



MONTANA ASSOCIATION of CONSERVATION DISTRICTS

We're growing Montana's future.

MACD Board Meeting, Montana Capitol, Helena, MT

Date: June 14, 2017

Attendance:

MACD Board Members:

Others in attendance:

Jeff Wivholm	<input checked="" type="checkbox"/>	Elena Evans, MACD
Mark Suta	<input checked="" type="checkbox"/>	Gene Evans, SWCDM – Elect
William Bernard	<input checked="" type="checkbox"/>	Pat Anderson – District Operations Chair
Dean Rogge	<input checked="" type="checkbox"/>	Brian Fladstol – Education Co- Chair
Tony Barone	<input checked="" type="checkbox"/>	Ann McCauley – SWCDM
Roddy Rost	<input checked="" type="checkbox"/>	Jessica Makus – SWCDM
Bob Peterman	<input type="checkbox"/>	Ian Cavigli – SWCDM BSWC
Bob Breipohl	<input checked="" type="checkbox"/>	Howard Eldredge – Bitterroot CD
Mike Hansen	<input checked="" type="checkbox"/>	Dave Martin – Lewis and Clark Conservation District
Steve Hedstrom	<input checked="" type="checkbox"/>	Dusty Olsen – Garfield CD
Judi Knapp	<input type="checkbox"/>	Carie Hess – Petroleum CD
Shirley Parrot	<input checked="" type="checkbox"/>	Bobbi Vannattan – Rosebud CD
Don Youngbauer	<input type="checkbox"/>	Monica Boyer – Rosebud CD
Jim Simpson	<input checked="" type="checkbox"/>	Rachel Frost – MRCDC
Pete Woll	<input checked="" type="checkbox"/>	Laura Demmel – NACD
Gary Giem	<input checked="" type="checkbox"/>	Mark Bostrom – DNRC
Daryl Stutterheim	<input checked="" type="checkbox"/>	Laurie Zeller - DNRC
Dwight Crawford	<input checked="" type="checkbox"/>	

Spring Board Meeting

Wednesday, June 14th, 2017

9:30 – 11:00 AM

Call to order – 9:30 *Jeff Wivholm opened the meeting at 9:30 am. He asked everyone to introduce themselves.*

Approve April minutes – *Jeff Wivholm moves to approve. Willie Bernard seconds the motion. Motion passes.*

Public Comment - *None*

1) MACD Annual Report - *Elena presented the MACD Annual Report.*

Jeff moved into business. Jim Simpson made a motion to approve the 2016 financial balance sheet and profit and loss, Shirley seconded. MOTION PASSED. Jim Simpson talked about a few changes to the way business will be discussed in the future based on yesterday's meeting & discussions. In the future, there will be a finance committee that will review the financial statements in more depth and then present to the board.

Jeff made a side note for the audience and new people present to explain yesterday's facilitation with Liz Moore, Montana Nonprofit Association, about better, more efficient ways to conduct business.

990: Steve Hedstrom asked Elena to give a short explanation of what a 990 is. Elena said that it is a tax document that the IRS requires non-profits to file. It is a public document. She also said

that this year's 990 looks like we're losing money because both 2015 and 2016 conventions were on it. Jeff said it is basically a financial snapshot of the organization.

Mike Hansen motion to approve the 990. Dwight Crawford seconded. MOTION PASSED

2) Policies

Pat Anderson, chairman of the district operations committee presented on the work the committee has been doing. They have been talking a lot about financial reporting, the reports districts want to see, how to distribute those reports, and how frequently they should be. They also talked about potential by-law changes, and the process document. Jeff said one of the big issues is figuring out what kind of financial report districts want. They have decided to send them out monthly.

Process Document: One of the main things they talked about is the election of officers. They have talked about having a profile of who is on the board and putting together some info on who would like to run. To be provided by September 1st, nominations should say what the interested party will bring to the board.

Jeff commented that the process document is just to make everything a little more streamlined, and make sure everyone knows what is expected. Steve Hedstrom motion to adopt the process document to bring forward to general membership, seconded by Mike Hansen. Dwight Crawford asked if there was anything that could be done to shorten the document, it seems quite long. Elena commented that it's probably best to have the document with full detail, but together a quick guide to the

process. Mike Hansen agreed that that was a good idea. Pat Anderson commented that perhaps the title should be shortened so that it is an easy document to refer to. There was general consensus that that was a good idea. Steve Hedstrom made an amendment to the motion to change the title to “MACD Process Document”. Dean Rogge seconded the amendment. AMENDMENT PASSED. MOTION PASSED.

3) Summary of conflict b/w MACD & Districts by Carie Hess -
Jeff called Carie Hess forward to present some thoughts that she had put together following yesterday’s meeting.

Carie presented a few issues and concerns she wanted to bring forward. Trust and transparency were first. Next, she felt that there was a feeling of “empire building,” that money was being stolen from districts. She added that clarity on how money is spent and how it benefits districts is important. She commented that a person in an office does not necessarily mean a help to the district. Then she added that there need to be more respect going both ways. Then Carie commented on what she has been told the board is doing to address concerns. They are trying to put together clearer finances, are putting them on the website, are splitting the organizations so that the finances aren’t so muddled. They have put together Annual Reports that show what the organizations are doing. She also commented that the laws governing SWCDM & MACD are much different than those governing districts, and there needs to be understanding of those differences. There was a handout that she had put together that bulleted her points.

Letter from Attorney: Jeff said that during yesterday's facilitation discussion, there was a letter from the attorney telling us the things we need to do to comply with the letter of the law. One of those is applying for a new EIN number for MACD.

Fiscal Year: The fiscal year and the 990 have been filed on different calendars. Yesterday the board asked Ann McCauley to research whether the by-laws to fix this were approved at last year's spring board meeting. Ann reported that it had been approved, and so the fiscal year issue is fixed.

4) Review of Committee Work - *As a result of yesterday's facilitation, the board has decided to change the way committees are structured. There is now a committee on committees to figure out how to structure. Yesterday Pete, Dean, Mark, Pat, and Willie volunteered to be on the committee. Mike Hansen made a motion to put together the committee with the volunteers and charter as described. Seconded by Dwight. The committee is tasked with making a recommendation on ideal committee structure by September 1. Steve Hedstrom suggested that we assign the committee on committees to draft a charter so that the other committees don't have to go through that work. Mike Hansen reminded the board that the facilitator had offered to provide example charters for this purpose. MOTION PASSED.*

There was also a suggestion yesterday to form a By-Law committee. Steve, Jim, and Dwight volunteered to be on the bylaw committee. Pete made a motion to form a bylaw committee, seconded by Shirley. Roddy made a comment that the purpose of this is not to change the by-laws, but just to get them in line with

the law. Jim Simpson said that there may be a few additions, and that this new structure of committees may have to be included in the by-law changes. MOTION PASSED.

Dean made a request that we make another small committee to outline who is responsible for what regarding the convention. Jeff said that was tried one time, and asked Mark to talk about how it went. Mark talked about the year the convention was at Fairmont. He said it would be a good idea to look back at old bylaws and figure out who was responsible for convention. There is some confusion whether MACD or the local district is responsible for doing the legwork for planning convention. There was general consensus that these responsibilities should be spelled out. Steve commented that years ago it was an area project, and that it is important to have local districts involved for buy-in. Elena commented on how it has run since her tenure, and that each year was a little different. She said at the very least it is important for MACD to take in registration because we are on the hook for the costs. One of the problems is that there haven't been people lining up two years ahead for convention. Elena said she had already put together a short document in her communication and she would send to the whole board. Motion made by Jim Simpson to task the committee on committees to decide on ways forward for this topic. Seconded by Pete Woll. Bobbi Vannattan commented that when Rosebud hosted in Billings, Jan Fontaine had a checklist with expectations for the district. MOTION PASSED.

Howard Eldridge asked if we would be covering 2018 budget today. That is normally done at convention, and Elena said she

had a budget / actual comparison that she would go through with him.

Jeff said that there is a possible budget shortfall because of unpaid dues. He asked if the board would like to talk about that at this time.

-----Break-----

5) Finances/Budgets/Reports - *Jeff called the meeting back together at 11:00 am. He asked the board to pull out the 2017 budget versus actuals sheet from their packets.*

Jeff said that Jeff Tiberi has asked for a bonus considering his work with the legislature because he was paid only minimum wage. Elena said that currently dues are at \$82,000, which is a difference of \$51,000 less than we expected. More than likely there are a few others that will be paying. She expects dues to end up around a \$110,000, which leaves MACD \$25,000 short of what was budgeted. On Monday night she presented a few options for covering the shortfall. She said that it would be possible to cut some money out of staff & board travel, and a little out of the house maintenance budget. That amounts to about \$12,000 that could be saved without too much pain, but that would also be with the understanding that Elena would travel less to district meetings. With a few other savings spots, we can get to about \$10,000 shortfall projected. Jim Simpson suggested that the board should make an authorization to withdraw from fund after September 1 (when dues are due) if need be. There was some discussion, and then a consensus that it would be better to

wait on that authorization until it is actually needed, to preserve the impetus for savings and for dues payments.

Shirley made a comment about associate dues. She said over time it has dwindled to nearly nothing. She asked for name suggestions for people who might be interested in being associate members.

Letters: Jeff asked for volunteers to help review dues letters to make sure they don't cause offense. Elena suggested that maybe it should be the representatives from each area who should review the individual dues letters.

Howard Eldridge commented that the information just presented was helpful for him as he goes back to his district.

Bobbi Vannattan commented that it would be helpful to attach the budget to the dues letters and explain exactly where their dues money goes, and how it would hurt to not get the money.

Jim Simpson asked about the "Management Agreement" that was referenced in the letter from the lawyer. It was proposed that the bylaws committee review that document.

Dwight Crawford motion to adjourn the MACD meeting and open SWCDM meeting. Mike Hansen seconded. MOTION PASSED.

Meeting Adjourned

Partner Updates – Afternoon of June 14th Meeting

MACDEO: *Carie Hess gave an update on MACDEO's work. She presented the agenda for the SWAT Training.*

NRCS: *Lisa Coverdale gave an update on NRCS's activities. She mentioned that they have been facing similar issues regarding trust, communication, etc. She said that NRCS is facing a possible 21% cut in budget, and the secretary of ag has indicated that there may be a reorganization. Currently there are 53 openings, and the chances of filling those are slim. NRCS is not able to enter into agreements with individual districts. So with partner positions where they are trying to put additional people in offices, that has to be run through SWCDM.*

DNRC: *Mark Bostrom gave the DNRC report. He did a recap of the session. He said that there were some issues, particularly when it came to unity. The Floodplain bill was a pressure point. When that unity starts breaking down at the organizational level, it really starts shaking the three legged stool. Of course the organizations won't always see eye to eye. But working together is important. DNRC has to support ALL conservation districts regardless of MACD's position or a breakup. Numbers: bottom line, the reduction of funds affects CD operations in general. That includes the conservation districts bureau.*

HB8 did not pass, so there's no loans that can go out in the next two years. Mark said that if there is anything that prompts a special session, it will be this issue. On the good side, they did get money to launch a new invasive species program. They are

looking for someone to serve on the newly formed Flathead Basin Commission. New MOUs, there is an MOU circulating right now for the Montana Rangelands Partnership Range Techs. He has a number of position openings coming up.

Laurie Zeller added to Mark's report and commended MACD staff on some of the items they worked together on at the legislature. She talked about some of the work they have been doing. There are two big issues facing CDs. One is the issue of the bison ordinances that some districts have. American Prairie Reserve has requested a variance to Philips' CD's bison ordinance. The issue is getting controversial, and they are trying to line out legal advisors and facilitators. It may end up affecting CD ordinances. The other thing is 310s. They are working on a declaratory ruling request with Flathead, and this is a challenging topic. She said that it starts with landowners not agreeing with what Conservation Districts are doing, but what it really does is just decide if a district has jurisdiction. It would be good if we figured out a way to solve this issue. They are of course facing some financial issues. Laurie's biggest concern is making sure that the administrative grant program remains whole. The 223 grant program has been reduced. The technical assistance program has also been reduced a fair amount. The bureau is cutting back on travel, vehicle replacement, etc to save money and keep minimize the cuts to grants and assistance programs.

Laura Demmel from NACD introduced herself and talked about her background with NACD. Steve Hedstrom then presented some of the work that NACD has been doing. The biggest issue is influencing what happens with the farm bill. Districts need to be

writing letters and contacting representatives, NACD has put together a 9 points bulletin. Another thing that he mentioned is that the Northern Plains Regional meeting is set to be in Montana next spring, and they need help identifying a venue.

YRCDC: *Dan Rostad presented about the work that YRCDC is doing. The majority of their work is around the Yellowstone River Cumulative Effects Analysis.*

MRCDC: *Jim Beck spoke about some of the work that MRCDC is doing. Rachel Frost followed him up with some additions, and recognized their new board members. The council really is the foundation of a partnership model. She handed out a sheet with their current projects, funding sources, etc.*

MT Salinity Control: *Although Jane Holzer could not attend, Ann and Elena passed out some pamphlets that she sent.*

DEQ: *Robert Ray talked about a couple of things that DEQ is doing. Non point source pollution: Robert talked about a few grants that have gone to conservation districts, including BSWC, work in Swan Lake, mini-grants, and much more.*

Additional comments: *Jim Simpson said that Dean Sirucek of Flathead CD has applied to be on the Flathead AIS Commission. Jim suggested that MACD draft a letter to support his application.*