressed concern that if a meeting moves swiftly and the published agenda includes times, a presenter may misunderstand, arrive at the meeting at the published time and the agenda item may have passed. The board decided it is the responsibility of the Chairman to run the meeting and board members may encourage the Chairman to move agenda items along.

C. Old Business

1. **Better Together** – The board agreed the patent attorney’s presented cost (\$2,500) is too high for the board to approve copyrighting the Better Together trademark. The board directed Ms. Brunner to research the forms needed, the application fees, etc. to see if the copyright can be obtained internally without attorney fees. The board agreed if the process is lengthy or appears to cost close to \$2,500, Ms. Brunner is to discontinue research.
2. **Sheriff’s Department** – The board directed Ms. Brunner to set a meeting date between the representatives of Gallatin and Madison Counties and the Resort Tax Board to discuss, review and update the Interlocal Agreement. Per Ms. Jamison, the meeting would provide an opportunity to discuss everyone’s pro-rata share and determine if any adjustments should be made.

The board clarified to Ms. Brunner that funding to the Sheriff’s Department is not being restricted by the board at this time, unless the department requests the entire appropriation for fiscal year 2014.

3. **Bonding** – The board discussed the current objective is to create a critical path/timeline should an entity approach the Resort Tax Board with a project that requires bonding. Mr. Kabisch stated a prospectus with disclaimer periods is needed from the underwriter. Mr. Kabisch will contact Ms. Ekstrom of D.A. Davidson and request additional information. The board directed Ms. Brunner to invite Ms. Ekstrom to the November meeting.

D.A. Davidson will most likely sell the bond to the Big Sky banks. The banks will most likely purchase resort tax bonds as community reinvestment projects. The bonds can be sold to individuals if D.A. Davison buys and resells to individuals.

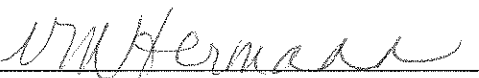
Once a bond is prepared to move forward, it is at the whim of the market regarding interest rates. The Resort Tax Board can instruct the underwriter to place a cap on the interest rate; if it goes up to X%, it is not to be sold. The interest will be paid by the district.

The board instructed Ms. Brunner to add (when complete) this information to the Orientation Manual and publish an article in the local papers.

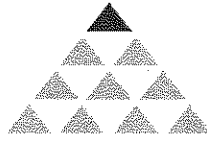
4. **Election** – Mr. Loble and Mr. Kabisch will go to the Gallatin County Elections office in Bozeman November 6, 2013 to canvas the election.
 5. **Town Center Owners Association Proxy** – Motion by Ms. Hermann to approve Mr. Kabisch sign the proxy for the Town Center Owners Association Annual Meeting. Second by Mr.Scholz. All in favor. Motion passes.
- D. **Minutes** – Motion by Mr. Scholz to approve the August 14 open minutes as amended. Second by Ms. Hermann. All in favor. Motion passes.
- E. **Financial and Tax Collection Reports** – Motion by Mr. Scholz to accept the financial and collection reports. Second by Ms. Hermann. All in favor. Motion passes.

Vice Chairperson Jamey Kabisch adjourned the open meeting at 10:00 a.m.

Respectfully Submitted,



Ginna Hermann, Secretary/Treasurer



RESORT TAX
— BUILDING BIG SKY SINCE 1992 —

**DRAFT MINUTES OF THE BIG SKY RESORT AREA DISTRICT
OPEN BOARD MEETING**

October 9, 2013

Present: Les Loble, Chairperson
Jamey Kabisch, Vice Chairperson
Ginna Hermann, Secretary/Treasurer
Mike Scholz, Director
Jeff Strickler, Director
Whitney Brunner, Administrative Officer

Chairperson Les Loble called the open meeting to order at 9:00 a.m.

Secretary/Treasurer Ginna Hermann attended via telephone call.

I. Open Meeting

A. **Public Comment:** None

B. **Old Business**

1. **Progress Report Review** – The board directed Ms. Brunner to add a column titled “Amount of Dollars Spent”, remove “Summary” from “Status Report Summary”, add page numbers and add lines for Board Chair/Governing Officer name and signature.

Motion by Ms. Hermann to adopt the Progress Report, as amended, to be completed by entities in December and May. Second by Dr. Strickler. All in favor. Motion passes.

2. **Sheriff’s Department / County Commissioner Meeting** – Deputies Dan Springer and Matt Daugherty presented an email from Ed Blackman and the Sheriff Department’s budget.

Deputy Springer explained the cost division of the six deputies between Gallatin and Madison Counties and Resort Tax. All costs are divided by the three local governments; except the new deputy’s vehicle, which is the financial responsibility of Resort Tax. The board expressed confusion why the vehicle cost is not divided in thirds as well. Deputy Springer stated he can explain the budget as presented; however, he cannot explain the fundamental decisions for the creation of the budget. The board discussed having a board member meet with Mr. Blackman and the commissioners to reconcile the discrepancy.

Deputy Springer stated he will research 1) the order deputies were added to Big Sky and if a precedence was set in previous budgets, 2) if revenue funds from the detention center can be applied to this discrepancy and 3) if the July through October vacancy of the sixth deputy allows the appropriated funds to cover the discrepancy.

The board stated it approved the funding request as presented in June and it appreciates the Sheriff’s Department effort to reconcile the financial discrepancy. The board will review Deputy Springer’s findings and meet with the commissioners to create an Interlocal Agreement for six deputies.

3. **Bonding** – The board discussed creating an ordinance to govern the district’s ability to bond.

The board stated that in order to finalize an appropriate timeline, it needs the first payment due date from Bridget Ekstrom of D.A. Davidson. It will then work back from that date to determine if appropriation funding needs to be set aside the year the entity seeks initial approval from the Resort Tax Board, which begins the process of the public education, public vote, underwriting procedures, etc. Ms. Ekstrom will attend the November meeting.

The board discussed if an entity requested funding for the public education period, the Resort Tax Board may encourage the entity to seek funds elsewhere and that the responsibility of the Resort Tax Board is to bring the project to public vote and not to necessarily promote the project.

The board discussed that once the lump sum is loaned to the Resort Tax Board, it will be distributed to the entity in the same payment request system currently in place (i.e. receipts are submitted, reviewed and approved by the Resort Tax office to release funds). The board discussed creating a draw inspection system to further review the compliance of the entity before releasing funds (similar to a bank holding construction companies responsible by in-person progress inspections of the construction).

4. **Better Together Trademark** – Motion by Mr. Kabisch to submit an application to the Secretary of State to trademark “Better Together” in the financial and tourism promotion class codes at a cost of \$40 to the district. Second by Mr.Scholz. All in favor. Motion passes.
 5. **Administrative Officer Report** – The board directed Ms. Brunner to offer the conference room furniture to nonprofits and businesses in Big Sky. If the furniture is not needed, it is to be given to goodwill in Bozeman.
- C. **Minutes** – Motion by Ms. Hermann to approve the September 11 open minutes. Second by Mr. Scholz. All in favor. Motion passes.
 - D. **Financial and Tax Collection Reports** – Motion by Mr. Kabisch to accept the financial and collection reports. Second by Mr. Scholz. All in favor. Motion passes.

Chairperson Les Loble adjourned the open meeting at 10:40 a.m.

Respectfully Submitted,


Ginna Hermann, Secretary/Treasurer



DRAFT MINUTES OF THE BIG SKY RESORT AREA DISTRICT OPEN BOARD MEETING

November 13, 2013

Present: Jamey Kabisch, Chairperson
Mike Scholz, Vice Chairperson
Ginna Hermann, Secretary
Heather Budd, Treasurer
Jeff Strickler, Director
Whitney Brunner, Administrative Officer

Vice Chairperson Jamey Kabisch called the open meeting to order at 9:00 a.m.

Secretary/Treasurer Ginna Hermann attended via telephone call.

I. Open Meeting

A. Public Comment: None

B. New Business

1. **Oath of Office** – Ms. Brunner confirmed the Oath of Office forms have been completed by the newly elected officials Heather Budd, Ginna Hermann and Jeff Strickler.
2. **Election of Officers** – Motion by Dr. Strickler to nominate Mr. Kabisch as Chairperson, Mike Scholz as Vice Chairperson, Ginna Hermann as Secretary and Heather Budd as Treasurer. Second by Mr. Scholz. All in favor. Motion passes.
3. **Housing Development Plan: Kitty Clemens** – David Schwartz and Dan Guimond of Economic Planning Systems summarized the first steps of their plan including quantifying and understanding the housing need, finding the housing gap (seasonal, service industry or teacher/cop) and learning where people are living now. The board asked the following questions:

Has the firm worked with unincorporated communities? Mr. Schwartz stated they have worked with Copper Mountain and Durango Mountain Resort (formerly Purgatory).

Have the recommendations the firm puts forth generally been carried out by the communities? Mr. Schwartz stated, with time and in incremental steps, the communities carry out the recommendations.

Will the firm present a financial plan that is feasible for the Big Sky community? Mr. Schwartz stated his firm will look at funding solutions to ensure they recommend what is feasible for the community.

When will the recommendations be complete? Mr. Schwartz stated they anticipate the final recommendation will be ready at the end of April or beginning of May 2014. Ms. Clemens stated legal work, which was already budgeted for in the current appropriation, may affect the plan's completion date. The board stated with Resort Tax appropriations on an annual cycle, a month late is a year late. The board asked if the timeline was too short considering the consultants will not see the community through a summer season. Mr. Schwartz

stated they will use the lodging and resort tax incomes to understand the impact of the summer season. The board stated it would like to like to see the completed plan in March, if possible.

4. **Warren Miller Performing Arts Center: John Zirkle** – Mr. Zirkle thanked the board for the 2012 appropriation of \$494,415. He provided a handout and presented a slideshow presentation outlining the events slated for the 2013-2014 debut winter season (Christmas to Easter). Tickets will be rolled out three shows at a time the first days of December, January and February and seats range from \$15 to \$55. Mr. Zirkle stated they hope to grow and diversify the community by bringing international, national, Montana and school performances to the Center. Anne Marie Mistretta stated the Center is not competing with other Big Sky venues including bars, the Resort, etc. Mr. Zirkle stated the season cost is \$150,000 to \$160,000 plus \$50,000 (a one-time gift from the Bough Family). 26-30% (\$35,000 to \$45,000) of the season cost is funded by ticket sales earned income.
5. **Office Audit: Vickie Tischendorf** – Ms. Tischendorf reviewed the draft financials. The board discussed pledging securities, one employee accounting access, deferred compensation, the Management’s Discussion and Analysis report, the positive change in the fund balance, the new committed (reserve) funds and vacation and sick day accrual.

Mr. Kabisch stated he would go to First Security Bank after the meeting to ensure securities are pledged to cover the funds in the bank’s accounts. The board agreed the Treasurer would review the securities and audit trail quarterly and will receive a backup copy of Quick Books on a flash drive at every meeting. The board decided to prepare a Management’s Discussion and Analysis report. Past boards have not prepared a report because the audit was to stand on its own and a letter may dilute the audit. However, the current board decided to address the pledging and one employee deficiencies and the policies going forward. The report is to include reference to the consolidation of the area resorts.

Motion by Mr. Scholz to retroactively update Ms. Brunner’s vacation and sick days based on the actual hours worked and for Ms. Budd to adjust Quick Books. Second by Dr. Strickler. All in favor. Motion passes.

Ms. Tischendorf stated she appreciates working with Ms. Brunner and her organized record keeping.

C. Old Business

1. **Orientation Manual** –The board directed Ms. Brunner to add the role of the officers, update Mr. Scholz’s address and add the board decision regarding bidding.
2. **Strategic Session Review, Town Hall Meeting Planning** – January and February Town Hall Meetings will be scheduled to include the following agenda items: review the Strategic Plan, present the proposed revisions to the ordinance and provide opportunities for the community plans funded by resort tax to update the community (WIA Hospital Feasibility Study, BSCC Facilities Plan, Chamber Housing Committee and VBS Marketing Plan).
3. **Sheriff’s Department** – The board reviewed Undersheriff Dan Springer’s responses to the questions proposed at the October meeting. Mr. Kabisch and Mr. Scholz discussed meeting with Ed Blackman before setting a meeting date with County Commissioners.
4. **Administrative Officer Report**

The board approved Ms. Brunner’s request to take vacation December 23 and 24.

The board directed Ms. Brunner to work with Mr. Kabisch on a Resort Tax Employee Handbook.

Motion by Dr. Strickler to approve payment of the July invoices for Women In Action. Second by Ms. Budd. All in favor. Motion passes.

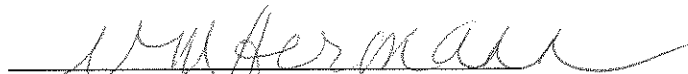
Secretary Ginna Hermann left the meeting at 11:00 a.m.

- D. Minutes – Motion by Mr. Scholz to approve the October 9 open minutes. Second by Dr. Strickler. All in favor. Abstained: Ms. Budd. Motion passed.
- E. Financial and Tax Collection Reports – Motion by Mr. Scholz to accept the financial and collection reports. Second by Dr. Strickler. All in favor. Motion passes.

Secretary Ginna Hermann returned to the meeting at 11:03 a.m.

Chairperson Jamey Kabisch adjourned the open meeting at 11:03 a.m.

Respectfully Submitted,

A handwritten signature in cursive script, appearing to read "Ginna Hermann", written over a horizontal line.

Ginna Hermann, Secretary



FINAL MINUTES OF THE BIG SKY RESORT AREA DISTRICT OPEN BOARD MEETING

December 11, 2013

Present: Jamey Kabisch, Chairperson
Mike Scholz, Vice Chairperson
Ginna Hermann, Secretary
Heather Budd, Treasurer
Jeff Strickler, Director
Whitney Brunner, Administrative Officer

Chairperson Jamey Kabisch called the open meeting to order at 9:00 a.m.

I. Open Meeting

- A. Public Comment: None
- B. New Business

1. **Bonding: Bridget Ekstrom of D. A. Davidson** – Ms. Ekstrom stated she specializes in local government bonds. To correspond with the duration of resort tax, a bond's final year would be 2032. Multiple bonds may be issued as long as the total is under the maximum debt service of \$649,068. The board asked if a bond issue does not pass public vote, will resort tax be obligated to pay fees to D.A. Davidson? Ms. Ekstrom stated, no; if an election passes, D.A. Davidson will propose to be the underwriter. She stated Dan Semmens of Dorsey and Whitney has served as bond counsel on the majority of Montana local government bonds and would be available to prepare the required opinion and resolution. The resolution will outline how the bond will be funded, disclose the appropriation dates, the principle amount, project description, term, etc.

Director Jeff Strickler attended via telephone at 9:15 a.m.

As an example, Ms. Ekstrom stated if a bond was issued January 1, principle payments would be required January 1st and July 1st. With the District's fiscal year, she suggested making the majority of the payment June 15th, after appropriations, and the interest payment in December. The board asked if there is a limit between when the bond is issued and the first payment. Ms. Ekstrom stated the first payment is due within two years.

The board asked what the general cost is to educate the public. Ms. Ekstrom stated it ranges from \$1,000 to \$100,000. The board discussed the entity requesting funds will be responsible for educating the public.

Ms. Ekstrom distributed two handouts to the board outlining an eight and two million dollar bond. The board stated 1) cash may be earmarked through an appropriation and 2) bond proceeds could fund the reserves. Ms. Ekstrom referenced rates and stated municipal bonds depend on supply and demand. The board stated the interest rate and the growth rate of resort tax collections may negate themselves.

The board discussed presenting a critical path timeline at the first Town Hall Meeting and requested that Ms. Ekstrom put together a timeline working back from a June 15th final resolution adoption date and provide a sample resolution.

The board left the Open Meeting at 9:40 a.m.

The board returned to the Open Meeting at 9:50 a.m.

2. **Progress Reports** – The board directed Ms. Brunner to request the a second report in April to be submitted with the application.

3. **Treasurer’s Report** – Ms. Budd stated she will review rates monthly.

Motion by Mr. Kabisch to set up online banking to allow Ms. Brunner real-time viewing access to the money market and checking accounts. Second by Mr. Scholz. All in favor. Motion passes.

4. **Employee Handbook** – Revisions provided to Ms. Brunner.

Motion by Mr. Kabisch to adopt the handbook as amended. Second by Mr. Scholz. All in favor. Motion passes.

C. **Old Business**

1. **Town Hall Meeting Date Selection and Agendas** –The board discussed dividing the agenda into two meetings: Old and New Business. Old Business is to take place in February and include 1) Strategic Plan Review, 2) Ordinance Revision, 3) Bonding and 4) Hospital Plan progress. New Business is to take place in March and include 1) Community Corporation Facilities Plan progress, 2) Chamber Housing Plan progress and 3) Visit Big Sky Plan progress.

2. **Management’s Discussion and Analysis Letter** – Revisions provided to Ms. Brunner.

Motion by Mr. Scholz to accept the Management’s Discussion and Analysis as amended. Second by Ms. Budd. All in favor. Motion passes.

3. **Better Together** – The board directed Ms. Jamison to prepare a licensing agreement, outlining restrictions for Ms. Brunner to distribute to entities currently using the trademark.

Director Jeff Strickler left the meeting at 10:50 a.m.

4. **Directors and Officers Insurance** – With the annual premium approaching the District’s bidding limit of \$5,000, the board directed Ms. Brunner to gather additional quotes.

5. **Correspondence** – The board directed Ms. Brunner to summarize the Correspondence on one page to reduce the paperwork distributed in the meeting packet.

D. **Minutes** – Motion by Mr. Scholz to approve the November 13 open minutes as amended. Second by Mr. Kabisch. Absent: Dr. Strickler. All in favor. Motion passed.

E. **Financial and Tax Collection Reports** – Motion by Ms. Hermann to accept the financial and collection reports. Second by Ms. Budd. All in favor. Motion passes.

Chairperson Jamey Kabisch adjourned the open meeting at 11:00 a.m.

Respectfully Submitted,



Ginna Hermann, Secretary