

**Big Sky EDA/EDC
Executive Committee Agenda
Feb. 3, 2021
7:30 A.M. to 9:15 A.M.
Zoom Meeting Only Access/Participation
(link provided in meeting notice)**

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 EDC –Steve Loveless, Ann Kosempa, Mac Fogelson, Kim Jakub, Mike Seppala
EDA –Paul Neutgens, Ken Lutton, Judi Powers, Dana Pulis, Riley Bennett

7:30 A.M.— Call to Order – Steve Loveless, EDC Chair

Agenda Changes for Today's Meeting

Public Comments/Board Member and Staff Announcements

AGENDA

- I. Approval of EDA/EDC Exec. Comm. Minutes**
- January 6, 2020 Ex. Committee Meetings (Attachment A) (Action)
- II. Approval of EDA/EDC Financials – Shanna**
- December 2020 EDA and EDC Financials (Attachment B) (Action)
 - Mid-Year Budget Review (Attachment C) (FYI)
- III. Executive Director's Report- Steve (Executive Directors' Report provided for Board Mtg.)**
- Update—Opportunity Fund Strategy/Downtown Focus (Info)
 - Setting Objectives for 2021 Board Planning Process (Handout) (Info)
 - Public Safety Initiative—Next Steps Dialogue (Info) (Action as Needed)
- IV. Program Directors' Updates**
- A. BSED's Covid-19 Response Update
 - Stabilization Loan/EDA RLF Grant Program Update—Brandon (Info)
 - Economic Response/Recovery Update---Thom/Steve/Melanie (Info)
 - B. Operations--Becky
 - Final Committee Assignments for 2021—Austin (Attachment D) (Info)
 - Big Sky to Sky Point Project Update—Becky (Info)
 - Plan for Office/Board Ops Feb and March--Becky (Info)
 - D. Recruitment/Business Outreach/ ED Policy Update—Allison (Info)
 - Update: Legislative Priorities—Austin (Info)
 - E. Member Investor Performance Update—Melanie (Handout) (Info)
- V. Executive Session (as needed)**

Public Comment

Adjourn

Next Executive Committee Meeting – March 3, 2020 (7:30 A.M. to 9:15 A.M.) Big Sky Economic Development Board of Directors will make reasonable accommodations for known disabilities that may interfere with an individual's ability to participate. Persons requiring such accommodations should make their requests to Big Sky Economic Development as soon as possible before the meeting day. Please call Big Sky Economic Development at 256-6871.



BIG SKY
ECONOMIC DEVELOPMENT

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ATTACHMENT A

Big Sky EDA/EDC Joint Executive Committee Meeting Minutes
January 6th, 2021 – 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** – Paul Neutgens, Ken Lutton, Judi Powers, Riley Bennett, Dana Pulis
 EDC – Steve Loveless, Ann Kosempa, Mac Fogelsong, Kim Jakub, Mike Seppala

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

Staff and Others Present: Steve Arveschoug, Becky Rogers, Lorene Hintz, Melanie Schwarz, Austin Trunkle, Shanna Zier, Brandon Berger, Dianne Lehm, Thom MacLean, Allison Corbyn, Jo Ann Jones, Patrick Klugman, Deanna Langman, Johnna Jablonski, Tereza Brownell, Kayla Vokral, Haley Vannatta, Evelyn Pyburn

Call to Order:
Paul Neutgens, EDA Chair, called the meeting to order at 7:30 A.M.

Agenda Changes for Today's Meeting:
Item IV – SBDC Contract renewal will move to the top of program directors' updates.
Under Executive Director's Report, Downtown Redevelopment will not require action.

Public Comment/Introductions
Becky made a brief comment to our new members about who is on the call.

Agenda:
Approval of the December 2nd and December 16th, 2020 EDA/EDC Executive Committee Minutes

Motion: Ken Lutton to approve, the December 2nd Executive Committee Minutes, as presented to the Executive Committee.
Second: Mike Seppala
Discussion: None
Motion: Carried

Motion: Ken Lutton to approve, the December 16th Special Executive Committee Minutes, as presented to the Executive Committee.
Second: Mac Fogelsong
Discussion: None
Motion: Carried

Approval of November EDA/EDC Financials – Shanna

Shanna started with the EDA balance sheet and current assets had increased slightly. The fluctuation in current assets is attributed to a combination of the increase in Yellowstone County Funds from the collection of November property taxes and reclassification of Opportunity Fund CDs between current and noncurrent. The tax levy receivable decreased significantly with the collection of 2020 property taxes in November. Accounts payable increased slightly. The majority of the increase is attributed to the November invoices for PTAC sub-recipients.

On the Statement of Operations, the revenue is over budget through the first five months of the fiscal year. There are a few factors attributing to this variance in revenue. When we budgeted for FY21, we took a conservative approach to revenue and budgeted for 3% in property tax protests.

On the EDC, current assets decreased slightly at the end of October. This is attributed to operating expenses. Accounts receivable increased in November with invoicing related to the Healthcare Appreciation event. On the statement of revenues and expenses, 504 servicing revenue is a bit above budget and origination fees are a bit below. Shanna also added a new account to the Statement of Revenue and Expenses to better track the State of Montana Coronavirus Relief Funds. Most expenses remain close to or below budget

Motion: Mike Seppala to approve and forward to the Board, the November 2020 EDA/EDC Financials, as presented to the Executive Committee.

Second: Judi Powers

Discussion: None

Motion: Carried

Executive Director's Report – Steve

Downtown Improvements

Steve will be working with the DBA to look at priority projects in our downtown to determine where we would like to partner with them.

Chain link Project Update

Steve updated the Committee about the project that was brought forward at the Special meeting in December. The project ended up locating on the West End rather than Downtown. While we had hoped for Downtown, their commitment to our community is very exciting. One of the issues with locating Downtown is the lack of shovel ready sites for new projects and private investment. Steve wants to refocus our efforts and strategize about how we can position ourselves for redevelopment opportunities. Mike Seppala remains a bit hesitant to become landowners without a project squarely in sight. Allison discussed where the gaps are with the private sector addressing these needs and how we can help fill those gaps. Ken asked that the Executive Committee be brought in on NDAs so that they are given enough information to make a decision of this magnitude. Ken agreed with Mike Seppala about owning real estate and speculating about its future usefulness. Steve continued by speaking about the TEDD and how the private sector approach to that area has been slowed by issues related to agreements between public entities. Allison added that we engage with the majority of developers in this community and the barriers to investment in our Downtown is a challenge shared by each of them. Discussion continued about how to overcome the hurdle of NDAs and keeping our Board and Executive Committee informed.

2021 Priorities and Board Planning Update

Steve mentioned that we adopted a 1-year strategic plan but would like to reengage the Board about those priorities in February. Then, in March, we will use that Board Meeting as a Board Planning session. Steve will work in conjunction with Paul and Steve L. to determine what our desired outcomes would be. Steve A. also noted that that is the week of spring break for Billings students and asked if there are any challenges for the Committee. Each agreed that that date works well.

Program Directors/Leaders' Updates

SBDC Contract Renewal – Lorene

Lorene noted that this is a yearly contract renewal and will support the positions of Kayla, Lorene, and Kevin. The scope of work remains the same with our SBDC serving a nine-county region. The goals are to serve 222 clients, support 476 jobs, counsel 1800 client hours, assist 15 new business starts, support \$6m in capital infusion, counsel 62 long-term clients, and submit three success stories.

Motion: Dana Pulis to approve and forward to the Board, the SBDC Contract Renewal, as presented to the Executive Committee.
Second: Steve Loveless
Discussion: None
Motion: Carried

BSED's IRT COVID-19 Response Update

Stabilization Loan Program/EDA RLF Grant Update – Brandon

Brandon noted that \$110,000 remains outstanding in the stabilization loan fund.

There is no update from the Federal EDA for the revolving loan fund. Brandon and Dianne are still waiting to hear back.

Brandon continued by letting the Committee know that we have filled the Loan Office position that was vacated by Sherry O'Donnell. Aaron Pratt will be joining our team in Helena and was previously employed by the Governor's Office of Economic Development. Aaron will begin on February 1st and will primarily focus on loan closings.

Economic Response and Recovery Plan Next Steps – Thom/Steve

The community progress report took place on December 10th and meetings will resume this Thursday after the holiday break. Thom spoke about the new legislation that was passed in DC and its applicability to our small business community. There will also be discussion about what changes we may see with the installment of our new Governor, Greg Gianforte. Melanie added that she has been working with the City and County about the vaccine roll-out in our community. John Felton's press conference tomorrow will likely indicate if there will be changes to the health directives in Yellowstone County.

Board Committees 2021 – Austin

Austin listed the openings for each of BSED's internal governance committees and asked the Committee members to consider volunteering their time in an area of their interest.

Conflict of Interest Policy

As a new Board year has begun, Becky noted that each Board Member will need to sign our conflict of interest policy. Our legal counsel, Kevin Heaney, will review the policy in detail at our January Board Meeting.

Operations: Big Sky to Sky Point Project – Becky

Becky said there is still some work to do regarding the Historic Tax Credits. Becky then continued to show the preliminary budgets for construction and furnishings. Becky reviewed the budget line items with the Committee and noted that there is likely to be a budget shortfall based on the current projections. Construction bids may help to address that shortfall. Becky also noted that this is one of the reasons we are pursuing Historic Tax credits which could net anywhere between \$300,000-\$500,000. Becky said we have also identified deductive alternates to address a shortfall. Becky also noted that there are opportunities to pursue small grants and underwriting opportunities.

With respect to the Historic Tax Credits, we have not yet signed the contract with Wishneff and Associates. Reviews with legal counsel and our auditors will help us make a final determination as to whether we pursue these credits and enter into the contract. Becky turned it over to Shanna to explain how the tax credit partnership would work. The tax credit numbers referenced above are net numbers after expenses have been considered. Riley then asked how this plan affects our timeline for the project. Ann asked if there are investors in waiting to purchase these credits. Steve noted that we have compiled a list of investors we think may be interested in entering into a

deal. Ann also noted that we need to very seriously consider the budget since it is likely for unexpected costs to still occur during construction.

Recruitment, Business Outreach, Economic Development Policy – Allison/Austin/Steve

Allison noted that the project we spoke about earlier in the meeting has been the most time intensive effort as of late but that there are other manufacturing projects in the hopper. Allison and Austin have been reaching out to Board Members to get a sense of how business is playing out.

In the interest of time, Allison continued on to discuss the proposed Venture Capital Investment Tax Credit legislation. We see this issue as very important in this session as it aligns well with the goals of the new Governor's Administration. To that end, we would like to engage with our previous lobbying team, the Taylor Luther Group. Mark Taylor and Jessie Luther would work with BSED as we work to encourage policy related to VC Tax Credits and Broadband infrastructure buildout and expansion. Allison noted that we will partner with other organizations to engage with Mark and Jessie.

Executive Session: None

Public Comment:

Steve Loveless thanked the Committee for the robust conversation today.

Adjourn:

With a motion from Judi Powers and a second from Ken Lutton, Paul adjourned the meeting at 9:19am.

Next Meeting – February 3rd, 2020



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ATTACHMENT B

Big Sky EDA
Comparative Balance Sheet
As of December 31, 2020 and 2019

	12/31/2020	12/31/2019	+/-	6/30/2020	+/-
Assets					
First Interstate Bank	\$398,930	\$130,336	\$268,594	\$164,986	\$233,944
FIB-Recovered Property Taxes	148,202	148,202	-	148,202	-
Opportunity Fund-FIB	446,401	54,380	392,021	16,169	430,232
Opportunity Fund-Stockman	54,757	3,616	51,141	44,519	10,238
Opportunity Fund-Opportunity Bank	623,308	617,865	5,444	621,300	2,009
Stockman GE Maintenance	15,128	15,128	-	15,128	-
Rocky Mountain Bank Money Market	493,091	-	493,091	492,843	248
Opportunity Fund - CDs (current)	2,404,278	5,144	2,399,134	2,404,278	-
Altana Savings	25	-	25	-	-
Yellowstone County Funds	743,502	523,350	220,152	535,969	207,533
Total Current Assets	5,327,622	1,498,021	3,829,600	4,443,392	884,229
Other Assets					
Accounts Receivable	178,164	227,103	(48,939)	680,373	(502,208)
Grants Receivable	150,000	-	150,000	-	150,000
American Revenue Guarantee	6,887	6,887	-	6,887	-
Due To/Due From EDC	39,771	46,803	(7,032)	57,548	(17,777)
Tax Levy Receivable	526,210	511,575	14,635	26,597	499,613
Tax Levy Receivable - Protested	35,402	23,162	12,241	21,479	13,923
Allowance for Doubtful Accounts	(35,402)	(23,162)	(12,241)	(21,479)	(13,923)
Prepaid Expenses	15,234	-	15,234	18,556	(3,323)
Deposit	1,390	-	1,390	1,390	-
Undeposited Funds	-	-	-	-	-
Interest Receivable	-	2,421	(2,421)	8,509	(8,509)
Miscellaneous Receivable	-	-	-	-	-
Total Other Assets	917,656	794,789	122,867	799,860	117,797
Non-Current Assets					
Opportunity Fund - CDs (non-current)	1,651,942	4,592,880	(2,940,938)	1,250,358	401,584
Loans Receivable	-	400,000	(400,000)	400,000	(400,000)
TEDD Receivable	23,875	44,325	(20,450)	34,100	(10,225)
Cabela's Conduit	4,984	9,648	(4,664)	9,649	(4,665)
Deferred Outflow of Resources	146,350	247,689	(101,340)	147,067	(717)
Total Non-Current Assets	1,827,151	5,294,543	(3,467,392)	1,841,173	(14,023)
Fixed Assets					
Bank Building - Land	272,000	-	-	272,000	-
Bank Building - Building	1,328,000	-	-	1,328,000	-
Accumulated Depreciation	(28,376)	-	-	(11,350)	-
Total Fixed Assets	1,571,624	-	-	1,588,650	-
Total Assets	9,644,053	7,587,353	2,056,700	8,673,075	970,978
Liabilities & Equity					
Current Liabilities					
Accounts Payable	156,951	95,811	61,140	51,901	105,050
Accrued Expenses	83,722	95,155	(11,433)	109,334	(25,613)
Deferred Revenue	61,667	10,360	14,000	1,598	-
Payroll Liabilities	(237)	947	(1,184)	355	(592)
Compensated Absences	157,326	147,540	9,787	170,250	(12,923)
Total Current Liabilities	459,429	349,813	109,616	333,438	125,990
Long Term Liabilities					
Deferred inflow or Resources	68,045	13,741	54,304	68,045	-
Pension Liability	825,316	884,804	(59,488)	825,316	-
Total Long Term Liabilities	893,361	898,545	(5,184)	893,361	-
Current Year Excess of Revenue over Expenses	845,704	565,844	279,860	1,673,125	(827,421)
Balance at Beginning of Year	7,445,559	5,773,151	1,672,408	5,773,151	1,672,408
Net Assets	8,291,263	6,338,996	1,952,267	7,446,276	844,987
Total Liabilities & Equity	9,644,053	7,587,353	2,056,700	8,673,075	970,978

Big Sky EDA
Statements of Operations
For the Periods Ending December 31, 2020

	Month			YTD			Fiscal Year
	Actual	Budget	Variance	Actual	Budget	Variance	Budget
Operating Revenue							
County Taxes (Mill Levy Revenue)	\$138	\$0	\$138	\$1,241,348	\$1,220,100	\$21,248	\$1,220,100
Entitlement	59,832	58,750	1,082	119,664	117,500	2,164	\$235,000
Health Insurance Mill Levy	7,950	9,922	(1,972)	49,290	57,706	(8,416)	117,236
Recovery of Protested Taxes	-	-	-	1	-	1	-
Department of Defense	35,000	45,868	(10,868)	237,920	275,211	(37,291)	550,421
EDC Reimbursement	39,558	48,251	(8,693)	273,102	289,506	(16,404)	579,012
EPA-Brownfields	18,878	10,833	8,044	27,324	67,500	(40,176)	132,500
SBA/MT Dept of Commerce	31,791	21,779	10,012	121,145	130,607	(9,462)	261,282
SBDC Program Income	-	-	-	-	-	-	-
VBOC	20,605	23,905	(3,300)	130,325	149,746	(19,421)	300,000
Rents/Leases	-	-	-	5,736	1,912	3,824	-
Grant Administration	-	292	(292)	2,000	1,750	250	3,500
Beartooth RC&D CARES Act	-	-	-	150,000	-	150,000	-
Other Intergovernmental Revenue	1,667	-	1,667	9,931	-	9,931	-
Miscellaneous Revenue	-	1,450	(1,450)	5,000	1,450	3,550	3,862
Total Revenue	215,418	221,050	(5,632)	2,372,786	2,312,988	59,799	3,402,913
Operating Expenses							
Salaries/Wages	118,183	140,843	(22,660)	750,999	838,441	(87,441)	1,679,819
Employer Contributions	37,964	46,989	(9,025)	247,557	276,267	(28,710)	559,084
BID Assessment	-	-	-	1,890	-	1,890	-
Contingency	-	4,208	(4,208)	-	25,250	(25,250)	50,497
Community Development Projects	-	2,500	(2,500)	4,989	15,000	(10,011)	30,000
Dues and Subscriptions	22,504	2,736	19,768	52,557	50,565	1,991	64,643
Event Expense	-	-	-	-	-	-	-
Insurance	953	752	201	7,886	9,496	(1,611)	23,984
Marketing - Departmental	90	2,036	(1,946)	2,847	12,216	(9,369)	24,432
Marketing - Organizational	2,266	2,667	(401)	18,835	16,000	2,835	32,000
Office Equipment	570	-	570	1,125	4,500	(3,375)	6,500
Office Expense	445	1,597	(1,152)	7,035	12,582	(5,547)	23,289
Professional Fees	20,432	16,083	4,349	63,787	101,958	(38,171)	167,958
Property Tax Protests	-	-	-	13,903	37,350	(23,447)	37,350
PTAC Satellite	9,072	12,481	(3,409)	59,262	74,887	(15,625)	149,773
PTAC Subcenter	11,136	14,764	(3,628)	75,593	88,586	(12,993)	177,171
Rent	12,015	12,124	(109)	70,913	71,146	(232)	142,295
Repairs	506	-	506	933	-	933	-
Sponsorships	-	-	-	-	-	-	2,500
Strategic Priorities	-	1,250	(1,250)	-	7,500	(7,500)	15,000
TEDD	-	500	(500)	60	1,000	(940)	2,000
Telecommunications	4,964	5,161	(198)	28,507	30,967	(2,460)	61,933
Travel/Training	338	5,718	(5,380)	9,484	45,912	(36,428)	100,258
Utilities	1,438	2,000	(562)	7,290	12,000	(4,710)	24,000
Miscellaneous	1,875	5,072	(3,197)	8,102	13,212	(5,110)	23,200
Total Operating Expenses	244,751	279,482	(34,731)	1,433,551	1,744,834	(311,282)	3,397,686
Net Operating Revenue	(29,333)	(58,432)	29,099	939,235	568,154	371,081	5,227
Non-Operating Income/Expense							
Interest Income	454	1,687	(1,233)	6,455	10,124	(3,669)	20,247
US EDA Reimbursement	30,675	17,100	13,575	60,350	90,100	(29,750)	148,822
Grant Revenue (GASB 68)	-	-	-	-	-	-	-
Architectural/Professional Fees	69,038	30,750	38,288	143,310	180,000	(36,690)	302,492
Pension Expense	-	-	-	-	-	-	-
Depreciation Expense	2,838	2,838	-	17,026	17,026	-	34,051
Total Non-operating Income/Expense	(40,746)	(14,800)	(25,946)	(93,531)	(96,802)	3,271	(167,474)
Net Revenue Over (Under) Expense	(70,079)	(73,232)	3,153	845,704	471,352	374,352	(162,247)

Big Sky EDC
Comparative Balance Sheet
As of December 31, 2020 and 2019

	12/31/2020	12/31/2019	+/-	6/30/2020	+/-
Assets					
First Interstate Bank	\$266,528	\$189,520	\$77,007	\$245,165	\$21,362
FIB/Stockman SSBCI Principal	1,071,460	1,415,475	(344,016)	1,005,566	65,894
FIB-Long Term Reserve	250,000	250,000	-	250,000	-
FIB-Opportunity Fund	22,200	22,200	-	22,200	-
FIB-RLF	87,182	236,879	(149,698)	179,960	(92,778)
FIB-OBSD Restricted	-	-	-	-	-
Accounts Receivable	65,058	96,800	(31,742)	61,184	3,874
Contributions Receivable	-	-	-	-	-
Miscellaneous Receivable	150	148	2	-	-
Prepaid Expenses	6,595	3,175	3,420	8,276	(1,681)
Undeposited Funds	-	-	-	-	-
Stabilization Portfolio - Current	36,742	-	36,742	31,849	4,893
RLF Portfolio-Current	32,303	14,568	17,735	32,036	267
SSBCI Portfolio-Current	26,940	61,514	(34,574)	47,744	(20,804)
Total Current Assets	1,865,158	2,290,281	(425,123)	1,883,980	(18,822)
Other Assets					
RLF Portfolio-Non Current	363,655	235,108	128,547	278,314	85,340
SSCBI Portfolio-Non Current	614,211	800,791	(186,580)	601,615	12595.51
Stabilization Portfolio-Non Current	73,258	-	-	105,151	-
Allowance for Loan Losses	(21,934)	-	(21,934)	(21,934)	-
Total Other Assets	1,029,189	1,035,899	(6,710)	963,146	97,936
Total Assets	2,894,347	3,326,180	(431,833)	2,847,126	79,113
Liabilities & Equity					
Current Liabilities					
Accounts Payable	20,301	12,264	8,037	14,200	6,102
Property Tax Payable	-	-	-	-	-
Accrued Expenses	-	-	-	-	-
Deferred 504 Revenue	27,684	47,796	(20,112)	35,811	(8,128)
Deferred Revenue	-	-	-	-	-
Due to/Due from EDA	39,771	47,060	(7,289)	57,548	(17,777)
Total Liabilities	87,756	107,120	(19,363)	107,559	(19,803)
Current Year Excess of Revenue over Expenses	67,023	(823)	67,846	(480,316)	547,339
Balance at Beginning of Year	2,739,567	3,219,883	(480,316)	3,219,883	(480,316)
Net Assets	2,806,590	3,219,060	(412,470)	2,739,567	67,023
Total Liabilities & Equity	2,894,347	3,326,180	(431,833)	2,847,126	47,220

Big Sky EDC
Statements of Operations
For the Periods Ending December 31, 2020

	Month			YTD			Fiscal Year
	Actual	Budget	Variance	Actual	Budget	Variance	Budget
Operating Revenue							
504 Loan Origination	\$0	\$5,455	(\$5,455)	\$52,539	\$102,273	(\$49,734)	\$135,000
504 Loan Servicing	44,676	40,500	4,176	265,546	256,500	9,046	499,500
Float Income	-	-	-	7,474	-	7,474	-
CTE Director Donations (Restricted)	-	-	-	-	-	-	-
Member Investment	-	63,250	(63,250)	91,400	126,500	(35,100)	253,000
RLF Business Loan Interest	2,113	1,417	697	7,809	8,500	(691)	17,000
RLF Origination Fees	-	-	-	-	-	-	5,000
Stabilization Loan Interest	183	417	(233)	1,355	2,500	(1,145)	-
SSBCI Revenue	1,635	1,500	135	9,960	9,000	960	18,000
Recovery of Bad Debt	-	-	-	-	-	-	-
Coronavirus Relief Funds	39,705	-	39,705	107,489	-	107,489	-
Healthcare Appreciation Income	350	-	350	33,273	-	33,273	-
Miscellaneous Revenue	13	-	13	12,627	-	12,627	-
Total Revenue	88,676	112,538	(23,862)	589,471	505,273	84,198	927,500
Operating Expenses							
Business Incubation	-	125	(125)	-	750	(750)	1,500
Business Recruitment	-	208	(208)	851	1,250	(399)	2,500
Contingency	-	1,667	(1,667)	-	10,000	(10,000)	20,000
Dues and Subscriptions	1,102	901	201	12,025	13,533	(1,508)	21,561
EDA Reimbursement	39,558	48,251	(8,693)	273,102	289,506	(16,404)	579,012
Event Expense	-	-	-	15,098	17,500	(2,402)	33,500
Healthcare Appreciation	3,820	-	3,820	74,590	-	74,590	-
Insurance	843	865	(22)	5,053	5,190	(137)	10,380
Investment in Economic Activity	-	-	-	-	-	-	5,000
Marketing - Departmental	3,971	1,958	2,013	19,044	12,150	6,894	23,900
Marketing - Organizational	30,567	1,292	29,276	40,921	7,750	33,171	15,500
Membership Development	33	700	(667)	246	4,200	(3,954)	8,400
Office Supplies	415	300	115	6,405	2,000	4,405	3,800
Professional Fees	6,200	2,583	3,617	47,700	32,000	15,700	67,500
Postage and Printing	40	75	(35)	465	450	15	900
R31 Outreach	24	75	(51)	312	950	(638)	2,300
Rent	2,667	2,722	(55)	15,275	15,662	(387)	31,629
Repairs	-	-	-	-	-	-	-
Sponsorships	-	-	-	8,500	15,200	(6,700)	19,700
Telecommunications	385	555	(170)	2,604	3,328	(725)	6,656
Travel/Training	663	1,113	(450)	9,084	18,285	(9,201)	27,505
Miscellaneous	2,719	1,782	937	23,174	16,842	6,332	39,884
Total Operating Expenses	93,007	65,172	27,835	554,448	466,546	87,903	921,127
Net Revenue Over (Under) Expense	(4,331)	47,366	(51,697)	35,023	38,727	(3,705)	6,373
Non-Operating Income/Expense							
Coulson Park	-	-	-	39,500	-	39,500	-
Bad Debt Expense	6,000	1,042	4,958	7,500	6,250	1,250	12,500
Total Non-operating Income/Expense	(6,000)	(1,042)	(4,958)	32,000	(6,250)	38,250	(12,500)
Net Revenue Over (Under) Expense	(10,331)	46,324	(56,655)	67,023	32,477	34,545	(6,127)



BIG SKY
ECONOMIC DEVELOPMENT

EDA • EDC CREATING MONTANA BUSINESS OPPORTUNITIES

ATTACHMENT C

Big Sky EDA
Statements of Operations
For the Periods Ending December 31, 2020

	Month			YTD			Fiscal Year Projection		
	Actual	Budget	Variance	Actual	Budget	Variance	Projection	Budget	Variance
Operating Revenue									
County Taxes (Mill Levy Revenue)	\$138	\$0	\$138	\$1,241,348	\$1,220,100	\$21,248	\$1,241,348	\$1,220,100	\$21,248
Entitlement	59,832	58,750	1,082	119,664	117,500	2,164	235,000	\$235,000	\$0
Health Insurance Mill Levy	7,950	9,922	(1,972)	49,290	57,706	(8,416)	96,990	117,236	(20,246)
Recovery of Protested Taxes	-	-	-	1	-	1	1	-	1
Department of Defense	35,000	45,868	(10,868)	237,920	275,211	(37,291)	447,920	550,421	(102,501)
EDC Reimbursement	39,558	48,251	(8,693)	273,102	289,506	(16,404)	542,702	579,012	(36,310)
EPA-Brownfields	18,878	10,833	8,044	27,324	67,500	(40,176)	107,324	132,500	(25,176)
SBA/MT Dept of Commerce	31,791	21,779	10,012	121,145	130,607	(9,462)	253,164	261,282	(8,118)
SBDC Program Income	-	-	-	-	-	-	-	-	-
VBOC	20,605	23,905	(3,300)	130,325	149,746	(19,421)	264,953	300,000	(35,047)
Rents/Leases	-	-	-	5,736	1,912	3,824	5,736	-	5,736
Grant Administration	-	292	(292)	2,000	1,750	250	15,000	3,500	11,500
Beartooth RC&D CARES Act	-	-	-	150,000	-	150,000	150,000	-	150,000
Other Intergovernmental Revenue	1,667	-	1,667	9,931	-	9,931	23,196	-	23,196
Miscellaneous Revenue	-	1,450	(1,450)	5,000	1,450	3,550	10,000	3,862	6,138
Total Revenue	215,418	221,050	(5,632)	2,372,786	2,312,988	59,799	3,393,335	3,402,913	(9,578)
Operating Expenses									
Salaries/Wages	118,183	140,843	(22,660)	750,999	838,441	(87,441)	1,561,736	1,679,819	(118,083)
Employer Contributions	37,964	46,989	(9,025)	247,557	276,267	(28,710)	391,557	559,084	(167,527)
BID Assessment	-	-	-	1,890	-	1,890	1,890	-	1,890
Contingency	-	4,208	(4,208)	-	25,250	(25,250)	8,000	50,497	(42,497)
Community Development Projects	-	2,500	(2,500)	4,989	15,000	(10,011)	30,000	30,000	-
Dues and Subscriptions	22,504	2,736	19,768	52,557	50,565	1,991	64,643	64,643	-
Event Expense	-	-	-	-	-	-	-	-	-
Insurance	953	752	201	7,886	9,496	(1,611)	23,984	23,984	-
Marketing - Departmental	90	2,036	(1,946)	2,847	12,216	(9,369)	24,432	24,432	-
Marketing - Organizational	2,266	2,667	(401)	18,835	16,000	2,835	32,000	32,000	-
Office Equipment	570	-	570	1,125	4,500	(3,375)	6,500	6,500	-
Office Expense	445	1,597	(1,152)	7,035	12,582	(5,547)	17,424	23,289	(5,865)
Professional Fees	20,432	16,083	4,349	63,787	101,958	(38,171)	271,782	167,958	103,824
Property Tax Protests	-	-	-	13,903	37,350	(23,447)	13,903	37,350	(23,447)
PTAC Satellite	9,072	12,481	(3,409)	59,262	74,887	(15,625)	118,524	149,773	(31,249)
PTAC Subcenter	11,136	14,764	(3,628)	75,593	88,586	(12,993)	151,185	177,171	(25,986)
Rent	12,015	12,124	(109)	70,913	71,146	(232)	141,827	142,295	(468)
Repairs	506	-	506	933	-	933	1,000	-	1,000
Sponsorships	-	-	-	-	-	-	2,500	2,500	-
Strategic Priorities	-	1,250	(1,250)	-	7,500	(7,500)	15,000	15,000	-
TEDD	-	500	(500)	60	1,000	(940)	2,000	2,000	-
Telecommunications	4,964	5,161	(198)	28,507	30,967	(2,460)	57,014	61,933	(4,919)
Travel/Training	338	5,718	(5,380)	9,484	45,912	(36,428)	44,187	100,258	(56,071)
Utilities	1,438	2,000	(562)	7,290	12,000	(4,710)	14,580	24,000	(9,420)
Miscellaneous	1,875	5,072	(3,197)	8,102	13,212	(5,110)	16,204	23,200	(6,996)
Total Operating Expenses	244,751	279,482	(34,731)	1,433,551	1,744,834	(311,282)	3,011,871	3,397,686	(385,815)
Net Operating Revenue	(29,333)	(58,432)	29,099	939,234	568,154	371,081	381,463	5,227	376,236
Non-Operating Income/Expense									
Interest Income	454	1,687	(1,233)	6,455	10,124	(3,669)	10,000	20,247	(10,247)
US EDA Reimbursement	30,675	17,100	13,575	60,350	90,100	(29,750)	148,822	148,822	-
Grant Revenue (GASB 68)	-	-	-	-	-	-	-	-	-
Architectural/Professional Fees	69,038	30,750	38,288	143,310	180,000	(36,690)	302,492	302,492	-
Pension Expense	-	-	-	-	-	-	-	-	-
Depreciation Expense	2,838	2,838	-	17,026	17,026	-	34,051	34,051	-
Total Non-operating Income/Expense	(40,746)	(14,800)	(25,946)	(93,531)	(96,802)	3,271	(177,721)	(167,474)	(10,247)
Net Revenue Over (Under) Expense	(70,079)	(73,232)	3,153	845,704	471,352	374,352	203,742	(162,247)	365,989

Big Sky EDC
Statements of Operations
For the Periods Ending December 31, 2020

	Month			YTD			Fiscal Year Projection		
	Actual	Budget	Variance	Actual	Budget	Variance	Year-end Projection	Budget	Variance
Operating Revenue									
504 Loan Origination	\$0	\$5,455	(\$5,455)	\$52,539	\$102,273	(\$49,734)	52,539	\$135,000	(\$82,461)
504 Loan Servicing	44,676	40,500	4,176	265,546	256,500	9,046	509,715	499,500	10,215
Float Income	-	-	-	7,474	-	7,474	14,000	-	14,000
CTE Director Donations (Restricted)	-	-	-	-	-	-	-	-	-
Member Investment	-	63,250	(63,250)	91,400	126,500	(35,100)	213,000	253,000	(40,000)
RLF Business Loan Interest	2,113	1,417	697	7,809	8,500	(691)	15,618	17,000	(1,383)
RLF Origination Fees	-	-	-	-	-	-	-	5,000	(5,000)
Stabilization Loan Interest	183	417	(233)	1,355	2,500	(1,145)	2,710	-	2,710
SSBCI Revenue	1,635	1,500	135	9,960	9,000	960	19,919	18,000	1,919
Recovery of Bad Debt	-	-	-	-	-	-	-	-	-
Coronavirus Relief Funds	39,705	-	39,705	107,489	-	107,489	107,489	-	107,489
Healthcare Appreciation Income	350	-	350	33,273	-	33,273	33,273	-	33,273
Miscellaneous Revenue	13	-	13	12,627	-	12,627	12,627	-	12,627
Total Revenue	88,676	112,538	(23,862)	589,471	505,273	84,198	980,889	927,500	53,389
				-	-	-			
				-	-	-			
Operating Expenses									
Business Incubation	-	125	(125)	0	750	(750)	1,500	1,500	-
Business Recruitment	-	208	(208)	851	1,250	(399)	2,500	2,500	-
Contingency	-	1,667	(1,667)	-	10,000	(10,000)	8,000	20,000	(12,000)
Dues and Subscriptions	1,102	901	201	12,025	13,533	(1,508)	21,561	21,561	-
EDA Reimbursement	39,558	48,251	(8,693)	273,102	289,506	(16,404)	542,702	579,012	(36,310)
Event Expense	-	-	-	15,098	17,500	(2,402)	33,500	33,500	-
Healthcare Appreciation	3,820	-	3,820	74,590	-	74,590	74,590	-	74,590
Insurance	843	865	(22)	5,053	5,190	(137)	10,380	10,380	-
Investment in Economic Activity	-	-	-	-	0	-	5,000	5,000	-
Marketing - Departmental	3,971	1,958	2,013	19,044	12,150	6,894	34,399	23,900	10,499
Marketing - Organizational	30,567	1,292	29,276	40,921	7,750	33,171	49,014	15,500	33,514
Membership Development	33	700	(667)	246	4,200	(3,954)	5,400	8,400	(3,000)
Office Supplies	415	300	115	6,405	2,000	4,405	7,803	3,800	4,003
Professional Fees	6,200	2,583	3,617	47,700	32,000	15,700	65,500	67,500	(2,000)
Postage and Printing	40	75	(35)	465	450	15	930	900	30
R31 Outreach	24	75	(51)	312	950	(638)	2,300	2,300	-
Rent	2,667	2,722	(55)	15,275	15,662	(387)	30,101	31,629	(1,528)
Sponsorships	-	-	-	8,500	15,200	(6,700)	9,700	19,700	(10,000)
Telecommunications	385	555	(170)	2,604	3,328	(725)	5,207	6,656	(1,449)
Travel/Training	663	1,113	(450)	9,084	18,285	(9,201)	20,168	27,505	(7,337)
Miscellaneous	2,719	1,782	937	23,174	16,842	6,332	46,347	39,884	6,463
Total Operating Expenses	93,007	65,172	27,835	554,448	466,546	87,903	976,603	921,127	55,476
Net Revenue Over (Under) Expense	(4,331)	47,366	(51,697)	35,023	38,727	(3,705)	4,286	6,373	(2,087)
Non-Operating Income/Expense									
Non-Operating Income/Expense									
Coulson Park	-	-	-	39,500	-	39,500	39,500	-	39,500
Bad Debt Expense	6,000	1,042	4,958	7,500	6,250	1,250	29,000	12,500	16,500
Total Non-operating Income/Expense	(6,000)	(1,042)	(4,958)	32,000	(6,250)	38,250	10,500	(12,500)	23,000
Net Revenue Over (Under) Expense	(10,331)	46,324	(56,655)	67,023	32,477	34,545	14,786	(6,127)	20,913



BIG SKY
ECONOMIC DEVELOPMENT

EDA • EDC CREATING MONTANA BUSINESS OPPORTUNITIES

ATTACHMENT D

GOVERNANCE COMMITTEES

EDA/EDC Joint Executive Committee

<u>EDA</u>	<u>EDC</u>
Paul Neutgens	Steve Loveless
Ken Lutton	Ann Kosempa
Judi Powers	Mac Fogelsong
Dana Pulis	Kim Jakub
Riley Bennett	Mike Seppala

The Executive Committee provides the initial governance and guidance for EDA/EDC policies, strategic priorities and budget. It also functions as the Planning Committee for purposes of setting expectations for the Boards' Strategic Planning processes

MEETING SCHEDULE: First Wednesday of each Month.

Ad Hoc Legislative Committee

<u>EDA</u>	<u>EDC</u>
Jennifer Owen	Steve Loveless
Paul Neutgens	Mike Phillips
Riley Bennett	Ann Kosempa

Member Investors

Luke Kobold, Billings Clinic
Daniel Brooks, Chamber of Commerce

Staff

Steve Arveschoug

The Ad Hoc Legislative Committee develops the legislative agenda for Board consideration and then provides guidance during the state legislative session.

MEETING SCHEDULE: As needed

Big Sky Opportunity Fund Committee

<u>EDA</u>	<u>EDC</u>
Ken Lutton— Comm. Chair	Mike Nelson
Jennifer Smith	Ann Kosempa
George Warmer	Scott Chesarek
Paul Neutgens	Craig Bartholomew

Staff

Steve Arveschoug Melanie Schwarz
Shanna Zier

The Opportunity Fund Committee Serves to make strategy and funding recommendations on the development of the Opportunity Fund. They also serve as the Committee that

MEETING SCHEDULE: As needed

evaluates and recommends projects that are intended to benefit from the Opportunity Fund.

EDA/EDC Joint Nominating Committee

EDA

Chair— Paul Neutgens
Vice Chair— Ken Lutton
Member at Large – Dana or Riley

EDC

Chair— Steve Loveless
Vice Chair— Ann Kosempa – Committee Chair
Past Chair— Mike Seppala

Community Representatives*

Commissioner—Denis Pitman
City of Laurel— Nick Altonaga
City of Billings—Shaun Brown

Staff

Becky Rogers
Steve Arveschoug
Brandon Berger
Melanie Schwarz

The Joint Nominating Committee provides recommendations for the appointment or election of the EDA and EDC Board Members and recommendations for the nomination and election of officers. During the EDA board member selection process, this Committee will screen applicants and make recommendations concerning the appointment of EDA Board members. That process includes Community Representatives as prescribed by Yellowstone County resolution. EDA and EDC Boards must annually confirm the Nominating Committee Membership.

**Community Representatives are only needed for the EDA process.*

MEETING SCHEDULE: As needed

PROGRAM COMMITTEES

Loan Committee

Anne DeBoo—Western Security Bank
Mary Dyre—Karrell Dyre Haney LLP
Ron Cole—MT Peterbilt
Dennen Gamradt—Eide Bailly LLP
Randy Swenson—Tendernest, LLC
Darrin Maas—Stockman Bank
Dustin Barber – Opportunity Bank
Mac Fogelson—EDC Board
Paul Neutgens –EDA Board

Staff

Brandon Berger

The Loan Committee reviews and approves or disapproves SBA 504 and Revolving Loan requests.

MEETING SCHEDULE: As needed

Membership Committee

EDC

Bob Wilmouth	Jen Kobza
Scott Chesarek	Mike Phillips
Aaron Ramage	OPEN

Staff

Melanie Schwarz
Steve Arveschoug

The Membership Committee works with the Member Investor Program Director to retain and build the number of EDC Member Investors.

MEETING SCHEDULE: Quarterly meetings

SBDC Advisory Council

EDA

Paul Neutgens
Greg McDonald

Community

Allyn Hulteng
Ann Clancy
Jennifer Webber
Jennifer Mercer
Jeremy Vannatta
Joel Bertolino
Skip King

Staff

Lorene Hintz
Steve Arveschoug

EDC

Dave Ballard
Ann Kosempa

Kris Carpenter
Michael Morrison
Rene Beyl
Gary Slane
Scott Severance
Katy Easton
James Smith

Kevin Scharfe

The mission of the SBDC Advisory Council is to collaboratively offer guidance, market insight, and support for the enhancement of services that help small businesses start, grow, or expand their business. The vision is for our regional service center (supporting a 9-county area) to be a strong and dynamic community for the growth and success of small business.

MEETING SCHEDULE: Two times a year in January and July

Recruitment Committee

EDA

Dana Pulis
Greg McDonald
George Warmer

Community

Casey McGowan
Katy Easton
Liz Ching

Staff

Allison Corbyn

EDC

Mike Seppala
Nicole Bengé
Jen Kobza

John Roberts
Wyeth Friday
Debbie Singer

The Recruitment Committee serves as a resource for the Director of Business Recruitment & Outreach. Board members and key community partners serve on this committee. MEETING SCHEDULE: Quarterly meetings

REPRESENTATIVE COMMUNITY SERVICE

BillingsWorks Workforce Council

<u>EDA</u>	<u>EDC</u>
Ken Lutton	Open
Jennifer Owen	Open
Open	Andy Gott
Open	Open

* Indicates Steering Committee Member

Staff

Melanie or BW Staff Member

The BillingsWorks Workforce Council is a partnership of stakeholders working to set and execute strategies for the development of the Billings area workforce/talent pool. The Board members listed on the BillingsWorks Workforce Council are the EDA and EDC representatives on the greater Workforce Council.

MEETING SCHEDULE: As needed, approximately 6 times per year

Trailhead Hospitality Corridor Vision Steering Committee

<u>EDA</u>	<u>EDC</u>
John Brewer	Mike Phillips
Don Jones	Jon Stepanek

Staff

Steve Arveschoug

The Trailhead Hospitality Corridor Vision Steering Committee is a boarder group of stakeholders in the redevelopment of the Gateway Concept and of the East Billings Urban Renewal District. The Board members listed are EDA and EDC representatives on that Committee.

MEETING SCHEDULE: First Friday of every-other-month from 11:45am—1:00pm

Rock31 Advisory Council

<u>EDA</u>	<u>EDC</u>
Judi Powers	Bob Wilmouth
Dana Pulis	Michael Marsh

Staff

Kevin Scharfe Dustin Frost

Lorene Hintz

Steve Arveschoug

The Rock31 Advisory Council provides insight, industry knowledge, and guidance as we work to create a more robust and comprehensive entrepreneurial ecosystem in our community.

MEETING SCHEDULE: TBD

VBOC Advisory Council

<u>EDA</u>	<u>EDC</u>
Open	Open
Open	Open

Staff

Dustin Frost

The VBOC Advisory Council works to provide guidance, experience, and insight to enhance the Program as it works to best serve transitioning service members, activity duty service members and spouses who are interested in business ownership.

MEETING SCHEDULE: TBD

REPRESENTATIVE COMMUNITY SERVICE

Brownfields Advisory Council

EDA

Open

EDC

Mac Fogelsong

Community Partners

Wyeth Friday

Zack Terakedis

John Armstrong

Ken Kunkel

Katy Easton

Staff

Dianne Lehm, Patrick Klugman, Thom MacLean

The Brownfields Advisory Committee reviews potential Brownfield projects regarding expansion, reuse, and development in our community.

MEETING SCHEDULE: As needed, approximately 6 times per year, generally via email.

PTAC Advisory Council

EDA

Riley Bennett

EDC

Eric Simonsen

Scott Chesarek

Aaron Ramage

Community Partners

Velvett Cummins

Gary Stephens

Kevin Gustainis

Meghan Holmlund

Staff

Deanna Langman, Rosalind Dix, Steve Arveschoug

The PTAC Advisory Council works to provide guidance, experience, and industry insight to enhance the MT PTAC Program. Committee members also support outreach and education efforts to stakeholders across Montana.

MEETING SCHEDULE: TBD

Space2Place Micro Grants Committee

EDA

Riley Bennett

Judi Powers

EDC

Mac Fogelsong

Ann Kosempa

Staff

Dianne Lehm, Patrick Klugman, Thom MacLean, Melanie Schwartz, Steve Arveschoug

The Space2Place Micro Grants Committee serves as the selection committee who reviews Space2Place grant applications made available by the Community Development Team.

MEETING SCHEDULE: Generally the first quarter of the year, approximately four, 2-hour meetings.

New Facility Project Management Team

EDA

Riley Bennett

Bryce Terpstra

EDC

Eric Simonsen

Mitch Goplen

Staff

Becky Rogers, Shanna Zier, Steve Arveschoug

The New Facility Project Management Team is responsible for guiding the decision making process through each phase of our renovation of the Montana National Bank Building, BSED's future home.

MEETING SCHEDULE: As needed