

**Montana Fish & Wildlife Conservation Trust**  
**Minutes from Joint State Federal Board**  
**Meeting – April 13, 2016**

**Attendees:**

John Hagengruber, Chair (USFS) ([jhagengruber@fs.fed.us](mailto:jhagengruber@fs.fed.us))  
David Allen, Co-Chair US Fish & Wildlife service [david\\_allen@fws.gov](mailto:david_allen@fws.gov)  
Roxanne Peterson (Bureau of Reclamation) ([repeterson@usbr.gov](mailto:repeterson@usbr.gov))  
Andrea Jones (representing Sam Sheppard)  
Bill Orsello, Chair, CAB ([williamorsello@gmail.com](mailto:williamorsello@gmail.com))  
Jane Ratzlaff, Montana's Outdoor Legacy Foundation ([jratzlaff@gmail.com](mailto:jratzlaff@gmail.com))  
Deb Lane, Recorder ([fwctrust@mtwf.org](mailto:fwctrust@mtwf.org))

John convened the meeting at 10:00 am. Sam was unable to attend; he appointed Andrea Jones as his replacement for the meeting.

**Review Agenda Items and Minutes from Last Meeting**

Minutes from the January 20, 2016 meeting were presented. Roxanne requested that the minutes reflect MtOLF as the Triple 8 project applicant (replace Trust Manager). **Motion to approve by Roxanne with the appropriate change; Second by John. VOTE: 4-0 to approve with the change.**

**Trust Manager/Financial review:**

Jane presented the portfolio summary thru March 31, 2016. The full report will be sent out when available. DAD was going thru a software update at this time. She informed the JB that DAD had made the decision a few months earlier to pull out of the international stocks due to their increasing volatility. This will be reviewed again when the international market settles down. The balance as of March 31, 2016 is \$21,594,386.

The Trust Manager invoice for the 1<sup>st</sup> Quarter in the amount of \$67,468.70 was presented. Following the vote at the January meeting, the invoice will be approved by the board chairs (JB & CAB); it will no longer be a full JB voting item.

MtOLF will be unveiling a website redesign in the coming weeks. They will have a page for their NGO (non governmental agency) partners and will be able to process donations for the NGOs. It will be restricted funds for that NGO or project and will be sent to the NGO.

CMR still has the \$2 million in the administrative fund with no current guidance for dispersal. Some NGOs are working with our congressional delegates to insert language in a current bill to release the funds to the CMR account for further purchases. The CMR account will remain open until this is resolved.

**New Business:**

**2016 Funding Cycle:**

A total of 10 projects were received. There were no agency direct projects submitted this year. There were 2 inside the target area and 8 outside of the target area. The projects totaled \$626,450 (inside) and \$1,050,000 (outside) the area. There is \$833,600 available from 2016 funding plus a carryover of \$257,150. The CAB will be reviewing the projects and are planning a May 2016 meeting for their project review. The 30 day comment period will begin following that meeting.

A request from Prickly Pear Land Trust for their Peaks to Creeks project in the amount of \$402,450 is for a land acquisition that has already been purchased PPLT thru a fee title transfer. The Trust Plan does not allow for the expenditure of funds on projects that have already been purchased. This project will not be considered for funding in 2016.

Three projects have been returned to the Trust: 2 (two) for Mussellshell CE and 1 (one) for Adams Creek easement. The new landowner involved with the Mussellshell projects decided not to go thru with the easement and Adams Creek was not necessary as the current easement was upheld as valid. The total returned was \$250,000.

### **Triple 8:**

The Triple 8 project was submitted for \$500,000 in 2016. It was approved by the CAB and moved into the 30 day public comment period which ended on April 12, 2016. No formal comments were received, however, several people expressed support verbally for the project. MtOLF is willing to maintain ownership of the buildings with the potential the land would go to a public entity in 2 years thru a lease or other options. Discussion included stipulations on the project to be included in the Grant Agreement. These would include: Trust funds must be used to reduce the debt (funds cannot be used for payment of interest); protection of the Trust's interests/funds in the case of a default on the contract for deed by MtOLF; and the funds are used strictly for land acquisition (the buildings must be considered a donation). David may be able to provide some language to use in the contract for deed.

**Motion by John and a second by Roxanne to approve the \$500,000 funding request for the Triple 8 project with the stipulation that the stipulations identified above are addressed in the contract for deed between MtOLF and Ortenberg Foundation. In addition, nothing will preclude MtOLF from re-applying for additional funding in 2017. If the stipulations above are not met, the project will be brought back before the Joint Board for further review. Vote: 4 – 0 to approve.**

### **Trust Plan Update:**

This review edited the Trust Plan for consistency throughout the document and to clarify the definition and process for carryover/returned funds back to the Trust. Motion by David to approve; Second by John. VOTE: 4 – 0 to approve revision to the Trust Plan.

### **Annual Report:**

The 2015 annual report was presented. The section regarding the financial position of the Trust was discussed as it is an unaudited representation of the Trust's financial position. The JB agreed to add the language "figures presented are unaudited" in the financial section. Discussion continued on the special procedures audit versus an audit that an accounting firm would provide on the figures presented. Prior to this, the JB concurred that the Trust would provide the financial information on an informal basis (the figures provided by DAD and summarized by the Trust administrative support and Trust Manager); then every 5 years a full audit would be conducted by an accounting firm. For this reporting cycle - 2014 to 2018 would be internal audit reviews, a full audit would be requested in 2019. Jane stated that she recommended that MtOLF do their internal audits annually with a full audit every 3 years; perhaps that is what the Trust could do. Roxanne had concerns as to who is responsible for performing the audit and stated she will check to see how it is defined in the settlement documents.

### **Project Monitoring:**

The project monitor (Jan) and Deb will provide a draft of the process that is currently being used for project monitoring. It has evolved as we have contacted all the older/original grant recipients with the exception of Mt Fish, Wildlife & Parks. FWP has 17 outstanding projects that our coordinator has been unable to complete. Sam will get the name of a centralized contact person who would be able to direct us to an individual or position that would be used as the monitoring contact for each of the projects. We have spent 2 years attempting to get thru the FWP projects but have not been successful. Some projects originated with FWP and others were purchased by NGOs which were later transferred to FWP (first level with NGO has been completed).

**Signage:**

Deb brought a sample of a corrugated aluminum sign that could be used for the Trust signage. It's sturdier than the laminated ones and should hold up better in the elements. The cost is approximately \$40 per 12x18 inch sign. John suggested looking at different color options in the earth tones/tans for the sign and also including the American Flag on it. The FS has noticed a significant reduction in the number of signs lost due to vandalism since the flag was added to their signage.

**Tribal Ownership projects:**

The Shoshone Park project and potential FWP applicants have asked whether the Trust is able to fund projects with Tribal ownership due to the Tribes status as a sovereign nation. Would this be a problem with the protecting the Trust's investment in perpetuity as mandated by the Canyon Ferry Act; would there be any recourse if access were denied or any land management issues that might occur? David has had some experience thru USFWS with these issues and may be able to provide some information from a tribal attorney. The Trust will make the determination if/when a project is received that involves Tribal ownership.

**MWF 1<sup>st</sup> Quarter Invoice:**

The 1<sup>st</sup> Quarter administrative services invoice from MWF is for \$6722.19. **Motion by David to approve payment; second by Roxanne. VOTE: 4 – 0 to approve payment.**

**Specimen Creek Update:**

RMEF has applied for the remaining funding to purchase the Specimen Creek property from the Open Space Bonds available in Helena. It is currently in a public comment period. The property would be added to the Canyon Creek WMA.

**No public comments.**

**Future Meetings:** The CAB meeting to review the 2016 projects will be in May. Bill & the CAB will determine the date and send out information to all board members if they would like to attend. The next JB meeting will be on Monday, June 20<sup>th</sup>. Jane will check to see if the Triple 8 Ranch would be available for the meeting.

Adjourned at 1:06 PM