

## MINUTES

### ABSF Board of Directors Meeting

Monday September 21, 2020

3:00 PM

Great Hall, American Birkebeiner Trailhead

**Board Members Present:** Paul Eckerline, Brett Rondeau, Jeff Tumbleson, Mike Mandli, Kathie Pautsch, Sue Scheer, Tom Duffy, Karen Manske

**Electronically Present (Microsoft Teams Meeting):** Mike Brown, Jan Guenther, Charlie Dee, Bill Brown

**Absent:** Yuri Gusev

**Staff Present:** Ben Popp

**Approval of Agenda:** Pautsch move, Mandli second. **Approved.**

**Approval of Minutes** from July 20, 2020 Board Meeting: Duffy move, Rondeau second. **Approved**

**President's Comments:** Paul Eckerline

- Joe Timmerman, a former board member and silent sport enthusiast as well as committed volunteer, was tragically killed in a bicycle accident on Thursday, September 17. Our deepest condolences go out to his wife, Bean, and his entire family. ABSF will collaborate with CAMBA to create a memorial for him. Mike Mandli volunteered to champion this effort; he will seek input from Bean.
- Welcome extended to new board members, Bill Brown and Karen Manske. Thanks to Mike Mandli and Kathie Pautsch for their continued service on the board. We will elect officers at the October board meeting.
- We need to appoint a new Worldloppet representative. Sue Scheer volunteered for this position.  
**Motion:** Move that Sue Scheer replace Dennis Kruse as the ABSF representative for the Worldloppet Ski Federation.  
Pautsch move. Duffy second. **Passed** unanimously.

- Allison Slavik is heading up the Telemark capital fundraising campaign. She will be reaching out to individual board members to champion the various areas of fundraising.
- Discussion considering the need for board approval of any new event that the ABSF promotes, as well as any expenditure greater than \$10K. The Documentation Committee (chaired by Charlie Dee) and the Finance Committee (chaired by Mike Brown) will discuss this further and come back next month with clarification of the Bylaws regarding these issues. The Competition Committee will also discuss what constitutes an event.
- Next month we will discuss the organizational structure of the ABSF, specifically in regards to the functions of the various committees and work groups.

### **Executive Director's Report:** Ben Popp

- Bean Timmerman has reached out to Ben asking the ABSF to live-stream the funeral services for her husband Joe Timmerman, taking place on Thursday, September 24, 11am at St. Joseph Catholic Church in Hayward. Yuri Gusef will help with this and the ABSF will cover any costs incurred.
- Registration Update:
 

Birkie Trail Run Festival: Registrations are greater than last year at this time, with 10% virtual. Safety protocols are in place and the event will be very spread out and entirely outdoors. Timing chips will allow contact-tracing if needed.

Birkie Ski Events: Currently registrations are 1,600 less than last year at this time. The next price hike will occur on October 8. Various scenarios are being looked at. Worst-case scenario projects 7,700 skiers. However, the staff projects that we will have 8,500 – 9,000 registrants as more definitive plans emerge.
- Turkey Birkie Cross Country Ski Festival: West Yellowstone will no longer host the Yellowstone Ski Festival due to pandemic and economic factors. The ski industry is looking at the Birkie Trailhead as a new venue to host a festival and kick off the ski season. The “Turkey Birkie” would require a minimum of 1K of snow. All attendees will be required to purchase a trail pass (perhaps with a weekend fee) as well as register for the festival. CXC plans to provide clinics focusing on new and beginner skiers.
- Discussion about the Mission of the ABSF regarding events, trails, healthy lifestyle, and how we can secure the future and increase the impact of silent sports. This all ties into the Mount Telemark Outdoor Sports Complex. Currently 14 events are held there, in addition to many other outdoor activities. Focus will be on trails and

snowmaking as well as a new stadium at the Trailhead. (Good news: another well has been found near the coliseum, which will significantly help with snowmaking.)

## Committee Reports

**Trail:** Mike Mandli (and Ben Popp)

- Telemark Redevelopment discussed.

(Due to potential conflict of interest, Paul Eckerline recused himself from discussion and any voting pertaining to this matter.)

Sources of Revenue discussed:

Placemaking grant: We have applied for this USDA grant of \$150K. This Covid related grant is a rural innovation challenge to provide planning, support, and technical assistance for placemaking. If awarded, this money can be used for planning purposes only.

Legacy Donation from anonymous donor of \$1.4M. Awarded upon the donor's passing; can only be used toward principal of the loan. Discussion regarding the fact that this money is tentative and cannot be used as collateral. Mark Hooley clarified that this is a Bequest Agreement, which is an irrevocable promise: a binding promise as long as there are sufficient funds in the estate to make this gift. (Also discussed that as we pay down the principal on the loan, the donation is reduced by that same amount.)

Therefore, we need to continue to look for other ways to finance the purchase of Telemark. We have until March 15 (which is when to due diligence plus an additional 20 days is up) to accomplish this.

The Purchase Agreement has been signed. There is 4% interest over 5 years, which will then increase by 2% every 5 years thereafter until the loan has been satisfied. Thus, we need income flow to deal with the interest. Mike Mandli brought up the following caveat: in the agreement, if we sell any land, this money must be used to pay down the principal of the loan to Telemark, LLC. For every acre of land that is sold, \$2,000 must go toward to principal of the loan. As the principal is paid down, the Legacy gift discussed above is also decreased by that amount.

Capital Investment Schedule Reviewed:

**Expenses** estimated to be \$3.725M

-To obtain permanent access:

\$1.4M for land; \$750K to remove building for total of \$2.15M

-To prepare for future skiing (\$675K) and moving forward (\$900K)  
for total of \$1.575M

**Funding:**

Total of \$7.635M is felt possible to secure.

Phase 1 (for the purchase and mitigation of the property)

-Legacy donation \$1.4M

-Mount Telemark Conservancy \$800K (Concept is to set aside 200 acres of land with conservation easement; donors can “buy” land for the conservancy.)

-Sale of excess acreage \$800K

-Idle Site Grant \$250 – \$500K

-USDA Placemaking Grant \$150K (for planning costs only)

Phase 2 (for rebuilding)

-Federal Grants of which two are available for \$1.5M each, to be used only for construction.

-General Campaign-to be determined.

-CDI Grant through State of WI \$250K

-RTP Grant from WI DNR.

**Motion:** Move that the ABSF approve master planning process and supporting actions for generating the required capital for Phase 1 and 2.

Mandli move. Scheer second.

Discussion:

Sue Scheer expressed concern about the liability of the building, which is not yet known.

Ben Popp stated that demolition could start by 12/1 (frozen ground advantageous due to less dust). There is a solid bid of \$750K for this.

These caveats were brought up:

1. We don't have the \$1.4 M, may not get that money for decades and may never have that money. So we're not counting on that in the Master Plan.

2. We are well aware that the "Sales of Excess Acreage 800K" mentioned in Phase I takes into account that if sold prior to paying off the Lewis family, we will need to pay them \$2000 per acre sold. Furthermore, every dollar we reduce the principal by prior to receiving the legacy donation will be deducted from the legacy donation of \$1.4 M.

**Passed** unanimously.

### **Finance:** Mike Brown

- **Motion:** ABSF approves the September-December budget sent out by email. Brown move. Mandli second. **Approved** unanimously.
- Review of operating financials as of the end of August:

Year to date: Income \$1.39M; Expense \$306K; Net Income Surplus \$1.08M, with a favorable variance to budget.

Bank Balance \$970K - includes money received from the PPP (\$212K) and EIDL (\$149K) loans. The PPP loan is almost entirely forgivable. The EIDL is a 2.75% long term loan; plan to hold on to this through February at which time we hope to pay back.

Total current assets of \$1.29M are 6.3 times greater than total current liabilities of \$204K.

Debt ratio of total assets to liabilities is 20%, which is favorable.

Fundraising efficiency is very low, which is also very favorable.

Capital Expenditures for YTD is \$51K.

Trail Pass Revenue is decreased compared to last year at this time.

Event participation numbers as of the end of August are up for the Birkie Trail Run Festival, but decreased for Birkie events by 1,200 (impacting a deficit of approximately \$109K). This is expected to change, however.

**Documentation:** Charlie Dee

- The documentation committee will meet to discuss Bylaw concerns raised earlier in the meeting and will report next month.

**New Business**

- Jeff Tumbleson discussed the anti-racism program that is currently being developed by the ABSF in collaboration with the Native American community in the area (working specifically with Bob Kovar and Ernie St. Germaine). The intent is to bring youth together from all races to “play”. Telemark could be a great vehicle to help bring all of this together to provide a positive impact on our community and Northwest WI.

This is in beginning stages, but needs to be embraced 100% for this to succeed. Jeff Tumbleson volunteered to respond to assure that the ABSF is fully committed to this project.

**Adjournment** at 4:30 pm by Acclimation.