

KNSC Board Meeting 19 May 2015

Meeting begun 6:36 PM Basement of Kachemak Bay Conservation Building (Cook InletKeeper offices)

Attending: Jan Spurkland, Andrew Peter, Carlin Rauch, Mike Gracz, Richard Burton, Kevin Walker, Stacey Buckelew, Nicky Szarzi by phone

Jan: Add zipper pulls to agenda & AK Community Foundation Board development grant

Motion to approve agenda by Kevin, seconded by Mike G, approved

Motion to approve minutes: April 1 & March 4

April 1st Adjustments? None. Motion by Andrew to approve seconded by Richard Approved

March 4: Motion to Approve minutes by Mike Gracz second by Kevin, Approved

Jan: Working on streamlining next years' process with Olympia, meeting with her biweekly.

Richard: adjustments to membership numbers on the email Olympia sent out: we have an additional 15-20 memberships. Revenue rebounded some in response to the letter.

Jan: Documents and data are online. We should track memberships and participation events too? Much data is on a spreadsheet available on Google Drive

Richard: website report

Problems with performance on shared hosting site

Credit card issues? Mobile version?

Richard: treasurer's report: sent out reports

Revenues are down, expenses way down. If we had normal expenses our income would have been way down. Especially on trail maintenance, we spent <\$900 but had \$16 000 budgeted, which was reasonable if we had normal snowfall.

The Net Income lie showing \$14 000 is "phony" because \$12,000 is Rasmusson grant money not yet spent. It may actually be negative. Probably we will come close to balancing revenues and expenses. Haven't received \$10 000 in reimbursements for the Lookout grant. Derek [Stonorov] has committed about \$15 000 to the McNeil building project, and it is OK to spend [Kenai Peninsula Borough] Revenue Sharing on this too (~\$4000) however, it will still probably cost some unrestricted money to finish the project.

Compare end of year this year to last: currently we have \$64 000, last year it was \$55 000- we've lost a little cash (but had a large surplus last year) (due to the \$12,000 Rasmusson that we have not spent) On income, we have basically been treading water since the end of last year. Net income may be ~\$6000 deficit mainly due to depreciation expenses. We didn't buy much new equipment to offset those expenses.

We might want to talk about purchasing equipment this spring.

Stacey- Richard do you see any anomalies in the budget?

Richard: No snow!- but nothing in the budget. We made up some ground with membership revenues after Olympia sent out a letter. The low membership revenue was the biggest disappointment.

Nicky- Have you (Richard) received any bills from Derek for materials [for McNeil shed project]?

Richard: I spoke with him and should get about \$15 000 worth.

Nicky- How do I to submit these to the Kenai Peninsula Borough revenue sharing program?

Richard: We should be able to get it done before June 15, when I leave.

Jan:

Capital Reserve Fund Policy

Richard: We need to decide how much we should place in the Operating Reserve. The new document will reflect our decision last month to allow 18 months to replenish anything we spend from the operating reserve.

Richard: Moves to allocate \$25 000 to operating reserve account, Mike G seconds, motion passes.

Capital Reserve:

Richard: This needs more work- it is not as clear as the operating reserve. I will make the document an operating reserve document and not include any language about a capital reserve policy. Maybe we are not ready to have such a fund? For example, we may decide to do more contract grooming, thus not requiring equipment?

Stacey: Agrees. We could work with Foraker on financial planning, maybe use an indirect rate etc. to fund capital purchases? For example, could we use an indirect rate to fund a Capital reserve?

Richard: So far we have been successful at combining grants, etc to meet our capital needs. One way or another it will come from somewhere- unrestricted funds, grants.... Equipment now is so much more expensive [implying that he is not sure we should or could replace equipment from unrestricted funds]....

We can't borrow money- only from ourselves, sort of.

Kevin: Recreational Trail Program (Lookout), offers up to \$50 000 for trails. Need 20-30% match. AK community foundation- up to \$5000 (can buy capital equipment?).

Richard: Foraker has suggested that we should try to fund capital acquisitions without spending operating money, i.e. from grants. Stacey is right, shouldn't fund capital purchases with membership funds, Foraker has recommended against using unrestricted money for capital purchases. However, the Capital Reserve fund document is "not ready for prime time".

Maybe we should buy equipment this spring- then we probably wouldn't need to next year.

Richard will modify Operating Reserve document to remove references to a Capital Reserve fund.

Jan: AK Community Foundation grant

Kevin: The grant is for board development. ACF has dozens of categories that they give grants for. For this grant we were discussing committees, i.e. that we have an abundance of committees for all of the diverse tasks that we do: for different events, trail development, etc. Foraker had recommended paring down to 4-5 committees to oversee these diverse tasks.

ACF will send the check up front, just need to decide what to do- meet with Foraker to figure out committees? We have until March to decide?

Jan: We should probably meet with Foraker in October? After the September meeting where we hammer out the budget, but before the annual meeting in November?

Stacey- as long as Foraker coming, shouldn't we extend their trip to help us with financial planning issues?

Andrew: One day seems like more than enough for both?

Jan: Foraker will let us know how much time is required. The strategic plan only took one full day.

Jan: In September we will figure out a date for a meeting. Be sure it's on the agenda!

Jan will ask Foraker about their availability.

All: thanks to Kevin "Mr. Grants!"

Jan: Zipper pulls...

After a short discussion, Mike G moves to buy 3 years worth of KNSC zipper pulls (500/year) for use as trail tags/membership tokens, for around \$700, seconded by Richard, passed.

McNeil:

Nicky: Please spend revenue sharing amount, Derek [Stonorov]! That's all she knows...

Richard- Sounds like he plans on doing that June. This week or next week Derek has contractors lined up. By end of June he should spend \$15 000, we have that allocated.

Jan: How much do we need to finish?

Nicky: Is pursuing grant through Wells Fargo for \$5k- won't know until September if we get it.

Richard- If we get \$5k through Wells Fargo, that will be enough. If not, we have enough to do it.

Jan- How much do we need?

Nicky: We have \$16 000 in grants secured. We need \$22 000 for the project.

Richard: Derek said it won't cost the full \$22 000, at least \$1000 will not be needed.

Nicky- We will need \$5000 more.

Jan: If we get the Wells Fargo grant, and we've done the work already are we in trouble?

Nicky: I don't know

Jan: Seems like we have enough money to do this without the grant. I would like to move to get board approval to spend the \$5000 if the grant doesn't come through so we can commit to completing the project without worrying about committing to contractors then not having money to pay them.

Richard: Moves to appropriate \$5000 for completion of the McNeil project if the Wells Fargo grant doesn't come through, seconded by Nicky, no discussion, no opposition, motion passes.

Jan: Lookout project?

Kevin: We have most of it done, need shelves, bollards, corners, siding, kiosks....[David] Stutzer would do the labor for free.

Richard: We still have money budgeted for it- plenty.

Carlin: Action item on the agenda for the Rasmusson fund?

Richard: That's for the Diamond Ridge Kenai Peninsula Borough revenue sharing money?

Carlin: In spending the revenue sharing money, who has priority, Baycrest/Sunset/Lookout?

Richard: I don't know

Priorities?

Many ideas thrown around about what to spend the revenue sharing money on, however it needs to be spent by June 15 and none of the ideas seem feasible in that short timeframe...

Kevin: Electricity to the timing shed? We have the contractor estimates from Puffin Electric.

Carlin: Culverts at Lookout by Mike B?

Richard: Culverts and electricity

Jan: agrees, two shovel-ready projects at Lookout...

Jan: do we have a motion to allocate KPB revenue sharing money to Lookout for culverts and electricity: moved by Richard, second by Andrew, no discussion or opposition, motion passes.

Jan: We'll put the hot coals in Mike B's hands....

Jan: That's the end of agenda.

Jan: Balance sheet: bank account shows \$64 000

\$12 000 to Rasmusson

\$5000 to McNeil, \$700 to zipper pulls...that leaves \$21 300 remaining

We could buy equipment- we should wait for the Legislature to finish the state budget, but assume that our capital request will not be in that budget [due to the low price of oil and the state budget deficit.]

[Mike B enters sometime around here]

Jan: We need one more ATV, so each area has one, they cost about \$17 000.

Richard: They require a higher maintenance expense and use more gas too.

Stacey: Need and want. We shouldn't just spend money if we have it- is a Pisten Bully in our future? We need to think this through more carefully.

Richard: Right, how might we want to do our grooming in the future?

Andrew: How many other clubs in the US use these ATVs for grooming?

[who relayed this?] Dave Brann says mostly others have moved to using these ATVs

Kevin: The ATVs go where you point them, not like a snowmachines sometimes.

Jan: Their capability for handling terrain is far and beyond that of a snow machine; they are essentially like mini-Pisten Bullies.

Kevin: I got a thank you note from the Homer Epic committee- it was nice. I think it is a good idea to thank volunteers with a written note.

Stacey: Do we have an admin support plan for next year? Is Olympia still interested?

Jan: Olympia is interested. The process needs tightening. Personnel evaluation?

Stacey- How can we make the position more effective?

Jan: Good September goal to figure that out.