

**EDA/EDC – Joint Board Meeting  
October 14, 2021  
7:00 A.M. to 9:00 A.M.  
Nemont/Parsec Conference Room  
3470 Gabel Rd. - Trans Tech**

**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.

Agenda items may be rearranged unless an item is listed as having a “time certain”. Action may be taken on any item listed on the Board Agenda.

- 7:00 A.M. Call to Order/Pledge of Allegiance/Roll Call** – Ann Kosempa, EDC Chair
- 7:02 A.M. Public Comment/Recognitions/Special Announcements and Introductions**
- Public Comment
  - Let’s Rock Capital Campaign Update—Melanie/Patrick
  - State of our College and University
    - MSUB Chancellor, Stefani Hicswa and RMC President, Dr. Robert Wilmouth
- 7:35 A.M. Changes to Today’s Agenda**
- 7:37 A.M. Consent Agenda** **(EDA/EDC Action)**
- September 9, 2021 Regular Board Meeting Minutes (Attachment A)
  - August 2021 EDA and EDC Financials (Attachment B)
- 7:55 AM Executive Director Report--Steve** (Handout)
- Annual Meeting Recap—Marcell and Board (Info)
  - Nominating Committee Next Steps—EDA Board Positions and Officers (Info)
  - RVU Project and CAC Update—Allison/Steve (Info)
  - MEDA Update (Dues Changes and Ex Director) (Info)
  - November Board Meeting – Tuesday, November 9<sup>th</sup> at the Library (Info)
- 8:10 A.M. Program Action Items**
- Big Sky Finance - Brandon
  - New Loan Officer Intro and Assistant Secretary appointment - Nina (Attachment C) (EDC Action)
  - Vice Executive Director appointment – Nina (Attachment D)
  - EDA RLF Loan Approval (Attachment E) (EDA/EDC Action)
  - SBA 504 Loan Approval (Attachment F) (EDC Action)
- 8:25 A.M. Program Reports**
- Recruitment - Allison
  - Coca-Cola Project Update (Info)
  - Operations - Becky
  - Rock31/BSED Building Project Update (Info)
  - Covid Protocols Update (Info)
  - Member Investor Program - Patrick (Info)
- 8:55 A.M. Public Comment**
- 9:00 A.M. Adjourn**

**Next EDA/EDC Board Meeting Tuesday, November 9, 2021 (7AM to 9AM—In Person).** *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 ED at 256-6871.*



BIG SKY  
ECONOMIC DEVELOPMENT

EDA • EDC    CREATING MONTANA BUSINESS OPPORTUNITIES

# ATTACHMENT A



EDA · EDC CREATING MONTANA BUSINESS OPPORTUNITIES

**EDA/EDC Joint Board Minutes**  
**Thursday, September 9<sup>th</sup>, 2021 – 7:00 A.M. – 9:00 A.M.**  
**Billings Public Library**

***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.

**EDA Board Members Present:** Bryce Terpstra, Debbie Desjarlais, Greg McDonald, Paul Neutgens, Judi Powers, Ken Lutton, Riley Bennett, Nick Altonaga (Ex-Officio), Katy Easton (Ex-Officio)

**EDA Board Members Absent:** Dana Pulis, George Warmer, Jennifer Owen, Jennifer Smith, Greg Upham (Ex-Officio), Shaun Brown (Ex-Officio), Don Jones (Ex-Officio), John Brewer (Ex-Officio)

**EDC Board Members Present:** Aaron Ramage, Ann Kosempa, Bob Wilmouth, Dave Ballard, Denis Pitman, Eric Simonsen, Kim Jakub, Michael Marsh, Mike Nelson, Mike Phillips, Mike Seppala, Nicole Bengé, Nick Pancheau, Spencer Frederick, Scott Chesarek

**EDC Board Members Absent:** Andy Gott, Craig Bartholomew, Jen Kobza, Mac Fogelsong, Mitch Goplen, Brad Hamilton

**Staff and Guests:** Becky Rogers, Steve Arveschoug, Dustin Frost, Austin Trunkle, Melanie Schwarz, Deanna Langman, Brandon Berger, Dianne Lehm, Kevin Scharfe, Shanna Zier, Lorene Hintz, Allison Corbyn, Marcell Bruski,

**Call to Order:**

Paul Neutgens, EDC Chair, called the meeting to order at 7:05 A.M. with the pledge of allegiance.

**Public Comment/Recognitions/Special Announcements and Introductions:**

**Public Comment**

Dr. Hicswa with MSUB announced that yesterday was the first day of classes in the new Yellowstone Science Building on campus. Dr. Hicswa also spoke to the \$101M donation that was given to the Montana State Nursing program. That donation will impact the Billings campus as well and those details will be made public in the near future.

Becky re-introduced Patrick Klugman who has joined the team once again but in the role of our Director of Development. Patrick spoke a few words about the BSED mission and how that ultimately drew him back.

Kevin Scharfe gave an update to the Board about the work Rock31 is doing. Kevin gave some data about net-new job growth and how startups and entrepreneurs are driving that growth. These new companies diversify the economy and expand the local tax base. With that in mind, Kevin presented how Rock31 will offer resources to entrepreneurs to develop our own ecosystem here in Yellowstone County. Finally, Kevin shared the documentary trailer for Edge of the Plains. The Edge of the Plains documentary that will be premiering in Harlowton later today. The documentary features entrepreneurs from Harlowton, Lodge Grass, Big Timber, Red Lodge, and Billings. Each of those communities will host a screening of documentary over the coming month.

Next, Melanie gave an update about the Capital Campaign and announced that we are up to just over \$60,000 which represents about 22% of our goal. Melanie went on to say that we’ve created some marketing materials about why Rock31 solves a need in our community and why it will be a community asset. Melanie explained that

there are different donation tiers. Melanie also detailed how the Board can explain the projection to the community in their own conversations.

**Agenda Changes:**

Big Sky Trust Fund will switch places with Big Sky Finance on the agenda.

**Consent Agenda –**

**Approval of July 8<sup>th</sup> Board Meeting Minutes**

Motion: Mike Seppala to approve the July 8<sup>th</sup> Board Meeting Minutes, as presented to the Board.

Second: Aaron Ramage

Discussion: None

Motion Carried

**EDA/EDC Financials – Shanna**

Shanna noted that the auditors are wrapping up their work and that she does not expect any material changes with respect to our budget.

Eric asked if we will be booking any contributions from the Opportunity Fund and potential rent fees from people utilizing the space when we open the new building. We anticipate that there will be revenue, but it was not factored into the FY 2022 Budget. Shanna went on to explain that we would like to earmark half of our net operating incomes from both the EDA and EDC to invest in the new building. Greg McDonald asked if there are any other critical needs for these funds. Shanna replied that there is not anything pressing and that the building project remains the highest priority.

Motion: Mike Phillips to approve the Capital Reinvestment Strategy, as presented to Board.

Second: Ken Lutton

Discussion: None

Motion Carried

**Final FY 2022 Budget**

Shanna noted that the Commissioners met to set the final Mill Levy for BSED and that it is anticipated to be slightly above our projections.

With respect to the PTAC Program, the Defense Logistics Agency has increased the reimbursement rate for our organization and sub-recipients. We are bringing on Headwaters RC&D as a sub-recipient so the net increase to our budget will be roughly \$6,000.

Motion: Spencer Frederick to approve the Final FY 2022 Budget, as presented to the Board.

Second: Mike Seppala

Discussion: None

Motion Carried

Motion: Ann Kosempa to approve the July EDA/EDC Financials, as presented to the Board.

Second: Spencer Frederick

Discussion: None

Motion Carried

**Executive Director Report – Steve Arveschoug**

**Executive Director’s Focus FY 2022**

Steve began by welcoming Patrick back to our team as the Development Director. He continued by reflecting on his draft Executive Director’s Focus which was discussed at the August Executive Committee Meeting. He has since

adjusted the document to its final iteration. Steve walked through the vital strategic priorities, items that need his leadership, and projects that will be delegated.

Motion: Riley Bennett, to approve the FY 2022 Executive Director's Focus, as presented to the Board.

Second: Eric Simonsen

Discussion: Scott Chesarek wants Steve to remain focused on succession plan in the coming years

Motion Carried

Dianne announced that a major contributor has stepped forward to provide \$100,000 over four years to the Coulson Park project.

#### Nominating Committee Recommendation – Steve/Becky

Steve mentioned that the Nominating Committee has met several times over the summer to recommend new board members for the EDC.

Mac Fogelsong and Mike Seppala are recommended to serve a second term.

Jon Stepanek's seat is recommended to be filled by his successor at KTVQ.

The following are the candidates to fill the balance of the vacancies on the EDC:

Mary Albers – COO, Billings Clinic

DJ Clark – Regional Manager, Sanderson Stewart

Dr. Stefani Hicswa – Chancellor, MSUB Billings

Jennifer Kondracki – Weave Management

Motion: Dave Ballard, to approve Nominating Committee recommendations, as presented to the Board.

Second: Aaron Ramage

Discussion: Scott Chesarek wants Steve to remain focused on succession plan in the coming years

Motion Carried

#### Beartooth RC&D MOU

Each year, BSED contributes funds to Beartooth RC&D for their work in our County. This contribution is roughly \$12,000 and is accounted for in our budget.

Motion: Mike Seppala to approve the MOU with Beartooth RC&D, as presented to the Board.

Second: Riley Bennett

Discussion: None

Motion Carried

#### August Strategic Priorities Road Show – Steve Arveschoug

Steve reflected on BSED's first bus tour of priority projects in our community. Steve thought the half day used for that excursion was a good use of time and that we should consider how often we want to do that again. Ann Kosempa recounted the places that the Board visited and the projects BSED has had a hand in. Scott Chesarek encouraged those who couldn't make the tour to join the next one.

#### **Program Reports and Action Items**

##### Recruitment/Outreach Update – Allison

Allison began with the job creation grant requests.

Reciprocity Industries – anticipates creating 78 new jobs as they grow and expand their services in the legal consultation field.

Montana Custom Mill Works – Anticipates creating six new jobs and will be looking to purchase equipment as well.

TKI Industries – Anticipates creating five new jobs with the expansion of their manufacturing facility.

Motion: Ken Lutton to approve the Reciprocity Industries, Montana Custom Millworks, and TKI Industries Job Creation Grants, as presented to the Board.

Second: Riley Bennett

Discussion:

Motion: Carried

Allison continued with Big Sky Trust Fund Planning Grants. These grants require a 1:1 match from the applicant.

Coca Cola High Country – is requesting \$25,000 for the planning of their new warehouse and the money will be used for preliminary engineering costs. They plan to create 50 jobs in the process.

Flex Family Health – is requesting \$25,000 preliminary site layout plan and engineering costs for their new facility in the Transtech Center.

TKI Industries – Is requesting \$25,000 for preliminary scope of services and estimates for a new building.

11:11 Presents – Is requesting \$25,000 for the preliminary engineering costs of a new venue and that would create 4 new jobs.

Motion: Greg McDonald to approve the Coca Cola High Country, Flex Family Health, TKI Industries, and 11:11 presents Planning Grants, as presented to the Board.

Second: Bryce Terpstra

Discussion: Scott went on to explain the planned development for 11:11 Presents.

Motion: Carried

*TKI Industries and 11:11 presents are Board Members on BSED's EDC Board. The votes above are only voted on by the EDA Board Members.*

Allison gave an update about the Coca Cola project and the development agreement that is being sorted out. After the application for a tax abatement, the reimbursement agreement will be developed.

Big Sky Finance – 504 Loan Approvals – Brandon  
September 9, 2021 – Big Sky EDC Board Meeting

### **SBA 504 Loan Requests**

- I. Big Sky EDC is requesting approval to submit to the US Small Business Administration the following SBA 504 loan requests. The Big Sky EDC Loan Committee has reviewed the requests and recommends approval to the full EDC Board for submission to the SBA for final approval. The requests meet all the underwriting and eligibility requirements of the EDC.
  1. **Mountain Valley Foods, Inc. (MVF, LLC)** – Request is for the purchase of a commercial real estate property, equipment and renovations for Mountain Valley Foods, Inc. Mountain Valley Foods is a family owned and operated organic and natural foods store located in Kalispell, MT. This is an existing business started in 1989. The owners are purchasing the building they currently lease and will be making renovations to expand the retail refrigeration space, dine in space for customers and a drive-thru for pre-ordered groceries and a coffee/smoothie bar.

The total SBA debenture is estimated to be \$847,000 on a 25-year note comprising approximately 40% of the total project costs. Big Sky EDC and the SBA will be in a 2<sup>nd</sup> lien position on the real and personal property behind Three

Rivers Bank of Montana. There are projected to be 5 new jobs created because of this project. The project meets Public Policy goals for Rural Development, Woman Owned as well as being located in a HubZone.

Motion: Mike Seppala, to approve the Mountain Valley Foods, Inc. loan request, as presented to the Board.

Second: Aaron Ramage

Discussion: None

Abstentions: None

Motion Passed

2. **Youer LLC** – Purpose of the request is for the purchase of the commercial real estate property for Youer LLC. This is an existing business that will be relocating to this new building located in Lolo, MT. Youer LLC was started in 2018 by Mallory Ottariano and is a sustainable women’s clothing company that manufactures its material out of recycled plastic bottles. Mallory designs her own fabric prints incorporated into the clothing. Youer LLC will begin manufacturing the clothing, cut and sewing the articles on low volume pieces in house at this new facility. Youer LLC is a leader in the outdoor apparel e-commerce space and their products are carried by national retailers.

The total SBA debenture is estimated to be \$188,000 on a 25-year note comprising 40% of the total project costs. Big Sky EDC and the SBA will be in a 2<sup>nd</sup> lien position on the real property behind First Montana Bank. There are projected to be 6 new jobs created as a result of this project. The project meets Public Policy goals for being a Woman Owned business and Rural Development. It also meets a Community Development goal for assisting a small manufacturer.

Motion: Ann Kosempa, to approve the Youer LLC. loan request, as presented to the Board.

Second: Mike Seppala

Discussion: None

Abstentions: None

Motion Passed

3. **Meadowlark Brewing LLC** – Purpose of the request is for the acquisition of land and new construction for Meadowlark Brewing LLC’s new brewery located in Billings, MT. This new brewery and tap room will be a second location for Meadowlark Brewery and will be their primary manufacturing and distribution facility. The brewery is under construction and located off Zoo Drive, just east of Zoo Montana. They currently have a location in Sidney, MT, which is where the brewery was started by Travis Peterson in 2014. Travis is 100% owner of the brewery. This new location will provide Meadowlark with expanded production, canning and distribution capabilities. They will continue to have the tap room in Sidney, but almost all production will be moved to this new location in Billings.

The total SBA debenture is estimated to be \$1,232,000 on a 25-year note comprising approximately 34% of the total project costs. Big Sky EDC and the SBA will be in a 2<sup>nd</sup> lien position on the real property behind Stockman Bank of Montana. There are projected to be 11 new jobs created as a result of this project. The project meets Community Development goals for business revitalization, new income to the community and assisting a small manufacturer.

Motion: Mike Seppala, to approve the Meadowlark Brewing LLC loan request, as presented to the Board.

Second: Aaron Ramage

Discussion: None

Abstentions: Spencer Frederick

Motion Passed

4. **Buggy Bath Unlimited LLC (Hall & Co. LLC)** – Purpose of the request is for the purchase of land, equipment and ground up construction of a new car wash facility located in Billings, MT. Additionally, the project will include debt refinance and renovations to an existing car wash facility under the same ownership located in Gillette, WY. Buggy Bath Unlimited LLC is the operating company and is owned 100% by Derek Hall. Derek has owned and operated Buggy Bath since 2014 after purchasing from his parents who started the business in 1974. Currently, Buggy Bath operates four car washes: one located in Gillette, WY, and three located in Sheridan, WY. The debt to be refinanced is the original debt from the purchase of the real property associated with these locations. As part of the Wyoming portion of the project, there will also be financing for an expansion/renovation to the Gillette property. A new, in-bay wash facility was added at this location. Most of the project costs are associated with the construction of the new car wash facility located in Billings, MT. The project is currently under construction at the corner of Shiloh Road and Central Avenue. The Billings portion of the project will consist of a car wash tunnel, an in-bay wash and five self-service wash bays along with numerous vacuum stations. Dick Anderson Construction is the general contractor on the project. Both the Wyoming cash wash facilities and the new Billings facility are all operated by Buggy Bath Unlimited LLC. Hall & Co. LLC owns all the real estate.

The total SBA debenture is estimated to be \$4,066,000 on a 25-year note comprising 35% of the total project costs. Big Sky EDC and the SBA will be in a 2<sup>nd</sup> lien position on the real and personal property located in Gillette, Sheridan and Billings behind First Federal Bank & Trust (Sheridan, WY). There are projected to be 9 new jobs created. The project meets a Public Policy goal for Rural Development (Wyoming portion) and a Community Development goal for new income to the community (Billings).

Motion: Mike Seppala, to approve the Buggy Bath Unlimited LLC, loan request, as presented to the Board.

Second: Aaron Ramage

Discussion: None

Abstentions: Nick Pancheau

Motion Passed

5. **Fire House Fitness, LLC (dba CrossFit Billings)** – Purpose of the request is for the purchase of a commercial condominium property for Fire House Fitness, LLC (CrossFit Billings), located in Billings, MT. CrossFit Billings is an existing business looking to purchase the building they currently lease at 1428 Grand Avenue. CrossFit Billings was started by Yurri Hanson in 2006 and is currently owned by he and his wife, Kerry. This was the first CrossFit gym to be operating in Billings.

The total SBA debenture is estimated to be \$222,000 on a 25-year note comprising 40% of the total project costs. Big Sky EDC and the SBA will be in a 2<sup>nd</sup> lien position on the real property behind Western Security Bank. There are projected to be three new jobs created as a result of this project.

Motion: Dave Ballard, to approve the Fire House Fitness LLC loan request, as presented to the Board.

Second: Eric Simonsen

Discussion: None

Abstentions: None

Motion Passed

#### Operations – Becky

##### Department of Environmental Quality Grant Application

Becky told the Board that after some conversation with the DEQ, we are able to submit an application for reimbursement related to the costs associated with abating asbestos.

Eric made note of some of the wording in the application that will need to be adjusted. Scott asked how the grant total will affect the budget.



Motion: Ann Kosempa, to approve a grant application to the DEQ to reimburse the costs of asbestos abatement, as presented to the Board.  
Second: Riley Bennett  
Discussion: None  
Motion Passed

Annual Meeting Update – Marcell

Marcell gave an Annual Meeting update to the Board. The Annual Meeting will be on October 7<sup>th</sup> from 3:30pm – 5pm at the Babcock Theater. Upon the conclusion of the Annual Meeting, there will be a block party outside that Babcock that will culminate with the Billings premier of the Edge of the Plains Documentary. Marcell and Becky have conducted meetings with Riverstone Health to address COVID health concerns and have opted to cap capacity at 350 people, which is half of the total capacity.

Big Sky to Sky Point Update – Becky

Becky noted that we have so far approved about \$54,000 in change orders which have largely been related to asbestos abatement. Becky anticipates more change orders will come as we progress through the project. Becky then shared a budget spreadsheet with the Board. Conversation continued about the budget, our federal funding partners, and conversations that need to be had with the Federal EDA.

Becky continued with an update about the IT room issue and fiber easements. Becky is hopeful that issue can be resolved in the coming days.

Member Investor Program Update – Melanie

Melanie is excited to pass the torch to Patrick as he begins his work in building the Member Investor program.

**Public Comment**

None

**Adjourn**

With a motion from Ken Lutton and a second from Ann Kosempa, the motion passed, and Paul adjourned the meeting at 9:06 A.M.

Next Meeting – October 14<sup>th</sup>, 2021

Respectfully submitted,

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Judi Powers, EDA Secretary/Treasurer

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Mac Fogelson, EDC Secretary/Treasurer

When approved, minutes and meeting materials will be filed electronically in the Big Sky EDA office.

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# ATTACHMENT B

**Big Sky Economic Development Authority**  
**Financial Report for Board of Directors**  
**October 5, 2021**

Included with this report is balance sheet reflecting the assets, liabilities, and net assets of Big Sky EDA as of August 31, 2021. Also included is the statement of revenue and expenses through the first two months of FY22 as compared to budget.

**Balance Sheet**

Current assets decreased slightly to about \$6,509,000 at the end of August from \$6,592,000 at the end of July. This decrease is attributable to the decrease in FIB and Yellowstone County Funds for operating expenses. Accounts receivable increased from \$157,000 to \$167,000. The receivable consists of U.S. EDA (\$-22,000), VBOC (\$46,000), PTAC (\$103,000), and SBDC (\$40,000).

Due To/Due From EDC totaled approximately \$50,000 at the end of August and consists of the August amount due from EDC. The tax levy receivable decreased slightly to \$5,500 from \$8,000. Protested tax receivable totaled \$110. An allowance totaling \$110, or 100% of protested tax levy receivable is reflected to allow for potentially uncollectible protested tax levy. Total fixed assets totaled \$2,050,000 at the end of August.

Accounts payable totaled \$127,000 at the end of August. Accrued expenses total approximately \$102,000 and consist largely of salary/benefits accruals (\$80,000) and Space2Place Grant accruals (\$17,000). Deferred revenue totals \$50,000 and consists of \$50,000 conditional grant award amount from Beartooth RC&D.

**Statement of Revenue and Expenses**

Revenue is about \$11,000 over budget through the first two months of the fiscal year. There are a few factors for this variance in revenue. Most revenue amounts are consistent with budget with the exception of EPA-Brownfields and Department of Defense (PTAC). EPA-Brownfields revenue is over budget based on timing of expenses associated with this grant. PTAC revenue is below budget and was accrued as we have not received all subrecipient invoices for August. I took a conservative approach with the accrual; the actual revenue may be higher.

Most expenses remain under budget through August. Marketing expenses are over budget due to a larger invoice for the PTAC GovMatch event in July. Professional fees total \$78,000 and are over budget by about \$12,000 based on expenses related to Brownfields. Brownfields expenses totaled \$28,555 in July. These expenses are 100% reimbursable. Professional fees also include \$25,000 in expenses related to the documentary. As a reminder, these expenses are covered by the SBDC CARES Act Grant. Consistent with budget, salary/wages totaled \$270,000 through August. Travel/training expenses are under budget and totaled approximately \$5,000, compared to budget of \$29,000.

Through the first two months of FY22 Big Sky EDA recognized expenses in-excess of revenues of about \$212,000, which was approximately \$200,000 more than the budgeted amount. When excluding the non-operating income/expenses (interest income, U.S. EDA reimbursement, professional fees related to the Big Sky to Sky Point project, and depreciation expense), Big Sky EDA recognized expenses in-excess of revenues of about \$219,000, which is about \$74,000 less than budgeted.

**Big Sky EDA**  
**Comparative Balance Sheet**  
**As of August 31, 2021 and 2020**

	8/31/2021	8/31/2020	+/-	6/30/2021	+/-
<b>Assets</b>					
First Interstate Bank	\$173,734	\$125,020	\$48,714	\$229,874	-\$56,140
FIB-Recovered Property Taxes	377,795	148,202	229,593	177,795	200,000
FIB-Operating Reserve	251,049	1,032	250,018	301,044	
Opportunity Fund-FIB	587,366	15,959	571,407	940,395	(353,029)
Opportunity Fund-Stockman	65,002	44,522	20,480	64,997	6
Opportunity Fund-Opportunity Bank	625,578	621,976	3,602	625,004	574
Stockman GE Maintenance	15,128	15,128	-	15,128	-
Rocky Mountain Bank Money Market	493,295	492,927	369	493,262	34
Valley Federal- Savings	25	-	25	-	25
Valley Federal- Money Market	300,000	-	300,000		300,000
Opportunity Fund - CDs (current)	3,309,497	2,404,278	905,219	3,309,497	-
Altana Savings	25	-	25	25	
Yellowstone County Funds	310,047	437,022	(126,975)	570,859	(260,812)
<b>Total Current Assets</b>	<b>6,508,542</b>	<b>4,306,065</b>	<b>2,202,477</b>	<b>6,727,879</b>	<b>(219,337)</b>
<b>Other Assets</b>					
Accounts Receivable	167,286	667,815	(500,529)	141,814	25,473
Grants Receivable	100,000	-	100,000	100,000	-
American Revenue Guarantee	6,887	6,887	-	6,887	-
Due To/Due From EDC	49,660	47,756	1,905	62,431	(12,771)
Tax Levy Receivable	5,520	3,895	1,625	17,649	(12,130)
Tax Levy Receivable - Protested	111	21,479	(21,368)	665	(554)
Allowance for Doubtful Accounts	(111)	(21,479)	21,368	(665)	554
Prepaid Expenses	26,708	17,414	9,294	30,393	(3,685)
Deposit	-	1,390	(1,390)	-	-
Undeposited Funds	-	-	-	-	-
Interest Receivable	-	8,509	(8,509)	-	-
Miscellaneous Receivable	-	-	-	-	-
<b>Total Other Assets</b>	<b>356,061</b>	<b>753,665</b>	<b>(397,604)</b>	<b>359,174</b>	<b>(3,113)</b>
<b>Non-Current Assets</b>					
Opportunity Fund - CDs (non-current)	150,388	1,250,358	(1,099,970)	150,388	-
Loans Receivable	-	400,000	(400,000)	-	-
TEDD Receivable	13,650	34,100	(20,450)	13,650	-
Cabela's Conduit	4,984	4,984	0	4,984	0
Deferred Outflow of Resources	249,285	146,350	102,935	249,285	-
<b>Total Non-Current Assets</b>	<b>418,307</b>	<b>1,835,791</b>	<b>(1,417,485)</b>	<b>418,307</b>	<b>0</b>
<b>Fixed Assets</b>					
Construction in Progress	323,664	-	323,664	275,627	
Bank Building - Land	301,750	301,750	-	301,750	-
Bank Building - Building	1,473,250	1,473,250	-	1,473,250	-
Accumulated Depreciation	(47,220)	(17,026)	(30,194)	(47,220)	-
<b>Total Fixed Assets</b>	<b>2,051,444</b>	<b>1,757,974</b>	<b>293,470</b>	<b>2,003,407</b>	<b>-</b>
<b>Total Assets</b>	<b>9,334,354</b>	<b>8,653,496</b>	<b>680,858</b>	<b>9,508,766</b>	<b>(174,413)</b>
<b>Liabilities &amp; Equity</b>					
<b>Current Liabilities</b>					
Accounts Payable	126,659	66,379	60,280	80,102	46,556
Accrued Expenses	102,389	97,528	4,861	99,860	2,529
Deferred Revenue	50,000	-	14,000	51,667	-
Payroll Liabilities	(602)	(184)	(418)	(590)	(12)
Compensated Absences	174,241	170,250	3,991	184,483	(10,242)
<b>Total Current Liabilities</b>	<b>452,687</b>	<b>333,973</b>	<b>118,714</b>	<b>415,522</b>	<b>37,165</b>
<b>Long Term Liabilities</b>					
Deferred inflow or Resources	32,238	68,045	(35,807)	32,238	-
Pension Liability	1,127,529	825,316	302,213	1,127,529	-
<b>Total Long Term Liabilities</b>	<b>1,159,767</b>	<b>893,361</b>	<b>266,406</b>	<b>1,159,767</b>	<b>-</b>
Current Year Excess of Revenue over Expenses	(211,578)	(194,397)	(17,181)	312,919	(524,497)
Balance at Beginning of Year	7,933,478	7,620,559	312,919	7,620,559	312,919
<b>Net Assets</b>	<b>7,721,900</b>	<b>7,426,162</b>	<b>295,738</b>	<b>7,933,478</b>	<b>(211,578)</b>
<b>Total Liabilities &amp; Equity</b>	<b>9,334,354</b>	<b>8,653,496</b>	<b>680,858</b>	<b>9,508,766</b>	<b>(174,413)</b>

**Big Sky EDA**  
**Statements of Operations**  
**For the Periods Ending August 31, 2021**

	Month			YTD			FY22 Budget
	Actual	Budget	Variance	Actual	Budget	Variance	
<b>Operating Revenue</b>							
County Taxes (Mill Levy Revenue)	991	-	991	2,170	-	2,170	1,291,820
Entitlement	-	-	-	-	-	-	244,000
Health Insurance Mill Levy	8,480	8,480	-	16,430	16,960	(530)	107,060
Recovery of Protested Taxes	554	-	554	554	-	554	-
Department of Defense	40,000	63,373	(23,373)	103,146	126,746	(23,600)	760,473
EDC Reimbursement	49,691	47,811	1,880	97,451	95,622	1,828	694,595
EPA-Brownfields	11,038	6,786	4,252	39,582	13,571	26,011	47,500
SBA/MT Dept of Commerce	39,699	41,900	(2,201)	56,023	56,650	(627)	204,150
SBDC Program Income	-	-	-	-	-	-	-
VBOC	22,250	25,000	(2,750)	46,321	50,000	(3,679)	300,000
Rents/Leases	-	-	-	-	-	-	-
Grant Administration	6,345	-	6,345	6,345	-	6,345	-
Beartooth RC&D CARES Act	-	-	-	-	-	-	50,000
Other Intergovernmental Revenue	-	-	-	1,667	-	1,667	-
Contribution Revenue	-	-	-	-	-	-	-
Miscellaneous Revenue	500	-	500	1,000	-	1,000	-
<b>Total Revenue</b>	<b>179,549</b>	<b>193,350</b>	<b>(13,801)</b>	<b>370,690</b>	<b>359,549</b>	<b>11,141</b>	<b>3,699,598</b>
<b>Operating Expenses</b>							
Salaries/Wages	134,350	134,253	96	269,482	268,507	975	1,737,800
Employer Contributions	42,009	42,968	(959)	84,656	85,936	(1,280)	554,949
BID Assessment	-	-	-	-	1,398	(1,398)	1,398
Contingency	-	3,087	(3,087)	-	6,174	(6,174)	36,969
Community Development Projects	-	-	-	-	-	-	45,000
Dues and Subscriptions	17,251	22,774	(5,523)	20,458	32,281	(11,823)	71,301
Event Expense	-	-	-	-	-	-	-
Insurance	2,163	2,006	156	7,665	6,613	1,053	26,676
Marketing - Departmental	2,350	2,227	123	10,076	4,453	5,623	26,720
Marketing - Organizational	3,193	3,789	(596)	6,199	7,578	(1,380)	48,211
Office Equipment	85	-	85	85	4,500	(4,415)	6,500
Office Expense	1,026	1,250	(224)	2,367	8,360	(5,993)	22,360
Professional Fees	46,567	58,157	(11,590)	77,834	66,164	11,670	131,748
Property Tax Protests	-	-	-	-	-	-	38,755
PTAC Subcenter	24,304	40,704	(16,400)	62,440	77,309	(14,869)	484,347
Rent	12,679	12,364	315	25,337	25,129	208	157,478
Repairs	-	-	-	-	-	-	-
Sponsorships	250	417	(167)	250	833	(583)	5,000
Strategic Priorities	841	2,500	(1,659)	841	5,000	(4,159)	30,000
TEDD	-	-	-	-	-	-	2,000
Telecommunications	3,598	4,948	(1,350)	7,819	9,897	(2,077)	59,715
Travel/Training	2,404	14,584	(12,180)	4,644	29,338	(24,694)	123,050
Utilities	1,044	3,157	(2,113)	2,139	6,414	(4,275)	40,489
Miscellaneous	2,330	2,984	(654)	7,134	6,415	719	43,964
<b>Total Operating Expenses</b>	<b>296,445</b>	<b>352,169</b>	<b>(55,724)</b>	<b>589,427</b>	<b>652,299</b>	<b>(62,872)</b>	<b>3,694,430</b>
<b>Net Operating Revenue</b>	<b>(116,896)</b>	<b>(158,820)</b>	<b>41,923</b>	<b>(218,737)</b>	<b>(292,750)</b>	<b>74,013</b>	<b>5,168</b>
<b>Non-Operating Income/Expense</b>							
Interest Income	384	1,349	(965)	723	2,699	(1,976)	16,193
US EDA Reimbursement	6,436	138,802	(132,366)	6,436	277,604	(271,168)	1,388,020
Grant Revenue (GASB 68)	-	-	-	-	-	-	-
Architectural/Professional Fees	-	-	-	-	-	-	-
Pension Expense	-	-	-	-	-	-	-
Depreciation Expense	-	-	-	-	-	-	-
Relocation	-	-	-	-	-	-	16,000
<b>Total Non-operating Income/Expense</b>	<b>6,820</b>	<b>140,151</b>	<b>(133,331)</b>	<b>7,159</b>	<b>280,303</b>	<b>(273,143)</b>	<b>1,388,213</b>
<b>Net Revenue Over (Under) Expense</b>	<b>(110,076)</b>	<b>(18,668)</b>	<b>(91,408)</b>	<b>(211,578)</b>	<b>(12,447)</b>	<b>(199,131)</b>	<b>1,393,381</b>

**Big Sky Economic Development Corporation**  
**Financial Report for the Board of Directors**  
**October 5, 2021**

Included with this report is the balance sheet reflecting the assets, liabilities, and net assets of Big Sky EDC as of August 31, 2021. Also included is the statement of revenue and expenses through the first two months of FY22 as compared to budget.

**Balance Sheet**

Current assets totaled approximately \$2,105,000 at the end of August, a slight increase from \$2,017,000 at the end of July. Accounts receivable decreased slightly and total \$71,000. Accounts receivable consist of Member Investor pledges for FY21 (\$32,000), and Pledges Receivable for the new building (\$39,500). There was one RLF loan (\$90,000) that paid off in August. The RLF portfolio totaled \$268,000, the SSBCI portfolio totaled \$616,000, and the Stabilization Loan portfolio totaled \$88,000 at the end of August.

Accounts payable totaled \$10,000 at the end of August. Deferred 504 revenue increased from \$50,000 to a total \$65,000. This is due to processing fees received on two SBA 504 loans. Deferred 504 revenue will be recognized as loans fund. Due to/Due from EDA totaled approximately \$50,000 and represents the amount owed to EDA from EDC for August reimbursement.

**Statement of Revenue and Expenses**

The 504 loan servicing revenue is close to budget and totaled \$71,000 through August. We have not recognized any 504 loan origination revenue through the end of August but did receive \$14,000 in loan origination revenue in September. Member investor revenue is below budget based on the timing of invoices. The first quarter member investor invoices were sent out in September. This totaled \$45,000, so we will see an increase to member investor revenue and the receivable balance in September. We received one additional pledge for the Big Sky to Sky Point Project in August. These amounts are being tracked under the non-operating income/expense section of the income statement. Donation income/pledges for the Big Sky to Sky Point Project total \$12,650 through August.

Most expenses remain under budget. Professional fees are under budget by about \$20,000 due to the timing of budgeted expenses. Travel/training expense are under budget by about \$9,000. Sponsorship expense totals \$4,000 and is over budget due to timing of budgeted expenses.

Through the first two months of FY22 Big Sky EDC recognized expenses in-excess of revenues totaling about \$47,000, which was approximately \$54,000 less than the budgeted amount. When excluding the non-operating income/expenses (bad debt expense, Big Sky to Sky Point Pledges, and Coulson Park donations), Big Sky EDC recognized expenses in-excess of revenues of about \$60,000, which is about \$68,000 less than budget for the year. This variance is largely attributed to the timing of budget revenue for loan origination revenue and member investor revenue.

**Big Sky EDC**  
**Comparative Balance Sheet**  
**As of August 31, 2021 and 2020**

	8/31/2021	8/31/2020	+/-	6/30/2021	+/-
<b>Assets</b>					
First Interstate Bank	\$294,182	\$171,444	\$122,738	\$353,963	-\$59,781
FIB/Stockman SSBCI Principal	1,139,963	1,012,823	127,140	1,124,775	15,188
FIB-Long Term Reserve	250,000	250,000	-	250,000	-
FIB-Opportunity Fund	22,200	152,357	(130,157)	22,200	-
FIB-RLF	217,065	66,464	150,600	116,034	101,031
Accounts Receivable	71,272	21,500	49,772	66,092	5,181
Contributions Receivable	-	-	-	-	-
Miscellaneous Receivable	60	-	60	60	-
Prepaid Expenses	2,471	5,843	(3,372)	2,471	-
Undeposited Funds	-	-	-	-	-
Stabilization Portfolio - Current	36,420	46,849	(10,429)	43,631	(7,211)
RLF Portfolio-Current	43,580	45,483	(1,903)	58,761	(15,181)
SSBCI Portfolio-Current	27,762	44,231	(16,469)	31,058	(3,296)
<b>Total Current Assets</b>	<b>2,104,975</b>	<b>1,816,994</b>	<b>287,981</b>	<b>2,069,045</b>	<b>35,930</b>
<b>Other Assets</b>					
RLF Portfolio-Non Current	224,484	363,655	(139,171)	307,760	(83,276)
SSCBI Portfolio-Non Current	588,055	601,615	(13,560)	588,055	0
Stabilization Portfolio-Non Current	52,018	105,151	(53,133)	52,018	-
Allowance for Loan Losses	(21,626)	(21,934)	309	(21,626)	-
<b>Total Other Assets</b>	<b>842,931</b>	<b>1,048,486</b>	<b>(205,556)</b>	<b>926,207</b>	<b>(83,276)</b>
<b>Fixed Assets</b>					
Bank Building - Building	-	-	-	-	-
Bank Building - Land	-	-	-	-	-
<b>Total Fixed Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Assets</b>	<b>2,947,906</b>	<b>2,865,481</b>	<b>82,425</b>	<b>2,995,252</b>	<b>(47,346)</b>
<b>Liabilities &amp; Equity</b>					
<b>Current Liabilities</b>					
Accounts Payable	9,755	12,809	(3,054)	23,118	(13,363)
Property Tax Payable	-	-	-	-	-
Accrued Expenses	-	7,500	(7,500)	-	-
Deferred 504 Revenue	65,249	27,251	37,997	39,674	25,575
Deferred Revenue	-	-	-	-	-
Due to/Due from EDA	49,660	47,756	1,905	62,431	(12,771)
<b>Total Liabilities</b>	<b>124,664</b>	<b>95,316</b>	<b>29,348</b>	<b>125,222</b>	<b>(559)</b>
Current Year Excess of Revenue over Expenses	(46,788)	30,597	(77,385)	130,462	(177,250)
Balance at Beginning of Year	2,870,030	2,739,567	130,462	2,739,567	130,462
<b>Net Assets</b>	<b>2,823,242</b>	<b>2,770,164</b>	<b>53,078</b>	<b>2,870,030</b>	<b>(46,788)</b>
<b>Total Liabilities &amp; Equity</b>	<b>2,947,906</b>	<b>2,865,481</b>	<b>82,425</b>	<b>2,995,252</b>	<b>(47,346)</b>

**Big Sky EDC**  
**Statements of Operations**  
**For the Periods Ending August 31, 2021**

	Month			YTD			FY22 Budget
	Actual	Budget	Variance	Actual	Budget	Variance	
<b>Operating Revenue</b>							
504 Loan Origination	-	11,250	(11,250)	-	22,500	(22,500)	135,000
504 Loan Servicing	35,380	36,000	(620)	70,945	72,000	(1,055)	432,000
Float Income	-	-	-	-	-	-	10,000
CTE Director Donations (Restricted)	-	-	-	-	-	-	-
Member Investment	4,284	-	4,284	4,509	70,000	(65,491)	285,000
RLF Business Loan Interest	1,762	1,750	12	3,711	3,500	211	21,000
RLF Origination Fees	-	-	-	-	-	-	-
Stabilization Loan Interest	153	81	73	313	167	146	634
SSBCI Revenue	1,651	1,500	151	3,248	3,000	248	18,000
Recovery of Bad Debt	-	-	-	-	-	-	-
Coronavirus Relief Funds	-	-	-	-	-	-	-
Healthcare Appreciation Income	-	-	-	-	-	-	-
Grant Administration	-	5,000	(5,000)	-	10,000	(10,000)	60,000
Interest Income	1	1,500	(1,499)	2	3,000	(2,998)	18,000
Donation Income	-	-	-	-	-	-	-
Miscellaneous Revenue	-	2,843	(2,843)	-	5,685	(5,685)	34,112
In-Kind Donations	-	-	-	-	-	-	-
EDA In-Kind	-	-	-	-	-	-	-
<b>Total Revenue</b>	<b>43,233</b>	<b>59,923</b>	<b>(16,691)</b>	<b>82,728</b>	<b>189,853</b>	<b>(107,124)</b>	<b>1,013,746</b>
<b>Operating Expenses</b>							
Business Incubation	-	125	(125)	-	250	(250)	1,500
Business Recruitment	-	1,250	(1,250)	158	2,500	(2,342)	15,000
Contingency	-	833	(833)	-	1,667	(1,667)	10,000
Contract Support	4,000	4,000	-	8,000	8,000	-	12,000
Contribution Expense	-	-	-	-	-	-	-
Dues and Subscriptions	571	519	52	2,316	3,081	(765)	22,797
EDA Reimbursement	49,691	47,811	1,880	97,451	95,622	1,828	694,595
Event Expense	118	-	118	118	-	118	27,000
Insurance	881	881	-	1,762	3,202	(1,440)	12,250
Investment in Economic Activity	-	-	-	-	-	-	5,000
Marketing - Departmental	600	2,458	(1,859)	1,973	5,317	(3,344)	30,578
Marketing - Organizational	1,403	2,789	(1,386)	2,905	5,600	(2,695)	34,000
Membership Development	2,271	700	1,571	2,271	1,400	871	8,400
Office Supplies	33	200	(167)	101	400	(299)	7,850
Professional Fees	6,506	20,458	(13,952)	9,006	29,116	(20,110)	81,400
Postage and Printing	-	70	(70)	-	140	(140)	840
R31 Outreach	44	75	(31)	44	150	(106)	2,300
Rent	2,217	2,237	(19)	4,448	4,474	(26)	27,388
Sponsorships	920	-	920	4,420	-	4,420	7,000
Telecommunications	385	605	(220)	629	1,209	(580)	7,256
Travel/Training	1,557	4,500	(2,943)	2,913	12,180	(9,267)	42,296
Utilities	-	-	-	-	-	-	-
Miscellaneous	2,728	2,903	(175)	3,652	7,707	(4,055)	48,789
<b>Total Operating Expenses</b>	<b>73,926</b>	<b>92,415</b>	<b>(18,489)</b>	<b>142,166</b>	<b>182,014</b>	<b>(39,848)</b>	<b>1,098,239</b>
<b>Net Revenue Over (Under) Expense</b>	<b>(30,693)</b>	<b>(32,492)</b>	<b>1,798</b>	<b>(59,438)</b>	<b>7,838</b>	<b>(67,276)</b>	<b>(84,493)</b>
<b>Non-Operating Income/Expense</b>							
Non-Operating Income/Expense							
Coulson Park	-	-	-	-	-	-	-
BSTSP	150	-	150	12,650	-	12,650	-
Bad Debt Expense	-	-	-	-	-	-	12,500
<b>Total Non-operating Income/Expense</b>	<b>150</b>	<b>-</b>	<b>150</b>	<b>12,650</b>	<b>-</b>	<b>12,650</b>	<b>-</b>
<b>Net Revenue Over (Under) Expense</b>	<b>(30,543)</b>	<b>(32,492)</b>	<b>1,798</b>	<b>(46,788)</b>	<b>7,838</b>	<b>(54,626)</b>	<b>(84,493)</b>





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# ATTACHMENT C



## **MEMO-Personnel Action**

**October 14, 2021 – Big Sky Economic Development Corporation Board Meeting**

**RE:** Appointment: BSEDC Assistant Secretary

### **Action Item**

---

Per Section 6.1 (Officers) of the Big Sky Economic Development Corporation (BSEDC) Bylaws (03.23.20), the Board of Directors of Big Sky Economic Development Corporation hereby appoint the following individual as Assistant Secretary of the Corporation.

- Nina Philpott

This appointment allows for the Assistant Secretary to attest to the signatures of the Executive Director and Vice Executive Director.

The Board of Directors of Big Sky Economic Development Corporation do hereby approve of this action at the October 14, 2021, Board meeting.



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# ATTACHMENT D



## **MEMO-Personnel Action**

**October 14, 2021**

**TO:** Brandon Berger, Director Business Finance

**FROM:** Steve Arveschoug, Executive Director

**RE:** Appointment: BSEDC Vice Executive Director

**CC:** EDC Board of Directors and EDA Board of Directors

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Per Section 6.8 (Executive Director) of the Big Sky Economic Development Corporation (BSEDC) Bylaws (03.23.20), I hereby appoint Nina Philpott, Loan Officer, as a Vice Executive Director of BSEDC. The exact duties and powers in this capacity are limited to those held by the Executive Director with respect to the SBA 504 Loan Program, to be executed as may be needed. This includes the need to execute loan documents in a timely manner for the continuity of the loan execution process. No other duties or powers are extended as this time, but, by separate declaration, may be granted in the future.

The authority for my appointment is referenced in the BSEDC Bylaws, Section 6.8, Executive Director, and is stated here (in part) as follows:

“In addition, the Executive Director may appoint one or more employees of the Corporation as Vice Executive Directors, who shall have the title of Vice Executive Director and perform the duties and exercise the powers of the Executive Director with respect to the SBA 504 Loan Program as specified in such employee's appointment, and perform such other duties as may, from time to time, be assigned to that Vice Executive Director by the Executive Director or, in the absence of the Executive Director, by the Board of Directors.”

The term of this appointment shall be perpetual, or until the Executive Director terminates the appointment utilizing his or her authority.

The EDC Board of Directors will receive a copy of this personnel-action memo and will be further informed of this appointment at the October 14, 2021, Board of Directors meeting.



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# ATTACHMENT E

**Big Sky EDA Revolving Loan Fund Request**

I. Big Sky EDC is requesting approval on the following loan utilizing the Big Sky EDA RLF funds. The Big Sky EDC Loan Committee has reviewed the request and recommends approval to the full EDC Board. The request meets all the underwriting and eligibility requirements of the EDC.

1. **Stonetree LLC (dba Laurel Power Systems)** – Request is for the purchase of a commercial real estate property for Stonetree LLC dba Laurel Power Systems. Loan had previously been approved by the Board for either SBA 504 financing or our internal RLF loan. This is an existing business located in Laurel, MT. Laurel Power Systems is owned 100% by Jourdan Knudson, and Jourdan will hold title to the real property upon purchasing. The business is relocating from its current, leased space to this new building. They were unable to renew the lease and thus the reason for the relocation. Jourdan purchased Laurel Power Systems in July 2020. This has been a very successful small business operating out of Laurel for many years. They provide commercial electrical generator repair, service and sales. They work primarily with hospitals and retirement communities or assisted living facilities to provide temporary power in case of power interruption.

Request is for the use of the Big Sky EDA RLF funds for this project. Requested loan amount is up to \$105,000.00, or 35% of total project. Terms will be a 20-year note fixed at 3.25% (WSJP). Big Sky EDC will be in a 2<sup>nd</sup> lien position behind Western Security Bank on the real property.



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# ATTACHMENT F

**SBA 504 Loan Requests**

I. Big Sky EDC is requesting approval to submit to the US Small Business Administration the following SBA 504 loan requests. The Big Sky EDC Loan Committee has reviewed the requests and recommends approval to the full EDC Board for submission to the SBA for final approval. The requests meet all the underwriting and eligibility requirements of the EDC.

1. **ACPRE I, Inc. / MTII, LLC (Auctus Capital Partners)** – Request is for the purchase of a commercial real estate property for Auctus Capital Partners (ACP). Auctus Capital Partners is an existing business located in Bozeman, MT. Chris Rosenstock founded ACP in 2014 and is 100% owner. ACP currently leases office space, and this purchase will allow them to expand their operations. ACP provides asset management services for properties acquired by Rosenstock as part of joint ventures. These properties are primarily apartment complexes and senior housing properties. SBA eligibility is met.

The total SBA debenture is estimated to be \$1,071,000 on a 25-year note comprising 40% of the total project costs. Big Sky EDC and the SBA will be in a 2<sup>nd</sup> lien position on the real property behind First Security Bank – Division of Glacier Bank, Bozeman. There are projected to be 6 new jobs created and 6 jobs retained because of this project. The project meets Public Policy goals for Rural Development as well as being located in a HubZone.

2. **Creative Beginnings Daycare LLC / Montana Caliber Property Management** – Purpose of the request is for the purchase of the commercial real estate property to house Creative Beginnings Daycare LLC. This is an existing daycare and preschool operation that will be expanding with the purchase of this daycare property that currently houses another daycare. The operations will be merged – purchase is only of the real estate, no business value. The daycare is in Helena, MT. Creative Beginnings Daycare LLC was started as an in-home daycare in 2015 in East Helena by Rachel Bray who is 100% owner of the daycare. Rachel's husband, Michael, is 100% of the real estate holding company and is a member of the MT National Guard. With this acquisition, the daycare will have a capacity of up to 100 children.

The total SBA debenture is estimated to be \$626,000 on a 25-year note comprising 40% of the total project costs. Big Sky EDC and the SBA will be in a 2<sup>nd</sup> lien position on the real property behind Valley Bank of Helena. There are projected to be 14 jobs retained as a result of this project. The project meets Public Policy goals for being a Woman Owned business, Veteran Owned business and Rural Development.