



**EDA/EDC Joint Board Minutes**  
**Thursday, May 11, 2023**  
**7:00 A.M. – 9:00 A.M.**  
**Rock31/BSED Building**  
**Zoot Training and Event Space (2<sup>nd</sup> Floor)**

**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, George Warmer, Judi Powers, Ken Lutton, Lucy Aspinwall, Paul Neutgens, Riley Bennett, Zachary Dunn

**EDA Board Members Absent** Bryan Wood, Debbie Desjarlais, Kate Vogel,

**EDC Board Members Present:** Ann Kosempa, John Ostlund, Jen Kobza, Kim Jakub, Mac Fogelsong, Mike Nelson, Mike Seppala, Nick Pancheau, Spencer Frederick, Stefani Hicswa, Tyler Hicswa

**EDC Board Members Absent:** Andy Gott, Bob Wilmouth, Craig Bartholomew, Dave Ballard, DJ Clark, Jennifer Weaver Kondracki, Justin Martin, Michael Marsh, Mike Phillips, Nicole Bengé

**Ex-Officios Present:** Mark Morse

**Staff and Guests:** Brandon Berger, Brandon Whitman, Brian Wrathay, Deanna Langman, Dianne Lehm, Dillon Neutgens, Jennifer Saylor, Lorene Hinz, Karli Baker, Marcell Bruski, Nicole Allen, Patrick Klugman, Sarah Myhre, Scott Chesarek, Steve Arveschoug, Tami Fleetwood, Thom Maclean

**Call to Order:**

Judi Powers, EDA Chair, called the meeting to order at 7:00 A.M. with the Pledge of Allegiance.

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

**Better Off in Billings Website-Marcell**

Marcell shared the new Better Off in Billings Website with the Board. Marcell also shared that Karli will be moving on to pursue a new career and thanked her for her time at BSED.

Paul Neutgens introduced his guest and son Dillion Neutgens who is finishing his last year of business studies at MSUB.

Judi introduced her guest Brian Wrathay, an agent with Berkshire Hathaway who recently relocated to Billings.

Scott Chesarek, a former Board member who served for ten years, invited the Board to attend the Grand Opening for Yellowstone Ice and Water.

**Yellowstone Valley Electric Coop-Brandon Whitman, CEO**

Patrick introduced Yellowstone Valley Electric Coop (YVEC), CEO- Brandon Whitman to the Board. Brandon reviewed Co-op’s in general and the history of the same. In Montana there are 25 Co-op’s. Brandon reviewed the service territory for YVEC. YVEC is the second largest Co-op in Montana providing services in six counties. Brandon reviewed powering growth for YVEC. YVEC added 1,200 new services in the last two years. Brandon reviewed total

utility plant sales, annual growth in total plant, growth in total active meters, and growth in energy sales. Brandon reviewed power supply for YVEC. The main power supplier is Basin Electric headquartered in North Dakota. Brandon reviewed the 2022 power supply portfolio, including market, wind, coal, hydro, and gas. Brandon reviewed total expenses for YVEC and its financial positioning. YVEC's Inventory system is unique and processed through 3<sup>rd</sup> party. The third party manages the inventory and because of that YVEC can manage some of the material/supply problems that some business are facing. Because of inventory program, YVEC's controllable expenses are variable expenses. Brandon reviewed YVEC's residential rates. YVEC is very competitive when it comes to rates. Brandon answered the Board's questions.

Kim Jakub shared an update regarding the transition from ExxonMobil to PARMontana. Kim will share more information with the Board at the next meeting.

**Agenda Changes:**

None

**Consent Items for Board Action**

**Approval of April 13, 2023 Board Meeting Minutes**

Motion: Jen Kobza to approve the April 13, 2023 Board Meeting Minutes, as presented to the Board.

Second: John Ostlund

Discussion: None

Motion: Carried

**Financial Matters-Tami**

**Financials For February 2023**

Tami reviewed the EDA financials for February. There was a decrease in current assets to \$4,515,000. The decrease is attributable to the timing of cash flows regarding accounts receivable. Total accounts receivable was \$543,615 all deemed fully collectible. Due to/Due from totaled approximately \$106,000. Fixed assets were consistent with the previous month with the exception of reclassifying the barista equipment from other assets. Construction in progress will be reclassified in March to the depreciable categories of building, furniture, and equipment since the assets have been placed in service. Current liabilities were approximately \$231,000. Accrued expenses are primarily for salary/benefits accruals and total approximately \$68,000. Compensated assets total approximately \$148,000.

Tami reviewed the Statement of Operations. Net revenue Over Expenses was approximately \$694,000.. Most budgeted operating revenue sources were close to budget. Brownfields is under budget which is offset by the budgeted expense for this grant. Grant administration consists of administration revenue for the Big Sky Trust Fund awards, and other intergovernmental revenue amount to a total of \$82,000. Total operating expenses were under budget by approximately \$408,000. Big Sky EDA recognized revenue of \$60,300 for the fiscal year to date.

Tami then reviewed the EDC financial statements for February. Current assets were \$1,695,000. Account receivable consist of Member Investor Revenues and the Capital Campaign. Other assets consist primarily of Big Sky Finance loan portfolios. The total Federal EDA RLF portfolio was \$638,403, total RLF portfolio was \$212,293, the Stabilization Loan portfolio was \$22,442 and the SSBCI portfolio was \$812,000. Accounts payable increased by \$94,000. Due to/Due from was \$106,000. On the balance sheet, Tami highlighted that in January we had a large amount in other revenues. This was reclassified. Big Sky EDC is in a current Net Loss due to this reclassification. Total operating revenue was under budget by approximately \$81,000. Loan origination and closing revenue totaled approximately \$84,000 and remains under budget by about \$69,000. It is projected that the loan revenues will end the year under budget by approximately \$40,000. Member investment revenue was approximately \$179,000, which was below budget by \$32,000. Total operating expenses were \$771,000. Most expense items are under budget. Contribution expense relates to contributions made by Big Sky EDC for some construction costs of the new building. It amounts to approximately \$92,800 and was not budgeted, which leads to total operating expenses being over budget. Tami answered the Board's questions regarding the February financials statements.

Motion: Ken Lutton to approve the February 2023 financials as presented to the Board.  
Second: Mike Nelson  
Discussion: None  
Motion: Carried

#### Review FY' 24 Budget Assumptions (Q&A)

Tami reviewed a handout with the Board regarding this years budget assumptions. The values that guide the budget priorities include: 1) Retain and Develop team. 2) Allocate resources where we can have the greatest impact 3) Create margin to manage uncertainties 4) Retain leadership role in our community to build/rebuild our economic future. Tami reviewed the EDA and EDC revenue assumptions and expenses. Steve reviewed the budget setting process with the Board.

#### **Action Items**

##### BSTF Job Creation Grant-Nicole/Lorene

The request on one application is below for the EDA board to approve:

- BSED will be the applicant to apply for the BSTF Job Creation grant on behalf of Akron Solutions
- Approval of the budgetary authority resolution, as we are a pass through for the grant funds from the Department of Commerce to the business.

#### **Arkon Solutions – Creating 25 net new jobs (\$125,000 Job Creation Grant)**

Arkon Solutions is a chemical manufacturer that is looking to expand their business to Billings. Their head office is located in Calgary and their secondary office in Grand Prairie, Canada. Onkar Dhaliwal, CEO & President, has experience in chemical manufacturing since 1984.

Arkon Solutions' primary business drives chemical research, creation, refinement and implementation for the oil & gas, energy, mining, industrial, municipal, and agricultural industries. They partner with companies across a wide range of industries, developing effective solutions for their specific chemical needs.

Onkar is excited to expand Arkon Solutions to Billings, MT. The Arkon Solutions Billings division will serve as a central hub for Montana, Wyoming, and North Dakota. They plan to open by the end of the summer 2023 and aim to hire 25 employees, ranging from chemists to their administrative team.

The jobs they create will meet the wage requirements and will be good paying jobs in Yellowstone County. The company is requesting a Big Sky Trust Fund grant to create 25 new jobs in Yellowstone County; the funds will help with the cost of purchasing additional equipment, material costs, lease hold improvements, and wages.

The request is for the EDA board to approve the application for the grant and the budgetary authority resolution for the funds.

Motion: Ken Lutton to approve the Big Sky Trust Fund application for Akron Solutions in the amount of \$125,000 as presented to the Board.  
Second: Zach Dunn  
Discussion: None  
Motion: Carried

#### Brownfields Assessment Contractor Recommendation-Thom

Thom shared with the Board the Brownfields Assessment Contractor Recommendation. Four strong proposals were received. The Brownfields Review Committee recommends that the Big Sky Economic Development Board of Directors hire Granite Peak Environmental to provide Qualified Environmental Professional (QEP) services for the duration of our US EPA Brownfields Community-Wide Assessment. Thom answered the Board's questions.

Motion: Riley Bennett to approve the Brownfields Assessment Contractor Recommendation as presented to the Board.

Second: Ken Lutton

Discussion: None

Motion: Carried

#### Loan Approvals-Brandon

#### **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. **Sidney Hardware Inc / SK Holdings LLC** – Loan was previously approved by the Big Sky EDC Board of Directors at the April 13, 2023, board meeting for an \$816,000 debenture. Updated approval being requested at this time as project costs had to be amended prior to submission to SBA.

Purpose of the request is for purchase of an existing building, equipment and renovations for Sidney ACE Hardware located in Sidney, MT. This will be a new ACE Hardware store in Sidney and is owned 100% by Skip King. Skip has purchased the former ShopKo building and renovations are being completed and most all final costs are now known. This will be Skip's first ACE Hardware store owned outside of Yellowstone County. Skip currently operates six other ACE Hardware stores in Yellowstone County. Big Sky Finance has participated in the financing of four of these stores utilizing the SBA 504 Loan program.

**Update:** The total SBA debenture is estimated to be **\$834,000** 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 and personal property behind First Interstate Bank. There are projected to be 18 new jobs created because of this project. The project meets a Public Policy goal for Rural Development.

Motion: John Ostlund to approve the SBA 504 loan for Sidney Hardware, Inc. in the amount of \$834,000 as presented to the Board.

Second: Mike Seppala

Discussion: None

Motion: Carried

2. **Apex Engineering & Machine, Inc.** – Purpose of this request is for the purchase of land and existing commercial real estate located in Hamilton, MT. Apex Engineering & Machine is a manufacturer of precision-machined parts, providing engineering support, design, machining, and assembly services. This new Hamilton location will be an extension of the current manufacturing now housed solely in Logan, UT. This facility will allow them to double their current production facility. They have maxed out their capacity in Utah thus the need for the additional location. Hamilton, MT was chosen for its location for easy distribution, real estate prices much lower than Utah, and strong, available skilled machinists in the area as a result of the decline in the forestry industry. The business has been in operation since 2003 and is owned 100% by Travis Zollinger.

The total SBA debenture will be \$272,000 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 Altabank, Division of Glacier Bank, located in Logan, UT. There are projected to be 8 new jobs created because of this project. The project meets a Public Policy goal for Rural Development as well as Assisting a Small Manufacturer.

Motion: Tyler Wiltgen to approve the SBA 504 loan for Apex Engineering & Machine, Inc. in the amount of \$272,000 as presented to the Board.

Second: Nick Pancheau

Discussion: None

Motion: Carried

Abstained: Mike Seppala

### **Program Reports**

#### **MI Program Growth Plan Update- Patrick**

Patrick reviewed the Member Investor program growth with the Board. Under Patrick, there have been 22 new members added. Patrick reached out to the Member Investors and four moved up to the Builder Level- generating \$12,500 in revenue. A few Members contributed an additional amount bringing the total new net Member Investor revenue to \$56,450. There are currently 140 member investors. The goal for FY'23 was to reach 160 member investors. Patrick reviewed some additional Member Investor information. Ultimately 10 Member Investors were written off due to outstanding contributions. Patrick shared his plan with the Board to achieve the Member Investor Program goals. Patrick would like to finalize the plan to reach these goals and present to the Board at the June Board meeting. The Board thanked Patrick for his work on the Member Investor Program.

#### **Executive Director Report- Steve**

Steve thanked all the team members that presented to the Board today.

Parks/Trails/Rec Comprehensive Funding/Development Plan-Update- Steve shared that a subcommittee of City Council Members is working on finalizing the funding package that will be presented to voters. Within the next few weeks a proposal will be made to the rest of City Council. Steve will reach out to Chris Kukulski and John Brewer to determine how best to move this forward. Steve may ask Board members to join him and Thom at a City Council meeting. There were two important conversation that took place regarding Downtown Housing and Redevelopment. BSED has been working to determine how to best support these conversations and move the ideas and concepts forward. One of the conversation included BSED's role for local developers to see vision for downtown development. BSED's role is to partner with downtown to help ready a site for development. If it could be acquired at reasonable rate, BSED will determine the role in which it can serve in partnership with TIF. Steve is hopeful that he can provide updates on specific conversations in the next few Board meetings.

Steve provided the Board a handout on the Executive Director focus for last year. Steve asked the Board to review and begin to think about focus areas. This will be finalized at the July Board meeting and will direct Steve's focus and workplan. Steve asked the Board to approve his vacation in June and allow him to join the June Board meeting remotely. The Board agreed to this plan.

#### **Re-Org/Staffing Update:**

Chancellor Hicswa thanked Steve for his leadership and work on implementing the new reorganization plan. Steve updated the Board on reorganization and staffing. We are still actively searching for the right candidate to fill the last Senior Director role. There is also a search process underway for a Business Development Officer. This is an important position to build and strengthen relationships with lenders. An Operations Support Specialist has been hired and Nik will be helping to fill gaps at Rock31 as Ryan will be leaving at the end of the month. We will launch the search for the Rock31 Director Role. We will also look to hire a Marketing specialist.

#### **Public Comment:**

None

#### **Adjourn**

Motion: Jen Kobza motion to adjourn the meeting.

Second: Mike Seppala

Discussion: None

Motion: Passed

Judi Powers adjourned the meeting at 8:50 am

Next Meeting – Thursday, June 8, 2023

Respectfully submitted,

---

Debbie Desjarlais, EDA Secretary/Treasurer

---

Nick Pancheau, EDC Secretary/Treasurer

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

**EDC Board – Electronic Vote Meeting**  
**Friday, May 5<sup>th</sup>, 2023**  
**Big Sky EDA-RLF Loan Request Action Items from the May 3<sup>rd</sup> Executive Committee Meeting**

---

**Request:**

As noticed to the Board, an electronic meeting was held on Friday, May 5th to consider the approval of two Big Sky EDA-RLF loans as listed below:

1. Vote to approve the Big Sky EDA-RLF Loan Request for Billings Windows & Door (Ryan & Sarah Henderson) in the amount of \$140,500. Big Sky EDC will be taking a 2<sup>nd</sup> lien position on all business assets behind Western Security Bank.

**Electronic Vote Results:**

EDC Votes in Favor	EDC Votes Against
Andrew Gott	None
Ann Kosempa	
Craig Bartholomew	
Jennifer Kobza	
Jennifer Kondracki	
John Ostlund	
Justin Martin	
Kim Jakub	
Mark Morse	
Mike Phillips	
Mike Nelson	
Michael Marsh	
Spencer Frederick	
Tyler Wiltgen	

**Abstentions:** None

2. Vote to approve the Big Sky EDA-RLF Loan Request for The Design Hair & Tanning Studio in the amount of \$145,000. This request consists of two separate loans, both for the purchase of an existing business. Big Sky EDC will be in a 1<sup>st</sup> lien position on the commercial real estate and all business assets.

**Electronic Vote Results:**

EDC Votes in Favor	EDC Votes Against
Andrew Gott Ann Kosempa Craig Bartholomew Jennifer Kobza Jennifer Kondracki John Ostlund Justin Martin Kim Jakub Mark Morse Mike Phillips Mike Nelson Michael Marsh Spencer Frederick Tyler Wiltgen	

**Abstentions:** None



**Big Sky EDA-RLF Loan Request**

I. Big Sky EDC Finance Department is requesting approval for the following EDA-RLF request. The Big Sky EDA-RLF 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 program.

1. **Billings Window & Door (Ryan & Sarah Henderson)** – Request is for \$140,500 for the purchase of an existing business, Billings Window & Door, located in Billings. Billings Window & Door has been operating in Billings since 2005. Ryan and Sarah Henderson currently own and operate Henderson Construction. The Henderson’s view this acquisition as a natural extension of their current business.

Big Sky EDC will utilize the EDA-RLF funds in partnership with Western Security Bank who will be financing a portion of the purchase. Borrowers are coming in with 10% equity. Financing terms will be 7 years at 7.25% fixed. Big Sky EDC will be taking a 2<sup>nd</sup> lien position on all business assets behind Western Security Bank. 5 jobs will be retained as a result of this project as new owners plan on retaining existing staff. Loan Committee has reviewed and approved the request.

2. **The Design Hair & Tanning Studio.** This request consists of two separate loans, both for the purchase of an existing business, totaling \$145,000. The overall purchase is for the business assets of The Design Hair & Tanning Studio located in Laurel, MT. This existing business was established in the 1970’s, and the current owner has operated since 1990. Current owner has recently retired, and Elle Edwards is purchasing the business. Elle has been a booth renter at the studio for four years.

The two loans are structured as follows: (1) \$115,000 for the purchase of the commercial real estate building located at 209 West 6<sup>th</sup> Street, Laurel, MT. Terms are 20 years at 8.0% fixed. (2) \$30,000 for the purchase of goodwill and business assets. Terms are 5 years at 8.0% fixed. Big Sky EDC will be in a 1<sup>st</sup> lien position on the commercial real estate and all business assets (both loans will be cross collateralized with the commercial real estate).

Borrower was unable to obtain traditional financing for this purchase. Borrower and Big Sky Finance have worked with the SBDC to obtain this financing. 4 jobs will be retained as a result of this project. Loan Committee has reviewed and approved the request.

**Big Sky Economic Development Authority**  
**Financial Report for Board of Directors - June 8, 2023 Board Meeting**  
**For the Month and Year to Date ended March 31, 2023**

The following financial statements for Big Sky EDA consist of the Balance Sheet reporting the assets, liabilities, and net assets as of March 31, 2023, and the Statements of Operations reporting actual revenues and expenses for the month and YTD then ended as compared to budgeted amounts.

**Balance Sheet**

Current assets at the end of February were approximately \$4,481,000, a decrease of about \$34,000 as compared to the previous month. The decrease is attributed entirely to the timing of cash flows since our accounts receivable balance increased by approximately \$53,000. Total accounts receivable was \$543,615, all deemed fully collectible.

Due To/Due From EDC totaled approximately \$61,700 at the end of March and consists of amounts due from EDC for the current month. The Tax levy receivable and protested tax levy receivable were comparable with the previous month. Note that the organization records an allowance of 100% of protested tax levy receivable to allow for potentially uncollectible protested tax levy.

Fixed assets increased approximately \$38,000. Construction in progress noted on the balance sheet as of February was reclassified in the March financials to the depreciable categories of building, furniture, and equipment since the assets were placed in service.

Current liabilities at the end of March were approximately \$323,500, an increase of approximately \$92,000 as compared to the previous month. Accrued expenses are primarily for salary/benefits accruals and total about \$66,000. Compensated absences total approximately \$138,500.

Long Term liabilities remained at approximately \$957,000. This consists primarily of deferred inflow of resources and pension liability, both related to Big Sky EDA's obligation to the Public Employee Retirement System. These amounts are adjusted at the end of each fiscal year in accordance with governmental accounting requirements for recognizing long-term obligations for defined pension benefits, so the amounts will remain unchanged until the end of FY23.

**Statements of Operations**

For the first nine months of the fiscal year, Big Sky EDA is in a net revenue position. The Statement of Operations shows a positive Change in Net Assets of approximately \$682,000 compared to a budget of approximately \$101,000. This consists of Net Operating Revenue of approximately \$773,000 less Net Non-Operating Expenses of approximately \$91,000.

Most budgeted operating revenue sources are close to meeting budgeted revenues except for EDA – Brownfields which is under budget by about \$120,000. However, the budgeted revenue for EPA-Brownfields is entirely offset by the budgeted expense for this grant, so it has no effect on the bottom line. Grant administration, which consists primarily of administration revenues for

Big Sky Trust Fund awards, and other intergovernmental revenue, which consists of façade grant awards from the City of Billings, amount to a combined total of approximately \$111,626, which exceeds the budgeted revenue of \$5,000.

Most operating expenses remained under budget for the fiscal year to date through March. Total operating expenses are under budget by about \$449,000. Salaries/wages and employer contributions were under budget by about \$138,000 due to vacancy savings. Professional fees were under budget by approximately \$129,000. Note that the expenses related to EPA-Brownfields would be charged to professional fees, which is approximately \$125,000 of that budget, and directly corresponds to the related revenue.

Non-operating income and expenses consist primarily of contribution revenue and depreciation expense. Big Sky EDA recognized contribution revenue of \$60,300 for the fiscal year to date through March, which is being tracked in the non-operating section. These donations were received for the Big Sky to Sky Point project. Depreciation amounted to approximately \$145,000. The net result is net non-operating expense of approximately \$91,000.

**Big Sky EDA**  
**Balance Sheet - Previous Year Comparison**  
**As of March 31, 2023**

	Mar 31, 2023	Mar 31, 2022	\$ Change	% Change
<b>ASSETS</b>				
<b>Current Assets</b>				
<b>Checking/Savings</b>				
First Interstate Bank	\$ 314,598	\$ 137,732	\$ 176,866	128%
FIB - Recovered Property Taxes	626	150,626	(150,000)	(100%)
FIB - Operating Reserve	64,488	251,064	(186,576)	(74%)
Opportunity Fund - FIB	66,336	175,061	(108,725)	(62%)
Opportunity Fund - Stockman	85,995	75,255	10,740	14%
Opportunity Fund - Opportunity	288,390	627,544	(339,154)	(54%)
Stockman GE Maintenance	15,128	15,128	-	0%
Rocky Mountain - Money Market	43,285	43,312	(27)	(0%)
Valley Federal - Savings	25	25	-	0%
Valley Federal - Money Market	300,810	300,660	150	0%
Opportunity Fund CDs-current	1,734,416	2,373,830	(639,414)	(27%)
Altana - Savings	25	25	-	0%
Yellowstone County Funds	348,418	428,020	(79,602)	(19%)
<b>Total Checking/Savings</b>	<b>3,262,540</b>	<b>4,578,282</b>	<b>(1,315,742)</b>	<b>(29%)</b>
<b>Accounts Receivable</b>				
Accounts Receivable	337,096	744,815	(407,719)	(55%)
Accounts Receivable - PTAC	97,623	-	97,623	100%
Accounts Receivable - DOD	55,137	103,151	(48,014)	(47%)
Accounts Receivable - SBDC	22,548	32,589	(10,041)	(31%)
Accounts Receivable - VBOC	84,232	93,606	(9,374)	(10%)
<b>Total Accounts Receivable</b>	<b>596,636</b>	<b>974,161</b>	<b>(377,525)</b>	<b>(39%)</b>
<b>Other Current Assets</b>				
Due To/Due From EDC	61,713	54,096	7,617	14%
Grants Receivable	-	50,000	(50,000)	(100%)
Tax Levy Receivable	543,845	526,609	17,236	3%
Tax Levy Receivable - Protested	12,377	22,754	(10,377)	(46%)
Allowance for Doubtful Accts	(12,377)	(22,754)	10,377	46%
American Revenue Guarantee	6,887	6,887	-	0%
Prepaid Expenses	9,403	15,809	(6,406)	(41%)
<b>Total Other Current Assets</b>	<b>621,848</b>	<b>653,401</b>	<b>(31,553)</b>	<b>(5%)</b>
<b>Total Current Assets</b>	<b>4,481,024</b>	<b>6,205,844</b>	<b>(1,724,820)</b>	<b>(28%)</b>
<b>Fixed Assets</b>				
Construction in Progress	-	2,990,012	(2,990,012)	(100%)
Bank Building - Land	301,750	301,750	-	0%
Bank Building - Building	6,291,462	1,473,250	4,818,212	327%
Furniture	227,169	-	227,169	100%
Equipment	6,700	-	6,700	100%
Barista Equipment	12,000	-	12,000	100%
Accumulated Depreciation	(192,352)	(47,220)	(145,132)	(307%)
<b>Total Fixed Assets</b>	<b>6,646,729</b>	<b>4,717,792</b>	<b>1,928,937</b>	<b>41%</b>
<b>Other Assets</b>				
Deferred Outflow of Resources	129,336	249,285	(119,949)	(48%)
Opportunity Fund CDs-Noncurrent	642,380	150,952	491,428	326%
Deposit	5,181	5,008	173	3%
Cabelas Conduit x0603	4,895	9,649	(4,754)	(49%)
TEDD Receivable	-	3,425	(3,425)	(100%)
Right of Use Asset	7,017	-	7,017	100%
<b>Total Other Assets</b>	<b>788,809</b>	<b>418,319</b>	<b>370,490</b>	<b>89%</b>
<b>TOTAL ASSETS</b>	<b>\$ 11,916,562</b>	<b>\$ 11,341,955</b>	<b>\$ 574,607</b>	<b>5%</b>

**Big Sky EDA**  
**Balance Sheet - Previous Year Comparison**  
**As of March 31, 2023**

	Mar 31, 2023	Mar 31, 2022	\$ Change	% Change
<b>LIABILITIES &amp; NET ASSETS</b>				
Liabilities				
Current Liabilities				
Accounts Payable	\$ 97,295	\$ 343,805	\$ (246,510)	(72%)
Credit Cards	8,495	7,895	600	8%
Other Current Liabilities				
Accrued Expenses	71,022	95,151	(24,129)	(25%)
Compensated Absences	138,533	165,161	(26,628)	(16%)
Payroll Liabilities	(3,829)	872	(4,701)	(539%)
Deferred Revenues	12,000	50,000	(38,000)	(76%)
Total Other Current Liabilities	217,726	311,184	(93,458)	(30%)
Total Current Liabilities	323,516	662,884	(339,368)	(51%)
Long Term Liabilities				
Deferred Inflow of Resources	386,724	32,238	354,486	1,100%
Pension Liability	563,223	1,127,529	(564,306)	(50%)
Lease Liability	7,018	-	7,018	100%
Total Long Term Liabilities	956,965	1,159,767	(202,802)	(17%)
Total Liabilities	1,280,481	1,822,651	(542,170)	(30%)
Net Assets				
Net Assets Beginning of Year	7,242,523	5,222,746	2,019,777	39%
Contributed Capital	3,193,580	3,193,580	-	0%
Prior Period Adjustment	(482,470)	(482,470)	-	0%
Change in Net Assets	682,448	1,585,448	(903,000)	(57%)
Total Net Assets	10,636,081	9,519,304	1,116,777	12%
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b>\$ 11,916,562</b>	<b>\$ 11,341,955</b>	<b>\$ 574,607</b>	<b>5%</b>

**Big Sky EDA**  
**Statements of Operations-Actual vs Budget**  
**For the Month and YTD Ended March 31, 2023**

	Month			YTD			Fiscal Year
	Actual	Budget	Variance	Actual	Budget	Variance	Annual Budget
<b>Operating Revenue</b>							
County Taxes Mill Levy Revenue	\$ 271	\$ -	\$ 271	\$ 1,339,220	\$ 1,365,620	\$ (26,400)	\$ 1,365,620
Entitlement	63,850	62,189	1,661	191,551	186,567	4,984	248,756
Health Ins Mill Levy Revenue	7,420	8,966	(1,546)	65,985	80,692	(14,707)	107,590
Recovery of Protested Taxes	-	-	-	1,223	-	-	-
Department of Defense	55,137	54,401	736	479,541	489,607	(10,066)	652,809
EDC Reimbursement	58,520	60,077	(1,557)	552,969	540,693	12,276	720,924
EPA - Brownfields	-	13,889	(13,889)	4,730	125,000	(120,270)	166,667
PTAC Advisor Agreement Support	3,000	-	3,000	24,000	-	24,000	-
SBA/MT Dept of Commerce	11,250	13,542	(2,292)	125,052	121,875	3,177	162,500
VBOC	12,743	25,000	(12,257)	207,366	225,000	(17,634)	300,000
Rock31 Membership Revenue	6,644	5,052	1,592	43,637	30,564	13,073	45,720
Zoot/Other Room Rent Revenue	918	-	918	3,865	-	3,865	-
Rent Income	-	600	(600)	-	5,400	(5,400)	7,200
Rock31 Barista Rent Revenue	-	765	(765)	-	5,355	(5,355)	7,650
Grant Administration	23,315	417	22,898	59,890	3,750	56,140	5,000
Other Intergovernmental Revenue	6,360	-	6,360	51,736	-	51,736	-
Miscellaneous Revenue	-	-	-	4,138	4,470	(332)	4,470
<b>Total Operating Revenue</b>	<b>249,428</b>	<b>244,898</b>	<b>4,530</b>	<b>3,154,903</b>	<b>3,184,593</b>	<b>(29,690)</b>	<b>3,794,906</b>
<b>Operating Expense</b>							
Salaries/Wages	131,279	148,898	(17,619)	1,235,722	1,340,083	(104,361)	1,786,776
Employer Contributions	42,846	47,385	(4,539)	392,957	426,464	(33,507)	568,619
Advertising	176	20	156	1,590	354	1,236	472
Barista Equipment Maintenance	-	-	-	2,888	-	2,888	-
Barista Supplies	-	-	-	510	-	510	-
Board Expenses	-	-	-	278	-	278	-
Building Operations/Maintenance	7,624	8,554	(930)	55,371	76,988	(21,617)	102,650
Conferences	3,826	1,100	2,726	16,183	10,090	6,093	10,090
Contingency	-	5,000	(5,000)	-	45,000	(45,000)	60,000
Community Development Projects	19	-	19	(1,325)	-	(1,325)	35,000
Dues and Subscriptions	2,477	1,769	708	46,306	60,712	(14,406)	72,038
Event Expense	1,902	833	1,069	5,153	7,500	(2,347)	10,000
Hosted Meetings	289	1,378	(1,089)	3,916	13,755	(9,839)	17,700
Insurance	3,543	2,672	871	31,775	27,623	4,152	35,639
Marketing	1,472	7,520	(6,048)	56,713	67,684	(10,971)	90,245
Office Equipment	90	-	90	4,790	6,500	(1,710)	10,000
Office Expense and Supplies	2,455	2,042	413	39,701	19,576	20,125	25,701
Professional Development	7,600	163	7,437	8,171	5,963	2,208	6,450
Professional Fees	5,738	17,321	(11,583)	78,870	207,486	(128,616)	271,267
Property Tax Protests	-	-	-	12,320	34,141	(21,821)	34,141
PTAC Subcenter	24,660	37,233	(12,573)	263,910	335,097	(71,187)	446,796
Rent	878	400	478	26,311	1,700	24,611	2,100
Repairs	-	833	(833)	2,456	7,500	(5,044)	10,000
Special Assessments BID	-	-	-	1,900	1,900	-	3,800
Sponsorships	500	417	83	1,500	3,750	(2,250)	5,000
Staff Expenses	790	-	790	1,128	-	1,128	-
Strategic Priorities	-	1,250	(1,250)	5,000	11,250	(6,250)	15,000
Suspense	-	-	-	(126)	-	126	-
TEDD	-	500	(500)	18	1,500	(1,482)	2,000
Telecommunications	4,256	3,914	342	36,361	34,893	1,468	46,635
Travel	1,746	8,466	(6,720)	45,285	67,995	(22,710)	76,588
Miscellaneous	678	2,175	(1,497)	6,108	33,890	(27,782)	45,187
<b>Total Operating Expense</b>	<b>244,844</b>	<b>299,843</b>	<b>(54,999)</b>	<b>2,381,740</b>	<b>2,849,394</b>	<b>(467,654)</b>	<b>3,789,894</b>
<b>Net Operating Revenue (Expense)</b>	<b>4,584</b>	<b>(54,945)</b>	<b>59,529</b>	<b>773,163</b>	<b>335,199</b>	<b>437,964</b>	<b>5,012</b>

**Big Sky EDA**  
**Statements of Operations-Actual vs Budget**  
**For the Month and YTD Ended March 31, 2023**

	Month			YTD			Fiscal Year
	Actual	Budget	Variance	Actual	Budget	Variance	Annual Budget
Non-Operating Income/Expense							
Non-Operating Income							
Capital Campaign	-			100			
Contribution Revenue	-	-	-	60,300	-	60,300	-
Interest Income	2,024	1,022	1,002	10,180	9,202	978	12,269
Total Non-Operating Income	2,024	1,022	1,002	70,580	9,202	61,378	12,269
Non-Operating Expense							
Amortization Expense	112			974			
Depreciation Expense	10,921	18,820	(7,899)	145,132	169,376	(24,244)	225,835
Interest Expense	62			586			
Relocation/BSTSP Transformation	-	-	-	14,603	73,710	(59,107)	73,710
Total Non-Operating Expense	11,095	18,820	(7,725)	161,295	243,086	(81,791)	299,545
Net Non-Operating Income (Expense)	(9,071)	(17,798)	8,727	(90,715)	(233,884)	143,169	(287,276)
Change in Net Assets	\$ (4,487)	\$ (72,743)	\$ 68,256	\$ 682,448	\$ 101,315	\$ 581,133	\$ (282,264)

**Big Sky Economic Development Corporation**  
**Financial Report for Board of Directors - June 8, 2023 Board Meeting**  
**For the Month and Year to Date ended March 31, 2023**

The following financial statements for Big Sky EDC consist of the Balance Sheet reporting the assets, liabilities, and net assets as of March 31, 2023, and the Statements of Operations reporting actual revenues and expenses for the month and YTD then ended as compared to budgeted amounts.

**Balance Sheet**

Current assets at the end of March were approximately \$1,899,000, an increase of about \$204,000 as compared to the previous month. Cash used in operations increased approximately \$9,600 and Federal EDA RLF restricted increased approximately \$215,000. Accounts receivable decreased approximately \$15,750. Member investor pledges of \$61,750 are deemed collectible but will be evaluated again as part of the year-end financial reporting procedures.

Other assets consist of Big Sky Finance loan portfolios. The portfolios are reported in the balance sheet with the current portion included in other current assets and the balance extending beyond the fiscal year reported as other assets. The total Federal EDA RLF portfolio was \$845,155, total RLF portfolio was \$209,592, the total Stabilization Loan portfolio was \$18,717, and the total SSBCI portfolio was \$808,752.

Accounts payable totaled approximately \$216,000 at the end of March, an increase of about \$6,000. Due to/Due from EDA totaled approximately \$61,700 and represents the amount owed to EDA from EDC for March reimbursements.

The Balance Sheet for Big Sky EDC was updated last month to include a line item in the equity section to report the Federal EDA RLF funds as temporarily restricted net assets since they must remain segregated until the funds have been de-federalized. These loan funds were previously being reported as non-operating income at the time the funds were received, which overstated the statement of operations for both FY22 and for the first 7 months of the current fiscal year through January 2023. We have corrected the accounting for Federal EDA RLF funds. To recognize the effect that the misstatement had on FY22 financial statements, a prior period adjustment was made in the equity section to reduce retained earnings.

**Statement of Operations**

For the first nine months of the fiscal year, Big Sky EDC is in a net loss position. The Statement of Operations shows a negative Change in Net Assets of approximately \$97,000 compared to the negative budget position of approximately \$25,000. This consists of Net Operating Expense of approximately \$17,000 and Net Non-Operating expense of approximately \$80,000. It is projected that Big Sky EDC will improve its overall position by the end of the fiscal year with additional loans that will be funded in the final 3 months.

Total operating revenue was under budget by approximately \$15,000. 504 Loan origination, servicing, closing revenue, and float income totaled approximately \$488,000 through March and exceeded budget by about \$13,000. Member investment revenue totaled approximately



\$179,000, which was below budget by about \$32,000. Grant administration revenue was anticipated to be collected for the administration of the Federal EDA RLF grant and was budgeted at \$50,000, but only \$5,000 has been realized so far in FY23.

Total operating expenses amount to approximately \$769,000 and are under budget by about \$37,000.

Non-operating income and expense consist primarily of Big Sky to Sky Point capital campaign income, contribution expenses, and bad debt expense. Big Sky EDC recognized \$26,000 in income from Capital Campaign pledges in FY23. Contribution expense relates to contributions made by Big Sky EDC for some construction costs of the new building. It amounts to approximately \$92,800 and was not budgeted. Bad debt expense consists of write-offs of aged member investment pledges that are deemed uncollectible. The amount written off is \$14,500.

**Big Sky Economic Development Corporation**  
**Balance Sheet - Previous Year Comparison**  
**As of March 31, 2023**

	Mar 31, 2023	Mar 31, 2022	\$ Change	% Change
<b>ASSETS</b>				
Current Assets				
Checking/Savings				
First Interstate Bank	\$ 251,287	\$ 223,350	\$ 27,937	13%
FIB/Stockman - SSBCI Principal	491,243	745,031	(253,788)	(34%)
FIB - Long Term Reserve	250,000	250,000	-	0%
FIB - Opportunity Fund	60,915	60,896	19	0%
FIB - Federal EDA RLF	437,170	20,095	417,075	2,076%
FIB - RLF	288,833	258,229	30,604	12%
Total Checking/Savings	<u>1,779,448</u>	<u>1,557,601</u>	<u>221,847</u>	<u>14%</u>
Accounts Receivable				
Pledges Receivable	7,500	54,650	(47,150)	(86%)
Accounts Receivable	51,750	38,042	13,708	36%
Total Accounts Receivable	<u>59,250</u>	<u>92,692</u>	<u>(33,442)</u>	<u>(36%)</u>
Other Current Assets				
Undeposited Funds	2,250	3,250	(1,000)	(31%)
Fed EDA RLF Portfolio - Current	25,299	199,201	(173,902)	(87%)
RLF Portfolio - Current	8,643	86,034	(77,391)	(90%)
SSBCI Portfolio - Current	13,384	259,890	(246,506)	(95%)
Stabilization - Current	11,211	10,990	221	2%
Prepaid Expenses	-	2,471	(2,471)	(100%)
Total Other Current Assets	<u>60,787</u>	<u>561,836</u>	<u>(501,049)</u>	<u>(89%)</u>
Total Current Assets	<u>1,899,485</u>	<u>2,212,129</u>	<u>(312,644)</u>	<u>(14%)</u>
Other Assets				
Fed EDA RLF - Non-Current	819,856	-	819,856	100%
RLF Portfolio - Non-Current	200,949	225,131	(24,182)	(11%)
SSBCI Portfolio - Non-Current	795,368	588,055	207,313	35%
Stabilization - Non-Current	7,506	52,018	(44,512)	(86%)
Allowance for Loan Losses	(23,856)	(21,626)	(2,230)	(10%)
Total Other Assets	<u>1,799,823</u>	<u>843,578</u>	<u>956,245</u>	<u>113%</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 3,699,308</u></u>	<u><u>\$ 3,055,707</u></u>	<u><u>\$ 643,601</u></u>	<u><u>21%</u></u>

**Big Sky Economic Development Corporation**  
**Balance Sheet - Previous Year Comparison**  
**As of March 31, 2023**

	Mar 31, 2023	Mar 31, 2022	\$ Change	% Change
<b>LIABILITIES &amp; NET ASSETS</b>				
Current Liabilities				
Accounts Payable	\$ 204,410	\$ 810	\$ 203,600	25,136%
Credit Cards	11,211	2,835	8,376	295%
Other Current Liabilities				
Due to/Due From EDA	61,713	54,096	7,617	14%
Accrued Expenses	-	23,109	(23,109)	(100%)
Deferred 504 Revenue	-	28,194	(28,194)	(100%)
Total Other Current Liabilities	61,713	105,399	(43,686)	(41%)
Total Current Liabilities	277,334	109,044	168,290	154%
Net Assets				
Net Assets Beginning of Year	2,939,820	2,870,030	69,790	2%
Federal EDA RLF Temp Restricted	1,015,934	-	1,015,934	100%
Prior Period Adjustment	(437,034)	-	(437,034)	(100%)
Change in Net Assets	(96,746)	76,633	(173,379)	(226%)
Total Net Assets	3,421,974	2,946,663	475,311	16%
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b>\$ 3,699,308</b>	<b>\$ 3,055,707</b>	<b>\$ 643,601</b>	<b>21%</b>

**Big Sky Economic Development Corporation**  
**Statement of Operations - Actual vs Budget**  
**For the Month and YTD Ended March 31, 2023**

	Month			YTD			Fiscal Year
	Actual	Budget	Variance	Actual	Budget	Variance	Annual Budget
Operating Revenue							
504 Loan Servicing	\$ 32,633	\$ 33,050	\$ (417)	\$ 294,973	\$ 297,454	\$ (2,481)	\$ 396,605
504 CDC Origination Fees	80,321	15,000	65,321	152,485	135,000	17,485	180,000
504 CDC Closing/Attorney Fee	5,000	4,167	833	17,084	37,500	(20,416)	50,000
Float Income	-	-	-	23,889	5,000	18,889	10,000
Member Investment	-	-	-	179,171	211,500	(32,329)	282,000
Federal EDA RLF Loan Interest	2,168	-	2,168	12,997	-	12,997	-
RLF Business Loan Interest	934	1,300	(366)	9,953	11,700	(1,747)	15,600
Stabilization Loan Interest	37	37	-	559	559	-	634
SSBCI Orig Fees/Loan Interest	2,032	1,500	532	20,243	13,500	6,743	18,000
Loan Processing Fees	-	1,969	(1,969)	34,846	17,721	17,125	23,628
Grant Administration	3,329	4,167	(838)	5,143	37,500	(32,357)	50,000
Donation Income	-	-	-	600	-	600	-
Miscellaneous Income	-	-	-	-	-	-	15,000
<b>Total Operating Revenue</b>	<b>126,454</b>	<b>61,190</b>	<b>65,264</b>	<b>751,943</b>	<b>767,434</b>	<b>(15,491)</b>	<b>1,041,467</b>
Operating Expense							
Advertising	150	-	150	150	-	150	-
Board Expenses	680	3,933	(3,253)	3,050	4,600	(1,550)	4,850
Business Accelerator	-	833	(833)	-	7,500	(7,500)	10,000
Business Recruitment	-	1,250	(1,250)	2,599	11,250	(8,651)	15,000
Conferences/Professional Devel	4,094	-	4,094	9,057	4,810	4,247	6,455
Contingency	-	833	(833)	-	7,500	(7,500)	10,000
Dues and Subscriptions	2,848	2,846	2	17,432	20,003	(2,571)	21,667
EDA Reimbursement	58,520	60,077	(1,557)	552,969	540,693	12,276	720,924
Event Expense	-	2,500	(2,500)	13,731	13,000	731	25,500
Hosted Meeting Expense	992	367	625	8,459	9,000	(541)	12,000
Insurance	1,762	921	841	8,815	9,488	(673)	12,250
Investment in Economic Activity	-	-	-	-	-	-	2,500
Loan Expenses	8,725	1,000	7,725	19,092	9,000	10,092	12,000
Marketing	4,929	2,625	2,304	39,246	24,703	14,543	32,578
Membership Development	-	1,100	(1,100)	1,303	9,900	(8,597)	13,200
Office Supplies	830	200	630	8,046	2,000	6,046	2,600
Postage	-	70	(70)	1,671	630	1,041	840
Professional Development	-	375	(375)	-	3,375	(3,375)	4,500
Professional Fees	2,280	4,333	(2,053)	37,884	76,850	(38,966)	89,850
R31 Outreach	-	-	-	1,715	-	1,715	-
Rent	416	340	76	6,371	5,790	581	6,809
Sponsorships	-	3,000	(3,000)	3,580	5,000	(1,420)	7,000
Staff Expenses	881	483	398	6,060	7,350	(1,290)	8,800
Telecommunications	345	695	(350)	3,455	6,202	(2,747)	8,286
Travel	2,650	4,550	(1,900)	22,274	25,243	(2,969)	25,843
Miscellaneous	88	207	(119)	1,844	2,040	(196)	2,661
<b>Total Operating Expense</b>	<b>90,190</b>	<b>92,538</b>	<b>(2,348)</b>	<b>768,803</b>	<b>805,927</b>	<b>(37,124)</b>	<b>1,056,113</b>
<b>Net Operating Revenue (Expense)</b>	<b>36,264</b>	<b>(31,348)</b>	<b>67,612</b>	<b>(16,860)</b>	<b>(38,493)</b>	<b>21,633</b>	<b>(14,646)</b>

**Big Sky Economic Development Corporation**  
**Statement of Operations - Actual vs Budget**  
**For the Month and YTD Ended March 31, 2023**

	Month			YTD			Fiscal Year
	Actual	Budget	Variance	Actual	Budget	Variance	Annual Budget
Non-Operating Income/Expense							
Non-Operating Income							
BSTSP Capital Campaign	-	-	-	26,000	-	26,000	-
Interest Income	197	1,500	(1,303)	1,414	13,500	(12,086)	18,000
Total Non-Operating Income	197	1,500	(1,303)	27,414	13,500	13,914	18,000
Non-Operating Expense							
Contribution Expense	-	-	-	92,800	-	92,800	-
Bad Debt Expense	-	-	-	14,500	-	14,500	-
Total Non-Operating Expense	-	-	-	107,300	-	107,300	-
Net Non-Operating Income (Expense)	197	1,500	(1,303)	(79,886)	13,500	(93,386)	18,000
Change in Net Assets	\$ 36,461	\$ (29,848)	\$ 66,309	\$ (96,746)	\$ (24,993)	\$ (71,753)	\$ 3,354

**Big Sky Economic Development Authority**  
**Financial Report for Board of Directors - June 8, 2023 Board Meeting**  
**For the Month and Year to Date ended April 30, 2023**

The following financial statements for Big Sky EDA consist of the Balance Sheet reporting the assets, liabilities, and net assets as of April 30, 2023, and the Statements of Operations reporting actual revenues and expenses for the month and YTD then ended as compared to budgeted amounts.

**Balance Sheet**

Current assets at the end of February were approximately \$4,409,000, a decrease of about \$72,000 as compared to the previous month. The decrease is attributed to the decrease in the accounts receivable balance of approximately \$85,000. Total accounts receivable was \$511,632, all deemed fully collectible.

Due To/Due From EDC totaled \$57,945 at the end of April and consists of amounts due from EDC for the current month. The Tax levy receivable was comparable with the previous month. Protested tax levy receivable was collected during April, so both the receivable and its related allowance for doubtful accounts were brought down to \$Zero. Note that the organization records an allowance of 100% of protested tax levy receivable to allow for potentially uncollectible protested tax levy.

Total fixed assets decreased approximately \$21,600 due to the recording of depreciation expense that increase accumulated depreciation. There were no new fixed asset additions in April.

Current liabilities at the end of April were approximately \$392,500, an increase of approximately \$69,000 as compared to the previous month. Accrued expenses are primarily for salary/benefits accruals and total about \$65,000. Compensated absences total approximately \$138,500.

Long Term liabilities remained at approximately \$957,000. This consists primarily of deferred inflow of resources and pension liability, both related to Big Sky EDA's obligation to the Public Employee Retirement System. These amounts are adjusted at the end of each fiscal year in accordance with governmental accounting requirements for recognizing long-term obligations for defined pension benefits, so the amounts will remain unchanged until the end of FY23.

**Statements of Operations**

For the first ten months of the fiscal year, Big Sky EDA is in a net revenue position. The Statement of Operations shows positive Change in Net Assets of approximately \$520,000 compared to budget of a negative Change in Net Assets of approximately \$39,000. This consists of Net Operating Revenue of approximately \$631,000 less Net Non-Operating Expenses of approximately \$111,000.

Most budgeted operating revenue sources are close to meeting budgeted revenues except for EDA – Brownfields which is under budget by about \$134,000. However, the budgeted revenue for

EPA-Brownfields is entirely offset by the budgeted expense for this grant, so it has no effect on the bottom line. Grant administration, which consists primarily of administration revenues for Big Sky Trust Fund awards, and other intergovernmental revenue, which consists of façade grant awards from the City of Billings, amount to a combined total of approximately \$87,000 which exceeds the budgeted revenue of \$5,000.

Most operating expenses remained under budget for the fiscal year to date through March. Total operating expenses are under budget by about \$490,000. Salaries/wages and employer contributions were under budget by about \$170,000 due to vacancy savings. Professional fees were under budget by approximately \$129,000. Note that the expenses related to EPA-Brownfields would be charged to professional fees, which is approximately \$139,000 of that budget, and directly corresponds to the related revenue.

Non-operating income and expenses consist primarily of contribution revenue and depreciation expense. Big Sky EDA recognized contribution revenue of \$60,300 for the fiscal year to date through April, which is being tracked in the non-operating section. These donations were received for the Big Sky to Sky Point project. Depreciation amounted to approximately \$167,000. The net result is net non-operating expense of approximately \$111,000.

**Big Sky EDA**  
**Balance Sheet - Previous Year Comparison**  
**As of April 30, 2023**

	Apr 30, 2023	Apr 30, 2022	\$ Change	% Change
<b>ASSETS</b>				
Current Assets				
Checking/Savings				
First Interstate Bank	\$ 338,663	\$ 219,383	\$ 119,280	54%
FIB - Recovered Property Taxes	626	150,626	(150,000)	(100%)
FIB - Operating Reserve	64,508	251,066	(186,558)	(74%)
Opportunity Fund - FIB	59,527	249,080	(189,553)	(76%)
Opportunity Fund - Stockman	86,140	85,487	653	1%
Opportunity Fund - Opportunity	288,390	627,813	(339,423)	(54%)
Stockman GE Maintenance	15,128	15,128	-	0%
Rocky Mountain - Money Market	43,286	43,308	(22)	(0%)
Valley Federal - Savings	25	25	-	0%
Valley Federal - Money Market	300,810	300,660	150	0%
Opportunity Fund CDs-current	1,734,416	2,225,441	(491,025)	(22%)
Altana - Savings	25	25	-	0%
Yellowstone County Funds	353,084	254,646	98,438	39%
Clearing Account	19	-	19	100%
<b>Total Checking/Savings</b>	<b>3,284,647</b>	<b>4,422,688</b>	<b>(1,138,041)</b>	<b>(26%)</b>
Accounts Receivable				
Accounts Receivable	279,955	251,454	28,501	11%
Accounts Receivable - PTAC	48,222	-	48,222	100%
Accounts Receivable - DOD	100,137	109,376	(9,239)	(8%)
Accounts Receivable - SBDC	22,548	30,839	(8,291)	(27%)
Accounts Receivable - VBOC	60,770	123,492	(62,722)	(51%)
<b>Total Accounts Receivable</b>	<b>511,632</b>	<b>515,161</b>	<b>(3,529)</b>	<b>(1%)</b>
Other Current Assets				
Due To/Due From EDC	57,945	61,412	(3,467)	(6%)
Grants Receivable	-	50,000	(50,000)	(100%)
Tax Levy Receivable	541,803	521,364	20,439	4%
Tax Levy Receivable - Protested	-	20,063	(20,063)	(100%)
Allowance for Doubtful Accts	-	(20,063)	20,063	100%
American Revenue Guarantee	6,887	6,887	-	0%
Prepaid Expenses	6,269	15,753	(9,484)	(60%)
<b>Total Other Current Assets</b>	<b>612,904</b>	<b>655,416</b>	<b>(42,512)</b>	<b>(6%)</b>
<b>Total Current Assets</b>	<b>4,409,183</b>	<b>5,593,265</b>	<b>(1,184,082)</b>	<b>(21%)</b>
Fixed Assets				
Construction in Progress	-	3,011,542	(3,011,542)	(100%)
Bank Building - Land	301,750	301,750	-	0%
Bank Building - Building	6,291,462	1,473,250	4,818,212	327%
Furniture	227,169	-	227,169	100%
Equipment	6,700	-	6,700	100%
Barista Equipment	12,000	-	12,000	100%
Accumulated Depreciation	(213,926)	(47,220)	(166,706)	(353%)
<b>Total Fixed Assets</b>	<b>6,625,155</b>	<b>4,739,322</b>	<b>1,885,833</b>	<b>40%</b>
Other Assets				
Deferred Outflow of Resources	129,336	249,285	(119,949)	(48%)
Opportunity Fund CDs-Noncurrent	642,380	150,952	491,428	326%
Deposit	5,181	5,008	173	3%
Cabelas Conduit x0603	4,895	9,649	(4,754)	(49%)
Right of Use Asset	6,904	-	6,904	100%
<b>Total Other Assets</b>	<b>788,696</b>	<b>414,894</b>	<b>373,802</b>	<b>90%</b>
<b>TOTAL ASSETS</b>	<b>\$ 11,823,034</b>	<b>\$ 10,747,481</b>	<b>\$ 1,075,553</b>	<b>10%</b>



**Big Sky EDA**  
**Balance Sheet - Previous Year Comparison**  
**As of April 30, 2023**

	Apr 30, 2023	Apr 30, 2022	\$ Change	% Change
<b>LIABILITIES &amp; NET ASSETS</b>				
Liabilities				
Current Liabilities				
Accounts Payable	\$ 168,406	\$ 83,877	\$ 84,529	101%
Credit Cards	11,156	14,504	(3,348)	(23%)
Other Current Liabilities				
Accrued Expenses	70,060	112,541	(42,481)	(38%)
Compensated Absences	138,533	165,161	(26,628)	(16%)
Payroll Liabilities	(4,585)	(335)	(4,250)	(1,269%)
Deferred Revenues	9,000	50,000	(41,000)	(82%)
Total Other Current Liabilities	213,008	327,367	(114,359)	(35%)
Total Current Liabilities	392,570	425,748	(33,178)	(8%)
Long Term Liabilities				
Deferred Inflow of Resources	386,724	32,238	354,486	1,100%
Pension Liability	563,223	1,127,529	(564,306)	(50%)
Lease Liability	6,905	-	6,905	100%
Total Long Term Liabilities	956,852	1,159,767	(202,915)	(17%)
Total Liabilities	1,349,422	1,585,515	(236,093)	(15%)
Net Assets				
Net Assets Beginning of Year	7,242,523	5,222,746	2,019,777	39%
Contributed Capital	3,193,580	3,193,580	-	0%
Prior Period Adjustment	(482,470)	(482,470)	-	0%
Change in Net Assets	519,979	1,228,110	(708,131)	(58%)
Total Net Assets	10,473,612	9,161,966	1,311,646	14%
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b>\$ 11,823,034</b>	<b>\$ 10,747,481</b>	<b>\$ 1,075,553</b>	<b>10%</b>

**Big Sky EDA**  
**Statements of Operations-Actual vs Budget**  
**For the Month and YTD Ended April 30, 2023**

	Month			YTD			Fiscal Year
	Actual	Budget	Variance	Actual	Budget	Variance	Annual Budget
<b>Operating Revenue</b>							
County Taxes Mill Levy Revenue	\$ 397	\$ -	\$ 397	\$ 1,339,617	\$ 1,365,620	\$ (26,003)	\$ 1,365,620
Entitlement	-	-	-	191,551	186,567	4,984	248,756
Health Ins Mill Levy Revenue	6,890	8,966	(2,076)	72,875	89,658	(16,783)	107,590
Recovery of Protested Taxes	12,377			13,600			
Department of Defense	45,000	54,401	(9,401)	524,541	544,008	(19,467)	652,809
EDC Reimbursement	57,700	60,077	(2,377)	610,669	600,770	9,899	720,924
EPA - Brownfields	-	13,889	(13,889)	4,730	138,889	(134,159)	166,667
PTAC Advisor Agreement Support	3,000			27,000			
SBA/MT Dept of Commerce	11,253	13,542	(2,289)	136,305	135,417	888	162,500
SBDC Program Income	809			809			
VBOC	-	25,000	(25,000)	207,366	250,000	(42,634)	300,000
Rock31 Membership Revenue	7,028	5,052	1,976	50,665	35,616	15,049	45,720
Zoot/Other Room Rent Revenue	(50)			3,815			
Rent Income		600			6,000		7,200
Rock31 Barista Rent Revenue	-	765	(765)	-	6,120	(6,120)	7,650
Grant Administration	(27,620)	417	(28,037)	32,270	4,167	28,103	5,000
Other Intergovernmental Revenue	3,000	-	3,000	54,736	-	54,736	-
Miscellaneous Revenue	-	-	-	4,138	4,470	(332)	4,470
<b>Total Operating Revenue</b>	<b>119,784</b>	<b>182,709</b>	<b>(62,925)</b>	<b>3,274,687</b>	<b>3,367,302</b>	<b>(92,615)</b>	<b>3,794,906</b>
<b>Operating Expense</b>							
Salaries/Wages	124,027	148,898	(24,871)	1,359,749	1,488,981	(129,232)	1,786,776
Employer Contributions	39,749	47,385	(7,636)	432,706	473,849	(41,143)	568,619
Advertising	-	80	(80)	1,590	434	1,156	472
Barista Equipment Maintenance	250			3,138			
Barista Supplies	-			510			
Board Expenses	-			278			
Building Operations/Maintenance	6,682	8,554	(1,872)	62,053	85,542	(23,489)	102,650
Conferences	956	-	956	17,139	10,090	7,049	10,090
Contingency	-	5,000	(5,000)	-	50,000	(50,000)	60,000
Community Development Projects	316	5,000	(4,684)	(1,009)	5,000	(6,009)	35,000
Dues and Subscriptions	2,464	4,325	(1,861)	48,770	65,037	(16,267)	72,038
Event Expense	5,234	833	4,401	10,387	8,333	2,054	10,000
Hosted Meetings	738	1,278	(540)	4,654	15,033	(10,379)	17,700
Insurance	3,134	2,672	462	34,910	30,295	4,615	35,639
Marketing	4,487	7,520	(3,033)	61,201	75,204	(14,003)	90,245
Office Equipment	1,047	-	1,047	5,837	6,500	(663)	10,000
Office Expense and Supplies	657	2,042	(1,385)	40,359	21,618	18,741	25,701
Professional Development	40	163	(123)	8,211	6,125	2,086	6,450
Professional Fees	11,783	17,321	(5,538)	90,653	224,807	(134,154)	271,267
Property Tax Protests	-	-	-	12,320	34,141	(21,821)	34,141
PTAC Subcenter	45,000	37,233	7,767	308,910	372,330	(63,420)	446,796
Rent	877	-	877	27,188	1,700	25,488	2,100
Repairs	85	833	(748)	2,541	8,333	(5,792)	10,000
Special Assessments BID	-	-	-	1,900	1,900	-	3,800
Sponsorships	2,000	417	1,583	3,500	4,167	(667)	5,000
Staff Expenses	558	-	558	1,686	-	1,686	-
Strategic Priorities	-	1,250	(1,250)	5,000	12,500	(7,500)	15,000
Suspense	-			(126)			
TEDD	-	-	-	18	1,500	(1,482)	2,000
Telecommunications	4,133	3,914	219	40,494	38,807	1,687	46,635
Travel	6,774	6,876	(102)	52,059	74,871	(22,812)	76,588
Miscellaneous	687	1,175	(488)	6,795	37,656	(30,861)	45,187
<b>Total Operating Expense</b>	<b>261,678</b>	<b>302,769</b>	<b>(41,091)</b>	<b>2,643,421</b>	<b>3,154,753</b>	<b>(511,332)</b>	<b>3,789,894</b>
<b>Net Operating Revenue (Expense)</b>	<b>(141,894)</b>	<b>(120,060)</b>	<b>(21,834)</b>	<b>631,266</b>	<b>212,549</b>	<b>418,717</b>	<b>5,012</b>

**Big Sky EDA**  
**Statements of Operations-Actual vs Budget**  
**For the Month and YTD Ended April 30, 2023**

	Month			YTD			Fiscal Year
	Actual	Budget	Variance	Actual	Budget	Variance	Annual Budget
Non-Operating Income/Expense							
Other Income							
Non-Operating Income							
Capital Campaign	-			100			
Contribution Revenue	-	-	-	60,300	-	60,300	-
Interest Income	1,175	1,022	153	11,355	10,224	1,131	12,269
Total Non-Operating Income	1,175	1,022	153	71,755	10,224	61,531	12,269
Non-Operating Expense							
Amortization Expense	113			1,087			
Depreciation Expense	21,574	18,820	2,754	166,706	188,196	(21,490)	225,835
Interest Expense	60			646			
Relocation/BSTSP Transformation	-	-	-	14,603	73,710	(59,107)	73,710
Total Non-Operating Expense	21,747	18,820	2,927	183,042	261,906	(78,864)	299,545
Net Non-Operating Income (Expense)	(20,572)	(17,798)	(2,774)	(111,287)	(251,682)	140,395	(287,276)
Change in Net Assets	\$ (162,466)	\$ (137,858)	\$ (24,608)	\$ 519,979	\$ (39,133)	\$ 559,112	\$ (282,264)

**Big Sky Economic Development Corporation**  
**Financial Report for Board of Directors - June 8, 2023 Board Meeting**  
**For the Month and Year to Date ended April 30, 2023**

The following financial statements for Big Sky EDC consist of the Balance Sheet reporting the assets, liabilities, and net assets as of April 30, 2023, and the Statements of Operations reporting actual revenues and expenses for the month and YTD then ended as compared to budgeted amounts.

**Balance Sheet**

Current assets at the end of April were approximately \$1,923,000, an increase of about \$24,000 as compared to the previous month. Cash used in operations decreased approximately \$33,000 and accounts receivable increased approximately \$76,000 with the 4<sup>th</sup> quarter FY23 Member Investor invoices sent out in April. Member investor pledges of \$127,750 are deemed collectible but will be evaluated again as part of the year-end financial reporting procedures.

Other assets consist of Big Sky Finance loan portfolios. The portfolios are reported in the balance sheet with the current portion included in other current assets and the balance extending beyond the fiscal year reported as other assets. The total Federal EDA RLF portfolio was \$837,372, total RLF portfolio was \$206,959, the total Stabilization Loan portfolio was \$15,495, and the total SSBCI portfolio was \$805,400.

Accounts payable totaled approximately \$189,000 at the end of April, a decrease of about \$27,000. Due to/Due from EDA totaled \$57,945 and represents the amount owed to EDA from EDC for April reimbursements.

The Balance Sheet for Big Sky EDC was updated in February to include a line item in the equity section to report the Federal EDA RLF funds as temporarily restricted net assets since they must remain segregated until the funds have been de-federalized. These loan funds were previously being reported as non-operating income at the time the funds were received, which overstated the statement of operations for both FY22 and for the first 7 months of the current fiscal year through January 2023. We have corrected the accounting for Federal EDA RLF funds. To recognize the effect that the misstatement had on FY22 financial statements, a prior period adjustment was made in the equity section to reduce retained earnings.

**Statement of Operations**

For the first ten months of the fiscal year, Big Sky EDC is in a net loss position. The Statement of Operations shows a negative Change in Net Assets of approximately \$64,000 compared to the positive budget position of approximately \$18,000. This consists of Net Operating Revenue of approximately \$15,700 and Net Non-Operating expense of approximately \$79,700. It is projected that Big Sky EDC will improve its overall position by the end of the fiscal year with additional loans that will be funded in the final 2 months.

Total operating revenue was under budget by approximately \$14,500. Loan origination, servicing, closing revenue, and float income totaled approximately \$545,500 through April and exceeded budget by about \$18,000. Member investment revenue totaled approximately

\$267,600, which was below budget by about \$14,000. Grant administration revenue was anticipated to be collected for the administration of the Federal EDA RLF grant and was budgeted at \$50,000, but only \$4,892 has been realized so far in FY23.

Total operating expenses amount to approximately \$869,000 and are under budget by about \$27,000.

Non-operating income and expense consist primarily of Big Sky to Sky Point capital campaign income, contribution expenses, and bad debt expense. Big Sky EDC recognized \$26,000 in income from Capital Campaign pledges in FY23. Contribution expense relates to contributions made by Big Sky EDC for some construction costs of the new building. It amounts to approximately \$92,800 and was not budgeted. Bad debt expense consists of write-offs of aged member investment pledges that are deemed uncollectible. The amount written off is \$14,500.

**Big Sky Economic Development Corporation**  
**Balance Sheet - Previous Year Comparison**  
**As of April 30, 2023**

	Apr 30, 2023	Apr 30, 2022	\$ Change	% Change
<b>ASSETS</b>				
Current Assets				
Checking/Savings				
First Interstate Bank	\$ 218,608	\$ 212,098	\$ 6,510	3%
FIB/Stockman - SSBCI Principal	500,570	749,123	(248,553)	(33%)
FIB - Long Term Reserve	250,000	250,000	-	0%
FIB - Opportunity Fund	60,918	60,896	22	0%
FIB - Federal EDA RLF	413,916	95,095	318,821	335%
FIB - RLF	292,603	183,231	109,372	60%
Charles Schwab Investment Accou	-	-	-	0%
Total Checking/Savings	<u>1,736,615</u>	<u>1,550,443</u>	<u>186,172</u>	<u>12%</u>
Accounts Receivable				
Pledges Receivable	7,500	95,100	(87,600)	(92%)
Accounts Receivable	127,750	133,918	(6,168)	(5%)
Total Accounts Receivable	<u>135,250</u>	<u>229,018</u>	<u>(93,768)</u>	<u>(41%)</u>
Other Current Assets				
Undeposited Funds	8,750	-	8,750	100%
Fed EDA RLF Portfolio - Current	18,818	198,902	(180,084)	(91%)
RLF Portfolio - Current	6,010	83,810	(77,800)	(93%)
SSBCI Portfolio - Current	10,032	257,372	(247,340)	(96%)
Stabilization - Current	7,989	7,333	656	9%
Prepaid Expenses	-	2,471	(2,471)	(100%)
Total Other Current Assets	<u>51,599</u>	<u>549,888</u>	<u>(498,289)</u>	<u>(91%)</u>
Total Current Assets	<u>1,923,464</u>	<u>2,329,349</u>	<u>(405,885)</u>	<u>(17%)</u>
Other Assets				
Fed EDA RLF - Non-Current	818,554	-	818,554	100%
RLF Portfolio - Non-Current	200,949	225,131	(24,182)	(11%)
SSBCI Portfolio - Non-Current	795,368	588,055	207,313	35%
Stabilization - Non-Current	7,506	52,018	(44,512)	(86%)
Allowance for Loan Losses	(23,856)	(21,626)	(2,230)	(10%)
Total Other Assets	<u>1,798,521</u>	<u>843,578</u>	<u>954,943</u>	<u>113%</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 3,721,985</u></u>	<u><u>\$ 3,172,927</u></u>	<u><u>\$ 549,058</u></u>	<u><u>17%</u></u>

**Big Sky Economic Development Corporation**  
**Balance Sheet - Previous Year Comparison**  
**As of April 30, 2023**

	Apr 30, 2023	Apr 30, 2022	\$ Change	% Change
<b>LIABILITIES &amp; NET ASSETS</b>				
Liabilities				
Current Liabilities				
Accounts Payable	\$ 179,682	\$ 86	\$ 179,596	208,833%
Credit Cards	9,600	9,268	332	4%
Other Current Liabilities				
Due to/Due From EDA	57,945	61,411	(3,466)	(6%)
Accrued Expenses	20,000	17,544	2,456	14%
Deferred 504 Revenue	-	28,194	(28,194)	(100%)
Total Other Current Liabilities	77,945	107,149	(29,204)	(27%)
Total Current Liabilities	267,227	116,503	150,724	129%
Total Liabilities	267,227	116,503	150,724	129%
Net Assets				
Net Assets Beginning of Year	2,939,820	2,870,030	69,790	2%
Federal EDA RLF Temp Restricted	1,015,934	-	1,015,934	100%
Prior Period Adjustment	(437,034)	-	(437,034)	(100%)
Change in Net Assets	(63,962)	186,394	(250,356)	(134%)
Total Net Assets	3,454,758	3,056,424	398,334	13%
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b>\$ 3,721,985</b>	<b>\$ 3,172,927</b>	<b>\$ 549,058</b>	<b>17%</b>

**Big Sky Economic Development Corporation  
Statement of Operations - Actual vs Budget  
For the Month and YTD Ended April 30, 2023**

	Month			YTD			Fiscal Year
	Actual	Budget	Variance	Actual	Budget	Variance	Annual Budget
Operating Revenue							
504 Loan Servicing	\$ 34,747	\$ 33,050	\$ 1,697	\$ 329,720	\$ 330,505	\$ (785)	\$ 396,605
504 CDC Origination Fees	-	15,000	(15,000)	171,865	150,000	21,865	180,000
504 CDC Closing/Attorney Fee	-	4,167	(4,167)	20,000	41,667	(21,667)	50,000
Federal EDA RLF Loan Orig	-	-	-	2,837	-	2,837	-
Float Income	-	-	-	23,889	5,000	18,889	10,000
Member Investment	88,500	70,500	18,000	267,671	282,000	(14,329)	282,000
Federal EDA RLF Loan Interest	3,225	-	3,225	16,223	-	16,223	-
RLF Business Loan Interest	1,003	1,300	(297)	10,955	13,000	(2,045)	15,600
Stabilization Loan Interest	27	31	(4)	586	590	(4)	634
SSBCI Orig Fees/Loan Interest	2,233	1,500	733	22,476	15,000	7,476	18,000
Loan Processing Fees	-	1,969	(1,969)	12,880	19,690	(6,810)	23,628
Grant Administration	-	4,167	(4,167)	4,892	41,667	(36,775)	50,000
Donation Income	-	-	-	600	-	600	-
Miscellaneous Income	-	-	-	-	-	-	15,000
<b>Total Operating Revenue</b>	<b>129,735</b>	<b>131,684</b>	<b>(1,949)</b>	<b>884,594</b>	<b>899,119</b>	<b>(14,525)</b>	<b>1,041,467</b>
Operating Expense							
Advertising	-	-	-	150	-	150	-
Board Expenses	600	83	517	3,651	4,683	(1,032)	4,850
Business Accelerator	-	833	(833)	-	8,333	(8,333)	10,000
Business Recruitment	-	1,250	(1,250)	2,599	12,500	(9,901)	15,000
Conferences/Professional Devel	2,676	-	2,676	11,732	4,810	6,922	6,455
Contingency	-	833	(833)	-	8,333	(8,333)	10,000
Dues and Subscriptions	3,312	1,055	2,257	20,744	21,057	(313)	21,667
EDA Reimbursement	57,700	60,077	(2,377)	610,669	600,770	9,899	720,924
Event Expense	4,644	10,000	(5,356)	18,374	23,000	(4,626)	25,500
Hosted Meeting Expense	96	2,267	(2,171)	8,555	11,267	(2,712)	12,000
Insurance	881	921	(40)	9,696	10,409	(713)	12,250
Investment in Economic Activity	-	-	-	-	-	-	2,500
Loan Expenses	220	1,000	(780)	22,228	10,000	12,228	12,000
Marketing	2,886	2,625	261	42,132	27,328	14,804	32,578
Membership Development	-	1,100	(1,100)	1,303	11,000	(9,697)	13,200
Office Supplies	7	200	(193)	8,053	2,200	5,853	2,600
Postage	23	70	(47)	1,694	700	994	840
Professional Development	-	375	(375)	-	3,750	(3,750)	4,500
Professional Fees	20,000	4,333	15,667	57,884	81,183	(23,299)	89,850
R31 Outreach	-	-	-	1,715	-	1,715	-
Rent	416	340	76	6,788	6,130	658	6,809
Sponsorships	1,050	-	1,050	4,630	5,000	(370)	7,000
Staff Expenses	99	483	(384)	6,159	7,833	(1,674)	8,800
Telecommunications	345	695	(350)	3,800	6,897	(3,097)	8,286
Travel	2,124	1,200	924	24,398	26,443	(2,045)	25,843
Miscellaneous	59	207	(148)	1,903	2,247	(344)	2,661
<b>Total Operating Expense</b>	<b>97,138</b>	<b>89,947</b>	<b>7,191</b>	<b>868,857</b>	<b>895,873</b>	<b>(27,016)</b>	<b>1,056,113</b>
<b>Net Operating Revenue (Expense)</b>	<b>32,597</b>	<b>41,737</b>	<b>(9,140)</b>	<b>15,737</b>	<b>3,246</b>	<b>12,491</b>	<b>(14,646)</b>



**Big Sky Economic Development Corporation  
Statement of Operations - Actual vs Budget  
For the Month and YTD Ended April 30, 2023**

	Month			YTD			Fiscal Year
	Actual	Budget	Variance	Actual	Budget	Variance	Annual Budget
Non-Operating Income/Expense							
Non-Operating Income							
BSTSP Capital Campaign	-	-	-	26,000	-	26,000	-
Interest Income	187	1,500	(1,313)	1,601	15,000	(13,399)	18,000
Total Non-Operating Income	187	1,500	(1,313)	27,601	15,000	12,601	18,000
Non-Operating Expense							
Contribution Expense	-	-	-	92,800	-	92,800	-
Bad Debt Expense	-	-	-	14,500	-	14,500	-
Total Non-Operating Expense	-	-	-	107,300	-	107,300	-
Net Non-Operating Income (Expense)	187	1,500	(1,313)	(79,699)	15,000	(94,699)	18,000
Change in Net Assets	\$ 32,784	\$ 43,237	\$ (10,453)	\$ (63,962)	\$ 18,246	\$ (82,208)	\$ 3,354

## FY24 Budget

	EDA		EDC		Total	
	FY23 Budget	FY24 Budget	FY23 Budget	FY24 Budget	FY23 Budget	FY24 Budget
<b>Operating Revenue</b>						
Admin/Central Services	1,724,781	1,810,242			1,724,781	1,810,242
BSTSP					-	-
Communications & Outreach	98,250	110,763			98,250	110,763
Community Development	179,387	351,053			179,387	351,053
Big Sky Finance	506,588	529,451	762,467	785,018	1,269,055	1,314,469
Member Investor	53,381	69,882	282,000	308,500	335,381	378,382
Recruitment	6,360	12,720	15,000		21,360	12,720
PTAC/Apex Accelerator	664,999	928,891				928,891
Rock31	73,290	100,060			73,290	100,060
SBDC	187,870	147,720			187,870	147,720
VBOC	300,000	305,000			300,000	305,000
Workforce					-	-
Total Operating Revenue	<b>3,794,906</b>	<b>4,365,782</b>	<b>1,059,467</b>	<b>1,093,518</b>	<b>4,854,373</b>	<b>5,459,300</b>
<b>Operating Expenses</b>						
Admin/Central Services	982,164	860,843	131,765	145,650	1,113,929	1,006,493
BSTSP					-	-
Communications & Outreach	245,579	290,448	157,744	148,033	403,323	438,481
Community Development	429,986	600,334			429,986	600,334
Big Sky Finance	515,248	514,051	635,411	635,411	1,150,659	1,149,462
Member Investor	49,700	153,759	67,289	78,902	116,989	232,661
Recruitment	103,718	184,369	57,656	41,500	161,374	225,869
PTAC/Apex Accelerator	674,402	893,935			674,402	893,935
Rock31	240,185	249,518	10,000	13,500	250,185	263,018
SBDC	259,135	220,338			259,135	220,338
VBOC	234,176	234,191			234,176	234,191
Workforce	55,600	49,200	2,000	3,000	57,600	52,200
Total Operating Expenses	<b>3,789,893</b>	<b>4,250,986</b>	<b>1,061,865</b>	<b>1,065,996</b>	<b>4,851,758</b>	<b>5,316,982</b>
<b>Net Operating Revenue (Expense)</b>	<b>5,013</b>	<b>114,796</b>	<b>(2,398)</b>	<b>27,522</b>	<b>2,615</b>	<b>142,318</b>

**Big Sky Economic Development Corporation**  
**Reinvestment of SBA 504 Program Net Income**  
**FY24 Budget**

	Communications and Outreach	Big Sky Finance	G&A	Member Investor	Recruitment	Rock31	Workforce	Total
<b>Operating Revenue</b>								
504 Loan Servicing		425,000						425,000
504 Loan Origination		198,000						198,000
504 Loan Closing Attorney Fees		25,000						25,000
Federal EDA RLF Loan Origination		2,500						2,500
Float Income		20,000						20,000
Member Investment				308,500				308,500
Federal EDA RLF Loan Interest		52,000						52,000
RLF Business Loan Interest		12,000						12,000
Stabilization Loan Interest		18						18
SSBCI Orig Fees/Loan Interest		18,000						18,000
Loan Processing Fee Income		25,000						25,000
Grant Administration		7,500						7,500
<b>Total Revenue</b>	<b>-</b>	<b>785,018</b>	<b>-</b>	<b>308,500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,093,518</b>
<b>Operating Expenses</b>								
Advertising		200						200
Board Expense - Appreciation & Meetings			500					500
Board Expense - Planning			500					500
Business Accelerator						10,000		10,000
Business Recruitment and Expansion					17,500			17,500
Conferences/Professional Development		4,000						4,000
Contingency			10,000					10,000
Dues and Subscriptions		17,500						17,500
EDA Reimbursement	99,103	529,451	102,400	63,522				794,476
Event Expense	8,000	2,700				500	2,500	13,700
Hosted Meetings	1,000	200		1,200	4,000		500	6,900
Insurance			12,250					12,250
Loan Processing Expense		18,000						18,000
Marketing - Departmental	17,000	1,000						18,000
Marketing - Organizational	15,000							15,000
Membership Development				10,000				10,000
Office Expense and Supplies		1,500		150				1,650
Postage		1,500		50				1,550
Professional Fees - Accounting			20,000					20,000
Professional Fees - Consulting		6,000		1,000	10,000			17,000
Professional Fees - Legal		25,000			5,000			30,000
Rent		6,000						6,000
Rock31 Outreach						3,000		3,000
Sponsorships	6,000	150						6,150
Telecommunications	1,680	1,560		780				4,020
Travel	250	20,000		1,500	5,000			26,750
Miscellaneous		650						650
<b>Total Operating Expenses</b>	<b>148,033</b>	<b>635,411</b>	<b>145,650</b>	<b>78,202</b>	<b>41,500</b>	<b>13,500</b>	<b>3,000</b>	<b>1,065,296</b>
<b>Net Operating Revenue</b>	<b>(148,033)</b>	<b>149,607</b>	<b>(145,650)</b>	<b>230,298</b>	<b>(41,500)</b>	<b>(13,500)</b>	<b>(3,000)</b>	<b>28,222</b>

<b>SBA 504 Program Contribution to Economic Development</b>	
504 Loan Servicing	\$ 425,000
504 Loan Origination	198,000
504 Loan Closing Attorney Fees	25,000
Float Income	20,000
<b>Total 504 Program-related Revenue</b>	<b>\$ 668,000</b>
Total Big Sky Finance Revenue	\$ 785,018
Total 504 Program-related Revenue	\$ 668,000
504-related Percentage of Total	85.09%
Total Big Sky Finance Expense	\$ 635,411
Total 504 Program-related Expense (85%)	\$ 540,694
Total 504 Program-related Revenue	\$ 668,000
Total 504 Program-related Expense (85%)	(540,694)
<b>Allowable for Economic Reinvestment</b>	<b>\$ 127,306</b>
Business Recruitment	41,500
Workforce Development	3,000
Communications and Outreach	148,033
Rock31 Entrepreneurial Program	13,500
<b>Total</b>	<b>\$ 206,033</b>