The Prairie Enthusiasts

PO Box 824 ▪ Viroqua, WI 54665 ▪ (608) 676-0985 ▪ Info@ThePrairieEnthusiasts.org

Board of Directors Meeting
Tuesday, September 16, 2025: 7:00 p.m. to 9:00 p.m.

Members Present: Matt Dettlaff, Peter Fritz, Nancy Gloe, Greg Heberlein, Katie Hahn, Harvey Halvorsen, Rich Henderson, Peter Hartman, Alice Mirk, Jerry Newman, Addie Theis Paradis, Jon Rigden, Jim Rogala and Kay Wienke

Members Absent: Gary Eldred and Jay Rutherford

Staff Present: Debra Behrens, Kelly Billiig and Jessica Bizub

Guest Present: Robert Schuettpelz and Shawn Kadlec

Agenda

1. Call to Order/Roll Call
   Board President Jim Rogala calls the meeting to order at 7:04pm

2. Adopt Meeting Agenda

   Harvey Halvorsen makes a motion to adopt the meeting agenda. Alice Mirk seconds the motion. All in favor. Motion carried.

3. Approve Consent Agenda

   Jon has a question about the Water Quality agreement with the village of Blue Mound - was the spreadsheet corrected? Jessica confirmed the village has the corrected spreadsheet. This is supposed to offset the phosphorus going into the watershed. Jon wonders who verify the success of the project and confirms the amount of the phosphorus offset. This prompts a discussion about how these projects work and what the risk is for TPE.

   Rich and the staff will follow up and get further clarification of the agreement. Rich feels confident it will succeed.

   Peter Hartman makes a motion to approve the consent agenda. Harvey Halvorsen seconds the motion. All in favor. Motion carried.

4. Treasurer's Report – Jay Rutherford
   A. ACTION ITEM: June 2025 Financial Reports
   B. ACTION ITEM: FY 2024-25 Audit Report
   C. ACTION ITEM: IRS Form 990

Jay is out of the country so Debra will be presenting the financial reports. This is a bit different layout on the dashboard and we would like any feedback you'd like to share.

Q1 Financial Highlight include:

- Net Operating Loss for the first 3 months of the fiscal year are $65k better than the anticipated YTD budgeted operating loss
- The lower land management expenses contribute to the lower grant revenue
- The lower individual unrestricted contributions is mostly a timing issue of when contributions are received during the year compared to the anticipated timing.
- July 2025 contributions exceeded budgeted amounts which has now brought them in line with YTD budget.
- TPE has also received $78k of restricted revenues.

Expense Analysis:

- Chapter support and chapter expenses under budget.

No immediate feedback on reports.

Rich Henderson makes a motion to accept the June 2025 Financial Reports. Kay Wienke seconds the motion. All in favor. Motion carried.

Audit Report presented by Rob. Hits the highlights of the report. TPE received a clean audit opinion. TPE Inc and the PE Trust are consolidated for the purpose of the audit. In the past year TPE has grown to $19.2 million in net assets (i.e. equity).

Auditors also provided a letter as communication to the Board which noted there was nothing unusual and no adjustments were needed. The auditors had no suggested improvements.

No one had questions.

Harvey Halvorsen makes a motion to accept the FY 2024-25 Audit Report. Greg Heberlein seconds the motion. All in favor. Motion carried.

Debra shares her appreciation for the work that Rob and the team did.

Rob reviews the prepared Form 990 and notes a couple of items: The 990 is a stand-alone document and, unlike the audit, TPE Inc. and the PE Trust have their own 990s.

This year's 990 is not a comparison because the prior year numbers were the 3-month period (Jan-March) while we adjusted our fiscal year.

The second page describes TPE's accomplishments in 3 areas: land management, land protection and education/outreach

The 990 is a public document available on our website.

Page 6 is the governance and policies of the organization. Donors like to see what policies are in place and that best practices are occurring.

Program expenses are 64% of total. TPE's annual report reflects the actual land protection activity with donor dollars which provides a more accurate snapshot than the 990.

Questions: Katie asks what are included the dues, licenses and fees? Most of that is LTA membership and Gathering Waters.

Kay Wienke makes a motion to accept the IRS Form 990. Peter Fritz seconds the motion. All in favor. Motion carried.

5. President's Report - Jim Rogala

The ad-hoc governance committee met today for the first time. Focus is on succession planning. Looking at how far down we'll go (chapter level leadership, ED, board make up, etc.) Next meeting is 10/16. Jim thanked Debra for her ED report and being transparent about some of the struggles.

6. Executive Director's Report - Debra Behrens

Rich appreciated the comprehensiveness of Debra's report.

Kay had a question about the site steward handbook – more people from SW would be interested in helping create that handbook. Jim shared the LMC has a draft right now but appreciates the offer.

Jon asked what can Board members do about some of the negative views of the organization? Debra responds that we have just come through a challenging time with some big changes. While this is an excellent Board sometimes the messages still get diluted for folks to fully understand how the organization functions. The idea that it's US (Chapter Support) against Them (individual Chapter) is holding the organization back. Everyone at CS wants to help chapters to achieve their mission. There has to be unity on what we're trying to accomplish. Debate is good to help determine how to use limited resources to achieve our goals, but we need to shed the us vs them trap.

Jim comments this will be a good discussion to have at the Board retreat in February.

Jon says Board members could use help from CS to know about conflict within their chapters so they can address issues/mis-information.

7. New Business

<u>Finance Committee</u>

A. ACTION ITEM: Accounting Policy (edited version/clean version)

Release from restrictions rules for the cost share policy reviewed.

Kay Wienke makes a motion to accept the revised accounting policy. Peter Fritz seconds the motion. All in favor. Motion carried.

B. ACTION ITEM: Line of credit

We don't anticipate needing to access this line of credit from First Business Bank but this is to secure a resource in case it is needed. The recommendation is to approve the line of credit and Debra would come back to the Board if TPE would need to access this line of credit.

Debra anticipates the Board would give approval via email vote if there's a need to access the line of credit.

Jon Rigden makes a motion to approve establishing a line of credit with First Business Bank. Alice Mirk seconds the motion. All in favor. Motion carried.

C. Chapter budget variances

i. ACTION ITEM: NIPE Endowment Request

NIPE has wanted to establish an endowment for Land Management. They are looking to do that sooner rather than later with some unrestricted funds that would be matched with a donor.

Debra shares the conversations she's had with NIPE – when cost share was adopted, they felt their cash reserves were absorbed through cost share and want to move $25K to this quasi-endowment. It's not a true endowment. Only a donor can restrict funds. So, it would still be part of their cash reserves. Chapters can designate funds but not restrict them.

Rich is concerned about the terminology being used. NIPE does not have any endowment funds in the PE Trust currently. They do not want to move the $25K into the PE Trust? NIPE's designated funds (quasi-endowment) will be put in TIAAs investment funds but it will be accounted for differently. Generally accepted accounting principles dictate how funds can be considered a permanent endowment versus a quasi-endowment. Donors are the only ones who can say that money is for a permanent endowment. Boards can move money into a quasi-endowment but can also change the use of those funds at any time.

Given the understanding of the quasi-endowment, it's not clear now how the donor wants to use those dollars.

What exactly can the Board approve here as an action? It would be to approve the NIPE funds transfer from general funds to a quasi-endowment and put it in an investment fund.

Was the goal for NIPE to remove money from their cost share total? Yes that seems to be part of the desire but it was also a long-held goal of theirs.

We're talking about it because it is a variance from NIPE's FY25-26 budget. If they waited to move it on April 1st the Board would not be part of the discussion.

Rob clarified that because it’s a quasi-endowment it would **not** be moved from TPE to the PE Trust. It would be moved from the checking account to the TIAA investment account.

The cost share amounts are set for FY2025-26 so this moving of money would not change that. We do earn interest income on the amount of cash we have so this would reduce that interest earned for the organization vs the investment income earned would be designated towards NIPE.

There could be concern in setting this as a precedent if all the other chapters would do this. That would have an organizational impact. It could also handicap the chapter by reducing their unrestricted cash-on-hand.

It’s possible that NIPE may decide not to do this transfer now that they know this is a quasi-endowment and won’t affect their cost share percentage.

Kay Wienek makes motion the Board reject NIPE request to move $25,000 from their unrestricted account to a quasi-endowment account. Matt Dettlaff seconds the motion.

Roll Call vote is called:

Matt Dettlaff – Aye
Peter Fritz – Aye
Nancy Gloe – Aye
Greg Heberlein – Nay
Katie Hahn – Nay
Harvey Halvorsen – Nay
Rich Henderson – Abstain
Peter Hartman – Aye
Alice Mirk – Aye
Jerry Newman – Abstain
Addie Theis Paradis – Aye
Jon Rigden – Nay
Jim Rogala – Nay
Kay Wienke – Aye

7 Ayes
5 Nays
2 Abstain
Motion carries.

ii. DISCUSSION: CSC Equipment Purchase

The Chippewa Savannas Chapter wanted to purchase a tractor to facilitate their l and management goals.

Finance Committee approved this budget variance and is informing the Board.

iii. DISCUSSION: ESC Staffing

The Empire-Sauk Chapter has hired an additional full-time staff member. Based on preliminary projections, Chapter Support estimated the impact to be under $10,000. However, after more detailed review, we estimate the impact to be over $25,000 depending on seasonal staffing levels and timing. ESC has indicated additional donor funds will cover the costs of the new staff member.

Finance Committee approved this budget variance pending confirmation of donor contributions and is informing the Board

iv. DISCUSSION: ESC Seed Purchase

The Empire-Sauk Chapter intends to purchase seed for the A to Z Farm and complete re-grading work to prevent erosion at about $25,000. There is a water quality trading agreement for the site pending with the Village of Blue Mounds, which we anticipate will be finalized mid-September, pending the Village's acceptance of our revisions. All expenses associated with the water quality trade agreement are reimbursable (estimated to be $200,000 over the next 20 years). There is currently $5,000 in restricted funds for Mounds View, of which A to Z Farm is a part.

Finance Committee approved this budget variance and is informing the Board.

<u>Land Management Committee</u>

D. ACTION ITEM: Mukwonago River Oak Barrens Management Plan

Rich Henderson makes a motion to approve the Mukwonago River Oak Barrens Management Plan. Kay Wienke seconds the motion. All in favor. Motion carried.

E. ACTION ITEM: Swenson Bluffs (Agaski Bluff) Management Plan

Alice Mirk makes a motion to approve the Swenson Bluffs (including Agaski Bluff) Management Plan. Kay Wienke seconds the motion. All in favor. Motion carried.

<u>Land Protection Committee</u>

F. ACTION ITEM: Millville Preserve (Kussmaul Prairie) proposal

Jack Kussmaul is offering his 90-acre property as a donation with $400K endowment. The site includes diverse habitats and is nearby TPE's Double Oak Savanna. The SWC has approved moving forward with this protection project. The committee discussed that it would be preferable to have a better name for the project since "prairie" doesn't accurately describe it. Jack has proposed Millville Preserve as an alternative.

Matt Dettlaff makes a motion to give preliminary approval to begin the process of acquiring Millville Preserve. Alice Mirk seconds the motion. All in favor. Motion carried.

General Board

G. ACTION ITEM: Request to Create a New Chapter – Sunrise Chapter

Local leaders in Minnesota's Chisago County are making a formal request to form a new Chapter of The Prairie Enthusiasts called the Sunrise Chapter. Their proposed region is adjacent to Minnesota Oak Savanna Chapter and St. Croix Valley Chapter regions. Shawn Kadlec is available to answer any questions from the Board.

Harvey Halverson makes a motion to approve the creation of the Sunrise Chapter. Kay Wienke seconds the motion. All in favor. Motion carried.

H. ACTION ITEM: TPE Logo Update

It is being proposed that the current typeface of The Prairie Enthusiasts logo be updated to the Bookman font. Only the font would be changed no other elements would be affected.

Reasons for the proposed change:

- The logo for review uses the font Bookman, a font already within our Brand & Style Guide. The current script font is only used for the logo.
- The new logo with Bookman font reads easier, especially from a distance such as on boundary signs.
- The Bookman font is also a more universally used font, allowing for easier use across platforms, including the website, and is easier to read in digital communications.

Kay Wienke makes a motion to approve the typeface change to the logo. Peter Fritz seconds the motion.

Discussion:
After an extensive discussion, Rich Henderson would like the staff to develop a more compact logo for land management signs where the meadowlark is in a different position. The staff needs more time to look at other iterations because of the size of the meadowlark.

All in favor. Motion carried.

Harvey Halvorsen makes a motion to adjourn the meeting. Greg Heberlein seconds the motion. All in favor. Meeting adjourned at 9:22pm