



MINUTES OF THE BIG SKY RESORT AREA DISTRICT OPEN BOARD MEETING

January 13, 2010

Present: Al Malinowski, Chairperson
Lance Child, Vice Chairperson
Les Loble, Secretary/Treasurer
Loren Bough, Director
Ginna Hermann, Director
Stephanie Holstein, Administrative Officer

Chairperson, Al Malinowski, called the meeting to order at 11:04 a.m.

A. Public Comment: None.

B. Open Meeting Minutes

Motion by Mr. Loble to approve the December 9, 2009 minutes, as amended. Second by Mr. Bough. All in favor. Motion passed.

C. Old Business

a) Ordinance No. 98-01-ORD amendments: 1st Reading

Ordinance No. 2008-01 amendments: 1st Reading

Motion by Mr. Bough to approve the proposed amendments to Ordinance No. 98-01-ORD, as amended, and to approve the proposed amendments to Ordinance No. 2008-01. Second by Ms. Hermann. All in favor. Motion passed.

D. New Business

a) Community Survey – The Board discussed the survey proposals, target market, budget, and proposed incentives for the community survey project. Ms. Holstein will request past survey examples and references from the two survey firms and forward to the Board.

Motion by Mr. Bough to approve a budget of up to \$5,000.00 for the community survey project and for the choice of survey firm to be decided via email. Second by Mr. Loble. All in favor. Motion passed.

E. Financial Reports

Motion by Mr. Loble to approve the December 2009 check register. Second by Mr. Bough. All in favor. Motion passed.

Chairperson, Al Malinowski, adjourned the meeting at 12:00 p.m.

Respectfully Submitted,

Les Loble, Secretary/Treasurer



MINUTES OF THE BIG SKY RESORT AREA DISTRICT OPEN BOARD MEETING

February 10, 2010

Present: Al Malinowski, Chairperson
Les Loble, Secretary/Treasurer
Loren Bough, Director
Ginna Hermann, Director
Stephanie Holstein, Administrative Officer

Chairperson, Al Malinowski, called the meeting to order at 11:04 a.m.

- A. Public Comment:** Ennion Williams, Board Chairperson of the Big Sky Transportation District, updated the Board on the status of BSTD's budget and plans to request deficit funding in the coming Appropriations process. He also voiced his support, on behalf of Lone Mountain Ranch, for the Biggest Skiing in America campaign.
- B. New Business**
- a) **Biggest Skiing in America** – Marne Hayes of the Big Sky Chamber of Commerce updated the Board on the campaign and discussed questions the Board will have in the coming Appropriations process.
 - b) **Appropriations Timeline and Applications** – The Board reviewed and approved the proposed Appropriations meeting dates, pending availability of Lance Child. The Board reviewed the draft application and discussed the distinction between the applicant and the applicant representative. Ms. Holstein will edit the application for this distinction and send to the Board for review via email. The Board also explained for Ms. Hermann conflicts of interest and what may be discussed during the Appropriations process.
 - c) **Taxability of Caregiver Establishments** – The Board confirmed that Caregiver establishments sell medicine and medical supplies and therefore should not collect the resort tax.
 - d) **Meeting Notices** – The Board reviewed the current procedures for noticing meetings and concluded they are sufficient.
 - e) **Other** – Ms. Holstein reviewed a recent payment request from Big Sky Community Corporation, noting payment was not made due to lack of Park construction invoices and that the organization must seek a rollover in order to retain the appropriation. Mr. Malinowski briefed the Board on a conversation he had with the Town Manager of West Yellowstone.
- C. Open Meeting Minutes**
- Motion by Mr. Bough to approve the January 13, 2010 minutes. Second by Mr. Loble. All in favor. Motion passed.
- D. Old Business**
- a) **Ordinance No. 98-01-ORD amendments: 2nd Reading**
Ordinance No. 2008-01 amendments: 2nd Reading
Motion by Mr. Loble to approve the proposed amendments to Ordinance No. 98-01-ORD and to approve the proposed amendments to Ordinance No. 2008-01. Second by Mr. Bough. All in favor. Motion passed.
 - b) **Community Survey** – Ms. Holstein reviewed the survey timeline, budget, and major categories with the Board. The Board suggested moving the timeline up one to two weeks to account for the off-season. The Board discussed the particular language of the survey categories and a potential incentive for survey completion.

Motion by Mr. Bough for the use of a \$1,000 sweepstake incentive, only spendable by the winner at establishments within the boundaries of the Big Sky Resort Area District. Second by Ms. Hermann. All in favor. Motion passed.

Motion by Mr. Bough to increase the survey budget to \$5,550.00. Second by Ms. Hermann. All in favor. Motion passed.

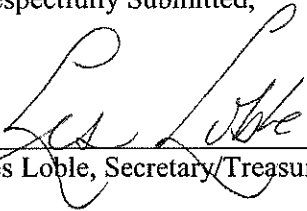
- c) **Other** – Mr. Loble distributed information on two personal office spaces available for sale or rent. Mr. Loble reviewed the election laws to be amended at the next Legislative session. Mr. Loble updated the Board on his response to a recent article published by the Bozeman Daily Chronicle. Mr. Bough briefed the Board on the status of the Montana State University funding for the Big Sky Institute.

E. Financial Reports

Motion by Mr. Bough to approve the January 2010 check register. Second by Ms. Hermann. All in favor. Motion passed.

Chairperson, Al Malinowski, adjourned the meeting at 12:56 p.m.

Respectfully Submitted,



Les Loble, Secretary/Treasurer



MINUTES OF THE BIG SKY RESORT AREA DISTRICT OPEN BOARD MEETING

March 10, 2010

Present: Al Malinowski, Chairperson
Lance Child, Vice-Chair
Les Loble, Secretary/Treasurer
Loren Bough, Director
Ginna Hermann, Director
Stephanie Holstein, Administrative Officer

Chairperson, Al Malinowski, called the meeting to order at 11:02 a.m.

A. Public Comment: none

B. New Business

- a) **Arts Council of Big Sky** – Ginna Hermann and Brian Hurlbut requested permission to use the \$9,500 Infrastructure portion of ACBS's 2009-2010 Appropriation for side paneling for a new Town Center pavilion, banners for surrounding light poles, and signage for the new park location.
Motion by Mr. Loble to grant the request. Second by Mr. Bough. All in favor. Motion passed.
- b) **Big Sky Transportation District** – The Board discussed the Findings in BSTD's Fiscal Year 2009 audit and asked Ennion Williams and David Kack of BSTD for explanations. The Board noted the severity of the findings, the current deficit of BSTD, and the obligation of the BSRAD Board to maintain strict accountability of funds it allocates.
Motion by Mr. Bough requested the Big Sky Transportation District Board of Directors to submit a written response addressing the specific action steps it will take to address the audit findings and bring its future budget into balance. Second by Ms. Hermann. All in favor. Motion passed.
- c) **Ophir School Board** – Christian Johnsen and Andrea Johnson noted Ophir's failure to adhere to the quarterly report condition of the 2009-2010 Appropriation Agreement. Mr. Johnsen noted the Ophir School Board has assigned the reporting responsibility to Ms. Johnson. Ms. Johnson noted while community groups may not be using the new gym, it allows for additional community activities to take place in the old gym, thus dramatically increasing community usage of the facilities at Ophir this year. She further explained the process in place for any requests for gym usage.
Motion by Mr. Bough to approve the \$75,000 payment request submitted by Ophir School Board. Second by Ms. Hermann. All in favor. Motion passed.
- d) **Big Sky Institute** – Mr. Bough updated the Board on the status of the funding from MSU for BSI and noted that the future of BSI will be known prior to the Appropriations Meeting.
- e) **Big Sky Western Bank CD** – The \$1,250,000 CD matures on March 10, 2010.
Motion by Mr. Loble to remove the \$1,250,000 from BSWB and to open a three-month \$2,000,000 CD at First Security Bank. Second by Mr. Child. All in favor. Motion passed.
- f) **Appropriations Community Outreach** – Given the further decline in the amount of funds available for Appropriation, the importance for applicants to be conservative and fiscally accountable with requests, and the approaching release of the Resort Tax Survey, Mr. Loble and Ms. Holstein will draft a guest editorial for the Lone Peak Lookout's March 25th issue and The Big Sky Weekly's March 26th issue.

C. Old Business

- a) **Community Survey** – Ms. Holstein updated the Board on the status of the survey and raffle.

b) Ordinance No. 98-01-ORD, as amended and Ordinance No. 2008-01, as amended, effective on March 12, 1010 – The Board signed the documents.

D. Open Meeting Minutes


Motion by Mr. Loble to approve the February 10, 2010 minutes. Second by Mr. Bough. All in favor. Motion passed.

E. Financial Reports

Motion by Mr. Bough to approve the February 2010 check register. Second by Ms. Hermann. All in favor. Motion passed.

Chairperson, Al Malinowski, adjourned the meeting at 12:50 p.m.

Respectfully Submitted,



Les Loble, Secretary/Treasurer



MINUTES OF THE BIG SKY RESORT AREA DISTRICT OPEN BOARD MEETING

April 14, 2010

Present: Al Malinowski, Chairperson
Lance Child, Vice-Chair
Les Loble, Secretary/Treasurer
Ginna Hermann, Director via conference phone
Stephanie Holstein, Administrative Officer

Chairperson, Al Malinowski, called the meeting to order at 11:00 a.m.

A. Public Comment: none

B. New Business

- a) **Big Sky Community Corporation** – Katie Morrison and Jon Ayres discussed BSCC's 2010-2011 Appropriation application with the Board.
- b) **Quarterly Remittance Plan** – The Board reviewed the draft documents for the implementation of the quarterly remittance plan.
- c) **Women in Action** – After review of the history of invoices submitted for payment, the Board requested that Ms. Holstein contact the WIA Board of Directors to respond to questions raised at the meeting regarding the reporting of counseling hours.

C. Old Business

- a) **Community Survey** – Ms. Holstein reported 610 survey responses to date and will work with M+M Research regarding its making a presentation to the Board prior to the Q&A Forum. The Board approved Ms. Holstein's request to complete the required data entry from home.
- b) **New Office Space** – The Board discussed the possibilities of acquiring a new office space.
- c) **Short-Term Rentals** – Ms. Holstein updated the Board on the short-term rental registration effort as well as the relation of the Vacation Rental By Owner listings to the Biggest Skiing in America campaign. Ms. Holstein will post an update of the efforts to the website.
- d) **Schedule** – The Board approved Ms. Holstein's request to change her schedule back to Tuesday through Thursday beginning May 11th.

D. Open Meeting Minutes

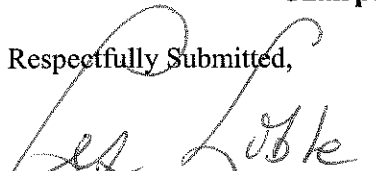
Motion by Mr. Loble to approve the March 10, 2010 minutes, as amended. Second by Mr. Child. All in favor. Motion passed.

E. Financial Reports

Motion by Mr. Child to approve the March 2010 check register. Second by Ms. Hermann. All in favor. Motion passed.

Chairperson, Al Malinowski, adjourned the meeting at 12:21 p.m.

Respectfully Submitted,


Les Loble, Secretary/Treasurer



MINUTES OF THE BIG SKY RESORT AREA DISTRICT OPEN BOARD MEETING

May 25, 2010

Present: Al Malinowski, Chairperson
Lance Child, Vice-Chair
Les Loble, Secretary/Treasurer
Loren Bough, Director
Ginna Hermann, Director
Stephanie Holstein, Administrative Officer

Chairperson, Al Malinowski, called the meeting to order at 12:07 p.m.

A. Public Comment: none

B. Old Business

- a) **Women In Action** – Rachel Thesing, WIA Board President, gave a brief update on the measures taken to monitor the Free Mental Health Program. The Board noted its satisfaction with WIA's response to the concerns raised at the April 2010 meeting.
- b) **Big Sky Water & Sewer District** – Ms. Holstein noted the aerial photography project of the Water & Sewer District is complete and a set of photos is available at the office.
- c) **Big Sky Transportation District** – Ms. Holstein noted the receipt of the response from the BSTD Board of Directors regarding concerns raised at the March 2010 meeting.
- d) **Big Sky Fire Department** – The Board discussed the final payment request for the deficit portion of the Fire Department's 2009-2010 Resort Tax Appropriation and stated the request can be made after June 30, 2010 with the submission of a year-end P&L statement and that payment will be made to cover the operating loss of the Department up to \$95,590.56.
- e) **Q&A Forum** – Ms. Holstein updated the Board on progress made to broadcast the Q&A Forum live on the internet. The Board supported the effort so long as the internet connection at the Big Sky Chapel is adequate and the broadcast is carefully monitored throughout the meeting.

C. Open Meeting Minutes

Motion by Mr. Loble to approve the April 14, 2010 minutes. Second by Mr. Bough. All in favor. Motion passed.

D. Financial Reports

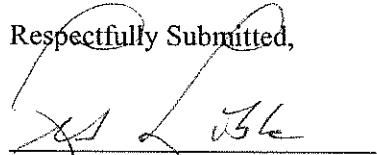
Motion by Mr. Child to approve the April 2010 register. Second by Ms. Hermann. All in favor. Motion passed.

**Chairperson, Al Malinowski, adjourned the Open meeting at 12:35 p.m.
and resumed the meeting at 1:01 p.m.**

E. Big Sky Community Resort Tax Survey – Andy Bethune of M+M Research presented the results of the survey. The Board discussed the raffle and chose to announce the winner at the Appropriations Meetings.

Chairperson, Al Malinowski, adjourned the meeting at 1:55 p.m.

Respectfully Submitted,



Les Loble, Secretary/Treasurer



MINUTES OF THE BIG SKY RESORT AREA DISTRICT OPEN BOARD MEETING

May 26, 2010

QUESTION & ANSWER FORUM

Present: Al Malinowski, Chairperson
Lance Child, Vice Chairperson
Les Loble, Secretary/Treasurer
Loren Bough, Director
Ginna Hermann, Director
Stephanie Holstein, Administrative Officer
Mona Jamison, Attorney

Chairperson, Al Malinowski, called the meeting to order at 1:03 p.m.

Mr. Malinowski welcomed attendees, gave introductions, gave a brief explanation of how the meeting would run, and announced the results of the Big Sky Resort Tax Community Survey.

1) Public Comment

Mary Jane McGarity of BSOA supported the BSCC Park application.

Marlene Fontana spoke in favor of the Library application.

Katie Alvin supported the Biggest Skiing in America and Women In Action applications.

Darius Larsen of All Saints of Big Sky spoke in favor of the Arts Council of Big Sky application.

Angie Turner supported the Morningstar Learning Center application.

Loren Cantrell of Langlas & Associates spoke in favor of funding the entire BSCC Park application.

Tucker Vanyo of J.P. Woolies supported the Biggest Skiing in America application.

Jamey Kabisch of First Security Bank spoke in favor of the Chamber of Commerce and Post Office applications.

Shelley Henslee supported the Warm Season and Winter Chamber of Commerce applications as well as the Morningstar Learning Center application.

John Allen of East West Resorts supported the Biggest Skiing in America application as well as the Transportation District application.

Jason Meyers supported the BSCC Park application, specifically for the disc golf course.

Kevin Barton of Mountain View True Value supported the Chamber of Commerce applications.

Robin Hicks spoke in favor of the Chamber of Commerce applications and the BSCC application.

Ennion Williams of Lone Mountain Ranch supported the Biggest Skiing in America application as well as the Transportation District application.

Krista Mach spoke in favor of the Community Park application, specifically for the Softball League.

Markus Kirchmayr spoke in favor of the Biggest Skiing in America application as well as the Transportation District application.

Leslie Piercy supported the BSCC Park application, specifically for the park and arts events.

Mike Scholz spoke in favor of the Winter and Warm Season Chamber of Commerce applications.

Alex Hassman supported the Biggest Skiing in America application.

Tom Owen of Gallatin Alpine Sports spoke in favor of the Biggest Skiing in America application.

Bill Simkins of Town Center supported the Chamber of Commerce applications.

Katie Coleman spoke in favor of the BSCC Park application, specifically for the Summer Camp program.

Tracy Jacobson supported the Morningstar Learning Center application.

Greg Peck of Moonlight Basin supported the Biggest Skiing in America application.

John Richardson of 320 Ranch spoke in favor of the Biggest Skiing in America application.

Becky Pape supported the Gallatin Counting Planning Department application.

Victor DeLeo supported the Chamber of Commerce applications.

Patrick Dillon supported the Biggest Skiing in America application as well as the Fire Department and Big Sky Search & Rescue applications.

2) Question & Answer Forum – Resort Tax Funds Appropriation Applications – Mandatory meeting for representatives of organizations requesting Resort Tax Funding.

Big Sky Transportation District

1) Skyline

David Kack, Ennion Williams

\$290,000.00

Ms. Hermann asked about the finances that did not come in as anticipated. Mr. Williams responded some pledges have not come in and so they plan to reduce service as well as charge a fare for the Link. He added that Madison County will contribute funding and they are looking for other sources. Mr. Loble asked if the ridership numbers are for a 12 month period. Mr. Williams responded yes. Mr. Loble asked if something has changed since in the past they did not charge a fare because they lost federal funds practically equal to the fare. Mr. Kack explained that in the past Moonlight Basin paid for the Link so it could be fare-free, but due to lowered contributions from Moonlight, they must charge a fare. He added that the fare may persuade Gallatin County to contribute funding. Mr. Child asked if the reduced service will be in the winter as well as the summer. Mr. Kack said the winter service will start later in the year and they will have fewer buses in some areas during the winter. Mr. Bough asked for a two-year comparison of how much mileage or hours would be cut with this reduction in service. Mr. Kack said he would send this information. Mr. Bough asked why ridership was down this year. Mr. Williams explained that the ridership was down more locally than on the Link due mostly to the decrease in the

number of foreign employees at Big Sky Resort. Mr. Child asked Mr. Kack to submit a budget split out for the Link and the Line. Mr. Malinowski noted that the P&L Budget vs. Actual does not include income, but given other information, he deduced that income was lower than they had projected last year and asked why. Mr. Kack explained that gas wasn't priced as high as they had anticipated and lower expenses equals lower Federal income. Mr. Malinowski asked why the Federal funding was less but Resort Tax was not. Mr. Kack said they will reconcile with Resort Tax at the end of the year. Mr. Loble asked for clarification on how the fare will affect the Federal match. Mr. Kack stated if they receive \$100,000 in fares, it saves them \$46,000 in local match other than Resort Tax. Mr. Loble asked for the timeline for the vote. Mr. Kack responded they are doing the analysis and must hold a special election. Mr. Child asked if the vote is successful, would the service expand. Mr. Kack replied it would depend on how much is received in property taxes. Mr. Child asked how it would affect the Federal funding. Mr. Kack said not at all. Mr. Child asked if ridership continues to go down, at what time will they shrink the service to match. Mr. Kack said if ridership shrinks again next year, they will lower the service to match the demand. Mr. Child noted that they must keep a balance as more funds with lowered ridership does not make sense. Mr. Malinowski asked if they are funded less than their request, will they shrink service. Mr. Kack responded yes. Mr. Bough asked what the fare will be for the Link. Mr. Kack said \$2.00. Ms. Hermann asked how they count ridership. Mr. Kack responded they only count a ride as when a person steps onto the bus regardless of transfers.

Arts Council of Big Sky

GINNA HERMANN, BRIAN HURLBUT, BOB LEVY

2) Building the Arts in Big Sky...for our Residents and Visitors

\$71,560.00

Mr. Loble asked how much sponsorships have increased this past year. Ms. Hermann said last year the corporate sponsorships were \$14,500 and are more than \$20,000 this year. She further noted private donations have grown from \$34,000 to \$50,000. Mr. Bough asked why the Headliner is not included in the application. Ms. Hermann explained that funding was given several years ago and is held in a reserve account to fund future headliners. She noted they have been able to replenish the fund almost completely each year; last year they profited a couple thousand and this year they anticipate profiting a good amount. Mr. Malinowski asked for a report that tracks the Headliner funds. Mr. Child asked for a definition of "challenge grant." Ms. Hermann explained that ACBS plans to hold a new two to three day Classical Arts weekend and they are asking for \$14,000 that must be matched by ACBS with new funds; it challenges the organization to fund raise an additional \$14,000 for the event. Mr. Levy explained the funds raised would be isolated in a separate account and only after the full match is raised would they request resort tax payment. Mr. Child asked for the proposed dates of the new event. Ms. Hermann replied the summer of 2011.

Big Sky County Water & Sewer District No. 363

RON EDWARDS, TERRY SMITH

3) Existing Water & Sewer Project Debt Service Cost Sharing

\$350,000.00

Mr. Malinowski asked if this debt was approved by the voters. Mr. Edwards responded yes. Mr. Malinowski asked if this appropriation would reduce property taxes. Mr. Edwards responded yes. He added that Boyne had been contributing \$250,000 per year, but that obligation has now ended. Mr. Loble asked why the mill rates change each year. Mr. Smith explained it is due to the amount of resort tax funding received each year. Mr. Bough asked if the \$500,000 resort tax bond payment would expire in 2013. Mr. Edwards responded yes. Mr. Loble asked if the bonds would be paid off in full at that time. Mr. Edwards responded yes. Mr. Loble asked if the resort tax request is funded in full, will the tax payer pay the amount noted in the table on the last page of the application. Mr. Edwards replied yes.

4) Storage Pond Liner Project

\$50,000.00

Mr. Smith explained they plan to pay for the remainder of the project with available loan funds from prior projects; however, this does not cover the entire cost so they would either put it on the property tax rolls or use resort tax funds; he explained that any surplus of unused resort tax funds would be returned. Mr. Loble asked if this project is aesthetic in nature. Mr. Edwards replied yes, it is meant to improve the

corridor to Big Sky. Mr. Loble asked why they don't plant trees. Mr. Edwards explained they can only plant trees between the fence and the highway, but not on top of the pond edge.

5) Pilot Snowmaking Study Project Rollover \$20,000.00

Mr. Edwards explained they have requested a permit from DEQ for the project, but they have not received a response. Ms. Jamison asked if they received a timeline for the response. Mr. Edwards responded no. Mr. Loble asked if Big Sky Water & Sewer is a zero discharge system. Mr. Edwards responded yes. Mr. Child asked when they need the permit. Mr. Edwards responded by this summer.

Gallatin County Planning Department **Mindy Nowakowski, Becky Pape, Tim Skop**
6) Update to the Gallatin Canyon/Big Sky Capital Improvements Policy \$37,500.00

Ms. Nowakowski clarified that this application is the initiative of the Big Sky Advisory Committee. Mr. Child asked if the only other funding source for this project is through a mill increase by Gallatin County. Ms. Nowakowski replied yes. Mr. Bough asked if this funding is just for Phase 2. Mr. Skop stated they are currently working through the many steps of Phase 1 and Phase 2 involves hiring an outside consultant for further development of the CIP; if Phase 2 results in more development needed in certain areas of the CIP, they would move forward with Phase 3 which would make those additions to the CIP. Mr. Child asked if Gallatin County would pay for Phase 3. Ms. Nowakowski replied yes. Mr. Child asked why the County won't fund Phase 2. Ms. Nowakowski replied the County does not have the funds, but the Department and Committee are ready right now to do the work. Mr. Child asked if there are any other CIP's in the County. Mr. Skop replied not like this, he explained that Big Sky is unique in its growth compared to other rural areas of the County. Mr. Child asked where the lack of expertise is for this project. Ms. Nowakowski said the County. Mr. Skop further explained that because Big Sky is such a unique area with such unique needs, outside perspective and experience with these types of communities is needed; he said he does not have the ability, time or ideas to come up with the best solutions for a community like Big Sky. He added that the public will have the opportunity to respond to the recommendations made by the consultant prior to the finish of the CIP. Mr. Child asked what responses they received from the RFP. Ms. Nowakowski said a combined application from TD&H and Intrinsik Architecture from Montana and TischlerBise out of Maryland. Mr. Malinowski asked if this is an all or nothing project. Ms. Nowakowski replied that if it is not funded, they will most likely delay the project and return next year to request funding.

The Post Office, LLC **Al Malinowski**
7) Big Sky Post Office \$39,000.00

Mr. Loble noted last year the Post Office was funded \$45,000 and asked why the request has decreased. Mr. Malinowski replied that the funding from the USPS is under a fixed contract and remains the same, but due to fewer labor hours the budget has decreased and so has the need for resort tax funds. Mr. Loble asked if costs drop more, will remaining resort tax funds be returned. Mr. Malinowski replied yes. Mr. Child asked if the fixed contract is for two years. Mr. Malinowski replied yes and that during the last two year period the USPS asked him not to apply for additional funds. He decided not to request funds again this past cycle due to the concern he may receive a reduction in the contract amount. Mr. Loren asked if the Post Office has seen a drop in volume due to the economy. Mr. Malinowski replied yes, but also a drop in volume, he thinks, due to email. Ms. Hermann asked how likely it is that Big Sky will lose its contract for the station. Mr. Malinowski replied very unlikely, but also not likely that they will become a USPS run post office.

Gallatin County Sheriff's Office **Sheriff James Cashell**
8) Big Sky/Canyon Division/Patrol Services \$111,130.00

Mr. Malinowski asked if this funding is for the 5th deputy in Big Sky. Sheriff Cashell responded yes. Mr. Loble asked how retention is going. Sheriff Cashell explained the complexities of the current staffing due to the Undersheriff retiring and another deputy being activated. He also explained a possible County law

suit that has resulted in budget cuts of \$308,000 for his office. He further explained that he will have to lay off five deputies and if one is located in Big Sky he will be required by the Law Enforcement Agreement between Gallatin County, Madison County, and the BSRAD to relocate a deputy from Bozeman to Big Sky. Mr. Malinowski asked if the agreement makes it more difficult for the Sheriff's office to maintain staffing. Sheriff Cashell responded yes and no, noting that the deputies float a great deal between Bozeman and West Yellowstone anyway; he added that it would, however, be very difficult if the resort tax request was not funded in full. Mr. Malinowski asked if there was any reason for the quarterly payment requests. Sheriff Cashell responded it is easier for his administrative staff.

Friends of the Big Sky Community Library
9) Big Sky Community Library

Kay Reeves, Kathy House
\$62,000.00

Mr. Malinowski asked if the cash on hand is ear-marked for anything. Ms. Reeves responded no. Mr. Child asked if the request is funded in full, what will their cash position be at the end of the year. Ms. Reeves said \$37,000. Ms. Hermann asked if they have any other funding sources. Ms. Reeves explained that because they are not a Library District and essentially just a book-holding nonprofit, they do not have any other major funding sources. Mr. Bough asked what they will do if they receive less than what they have requested. Ms. House said they would have to sell more used books as there is no place to cut expenses.

Women In Action
10) Mental Health Program

Rachel Thesing, Grace Young, Shannon Becker
\$20,000.00

Mr. Loble asked, given that they are a small, grass roots operation, why haven't they requested more funding for this program. Ms. Thesing replied they are trying to establish a successful, well-monitored program before expanding. She explained they are looking at expanding the Ophir School program, but they will use unrestricted funds for that program. Mr. Loble asked if they received more funds, could they use those funds with resources available locally. Ms. Thesing responded yes as there are additional counselors arising in Big Sky and certainly available in Bozeman. Mr. Child asked if this program is open to anyone. Ms. Thesing replied yes, so long as they can receive counseling during office hours. Mr. Malinowski asked if they have had to turn people away. Ms. Thesing replied yes or they have been asked to pay a fee. Mr. Malinowski asked how they balance the use of the program so that just a few people do not use up all the hours allotted for the program. Ms. Thesing explained at this time it is first come first serve and there is no max for hours used, but they feel they are reaching many as it has aided more than 50 families so far this year. Ms. Becker explained they are monitoring the use so that if individuals seem finished with their need, the counselor opens up that spot to someone new.

Big Sky Fire Department
11) Big Sky Fire Department

Jason Revisky, Carol Collins, Wendy Hiebert
\$467,500.00

Mr. Bough asked if the quantity of service has grown year to year. Mr. Revisky responded the number of calls decreased 1-2% this year; there were drastic increases in earlier years, but it seemed to level out this last year. He added the Department has had a difficult time finding volunteers. Mr. Child asked how many staff the Department employs. Mr. Revisky responded eight paid firefighters, one Chief, one part-time bookkeeper, one administrative staff person, and 11 volunteers. Mr. Malinowski asked if they plan to hire additional staff in the coming year. Mr. Revisky said yes, they will be adding a Training and Operations Officer which is a position they highly need in order to maintain the high training needs for the Department. Mr. Malinowski asked why the budget has increased by \$140,000 this year. Mr. Revisky responded it is due to the addition of the new Officer as well as related payroll costs. Ms. Hiebert explained the difference in the budget also includes lower property tax revenue and termination pay for one staff member who is leaving the Department. Mr. Malinowski requested that if the projected property tax revenue changes dramatically in the future, please send updated budgets to the Board. Ms. Hiebert replied that she can do that in August for the current funding year. Ms. Hermann asked if they plan to go back for a vote to increase the mill levy. Ms. Collins responded no because the response last time was that voters wanted resort tax to fund the needed increase. Mr. Bough asked why there are two

categories under union dues in the budget. Ms. Hiebert responded for state and local unions. Mr. Bough asked if the new union has changed dynamics at the Department. Mr. Loble explained that negotiations for the new contract are still under way; they expect a final contract in six to eight weeks. Mr. Bough asked why and when the union was formed. Ms. Hiebert said it was formed about six months ago. Ms. Collins responded she cannot speak for the union, but she has the sense they wanted a more united voice and a collective bargaining tool. Mr. Bough stated that if their deficit continues to grow, it cannot always be the Resort Tax Board's problem to solve. He asked if this is the ongoing plan to continue to increase the budget and have resort tax cover it. Ms. Collins responded they are trying to use this funding request approach as a way for the Resort Tax Board to not have to micromanage the Department's spending. She said if they do not receive all the funding, they will adjust the budget by cutting staff and thus services. Mr. Revisky stated he shares the Board's concern about the growing deficit, but 65% of their service is for non-residents. Mr. Malinowski stated his worry is that the deficit continues to grow without increased funding and without any capital improvements and a large problem will arise in a couple years when more equipment is needed and the request is a very significant amount. Ms. Collins said they cannot control the number of calls they receive. Mr. Child stated there are other expenses to consider, for instance large increases in supplies and personnel and that the Fire Board must put into place cost containment measures. Ms. Collins responded they are trying to maintain a good level of service and this budget represents that level; if Resort Tax Board feels the budget should be lower and funds less than the request, they will go back and make adjustments. Mr. Revisky stated the increase in personnel costs is due to the lack of volunteers. Mr. Bough asked if the volunteer numbers have been steady the last three years. Mr. Revisky said the last three years have been steady, but the numbers are much lower than they were years ago when the demands and time commitment of the job were much less.

Northern Rocky Mountain RC&D

12) Gallatin/Big Sky Noxious Weed Project

Mike Jones, Don McAndrew

\$19,000.00

Mr. Bough asked if \$19,000 is the critical amount needed for the program. Mr. McAndrew replied yes, same as last year, except this year they do not have the Canyon funding, so this is even more important for Big Sky. Mr. Child asked if they will provide the cost share program again. Mr. Jones replied they plan to, but due to a mapping effort last year, time and funds from resort tax and Gallatin County will also be spent trying to control growth of new species.

13) Big Sky Forest Health and Fire Safe Program

Crystal Hagerman

\$15,600.00

Mr. Bough asked how many landowners have been helped in the program this last year. Ms. Hagerman responded she does not have the exact number, but she estimates 25. Mr. Bough asked why they are seeing an increase in participants. Ms. Hagerman replied due to increased visibility of the program but also infestation of pests is bringing more people forward asking for help. Mr. Malinowski asked if resort tax funds bring in additional grant funds to Big Sky. Ms. Hagerman replied yes, because resort tax commits local funds, they are able to put a staff person in Big Sky for the program, leveraging an additional \$101,000 in funding. Ms. Hermann asked if they overlap with the services provided by the Fire Department. Ms. Hagerman replied the Fire Department does assessments of property and then this program comes in to help the landowner accomplish what the Fire Department recommended and help pay for the work to be done.

Big Sky Chamber of Commerce

14) Biggest Skiing in America, Winter Marketing Campaign

Marne Hayes

\$250,000.00

Mr. Bough asked how much Resort Tax paid for each additional skier this past year. Ms. Hayes explained that skier days increased by 18,000 for Moonlight Basin and 12,000 for Big Sky Resort this past year and placing a dollar amount on each skier cannot be done. Mr. Bough asked how many packages each lodging entity group booked through BSIA. Ms. Hayes replied 400+ BSIA packages were booked last year and she does not have the breakdown with her. She went on to say that the campaign brought interest to the lodging establishments but many times the BSIA packages didn't work for the customer and therefore the end package that was sold was a different package tailored to the needs of the

customer. Ms. Hermann asked if the success of bookings was dependent on the skill of the reservation agent at the lodging establishment. Ms. Hayes replied this is correct because often tailor-made packages worked better for the consumer. Ms. Hermann asked if central booking for all of Big Sky is a future goal. Ms. Hayes replied no. Mr. Child asked if the BSIA booking engine was successful. Ms. Hayes responded yes, because some people booked packages online. Mr. Child asked for a copy of the booking and traffic data from the booking website. Ms. Hayes commented that online bookings for ski vacations are less than 10% of the reservations made in the industry. Mr. Child asked if the packages available could be for just a ski ticket and Ms. Hayes replied no, the packages were all a combination of lodging and skiing. Mr. Malinowski asked if the BSIA group has had any success in following up with the Vacation Rental By Owner Short-Term Rental group. Ms. Hayes replied no, they have not yet followed up with them. Mr. Malinowski stated if they were to become a part of this campaign, there would be a condition for them to collect and remit the resort tax. Mr. Malinowski noted the lack of payment request schedule on the Cover Page of the Chamber's applications and asked Ms. Hayes to go back and make estimates prior to the Appropriations Meeting. Mr. Bough asked if Big Sky Resort has permanently transferred ownership of the Biggest Skiing In America brand to the Chamber any other entity for use by the community. Ms. Hayes replied no, that the brand is still owned by Big Sky Resort. Mr. Bough said he had the understanding that the brand would be given to the community permanently. Ms. Hayes responded it would be Big Sky Resort's decision to transfer the rights to the brand and that it was always her understanding that Big Sky Resort would retain the rights to the brand, but the community could use it for this campaign. Ms. Glenniss Indreland, with Big Sky Resort, responded that the brand was trademarked by Big Sky Resort two or three years ago and Big Sky Resort will own it until it is up for renewal, but that there is an annual licensing agreement between the Resort and the Chamber for use of the brand. Mr. Bough expressed his concern with the length of the agreement, commenting again it was his understanding that the brand would be given to the community permanently. Ms. Meg O'Leary, with Big Sky Resort, commented that Big Sky Resort wants to give permanent use of the brand to the community as long as there is funding for the BSIA campaign. Ms. Jamison stated any appropriation could be made with the condition that the brand be given to the community on a much longer term basis than annually and that a copy of the licensing agreement between Big Sky Resort and the Chamber be provided prior to any payments being made. Mr. Bough expressed his concern that a large amount of funds could be spent on the campaign without the protection that the brand can be used by the community in the future and he'd like to see a much longer term agreement. Mr. Loble asked that a copy of the licensing agreement that was created for this past year be shared with the Board prior to the Appropriations Meeting. Mr. Child asked what measurements show the success of the campaign. Ms. Hayes responded that skier days and lodging revenue are the numbers they have looked at thus far. Mr. Bough asked for clarification on the "\$800,000 of expenditures" noted in the application. Lodging group representatives from 320 Ranch and Big Sky Luxury Rentals explained that \$2,000 in expenditures per package is the average lodging revenue gained through the campaign, noting that each lodging establishment books very different packages. Mr. Child asked for better measurements. Ms. Hayes replied that trying to break it down to dollars spent per package is not adequate in measuring the campaign and that the community must look at the long-term effect and responses that cannot be measured such as return visits. Mr. Child asked if they are surveying BSIA package purchasers. Ms. Hayes replied no. Mr. Bough asked for a different measurement than skier days because the Board needs a better cost-benefit analysis than skier days. Mr. Child reminded the group that last year the Board stated they would want metrics for the success of the program if the group returned with another request for funding. Responses from Ms. Hayes and Ms. O'Leary were that the number of skier days is the only measurement used. Mr. Malinowski said the campaign is being led by a group of smart people and there must be a way to analyze the program. Mr. Bough asked if the private funding for the campaign would be bigger than the \$50,000 from last year. Ms. Hayes replied no. Mr. Bough asked how many partners contributed this past year. Ms. Hayes said about 10. Ms. Hermann asked if this campaign creates cost savings for the marketing budgets of the lodging partners. Ms. Hayes replied yes, but this does not mean they spend less on their own marketing efforts. Ms. Hermann asked if it is going to affect the marketing budgets in the second year. Ms. Hayes replied there is that possibility and this campaign may be advantageous for the community's businesses. Ms. O'Leary stated that Big Sky Resort's marketing budget hasn't changed in the last three years and that the BSIA campaign simply helps stretch their current efforts, they get more bang for their buck due to this campaign. Ms. Hayes further commented

that the Chamber is also able to stretch its marketing dollars due to BSIA media placement. Mr. Child asked what they will do differently this year. Ms. Hayes replied they underestimated the regional market, the booking engine could be improved, and she would like to broaden the community buy-in. Mr. Loble reiterated the need for metrics that demonstrate the success of the program and then asked if receiving this information in the next two weeks is unreasonable and yet, if the appropriation is made, will the Board be in the same position of asking for metrics next year. Mr. Bough asked what metrics are used in the marketing industry. Ms. O'Leary stated that skier days is the only measurement they use internally. She added that resort tax revenue could be the other measurement. Mr. Bough explained that skier days and resort tax revenue are affected by many other factors such as the weather and the stock market, so there must be other ways to illustrate the success or failure of this campaign. Mr. Child asked further, if skier days are up and that is the only measurement of success, why isn't resort tax revenue up. Ms. O'Leary replied that people spent less, but they did come to ski. Ms. Hayes responded the group would find other measurements to send to the Board prior to the Appropriations meeting.

15) Warm Season Advertising Campaign \$95,000.00

Ms. Hermann asked how much was spent last year on Warm Season marketing. Ms. Hayes replied \$84,000. Mr. Malinowski asked if she had a sense of how many tourists are conference related vs. individual. Ms. Hayes replied she does not know. Ms. Hermann asked if there will be contributions from the lodging establishments for this campaign similar to the winter campaign. Ms. Hayes responded none so far. Mr. Loble noted his concern that so many visitors have gone to Yellowstone National Park without visiting Big Sky.

16) Website Redesign \$32,000.00

Mr. Bough asked if Resort Tax made an appropriation for the website last year. Ms. Hayes responded no, but two years ago the Chamber received an appropriation for website design, but this is a complete rebuild. Mr. Bough asked what the impetus for the rebuild. Ms. Hayes responded that business members and the Chamber Board have expressed dissatisfaction with the current websites, noting one website is needed rather than three. She further explained they have received five bids for the project and the average of the bids is \$32,000, the lowest at \$25,000 and the highest at \$56,000. She said the Chamber Board may make a decision as to which company they will work with on June 4th. Mr. Bough asked what percentage of the Chamber's budget is Resort Tax funding. Ms. Hayes replied 2/3 with the BSIA campaign and the other 1/3 is from membership, CVB, and fundraising. Mr. Child asked how much the BSIA website cost to build. Ms. Hayes replied \$7,000.

17) Vacation Planner & Relocation Guide Reprint \$25,000.00

Mr. Child asked if this was a part of last year's request. Ms. Hayes said yes, however, they wound up not needing to print this, but they will need it printed by the end of this summer. Mr. Malinowski asked if the cost goes down the more they print. Ms. Hayes said yes, however, they will be printing a smaller amount because they won't use them fast enough for them to remain current.

18) Biggest Skiing in America Rollover \$8,000.00

19) Chamber Promotions Rollover \$7,000.00

Mr. Malinowski noted that because the Chamber wished for these rollovers to go against any appropriations made, they can simply remove these rollovers and the Chamber can return any unused funds at the end of the year. Ms. Hayes agreed with this approach.

Big Sky Search and Rescue, Inc.

20) Building Completion

Tom Reeves, Todd Thesing

\$44,500.00

Mr. Thesing explained that the access road NorthWestern Energy was originally going to build became a cost to BSSR and increased the building cost by \$50,000. Mr. Child asked if the 10% contingency is

necessary. Mr. Thesing responded they can still finish the building without the contingency; they included the contingency as a safety measure. Mr. Reeves further explained they are currently using the building; however they have temporary occupancy as the building needs a sprinkler system and functional bathroom. He further noted the great benefits they have seen with the new building; the equipment starts and they are able to perform routine maintenance.

21) Operations \$15,200.00

Ms. Hermann asked how many calls they responded to last year. Mr. Reeves responded 18 which was down 30%, but they also responded to searches in areas outside Big Sky. He further explained the drop in calls may have been due to the unsteady snow pack in the wilderness areas.

Gallatin Valley Snowmobile Association **Devon White**
22) Buck Ridge Snowmobile Trail Grooming \$15,000.00

Mr. Loble asked how the grooming went last year. Mr. White responded they only spent \$12,000 since they did less grooming due to bad snow pack.

Big Sky Community Corporation **Katie Morrison, Jon Ayres**
23) Park & Trail Maintenance and Community Park Project Phase I-A \$386,780.00
24) Community Park Project Construction Phase I-A Rollover \$50,000.00

Mr. Child noted BSCC's visit at the April Board meeting and noted how the cost of the Park has been reduced. Mr. Ayres added that BSCC has dialed the cost of Phase I-A down from \$1.4 million. Mr. Child asked for further explanation of the funds available for this project. Mr. Ayres explained they have \$200,000 in the bank from prior fundraising and that plus the \$50,000 rollover plus the \$295,000 resort tax request leaves a \$50,000 gap which they anticipate raising at a fundraiser in July. Mr. Bough asked what Phase I-A is exactly. Mr. Ayres explained it is all the scraping and foundation work for the park plus dirt parking lots. He noted this phase gets the park to a point where it is up to code and where BSCC can do additional fundraising such as through the purchase of trees and other embellishments. Mr. Bough asked what will be usable after Phase I-A. Ms. Morrison replied two ball fields and one multi-use field plus the playground, disc golf course, tennis courts, and skate park. The Board asked for further explanation of the multi-use field as a drainage field. Mr. Child asked what they will do about the Arts events planned for the park this summer. Ms. Morrison said they will work around the current schedule of events so that all can still take place. Ms. Hermann further noted that the Arts Council of Big Sky is working with BSCC to create an MOU for use of the park, access to the park, and parking for the September 3rd Willie Nelson concert. Mr. Malinowski asked for a definition of Community Asset Management and Ms. Morrison explained it is essentially maintenance of the park assets.

Blue Water Task Force **Kristin Gardner**
25) Watershed Group Funding \$31,750.00

Mr. Malinowski noted that based on the financials, the organization has profited three years in a row, noting the \$35,000 in retained earnings. He also asked for a current year to date P&L statement. Ms. Gardner said she cannot speak to the profit, but she will request the statement from her bookkeeper. Mr. Loble asked if there will be strings attached to the restoration funding. Ms. Gardner said perhaps, but they haven't begun the work yet.

Morningstar Learning Center, Inc. **Laura Sacchi**
26) Excellence in Education and Childcare \$28,000.00

Ms. Jamison explained that she questions the legality of this application as it funds a teacher at Morningstar which is a program that does not serve a majority of the District population and is not open to everyone in the community because a fee is charged. She said the application must serve the population at large and if parents must pay, it certainly only serves those few. Ms. Hermann asked if

scholarships would make a difference. Ms. Jamison said no, because the program does not serve the entire community. Mr. Bough noted that Morningstar and Ophir School have received funding in the past. Ms. Jamison said those appropriations were a stretch and Mr. Malinowski added that the new MLC facility and the Ophir gymnasium were funded because they were open for use by anyone in the community. Mr. Malinowski noted that Ms. Jamison gives the Board legal advice, but it is the Board's decision whether or not to fund an application. Mr. Bough asked if it is possible to fund teachers if they are in a fee-based establishment. Ms. Jamison replied yes, there are constitutional provisions about funding private establishments and she noted the Legal Opinion on this topic at the District office. She further stated that the issue is really who can use a service with a fee; the service does not serve the community at large. Mr. Bough asked if the application was changed to reflect more scholarships available would it help. Ms. Jamison replied it would be a start, but the issue is the number of children served in relation to the community at large. She said based on the application, the funds would only increase the staffing ratio, not increase the scope of the service for the community at large. Mr. Bough asked if the application were not about staffing ratios but instead about providing child care for the community and its infrastructure, does that change the legality. Ms. Jamison replied this would make some progress towards making it legal and she would have to consider it. Ms. Sacchi was asked to respond and she stated they are coming for operating support because enrollment hit an all time low in December and they are currently surviving on unrestricted fundraising dollars. She said they have hit a critical need for support and without Morningstar there would be no licensed child care in Big Sky. She further explained the need for another teacher in order to maintain a better child to teacher ratio in order to give more appropriate and safer care. She also spoke to the growth in the program and space over the past year how the fundraising has changed from focusing on the new facility to adding scholarships. Ms. Jamison asked how many scholarships they have available. Ms. Sacchi replied they have had 10 new applicants in the past two weeks and they are increasing the funds available for scholarships. Ms. Jamison asked if the scholarships pay 100% of the tuition. Ms. Sacchi stated no, because the application asks how much a family can contribute and they have never had a family say they can contribute nothing; however, they would consider it. Mr. Child asked if they are turning people away because they are at capacity. Ms. Sacchi replied no, people may not enroll because they can't afford it, but Morningstar is not at capacity. She further stated they have looked into becoming a Headstart facility, but they do not have a kitchen so cannot. Mr. Malinowski asked Ms. Jamison if she has any further questions concerning the legality. Ms. Jamison said that while she personally believes child care is a very important service for working families, public funds can only be spent on services that are available to the community at large; the funds must go towards a greater public purpose. The Board reestablished that Ms. Jamison gives legal advice, but it is the Board's final decision. Mr. Loble asked if the risk of being sued is great and Ms. Jamison said no, however those who do not receive funding could complain and it would affect future funding requests in terms of public purpose. Moving on from the question of legality, Mr. Malinowski noted that the budget shows a profit of \$28,000 with Resort Tax contributing \$28,000. Ms. Sacchi replied they are trying to become profitable; although the budget is just a projection and she anticipates a deficit from the current year. She further noted they want to hire a new teacher before they max out at the state ratio. Mr. Child asked if they maintained the current level of enrollment for the next year, how would the cash position end up. Ms. Sacchi stated they would break even or just below; she said projections are hard to make. Mr. Child noted that adding a teacher does not generate more fees if they are not currently at capacity so it is not the best use of funds to help the bottom line which could result in future requests for operating support. Ms. Sacchi stated it is all fungible. She noted if they do not receive this funding, they will continue to add children until they reach the state ratio, which she is not comfortable with. Mr. Loble asked how many toddlers and preschoolers are in Big Sky. Ms. Sacchi stated 170 0-5 year olds with 20 of those currently attending Kindergarten. Mr. Loble asked what the fee is for infants and toddlers for one day at Morningstar. Ms. Sacchi replied \$70 and noted the funds they have received from other organizations in Big Sky for scholarships. Mr. Child asked for the rate sheet to be sent to the Board prior to the Appropriations Meeting.

Montana State University's Big Sky Institute

27) MSU & Big Sky Community Education Partnership: Pt 2 Rollover

Katie Alvin

\$8,688.80

Mr. Bough asked why the funds were not spent. Ms. Alvin explained they had staff turnover which slowed some planning efforts and one event has been moved from the spring to the fall.

3) Public Comment

Glenniss Indreland thanked the Board and expressed her further support of the Biggest Skiing in America application.

Steve Johnson complimented the survey and noted that the BSCC Park received the highest number of notes from respondents when asked what they would like to see funded. He also noted that the County's Capital Improvements Policy for Big Sky would address 40% of the items noted by respondents.

Katie Alvin gave her support of the Morningstar Learning Center application.

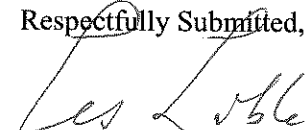
Robbeye Samardich spoke in favor of the Morningstar Learning Center application.

Ennion Williams noted the growth in ridership on the Skyline in the past five years and also noted that any marketing campaign takes three years to see success.

Sally Moskol voiced her support of the Library application.

Chairperson, Al Malinowski adjourned the meeting at 6:27 p.m.

Respectfully Submitted,



Les Loble, Secretary/Treasurer



MINUTES OF THE BIG SKY RESORT AREA DISTRICT OPEN BOARD MEETING

APPROPRIATIONS MEETING

June 9, 2010

Present: Al Malinowski, Chairperson
Lance Child, Vice Chairperson
Les Loble, Secretary/Treasurer
Loren Bough, Director
Ginna Hermann, Director
Stephanie Holstein, Administrative Officer
Mona Jamison, Attorney

Chairperson, Al Malinowski, called the meeting to order at 1:01 p.m.

I) Open Meeting

Mr. Malinowski began the meeting by reviewing the agenda.

A) Public Comment

Rod Jude with Storage Big Sky and Big Horn Properties supported the Transportation District, Planning Department, Chamber of Commerce, and Blue Water Task Force applications. He was not in favor of the Water & Sewer applications as members of the canyon are not hooked to the system, and he was not in favor of the Post Office application. He noted he'd like to see more impact from the Biggest Skiing In America campaign for the businesses in the canyon.

Becky Pape stated the Planning Department cannot raise the mill levy for the CIP project and noted this is long overdue and now is the best time as growth is slow.

Kay Reeves revised her answer to a question at the Q&A Forum, stating that if the Library were fully funded, the reserve at the end of next year would be \$33,000.

Scott Johnson with the Club at Spanish Peaks supported the Chamber of Commerce marketing applications.

Seth Barker with the Fire Department noted that emergency services were top in the survey results and asked the Board to fully fund the Fire Department's request as they are very short staffed.

Kate Scott supported the BSCC Park application noting the need for the multi-use field.

Bill Simkins of the Town Center supported the Biggest Skiing In America and Warm Season applications.

Christine Adams, licensed clinical professional for the Women In Action program explained that the Mental Health program is open to all members of the Big Sky community, patients receive crisis support 24/7, and resort tax support is critical to the program.

Marne Hayes amended the Chamber of Commerce website request to \$25,000.

Chris Moon with the Fire Department asked for support of the Fire Department application. He also read a letter from his wife, Twila Moon, who supported the emergency services applications and the BSCC Park application. She was not in support of the Water & Sewer applications because they do not serve the larger community and she was not in support of the Gallatin Valley Snowmobile application because it serves few people, one business, and does not fit into the priorities for the resort tax.

Shelley Henslee supported the Morningstar Learning Center application as it is not just for child care but for early childhood education and supports working families. She also gave a letter to the Board from Angi Turner who was in support of the Morningstar Learning Center application.

Martha Fecht with the Fire Department supported the Fire Department application noting that the biggest strain on the department is the influx of tourists.

Mike Scholz noted that the survey summary inaccurately ranked tourism lower than it should have been, noting it was second behind emergency services and infrastructure. He voiced his support for the Biggest Skiing In America campaign as it is a unified banner for the entire community and tourism development was purposely added as a priority when the resort tax was created.

Erik Morrison showed support for the BSCC Park application noting it is important for the economic future of Big Sky.

Matt Mohr with the Fire Department asked for full support of the Fire Department application.

Diane Lundsten voiced her support for the BSCC Park, noting that parks recreation in other resort towns such as Park City make those towns phenomenal to visit.

B) General Announcements

Mr. Malinowski spoke to the public about the BSRAD website and read Section 19 of the Ordinance No. 98-01-ORD. He also asked Sheriff Cashell to draw the name of the survey raffle winner.

C) 2010-2011 Resort Tax Funds Appropriations

a. Funds Available

Mr. Malinowski reported on the amount of funds available for 2010-2011 appropriations. He explained the figure to be approved for new and rollover requests does not include the annual, mandatory appropriation of \$500,000.00 for the Water & Sewer District bond.

Motion by Mr. Bough to approve \$1,858,671.66 to be appropriated to new and rollover requests. Second by Mr. Loble.

Discussion: None.

All in favor. Motion passed.

b. Appropriation of Funds

1) Motion by Mr. Bough to approve the Gallatin County Sheriff's Office request in the amount of \$111,130.00. Second by Ms. Hermann.

Discussion: Mr. Malinowski asked Sheriff Cashell if the Board can assume that Gallatin County will renew the Law Enforcement Agreement if these funds are allocated. Sheriff Cashell responded the County intends to do so. Ms. Jamison stated she would add the Agreement in as a condition. Mr. Child

asked Sheriff Cashell if there has been any clarification on his budget from the County. Sheriff Cashell stated it would not be discussed until June 25th.

All in favor. Motion passed.

2) Motion by Mr. Loble to approve the Women In Action request in the amount of \$20,000.00. Second by Mr. Child.

Discussion: None.

All in favor. Motion passed.

3) Motion by Mr. Child to approve the Big Sky Community Corporation request in the amount of \$350,000.00 of which \$295,000 is to be spent on the Community Park Project Phase I-A. Second by Mr. Loble.

Discussion: Mr. Loble asked if the BSCC rollover would offset this appropriation and Board members responded no, it is in addition. Mr. Bough asked Mr. Child if he has discussed this amount with BSCC and Mr. Child responded no, but he feels the Park must move forward and it was his understanding that \$295,000 was the bare minimum required for Phase I-A. Mr. Bough asked Katie Morrison if she had a preference for cutting either the Park funding or the Parks & Trails Maintenance funding. Ms. Morrison stated it is possible to cut the Maintenance budget by postponing some maintenance until next year. Ms. Hermann stated the Arts Council of Big Sky is in the process of creating an MOU with BSCC for use of the Park for the Willie Nelson concert, but an agreement has not yet been reached. She encouraged the Board to add the MOU as a condition to this appropriation as resort tax has a \$100,000 investment in the success of the headliner. Mr. Child stated the success of the headliner event is a condition for the ACBS appropriation and is not related to the success of the Park construction. Ms. Hermann replied that the condition is not appropriate for the ACBS application as they did not request funds for the headliner. Mr. Child stated when the headliner seed money was appropriated to ACBS, it came with the condition that the headliner be carried out or the funds returned. Mr. Malinowski stated the motion would have to be amended in order to include the condition. Mr. Child stated he would not amend his motion. Mr. Malinowski asked Mr. Child if locking in the numbers in his motion would hurt BSCC as it may be easier for them to raise funds for the Park as opposed to operations. Mr. Child asked Ms. Morrison if she can adjust the budget needed for the Park. Ms. Morrison said no, but she can adjust the budget needed for operations. Mr. Loble asked Mr. Child why he would not amend his motion to include the motion for the ACBS headliner. Mr. Child explained the use of the Park by ACBS is mutually exclusive from the Park construction and if this condition is made, conditions would need to be made for all groups in Big Sky wishing to use the Park. He further stated the creation of the Park should not be tied to the seed capital for the headliner. Mr. Loble asked Ms. Morrison if there is a problem with the MOU. Jon Ayres, BSCC Board President, stated they have been unable to reach an agreement, but BSCC will assure that Willie Nelson can perform in the Community Park this year.

All in favor. Motion passed.

4) Motion by Mr. Loble to approve the Arts Council of Big Sky request in the amount of \$71,560.00. Second by Mr. Child.

Discussion: Mr. Loble stated he is in favor of this request because three years ago the ACBS Board stated they were going to put the organization on business footing or they would fold their tents and they have made good on that promise. He also noted \$14,000 of this appropriation is a challenge grant for the ACBS to raise an additional \$14,000. Mr. Bough noted his concern with the shortage of funds available in relation to this appropriation effectively funding the ACBS for \$85,000. Ms. Hermann stated the ACBS will raise the \$14,000 and after some clarification agreed that it is, effectively, \$85,000 in funding. Mr. Malinowski asked Ms. Jamison if the challenge grant needs to be a condition for the appropriation. Ms. Jamison stated no as it is already in the application. Mr. Child asked how BSRAD will monitor the challenge grant fundraising. Ms. Hermann stated the ACBS would establish a separate account for the fundraising and provide statements to BSRAD prior to payment requests.

Mr. Malinowski disclosed that Ms. Hermann is a member of the ACBS Board. Mr. Bough disclosed he is a member of the Big Sky Institute Board. Mr. Loble disclosed he is a member of the Fire Department Board. Mr. Malinowski disclosed he Vice President of Gallatin Associates which is the managing member of The Post Office, LLC and he will abstain from voting on the Post Office appropriation.

All in favor. Motion passed.

5) Motion by Mr. Bough to approve the Gallatin County Planning Department request in the amount of \$35,000.00. Second by Mr. Child.

Discussion: Mr. Bough stated he agrees with the need and timing for this request and reduced the amount based on the shortage of funds and the bidding process may allow for cutting costs. Ms. Hermann asked if waiting a year would make a difference. Mr. Bough replied that the Big Sky volunteer group working on this project has put in work and waiting a year would risk loss of momentum on the project. Mr. Child asked Mindy Nowakowski what the timeline is for completion of the project. Ms. Nowakowski stated they would provide a final report in March 2011. Mr. Malinowski expressed his support for the project and concern for the lack of funds and noted they may need to revisit this appropriation later in the meeting to make adjustments.

All in favor. Motion passed.

6) Motion by Ms. Hermann to approve The Post Office, LLC request in the amount of \$39,000.00. Second by Mr. Loble. Mr. Malinowski abstained from the discussion.

Discussion: Mr. Bough expressed his concern about the lack of funds and stated the Board needs to look at all applications for cost savings. He further noted he will vote against this motion.

In favor: Lance Child

Opposed: Loren Bough, Les Loble, Ginna Hermann

Mr. Malinowski abstained from the vote.

Motion failed.

7) Motion by Mr. Bough to approve the Big Sky Search and Rescue, Inc. Building Completion request in the amount of \$37,000.00. Second by Mr. Child.

Discussion: Mr. Bough stated he feels the BSSR group is creative and they should be able to make this work. Mr. Child asked BSSR representatives if they agree. Tom Reeves stated BSSR can make it work. Mr. Child noted if they make this 20% cut work, the building will be finished. Mr. Malinowski agreed, adding they would expect to see operations requests in the future, but none for the building.

All in favor. Motion passed.

8) Motion by Mr. Bough to approve the Big Sky Chamber of Commerce Biggest Skiing In America, Winter Marketing Campaign request in the amount of \$250,000.00. Second by Mr. Loble.

Discussion: Ms. Hermann asked if materials were sent concerning the license agreement. Mr. Child shared the materials with her. Mr. Bough stated he sees great support for this campaign, noting it seems to help everyone in the community and it might be working. He further stated if the investment is made, there must be a shared commitment between all parties for use of the brand and it is his goal that everyone who uses the brand decides its value, incurs no financial risk, determines if it is working, and decides when and if to stop the campaign.

Amended motion by Mr. Bough to approve the request in the amount of \$250,000.00 under the condition that the Chamber provide proof of a fully executed license agreement between the Big Sky Chamber of Commerce and the owner of the Biggest Skiing In America brand detailing the ongoing usage and conditions of the Biggest Skiing in America license for members of the Chamber and the conditions shall reflect that the option to terminate the license agreement rests with the Chamber or upon failure to fulfill the conditions of the license agreement and disbursement of funds will occur only after review and approval of the license agreement by the BSRAD Board. Second by Mr. Loble.

Discussion: Mr. Bough explained that the brand requires ongoing financial commitment by its owner and while it makes sense for the Chamber to enter into a license agreement with the owner for use of the brand, the Chamber does not have sufficient legal resources should something go wrong in the future. He said he believes the dollar value of the brand and the usage terms of the brand should be determined by the people using the brand and those people should be the ones to determine its success rather than the Resort Tax Board. He said this agreement is an effective way to bring together all the parties involved and it protects the Chamber by having the termination option rest only with those who use the brand. Mr.

Loble asked if they would need to present the agreement to the Board. Mr. Bough responded yes, prior to receiving payment. Ms. Jamison asked how the value of the brand will be quantified. Mr. Bough responded the Resort Tax Board will not quantify the value, but the Chamber will determine the value of using the brand and will have the responsibility to find funds to support it annually whether it is from resort tax or some other source. He further noted future requests to the Board would effectively come from the businesses using the brand and as they have a vested interest in the brand through the agreement, they would have the onus to explain the metrics and success of the brand so the Resort Tax Board is not guessing the campaign's success every year. Mr. Malinowski asked if the "value" is the amount the Chamber will contribute to marketing the brand as opposed to the amount they are paying the owner to use the brand for the license upkeep of the brand. Mr. Bough said yes and asked Marne Hayes if she has an opinion on this. Ms. Hayes replied it is reasonable for the Board to request this and she is confident they can figure it out and make it work. Mr. Bough stated he has spoken to the owners of the brand and they have indicated this is uncomfortable, but workable. Mr. Malinowski asked Dax Schieffer with Big Sky Resort his opinion. Mr. Schieffer replied Big Sky Resort has invested millions of dollars into this brand over the past five years and it is their intention to work with the Chamber to establish an agreement, just as they had this past year. Ms. Hermann said she thought there was not an agreement last year. Ms. Hayes replied there was a verbal contract, but not a signed agreement. Mr. Bough stated the condition would be for a signed agreement. Mr. Malinowski noted that the Resort Tax Board is not establishing the terms of the agreement, but instead asking the Chamber to work with the owner to establish terms that both groups are agreeable to. Mr. Bough agreed and added there are brand marketing business experts who should work on this rather than the Resort Tax Board. He further added that the agreement should not put the Chamber at risk and if its an agreement that turns out to be unsustainable, then the agreement can only be broken by the Chamber and the brand will not be something that can be revoked from the community by the owner of the brand. Mr. Child asked what the length of the agreement would be. Mr. Bough said the length of term will be set by the Chamber based on its ability to fulfill the conditions of the agreement. He further added the Chamber has the incentive to negotiate a fair deal with the owners, creating a benchmark for the ongoing campaign. He noted the owners are already invested in marketing the brand and by having the Chamber set the benchmark for use, it guarantees that the players create a sustainable agreement. He said he is trying to set it up so that everyone has an investment in the brand and everyone wins. Mr. Child asked what happens if the parties involved decide not to continue after the following year. Ms. Hermann added her concern that this does not protect the \$500,000 resort tax investment for the long term. Mr. Bough stated the agreement can only be terminated by the Chamber. Mr. Malinowski added if the Chamber decides they don't want this anymore, Big Sky Resort will still use it and it will still bring tourists which is the ultimate goal. Mr. Bough said this is the opportunity to create a community-wide brand and it is better if it is used by everyone. He said it will not necessarily be funded by resort tax every year, but the agreement creates incentive for the Chamber to continue to build the community brand and build the value of the brand into the future. He said he wants the Chamber to think about this and asked Mike Scholz if he has any comments. Mr. Scholz responded the agreement is headed in the right direction, and they will be able to come up with something that satisfies everyone involved. He noted the brand value should increase every year. Mr. Bough asked Mr. Scholz who is best at establishing the value of the brand going forward. Mr. Scholz said the Chamber Board. Mr. Malinowski asked if the value is the financial commitment of the parties involved. Mr. Bough replied yes, it is not the cost to the owner to maintain the brand.

All in favor. Motion passed.

9) Motion by Mr. Loble to approve the Big Sky Fire Department request in the amount of \$380,000.00. Second by Ms. Hermann.

Discussion: Mr. Loble explained in consideration of the low amount of funds to allocate, he reviewed the Fire Department's response to the Q&A question about the large difference in budgeted wages from last year and the \$380,000 reflects cutting the overtime wages to \$28,000 and removing the addition of the Training Officer. Mr. Malinowski asked Mr. Loble if \$90,000 would go toward the final payment for the station addition. Mr. Loble responded yes. Mr. Malinowski said that leaves \$290,000 to go to the operating reserve and while he agrees with funding the operations, he is not sure what the right number is for the operations because this appropriation does not include any capital improvements and it defers rather than addresses the growing deficit. Mr. Bough said he agrees and when he looks at the past 7

years, the Fire Department has received \$300-500,000 each year, mainly for equipment, and now they have a deficit in addition to needing equipment in the future. He said his number for the operations would be less than this motion. Mr. Child stated the Fire Department needs to address the problem with the growing deficit. Mr. Malinowski agreed and added that last year's appropriation added an additional fire fighter and now the responsibility to make cuts is placed on the Resort Tax Board. Mr. Loble stated the Fire Department tried to address the deficit by increasing the mill levy which the voters turned down saying it should be funded by resort tax. He added the community also responded through the survey that emergency services should be funded by resort tax. He said like the Chamber, the Fire Department is an ongoing expense. Mr. Malinowski said there are also people in the community who have given the feedback that there is a lot of money going to the Fire Department and it's time to tighten the belt. Ms. Hermann noted the budgeted income last year was very far off from what was actually received; she asked if there is a better way to project the income. Mr. Loble said he has spoken to Ed Blackman, the Gallatin County expert on taxes, and due to legislative compromises over the years, there is no better way to project the income, they simply find out twice a year. He added that the economic downturn is also adding to the difficulty in projecting property tax receipts.

In favor: Ginna Hermann, Les Loble

Opposed: Loren Bough, Lance Child, Al Malinowski

Motion failed.

10) Motion by Mr. Bough to approve the Big Sky Fire Department request in the amount of \$350,000.00. Second by Mr. Loble.

Discussion: Mr. Bough said he does not know the right number for this appropriation, but the amount requires the Fire Department Board to ask itself serious questions. Mr. Child said his number was lower than this at \$320,000 which is closer to matching the prior year's deficit. He said this is not about fire fighters, it is about the economics of the service level you can afford to provide, not the service level you want to provide. He said he wants to establish a level of funding and maybe come back to this. Mr. Malinowski said his number was even lower, but on a separate issue, the contract for funding needs to reflect how the funding will be requested.

Amended motion by Mr. Bough to approve the request in the amount of \$350,000.00 under the condition that the funding will be provided in six-month intervals based on Profit & Loss statements, however, if during one of those six-month periods, the Fire Department's cash flow reaches a point where funds are needed, they may make interim cash flow requests to the BSRAD Board. Furthermore, the Fire Department must undergo a year-end reconciliation based upon receipt of audited financial statements. Second by Mr. Loble.

Discussion: None.

In favor: Les Loble, Loren Bough, Lance Child

Opposed: Ginna Hermann, Al Malinowski

Motion passed.

11) Motion by Mr. Bough to approve the Friends of the Big Sky Community Library request in the amount of \$52,000.00. Second by Ms. Hermann.

Discussion: Mr. Bough said he suggests this amount because everyone can find savings and the Library has a reserve. Mr. Malinowski noted that given Ms. Reeves' statement during public comment, the reserve is reduced to \$23,000 if this is the amount approved.

All in favor. Motion passed.

12) Motion by Mr. Child to approve The Post Office, LLC request in the amount of \$35,000.00. Second by Mr. Bough. Mr. Malinowski abstained from the discussion.

Discussion: None.

In favor: Lance Child, Loren Bough, Les Loble, Ginna Hermann

Mr. Malinowski abstained from the vote.

Motion passed.

13) Motion by Mr. Bough to approve the Big Sky Search and Rescue, Inc. Operations request in the amount of \$15,200.00. Second by Mr. Loble.

Discussion: Mr. Bough said he has suggested full funding because this is a modest request and BSSR does not have any reserves.

All opposed. Motion failed.

14) Motion by Mr. Bough to bundle and approve the Big Sky Chamber of Commerce Warm Season, Website, and Reprint requests in the amount of \$50,000.00. Second by Ms. Hermann.

Discussion: Mr. Bough stated he wants Biggest Skiing In America to be the focus of the Chamber and he is not convinced that the Warm Season campaign is necessary. Ms. Hermann noted the Chamber promotions were funded \$130,000 and asked if it is smart to reduce it to \$50,000.

In favor: Les Loble, Loren Bough, Al Malinowski

Opposed: Lance Child, Ginna Hermann

Motion passed.

Mr. Malinowski asked Ms. Jamison if she had the opportunity to review her opinion from the Q&A Forum in regards to the Morningstar Learning Center request. Ms. Jamison said she did review it and her conclusion is that an appropriation would be highly questionable. She stated there are two criteria that have to be looked at for all requests. She said the first criterion is whether the organization is eligible to receive funds through accountability, incorporation, etc. and all applicants this year are eligible. She said the second criterion is based on the purpose of the request and whether it benefits the community at large. She explained that historically taxes are used in accordance with the public policies of the state, for example, water supply, sewage disposal, and solid waste, that is the expenditure of tax dollars to serve the community at large. She said this includes public schools and public water and sewer and even though not everyone has children attending and not everyone owns property that is hooked to the water and sewer supply, by and large it benefits the community at large. She said, however, we do not have public day care because historically day care is not funded by tax dollars. She noted that in the past Morningstar received \$300,000 in resort tax funding for its new building because the building was to be available to the public at large. She said the current request, however, is highly questionable. Mr. Bough asked what the repercussions are if an appropriation is made. Ms. Jamison replied repercussions could come from any party with standing challenging the appropriation. Mr. Bough said if someone felt the Board made a bad judgment, they would need to sue. Ms. Jamison said yes, they would need to sue in order to nullify the appropriation and if the challenger were to prevail, she is unsure whether or not they would have to return the funds. She added that there are consequences beyond litigation. In addition to refusing past requests that have fallen into similar categories, the Board risks setting precedent and expectations for these types of requests.

15) Motion by Mr. Bough to approve the Morningstar Learning Center request in the amount of \$25,000.00. Second by Ms. Hermann.

Discussion: Mr. Bough said he acknowledges the risks, but believes they are low and while the community is going through this tough economy, one of the great benefits of resort tax is that the Board can respond to community emergencies such as the possible loss of community child care. Mr. Child said his number would have been \$20,000.

Amended motion by Mr. Bough to approve the request in the amount of \$20,000.00. Second by Ms. Hermann.

Discussion: Ms. Hermann said she thinks child care is important because it truly serves the public interest. Mr. Malinowski said he doesn't believe the merits of the application accomplish what the Board says it will because the application is a request to provide a premium level service and not reduce the cost in any way. He said his issue isn't that there is a fee charged, but the amount of the fee charged and that cost makes the service prohibitive to many people who can't afford it which greatly limits the amount of users. He said while the Board says the appropriation will make it more affordable, the request does not make it more affordable. He said the Board is asking the Fire Department to cut back, why not this group which, according to the submitted P&L, will profit \$28,000. Mr. Bough asked Mr. Malinowski if there is a way to amend the application so that it addresses his two issues of the profit and high rates. Mr. Malinowski said no, because that would be changing the request. He added that this issue is not black and white, but when funding operating expenses, the Board must be careful to send the right message. He said this appropriation would fund a very small group of people for one year. He noted his further concern that this group has already received \$300,000 in appropriations for a building that will not be

completed. Mr. Bough stated he is thinking of this as more of an emergency than the Chairman is. He asked Ms. Jamison if the Board could use a condition to apply this appropriation to scholarships or tuition reduction. Ms. Jamison said that type of condition would be consistent with conditions that have been made in the past and it would help bolster the Board's attempt to provide more services to the community. She said it is more reasonable although not 100% defensible. Mr. Child asked Laura Sacchi if she sees a way to use the appropriation to make the service more affordable in order to bring in more kids. Ms. Sacchi said Morningstar is always looking for scholarship funds. She added they have had to make reductions and they are not asking for upgraded service, they are just trying to maintain. Mr. Child asked if there is a way to reduce tuition costs in order to generate more revenue. Ms. Sacchi said they do not know what the rate should be in order to attract more students. Mr. Loble asked Ms. Sacchi if it is only the infant/toddler program for which she is trying to adjust the teacher to student ratio. Ms. Sacchi said they are trying to keep their ratios lower in both programs.

Amended motion by Mr. Bough to approve the request in the amount of \$20,000 for the purpose of providing need-based scholarships under the condition that 50% of the funding is applied to existing students and 50% of the funding is applied to new students and that the payment requests must be made in \$500 increments so that additional funding cannot be requested for existing students until equal funding has gone to new students. Second by Ms. Hermann.

Discussion: Mr. Bough stated this is an attempt to lower the costs for both existing and new students and encourage Morningstar to bring in new students. Mr. Loble asked how Morningstar will implement this appropriation. Mr. Bough said, because students pay monthly, BSRAD will have to work with Morningstar to create a policy for implementation and a system for requesting the funding through documentation of existing and new students. He said if new students are not brought in, they may not spend much of the appropriation. He said the Board will have to approve Morningstar's criteria for need and explained that Morningstar can request the first \$500 in scholarships for existing students once the agreement is structured, and the next \$500 in scholarships must go to new students.

All in favor. Motion passed.

Ms. Sacchi stated Morningstar recently adopted a new scholarship guidelines policy and asked if the BSRAD Board will have any additions to make to that policy. Mr. Malinowski stated without having seen the policy, the Board cannot answer that and according to the discussion and motion, the Board will need to review the policy, but at a later date.

16) Motion by Mr. Loble to approve the Big Sky County Water & Sewer District Pilot Snowmaking Study Project Rollover request in the amount of \$20,000.00 and the Big Sky Community Corporation Community Park Project Construction Phase I-A Rollover request in the amount of \$50,000.00. Second by Ms. Hermann.

Discussion: Mr. Loble stated he sees why these two appropriations have not been spent in time and he has left out the Big Sky Institute Rollover in this motion as it needs further discussion. Mr. Bough said he is supportive of the snowmaking study project and asked Ron Edwards if he has an update on the DEQ permits. Mr. Edwards responded he received a letter from DEQ since the Q&A Forum requesting an additional meeting. Mr. Malinowski asked Mr. Edwards if this appropriation included the \$20,000 match and Mr. Edwards said yes.

All in favor. Motion passed.

17) Motion by Mr. Bough to approve the Big Sky Transportation District request in the amount of \$270,000.00. No second. Motion died.

18) Motion by Ms. Hermann to approve the Big Sky Transportation District request in the amount of \$250,000.00. Second by Mr. Bough.

Discussion: Mr. Bough said the bus is crucial to the community, but ridership is down and the cut in this funding is not about the service, but rather a message to the Transportation District Board for them to respond to this crisis. Ms. Hermann noted that given the fares charged for the Link, budgeted income projections should have been \$72,000 rather than \$32,000 if ridership stays the same as last year. Mr. Loble stated the Transportation District has taxing authority and every year he asks about the plan for putting it to the voters and every year they do not have a timeline. He said they need to move forward in that direction. Mr. Malinowski said he doesn't think a mill levy would be approved in this economic

climate, but he agrees with encouraging the Transportation District to be more creative with funding and more efficient in operations. Mr. Child said he would have gone with a lower number noting the intercity hours are running at half the rate of what used to be Snow Express and he is not sure why resort tax should pay for the intercity buses, especially when Gallatin County won't pay for it. He said with a 37% reduction in ridership, the Transportation District Board needs to look at internal efficiencies this year rather than waiting until next year.

In favor: Al Malinowski, Loren Bough, Ginna Hermann

Opposed: Lance Child, Les Loble

Motion passed.

19) Motion by Mr. Child to approve the Northern Rocky Mountain RC&D Gallatin/Big Sky Noxious Weed Project request in the amount of \$19,000.00 and Big Sky Forest Health and Fire Safe Program request in the amount of \$15,600.00. Second by Mr. Bough.

Discussion: Mr. Loble asked Mr. Child why his motion was for the full requests. Mr. Child said the budgets are modest, the programs are important, and resort tax is the only funding source for the Noxious Weed Project. Mr. Bough agreed, noting that usage of these programs is increasing sharply every year. Ms. Hermann said she is concerned that the knowledge of the assistance through the Fire Safe Program is not reaching enough people in the community and that the program overlaps with the Fire Department services. Mr. Malinowski said he shared her concern in the past, but Jason Revisky with the Fire Department has stated his support for the program and said it is an important assistance service to what the Fire Department does. Mr. Child noted the Noxious Weed Project made a presentation at his homeowners' association meeting and the information was very well received.

All in favor. Motion passed.

20) Motion by Mr. Bough to approve the Big Sky County Water & Sewer District Existing Water & Sewer Project Debt Service Cost Sharing request in the amount of \$50,000.00. No second. Motion died.

21) Motion by Mr. Child to approve the Big Sky County Water & Sewer District Storage Pond Liner Project request in the amount of \$35,000.00. Second by Mr. Bough.

Discussion: Mr. Child said this project has value and he would like to see it finished. Mr. Bough said he understands the debt service cost sharing request as tax relief and he thinks of the pond liner project as a want as opposed to a need. He said, however, perhaps it's a want and tax relief and he asked Ron Edwards if this project would provide tax relief. Mr. Edwards responded yes. He said they still have funds available from unused bonds and if the remaining cost of the project is offset with resort tax, it will not hit the property tax rolls. Mr. Bough asked Mr. Edwards if the Water & Sewer Board feels it is important to finish this project. Mr. Edwards said yes and the current plan is to finish this pond, noting there is no plan at this time for any other pond. Mr. Bough said he sees this as having two benefits, preventing the cost from hitting the tax rolls and providing a better view to the entrance of Big Sky. Mr. Loble said the cost for this project is not currently on the tax rolls while the cost for the debt relief is on the tax rolls and will continue to increase as long as resort tax siphons funds to other areas, so funding this project increases taxes. Mr. Bough disagreed, stating we are not increasing taxes; we are just not offsetting taxes. Mr. Malinowski expressed his surprise that property tax reduction was a distant third in the priorities in the survey. He said basically, these are taxes that property owners haven't even seen yet. He agreed it makes more sense to fund the project rather than the debt service and added that next year the water and sewer debt service may be more of a priority to the community.

In favor: Al Malinowski, Loren Bough, Les Loble, Lance Child

Opposed: Ginna Hermann

Motion passed.

22) Motion by Mr. Bough to approve the Blue Water Task Force request in the amount of \$20,000.00. Second by Mr. Loble.

Discussion: Mr. Bough asked if this group showed a profit at the end of the year. Mr. Malinowski stated that the P&L submitted since the Q&A Forum shows a current loss, however, over the past three years approximately \$30,000 has built up in reserves. He said the Board is trying to hold groups more accountable and while BWTF has done a great job, this amount of funding is in line with what he thought

to be appropriate. Mr. Bough said he thinks the group is doing a great job; he is simply bringing the funding in line with their needs rather than their wants.

All in favor. Motion passed.

23) Motion by Mr. Loble to approve the Gallatin Valley Snowmobile Association request in the amount of \$12,000.00. Second by Mr. Bough.

Discussion: Mr. Malinowski asked Mr. Loble if this number is based on last year's usage. Mr. Loble said yes, with some cushion. Devon White clarified they spent \$12,000 last year because they didn't groom for three weeks due to low snow.

All in favor. Motion passed.

24) Motion by Mr. Bough to approve Montana State University's Big Sky Institute MSU & Big Sky Community Education Partnership: Part Two Rollover request in the amount of \$7,533.48. Second by Ms. Hermann.

Discussion: Mr. Bough noted that the commitment from MSU has been questioned in the *Bozeman Daily Chronicle*, but MSU is committed to keeping the Institute and it is a part of the University's upcoming budget. Mr. Malinowski asked Katie Alvin about the status of the new BSI building construction. Ms. Alvin stated the property still exists and work that was done up until construction stopped is still valid. She said they need DEQ permits and the plan is still to develop, the result, however, will be different than what was proposed in 2006.

All in favor. Motion passed.

Mr. Malinowski noted the Board is not obligated to allocate all funds available.

25) Motion by Mr. Bough to approve the Big Sky County Water & Sewer District Existing Water & Sewer Project Debt Service Cost Sharing request in the amount of \$32,648.18. No second. Motion died.

26) Motion by Ms. Hermann to approve the addition of \$32,648.18 to the original Big Sky Chamber of Commerce bundled appropriation. Second by Mr. Child.

Discussion: Mr. Bough said he wants the Chamber to focus on the Biggest Skiing In America and he believes these funds are better spent on property tax reduction. Mr. Malinowski noted Marne Hayes stated last year that BSIA would not overshadow the other work of the Chamber. Mr. Child said he agrees with Mr. Bough, except he doesn't want BSIA to engulf the Chamber entirely. He said there are some businesses that would be better served by the Chamber's other programs. Ms. Hermann asked Ms. Hayes if the funding for the Warm Season is generally operating costs for programs other than BSIA. Ms. Hayes responded no, that it is specifically for marketing the warm season months. Ms. Hermann asked if this year's funding would be in addition to what was done last year. Ms. Hayes responded no, it would be a continuation of what was done last year.

In favor: Ginna Hermann, Lance Child

Opposed: Loren Bough, Les Loble, Al Malinowski

Motion failed.

27) Motion by Mr. Loble to approve the addition of \$32,648.18 to the original Big Sky Fire Department appropriation. Second by Mr. Child.

Discussion: Mr. Loble said he realizes the rest of the Board believes there has been financial mismanagement at the Fire Department, but if ever there is an essential service, emergency services is it. He said more money has been spent on the parks which he does not begrudge and he was in favor of, but the Fire Department in light of all it does for the community deserves this additional funding. Mr. Malinowski said he is concerned with the growing deficit. Mr. Bough said his problem is that there is a difference between funding \$350,000 and \$382,000 because with \$382,000 the Fire Department could make it work, but \$350,000 forces the Fire Department Board to reestablish its goals.

In favor: Les Loble

Opposed: Loren Bough, Ginna Hermann, Lance Child, Al Malinowski

Motion failed.

28) Motion by Mr. Bough to approve the Big Sky County Water & Sewer District Existing Water & Sewer Project Debt Service Cost Sharing request in the amount of \$32,648.18. Second by Mr. Loble.

Discussion: Mr. Bough said tax relief was a low priority in the survey, but it is important and it is an opportunity to give back to tax payers. Mr. Loble said he agrees and he wonders how the public will prioritize tax relief next year when taxes go up.

In favor: Loren Bough, Les Loble, Ginna Hermann, Al Malinowski

Opposed: Lance Child

Motion passed.

Mr. Child asked what happens if the Chamber of Commerce does not create an agreement as conditioned for the Biggest Skiing In America appropriation. Mr. Malinowski said the funds will not be disbursed and will be available for next year's appropriations. Mr. Bough said this is a good point as it does not create a "plan B" so the incentive is for them to create an agreement within the next couple weeks. Ms. Hayes commented that contrary to her earlier statements, she has come to learn there was an agreement last year and that is the agreement they will start with. Mr. Schieffer reiterated they will reach an agreement as it is the brand owner's intent to share the brand with the community.

Resolution by Mr. Bough to adopt all appropriations as motioned and approved. Second by Mr. Loble.

Discussion: None.

All in favor. Motion passed.

D) Public Comment

None.

Al Malinowski adjourned the meeting at 4:01 p.m.

Respectfully Submitted,



Les Loble, Secretary/Treasurer



MINUTES OF THE BIG SKY RESORT AREA DISTRICT OPEN BOARD MEETING

July 28, 2010

Present: Al Malinowski, Chairperson
Lance Child, Vice-Chair
Les Loble, Secretary/Treasurer
Loren Bough, Director
Ginna Hermann, Director
Stephanie Holstein, Administrative Officer

Chairperson, Al Malinowski, called the meeting to order at 11:08 a.m.

A. Public Comment: none

B. New Business

- a) **Morningstar Learning Center** – The Board reviewed the scholarship application and policy presented by Laura Sacchi of MLC. Ms. Sacchi explained MLC’s process for scholarship selection and invoicing. The Board suggested to Ms. Sacchi that at least one member of the MLC Board review the scholarship awards in addition to the one member Awards Committee. Ms. Holstein clarified that a “new” student will be defined as a new enrollee as of July 1, 2010.
Motion by Mr. Bough to approve the proposed scholarship application and policy to be used by Morningstar Learning Center to distribute the scholarship funds appropriated to them on June 9, 2010. Second by Mr. Child. All in favor.
Motion passed.
- b) **Chamber of Commerce** – Ms. Holstein informed the Board that the license agreement for the winter marketing campaign is not finalized and therefore, the Chamber can present the license agreement at the September 8 meeting and cannot request funds until the license agreement is approved.
- c) **Water & Sewer District Pilot Snowmaking Project Rollover**
Motion by Mr. Loble to fund the Rollover dollar for dollar up to the amount received for the match. Second by Ms. Hermann. All in favor. Motion passed.
- d) **Audit Contracts 2010-2012**
Motion by Mr. Loble to renew the audit contract with Holmes & Turner for fiscal years 2010, 2011, and 2012. Second by Mr. Bough. All in favor. Motion passed.
- e) **2010-2011 Operating Budget**
Motion by Mr. Child to approve the Fiscal Year 2011 operating budget. Second by Ms. Hermann. All in favor. Motion passed.
- f) **Park City Chamber/Mayor visit September 11** - Mr. Bough informed the Board of a visit from the Chamber of Commerce and Mayor of Park City in September. The Board expressed interest in attending the event and asked Ms. Holstein to ask the Big Sky Chamber to keep the BSRAD Board informed on further details.

- g) **Other** – Mr. Malinowski informed the Board that BSCC asked him to write a letter of support for a grant proposal. The Board supported Mr. Malinowski writing the letter on behalf of the BSRAD Board.

C. Old Business

- a) **New Office Space** – Ms. Holstein informed the Board of the 12 RFP's received for the new office space search. The Office Space Committee is postponing the search until after a new Administrative Officer is hired.
- b) **Cash Investments** – The Investment Committee recommended investing \$1,000,000.00 in the Big Sky Western Bank Business Advantage 12 month CD at 1.59%.
Motion by Mr. Loble to approve the recommendation of the Committee and that Al Malinowski and Lance Child have the authority to sign for the new CD on behalf of the entire Board. Second by Mr. Bough. All in favor. Motion passed.
- c) **Administrative Officer Hiring** - Ms. Hermann updated the Board on the hiring progress. She and Mr. Bough will interview five candidates on August 3, 2010. The Board will hold a meeting on August 9, 2010 to discuss/approve the recommended candidate.

D. Minutes

Motion by Mr. Loble to approve the May 25, 2010 Open Meeting Minutes. Second by Mr. Bough. All in favor. Motion passed.

Motion by Mr. Child to approve the May 26, 2010 Q&A Forum Minutes, as amended. Second by Ms. Hermann. All in favor. Motion passed.

Motion by Mr. Loble to approve the June 9, 2010 Appropriations Meeting Minutes, as amended. Second by Mr. Bough. All in favor. Motion passed.

E. Financial and Tax Collection Reports

Motion by Mr. Child to approve the May and June 2010 Funds Available registers. Second by Mr. Bough. All in favor. Motion passed.

Chairperson, Al Malinowski, adjourned the Open Meeting at 12:40 p.m.

Respectfully Submitted,



Les Loble, Secretary/Treasurer



MINUTES OF THE BIG SKY RESORT AREA DISTRICT OPEN BOARD MEETING

August 9, 2010

Present: Al Malinowski, Chairperson
Lance Child, Vice-Chair
Les Loble, Secretary/Treasurer
Ginna Hermann, Director

Chairperson, Al Malinowski, called the meeting to order at 11:13 p.m.

A. Public Comment: none


B. New Business – Hiring of New Administrative Officer

- a) Mr. Malinowski asked Ms. Hermann to give the report of the Hiring Committee.
- b) Ms. Hermann reported that she and Mr. Bough reviewed all applications, which were submitted by the deadline stated in the advertisements for the position. Following telephone interviews she and Mr. Bough interviewed the finalists in person. References were contacted. The Hiring Committee recommends that Ms. Amy Smit be offered the position of Administrative Officer. Discussion followed. Ms. Hermann responded to the questions of the members of the Board. Mr. Child moved that the recommendation of the Hiring Committee be accepted and that Ms. Smit be offered the position described in the attachment “Administrative Officer Position” and with the terms described in the attachment “BSRAD Administrative Officer.” Seconded by Mr. Loble. All in favor. Motion passed.
- c) Mr. Malinowski will contact Ms. Smit, extend the offer to her, and if accepted, obtain her signature on the form providing the information need for the background check and permission for the Board to perform the background check. Mr. Loble will arrange for the background check.
- d) After discussion, it was decided that the next regular Board meeting would be held on Tuesday, September 7, 2010, one day earlier than the usual date.

C. Public Comment: none

Chairperson, Al Malinowski, closed the meeting at 11:35 p.m.

Respectfully Submitted,


Les Loble, Secretary/Treasurer



MINUTES OF THE BIG SKY RESORT AREA DISTRICT OPEN BOARD MEETING

September 7, 2010

Present: Al Malinowski, Chairperson
Lance Child, Vice-Chair
Les Loble, Secretary/Treasurer
Loren Bough, Director
Ginna Hermann, Director
Amy Smit, Administrative Office

I. Open Meeting

Chairperson, Al Malinowski, called the meeting to order at 11:04 a.m.

A. Chamber of Commerce License Agreement- Marne Hayes and Robin Martin of Chamber present

a) The board/guests discussed different aspects of the agreement that caused concern and after a full discussion, Mr. Loble moved to approve the licensing contract presented by the Big Sky Chamber of Commerce for the sole purpose of allowing of the 2010 appropriation to it; provided, however, Big Sky Resort Area District does not, by this approval, agree to any provision of the licensing contract (including without limitation paragraph 2b Formula), nor does the licensing contract impose any obligation on the BSRAD of any kind or nature. Second by Ms. Hermann. All in favor. Motion passed. Ms. Hayes and Ms. Martin left at 11:25am.

B. Transportation District Discussion- Ennion Williams and David Kack present

a) Mr. Williams and Kack requested that the Transportation District be permitted to keep the excess money from 2010 to cover the \$51,000 deficit from 2009. Mr. Malinowski stated that the Board could not make a decision without looking at the Transportation District's audit, and will revisit the issue at the October meeting. Mr. Williams and Mr. Kack left at 11:38 a.m.

C. 2011-2012 Appropriations Meetings Scheduling

a) Board discussed possible dates for the application deadline, Q&A, and Appropriations Meeting. Board will vote at the October meeting on the final schedule.

D. 2010-2011 Big Sky Law Enforcement Agreement

a) All Board members signed the agreement, after confirming it had not changed from previous years.

E. Huckleberry Café Accounts Receivable

a) The Board discussed whether to write off or create an allowance for this uncollectable receivable. Mr. Malinowski made a motion to create an allowance, as per Rosalie Barndt's advice. Second by Ms. Hermann. All in favor. Motion passed.

F. Minutes – July 28, 2010 and August 9, 2010

a) Mr. Loble made a motion to approve the minutes as submitted. Second by Mr. Bough. All in favor.

G. Financial Reports


a) **Funds Available Register** – Mr. Child made a motion to approve as submitted. Second by Mr. Bough. All in favor. Motion passed.

H. 2011 Legislative Session Election Law Amendments

a) Mona Jamison joined via conference telephone call at 12:05 p.m. Ms. Jamison explained the proposed changes she had drafted to the election law. The Board agreed Ms. Jamison could proceed with drafting the amendments. Finding a sponsor would wait until after the general election. The call concluded at 12:09 p.m.

I Mr. Malinowski adjourned the Open meeting at 12:10 p.m.

Respectfully Submitted,



Les Loble, Secretary



MINUTES OF THE BIG SKY RESORT AREA DISTRICT OPEN BOARD MEETING

October 13, 2010

Present: Al Malinowski, Chairperson
Lance Child, Vice-Chair
Les Loble, Secretary/Treasurer
Loren Bough, Director
Ginna Hermann, Director
Amy Smit, Administrative Office

I. Open Meeting

Chairperson, Al Malinowski, called the meeting to order at 11:41 a.m.

A. Resolution for Appropriations

a) Board Members signed the Resort Tax Appropriations for Fiscal Year 2010-2011 resolution.

B. Minutes- September 7, 2010

a) Mr. Loble moved to approve the minutes as submitted with one typographical error corrected. Second by Mr. Bough. Motion passed unanimously.

C. Website Changes

a) Ms. Smit distributed a work order from J Tech Communications for changes to the website. During the discussion, Mr. Bough stated the Board should adjust next year's budget to include sufficient money for website expenses. Mr. Loble moved to approve the J Tech work order in the amount of \$683.90. Second by Ms. Hermann. Motion passed unanimously..

D. New Office Space

a) Mr. Malinowski and Mr. Loble explained to the Board that they have not had time to review the RFPs since the deadline on October 7, 2010, and will do so before the November meeting.

E. 2011-2012 Appropriations Meetings Scheduling

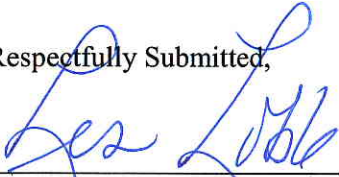
a) Board finalized dates for the application deadline, Question & Answer meeting, and Appropriations meeting: Wednesday, April 13; Wednesday, May 11; and Wednesday, June 15, 2011, respectively. The meetings will be held in the basement meeting room of the Big Sky Chapel. Ms. Smit stated that she had reserved the room for those dates.

F. Financial Reports

a) Funds Available Register – Mr. Malinowski explained the missing check numbers. Ms. Smit produced the voided checks. Mr. Loble inquired about the misdated checks. Mr. Bough made a motion to approve the financial statements as submitted. Second by Mr. Child. Motion passed unanimously.

I Mr. Malinowski adjourned the Open meeting at 12:00 p.m.

Respectfully Submitted,



Les Loble, Secretary



MINUTES OF THE BIG SKY RESORT AREA DISTRICT OPEN BOARD MEETING

November 10, 2010

Present: Al Malinowski, Chairperson
Lance Child, Vice-Chair
Les Loble, Secretary/Treasurer
Ginna Hermann, Director (via telephone)
Amy Smit, Administrative Officer

Chairperson, Al Malinowski, called the meeting to order at 11:03 a.m.

A. Public Comment: none

B. Fiscal Year 2010 DRAFT Audit review – Rosie Barndt, C.P.A. present—Exit Interview

- a) Ms. Barndt reviewed the draft audit, including the capitalization policy and journal entries.
- b) Mr. Loble expressed his reservations about BSRAD's investment in Montana's Short-Term Investment Pool (STIP). Mr. Malinowski explained that currently about \$10,000.00 is in the investment pool.
- c) Mr. Malinowski said it is important for the audit to show that the District's uninsured deposits are fully collateralized. Discussion ensued.
- d) Mr. Malinowski asked for clarification on the last appropriation dates and amounts for the Inter-Local Agreement with the Water and Sewer District. After discussion, it was decided that Ms. Barndt would clarify that the final appropriation to the Water and Sewer District will be in the amount of \$250,000.
- e) Mr. Loble suggested that the word "appropriation(s)" be substituted for the word "allocation(s)" throughout the audit to conform to current practice.
- f) Ms. Barndt left at 10:27

C. New Office Space Search

- a) Mr. Loble reported that the search committee considered twenty properties, and has narrowed them down to four based on cost and location. He listed the pros and cons of the four finalists.
- b) Mr. Malinowski discussed the Wentzel space above Grizzly Outfitters and proposed that they make the owners a purchase offer based on their lowest offered lease price, with a capitalization rate of seven percent. Mr. Loble suggested that if a purchase is not possible, that all four finalists be asked for their best lease amount. Mr. Malinowski said that now is a good time to acquire property at a favorable price. Mr. Child made a motion to give the New Office Space Search Committee authority to negotiate in good faith an

agreement to buy or lease a new space. The agreement will be brought before the Board for its approval or disapproval. Second by Ms. Hermann. All in favor. Motion passed.

- c) Mr. Child informed the board that he knows of someone who may be interested in renting the district's current space.

D. Minutes

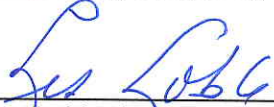
- a) Motion by Mr. Loble to approve the October 13, 2010 Open Meeting Minutes. Second by Mr. Child. All in favor. Motion passed.

E. Financial Report

- a) Ms. Smit inquired about two petty cash entries in the Funds Available register. Mr. Malinowski explained her error.
- b) Mr. Child asked about an electronic payment to "Clarke" for \$39.51. Ms. Smit said she would investigate it.
- c) Motion by Mr. Child to approve the October 2010 Funds Available register subject to the correction of the petty cash entry and investigation of the "Clarke" charge. Second by Ms Hermann. All in favor. Motion passed.

Chairperson, Al Malinowski, adjourned the Open Meeting at 11:56 a.m.

Respectfully Submitted,



Les Loble, Secretary/Treasurer



MINUTES OF THE BIG SKY RESORT AREA DISTRICT OPEN BOARD MEETING

December 8, 2010

Present: Al Malinowski, Chairperson
Les Loble, Secretary/Treasurer
Loren Bough, Director
Ginna Hermann, Director
Amy Smit, Administrative Office

Chairperson, Al Malinowski, called the meeting to order at 11:04 a.m.

I. Open Meeting

A. Public Comment – none

B. Big Sky Community Corporation – Katie Morrison – update

1. Ms. Morrison explained that the Phase 1 of the park project is ahead of schedule.
2. Ms. Hermann expressed her concern about the lack of adequate space for a concert venue at the new park. Mr. Loble reminded Ms. Morrison that during the Question and Answer session on May 26, 2010, the BSCC representatives had assured the Board that BSCC would work with the Arts Council so that events of the Arts Council would take place and not be disrupted. Discussion ensued. Ms. Morrison left at 11:22.

C. Big Sky Transportation District – David Kack & Ennion Williams – discussion.

1. **Fare Taxation:** Mr. Malinowski raised the question of whether or not transportation fares are taxable. Mr. Bough expressed that he felt public transportation should not be taxed, but that the taxability of private shuttles should be discussed further. Mr. Loble made a motion not to tax fares of public transportation. Second by Mr. Bough. All in favor. Motion passed.
2. **High school student fare** – Mr. Bough asked the Transportation District to reconsider charging the fare to students who commute on the shuttle. Mr. Williams said the District would consider his request.

3. Reconciliation – Mr. Kack and Mr. Williams reviewed the Transportation District Fiscal Year 2010 Audit. They explained that they ended the year with a budget surplus of \$24,689, and expressed that they would like to use the money to cover the deficit from Fiscal Year 2009. Discussion ensued. Mr. Bough made a motion to accept the audit from Fiscal Year 2010, and to recognize that no funds are due to the Big Sky Resort Area District. Second by Ms. Hermann. All in favor. Motion passed. Mr. Kack and Mr. Williams left at 12:47 p.m.

D. New Business

1. Board Position Elections – Mr. Bough nominated Mr. Malinowski as Chairperson, Mr. Child as Vice-Chairperson, and Mr. Loble as Secretary/Treasurer. No other nominations were made. The persons nominated were elected by unanimous vote.

2. Lobbying Contract Review – Mr. Malinowski explained that Mona Jamison would like to increase her lobbying fee by \$3,000 to \$18,000 per legislative session. Mr. Loble explained the lobbying process and why the increase was justified, and made a motion to increase Ms. Jamison's lobbying fee to \$18,000. Second by Ms. Hermann All in favor. Motion passed.

3. West Yellowstone Tax Collection Practices – Ms. Smit informed the Board about the West Yellowstone Resort Tax program. Mr. Loble suggested that she gather similar information from the other resort tax areas in Montana.

4. Past Audits of Tax Collectors – Ms. Smit informed the Board about the past auditing practices of the Big Sky Resort Area District. The board members asked that she collect quotes from accounting firms.

5. Account Numbers – Ms. Smit Proposed that the District adopt a numbering system for its tax collectors. The board agreed.

E. Old Business

1. New Office Space – Mr. Loble explained that they plan to make an offer, and the Board discussed what the Board might do with the current space.

2. Audit Receipt – The completed Audit was received.

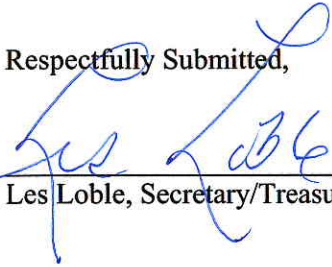
3. Minutes – Mr. Loble moved to approve the minutes as amended of the October 13, 2010 meeting.

4. Financial Report – Mr. Loble made a motion to approve the funds available register. Second by Mr. Malinowski. All in favor. Motion passed.

F. Mr. Malinowski adjourned the meeting at 12:34 p.m.

II. Closed Meeting

Respectfully Submitted,



Les Loble, Secretary/Treasurer