



## BACK COUNTRY HORSEMEN OF NEVADA BRISTLECONE CHAPTER

### Minutes of Combined Board and General Membership Meeting

**14 SEPTEMBER 2019**

***Floyd Lamb – Tule Springs Park***

**Board Members Present:** Don Davis (President), John Allen (Vice President), Larry Dunn (Treasurer), and Jim Sage (Director-at-Large)

**Board Members Absent:** Darlene Middag (Director-at-Large)

**Members Present:** There were about twenty members in attendance.

**Call to Order:** The meeting was called to order by President Davis at 5:20 P.M. Don announced that a quorum of both the Board and the General Membership was present.

**Approval of Minutes and Agenda:** John Allen made a motion to approve the minutes from the March 4, 2019 Board Meeting and Jim Sage seconded the motion. The motion passed by unanimous vote.

#### **Reports:**

- **President's Report:** Don Davis noted for the record that the event, today, included an informal trail ride enjoyed by half a dozen members and that Larry Dunn, assisted by Jim Sage, had presented a "How to Rig a Highline" demonstration for the members.
- **Treasurer's Report/Larry Dunn:** Larry submitted the Treasurer's Report for the month of August (Attachment A). He noted that the Chapter had about \$12 thousand in cash, but expected to receive and spend about \$38 thousand from the Mt. Charleston License Plate Fund which provides funding for the Chapter's Bonanza Switchbacks project.
- **Audit Report (2018)/Stephanie Brown:** Stephanie announced that the 2018 Audit Committee (comprising Stephanie and Mary Johnson) had concluded the majority of its work and that the remainder would to be completed before the next Board meeting. She then delivered an Interim Audit report (Attachment B) and summarized major findings for the Board and members. She also recommended that the Chapter file an IRS Form 990 with the IRS for the 2018 fiscal year.
- **Director's Report:** Jim Sage noted that José Witt, formerly Director of the Southern Nevada section of Friends of Nevada Wildernesses, had left FoNW to become the Executive Director of the Southern Nevada Conservancy, with whom the Chapter has ongoing cooperative relations. Jim also noted that the Chapter had still not found a Facebook manager. No one volunteered at the meeting.



## BACK COUNTRY HORSEMEN OF NEVADA -- BRISTLECONE CHAPTER

Minutes of Combined Board and General Membership Meeting

14 SEPTEMBER 2019

---

### Old Business:

- Bonanza Switchbacks Project: Trail work is scheduled to begin on 30 September with the arrival of the Great Basin Institute trail team. GBI will be supported by Cowboy Trail Rides who have been contracted by the Chapter to provide packing and trail work services. GBI will do two one-week hitches (with a week off between the first and second) and finish on or about 20 October.
- Blue Tree Trail System Signage Project: Planning for this project is 90+% complete. The number of signs and their locations have been determined and the sourcing for the signs has been decided. The Chapter just needs to organize volunteers to execute the purchase and installation of the signs and the maps.
- Authorization for Expenditures Pursuant to Grants: John Allen moved that the Chapter formally authorize the expenditure of funds to pay for work on both the Bonanza Switchbacks project and the Blue Tree Trail System Signage project. The full text of the motion is attached as Attachment C. The motion was duly seconded and after some explanation, was approved by a unanimous vote of the membership.
- Insurance: Larry reported no progress on the procurement of proposals for a D&O policy.
- Trail Ride: Don Davis confirmed that the Utah trail rides set for 20-22 September would go on as scheduled, with the possibility of a late change in the destinations of the actual rides.

### New Business:

- Secretary's Resignation; Appointment of New Secretary: Karen Harry had tendered her resignation prior to the meeting due to personal scheduling problems. Don asked for volunteers to fill the position for the balance of Karen's term (ending 30 December 2020). Stephanie Brown volunteered and was appointed by Don to fill the position.
- November General Membership Meeting: Don confirmed that the planned November combined Board and general Membership meeting would take place at his Palm Creek Ranch on 16 November. It will include an optional trail ride, potluck dinner, and a meeting. He suggested that members invite friends who might be prospective BCH members. John Allen noted that dues for 2020 would be collected at the November meeting.

**Adjournment:** The meeting was adjourned at about 6:15 P.M.



**ATTACHMENT "A" – Treasurer's August Report**



**BACK COUNTRY HORSEMEN OF NEVADA  
BRISTLECONE CHAPTER**

**TREASURER'S REPORT – AUGUST 2019**

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Executive Summary There was very little accounting activity during the month of August; one disbursement to reimburse Director Darlene Middag for the cost of T-shirts purchased and donated to REI for Chapter publicity. We anticipate that, during the balance of the year, we will have disbursements totaling about \$44,000 to cover the costs of service projects. Virtually all of that amount is funded by third-party grants. Receipts should include about \$38 thousand from the License Plate Fund grant and a small amount of dues for early renewal of 2020 memberships.

Bank Account Our August-end bank balance was ≈\$12,000 all but \$5,000 of which was in unrestricted funds; unchanged from last month.

PayPal Account The PayPal account has a positive balance of ≈\$336; unchanged from last month.

Grants There has been no change in the status of the 2019 Mt. Charleston License Plate Fund grant of \$38,425 beyond a non-monetary administrative modification of the County purchase order; no change in the REI grant for the Blue Tree Trail System Signage Project of \$5,000.

2018 Audit Appointment of an Audit Committee chairperson and the conduct of an audit of the 2018 books is underway and will be completed in the coming weeks. An interim report will be provided at the General Membership Meeting on 14 September; a final report at the November meeting.

Membership Roster The Chapter roster currently shows approximately 62 active (dues paying) memberships – 30 individual and 32 family; unchanged from last month.

Financial Statements (attached) The UNAUDITED August 2019 financial statements, including a balance sheet, an income statement are attached.

Respectfully submitted,

*Larry Dunn*

Laurence F. Dunn Jr.

14 September 2019

**BACK COUNTRY HORSEMEN OF NEVADA -- BRISTLECONE CHAPTER**

<b>Balance Sheet</b>	<b>as of</b>	<b>Year End</b>	<b>Month-End</b>	<b>YTD</b>	<b>Month-End</b>	<b>Month-End</b>	<b>Month-End</b>
		<b>12/31/2018</b>	<b>8/28/2019</b>	<b>CHANGE</b>	<b>Permanently</b>	<b>Temporarily</b>	<b>Un-Restricted</b>
					<b>Restricted</b>	<b>Restricted</b>	
<b>ASSETS</b>							
<b>Current Assets:</b>							
10100 Cash on Hand / Petty Cash	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -
10200 NSB Checking Account		14,666.26	12,023.14	(2,843.12)	-	5,000.00	7,023.14
10240 PayPal Account		-	336.16	336.16	-	-	336.16
10300 Accounts Receivable		-	1.00	1.00	-	-	1.00
10400 Grant Payments Receivable		(0.00)	(0.00)	-	-	-	(0.00)
10500 Deposits, Security and Other		-	-	-	-	-	-
10600 Gift Cards		200.00	200.00	-	200.00	-	-
10700 Prepaid Expenses		-	-	-	-	-	-
	<b>Sub-Total</b>	<b>\$ 15,066.26</b>	<b>\$ 12,560.30</b>	<b>\$ (2,505.96)</b>	<b>\$ 200.00</b>	<b>\$ 5,000.00</b>	<b>\$ 7,360.30</b>
<b>Inventory:</b>							
10800 Inventory Held for Resale	\$	249.00	\$ 249.00	\$ -	-	-	\$ 249.00
10900 Stationery & Supplies		-	-	-	-	-	-
	<b>Sub-Total</b>	<b>\$ 249.00</b>	<b>\$ 249.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 249.00</b>
<b>Fixed Assets:</b>							
11000 Equipment - Office & Other	\$	300.24	\$ 300.24	\$ -	-	-	\$ 300.24
11100 Equipment - Radios & GPS		2,466.38	2,466.38	-	-	-	2,466.38
11200 Equipment - Trail Tools & Other Gear		156.25	156.25	-	-	-	156.25
11300 Equipment - Trailer		4,431.59	4,431.59	-	-	-	4,431.59
	<b>Sub-Total</b>	<b>\$ 7,354.46</b>	<b>\$ 7,354.46</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,354.46</b>
<b>TOTAL ASSETS</b>		<b>\$ 22,669.72</b>	<b>\$ 20,163.76</b>	<b>\$ (2,505.96)</b>	<b>\$ 200.00</b>	<b>\$ 5,000.00</b>	<b>\$ 14,963.76</b>
<b>LIABILITIES &amp; MEMBERS' EQUITY</b>							
<b>Current Liabilities:</b>							
20100 Accounts Payable	\$	121.87	\$ -	\$ (121.87)	-	-	-
20900 Other Liabilities		-	-	-	-	-	-
	<b>Sub-Total</b>	<b>\$ 121.87</b>	<b>\$ -</b>	<b>\$ (121.87)</b>			
<b>Long-Term Liabilities:</b>							
21000 Project Commitments per Grants	\$	5,000.00	\$ 5,000.00	\$ -	-	-	-
	<b>Sub-Total</b>	<b>\$ 5,000.00</b>	<b>\$ 5,000.00</b>	<b>\$ -</b>			
<b>TOTAL LIABILITIES</b>		<b>\$ 5,121.87</b>	<b>\$ 5,000.00</b>	<b>\$ (121.87)</b>			
<b>Members' Equity:</b>							
30000 Equity	\$	6,646.85	\$ 6,646.85	\$ -	-	-	-
99999 Income Summary / Retained Earnings		10,901.00	8,516.91	(2,384.09)	Retained Earnings are CUMULATIVE !!!		
<b>TOTAL MEMBERS' EQUITY</b>		<b>\$ 17,547.85</b>	<b>\$ 15,163.76</b>	<b>\$ (2,384.09)</b>			
<b>TOTAL LIABILITIES &amp; MEMBERS' EQUITY</b>		<b>\$ 22,669.72</b>	<b>\$ 20,163.76</b>	<b>\$ (2,505.96)</b>			

**BACK COUNTRY HORSEMEN OF NEVADA -- BRISTLECONE CHAPTER**

<b>Income Statement</b>	for the periods ended		Month of	YTD thru	Year End	CHANGE	
			July	8/28/2019	12/31/2018	YTD vs. Year End	
<b>REVENUE</b>							
<b>Membership &amp; Donations</b>							
40100 Donations (Revenue)	\$	-	\$	2.00	\$ 1,141.00	\$ (1,139.00)	
40200 Grants (Revenue)	-	-	-	-	32,118.09	\$ (32,118.09)	
40300 Membership Dues	-	-	-	1,330.00	1,996.00	(666.00)	
		Sub-Total	\$	-	\$ 1,332.00	\$ (33,923.09)	
<b>Other Revenues</b>							
40400 Merchandise Sales	\$	-	\$	-	156.00	\$ (156.00)	
40500 Raffle Sales	-	-	-	-	225.00	(225.00)	
		Total Sales	\$	-	\$ 381.00	\$ (381.00)	
less: 50100 Cost of Goods Sold	-	-	-	-	(156.00)	156.00	
		Gross Margin	\$	-	\$ 225.00	\$ (225.00)	
40900 Other Revenues	-	-	-	-	-	-	
		<b>TOTAL REVENUES</b>	\$	-	\$ 1,332.00	\$ 35,480.09	\$ (34,148.09)
<b>EXPENSES</b>							
<b>Project Expenses</b>							
60100 Project Expenses - Contract Labor	\$	-	\$	-	9,603.67	\$ (9,603.67)	
60200 Project Expenses - Contract Livestock	-	-	-	-	7,085.00	(7,085.00)	
60300 Project Expenses - Contract Materials	-	-	-	-	1,067.88	(1,067.88)	
60400 Project Expenses - Contract Transportation	-	-	-	-	3,532.55	(3,532.55)	
60450 Project expenses - Contract Other	-	-	-	-	2,109.18	(2,109.18)	
60500 Project Expenses - Engineering and Design Services	-	-	-	-	-	-	
60600 Project Expenses - Livestock Allowance	-	-	-	-	2,205.00	(2,205.00)	
60700 Project Expenses - Materials (Purchased)	-	-	-	-	50.00	(50.00)	
60800 Project Expenses - Transportation Expenses	-	-	-	-	3,639.66	(3,639.66)	
60900 Project Expenses - Other	-	-	-	-	90.00	(90.00)	
		Sub-Total	\$	-	\$ 29,382.94	\$ (29,382.94)	
<b>Event Expenses</b>							
70100 Event Expenses - Food & Beverage; Paper Goods	\$	-	\$	294.01	1,227.32	\$ (933.31)	
70200 Event Expenses - Janitorial Expense	-	-	-	-	-	-	
70300 Event Expenses - Printing; Advertising Materials	-	-	-	60.62	231.85	(171.23)	
70400 Event Expenses - Security Expense	-	-	-	-	-	-	
70500 Event Expenses - Speaker Expenses	-	-	-	-	100.00	(100.00)	
70600 Event Expenses - Gift / Swag Expense	-	-	-	-	-	-	
70700 Event Expenses - Venue & FF&E Rental	-	-	-	300.00	-	300.00	
70900 Event Expenses - Other	-	-	-	-	-	-	
		Sub-Total	\$	-	\$ 654.63	\$ 1,559.17	\$ (904.54)
<b>Administrative Expenses</b>							
90100 Admin Expenses - Bank Interest & Fees	\$	-	\$	0.84	47.00	\$ (46.16)	
90200 Admin Expenses - Dues & Subscriptions Paid	-	-	-	2,038.00	2,266.00	(228.00)	
90300 Admin Expenses - Member Reimbursements	-	-	-	-	89.71	(89.71)	
90400 Admin Expenses - Postage & Shipping	-	-	-	-	50.00	(50.00)	
90500 Admin Expenses - Printing	-	-	-	-	-	-	
90600 Admin Expenses - Stationery & Office Supplies	-	-	-	58.00	55.37	2.63	
90700 Admin Expenses - Travel & Entertainment Expenses	-	-	-	637.74	228.61	409.13	
90800 Admin Expenses - Web_BCHNBC Website	-	-	-	226.88	274.70	(47.82)	
90850 Admin Expenses - Web_Facebook	-	-	-	-	-	-	
90900 Admin Expenses - Other NOC (& Suspense)	-	-	-	100.00	475.00	(375.00)	
		Sub-Total	\$	-	\$ 3,061.46	\$ 3,486.39	(424.93)
		<b>TOTAL EXPENSES</b>	\$	-	\$ 3,716.09	\$ 34,428.50	\$ (30,712.41)
		<b>EXCESS\$ or (SHORTFALL) of REVENUES OVER EXPENSES</b>	\$	-	\$ (2,384.09)	\$ 1,051.59	\$ (3,435.68)

USE CAUTION WHEN CONSIDERING YTD VS. YEAR-END RESULTS. They cover different time periods.



**ATTACHMENT “B” – Interim 2018 Audit Report**

**Interim Report of 2018 Financial Review**

**September 11, 2019**

**Back Country Horsemen of Nevada – Bristlecone Chapter**

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To the Board of Directors and Members:

We have commenced a Review of the 2018 financial records of the Back Country Horsemen of Nevada – Bristlecone Chapter (the “Chapter”).

Scope: The Review consists of examining the unaudited Journal & Trial Balance journal entries, Balance Sheet, Income Statement, Bank Statements, Grant Records, Membership Dues Records, Contracts, Invoices, Processes, Treasurer’s Reports, and Minutes only for the period January 1, 2018 through December 31, 2018. Transactions of material amounts (exceeding \$499.00), and a sample of other transactions, that occurred and/or were recorded during the period are being examined to help provide the Chapter membership and board with some degree of assurance that the financial records of the organization are substantially free from misrepresentation.

Reviewer’s Responsibility, Qualification and Disclaimer: It should be noted that this Review is being conducted by Non-Professional/Non-CPA individuals, who have a reasonable level of expertise in business and finance. The Review may provide some assurances and confidences in the records, but should not be considered a full independent audit. Certain non-profit organizations may be required to have a full independent audit conducted if its annual income exceeds \$500,000, or if grant giving organizations or banks require an audit. It is the responsibility of the Chapter board to ensure that a full independent audit by a professional CPA takes place, if one is required. The reviewers are using their personal expertise to help determine that the books and records of the Chapter are substantially correct, and are formatted in such a way as can be easily reviewed by third parties, such as banks and grant fund organizations.

Opinion: As this is an Interim Report of the financial review, no Opinion is being issued yet. It is expected that an Opinion on the financials based on a completed Review will be issued on or before the Chapter’s November 2019 meeting.

**Interim Review Recommendations and Notes:**

- Fixed Assets -
  - Trailer - The Chapter carries a fixed asset value of approximately \$4,432 on its balance sheet, which represents the Chapter’s Trailer. The actual purchase of the trailer was approximately \$2,627 in 2016, and \$510 was added in 2016 for the decorative/logo



## BACK COUNTRY HORSEMEN OF NEVADA -- BRISTLECONE CHAPTER

Minutes of Combined Board and General Membership Meeting

14 SEPTEMBER 2019

---

wrap put on the exterior of the Trailer. Then in 2017, \$1,294 was added to the asset balance, which represents the EZ-up awning, which is stored inside the Trailer. The \$2,627 should begin to be depreciated no later than 2019, using a reasonable straight-line life depreciation method of 8-10 years. The cost of the wrap should be fully depreciated in 2019 and expensed. The awning should begin to be depreciated in 2019 with an approximately 3-4 year life.

- Radios – The Chapter carries a fixed asset value of approximately \$2,466 on its balance sheet, which represents “Radios & GPS Equipment”. These items should be depreciated beginning in 2019 over a 3-4 year life, or fully depreciated if they are more than 3 years old.
- Gift Card – The Chapter holds a \$200 Gift Certificate from Cal Ranch store, which was presented to it by Ms. Anna Dorn in thanks for the Chapter’s assistance in her Girl Scout Project removing barbed wire fencing, over a year ago. The Gift Certificate should soon be used to purchase needed equipment/supplies for the Chapter.
- Bank Accounts –
  - Outstanding Checks - Although immaterial, at the time of the commencement of this Review, there were two (2) checks outstanding and unclaimed for a year. Check #1174 for \$341.25 to Pete Jensen, and check #1177 for \$12.60 to Manny Suarez, both issued in September 2018, for membership reimbursements for the 2018 Bonanza Switchback Project, have not yet been cashed by the payees. These checks should either be cashed, or the amount values considered ‘donations’ from these members and the checks voided, if they elect not to accept the reimbursements. This should take place before the closing of the 2019 financials.
  - Bank Reconciliations - Although a form of reconciliation of outstanding checks and deposits on the bank statements are being conducted on an approximately monthly basis, it is recommended that a traditional bank balance to books cash balance bank reconciliation be conducted on a quarterly basis, and presented to the Chapter board as part of the regular Treasurer’s report. This should provide the board with reasonable comfort that the “Cash On Hand” balance presented on the Treasurer’s Report is a true and accurate representation of the actual cash in bank.
- Tax Returns –
  - The Chapter is a 501c3 nonprofit organization. However, even though the Chapter may have gross revenues of less than the current \$50,000 per year IRS threshold, an Exempt status \$0 payable IRS 990 tax return may still be required to be filed annually. It is



**BACK COUNTRY HORSEMEN OF NEVADA -- BRISTLECONE CHAPTER**

Minutes of Combined Board and General Membership Meeting

**14 SEPTEMBER 2019**

---

recommended that the Chapter consult with a Tax Accountant to discuss whether the Chapter is required to file an annual IRS 990 filing or not.

Summary & Status:

As of the date of this letter, the Review has disclosed no derogatory information, misrepresentation, or evidence that would indicate that any material misstatements of the financial records of the Chapter as presented exist. However, the Review will continue in detail until a full, nevertheless unqualified, opinion can be made and reported to the Chapter board and members on or before the next meeting, expected to be held in November 2019.

\_\_\_\_\_/SIGNED/\_\_\_\_\_  
Stephanie Brown Date: \_\_\_\_\_

\_\_\_\_\_/SIGNED/\_\_\_\_\_  
Mary Johnson Date: \_\_\_\_\_

DRAFT





**ATTACHMENT "C"—Motion to Authorize Expenditures Pursuant to Grants**

I move that the Board and the general membership adopt the following motion.

**MOTION TO AUTHORIZE EXPENDITURES PURSUANT TO GRANTS**

WHEREAS, the Chapter has received grants for two projects that are scheduled to be undertaken in the coming months – (1) the 2019 Mt. Charleston License Plate fund grant of up to \$38,425 for the Bonanza Trail Switchbacks Restoration project and (2) the Recreational Equipment Inc. (“REI”) grant of \$5,000 for the Blue Tree Trail System Signage Renovation project; and

WHEREAS, the Chapter’s bylaws provide, in Article V, Finance, Section 1, that “All payments in excess of \$500 except for regular recurring expenses shall be presented to the general membership for approval.”; now, therefore, be it

RESOLVED, that the Chapter membership and its Board of Directors do hereby authorize the payment of Chapter funds, in anticipation of reimbursement from the grant from the Mt. Charleston License Plate Fund, to pay the costs and expenses of the Bonanza Trail Switchbacks Restoration project including, but not limited to (a) Great Basin Institute (“GBI”) trail crew work (to be done pursuant to a written agreement between the Chapter and GBI); (b) Cowboy Trail Rides (“CTR”) packing and trail maintenance services (to be done pursuant to a written agreement between the Chapter and CTR); and (c) such other reasonable and necessary costs and expenses associated with the Bonanza Trail Switchbacks Restoration project as the Board may approve from time to time; and, further,

RESOLVED, that the Chapter membership and its Board of Directors do hereby authorize the payment of Chapter funds received from REI to pay the costs and expenses of the Blue Tree Trail System Signage Renovation project including, but not limited to (a) RockArt (or another qualified vendor) Carsonite-type sign post, decals, and associated materials; (b) Friends of Nevada Wilderness (“FONW”) design and printing of maps for installation in existing trailhead kiosks; (c) Cowboy Trail Rides (“CTR”) packing and trail maintenance services (to be done pursuant to a written agreement between the Chapter and CTR); and (d) such other reasonable and necessary costs and expenses associated with the Blue Tree Trail System Signage Renovation project as the Board may approve from time to time.

[end]