

Gallatin River Task Force Board of Directors Meeting
Tuesday, January 23rd, 2017, 2 pm
Big Sky Water and Sewer District
MINUTES

1. **Call to Order:** *Board Chair, Rick Donaldson called the meeting to order at 2:04 PM. Board members present included Mike Jacquard, Ron Edwards, Rich Chandler, Rob McRae, and Mike Richter. Absent board member included Rich Addicks and Nancy Sheil. Staff members present included Kristin Gardner, Stephanie Lynn, Emily Casey, Andrea Saari, and our new BSWC member, Jack Murray. Chase Rose of Bannack Group was also present.*
2. **Consent Agenda****
 - a. Minutes: December 12th, 2017: ***Rick asked Kristin to send corrected minutes out to board from November meeting and to do so with any other edits to minutes in the future.***
 - b. Fundraising Report: *Andrea shared a brief overview of the Fly Fishing Festival meeting where she, Emily, Ennion, and Bill Collins discussed some potential changes to the start time of the outdoor fair, raising sponsorship levels (ex. PBR from \$2500 to 5000), and an ambitious goal to raise \$100k. Andrea believes this goal is realistic if past sponsors support the increased sponsorship levels and plans to reach out to past PBR sponsors for support in the next couple weeks. She will begin outreach once sponsorship packet is solidified. Andrea also mentioned Give Big, a 24-hour national giving event that we have participated in for the past few years. She will bring pledge cards for Give Big to next board meeting, where she and the membership committee can reach out to pledges, as we get closer to the May event. The next Hooked on the Gallatin membership committee meeting is yet to be scheduled, still waiting on more people to Doodle their availability.*
 - c. Education & Communications Report: *Steph has set up the Trout in the Classroom aquarium and trout eggs in an Ophir School 2nd grade class.*
 - d. Water Conservation Program Coordinator Report: *With Emily's work on a Big Sky Water Efficient Landscape Ordinance to be implemented within the Sewer District's service area, board discussion about logistics of the ordinance, sewer district's rate structures, and trigger points for water use restrictions followed. Ron's experience shows that rate changes are the most impactful way to curve water demand within his service area, and this ordinance can be another mechanism of local enforcement for water users to avoid wasteful uses of water by implementing certain irrigation system and landscape design elements that are rooted in water efficiency with the flexibility for users to still enjoy beautiful landscapes. Summer water uses are 7-8X greater with less people living here compared to winter, so there is a strong need and opportunity for water conservation from these uses. When Rob asked Ron what the sewer district uses to trigger water restrictions, Ron explained that it has to do with his supply system and any complications/leaks/repairs with it. Kristin asked Ron if the*

sewer district ever considers stream flows as triggers but the sewer district has never used those as triggers and Ron doesn't think they plan to. Rob also asked Emily about an element of the Upper Gallatin Drought Management Plan outline. Rob had sent her comments and was referring to them when he asked about other case studies about the effects of drought on ski resorts. Briefly, Emily described she had looked into this but that there hasn't been comprehensive data and analysis done, the case studies she looked at were more theoretical. However, one emphasis that our Focus Group and another case in Colorado, was that in resort communities where the main economic driver is tourism and recreation, and indirectly the surrounding natural resources, changes in the environment will impact the economic, social, and environmental aspects of the area. Without proper planning, these changes may be very negative and go unnoticed for a while. Emily appreciates anyone who has taken the time to read both these working documents, and asks that more feedback is valued and accepted.

Rich C motions to approve the consent agenda, Ron E seconds the motion, motion carries unanimously.

3. Financial Report (Kristin, Rick)**

- a. December Financials: *Rich C asked Kristin if the salaries documented in the financial report were for 1 or two months. Kristin replied they were for two, since our bookkeeper added one into the same month before the new year. Ron referenced the \$3000/month from Bannack and if the other \$9000 has been invoiced. Kristin replied she had not received invoices and they are not accounted for in the books. Rick D added that they could be put in next month even though not invoiced.*

Rich C motioned to approve the December financials, Mike J seconded, motion carried unanimously.

4. New Business

- a. New tax law impact on charitable contributions (Andrea/Chase): *Beginning February 1, a new tax law will nearly double the standard deductions for individuals and joint filers who make charitable contributions. This may deter some donors to give because taxpayers will have less of an incentive to itemize their deductions to reduce their taxes, since current charitable giving is only deductible when itemized. Because there is so much charitable giving in the last month of the year, tax benefits may be a strong motivation to give. However, higher giving donors are still motivated to give with the tax change, since they can still itemize. This law may also influence donors who don't usually give at high levels to do so for the tax benefits. Another change to the law is an increase in charitable cash giving, from 50% to 60%, but it only applies to the smaller percentage of people who can still itemize.*
- b. Washington D.C trip – per diem** (Kristin): *American Rivers is sponsoring Kristin's trip to DC to accompany them in advocating for Wild & Scenic Rivers Designation. Kristin needs the board to approve her per diem of*

\$69/day for 3 days (~\$209). The board agrees, with no proper motion to approve.

- c. *2018 River Cleanup date** (Steph): Steph would like to set the date for our summer River Cleanup of 8/30/18. The board briefly discussed having it on a Saturday instead of weekday, but since there has been more success in past years' weekday events and people tend to leave town during the weekends, the date will remain a weekday. The board agrees on this date, with no proper motion to approve.*

5. Old Business

- a. *Campaign updates (Chase/Andrea): Because our 1-year Bannack Group contract is over and we are now on a month-to-month agreement, the board and Chase need to discuss the future of Bannack's involvement in campaign amid challenges for cash flow and donor progress. Chase and the campaign advisory committee met before our board meeting, where it was decided to bring this conversation in front of the entire board and give Chase a chance to make his case for continued campaign work. According to Chase, we have raised \$250,000* towards campaign projects since 2016. This number includes grants we have been awarded on our own; apart from the work Bannack has helped us with. We have 3 potential leadership-sized gifts, but none are currently secured. We have a \$500,000 proposal with Cross Harbor, which will raise campaign progress to \$750,000 and put us on a path to reach a goal of \$1million. Chase's campaign timeline is to work now until June to secure more leadership phase gifts so we can announce our campaign publically at the Fly Fishing Festival. Chase believes our positive reputation in the community and donor prospect meeting progress may help us reach the campaign opportunities in the pipeline. However, leadership gifts are not coming in quickly while the organization has a pressing cash flow need. Chase provided the following recommendations to move forward: make a decision about his involvement (ex. cut ties, scale down, business as usual) after Kristin meets with Mike Douconnois about the \$500,000 Cross Harbor proposal. If that proposal comes through, 2 other leadership gifts (ex. Trailsend Foundation) may also follow suite. Chase wants to be involved until the public campaign release at FFF and then transition campaign oversight to Andrea, but if Cross Harbor decides not to donate then Chase will wrap up his remaining projects and transition to Andrea promptly. Chase spoke about his desire to be a part of the success of our campaign and organization as a whole, but understands the financial limitations. Rick D asked that Chase be excused from the rest of the meeting so the board could discuss privately.*
- b. *Campaign progress** (Rich C., Ron, Mike R.): With Chase's absence, the campaign oversight committee clarified and expanded upon some statements he had made in order to give the board a better understanding of where we stand in campaign progress. The board also discussed moments of frustration and three potential options moving forward. Please*

*note that the discussion in this section has been arranged in the minutes for more clarity. For instance, Ron demonstrated that out of \$250,000, approximately \$134,000 has been generated from Bannack. \$100,000 of Task Force unrestricted funds has been paid to Bannack for their services so there is really only a net of \$34,000 raised through Bannack's help. Rich C explained this situation as creating a payable balance for us for their services, and that Chase is working off about a 76% commission rate, putting a strain on the Task Force's bottom line. Later, Rick D referred back to this expense and says that we could have used the amount of money we paid Bannack to hire a FTE Task Force Development Director, a goal of the past couple years. Also, the majority of campaign donations are attributed to local connections made by the Task Force/Board. While the campaign feasibility study showed much promise of success, the donations have not come through as planned. This may result from a less engaged/dedicated volunteer campaign committee (not enough time to dedicate to the effort), Chase being an "outsider" from the Big Sky community, and Cross Harbor's leadership phase gift being retracted, restructured, and drawn out (Rick D/Ron E). Additionally, the campaign committee is responsible for the majority of current pledges. Since Kristin has an opportunity to meet directly with Mike D to talk about the \$500,000 Cross Harbor proposal this week, we will be able to have a better idea on where we stand after that meeting. She and Ron think they are still a viable donor, but are unsure of specific giving desires (i.e. multi year endowment which may leave us in same cash flow predicament). When she has more information about this, the board can make a more informed opinion about Chase's services. However, the board has decided on three options: 1. Renegotiate Chase's contract to a commission-based service, 2. Discontinue Chase's services, 3. Continue Business as usual until June. Because option #2 would essentially kill the campaign because the staff cannot internally manage the entire campaign oversight, has limited campaign fundraising experience, and pledges not secured may try to back out (even though a legally binding agreement), this option does not have much Board support. Option #3 also does not have much Board support because we are so limited for cash flow as it is, with an additional \$9,000 in back pay owed to Chase since October when we renegotiated to pay only \$3000/month upfront (but still have to pay remainder, not yet invoiced). Option #1 holds majority support. We need Chase to continue to oversee the campaign, but in a reduced capacity so cash flow needs will not suffer, pledges will follow through, and the weight of the project will not fall to staff, board, campaign committee who are already at full capacity. A few ideas for how to restructure Chase's contract were mentioned including: (Rob) \$1000/month plus 3% commission, (Rich C) commission based but only on unrestricted funds with extended pay out over multi-year, and (Rich C) Chase operate on 3% commission. **After Kristin's Cross Harbor meeting, the campaign oversight committee will draft a contract***

renegotiation for Chase and send to the board. An additional campaign aspect that was discussed was the structure of the campaign and the acceptance of project based and/or endowment funds. The board discussed some interest in doing so since certain donors want to give to specific projects, but Chase's contract is of higher priority this meeting (Rick D).

Mike R motioned to approve the campaign oversight committee's task to draft bullet point for a revised Bannack/Chase contract and send to the board by February 1, Rob M seconded, motion carried unanimously.

- c. Board/staff retreat (Kristin): *Kristin has restructured upcoming retreat on February 8 for staff only mandatory attendance. She plans to invite the board to a retreat once more board members are secured.*
- d. New board members (Rick/Rich A./Rich C./Kristin): *Executive committee has plans to meet with three potential board member prospects over the next week or two: JeNelle Johson (Friday), Ennion (Thursday), and Jason Middlestadt (next week). Andrea also let the board know that Bill Collins has shown interest in being a Task Force board member. The board thought this might also be a good selection because of his connections and strong interest to help us fundraise this year's FFF.*

6. Upcoming Events

- a. **January 31st, 5:30 to 7 pm:** Big Sky Sustainable Water Solutions Forum public meeting at the Big Sky Chapel
- b. **Thursday, February 8th, all day:** Staff retreat
- c. **Saturday Night, February 17th:** Trout Unlimited banquet at the Best Western Grand Tree in Bozeman.
- d. **Friday, March 16th early 6:30 pm:** *Of Wilderness and Resorts: 150 Years of Change in Gallatin Canyon and Big Sky* featuring a slideshow presentation by Dr. Duncan Patten and the "Homesteads to Huntley" film at the Warren Miller Performing Arts Center.
- e. **March 21st, 5 & 8 pm:** F3T Fly Fishing Film Tour at the Lone Peak Cinema
- f. **April 30th:** Resort Tax Applications due
- g. **June 4th at 1:00 pm:** Resort Tax Q&A
- h. **June 18th at 1:00 pm:** Resort Tax Appropriations
- i. **June 29th & 30th:** Gallatin River Fly Fishing Festival
- j. **Next Board Meeting Date:** *February 20th 2PM at WSD*

7. Open Discussion: *Rich C shared that he will be going to a conference on February 6-8 in Snowball, AZ to investigate their snowmaking operations to take back to YC. Andrea asked the board if they approve of our membership cards being placed in the TED EX Big Sky schwag bags; they approve. Rick D mentioned an interesting publication on aquatic invasive species that will be played on MT PBS on 2/22 at 7PM and 2/25 at 10PM.*

8. Adjournment: *At 4:00PM, Rick D adjourned the January board meeting.*

** Agenda Items for Board action