

HRDC

2017 Resort Tax Board Application for Funding – Bough Parcel Changes/Considerations

- The denial of our application at the preliminary plat hearing and the additional costs associated with installing a second exit have changed the budget for the project significantly. In order to make up for the difference in costs the number of units that are restricted vs market rate has to change.
  - 2016 Application: 24 Deed Restricted Units, 8 Market Rate Units.  
Deed Restricted Unit Price Range: \$215,000-\$270,000
  - 2017 Application: 11 Deed Restricted Units, 21 Market Rate Units  
Deed Restricted Price Range: \$246,000 - \$308,000
  
- The timeline of the project is also a concern. It will be very difficult to get the Bough parcel project to final plat prior to the 2018 rollover deadline. With the DEQ taking 5-6 months coupled with the time it will take to install the improvements (a requirement for final plat approval) it is highly likely that we will be back in front of the RTB at this time next year requesting a second rollover.
  
- The specter of the Bough/Cronin litigation looms over this project. Since the original application for Resort Tax funding HRDC has been subpoenaed twice and placed on a litigation hold, which the HRDC attorney indicated was a precursor to a direct lawsuit filed against HRDC. As a non-profit; the HRDC Board of Directors now have to consider the potential legal fees for the organization associated with the continued pursuit of the Bough parcel project. While HRDC is not directly involved in the litigation between the Bough family and the Cronin family, attorneys for the Cronin's have given us every indication that they will also appeal any approval the project is granted by Gallatin County. Attorneys for HRDC have indicated that these appeals could delay the project as long as two years.

Visit Big Sky

**From:** Candace Carr Strauss [mailto:Candace@bigskychamber.com]  
**Sent:** Friday, June 09, 2017 3:03 PM  
**To:** Whitney Brunner  
**Cc:** Lori Wetzel; Ryan Hamilton  
**Subject:** RE: Resort Tax: Question

Whitney,

Attached is the VBS response to the posed question below, along with supporting documentation.

I will be traveling to Havre, Montana, on Sunday for the State of Montana's Tourism Advisory Council marketing plan presentations, returning to Big Sky on Wednesday afternoon prior to Resort Tax Allocations. I will be online at [candace@bigsky.chamber.com](mailto:candace@bigsky.chamber.com) and available via cell at 406.640.1331 should you need anything from me. I have also copied Lori in on this email should you need something from my office.

Thank you.

Respectfully,  
Candace

Candace Carr Strauss, CEO  
Visit Big Sky



Friday, June 9, 2017

Resort Tax  
c/o Whitney Brunner, Administrative Officer  
11 Lone Peak Drive, Suite #204  
Big Sky, MT 59716

RE: FY18 Resort Tax Board Additional Information Request

Dear Resort Tax Board Members:

First and foremost, thank you for your commitment and support of Big Sky, and specifically Visit Big Sky, through your volunteer service and allocation of more than \$50 million back to our community for critical services and infrastructure over the past 25 years.

Below, and in the attached Letters of Commitment (and sent separately) from numerous community businesses, is our response to your request to provide further clarification following Visit Big Sky's Funding Application presentation on Monday, June 5<sup>th</sup>, as to the following question: "Does Tourism Master Planning need to be done now, and will it be a collaborative effort?" The answer to this is a resounding "Yes!" for the following reason.

*"In November, 2016, a DestinationNEXT assessment\* was completed for Big Sky. The region received lower than average scores for both destination strength and community support & engagement. A number of specific areas were identified to potentially improve the destination. There is an opportunity for Big Sky to use these findings and proceed with a second phase to undertake a Tourism Master Plan.*

*Many communities are now doing tourism master planning. The purpose of such a plan would focus on the specific initiatives which need to be pursued to improve the destination and attract more high value visitors. In so doing, community support & engagement can be significantly improved as well since these plans bring together all industry and community leaders to discuss and prepare the plan."*

*Paul Ouimet, Managing Director – DMAI DestinationNEXT*

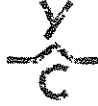
The DMAI study was the first step in the planning process, and helped to answer – "Where are we now?" Next steps are to identify, "Where do we want to be?" and "How do we get there?" which is what Tourism Master Planning will do. Therefore, we respectfully seek your support of our FY18 funding request, and await Allocations on Wednesday, June 14<sup>th</sup>.

Best regards,

Candace Carr Strauss CEO, Visit Big Sky

cc: VBS Board of Directors  
Enclosures

*\*Big Sky DestinationNEXT full study findings available upon request.*



## YELLOWSTONE CLUB

June 9, 2017

Dear Big Sky Resort Area District board members:

I am writing as a board member of Visit Big Sky, and also as an employee of the Yellowstone Club for over 10 years, to express my support of the Tourism Master Plan and the funding for Visit Big Sky. Yellowstone Club works in collaboration with VBS to leverage our private dollars to contribute to marketing the Big Sky area. Yellowstone Club, along with many other businesses in the Big Sky area are contributing millions of private dollars to the marketing the Big Sky area. We are recognizing that success creates more success. At Yellowstone Club, we are strong supporters of the tourism master plan, understanding that we all need to work together as a community to help each other grow and be successful. This plan will assist in keeping the community on track for successful and thoughtful growth.

Visit Big Sky is currently working to enhance the website [www.visitbigskymt.com](http://www.visitbigskymt.com) and the informational app for locals and tourists. When the website is delivered, it will be an incredible tool for people seeking information on dining, lodging, area events, and local businesses. The funding from the state alone doesn't allow for the marketing to be at the level it should be, and the resort tax funding will enhance this community-wide benefit.

We understand there has been tremendous growth in the community in the last decade, and in order for businesses to thrive, we need continual growth of tourism and residents. The Resort Tax revenue will continue to increase if we have more visitors and residents, and further business success will also help to address the growing pains that face our community. The core of marketing is to continue to promote, even when you have the success and growth that you are seeking. Marketing enhances awareness at the current time and creates credibility when marketing presence is consistent over time. We must continue to heavily market the Big Sky area.

When tourists enjoy their visit to Big Sky, more will repeat visit and also many will move here to call this place home and invest further in the community. We, as a community, can jointly work towards being a thriving year-round community and not a seasonal community. VBS's Marketing of the area, informational tools, and a tourism master plan will be key to further Big Sky's vibrancy.

As a marketing professional in the area, I want to express my support of the Visit Big Sky board's marketing efforts.

Sincerely,

Krista M. Traxler  
Director of Marketing  
Yellowstone Club  
[krista.traxler@yellowstoneclub.com](mailto:krista.traxler@yellowstoneclub.com)

# REAL ESTATE CO.

June 9, 2017

Dear Big Sky Resort Area District Board Members:

As a Visit Big Sky Board Member and an employee of Lone Mountain Land Company, I wanted to express my support of Visit Big Sky's Resort Tax funding request, as well as the Tourism Master Plan. I've also owned and operated a retail store in the community and can speak from personal experience the importance of the continued effort to drive more tourism to this incredible place.

Currently, we still operate with a limited high season, so every dollar that comes into our community is invaluable. To state that we should no longer allocate monies to bring more people to Big Sky until further infrastructure is in place is counterintuitive to our continued growth. Our existing businesses count on economic progression and future developments hinge on increased traffic to be maintainable. To see the momentum that Big Sky has regained in the past five years fall to the wayside, due to a lack of funding VBS's efforts, would be alarming.

More businesses are committing to being operational year-round. Organizations are hosting events outside of the high season to encourage visitation. A new hotel in Town Center is breaks ground this summer, expanding our lodging choices. Our vibrant community is putting forth the effort necessary to allure people to the area year-round. In turn, we need to support these industries by continuing to promote this special area through VBS. Until we have less seasonality and fluctuation in tourism, investment dollars to fund infrastructure will be hard to secure. The ultimate no-win situation would be the Resort Tax Board deciding that these efforts aren't an appropriate allocation of funding. Section 19.1 of the Resort Tax's governing documents specifically states that 'tourism development' is one of the purposes of the tax. For commerce to sustain Big Sky's existing and future plans for infrastructure, we must continue to spend appropriately towards the largest contributor to our Resort Tax — tourism. Marketing is an essential part of this success, with VBS being the orchestrator behind the community-minded drive to draw more tourism to Big Sky.

I'm in full support of the Tourism Master Plan. A cohesive, collaborative tourism plan is long overdue for our budding community that centers its economic prosperity on visitation. With the destination travel market becoming increasingly competitive, a long-term plan will help ensure Big Sky's place on the national level. As a community, we need to take the positive strides necessary to not only build a strong, variegated resort destination that generations to come will want to partake in, but one with a strong message that's being heard locally, regionally and nationally. Your time and thoughtful consideration of the importance of supporting the funding for these ventures is appreciated.

Sincerely,

Crystal Snook  
The Big Sky Real Estate Co. Marketing Assistant  
Visit Big Sky Board of Directors

Big Sky Resort Area District  
Board of Directors  
PO Box 160661  
Big Sky, Montana 59716

June 9, 2017  
By Email

**RE: Support for Visit Big Sky's 2017/2018 Application**

Dear Resort Tax Board Members:

The purpose of this memo is to ask for your full support of Visit Big Sky's (VBS) application for Resort Tax funding for the 2017/18 appropriation cycle.

At the Resort Tax Board's advice, Visit Big Sky was founded in 2013 and is charged with increasing the visitation to Big Sky, which it does by branding the premier destination of Big Sky through a balanced destination marketing strategy designed to enhance the local economy by attracting high-value visitors who appreciate the unique attributes of Big Sky's year-round, world-class resort community. Under this single VBS board, they have pulled together the tourism, marketing, and promotion professionals in Big Sky who are now focused around a singular mission. With the help of a team of dedicated volunteers, they continue to make significant progress towards unifying our marketing resources and message.

VBS continues to have a well-defined relationship structure with the Chamber Board, with VBS responsible for the cohesive community marketing strategy clearly outlining the multi-season Big Sky experience. VBS will allow for the most prudent use of both public and private funds to meet its objective of increasing year-round visitation to Big Sky.

Your continued investment in major infrastructure, marketing, and promotion projects are returning significant dividends in the way of increased resort and lodging tax revenue due to increased visitation to, and awareness of, Big Sky. Congratulations – the plan is working.

We stand with the resorts and other businesses in Big Sky in strongly supporting the full VBS application, and we are of course looking forward to collaborating with our community partners to complete a tourism master plan. Through a recent community survey, we now know that Big Sky businesses are investing several million dollars each year in marketing, and private contributions are no longer eligible with the new merging of the winter website into visitbigskymt.com. The significant marketing investment being done by Big Sky businesses shows their support of marketing, and the need for VBS to continue to market the community destination as a whole, while individual businesses and resorts market their business.

Thank you again for your strong support of Visit Big Sky – your investments are making a very real, positive financial impact to the Big Sky community.

Sincerely,

**Bill Simkins**  
Bill Simkins  
Chamber Board Member

**Ryan Hamilton**  
Ryan Hamilton  
Board President, Visit Big Sky



326 North Broadway • Bozeman, Montana • 59715  
Tel: 406.586.9629 • Fax: 406.586.2653 • [bigskytowncenter.com](http://bigskytowncenter.com)



June 8, 2017

Dear Big Sky Resort Area District Board Members:

The rationale that we don't need any more visitors until we sort out our infrastructure issues astonishes me. The very funding to fix that infrastructure is provided by the visitors – the more that come, the more money we have from resort tax to address issues. In section 19.1 of the governing documents it states "tourism development" as one of the purposes of the tax and an appropriate expenditure. Marketing is tourism development.

Visit Big Sky, our Convention & Visitor Bureau (CVB) has proven to be a successful marketing entity, prudently using the state lodging tax funds they are allocated (which are currently under attack) to bring high value visitors to our community. That funding only goes so far, and brings with it numerous restrictions. For instance, individual businesses cannot pay to have a greater presence in those promotions. That is why private contributions are not included in the resort tax application – they are no longer eligible to do that in the strategic revamp of [visitbigskymt.com](http://visitbigskymt.com) and the merging of [biggestskiinginamerica.com](http://biggestskiinginamerica.com) web sites. Plus, the major employers in our community already spend several million dollars in marketing.

Tourism is one of the top industries in the State of Montana, generating over \$3.5 billion dollars and 55,000 jobs. Non-resident visitors provide tax relief to locals by contributing \$20 million to the State general fund in lodging taxes. Because of its success, the lodging tax is now being targeted to balance the state budget. Reductions in Montana Office of Tourism and Business Development resources means they will be bringing fewer visitors here, shifting the burden to the individual communities to inspire more non-resident travel.

Please don't slay the goose that is laying the golden egg for this community.

Sincerely,



Glenniss Indreland

Big Sky Resort Brand Manager – 406-995-5884

Visit Big Sky Board of Directors

Montana Tourism Advisory Council member

Big Sky Community Organization

**From:** Ciara Wolfe [mailto:ciara@bscomt.org]  
**Sent:** Tuesday, June 06, 2017 1:51 PM  
**To:** Whitney Brunner  
**Subject:** BSCO Follow-up for Board

Hello Whitney,

I wanted to promptly follow up with the Board on the questions I was unable to answer yesterday, and with the accurate Budget to Actual document.

Please see the attached Budget to Actual for July 16<sup>th</sup>-March 17th. This document will match now with our P & L provided and has deleted the Crail Ranch Management Fee expense that was entered as a duplicate in the original document provided.

Regarding the total 3-year Cash Flow Requirement document. The numbers provided are accurate. However we only entered the capital project expenses that can be capitalized in our financials (not included in budget, but instead moved to our balance sheet as an asset) in the capital expenditure line item and other capital projects that cannot be capitalized are included in the programming line item total. To break this out in detail for the next 2 years:

**2019:** Project total is \$1,080,000 (assuming no grants are received for the tunnel). Of those projects, none can be capitalized (moved to our balance sheet as an asset) since they are not on our property, so the capital project expenses all fall under Programming.

**2020:** Project total is \$450,000. Of those projects, \$250,000 will be capitalized within our financials so they are listed under Capital Expenditures and \$200,000 will not be able to be capitalized so those expenses fall under programming, even though still funding capital project.

Please let me know if you need any further explanation.

Also, I recognized afterwards that I did not answer the question regarding the need for the Parks District and if it is still active. Yes, it is and has been playing a major role in opening up the door for funding (i.e. MTAP tunnel grant that we submitted through the Parks District and Gallatin County) and also working through the potential to adjust zoning parks and open space regulations. The District did not apply for any funding this year as they had no expenses that are not being covered by the Counties. However, through our Master Parks Plan that is being finalized, we are developing a plan that outlines the key roles each entity can play in our community and how they complement each other, both BSCO and the Parks District. Through the Master Parks Planning process, I have learned that it is vital to have a government entity that can support our work at BSCO as the management entity in our community, just due to the opportunities they provide with policies and funding sources. I hope that answers your question and apologize I did not address it when asked.

Sincerely,

CIARA WOLFE | EXECUTIVE DIRECTOR  
Big Sky Community Organization  
PO BOX 18194 Big Sky MT 59716  
O 406.993.2413  
C 406.579.2418  
www.bscomt.org



- 1) Provide a description of the entity and the Mission Statement. State the entity's tax status/legal identity and when it was initiated. What is the personnel makeup of your office; specifically how many are employees, how many are contractors and what are their duties? What is the full time equivalent (FTE) of each: ¼, ½, ¾ or full time? Unless previously provided to the resort tax office, please include a copy of the Articles of Incorporation. (200 words max)**

Big Sky Search & Rescue (BSSAR) provides rescue to anyone needing assistance/rescue or who is lost in the backcountry in the area surrounding Big Sky. We are an all-volunteer organization that is available 24 hours/day, 365 days/year. There are 33 active members of BSSAR. We act as a resource of the Gallatin County Sheriff's Department and serve free of charge at their discretion. BSSAR is a 501(c)(3) nonprofit.

- 2) Provide a complete description of the project(s). Include the project(s) purpose, goals and objectives. For each project provide a budget number and measurable objectives, i.e. how you will do something and in what timeframe. The information provided here should be specific regarding what the entity is requesting to be funded by resort tax. If requesting funds for operations, identify the categories and assign a dollar amount (salaries, software, etc.) If permits are required, please specify what permits are required and what projects they apply to. If requesting funds for a study (feasibility, etc.), a minimum of two bids are required. Also provide the RFP submitted for the study. Funding for a study will only be considered if the proposal has measurable outcomes. Please be succinct.**

1. Supplement funding from Gallatin County SAR mill levy for normal operations/training. (\$16,500). This increase in operational expenses is due to the need for:
  - a. New member medical training (\$4000)
  - b. Increased equipment maintenance (\$3500)
2. Hire an engineer to investigate reworking and expanding our parking area to accommodate more parking, including the County's large incident command vehicle. (\$8000)
3. Purchase a smaller side-by-side UTV for hasty team response. These vehicles are designed to be quick and maneuverable, and the purpose of the hasty team is to get at least 2 members to the incident location as quickly as possible to stabilize the patient. Additional teams arrive with the necessary resources to transport the sick or injured party out of the backcountry safely, such as the Ranger that Resort Tax funding allowed us to purchase 2 years ago. This new UTV will be 50% funded by donation (\$8500) and so we are asking for 50% funding from Resort Tax (\$8500).

2016.17 Budget vs Actual

Ordinary Income/Expense	<u>Jul '16 - Mar 17</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
<b>Income</b>				
<b>3200 · Sponsors/Contributions/Donation</b>				
3206 · HOA Donations	34,575.00	35,000.00	-425.00	98.79%
3209 · Community Donations	173,945.70	62,000.00	111,945.70	280.56%
3002 · In-Kind Donations	4,800.00	10,000.00	-5,200.00	48.0%
<b>Total 3200 · Sponsors/Contributions/Donation</b>	<u>213,320.70</u>	<u>107,000.00</u>	<u>106,320.70</u>	<u>199.37%</u>
<b>3200.1 · Events/Campaigns</b>				
3258 · Community/Special Events	8,643.00	10,000.00	-1,357.00	86.43%
3249 · Annual Fundraiser	127,951.90	123,000.00	4,951.90	104.03%
3254 · Annual Appeal	27,013.65	30,000.00	-2,986.35	90.05%
<b>Total 3200.1 · Events/Campaigns</b>	<u>163,608.55</u>	<u>163,000.00</u>	<u>608.55</u>	<u>100.37%</u>
<b>3400 · Grant Revenue</b>				
3405 · BSRAD	284,989.13	774,271.30	-489,282.17	36.81%
3480 · Other Grants	39,500.00	35,000.00	4,500.00	112.86%
<b>Total 3400 · Grant Revenue</b>	<u>324,489.13</u>	<u>809,271.30</u>	<u>-484,782.17</u>	<u>40.1%</u>
<b>3300 · Misc. Income</b>				
3380 · Other Income	2,069.29			
3315 · Interest Income	632.62	2,341.00	-1,708.38	27.02%
<b>Total 3300 · Misc. Income</b>	<u>2,701.91</u>	<u>2,341.00</u>	<u>360.91</u>	<u>115.42%</u>
<b>3200.3 · Trails</b>				
3224 · Donations & Sponsorships	18,000.00	14,000.00	4,000.00	128.57%
3219 · Other Income	3,060.16	7,200.00	-4,139.84	42.5%
<b>Total 3200.3 · Trails</b>	<u>21,060.16</u>	<u>21,200.00</u>	<u>-139.84</u>	<u>99.34%</u>
<b>3200.4 · Parks Income</b>				
3220 · Parks	795.80	1,200.00	-404.20	66.32%
3248 · Dodgeball	0.00	750.00	-750.00	0.0%
3261 · Kickball	0.00	250.00	-250.00	0.0%
3260 · 4th of Jul`	4,691.00	3,500.00	1,191.00	134.03%
3221 · Skate Park	0.00	2,000.00	-2,000.00	0.0%
3255 · Disc Golf	250.00	750.00	-500.00	33.33%
3223 · Softball	6,400.00	7,800.00	-1,400.00	82.05%
3600 · Tennis	0.00	1,500.00	-1,500.00	0.0%
<b>Total 3200.4 · Parks Income</b>	<u>12,136.80</u>	<u>17,750.00</u>	<u>-5,613.20</u>	<u>68.38%</u>
<b>3100 · Camp &amp; Broadway Income</b>				
3116 · Broadway Donations/Income	11,400.00	30,500.00	-19,100.00	37.38%
3106 · Camp Tuition	40,215.19	52,125.00	-11,909.81	77.15%
3110 · Camp Donations	11,373.13	1,000.00	10,373.13	1,137.31%
<b>Total 3100 · Camp &amp; Broadway Income</b>	<u>62,988.32</u>	<u>83,625.00</u>	<u>-20,636.68</u>	<u>75.32%</u>
<b>3700 · Historic Crail Ranch Income</b>				
3720 · Donations	3,999.00	3,400.00	599.00	117.62%
3725 · Grants	23,500.00	24,000.00	-500.00	97.92%
3730 · Annual Appeal	10,754.00	6,000.00	4,754.00	179.23%
3705 · Other Income	71.56	500.00	-428.44	14.31%
<b>Total 3700 · Historic Crail Ranch Income</b>	<u>38,324.56</u>	<u>33,900.00</u>	<u>4,424.56</u>	<u>113.05%</u>
<b>Total Income</b>	<u>838,630.13</u>	<u>1,238,087.30</u>	<u>-399,457.17</u>	<u>67.74%</u>

2016.17 Budget vs Actual

Gross Profit	838,630.13	1,238,087.30	-399,457.17	67.74%
Expense				
4100 · Administrative Expenses				
4000 · Staff Expenses				
4005 · Wages	115,276.45	173,953.67	-58,677.22	66.27%
4113 · Unemployment	0.00	3,057.60	-3,057.60	0.0%
4112 · Workers Comp	2,333.33	8,153.60	-5,820.27	28.62%
4016 · HSA	1,774.02	0.00	1,774.02	100.0%
4010 · Payroll Taxes	9,610.72	13,916.29	-4,305.57	69.06%
4012 · Employee Benefits	3,458.06	4,335.60	-877.54	79.76%
4015 · Health Insurance	10,800.51	16,925.28	-6,124.77	63.81%
Total 4000 · Staff Expenses	143,253.09	220,342.04	-77,088.95	65.01%
4170 · Depreciation Expense	97,785.99			
4114 · In-Kind - Admin	0.00	10,000.00	-10,000.00	0.0%
4181 · Office Utilities	2,976.54	5,560.27	-2,583.73	53.53%
4140 · Advertising/Marketing	8,794.14	12,000.00	-3,205.86	73.29%
4183 · Office Supplies	5,499.39	5,800.00	-300.61	94.82%
4130 · Professional Services	12,500.83	18,000.00	-5,499.17	69.45%
4110 · Insurance - Admin	0.00	1,901.00	-1,901.00	0.0%
4115 · Bank Fees	1,144.38	2,400.00	-1,255.62	47.68%
4145 · Other Administrative Expense	3,713.09	3,000.00	713.09	123.77%
4180 · Rent	27,000.00	36,000.00	-9,000.00	75.0%
4185 · Management Fees 6-10%	0.00	20,077.78	-20,077.78	0.0%
Total 4100 · Administrative Expenses	302,667.45	335,081.09	-32,413.64	90.33%
4300.1 · Trails Expense				
4326 · Liability Insurance	15,310.25	15,734.82	-424.57	97.3%
4322 · Trails Wages, Taxes, Benefits	7,365.55	8,960.00	-1,594.45	82.21%
4318 · Advertising/Marketing	1,068.00	2,000.00	-932.00	53.4%
4317 · Special Projects	145,174.24	388,561.20	-243,386.96	37.36%
4319 · Other Supplies/Expense	5,295.00	9,393.86	-4,098.86	56.37%
4321 · Repairs & Maintenance	15,466.45	48,117.50	-32,651.05	32.14%
4334 · Trails Management Fee 10%	0.00	8,483.64	-8,483.64	0.0%
Total 4300.1 · Trails Expense	189,679.49	481,251.02	-291,571.53	39.41%
4300 · Parks Expense				
4303 · Other Supplies/Expenses	1,486.34	1,350.00	136.34	110.1%
4311 · Special Projects	22,875.65	31,000.00	-8,124.35	73.79%
4305 · Utilities	803.02	1,581.11	-778.09	50.79%
4302 · Liability Insurance	15,314.75	15,734.81	-420.06	97.33%
4306 · Repairs & Maintenance	19,445.87	24,201.38	-4,755.51	80.35%
4531 · Dodgeball	0.00	100.00	-100.00	0.0%
4562 · Kickball	0.00	50.00	-50.00	0.0%
4540 · 4th of July	1,845.60	2,500.00	-654.40	73.82%
4539 · Disc Golf	0.00	650.00	-650.00	0.0%
4313 · Softball	2,669.79	9,100.00	-6,430.21	29.34%
4705 · Tennis	2,017.25	2,215.00	-197.75	91.07%
4309 · Skate Park	0.00	250.00	-250.00	0.0%
4301 · Parks Management Fee 6%	0.00	3,144.03	-3,144.03	0.0%
Total 4300 · Parks Expense	66,458.27	91,876.33	-25,418.06	72.33%

2016.17 Budget vs Actual

<b>4200 · Camp &amp; Broadway Expenses</b>				
<b>4202 · Camp Expenses</b>				
4210 · External Camp Fees	11,986.80	8,075.00	3,911.80	148.44%
<b>4280 · Camp Staff Expenses</b>				
4005.2 · Camp Wages	26,551.50	38,076.00	-11,524.50	69.73%
4280.4 · Unemployment	0.00	685.37	-685.37	0.0%
4280.1 · Payroll Taxes	2,449.62	3,046.08	-596.46	80.42%
4280.2 · Workers Comp	0.00	1,827.64	-1,827.64	0.0%
<b>Total 4280 · Camp Staff Expenses</b>	<u>29,001.12</u>	<u>43,635.09</u>	<u>-14,633.97</u>	<u>66.46%</u>
4233 · Liability Insurance	1,985.80	1,972.00	13.80	100.7%
4220 · Advertising/Marketing	0.00	500.00	-500.00	0.0%
4207 · Repairs & Maintenance	914.00	365.75	548.25	249.9%
4206 · Utilities	193.68	140.71	52.97	137.65%
4205 · Supplies	10,148.15	5,000.00	5,148.15	202.96%
4200.1 · Camp Management Fee 6%	0.00	3,014.13	-3,014.13	0.0%
<b>Total 4202 · Camp Expenses</b>	<u>54,229.55</u>	<u>62,702.68</u>	<u>-8,473.13</u>	<u>86.49%</u>
<b>4201 · Broadway Expenses</b>				
4211 · Other/Supplies	5,087.00	18,005.00	-12,918.00	28.25%
4200.3 · Broadway Management Fee 6%	0.00	2,215.56	-2,215.56	0.0%
4005.3 · Wages, Taxes, Benefits	0.00	19,482.00	-19,482.00	0.0%
<b>Total 4201 · Broadway Expenses</b>	<u>5,087.00</u>	<u>39,702.56</u>	<u>-34,615.56</u>	<u>12.81%</u>
<b>Total 4200 · Camp &amp; Broadway Expenses</b>	<u>59,316.55</u>	<u>102,405.24</u>	<u>-43,088.69</u>	<u>57.92%</u>
<b>4775 · Natural Resource Council Expens</b>				
4771 · Advertising/Marketing	2,322.50	3,000.00	-677.50	77.42%
4778 · NRC Management Fee 6%	0.00	90.00	-90.00	0.0%
<b>Total 4775 · Natural Resource Council Expens</b>	<u>2,322.50</u>	<u>3,090.00</u>	<u>-767.50</u>	<u>75.16%</u>
<b>4400 · Historical Crail Ranch Expense</b>				
4400.1 · In Kind - HCR	2,000.00	0.00		
4401 · Advertising/Marketing	1,718.74	3,000.00	-1,281.26	57.29%
4405 · Repairs & Maintenance	1,488.24	1,825.00	-336.76	81.55%
4419 · Office Supplies	2,141.97	4,180.00	-2,038.03	51.24%
4408 · Utilities	1,392.43	1,500.15	-107.72	92.82%
4417 · Miscellaneous/Other	4,606.68	5,208.62	-601.94	88.44%
4430 · Special Projects	50,320.47	41,348.75	8,971.72	121.7%
4430 · HCR Management Fee 6%	0.00	3,130.43	-3,130.43	0.0%
<b>Total 4400 · Historical Crail Ranch Expense</b>	<u>63,668.53</u>	<u>60,192.95</u>	<u>3,475.58</u>	<u>105.77%</u>
<b>4500 · Events/Campaigns Expenses</b>				
4538 · Annual Appeal Expense	977.21	2,500.00	-1,522.79	39.09%
4533 · Annual Event Expense	45,263.66	43,775.00	1,488.66	103.4%
4500.1 · In-Kind - Events	2,800.00	0.00	2,800.00	100.0%
4530 · Community/Special Event Expense	1,380.08	1,000.00	380.08	138.01%
<b>Total 4500 · Events/Campaigns Expenses</b>	<u>50,420.95</u>	<u>47,275.00</u>	<u>3,145.95</u>	<u>106.66%</u>
<b>4600 · Capital Exp - Project Work</b>	<u>4,971.94</u>	<u>185,000.00</u>	<u>-180,028.06</u>	<u>2.69%</u>
<b>Total Expense</b>	<u>739,505.68</u>	<u>1,306,171.63</u>	<u>-566,665.95</u>	<u>56.62%</u>
<b>Net Ordinary Income</b>	<u>99,124.45</u>	<u>-68,084.33</u>	<u>167,208.78</u>	<u>-145.59%</u>
<b>Net Income</b>	<u>99,124.45</u>	<u>-68,084.33</u>	<u>167,208.78</u>	<u>-145.59%</u>

Gallatin County Sheriff's Department



**From:** Kelly, Brandon [mailto:Brandon.Kelly@gallatin.mt.gov]  
**Sent:** Thursday, June 08, 2017 3:56 PM  
**To:** Whitney Brunner  
**Subject:** Board Questions

Hi Whitney,

Let me know if this addresses the boards questions or if they would like more.

Question: Provide statistics on the 1) year-over-year call volume and 2) resident vs non-resident call numbers.

Calls for Service (CFS) for the Canyon Section of the Gallatin County Sheriff's Office for the past five years.

2012 – 3650 CFS

2013 – 4218 CFS

2014 – 4806 CFS

2015 – 6966 CFS

2016 – 6846 CFS

2017 – 3378 (Jan 1st – Jun 4<sup>th</sup>) CFS

Our current record management system does not allow me to search and break down the calls for service based on resident or none resident status. This would be difficult when interacting with people who live in the area full-time, part-time, seasonal workers, workers who commute and visitors. Based on the nature of the individual events we do not collect some of the information to determine residency.

We can determine that seasonal workers and visitors do make up a large number of our calls for service based on the fact that we are busier during the winter and summer months when we have larger numbers of visitors and seasonal workers in the area.

You may also notice that there was a small decline in total Calls for Service in 2016. In 2015, Big Sky was at full staff (six deputies) for the entire year. In 2016, we were short deputies as we lost and gained new deputies. With more time I would be able to break the calls for service down to show traffic and criminal trends that we experience throughout the given years.

During Mondays meeting the board also had questions for Big Sky Search & Rescue. As you know all Search and Rescue activity in Montana is over seen by the county sheriff's. The questions are highlighted and followed by an explanation.

Does Madison County pay for SAR calls that are in Madison County? The answer is that we do not charge Madison County for SAR calls in Madison County. Madison and Gallatin County have a law enforcement contract that Gallatin addresses the greater Big Sky area. As part of the Sheriff's Office, Search and Rescue services are provide. Big Sky Search & Rescue is funded through a 1 mill Gallatin County Tax, The Big Sky Resort Tax Board, Donations, and Surcharges on hunting,

fishing, trapping and ATV/Boat licenses (the surcharges are state reimbursement that each county receives on some operations).

Why are people not charged for using SAR services? The County Attorney believes that under the Public Safety Doctrine we could not legally bill for these services. The doctrine basically explains that everyone pays a little so no one pays a lot.

Through research we have also found that billing people does not change behavior. This has been tried in other states and countries and the numbers of search and rescue calls did not change. Areas that charge for search and rescue calls found that they were called by people later and in worse shape because of the fear of the bill. This makes things more difficult for our volunteers.

The average cost per search and rescue call is between \$400.00 and \$500.00. Collection rate is low and the time, effort and cost to collect is usually more than the bill.

There is a time when we can and will charge someone for a search and rescue call. If the circumstances of the call warranted it would be through restitution on a criminal charge such as negligent endangerment.

I hope this email addresses the boards question regarding the yearly increase in numbers of calls for service the Sheriff's Office has seen over the past five years and funding concerns with search and rescue. I am more than happy to take any other questions the board may have.

Thank you and stay safe,

Brandon

**SGT. BRANDON KELLY 673**  
**PATROL DIVISION/CANYON SECTION**  
**SRT / FIREARMS TEAM**  
**GALLATIN COUNTY SHERIFF'S OFFICE**  
**615 S. 16TH AVE.**  
**BOZEMAN, MT. 59715**  
**(406) 551-5242**  
[BRANDON.KELLY@GALLATIN.MT.GOV](mailto:BRANDON.KELLY@GALLATIN.MT.GOV)

Jack Creek

**From:** Sarah Tilt [mailto:sarah@jackcreekpreserve.org]  
**Sent:** Friday, June 09, 2017 9:31 AM  
**To:** Whitney Brunner  
**Subject:** RE: Resort Tax: Question

Whitney,

Attached is a revised Project Impact & Strategy.

Please let me know if you require any additional information. We appreciate the consideration of the Resort Tax Board. See you on the 14<sup>th</sup>.

Have a great weekend.  
Sarah

# Jack Creek Education and Research Expansion Project: Working with the Big Sky Community

## Project Impact & Strategy

Our audiences are youth, local students, and families looking for opportunities together to experience the outdoors together, and include both residents and visitors to Big Sky. We expect our efforts for this project to result in a marked increase in the number and scope of education programs we offer for the community of Big Sky. Between January and March 2017, 302 people used our facilities, with 20% coming from Big Sky. Of this, 148 people used our trails for cross country skiing and snowshoeing – 36% were homeowners in Big Sky. With support from the Resort Tax Board, we intend to increase total usage numbers by homeowners and visitors in Big Sky to 40% or more in the next year.

Expanding our educational outreach efforts will transfer into a greater number of programs accessible to a wider audience in Big Sky. Our strategy includes:

1. Implementing at least 3-4 new programs at the Preserve for youth and families;
2. Working with the Ophir School and Big Sky Discovery Academy to establish field programs at the preserve. We have already begun discussions with the Big Sky Discovery Academy and hope to launch pilot programs as early as this fall with students using the Preserve to advance their science programs.
3. Increasing outreach and marketing efforts to the Big Sky community to let more people know about our programs and invite people to visit, hike, play, and learn. We have nice collaboration with the Chamber of Commerce and Big Sky Community Organization to assist our efforts.
4. Working closely with our non-profit partners to create new opportunities to experience the preserve – wildflower hikes, weed identification and irradiation, etc. We will be part of the Big Sky Community Organization's Hike and Learn Series this summer, and are hoping to put together a program with Big Sky Weeds Committee.
5. Expanding our trail system for hiking, mountain biking, cross country skiing and snowshoeing, among other activities. This will allow more people to enjoy the Preserve year-round.
6. Continue to provide educational programs in Big Sky. Our lecture series, Seasons of Jack Creek, will begin again in September with 5-6 lectures through March 2018.
7. Supporting the Big Sky community by providing archery and outdoor education to other summer camps and programs in Big Sky, such as the Big Sky Community Organization and Yellowstone Club Camps.

Our program will be successful by increasing the number of people in Big Sky using and experiencing the Jack Creek Preserve. Jack Creek has been relatively difficult to access, and we are providing more access and developing programs specifically for audiences in the Big Sky Community which help to spread people across the landscape and trails. We have many of the same amenities offered by Yellowstone National Park and are within a 30 minute drive from Big Sky Town Center.

We will measure our success through:

- Number of people from Big Sky using our facilities and trails.
- Number of groups, schools and others we work with in Big Sky.
- Number of partnerships we develop in Big Sky.
- Number of new programs we implement that provide opportunities for residents and visitors to Big Sky.

The Preserve requires groups to complete an "Assessment of Experience" to help us improve our facilities and programming, and measure how we helped their programs and participants, and how their experience at Jack Creek Preserve contributed to their program and their participants. We will compile this information as part of our annual program assessment.

Our programs will help more people to have a lasting connection with Big Sky. We appreciate and thank the Resort Tax Board for their consideration.

Post Office

Snowmobile Association

**From:** Bryan Capdeville [mailto:blubyu\_7@msn.com]  
**Sent:** Wednesday, June 07, 2017 10:02 PM  
**To:** Whitney Brunner  
**Cc:** Corral Bar  
**Subject:** Re: Resort Tax: Question

Whitney,

Attached is a spreadsheet with the past 6 years. Please note that the counter malfunctioned during the 2013-14 season and the reading is abnormally high.

Bryan

**From:** Bryan Capdeville [mailto:blubyu\_7@msn.com]  
**Sent:** Wednesday, June 07, 2017 9:06 PM  
**To:** Corral Bar; Wes; Whitney Brunner  
**Subject:** Re: Resort Tax: Question

Whitney,

The counter for Buck Ridge showed 11,433 for this past season.

We do not have a breakdown of resident vs non-resident spending.

Bryan



<b>Year</b>	<b><u>2011-12</u></b>	<b><u>2012-13</u></b>	<b><u>2013-14</u></b>	<b><u>2014-15</u></b>	<b><u>2015-16</u></b>	<b><u>2016-17</u></b>
<b>Count</b>	7654	11677	20964	11309	13799	11433

**From:** Al Mal [mailto:al\_mal@yahoo.com]  
**Sent:** Friday, June 09, 2017 11:28 AM  
**To:** Whitney Brunner  
**Subject:** Re: Resort Tax: Question

Thanks for the reminder, Whitney.

I have spoken to our Post Office manager, Jean Palmer, about the current wait time for a post office box. To best answer the question requires some details.

We have some post office boxes that are issued for a fee, others that are no-fee. Generally speaking, each property in Big Sky that does not have mail delivery available to it is entitled to ONE no-fee box. We try to encourage customers who have a box but receive little mail service to give up their boxes and use general delivery, but if they are property owners they have the right to a no-fee box.

Every month on the 10th, some post office boxes become available when customers do not provide their annual renewal. Unfortunately this is the way we learn that some people have permanently left the area and no longer need their box. Other boxes become available on a random basis as customers request that their mail be forwarded to their new destination. Non-renewals or closed boxes are made available to walk in customers on a first-come first serve basis, whether fee or no-fee. There are also fee boxes available for purchase through the USPS website on-line.

With this background to get back to answering the question, there has never been a wait at our post office to obtain a fee box on-line. For no-fee boxes, which must be applied for in our post office, some become available every month. Currently, we have boxes that have been available for over a month. However, to be eligible for a no-fee box, the customer must provide proof they either own the property (deed, utility bill), or have leased the property (lease). Then we must verify that no one else is already using the address for a no-fee box, as only ONE per property is permitted. It is often the confirmation process, coupled with a customer's availability to visit the post office that can sometimes add significant time to receiving a post office box. Currently a person who is eligible for a no-fee box that has their proper documentation, and visits the post office regularly should be able to get a no-fee box within 30 days. A person who has challenges visiting the post office during the winter or summer seasons can easily obtain a box during the off-seasons. I have no doubt that there are some locals who have waited longer than 30 days to obtain a post office box, but it is not box availability that is causing the longer wait.

+++++

I thought I could also take this time to offer comments as a former board member, BSCO board member, and Big Sky resident regarding the Q&A session:

Morningstar - I agree with Ginna's comments regarding Mona's prior reluctance to "bless" our allocation to Morningstar, which I believe was based on the concern that only a small number of people in the community would directly benefit from the funding. If I remember correctly, we often spoke of this request, not in terms of black and white, but shades of gray. By subsidizing tuition for all children, it made this request "less gray". This approach, being much more efficient for Morningstar, also eliminated any inequities within income levels, where one parent may choose to apply for help while another may prioritize Morningstar as a "need" in their family budget and as their personal responsibility.

BSCO - While Ciara did an outstanding job representing the BSCO, I felt she understandably understated one reason our fundraising has improved. That reason is her and her team. It is by working with Ciara that I am now convinced that the Executive Director for a nonprofit organization like the BSCO must also be the primary fundraiser for the organization. She and her team have and continue to develop relationships with residents and visitors and have become successful matching our residents and visitors interests with our organization's needs. Whether the match results in the donation of time and/or money,

the approach has been very successful. While I appreciate and respect her modesty, I felt you should be aware of her success in fundraising, which directly offsets some of our reliance on resort tax.

Wildlife Conservation Society - While I appreciate and value our wildlife, I do not see how funding this organization, especially at the level requested could be a responsible use of resort tax funds.

HRDC - Rollover - While I am personally disposed against the concept of subsidizing housing, I do understand the board's desire to contribute something to help offset the affordable housing shortage. I also understand that my concern may be a mute point if it is concluded that the change in product mix results in a material enough change to make the request ineligible for a rollover. From the presentation, it sounded like it may even be possible that the applicant chooses to remove the rollover application from consideration. However, as the product mix has changed from 24 deed restricted and 8 free market units, to closer to a 50/50 mix (and I have heard from other sources that the mix may become more free market than deed restricted units to make the numbers pencil), there has to be concern for sustainability of this approach. An investment of over \$1M to produce so few deed restricted units doesn't seem to make prudent financial sense, especially when one considers there is no land cost in this project. This suggests future projects would require even more subsidy per unit.

That being said, HRDC will likely still be part of a solution. Why not consider a different approach: rather than partnering with the developer and assuming all of the challenges and conflicts that come with it, could HRDC partner with the Buyers? I believe the biggest impediment to ownership in our market is not the loan payment, but instead the down payment. Couldn't HRDC establish a set of criteria where eligible Buyers could receive some percentage of the down payment as either a loan to be repaid upon a sale, or in exchange for deed restricting the subject property. In this scenario, the Buyers decide to deed restrict their units by accepting the subsidy while having some of their own "skin in the game", and HRDC is no longer part of the real estate development process (great when it works, but high risk). While this may result in the buyers paying a larger monthly payment, the Buyers are most likely building a larger equity balance.

I certainly haven't developed the above concept to consider all of the shortfalls, but to me, it leaves the development challenges to the developers, allows them to sell properties to Buyers at whatever the market rate is at the time, and the Buyers can choose to deed restrict in exchange for the down payment assistance. Speaking for myself, I would be far more willing to participate in this type of program with the housing projects we have on the drawing board than one in which I try to sell free market units at a premium to offset the discounts provided to deed restricted units. The other benefits of this approach is it could begin immediately with existing condominiums, and should be able to provide the benefit at a lower resort tax subsidy per unit.

Thank you for considering my thoughts and good luck with your decisions.

Sincerely,

Al Malinowski

Big Sky Search and Rescue

-----Original Message-----

From: Jeff [mailto:jeffinmontana@hotmail.com]

Sent: Friday, June 09, 2017 8:57 AM

To: Whitney Brunner

Subject: Big Sky SAR question/answer

Whitney,

Also, please let the board be aware that we have done some investigating into obtaining funds from Madison county for incidents in that county and it turns out that Gallatin/Madison counties have a mutual aid agreement and money changes hands at the county level and essentially back to us based on our needs/wants.

One example is the Bradley Garner search on and around Lone Peak. Madison County paid for the bulk of that search even though it was run by deputys from Gallatin county.

One thing Big Sky SAR needs to get better at is informing the county when we break things or parts go bad so they can tie it in to the incident itself. This will help with alot of our maintenance issues upfront.

I hope I have answered all of your questions.

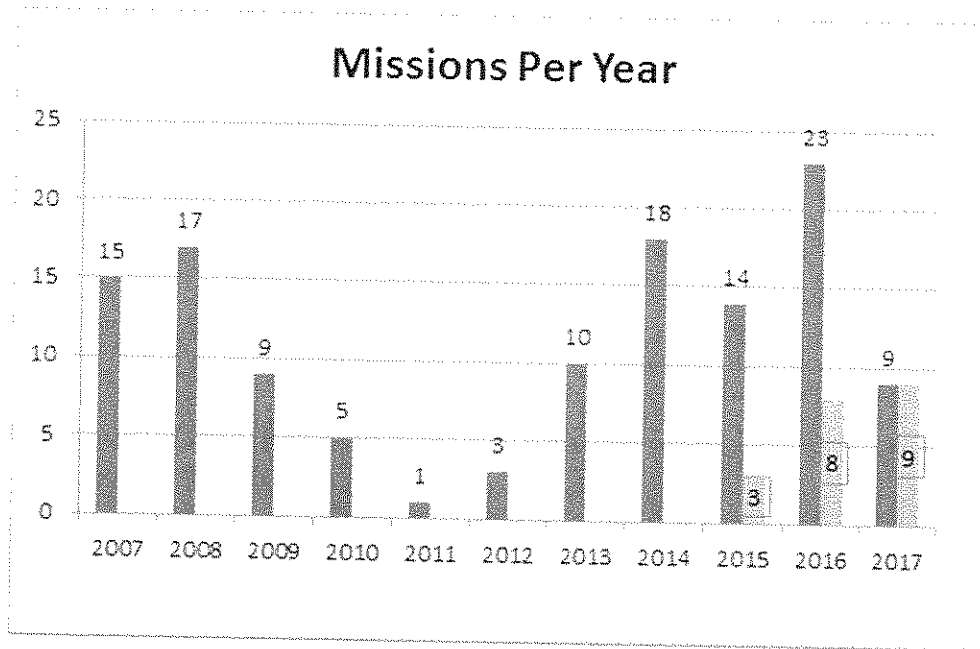
Thanks, Jeff Trulen

Jeff Trulen GRD

**From:** Jessica Trulen [mailto:knaubco@3rivers.net]  
**Sent:** Friday, June 09, 2017 8:42 AM  
**To:** Whitney Brunner; steve@Bigskyhomemanagement.com  
**Cc:** 'Jeff Trulen'  
**Subject:** RE: BSSAR amended resort tax application

Hi Whitney – Answers below, let me know if you need anything further.

1. Maintenance funds will be spent on regular seasonal maintenance and tune-ups on all equipment, including changing the oil and fluids on 4 snow machines, 1 tracked ATV, and the Polaris UTV. The Polaris UTV needs a new set of tires (it has been used the most out of any of our equipment) as well as a brake check. We will need new tubes and tires for our Teton Litter. The tracked ATV isn't running right now and may have to be taken to the dealer for servicing.
2. Polaris 900 ranger (side x side): main mtn bike/xc skier/snowmobile rescuer. Complete with heated cab/track kit. Wheels for summer. It is med bed equipped. Initial response and extraction vehicle. Not a trail legal vehicle by MT standards.  
Arctic Cat 700 4-wheeler with tracks: All-season response vehicle has hitch to tow Orion ambulance sled with wheels or skis.  
Rokon: 2-wheel-drive motorcycle. Hasty response vehicle for treacherous single track trails. Can carry one non-seriously injured passenger/driver.  
Two Arctic Cat Bearcats (one old, one newer): Used for groomed trail extraction of snowmobiler/skiers. Not an off-trail vehicle.  
Two Polaris 2015 800 Pro RMK snowmobiles: Backcountry hasty vehicles to get two rescuers to the incident quickly. Off-trail use primarily.  
Teton wheeled litter: Human-powered one-wheeled litter. Requires 5-10 people to extract a patient from the backcountry. Tight trails with a lot of elevation loss (Lava lake, Deer Lake, Asbestos trail, etc.)  
Two pickup trucks: One belongs to Gallatin County and one owned by Big Sky SAR. Both have very low miles.  
Haulmark enclosed snowmobile trailer: Used for hauling a lot of equipment to trailheads. Is big and cumbersome.  
One Aluma 3-place drive on/off snowmobile trailer: Used for hasty response team. Smaller and quick for tight areas.  
One two-place snowmobile trailer: Needs constant upkeep to use safely.  
Misc. rope/helicopter gear: For those that are certified in rigging for rescue. Used for climbing accidents and for those that need helicopter evacuation.  
Two Orion ambulance sleds with skis/wheels: Becoming outdated and have slowly become replaced by 900 Ranger with medbed.  
Misc. GPS units/radios: Enough for search group of up to 20 people.
3. See graph below. The blue columns are a calendar year and the pink is Jan-June. Note that we are on track to meet or exceed 2016.



Thanks!  
Jessica

**From:** Jessica Trulen [mailto:knaubco@3rivers.net]  
**Sent:** Monday, June 05, 2017 4:50 PM  
**To:** info@resorttax.org  
**Cc:** steve@Bigskyhomemanagement.com  
**Subject:** BSSAR amended resort tax application

Hi Whitney – Per the Resort Tax Board’s request, Big Sky Search & Rescue has amended page 2 (question 2) of their 2017-18 application, which I have attached here. Please let me know if you need me to resend the entire application as a PDF or hard copy(ies).

Thank you!

Jessica Martin-Trulen  
 Bookkeeper  
 Knaub & Company, P.C.  
 PO Box 161030  
 78 Meadow Village Drive Suite E  
 Big Sky, MT 59716  
knaubco@3rivers.net  
 (406) 995-6040

Big Sky Food Bank



**From:** Sarah Gaither [mailto:sarah@bigskyfoodbank.org]  
**Sent:** Friday, June 09, 2017 2:37 PM  
**To:** Whitney Brunner  
**Cc:** mhennessy@thehrdc.org  
**Subject:** Re: Resort Tax: Question

Hi Whitney,

We use a variety of metrics to show year over year growth:

- Number of food boxes distributed: this is the hand count of physical food packages leaving the food bank of which Households are generally limited to one per month, though during off seasons I will occasionally allow for more visits. This number also includes "produce-only" visits of which Households are allowed two per month.
- Number of Households: describes all members of a household unit and is taken from our HRDC-wide database of self-declared information completed by head of household and inputted by staff monthly.
- Number of Individuals: describes individual services for each person and is taken from our HRDC-wide database of intake sheets completed by head of household and inputted by staff monthly.

Looking at this year, we are already at 555 unduplicated HH and 625 unduplicated people.

I'm attaching here a copy of the monthly breakdown of food boxes since our beginning, because I think it is interesting for the board to see seasonal trends as well as year over year growth.

Thank you for your help!

Sincerely,

Sarah

Montana Land Reliance

**From:** Jessie [mailto:jessie@mtlandreliance.org]  
**Sent:** Friday, June 09, 2017 2:56 PM  
**To:** Whitney Brunner  
**Cc:** 'Jay Erickson'  
**Subject:** balance sheets as requested

Hi Whitney,

Please see the attached balance sheets, as requested, along with a narrative about MLR's financial position. Please let board members know I am available for a phone call anytime between now and allocations.

Also, please let me know if there is anything else you need.

Best Regards,

Jessie

Jessica Wiese  
Southwest Manager  
Montana Land Reliance  
PO Box 161554 | Big Sky, MT 59716  
(c) 406 594 1570 | [mtlandreliance.org](http://mtlandreliance.org)  
"The Montana Land Reliance partners with private landowners to permanently protect agricultural lands, fish and wildlife habitat, and open space."

Dear Resort Tax Board members,

Thank you for your time and your thoughtful questions to all of the applicants on Monday, including MLR. As a long time community member I truly appreciate the time, commitment, and responsibility associated with your positions.

As a follow up to your question regarding MLR's unrestricted fund balance and what we spent in fiscal year 2016 on Conservation Easement purchases, I can provide the following.

- MLR expanded its staff this past year, (including my permanent office in Big Sky) and has been conservative thus far this fiscal year with specifically allocated unrestricted funding into the funds that we have that ensure the long-term success of the organization. These funds are:
  - Land Protection Fund (legal defense and stewardship fund – critical to grow as we continue to take on liabilities in the form of easements – currently at 839 easements that must be monitored each year, in perpetuity, as well as defended, as necessary);
  - Land Acquisition Fund (Easement purchases); \$1,575,000 spent to purchase four conservation easements in 2016 (these were largely matching funds leveraging approximately \$3,600,000 in grant funding)
  - Special Protection Projects (Income from the Land Protection Fund is used to cover project costs (i.e. resource documentation (baseline) reports, mineral remoteness reports, title work, etc.) associated with donated easements (where the landowner is unable financially to cover the costs).
  - Education and Outreach Fund (to cover all outreach and marketing material).

If there are excess funds in MLR's general operating funds at the end of any given year, (there were few at the end of 2016) the MLR Board of Directors can, and have historically, elect to transfer the excess funds to the Montana Land Reliance Foundation for investment into the Land Protection Fund and Education and Outreach Fund. The income from these two funds is used to cover a portion of MLR's operating costs.

The general funds money that we raised last year was very close to on budget. We pride ourselves in operating in the black each year, and part of the reason we have been able to be so successful as a land trust is because we are prudent with the management of our money. We try to keep close to a year of operating funds on hand and we also try to keep some funds available for urgent land acquisition projects throughout the state. The dollar amounts associated with these purchases can be quite large.

A good example of this is the Shoco Ranch conservation easement purchase where MLR paid \$135,000 in November 2016, for a project that wasn't fully funded by Lewis and Clark County on the Rocky Mountain Front near Augusta, MT. Without MLR paying this money the project would not have been completed. This was an unexpected expense that required board approval. But with the liquid funds available, we were able to complete this project and protect this important grizzly habitat and the iconic view shed of the bob Marshall Wilderness and Haystack Butte.

The Big Sky office largely functions as a community based regional office, individually responsible for raising the necessary funds to meet the budget. This is why funding from organizations like Resort Tax is

so fundamentally important to the organization. It keeps our satellite offices afloat and allows us to make important connections and complete meaningful conservation in communities like Big Sky.

Please reach out to me with any further questions and I will clarify from there.

Best Regards,

Jessie

8:39 AM

06/08/17

Accrual Basis

The Montana Land Reliance  
**Balance Sheet Prev Year Comparison**  
 As of May 31, 2017

	May 31, 17	May 31, 16	\$ Change
<b>ASSETS</b>			
<b>Current Assets</b>			
<b>Checking/Savings</b>			
Checking	1,568.33	14,248.60	-12,680.27
Savings	266,285.69	67,319.03	198,966.66
<b>Total Checking/Savings</b>	<b>267,854.02</b>	<b>81,567.63</b>	<b>186,286.39</b>
<b>Accounts Receivable</b>			
<b>Accounts Receivable</b>			
A/R - unbilled	56,575.66	56,575.66	0.00
Accounts Receivable - Other	53,745.56	14,820.11	38,925.45
<b>Total Accounts Receivable</b>	<b>110,321.22</b>	<b>71,395.77</b>	<b>38,925.45</b>
<b>Total Accounts Receivable</b>	<b>110,321.22</b>	<b>71,395.77</b>	<b>38,925.45</b>
<b>Total Current Assets</b>	<b>378,175.24</b>	<b>152,963.40</b>	<b>225,211.84</b>
<b>Fixed Assets</b>			
<b>Equipment</b>			
Accumulated Depreciation	-168,111.93	-168,111.93	0.00
Equipment - Other	225,667.09	225,667.09	0.00
<b>Total Equipment</b>	<b>57,555.16</b>	<b>57,555.16</b>	<b>0.00</b>
<b>Land Donation - James</b>	<b>55,000.00</b>	<b>55,000.00</b>	<b>0.00</b>
<b>Tenant Improvements</b>	<b>15,000.00</b>	<b>15,000.00</b>	<b>0.00</b>
<b>Total Fixed Assets</b>	<b>127,555.16</b>	<b>127,555.16</b>	<b>0.00</b>
<b>Other Assets</b>			
<b>Gen Fund #7</b>			
Gen Fund - Change in MV	8,253.83	-6,235.61	14,489.44
Gen Fund #7 - Other	2,309,830.13	2,070,224.73	239,605.40
<b>Total Gen Fund #7</b>	<b>2,318,083.96</b>	<b>2,063,989.12</b>	<b>254,094.84</b>
<b>LAF</b>			
Change in MV	-1,190.41	-3,005.07	1,814.66
Donated Easements	783.00	776.00	7.00
Mineral Rights-LAF	1.00	1.00	0.00
Morgen's Minerals	1.00	1.00	0.00
Purchased Easements	55.00	49.00	6.00
Water Rights-LAF	1.00	1.00	0.00
LAF - Other	106,201.42	689,496.38	-583,294.96
<b>Total LAF</b>	<b>105,852.01</b>	<b>687,319.31</b>	<b>-581,467.30</b>
<b>Total Other Assets</b>	<b>2,423,935.97</b>	<b>2,751,308.43</b>	<b>-327,372.46</b>
<b>TOTAL ASSETS</b>	<b>2,929,666.37</b>	<b>3,031,826.99</b>	<b>-102,160.62</b>
<b>LIABILITIES &amp; EQUITY</b>			
<b>Liabilities</b>			
<b>Current Liabilities</b>			
<b>Accounts Payable</b>			
Accounts Payable	3,895.00	6,715.00	-2,820.00
<b>Total Accounts Payable</b>	<b>3,895.00</b>	<b>6,715.00</b>	<b>-2,820.00</b>
<b>Other Current Liabilities</b>			
Compensated Absences Payable	88,690.25	88,442.68	247.57
<b>Payroll Liabilities</b>			
Medical Reimbursement	-1,328.79	233.77	-1,562.56
Retirement	16,874.07	15,272.22	1,601.85
St. Unemployment Tax Payable	1,011.82	453.43	558.39
Payroll Liabilities - Other	-3,381.41	0.00	-3,381.41
<b>Total Payroll Liabilities</b>	<b>13,175.69</b>	<b>15,959.42</b>	<b>-2,783.73</b>

8:39 AM

06/08/17

Accrual Basis

The Montana Land Reliance  
**Balance Sheet Prev Year Comparison**  
As of May 31, 2017

	May 31, 17	May 31, 16	\$ Change
Total Other Current Liabilities	101,865.94	104,402.10	-2,536.16
Total Current Liabilities	105,760.94	111,117.10	-5,356.16
Total Liabilities	105,760.94	111,117.10	-5,356.16
Equity			
Permanently Restricted Net Asse	3,267.00	3,267.00	0.00
Retained Earnings	4,649,612.81	4,543,650.33	105,962.48
Temp Restricted Net Assets	293,900.00	293,900.00	0.00
Unrestricted Net Assets	-2,460,306.94	-2,460,306.94	0.00
Net Income	337,432.56	540,199.50	-202,766.94
Total Equity	2,823,905.43	2,920,709.89	-96,804.46
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>2,929,666.37</b>	<b>3,031,826.99</b>	<b>-102,160.62</b>

8:39 AM

06/08/17

Accrual Basis

The Montana Land Reliance  
**Balance Sheet Prev Year Comparison**  
 As of May 31, 2017

	% Change
<b>ASSETS</b>	
<b>Current Assets</b>	
Checking/Savings	
Checking	-89.0%
Savings	295.6%
Total Checking/Savings	228.4%
Accounts Receivable	
Accounts Receivable	
A/R - unbilled	0.0%
Accounts Receivable - Other	262.7%
Total Accounts Receivable	54.5%
Total Accounts Receivable	54.5%
Total Current Assets	147.2%
<b>Fixed Assets</b>	
Equipment	
Accumulated Depreciation	0.0%
Equipment - Other	0.0%
Total Equipment	0.0%
Land Donation - James	0.0%
Tenant Improvements	0.0%
Total Fixed Assets	0.0%
<b>Other Assets</b>	
Gen Fund #7	
Gen Fund - Change in MV	232.4%
Gen Fund #7 - Other	11.6%
Total Gen Fund #7	12.3%
<b>LAF</b>	
Change in MV	60.4%
Donated Easements	0.9%
Mineral Rights-LAF	0.0%
Morgen's Minerals	0.0%
Purchased Easements	12.2%
Water Rights-LAF	0.0%
LAF - Other	-84.6%
Total LAF	-84.6%
Total Other Assets	-11.9%
<b>TOTAL ASSETS</b>	<b>-3.4%</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Accounts Payable	
Accounts Payable	-42.0%
Total Accounts Payable	-42.0%
<b>Other Current Liabilities</b>	
Compensated Absenses Payable	0.3%
<b>Payroll Liabilities</b>	
Medical Reimbursement	-668.4%
Retirement	10.5%
St. Unemployment Tax Payable	123.2%
Payroll Liabilities - Other	-100.0%
Total Payroll Liabilities	-17.4%



8:39 AM

06/08/17

Accrual Basis

The Montana Land Reliance

## Balance Sheet Prev Year Comparison

As of May 31, 2017

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	% Change
Total Other Current Liabilities	-2.4%
Total Current Liabilities	-4.8%
Total Liabilities	-4.8%
Equity	
Permanently Restricted Net Asse	0.0%
Retained Earnings	2.3%
Temp Restricted Net Assets	0.0%
Unrestricted Net Assets	0.0%
Net Income	-37.5%
Total Equity	-3.3%
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>-3.4%</b>

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8:38 AM

06/08/17

Accrual Basis

The Montana Land Reliance  
**Balance Sheet Prev Year Comparison**  
 As of December 31, 2016

	Dec 31, 16	Dec 31, 15	\$ Change
<b>ASSETS</b>			
<b>Current Assets</b>			
Checking/Savings			
Checking	232,693.19	210,857.73	21,835.46
Savings	265,740.01	81,855.39	183,884.62
Total Checking/Savings	498,433.20	292,713.12	205,720.08
Accounts Receivable			
Accounts Receivable			
A/R - unbilled	56,575.66	56,575.66	0.00
Accounts Receivable - Other	166,204.92	172,597.98	-6,393.06
Total Accounts Receivable	222,780.58	229,173.64	-6,393.06
Total Accounts Receivable	222,780.58	229,173.64	-6,393.06
Total Current Assets	721,213.78	521,886.76	199,327.02
<b>Fixed Assets</b>			
Equipment			
Accumulated Depreciation	-168,111.93	-168,111.93	0.00
Equipment - Other	225,667.09	225,667.09	0.00
Total Equipment	57,555.16	57,555.16	0.00
Land Donation - James	55,000.00	55,000.00	0.00
Tenant Improvements	15,000.00	15,000.00	0.00
Total Fixed Assets	127,555.16	127,555.16	0.00
<b>Other Assets</b>			
Gen Fund #7			
Gen Fund - Change in MV	-5,447.32	-8,093.93	2,646.61
Gen Fund #7 - Other	1,701,411.87	1,704,715.63	-3,303.76
Total Gen Fund #7	1,695,964.55	1,696,621.70	-657.15
LAF			
Change in MV	-1,429.81	-3,555.29	2,125.48
Donated Easements	783.00	776.00	7.00
Mineral Rights-LAF	1.00	1.00	0.00
Morgen's Minerals	1.00	1.00	0.00
Purchased Easements	55.00	49.00	6.00
Water Rights-LAF	1.00	1.00	0.00
LAF - Other	102,869.42	174,431.85	-71,562.43
Total LAF	102,280.61	171,704.56	-69,423.95
Total Other Assets	1,798,245.16	1,868,326.26	-70,081.10
<b>TOTAL ASSETS</b>	<b>2,647,014.10</b>	<b>2,517,768.18</b>	<b>129,245.92</b>
<b>LIABILITIES &amp; EQUITY</b>			
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts Payable			
Accounts Payable	75,479.98	48,815.11	26,664.87
Total Accounts Payable	75,479.98	48,815.11	26,664.87
Other Current Liabilities			
Compensated Absences Payable	88,442.68	88,442.68	0.00
Payroll Liabilities			
St. Unemployment Tax Payable	-0.02	0.00	-0.02
Payroll Liabilities - Other	-3,381.41	0.00	-3,381.41
Total Payroll Liabilities	-3,381.43	0.00	-3,381.43
Total Other Current Liabilities	85,061.25	88,442.68	-3,381.43

8:38 AM

06/08/17

Accrual Basis

The Montana Land Reliance

## Balance Sheet Prev Year Comparison

As of December 31, 2016

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	Dec 31, 16	Dec 31, 15	\$ Change
Total Current Liabilities	160,541.23	137,257.79	23,283.44
Total Liabilities	160,541.23	137,257.79	23,283.44
Equity			
Permanently Restricted Net Asse	3,267.00	3,267.00	0.00
Retained Earnings	4,543,650.33	4,574,507.88	-30,857.55
Temp Restricted Net Assets	293,900.00	293,900.00	0.00
Unrestricted Net Assets	-2,460,306.94	-2,460,306.94	0.00
Net Income	105,962.48	-30,857.55	136,820.03
Total Equity	2,486,472.87	2,380,510.39	105,962.48
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>2,647,014.10</b>	<b>2,517,768.18</b>	<b>129,245.92</b>

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8:38 AM

06/08/17

Accrual Basis

The Montana Land Reliance

# Balance Sheet Prev Year Comparison

As of December 31, 2016

	% Change
<b>ASSETS</b>	
<b>Current Assets</b>	
Checking/Savings	
Checking	10.4%
Savings	224.7%
Total Checking/Savings	70.3%
Accounts Receivable	
Accounts Receivable	
A/R - unbilled	0.0%
Accounts Receivable - Other	-3.7%
Total Accounts Receivable	-2.8%
Total Accounts Receivable	-2.8%
Total Current Assets	38.2%
<b>Fixed Assets</b>	
Equipment	
Accumulated Depreciation	0.0%
Equipment - Other	0.0%
Total Equipment	0.0%
Land Donation - James	0.0%
Tenant Improvements	0.0%
Total Fixed Assets	0.0%
<b>Other Assets</b>	
Gen Fund #7	
Gen Fund - Change in MV	32.7%
Gen Fund #7 - Other	-0.2%
Total Gen Fund #7	0.0%
<b>LAF</b>	
Change in MV	59.8%
Donated Easements	0.9%
Mineral Rights-LAF	0.0%
Morgen's Minerals	0.0%
Purchased Easements	12.2%
Water Rights-LAF	0.0%
LAF - Other	-41.0%
Total LAF	-40.4%
Total Other Assets	-3.8%
<b>TOTAL ASSETS</b>	<b>5.1%</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Accounts Payable	
Accounts Payable	54.6%
Total Accounts Payable	54.6%
Other Current Liabilities	
Compensated Absences Payable	0.0%
Payroll Liabilities	
St. Unemployment Tax Payable	-100.0%
Payroll Liabilities - Other	-100.0%
Total Payroll Liabilities	-100.0%
Total Other Current Liabilities	-3.8%

8:38 AM

06/08/17

Accrual Basis

The Montana Land Reliance

## Balance Sheet Prev Year Comparison

As of December 31, 2016

---

	% Change
Total Current Liabilities	17.0%
Total Liabilities	17.0%
Equity	
Permanently Restricted Net Asse	0.0%
Retained Earnings	-0.7%
Temp Restricted Net Assets	0.0%
Unrestricted Net Assets	0.0%
Net Income	443.4%
Total Equity	4.5%
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>5.1%</b>

## Letters of Support

June 9, 2017

Big Sky Resort Area District  
Board of Directors  
PO Box 160661  
Big Sky, Montana 59716

**RE: Support for Visit Big Sky's 2017/2018 Application**

Dear Resort Tax Board Members:

The purpose of this memo is to ask for your full support of Visit Big Sky's (VBS) application for Resort Tax funding for the 2017/18 appropriation cycle.

The Visit Big Sky Board has worked in conjunction with the Big Sky Chamber of Commerce for the past 4 years to serve as the marketing branch for the community of Big Sky and has received funds from Resort Tax as outlined in the governing documents of the BSRTD to promote tourism. Dollars spent through Visit Big Sky marketing efforts have an absolute return to the BSRTD. The more visitors coming to Big Sky means more tax dollars collected. In addition, this generates revenue for every business in Big Sky.

It is the responsibility of the Visit Big Sky Board to represent greater Big Sky area through marketing efforts on the national stage in focused advertising campaigns as well as print and internet. To accomplish this with a comparatively small budget it is imperative that the Big Sky Resort Tax Board members fund the request in the full amount.

For the community of Big Sky to grow and accomplish vital infrastructure projects that the BSRTD funds on an annual basis we must continue to grow the annual income of the tax base. The Visit Big Sky Board has proven over the past 4 years that it has increased the visitation to Big Sky and therefore increased the taxes collected. Any reduction of the marketing efforts of the community will result in less tax collections for the infrastructure improvements over future years.

Thank you for your continued support of Visit Big Sky and the future of our community

Sincerely,



Ennion Williams  
Visit Big Sky Board Member  
Big Sky Transportation District Board Member

Big Sky Resort Area District  
Board of Directors  
PO Box 160661  
Big Sky, Montana 59716

June 9, 2017  
By Email

**RE: Support for Visit Big Sky's 2017/2018 Application**

Dear Resort Tax Board Members;

The purpose of this memo is to ask for your full support of Visit Big Sky's (VBS) application for Resort Tax funding for the 2017/18 appropriation cycle.

At the Resort Tax Board's advice, Visit Big Sky was founded in 2013 and is charged with increasing the visitation to Big Sky, which it does by branding the premier destination of Big Sky through a balanced destination marketing strategy designed to enhance the local economy by attracting high-value visitors who appreciate the unique attributes of Big Sky's year-round, world-class resort community. Under this single VBS board, they have pulled together the tourism, marketing, and promotion professionals in Big Sky who are now focused around a singular mission. With the help of a team of dedicated volunteers, they continue to make significant progress towards unifying our marketing resources and message.

VBS continues to have a well-defined relationship structure with the Chamber Board, with VBS responsible for the cohesive community marketing strategy clearly outlining the multi-season Big Sky experience. VBS will allow for the most prudent use of both public and private funds to meet its objective of increasing year-round visitation to Big Sky.

Your continued investment in major infrastructure, marketing, and promotion projects are returning significant dividends in the way of increased resort and lodging tax revenue due to increased visitation to, and awareness of, Big Sky. Congratulations – the plan is working.

We stand with the resorts and other businesses in Big Sky in strongly supporting the full VBS application, and we are of course looking forward to collaborating with our community partners to complete a tourism master plan. Through a recent community survey, we now know that Big Sky businesses are investing several million dollars each year in marketing, and private contributions are no longer eligible with the new merging of the winter website into visitbigskymt.com. The significant marketing investment being done by Big Sky businesses shows their support of marketing, and the need for VBS to continue to market the community destination as a whole, while individual businesses and resorts market their business.

Thank you again for your strong support of Visit Big Sky – your investments are making a very real, positive financial impact to the Big Sky community.

Sincerely,

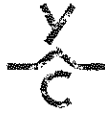
*Bill Simkins*  
Bill Simkins  
Chamber Board Member

*Ryan Hamilton*  
Ryan Hamilton  
Board President, Visit Big Sky

**BIG SKY**  
**TOWN CENTER**  
M O N T A N A

326 North Broadway • Bozeman, Montana • 59715  
Tel: 406.586.9629 • Fax: 406.586.2653 • [bigskytowncenter.com](http://bigskytowncenter.com)





## YELLOWSTONE CLUB

June 9, 2017

Dear Big Sky Resort Area District board members:

I am writing as a board member of Visit Big Sky, and also as an employee of the Yellowstone Club for over 10 years, to express my support of the Tourism Master Plan and the funding for Visit Big Sky. Yellowstone Club works in collaboration with VBS to leverage our private dollars to contribute to marketing the Big Sky area. Yellowstone Club, along with many other businesses in the Big Sky area are contributing millions of private dollars to the marketing the Big Sky area. We are recognizing that success creates more success. At Yellowstone Club, we are strong supporters of the tourism master plan, understanding that we all need to work together as a community to help each other grow and be successful. This plan will assist in keeping the community on track for successful and thoughtful growth.

Visit Big Sky is currently working to enhance the website [www.visitbigskymt.com](http://www.visitbigskymt.com) and the informational app for locals and tourists. When the website is delivered, it will be an incredible tool for people seeking information on dining, lodging, area events, and local businesses. The funding from the state alone doesn't allow for the marketing to be at the level it should be, and the resort tax funding will enhance this community-wide benefit.

We understand there has been tremendous growth in the community in the last decade, and in order for businesses to thrive, we need continual growth of tourism and residents. The Resort Tax revenue will continue to increase if we have more visitors and residents, and further business success will also help to address the growing pains that face our community. The core of marketing is to continue to promote, even when you have the success and growth that you are seeking. Marketing enhances awareness at the current time and creates credibility when marketing presence is consistent over time. We must continue to heavily market the Big Sky area.

When tourists enjoy their visit to Big Sky, more will repeat visit and also many will move here to call this place home and invest further in the community. We, as a community, can jointly work towards being a thriving year-round community and not a seasonal community. VBS's Marketing of the area, informational tools, and a tourism master plan will be key to further Big Sky's vibrancy.

As a marketing professional in the area, I want to express my support of the Visit Big Sky board's marketing efforts.

Sincerely,

Krista M. Traxler  
Director of Marketing  
Yellowstone Club  
[krista.traxler@yellowstoneclub.com](mailto:krista.traxler@yellowstoneclub.com)

## Whitney Brunner

---

**From:** Tim Drain <t.drain@naturalretreats.com>  
**Sent:** Thursday, June 08, 2017 5:27 PM  
**To:** Whitney Brunner  
**Subject:** Visit Big Sky Resort Tax Allocations

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

June 8, 2017

Dear Big Sky Resort Area District board members:

I am writing on behalf of all the local businesses that depend on destination marketing of Big Sky to drive visitation, as well as all other local entities that rely on resort tax dollars a funding source.

The rationale that we don't need any more visitors until we sort out our infrastructure issues astonishes me. The very funding to fix that infrastructure is provided by the visitors – the more that come, the more money we have from resort tax to address issues. In section 19.1 of the governing documents it states "tourism development" as one of the purposes of the tax and an appropriate expenditure. Marketing is tourism development.

Visit Big Sky, our Convention & Visitor Bureau (CVB) has proven to be a successful marketing entity, prudently using the state lodging tax funds they are allocated (which are currently under attack) to bring high value visitors to our community. That funding only goes so far, and brings with it numerous restrictions. For instance, individual businesses cannot pay to have a greater presence in those promotions. That is why private contributions are not included in the resort tax application – they are no longer eligible to do that in the strategic revamp of visitbigskymt.com and the merging of biggestskiinginamerica.com web sites. Plus, the major employers in our community already spend several million dollars in marketing.

Tourism is one of the top industries in the State of Montana, generating over \$3.5 billion dollars and 55,000 jobs. Non-resident visitors provide tax relief to locals by contributing \$20 million to the State general fund in lodging taxes. Because of its success, the lodging tax is now being targeted to balance the state budget. Reductions in Montana Office of Tourism and Business Development resources means they will be bringing fewer visitors here, shifting the burden to the individual communities to inspire more non-resident travel.

The continued increase in marketing efforts has clearly led to an increase in visitation and a parallel increase in resort tax revenue. We need to continue to bolster the funding of our marketing efforts to keep the momentum moving forward enabling year over year resort tax revenue increases that provide funding for our local infrastructure and programs.

Sincerely,

Tim Drain  
General Manager, Vacation Big Sky by Natural Retreats  
Secretary/Treasurer, Visit Big Sky



Tim Drain, LPM  
 Xplore Team | General Manager  
 E: [Tdrain@naturalretreats.com](mailto:Tdrain@naturalretreats.com)  
 M 406.209.2782  
 O 406.995.4148  
 11 Lone Peak Drive, Suite 207, Big Sky, MT 59716  
[www.naturalretreats.com](http://www.naturalretreats.com)  
[www.vacationbigsky.com](http://www.vacationbigsky.com)



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June 8, 2017

Dear Big Sky Resort Area District Board Members:

The rationale that we don't need any more visitors until we sort out our infrastructure issues astonishes me. The very funding to fix that infrastructure is provided by the visitors – the more that come, the more money we have from resort tax to address issues. In section 19.1 of the governing documents it states "tourism development" as one of the purposes of the tax and an appropriate expenditure. Marketing is tourism development.

Visit Big Sky, our Convention & Visitor Bureau (CVB) has proven to be a successful marketing entity, prudently using the state lodging tax funds they are allocated (which are currently under attack) to bring high value visitors to our community. That funding only goes so far, and brings with it numerous restrictions. For instance, individual businesses cannot pay to have a greater presence in those promotions. That is why private contributions are not included in the resort tax application – they are no longer eligible to do that in the strategic revamp of [visitbigskymt.com](http://visitbigskymt.com) and the merging of [biggestskiinginamerica.com](http://biggestskiinginamerica.com) web sites. Plus, the major employers in our community already spend several million dollars in marketing.

Tourism is one of the top industries in the State of Montana, generating over \$3.5 billion dollars and 55,000 jobs. Non-resident visitors provide tax relief to locals by contributing \$20 million to the State general fund in lodging taxes. Because of its success, the lodging tax is now being targeted to balance the state budget. Reductions in Montana Office of Tourism and Business Development resources means they will be bringing fewer visitors here, shifting the burden to the individual communities to inspire more non-resident travel.

Please don't slay the goose that is laying the golden egg for this community.

Sincerely,

Glenniss Indreland  
Big Sky Resort Brand Manager – 406-995-5884  
Visit Big Sky Board of Directors  
Montana Tourism Advisory Council member



---

**Patrick Byorth**

*Director of Montana Water, Western Water & Habitat Project*

Big Sky Resort Tax District Board  
11 Lone Peak Drive, Suite #204  
P.O. Box 160661  
Big Sky, MT 59716

Transmitted by electronic mail to: [whitney@resorttax.org](mailto:whitney@resorttax.org)

Re: 2017-2018 Big Sky Resort Tax Application for Appropriations  
Gallatin River Task Force *Watershed Group Funding*

June 7, 2017

Dear Members of the Board,

Trout Unlimited (TU) extends its full support for the Gallatin River Task Force in their request for the allocation of \$271,783 from the Big Sky Resort Tax District Board. The conservation projects and community outreach programs proposed and implemented by the GRTF are critical to sustainable development of the Big Sky area and the continued health of the Gallatin River watershed. TU is a nationwide coldwater conservation organization of 500,000 members and supporters, with 13 chapters and 4,500 members in Montana dedicated to conserving and restoring coldwater fisheries. As director of the Montana Water Program for TU, I have been a stakeholder in the Big Sky Sustainable Water Solutions Forum and am particularly optimistic that this diverse group can balance Big Sky's needs for water with maintaining watershed health and downstream water users.

The Gallatin River represents both an important recreational and economic resource to Big Sky, and its value is dependent on its health. In consideration of the rapid growth Big Sky is experiencing, the role of the GRTF is vital for continued stewardship of the Gallatin River. The restoration projects, monitoring programs, and collaborative planning efforts being led by the GRTF like the Forum are imperative for the continued health of the watershed and should continue to be supported. In addition to the conservation projects, GRTF's educational programs and community outreach efforts are integral to developing and maintaining a community which recognizes and understands the importance of a healthy watershed. It is through these efforts that GRTF will continue to grow, extend their reach, and expand their positive influence in the Big Sky community.

The GRTF has a successful track record of maintaining a healthy watershed throughout the ongoing expeditious development of Big Sky, and it is because of their efforts that the Gallatin River continues to be a premier trout fishery. Continued support of the GRTF is necessary to sustain the fishery. TU strongly encourages the Members of the Board to grant the GRTF their requested amount so they are able to continue their work at conserving the invaluable resource of the Gallatin River watershed.

Sincerely,

Patrick Byorth

---

**Trout Unlimited: America's Leading Coldwater Fisheries Conservation Organization**  
321 East Main Street, Suite 411, Bozeman, MT 59715  
office: (406) 522-7291 • cell: (406) 548-4830 • email: [pbyorth@tu.org](mailto:pbyorth@tu.org) • [www.tu.org](http://www.tu.org)



## Montana Bureau of Mines and Geology

June 6, 2017

Big Sky Resort Tax District Board  
11 Lone Peak Drive, Suite #204  
PO Box 160661  
Big Sky, MT 59716

Dear Members of the Board:

Greetings. I am a hydrogeologist with the Montana Bureau of Mines and Geology (MBMG) and am the Ground Water Investigations Program Big Sky Groundwater Study leader. I, along with a team of Montana Bureau of Mines and Geology scientists, have been working in Big Sky since 2013. Our goals are to characterize the hydrogeology of Big Sky and develop a groundwater model for the Meadow Village alluvial aquifer.

We work closely with the Gallatin River Task Force (GRTF). We share task and community contact information. The GRTF and MBMG share interests in sustainable groundwater supply – a large part of which is conservation – considering Big Sky has groundwater supply and quality issues. We support any effort that the GRTF might make to conserve water in the Gallatin Watershed.

The bureau appreciates the GRTF's cooperation during our groundwater supply and quality studies in Big Sky. Their varied efforts in stream restoration and community education in the West Gallatin watershed are worthy and relevant causes.

Sincerely,

Kirk Waren



MontanaTech

Jeff Dunn  
70 Meriwether  
Bozeman, MT 59718

June 6, 2017

Big Sky Resort Tax District Board  
11 Lone Peak Drive, Suite #204  
PO Box 160661  
Big Sky, MT 59716

Re: 2017-2018 Big Sky Resort Tax Application for Appropriations  
Gallatin River Task Force *Watershed Group Funding*

Dear Members of the Board:

I am writing to express my strong support for the Gallatin River Task Force's request for Watershed Group Funding of \$271,783 to support watershed monitoring, stream restoration, Wild and Scenic River designation, drought resiliency planning, and aquatic invasive species outreach. As a long-time whitewater kayaker on the Gallatin River, I support the Gallatin River Task Force's efforts to monitor and improve water quality within the Upper Gallatin Watershed. The Gallatin River and its tributaries are of critical importance to the economic development occurring in this area, while also providing exceptional recreational opportunities for both residents and visitors. Without careful stewardship, the Gallatin River could very well become degraded, which would negatively impact the recreational experience and associated economic development. Support for the Gallatin River Task Force is support for the Gallatin River and an affirmation that the river is the most valuable resource we have.

Sincerely,

Jeff Dunn

A handwritten signature in black ink, appearing to read "Jeff Dunn", followed by a horizontal line extending to the right.



PO Box 160513  
Big Sky, MT 59716

Big Sky Resort Tax District Board  
11 Lone Peak Drive, Suite #204  
P.O. Box 160661  
Big Sky, MT 59716

Re: 2017-2018 Big Sky Resort Tax Application for Wildlife Conservation Society

Dear Members of the Board,

I am writing in support of the Wildlife Conservation Society (WCS) application for \$236,652 to establish Big Sky as a model for wildlife-friendly development in a mountain resort community

I have worked with both Kris Inman and Molly Cross from the Wildlife Conservation Society on multiple projects and have been very impressed by their breadth of knowledge about local natural resource issues, their creativity to think outside the box, their eagerness to collaborate with other entities and individuals, and their strong communications, interpersonal, presentation skills.

I am really excited to see their project come to fruition as the need has been discussed at length for years amongst nonprofit leaders in the conservation community. Big Sky is a special place because of its natural amenities. In light of anticipated residential development, visitors and recreational growth, we need to make sure that these values are protected in a strategic, well-thought out, and collaborative manner based on the best available science. Like water management in the Big Sky area, wildlife management and planning amongst landowners is fragmented and not necessarily coordinated.

I cannot think of any entity better to spearhead this effort than the team at WCS and I urge you to fully fund their application.

Sincerely,

Kristin Gardner  
Executive Director  
Gallatin River Task Force