

Big Sky EDA/EDC Joint Executive Committee Meeting Minutes
April 1, 2020, – 7:30 A.M. to 9:15 A.M.
Zoom Teleconference Call

BIG SKY ED Mission Statement: - Focused on sustaining and growing our region's vibrant economy and outstanding quality of life, **Big Sky Economic Development** provides leadership and resources for business creation, expansion, retention, new business recruitment and community development.

Committee Members Present: **EDA** – Robin Rude, Paul Neutgens, Judi Powers, Ken Lutton
 EDC – Mike Seppala, Mike Nelson, Steve Loveless, Ann Kosempa, Mac Fogelsong

Committee Members Absent: **EDA** – Greg McDonald
 EDC – None

Staff and Others Present: Steve Arveschoug, Melanie Schwarz, Austin Trunkle, Becky Rogers, Dianne Lehm, Shanna Zier, Dena Johnson, Brandon Berger, Allison Corbyn, Marcell Bruski, Karen Miller

Call to Order:
Mike Seppala, EDA Chair, called the meeting to order at 7:32 A.M.

Agenda Changes for Today's Meeting:
It was requested the Staffing update be handled in an Executive Session.

Public Comment/Introductions
None

Agenda:

Approval of the March 4th EDA/EDC Executive Committee Minutes

Motion: Ken Lutton to approve the March 2020 Executive Committee Minutes, as presented to the Executive Committee.
Second: Robin Rude
Discussion: None
Motion: Carried

Approval of February EDA/EDC Financials – Shanna

Shanna reviewed the February financials with the Committee starting with the EDA Balance Sheet and Statement of Operations. Accounts Receivable were highlighted as they increased significantly due to the Coal Board Grant. Due to language in the Montana Code Annotated, we were asked to be the intermediary of this grant award for MSUB. Shanna spoke with Anderson ZurMuehlen to get a second opinion on how to record this transaction. Opportunity Fund CDs continue to mature with some being renewed and others put into money markets accounts as we move forward with the renovation of the building.

Shanna then reviewed the EDC Balance Sheet and Statement of Operations. Current assets have reduced significantly due to the purchase of the Montana National Bank Building. As mentioned above, there will be fluctuation in our current assets as we complete the transfer from EDC to EDA.

Ken asked about MI payments that may not come in due to the pandemic. Shanna replied that she took that into consideration and planned accordingly. Melanie will touch on this during her update.

With respect to loan origination and servicing fees, Brandon doesn't anticipate any loss in the fees we collect. The only caveat is we may not close some loans that were in the pipeline before our fiscal year-end in June.

Motion: Judi Powers to approve and forward to the Board, the February 2020 EDA/EDC Financials, as presented to the Executive Committee.

Second: Ken Lutton

Discussion: None

Motion: Carried

FY 2021 Budget Process Review

Shanna explained the budget process and considerations for the FY 2021 budget. Shanna, Becky, and Steve will be taking a conservative approach towards FY 2021 due to a few unknowns. A new expense is the carrying costs for the building and will need to be factored in. Additionally, revenue forecasts will be budgeted conservatively concerning the mill levy until there is confirmation that property taxes payments will not be deferred due to COVID-19. There will be a budget workshop held on April 22nd. That meeting is designed to have Board Members join us in setting budget priorities.

Executive Director's Report

BSED COVID-19 Response and Economic Injury Update

BSED has established an Incident Response Team which includes senior members of the BSED staff. Dena is handling the business resources, Melanie is managing our external communication, Brandon is working with the SBA and Big Sky Finance, and Becky is handling internal operations.

One of the biggest challenges facing our community is figuring out how long this pandemic will last.

MEDA Next Generation Economic Development Tools Project

MEDA is using teleconferencing platforms to conduct calls with communities across the state and the work continues to complete the Next Generation Project. The MEDA Board voted to push the project roll-out to a later date given the circumstances across our state.

2020 Board Planning – Outline of Strategic Priorities

Steve thanked those who were able to participate in the Board Planning session. Steve wants to make sure we don't rush to establish our strategic priorities in light of the circumstances. Steve hopes to have a rough outline ready for the May meetings. Given the current pandemic, our role in the community may look different than we had anticipated only a month ago.

Staffing Update

Steve asked that the executive committee consider this update in an executive session.

EDC Seat Vacancy

One of our bankers has taken a position with a bank who is not a Member Investor at this time. Per our by-laws, this would disqualify him from serving on the EDC Board. In the past, we have offered a bit of a grace period as the Board Member finds their footing and if their new company decides to join. Steve has deferred this to Melanie and an internal timeline will be established with the Board's consent. If the company does not become a MI, we will move to a special election to decide a new EDC Board Member.

Unified Command Team

Steve has been asked to participate in the County's unified command team to assist with economic recovery. Considerations will include adjustments to our strategies and perhaps a comprehensive economic development strategy. Steve commended the Billings community response and the work that has been done by our partners. Steve Loveless updated how St. Vincent Healthcare is coping and their plans going forward.

Program/Org, Directors Updates

Operations: Big Sky to Sky Point Project – Becky

Becky gave an update on the RFQ and asked the Federal EDA if they could meet with her. The EDA is very busy and had to push Becky's request out 10 days. Luckily, today is that day and Becky will join up with them after this meeting. Once it is approved, the plan is to release the RFQ.

Business Stabilization Loan Program

Brandon announced that the loan stabilization program is up and running and thanked all of the staff members involved in that effort. As of last night, 25 applicants had responded and applied. Right now, applicants complete the survey and Allison and Kayla vet the results to make sure they meet requirements. Upon meeting the requirements, the applicant is asked to complete the balance of the forms which are submitted through Brandon's secure loan software. Brandon will then review them with the team to determine the amounts lent out. Brandon mentioned that one of the requirements is that the applicant must have applied for the SBA disaster loan.

Member Investor Program 2020 Growth Strategy Update - Melanie

Melanie spoke about the Member Investor program and the likelihood of member requesting to defer their dues. Melanie and Steve decided that if members need a 90 day grace period, we can extend that to them. Melanie also mentioned that the 1 Million Cups meeting today will feature the inventors of the 3D Printed Masks here in town.

Community Development Projects Update – Dianne

Dianne spoke about the Space2Place grant applications and the review process they underwent with the committee. Dianne, Melanie, and Marcell will discuss what the roll-out for the final selections will look like.

The TEDD Project has slowed a bit due to the circumstances at play but work continues with property owners and partners involved.

The Coulson Park Masterplan was approved unanimously by the City Council and more than 50 letters of support were provided to the Council. Patrick's leadership on this project was instrumental to this plan being approved. Now we turn our focus to fundraising efforts.

Better Off in Billings Update – Karen

Karen gave an update on the BOIB event that was scheduled to take place later this month. With the physical meeting being cancelled due to social distancing measures, they will focus on a social media campaign to roll-out this year's event.

One of the big announcements we usually make at this event is the Space2Place grants. These will still go forward with the thinking that these grants still have context to our community at this time.

Executive Session:

Per Steve's earlier request, Ken offered a motion to enter an Executive Session with Mac Fogelsong offering the second. The motion passed and the session was entered at 8:32am.

The session was ended at 8:42am with a motion from Ken and a second from Mac.

Report Out:

The committee discussed an HR issue and no action was taken.

Public Comment:

None

Mike Seppala adjourned the meeting at 8:43am with a motion from Ken Lutton and a second from Paul Neutgens.

Next Meeting – May 6th, 2020